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FAMILY SHOPPING NOW A KIWI INSTITUTION – RETAIL NZ CALLS FOR GREATER RETAIL FREEDOM

Retail NZ has welcomed news from Paymark that spending in January was up 5.5% on last year, on the back of a good summer, and several public holidays, but cautioned that there are clouds on the horizon.

“Kiwis love to shop, and retail therapy is now a key pastime for families,” Retail NZ Chief Executive Mark Johnston said today. “The latest statistics from Paymark show that during the holidays, and on public holidays in particular, families love to get out together and go shopping. Not only does this contribute to family time, but it also helps drive the economy forward, supports jobs, and helps keep Kiwi business going.

“Retailers are looking forward to Waitangi Day this weekend, which we expect will also see Kiwi families hitting the shops, in addition to celebrating our national day.”

Mr Johnston cautioned though that, despite the good January results, the news isn't all rosy for the retail sector. “Spending is up, but families are spending less in individual transactions. There's real pressure on the retail sector, partly because of continued government inaction on levelling the playing field for foreign firms selling low value goods to New Zealanders. A loophole in legislation means that foreign firms don't have to charge GST or duty on low value goods being sold in New Zealand. This is effectively a reverse tariff that whacks New Zealand firms, and it is affecting the competitiveness of Kiwi retailers and Kiwi jobs.

"Retailers want urgent Government action to close this loophole, and to explore other ways of supporting retail. We are also keen to see a review of shop trading hours legislation. The current law is 25 years old and is filled with loopholes and exceptions and limits shoppers in an era where shopping is a key family activity.

“We are not saying all shops should open on public holidays – but they should have that choice, if it works for employees, shopowners and customers alike”.