



Woolworths Group New Zealand

Economic contribution of its operations to New Zealand

NZIER report to Woolworths NZ

August 2024

About NZIER

New Zealand Institute of Economic Research (NZIER) is an independent, not-for-profit economic consultancy that has been informing and encouraging debate on issues affecting Aotearoa New Zealand, for more than 65 years.

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Key points

Woolworths Group NZ is a significant contributor to the country's economic and social landscape through its operations in New Zealand. We estimate the company directly adds over \$1.6 billion to New Zealand's GDP annually and employs more than 23,000 people nationwide. This contribution is spread across the New Zealand regions, including the rural areas.

We find Woolworths Group NZ is a significant employer in the supermarket and grocery store industry, accounting for nearly 37 percent of the sector's employment nationally. The career advancement opportunities and clear pathways from entry-level positions to management roles for those employed by Woolworths Group NZ provide a contribution to the economy beyond just its expenditure on staff.

The company's economic footprint extends beyond the direct contribution from its operations to generate substantial indirect economic activity through its extensive supply chain. From the financial information provided by Woolworths NZ, we estimate Woolworths NZ's purchases of goods and services as part of its operations totalled \$6.3 billion in 2023, with the local suppliers of these goods and services employing a further 1,747 full-time equivalent jobs across industries such as building services, road transport, and administrative services as a result of Woolworths NZ's operations.

The company also demonstrates strong community engagement through partnerships with food rescue organisations and sustainability initiatives, supporting its goal of zero food waste in landfills by 2025. This includes Woolworths Group NZ's involvement with the Salvation Army in the support of its food banks.

Regionally, Woolworths Group NZ has a substantial impact across both urban and rural areas. Based on the information provided by Woolworths Group NZ, we estimate its operations contribute \$445 million to regional GDP in the rural areas, mainly in the Waikato and Bay of Plenty. Employment-wise, we estimate Woolworths Group NZ provides 5,555 jobs in rural areas out of 23,349 nationwide.

Our analysis shows that Woolworths Group NZ is a key contributor to regional economic development through its operations and active community participation across New Zealand. Its widespread presence and diverse initiatives underscore its importance to the nation's economic and social landscape.



Contents

1	Introduction	1
2	Approach.....	2
3	Nationwide economic contribution of Woolworths NZ.....	3
3.1	Direct economic contribution of Woolworths NZ	3
3.2	Indirect impact of Woolworths NZ	5
3.3	Economic contribution of FreshChoice and SuperValue	9
4	The regional impact of Woolworths Group NZ.....	10
4.1	Regional economic contribution.....	10
4.2	Regional employment.....	12
4.3	Urban-rural analysis.....	16
5	Supporting regional producers	20
6	An employer of choice	23
7	Supporting the community	25
7.1	Zero food waste	25
7.2	Salvation Army.....	26
8	Conclusion.....	27

Figures

Figure 1	Distribution of Woolworths NZ, Fresh Choice and SuperValue stores	3
Figure 2	Woolworth NZ's contribution to GDP	4
Figure 3	Woolworth NZ's employee benefit expenses	4
Figure 4	Woolworth NZ's purchases of intermediate inputs from other industries.....	6
Figure 5	Woolworths Group NZ's contribution to GDP.....	11
Figure 6	Woolworths Group NZ's contribution to GDP map.....	12
Figure 7	Woolworths Group NZ employee counts.....	14
Figure 8	Woolworths Group NZ employment map.....	15
Figure 9	Woolworth Group NZ's employment share across all supermarket and grocery stores.....	16
Figure 10	Woolworths Group NZ's rural/urban GDP contribution	18
Figure 11	Woolworths Group NZ rural/urban employment	19
Figure 12	Woolworths Group NZ's trade suppliers.....	21
Figure 13	Woolworth's non-trade suppliers	22



Tables

Table 1 Compound annual growth rate in Woolworths NZ GDP contribution and employee expenses.....	5
Table 2 Purchase of inputs through Woolworths NZ's operations, by industry	7
Table 3 Indirect employment supported through Woolworths NZ's operations, by industry	8
Table 4 Woolworths Group NZ's GDP contribution	10
Table 5 Woolworths Group NZ direct employment counts	13
Table 6 Woolworths Group NZ's rural/urban GDP contribution	16
Table 7 Woolworths Group NZ rural/urban employment counts.....	18

1 Introduction

Woolworths NZ commissioned NZIER to assess the economic contribution of its activities across New Zealand. We assess this impact at both the national and regional levels with a focus on the specific impacts on urban and rural areas. Beyond the economic contribution to New Zealand, we also consider the contribution of Woolworths Group NZ's community initiatives. Woolworths NZ operates more than 195 supermarkets, distribution centres, processing plants, and support offices across the country. In addition to these operations, Woolworths Group NZ serves as the franchisor for over 70 locally owned and operated FreshChoice/SuperValue stores. As part of the broader Woolworths Group NZ, the company plays a significant role in New Zealand's retail landscape.

Woolworths Group NZ supports New Zealand suppliers through its purchases of New Zealand fresh produce, products and services. Its employment policies support its employees to build their skills and develop career pathways. Woolworths Group NZ also contributes to Aotearoa New Zealand's wellbeing by supporting communities through its Food for Good programme, which aims to reduce its food waste to zero by 2025 and support the work of the Salvation Army. These programmes show the direct contribution of Woolworths Group NZ to food banks, as well as the minimisation of food waste.

Our analysis focuses on Woolworths Group NZ's economic impact, including its contribution to GDP, employment, and wages. Additionally, we examine its indirect contributions through the procurement of goods for its operations, encompassing both trade and non-trade suppliers.



2 Approach

We have estimated the economic contribution of Woolworths NZ's activities based on information in its financial statements. This assessment was undertaken at both the nationwide and regional levels. More granular store information provided by Woolworths Group NZ for its own stores and franchises allowed us to assess the contribution of Woolworth Group NZ's activities across the New Zealand regions.

Woolworths NZ's financial statements allow us to estimate its 'direct' contribution to the economy. We combined the information in Woolworths NZ's financial statements with Stats NZ's input-output tables¹ in order to estimate its 'indirect' contribution – the flow-on impact of Woolworths NZ's activities on the supporting industries it purchases its goods and services from.

In the following sections, we present our findings on the direct and indirect economic contribution of the Woolworths Group New Zealand's activities to the New Zealand economy across regions and industries.

Our analysis includes both Woolworths New Zealand-operated stores and franchise stores FreshChoice and SuperValue. To distinguish between them, we will refer to Woolworths New Zealand-operated stores simply as Woolworths NZ. When discussing both Woolworths New Zealand-operated stores and franchise stores collectively, we will use the term Woolworths Group NZ.

¹ Input-output tables show the relationships between industries, the goods and services they produce, and who uses them. <https://www.stats.govt.nz/reports/user-guide-for-national-accounts-input-output-tables-year-ended-march-2020/>

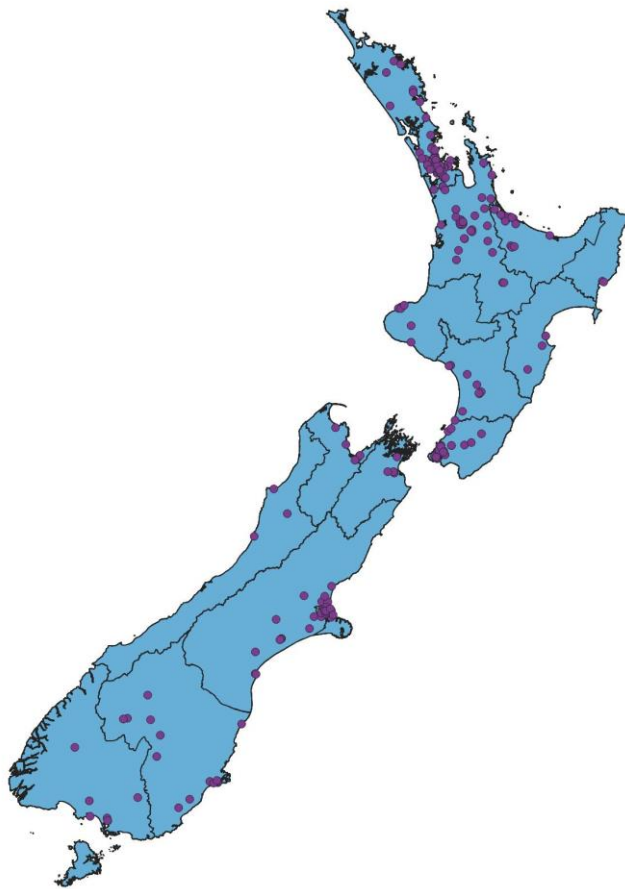


3 Nationwide economic contribution of Woolworths NZ

We estimate Woolworths NZ's contribution based on its financial statements over the period 2012 to 2023. We highlight the contribution of its activities in New Zealand to GDP and its employment impact and show the sectors directly supported by its purchases of goods and services.

We also present our findings on the economic contribution from the activities of Woolworths Group NZ's franchise stores, using estimates based on financial information on its FreshChoice and SuperValue stores throughout New Zealand.

Figure 1 Distribution of Woolworths NZ, Fresh Choice and SuperValue stores



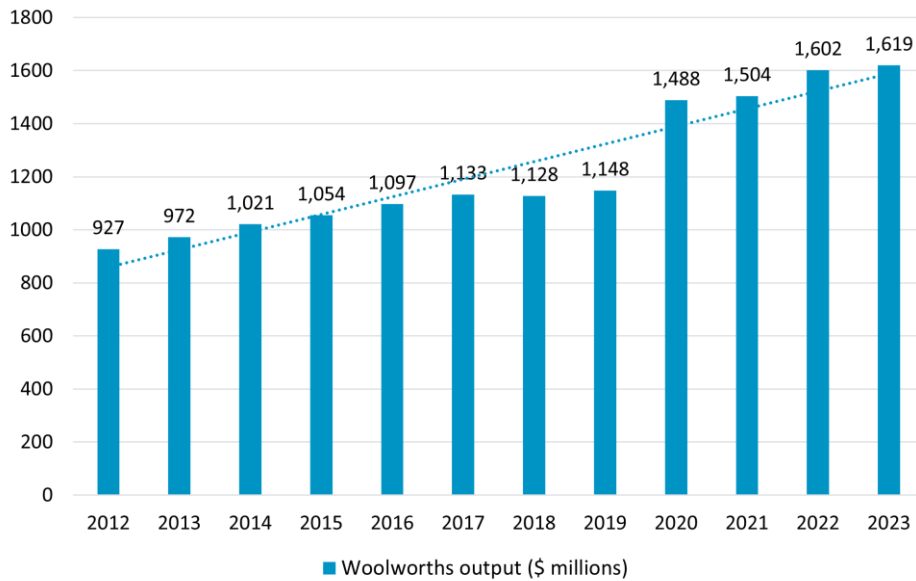
Source: Woolworths Group NZ

3.1 Direct economic contribution of Woolworths NZ

Woolworths NZ contributes directly to the economy, as measured by GDP, through its wages paid to employees, capital investments to upgrade facilities and operating surplus. We estimate Woolworths NZ made a direct contribution of \$1.6 billion to the New Zealand economy that, in the year ending June 2023, as shown in Figure 2, over the past decade, Woolworths NZ's contribution to the economy has increased from \$927 million in 2012 to \$1.6 billion in 2023.



Figure 2 Woolworth NZ's contribution to GDP

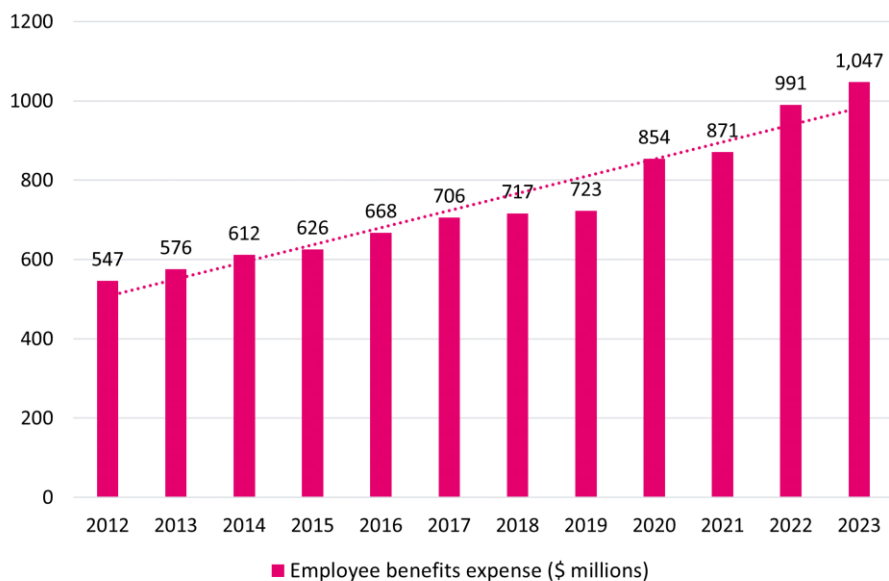


Source: Woolworths NZ, NZIER

The increase in GDP contribution is also reflected in the increase in Woolworths NZ's employment expenses. Figure 3 shows Woolworths NZ's expenditure on staff over the past decade. In 2023, Woolworths NZ paid a total of \$1.047 billion to its employees across New Zealand.

Figure 3 Woolworth NZ's employee benefit expenses

\$000s, annual expenditure



Source: Woolworths NZ, NZIER

The GDP contribution and employee expenses of Woolworths NZ have increased over the past decade. GDP contribution has risen steadily since 2012, including during the COVID-19-affected years since 2020. The compound annual growth rates (CAGR) for GDP contribution and employee expenses over 2012 to 2023 are 5.2 percent and 6.1 percent, respectively.

Table 1 Compound annual growth rate in Woolworths NZ GDP contribution and employee expenses

	CAGR 2012–2023
GDP contribution	5.2%
Employee expenses	6.1%

Source: Woolworths NZ, NZIER

3.2 Indirect impact of Woolworths NZ

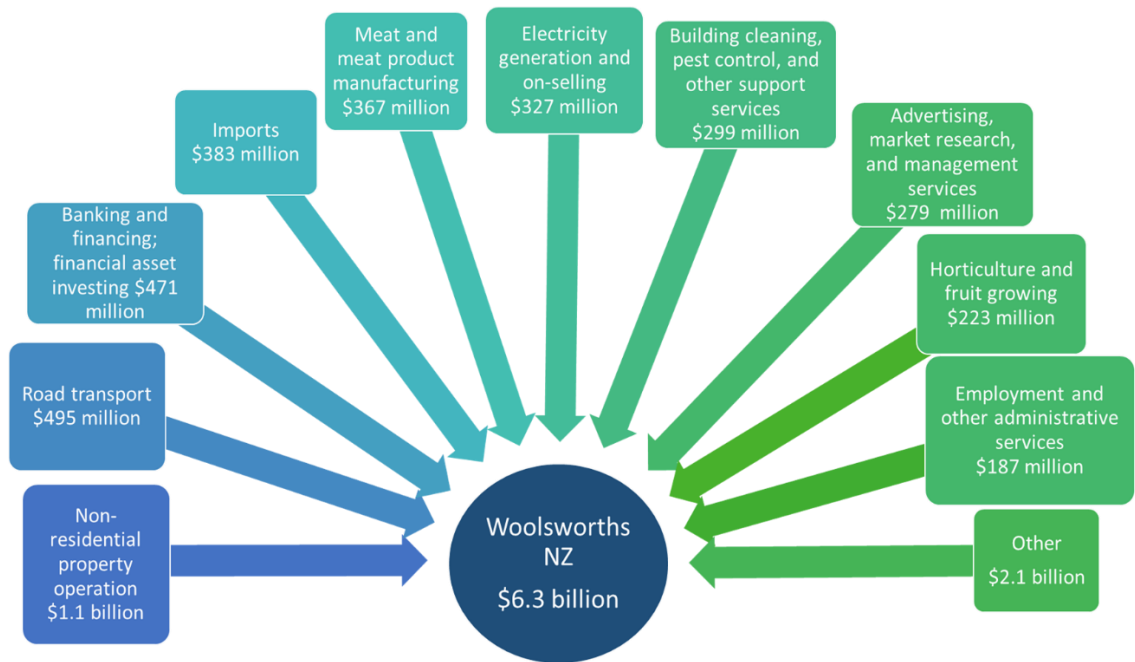
Beyond the direct impact of Woolworths NZ’s operations in New Zealand, its activities also generate flow-on economic contributions across the industries. This indirect contribution stems from the businesses that supply goods and services to Woolworths NZ to support its operations.

Based on the financial information provided by Woolworths NZ, we estimate that Woolworths NZ’s purchases of these intermediate inputs totalled \$6.3 billion in 2023. These intermediate inputs reflect Woolworths NZ’s purchases in order to undertake its operations and include a wide range of products and services, such as meat and horticultural products, transportation, cleaning services, and employment support services. These activities contribute to the broader economy by supporting local businesses, which in turn creates jobs.



Figure 4 Woolworths NZ's purchases of intermediate inputs from other industries

June year 2023



Source: Woolworths NZ, NZIER

We show the estimated intermediate purchases by Woolworths NZ in 2023 in Table 2. We estimate these purchases totalled \$6.3 billion, encompassing a wide range of intermediate inputs. We overlay this estimate with the information from the Stats NZ input-output tables to estimate the supporting industries these intermediate purchases go to. Some of the estimated major expenditures include \$1.1 billion spent on non-residential property operations, \$495 million on road transport, and \$471 million on banking and financial services. Additionally, Woolworths NZ spent \$383 million on imports,² \$367 million on meat and meat product manufacturing, and \$223 million on horticulture and fruit growing industries.

² All the other industries represent the amount Woolworths NZ is purchasing domestically, while 'Imports' captures how much imported goods Woolworths NZ are using for their operations.



Table 2 Purchase of inputs through Woolworths NZ's operations, by industry

June year 2023

Industry	Purchase of inputs \$ millions
Non-residential property operation	1,141
Road transport	495
Banking and financing; financial asset investing	471
Imports	383
Meat and meat product manufacturing	367
Electricity generation and on-selling	327
Building cleaning, pest control, and other support services	299
Advertising, market research, and management services	279
Horticulture and fruit growing	223
Employment and other administrative services	187
Other	2,138
Total	6,311

Source: Woolworths NZ, Stats NZ, NZIER

Woolworths NZ's activity as a retailer enables local producers to efficiently sell their products to consumers, effectively supporting numerous supply chain operations. The demand for support services such as cleaning, pest control, and administrative functions also leads to job creation in these sectors. Overall, these expenditures drive employment and economic growth across a wide array of industries, thereby bolstering the overall economy.

Table 3 Indirect employment supported through Woolworths NZ's operations, by industry

Full-time equivalent (FTE) employment counts, June year 2023

Industry	Jobs (FTEs) supported through Woolworths NZ's operations
Building cleaning, pest control, and other support services	236
Road transport	180
Employment and other administrative services	168
Advertising, market research, and management services	125
Horticulture and fruit growing	94
Banking and financing; financial asset investing	90
Meat and meat product manufacturing	79
Legal and accounting services	65
Religious services; civil, professional, and other interest groups ³	49
Public order, safety, and regulatory services	41
Polymer product and rubber product manufacturing	40
Non-residential property operation	38
Waste collection, treatment, and disposal services	36
Supermarket and grocery stores	35
Grocery, liquor, and tobacco product wholesaling	34
Auxiliary finance and insurance services	31
Transport support services	28
Other	378
Total	1,747

Source: Woolworths NZ, Stats NZ, NZIER

³ Religious services; civil, professional, and other interest groups includes ANZSIC code 954 and 955. For more information on what these industries capture please see: <https://www.abs.gov.au/statistics/classifications/australian-and-new-zealand-standard-industrial-classification-anzsic/2006-revision-2-0/detailed-classification/s/95>



As shown in Table 3, we estimate Woolworths NZ's purchases of goods and services through its operations resulted in the creation of 1,747 full-time equivalent (FTE) jobs in these supporting sectors. Specifically, 236 FTEs were supported in building cleaning, pest control, and other support services, while road transport saw 180 FTEs. Employment and other administrative services accounted for 168 FTEs, and advertising, market research, and management services supported 125 FTEs. In the food and fibre sector, Woolworths NZ's operations supported 94 FTEs in the horticulture and fruit growing industry and 79 FTEs in the meat and meat processing industry. These figures highlight the broad reach of Woolworths NZ's economic impact through job creation and economic growth across multiple industries.

3.3 Economic contribution of FreshChoice and SuperValue

In addition to the stores directly operated by Woolworths NZ, their franchise stores, FreshChoice and SuperValue, also contribute significantly to the economy through their operations. We estimate that, in the financial year ending June 2024, FreshChoice and SuperValue stores made a GDP contribution of \$144 million to the New Zealand economy.⁴

In terms of employment, we estimate, based on financial information provided by the Woolworths Group NZ, that FreshChoice and SuperValue employ about 2,400 people on an FTE basis.

Moreover, these economic and employment contributions are primarily in rural areas of New Zealand. FreshChoice and SuperValue play a role in supporting local economies and providing jobs in regions where resources may be more constrained and geographical challenges exist.

In the following section, we delve deeper into the regional economic contributions of Woolworths Group NZ.

⁴ This is the estimate of the direct contribution of their franchise stores.

4 The regional impact of Woolworths Group NZ

We assess the economic contributions of Woolworths Group NZ across the New Zealand regions based on store-level information provided by Woolworths Group NZ. We focus on the company's impact on regional GDP and employment.

Woolworths NZ operates supermarkets across the country and employs over 20,000 New Zealanders in its stores,⁵ support offices, processing plants, and distribution centres. Woolworths Group NZ also includes 75 franchise supermarkets under the SuperValue and FreshChoice brands.

4.1 Regional economic contribution

We estimate Woolworths Group NZ's store location's total GDP contribution is \$1,649 million for the year to June 2024.⁶ \$543 million of this economic contribution is to Auckland, followed by Canterbury at \$216 million (including Christchurch at \$130 million and the rest of Canterbury at \$85 million). Other significant economic contributions are Waikato (\$171 million), Wellington (\$161 million), and Northland (\$75 million). Estimated regional contributions are listed in Table 4.

Table 4 Woolworths Group NZ's GDP contribution

By New Zealand regions, June year 2024

Industry	Woolworths Group's GDP contribution \$ millions
Northland	75
Auckland	543
Waikato	171
Bay of Plenty	116
Gisborne	14
Hawke's Bay	31
Taranaki	52
Manawatū-Whanganui	69
Wellington	161
Tasman/Nelson	46
Marlborough	23
West Coast	11
Canterbury	216

⁵ This estimate captures those employed by Woolworths NZ, and excludes those employed in the franchise stores

⁶ Woolworths Group NZ data at store level were provided for the June 2024 year, for which these estimates are based on. The national level estimates for Woolworths NZ's operations in Section 3 are based on their annual reports, for which the data is updated to June 2023.

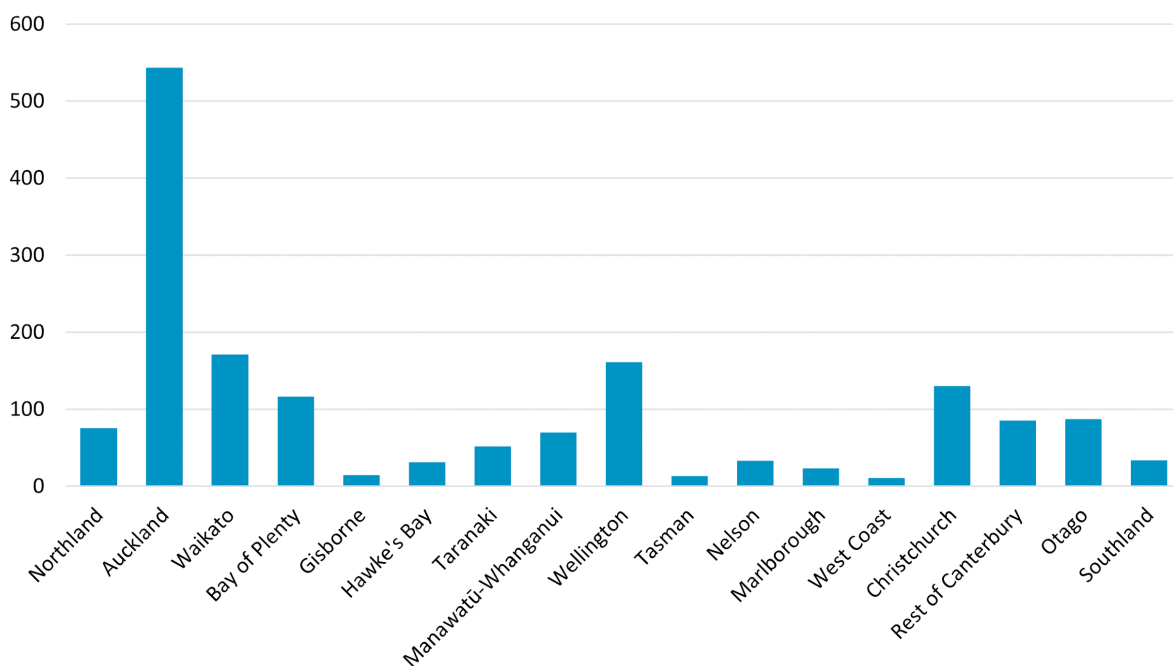
Industry	Woolworths Group's GDP contribution \$ millions
- Christchurch	130
- Rest of Canterbury	85
Otago	87
Southland	34
Grand Total	1,649

Source: Woolworths Group NZ, Stats NZ, NZIER

A visual representation of this contribution is shown in Figure 5.

Figure 5 Woolworths Group NZ's contribution to GDP

By New Zealand regions, June year 2024 (\$ millions)

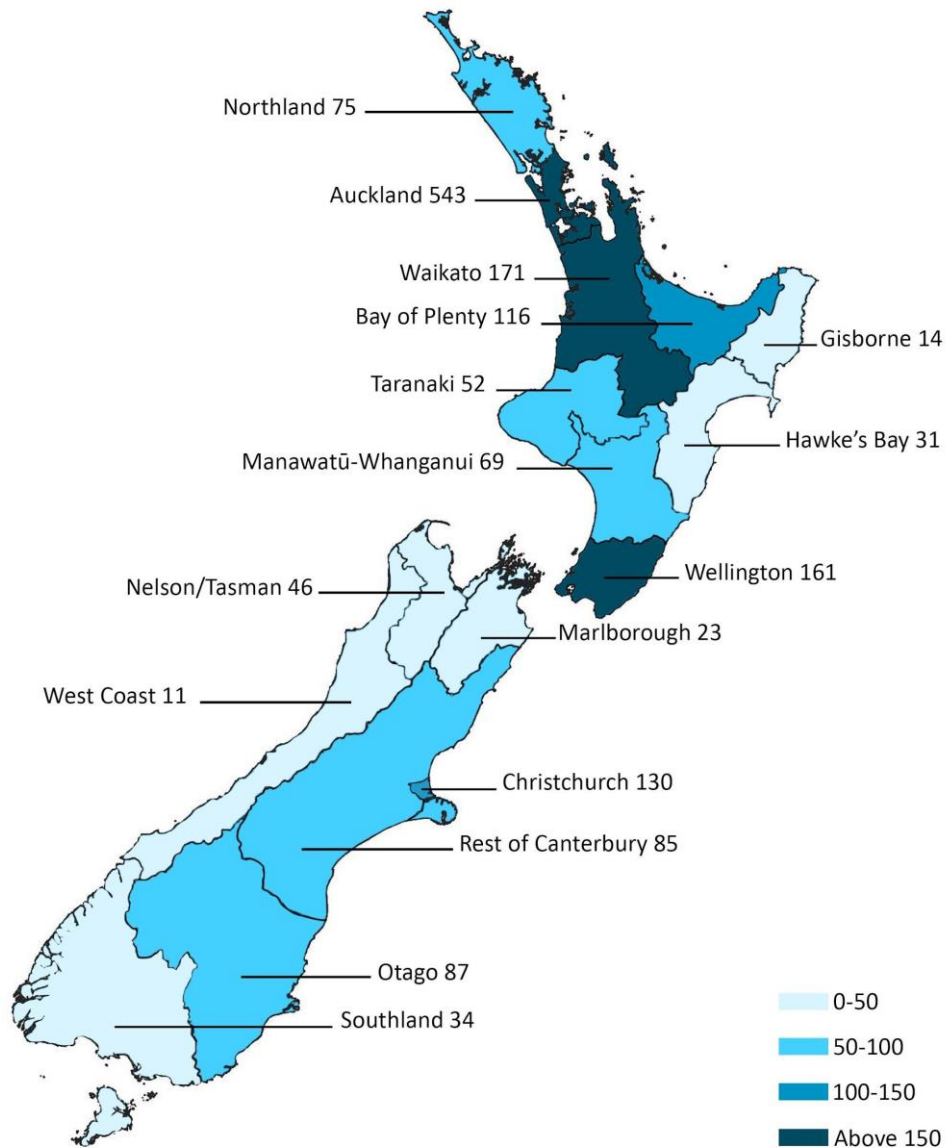


Source: Woolworths Group NZ, NZIER

A heat map visualisation of the regional economic contribution is displayed in Figure 6.

Figure 6 Woolworths Group NZ's contribution to GDP map

By New Zealand regions, June year 2024 (\$ millions)



Source: Woolworths Group NZ, NZIER

4.2 Regional employment

We estimate the employment contribution of Woolworths Group NZ and its franchises and assess its share of employment in the supermarket and grocery store industry across the regions. Our findings highlight the importance of Woolworths Group NZ as an employer across the regions.

Table 5 Woolworths Group NZ direct employment counts

By New Zealand regions, June year 2024

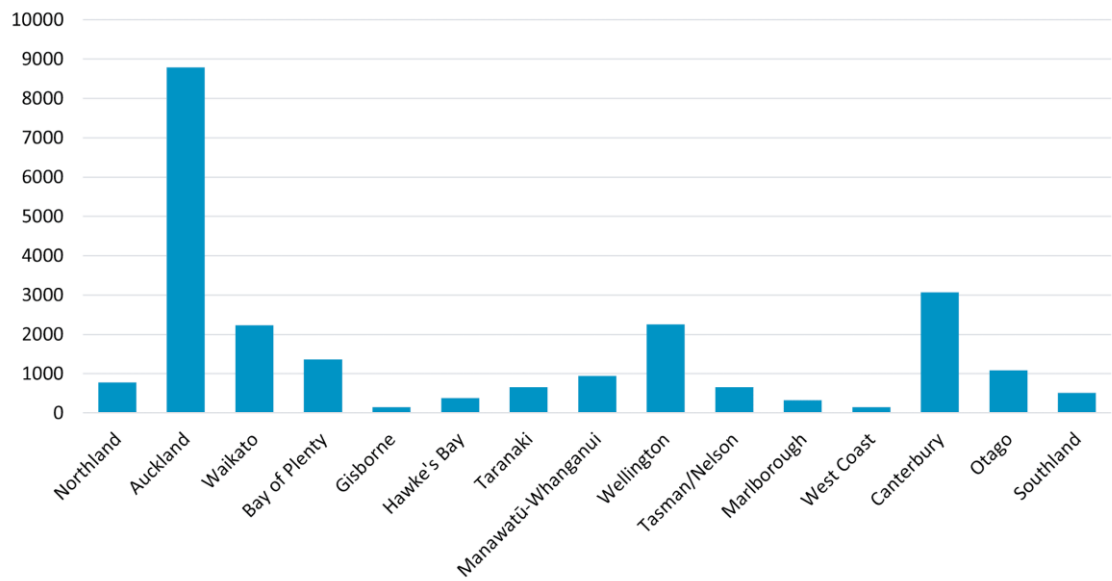
Industry	Direct employment by Woolworths Group NZ	Direct employment in all supermarkets and grocery stores	Woolworths Group NZ's share of supermarket employment
Northland	777	2,400	32.4%
Auckland	8,790	17,800	49.4%
Waikato	2,237	6,000	37.3%
Bay of Plenty	1,363	4,150	32.8%
Gisborne	152	540	28.1%
Hawke's Bay	381	2,250	16.9%
Taranaki	660	1,600	41.2%
Manawatū-Whanganui	938	3,200	29.3%
Wellington	2,257	6,700	33.7%
Tasman/Nelson	657	1,880	34.9%
Marlborough	323	820	39.4%
West Coast	154	590	26.1%
Canterbury	3,070	9,200	33.4%
- Christchurch	2,082	5,800	35.9%
- Rest of Canterbury	988	3,400	29.1%
Otago	1,081	4,450	24.3%
Southland	510	1,750	29.1%
Total New Zealand	23,349	63,300	36.9%

Source: Woolworths Group NZ, Stats NZ, NZIER

Woolworths Group NZ currently employs a total of 23,349 employees at store-level locations, headquarters, and distribution centres across New Zealand. Specifically, 8,790 individuals are employed in the Auckland region, Wellington has 2,257 employees, and Woolworths Group NZ in Canterbury employs 3,070 people. This regional breakdown highlights Woolworths Group NZ's significant contribution to local employment in various parts of New Zealand.

Figure 7 Woolworths Group NZ employee counts

By New Zealand regions, June year 2024

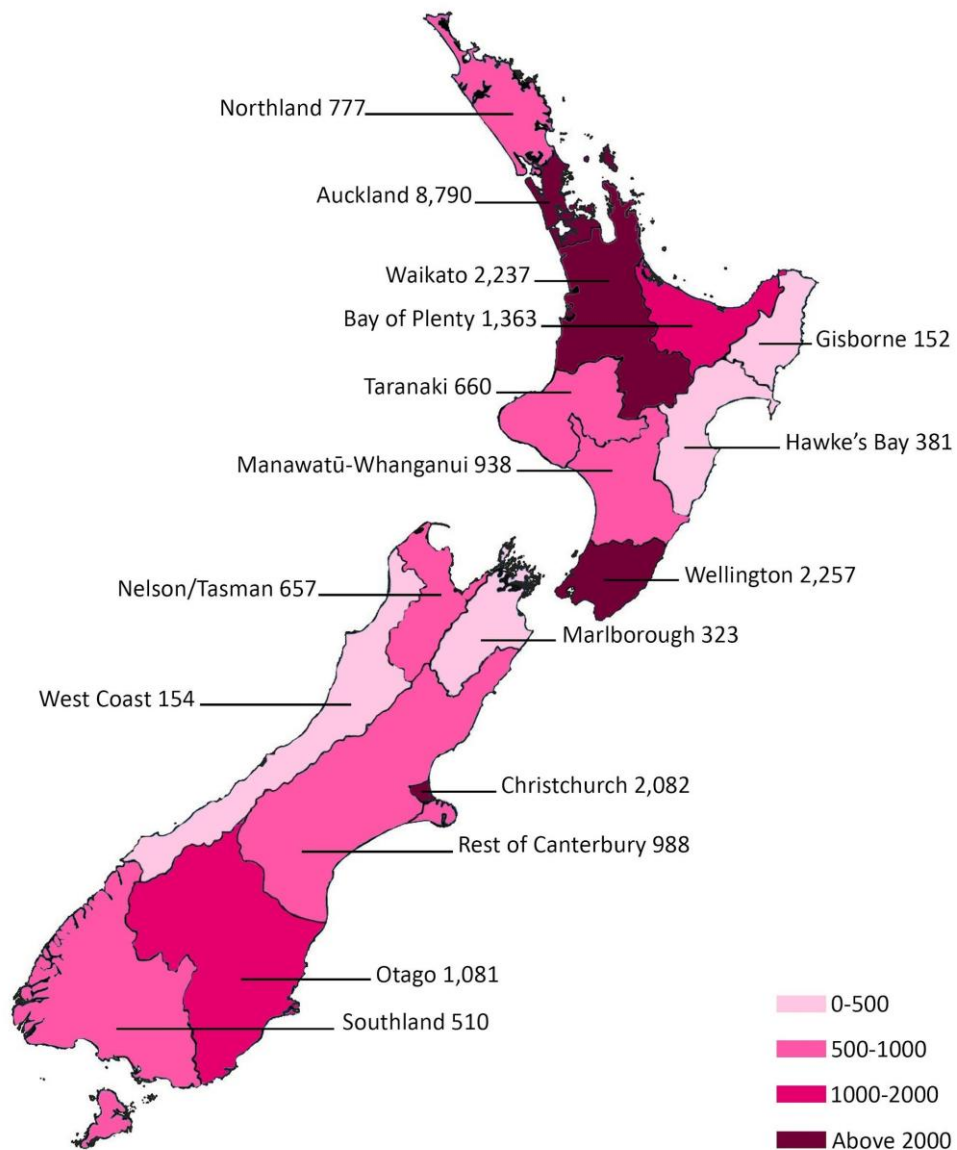


Source: Woolworths Group NZ, NZIER

A heat map visualisation of the regional employment is displayed in Figure 8.

Figure 8 Woolworths Group NZ employment map

By New Zealand regions, June year 2024



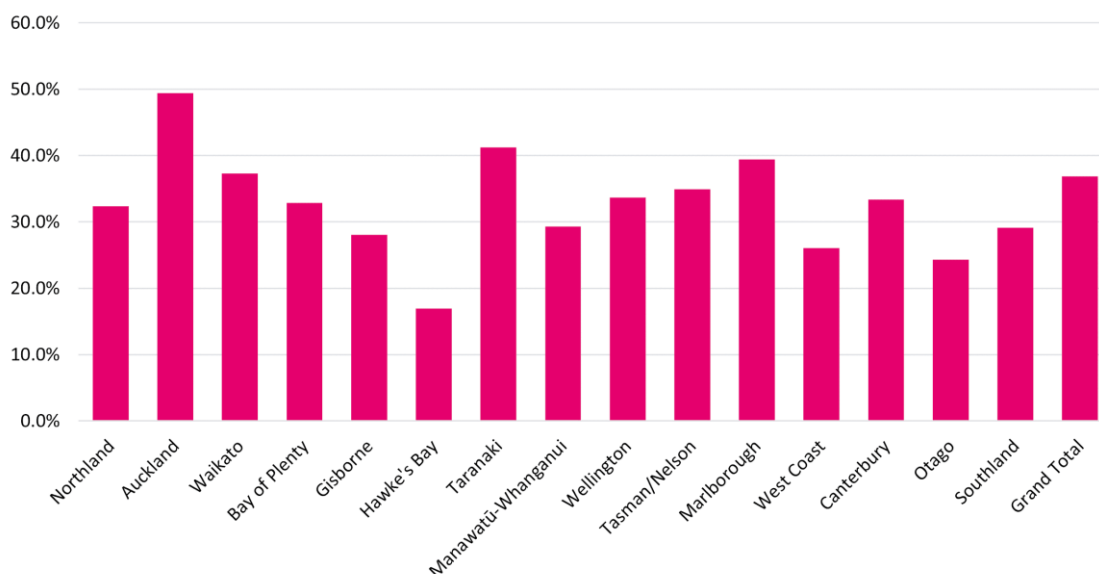
Source: Woolworths Group NZ, NZIER

Woolworths Group NZ is a significant employer in the supermarket and grocery store industry, with approximately 36.9 percent of people employed in this sector working for Woolworths Group in New Zealand. Our regional analysis indicates that Woolworths Group NZ's employment accounts for 49.4 percent of the Supermarket and Grocery store industry employment in Auckland, 33.7 percent in Wellington, and 33.4 percent in Canterbury. The company also maintains a strong employment share in regions such as Taranaki, Marlborough and Waikato.



Figure 9 Woolworths Group NZ’s employment share across all supermarket and grocery stores

By New Zealand regions, June year 2024, % of all supermarket and grocery store employment



Source: Woolworths Group NZ, Stats NZ, NZIER

4.3 Urban-rural analysis

We assess the economic and employment contributions of Woolworths Group NZ, distinguishing between rural and urban areas. Our findings highlight Woolworths Group NZ’s economic impact and job creation in both the urban centres and rural communities.⁷

Table 6 presents Woolworths Group NZ’s GDP contribution split between rural and urban areas across New Zealand regions. We estimate Woolworths Group NZ’s rural operations contribute \$445 million to regional GDP, with significant contributions in Waikato (\$95 million) and Bay of Plenty (\$49 million). Additionally, Woolworths Group NZ also has a strong rural presence in regions like Northland, Gisborne, Manawatū-Whanganui, and Canterbury (excluding Christchurch).

Table 6 Woolworths Group NZ’s rural/urban GDP contribution

By New Zealand regions, \$ millions, June year 2024

Industry	Rural	Urban	Total
Northland	36	39	75
Auckland	3	541	543
Waikato	95	76	171
Bay of Plenty	49	67	116

⁷ We’ve defined urban centres as Auckland and the LGNZ metro sector councils (including Queenstown). The LGNZ metro sector councils are available at: <https://www.lgnz.co.nz/events-networking/groups-networks/sector-groups/metro-sector/>

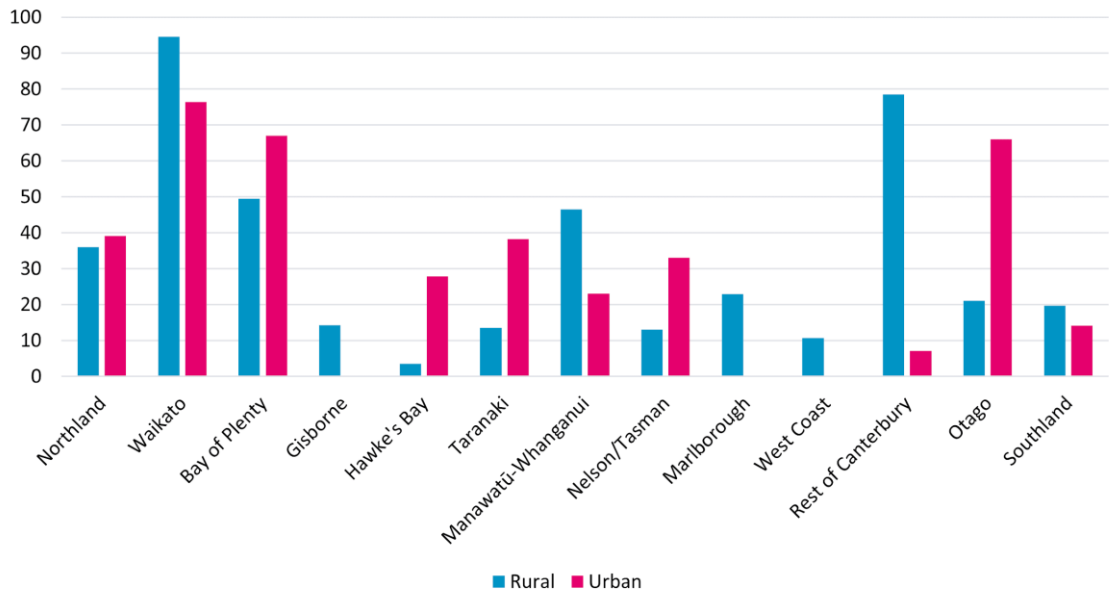
Industry	Rural	Urban	Total
Gisborne	14		14
Hawke's Bay	3	28	31
Taranaki	14	38	52
Manawatū-Whanganui	46	23	69
Wellington	19	142	161
Tasman/Nelson	13	33	46
Marlborough	23		23
West Coast	11		11
Canterbury	78	137	216
- Christchurch		130	130
- Rest of Canterbury	78	7	85
Otago	21	66	87
Southland	20	14	34
Total New Zealand	445	1205	1649

Source: Woolworths Group NZ, NZIER

A visual representation of Woolworths Group NZ is shown in Figure 10, where we've excluded major metropolitan areas such as Auckland, Wellington, and Christchurch to focus on the economic contribution of Woolworths Group NZ's activities to smaller cities and rural regions. This highlights Woolworths Group NZ's economic contributions outside the main urban centres.

Figure 10 Woolworths Group NZ's rural/urban GDP contribution

By New Zealand regions, outside of Auckland, Wellington and Christchurch, June year 2024



Source: Woolworths Group NZ, NZIER

Table 7 details Woolworths Group NZ's employment by region. We estimate 5,555 jobs are located in rural areas out of the total of 23,349 nationwide. In particular, Woolworths Group NZ is a significant employer in Waikato (1,305 jobs) and Bay of Plenty (608 jobs). Other rural areas where Woolworths NZ Group has a strong employment presence include Northland (388 jobs) and Gisborne (152 jobs).

Table 7 Woolworths Group NZ rural/urban employment counts

By New Zealand regions, June year 2024

Industry	Rural	Urban	Total
Northland	388	389	777
Auckland	46	8744	8790
Waikato	1305	932	2237
Bay of Plenty	608	755	1363
Gisborne	152	0	152
Hawke's Bay	52	329	381
Taranaki	174	486	660
Manawatū-Whanganui	462	476	938
Wellington	346	1911	2257
Tasman/Nelson	191	465	657
Marlborough	323	0	323



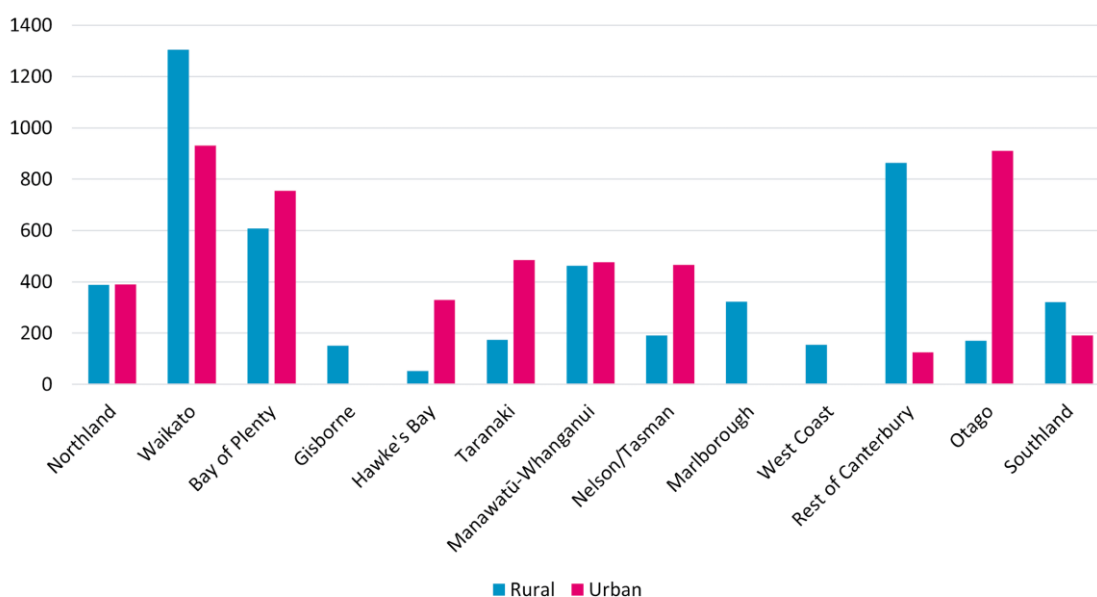
Industry	Rural	Urban	Total
West Coast	154		154
Canterbury	863	2,207	3,070
- Christchurch		2,082	2,082
- Rest of Canterbury	863	125	988
Otago	170	910	1,081
Southland	320	190	510
Total New Zealand	5,555	17,794	23,349

Source: Woolworths, NZIER

Figure 11 represents Woolworths Group NZ's regional rural/urban employment, excluding Auckland, Wellington and Christchurch. Our analysis highlights Woolworths Group NZ's role in providing employment and supporting local economies in both urban and rural communities across New Zealand.

Figure 11 Woolworths Group NZ rural/urban employment

By New Zealand regions, outside of Auckland, Wellington and Christchurch, June year 2024



Source: Woolworths Group NZ, NZIER

5 Supporting regional producers

Woolworths Group NZ also contributes to regional communities as a customer for New Zealand producers and suppliers.



Woolworths Group NZ sources products from a range of producers across New Zealand. Fresh produce and meat are sourced from New Zealand suppliers, subject to availability and seasonal conditions. These producers are also employers and contribute to the sustainability of local communities and economies. Through its operations, Woolworths Group NZ aims to establish long-standing relationships with its supply partners to develop products and services.

One example of how Woolworths Group NZ fosters strong working relationships with its suppliers is its long-standing relationship with Heritage Bakeries.

Bernie Sugrue – Heritage Bakeries

Heritage Bakeries supplies garlic ciabatta and frozen puff pastry to Woolworths Group NZ supermarkets across New Zealand from Timaru and Palmerston North, respectively. The breakdown in supply during the COVID-19 pandemic provided an opportunity for Heritage Bakeries that they were well positioned to take.

Prior to 2020, Bernie had pivoted his bakery business away from hospitality outlets to sell direct to retail. This proved a fortuitous move ahead of COVID as hospitality outlets were badly affected by the border closures, reduction in tourist numbers and the limits on movement. He had also made initial sales pitches for his product to Woolworths Group NZ, so he was known to their buying team.

When Woolworths Group NZ faced disruptions to their supply chains, Bernie was able to step up and supply the garlic ciabatta product in the South Island, then also to the North Island. Besides ensuring continuity of supply across New Zealand, these short-term changes provided the opportunity for retail staff to join the production team.

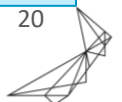
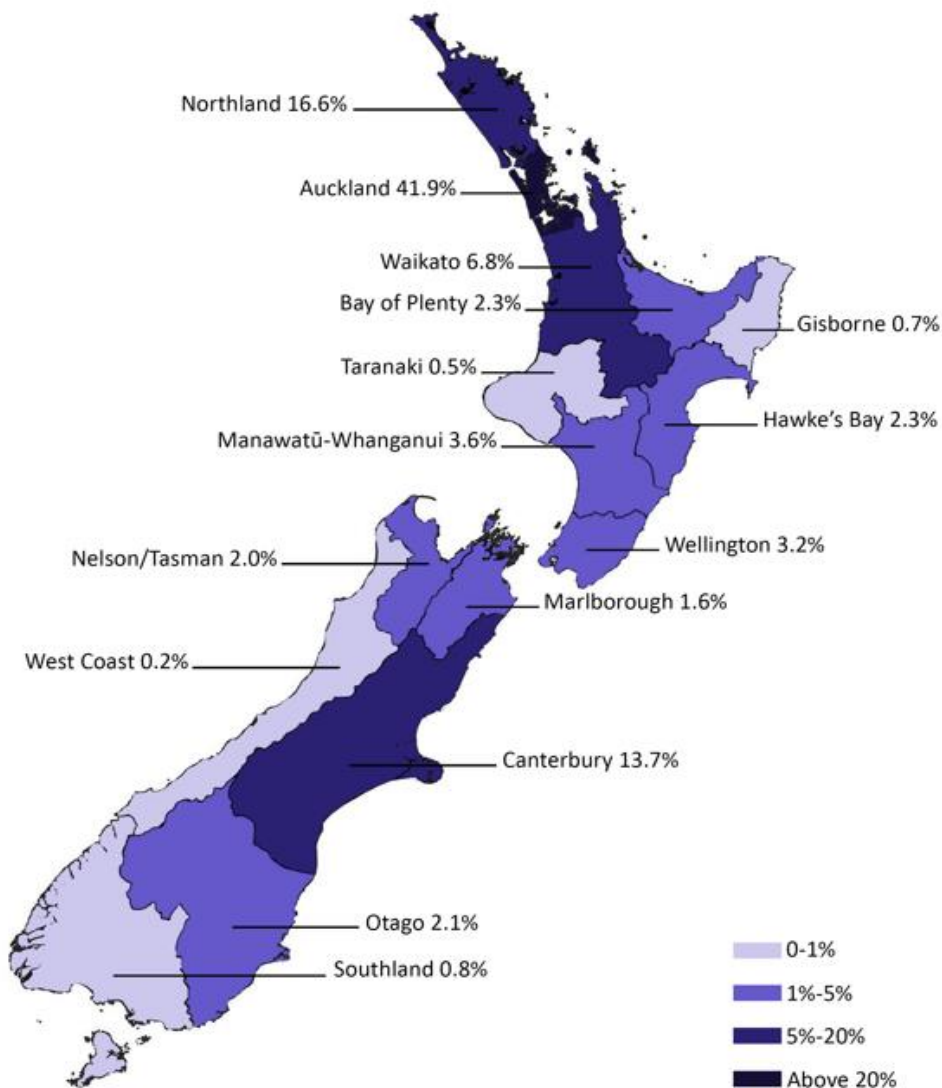


Figure 12 shows the distribution of Woolworths Group NZ's trade suppliers⁸ across New Zealand, based on billing address. There are just over 5,000 trade suppliers based in New Zealand. About 41.9 percent are in the Auckland region, reflecting that many national suppliers have head offices in Auckland.

Outside the Auckland region, Northland, Canterbury and Waikato have the next highest level of suppliers.

Figure 12 Woolworths Group NZ's trade suppliers

By New Zealand regions, June year 2024



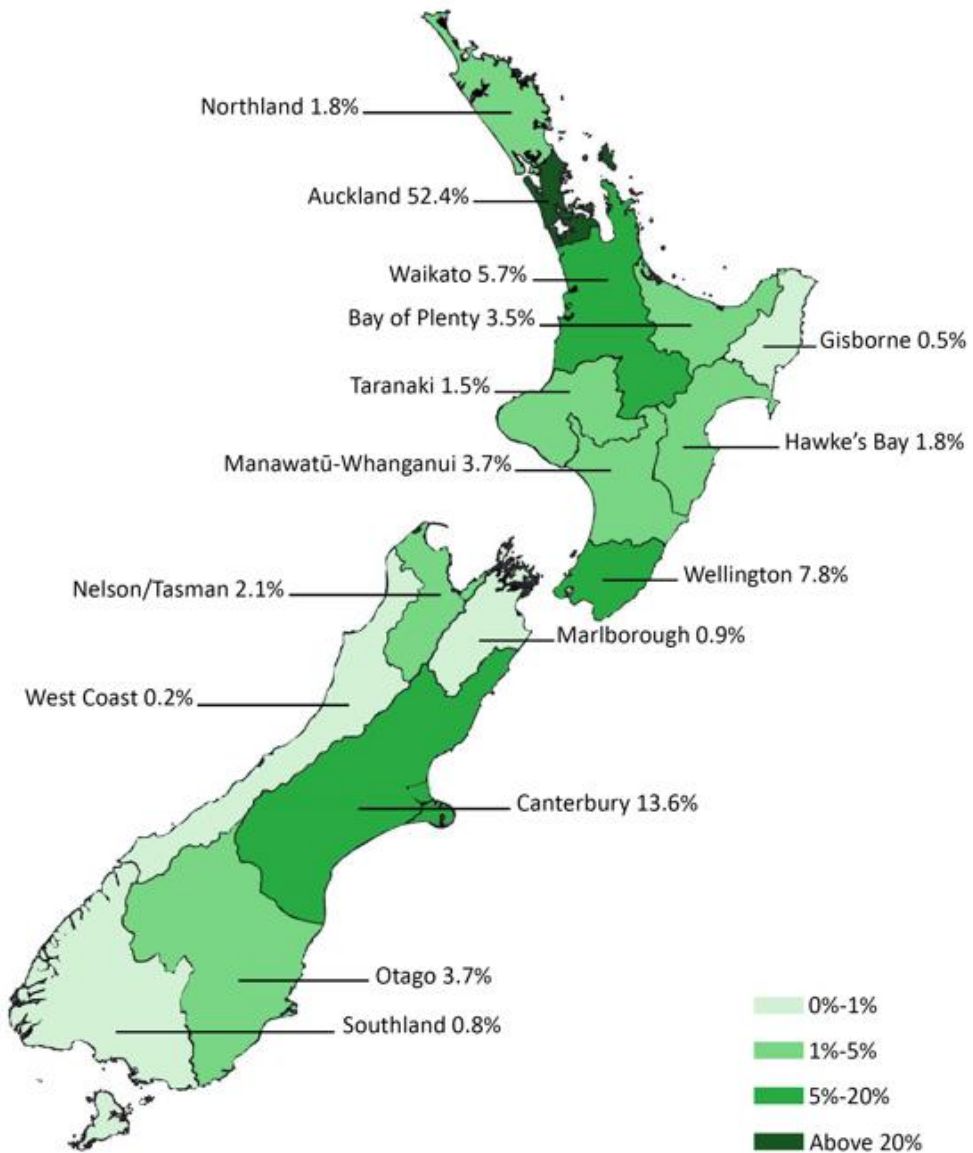
Source: Woolworths Group NZ, NZIER

⁸ Trade suppliers are those suppliers that provide the goods and products that are sold in Woolworths Group NZ stores, and through its wholesale operations.

Outside Auckland, the distribution of non-trade suppliers⁹ reflects the geographic distribution of Woolworths Group NZ stores, see Figure 13. Auckland dominates as the home office of many national suppliers.

Figure 13 Woolworth's non-trade suppliers

By New Zealand regions, June year 2024



Source: Woolworths Group NZ, NZIER

⁹ Non-trade suppliers supply services to the stores, such as cleaning, pest destruction and security services.

6 An employer of choice

The availability of jobs and the earnings they pay are essential to individual wellbeing. Not only do good jobs increase people's command over resources, but they also provide people with a chance to fulfil their own ambitions, to develop skills and abilities, to feel useful in society and to build self-esteem. Jobs shape personal identity and create opportunities for social relationships.¹⁰

Woolworths Group NZ makes a direct contribution to wellbeing in New Zealand as an employer across the country. As our estimates show, the Group is a significant employer across both urban and rural areas. Beyond employment opportunities, its staff development programmes reflect its strong commitment to providing its employees with the prospects to develop their skills. In turn, employees' income supports their whanau and communities. In some locations, Woolworths Group NZ is one of few employers that provides a pathway to training and career development, from the school gate to management roles. These employees fill a range of roles across management, distribution, store management and other in-store roles. Woolworths Group NZ reports that it provides entry points into the workforce for all backgrounds, career stages, and interests.

Woolworths Group NZ is an equal-opportunity employer. TupuToa is an intern programme for Māori and Pasifika. As a WORK180-endorsed employer, Woolworths Group NZ promotes opportunities for women and working mothers.

Providing opportunities and growing its people – Justin Herewini

When Justin Herewini, store manager, joined Woolworths Group NZ as a storeman over twenty years ago he “*never thought he would be where he is today*”. Woolworths Group NZ has provided the training and career opportunities for him to become an area manager.

Justin left school at 15 with no qualifications. After a series of jobs, he joined Woolworths Group NZ as a storeman. Although he left soon after to play professional rugby, he was able to get his job back. He has worked for Woolworths Group NZ through most of his career.

His mentors within Woolworths Group NZ have been key in pushing him to take the next step, starting with his supervisor in his first role. There is a responsibility for supervisors and managers to support and promote staff. Managers promote staff across store and their operating area and develop career progression pathways for staff.

Woolworths Group NZ has supported Justin to take up education opportunities and complete NZQA qualifications in retail management. They have helped him develop his people skills and he has attended courses on leadership, capability development and team management. All staff have access to a full range of training programmes.

As part of a national group, staff can move around NZ to get better career opportunities. As he has progressed up the career ladder, Justin has moved around the upper North Island, moving from store to store.

A highlight has been managing the opening of the new store at Takanini, which opened in January 2022. Much of the work was undertaken during the COVID lockdowns in Auckland. He had to learn to make decisions with little in-group support

Justin enjoys working for a company that has a strong focus on its staff and the communities it serves.

¹⁰ <https://doi.org/10.1787/9789264121164-en> page 58.

In addition to its staff training programmes, Woolworths Group NZ provides apprenticeships and supports secondary school pathway programs (SEEDS) or gateway programmes that support school leavers to enter the workforce.



At Woolworths Group NZ, wages represent just one aspect of the comprehensive benefits they offer their team. In addition to competitive pay, Woolworths Group NZ reports that their staff receive a 5% employee discount, 10% off fresh and own-brand products, and two monthly 10% discount days.

Since 2022, Woolworths Group NZ reports that they have introduced a series of enhancements to further support their employees, including increased sick leave (with two days available from the start of employment) and a new pandemic leave policy.

Woolworths Group NZ reports that their partnership with Grace Papers offers coaching and support for team members transitioning to and from parental leave, while their new 24/7 mental health support service, Sonder, has received positive feedback. Notably, they have also made significant strides in closing the gender pay gap, which Woolworths Group NZ reports now stands at just 0.08%.



7 Supporting the community

Woolworths Group NZ's work in the community is led by its business purpose as a food retailer and its commitment to meeting environmental targets. Through its Food for Good Foundation, Woolworths Group NZ reports that it donates more than \$7 million in food, funding and local sponsorship each year to communities across New Zealand. In August 2023, Woolworths Group NZ announced an additional \$1.5 million in funding to their food rescue and food welfare partners, including KidsCan, Auckland, Wellington and Christchurch City Missions and The Salvation Army.¹¹

7.1 Zero food waste

Food that is produced for human consumption but not eaten due to waste throughout the food system has negative environmental, social and economic impacts.¹² The Aotearoa New Zealand Waste Strategy aims to reduce waste across New Zealand to create a low-waste society by 2050.¹³ A central component of this is reducing food waste. Globally, it is estimated that one-third of the food that is produced is lost or wasted. In New Zealand, food waste makes up about one-third of material going to landfill. Food decomposing in landfills contributes to greenhouse gas emissions. Ensuring that food is diverted to other uses, including feeding people experiencing food insecurity, delivers environmental, social, and economic benefits.

Woolworths Group NZ's goal is to send zero food waste to landfill by 2025, and food rescue plays a big part in helping to achieve this.¹⁴ They have partnered with food rescue organisations across Aotearoa New Zealand since 2011, donating unsold, edible food. To help meet its zero food waste goal, Woolworths Group NZ has supported the development of food rescue organisations across Aotearoa and started the Food Rescue Partners Fund.

Woolworths Group NZ's zero waste initiatives are just one aspect of its role in supporting the community, and its partnership with the Salvation Army addresses distinct yet important components of its social responsibility programme.

¹¹ <https://www.woolworths.co.nz/info/news-and-media-releases/2023/woolworths-nz-bolsters-community-investment>

¹² <https://www.pmcsa.ac.nz/topics/food-rescue-food-waste/>

¹³ <https://environment.govt.nz/what-government-is-doing/areas-of-work/waste/aotearoa-new-zealand-waste-strategy/>

¹⁴ <https://www.woolworths.co.nz/info/community-and-environment/food-for-good>

7.2 Salvation Army



The Salvation Army is Woolworths Group NZ's largest charity partner. The two organisations work together through food rescue and The Foodbank Project to help stock the Salvation Army's food banks. In addition to food donations, Woolworths Group NZ also helps the Salvation Army raise money through public appeals.¹⁵

The Salvation Army has been working in Aotearoa New Zealand, for over 150 years to address poverty and social and spiritual distress. They help over 150,000 people in need each year with budgeting advice, food and clothing assistance, life skills programmes and other comfort and support.

The Salvation Army has worked with Woolworths Group NZ for more than 10 years and [really] value the relationship. Woolworths Group NZ is an essential partner in the Salvation Army's food provision work. Woolworths Group NZ works with the Salvation Army across three areas:

- 1 The Foodbank Project is an online donation platform where people can buy food items to be donated to Salvation Army food banks. It is a collaboration between its originator (Lucid), the Salvation Army and Woolworths Group NZ. This allows the Salvation Army to identify which items are needed so that these are prioritised for donation, effectively allowing them to "shop" with Woolworths Group NZ.
- 2 Food rescue – about \$2–\$3 million of food is diverted to the Salvation Army per annum which might otherwise be treated as food waste.
- 3 Woolworths Group NZ supports the Salvation Army's appeals in winter and at Christmas, by providing the opportunity for shoppers to donate (about \$200k) and making a corporate donation (about \$100k).

Shoppers can donate in kind, e.g. shelf wobblers – most needed items.

¹⁵ <https://www.woolworths.co.nz/info/community-and-environment/food-for-good/salvation-army>

The Salvation Army operates about 60 food banks across New Zealand, with a total budget of \$8–\$9 million per annum. The Salvation Army has a food security strategy, Te Kai Mākona, which aims to make a difference in three ways: strengthening food provision, fostering food empowerment and addressing the underlying causes of food insecurity. Food empowerment works with communities to develop strategies around growing, buying, cooking, and sharing kai. Building food security also builds communities.

The Salvation Army works with other organisations across the food security ecosystem, many of whom are also supported by Woolworths Group NZ, such as NZ Food Network and Kiwi Harvest. These groups work together to arrange the logistics of food collection.

The reduction in government funding for food support programmes means there is an increased need for corporate and local support for the organisations providing food support across New Zealand communities. As government funding has reduced, some groups have reduced or ceased food support programmes, which increases the demand for other providers.

The Salvation Army notes that Woolworths Group NZ’s managers contribute time to managing the relationship and that there is a staff commitment to preparing food for collection. There are regular meetings with head office staff, which helps to keep the relationship ticking over.

Woolworths Group NZ is an important participant in the New Zealand food rescue space. The Salvation Army recognises that Woolworths Group NZ is committed to food rescue and diversion from landfills.

The Salvation Army appreciates Woolworths Group NZ’s long-term commitment to the relationship, which provides continuity and stability for their work and their clients. Woolworths Group NZ provides its customers with a range of options to choose from to contribute to the Salvation Army’s work.

8 Conclusion

Woolworths Group New Zealand makes a significant economic and social contribution to the country. The company directly contributes over \$1.6 billion to GDP and employs more than 23,000 people nationwide. Beyond this direct impact, Woolworths Group NZ supports numerous industries through its supply chain and creates indirect employment across urban and rural areas.

The company demonstrates strong community engagement through its sustainability initiatives, partnerships with food rescue organisations, and support for local producers. Woolworths Group NZ’s commitment to employee development and career pathways further enhances its positive impact on New Zealand’s workforce.