

Dear Sir / Madam

My name is Vito Giarrusso I am one of four directors of our company named Zackella Holdings.

We have 2 supermarkets Exeter IGA Everyday situated at 118 main rd Exeter Tasmania purchased 2010 and Beauty Point Grocer at 173 Charles st Beauty Point purchased 2013 Tasmania.

As a business there are two costs that have increased significantly and impacted on us in the way we do business they are wages and electricity. Wages have increased by approximately 20 percent and electricity over 100 percent since 2010.

As you would appreciate we have been experiencing some challenges during this time and no doubt it will continue into the future.

The above would of been absorbed should sales kept up with the increased costs unfortunately this is not the case with our sales revenue and profit being down conservatively approximately 25 percent since 2010 and our projection for the future will show a further down turn.

Though difficult we believe the general retail award should be reviewed and changed in relation to penalty rates, introducing new weekend penalty rates and anyone working past 6.00pm Monday to Friday.

Currently as it stands anyone who does not have any formal education and is still studying and cannot work during so called business hrs are able to obtain on Sunday approximately \$44.00 per hr and Saturdays approximately \$38.00 per hr (20 year old).

With no qualifications this is undoubtedly lob sided a provision could be placed where a employee who is undertaking a higher education and cannot work between Monday to Friday from 7.00am till 5.00pm could be excluded from penalty rate payments after all we talking about employees who would move on to other opportunities after their education.

Further more our businesses are a 7day a week business that are currently open 6.30 am till 7.00 pm we have 18 employees. In our industry to us these are normal business hours not Monday to Friday 9.00am till 5.00pm.

We believe due to the above rates the general retail award requires an urgent review to bring it back where it is a win, win for all concerned. (Employees and Employers).

Obviously there are EBAs that employers could introduce once again additional costs in setting up, more red tape and governance would be required to ensure all is above board and equitable for all.

Recently South Australia abolished their penalty rates or reduced them under the retail award, however moved the costs to higher hourly rate! This defeats the whole purpose in assisting businesses if anything this will be an additional burden to business and in our view it will result to cut costs during the week and service levels to customers.

It is clear that penalty rates are required for employees, however they need to be fairer towards specific industries. Confidence in relation to hiring new employees and costs associated are ever more becoming an increasing issue for us.

More and more businesses will close on public holidays reduce their operating hrs over the weekend and during the week, which eventually have a massive impact on the economy and GST revenue.

We hope the feedback we have provided will assist and encourage in some form, changes being made.

Should you require any further information or clarification please do not hesitate to contact me.

Yours sincerely
Vito Giarrusso