

SHOPTALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

THURSDAY 30 JULY 2015

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SCCA LODGES SUBMISSION ON EMBEDDED NETWORK REFORM

The Shopping Centre Council has lodged a submission with the Australian Energy Market Commission (AEMC) on its Consultation Paper on proposed changes for the regulation of embedded networks under the National Electricity Law. The proposal to change aspects of the national electricity rules was submitted by the Australian Energy Market Operator (AEMO), and aims to establish a harmonised regulatory framework, including metering arrangements, and better facilitate competition and choice for embedded network customers. The proposal also includes transitional arrangements given that current regulations for embedded networks vary across different jurisdictions. (The Shopping Centre Council is a member of AEMO's working group that provided advice on the development of the proposed changes). We have broadly supported the objective of the proposal, along with a key change which will require the appointment of a new network manager (which will likely increase operating costs). Our submission, which makes around 25 detailed recommendations, has focused on seeking to ensure that the proposed changes operate efficiently and effectively. We have also outlined issues we believe have been overlooked in the proposal which need to be addressed to minimise capital and operating costs.

NO DECISION ON LEGISLATION ARISING FROM QUEENSLAND RETAIL SHOP LEASES ACT REVIEW

The review of the Queensland Retail Shop Leases Act, which was completed in 2013, led to an amending Bill being tabled in the Queensland Parliament in November 2014 (Shop Talk 26/11/14 & 18/12/14). This Bill lapsed when the Queensland Parliament was prorogued for the election which was held in January 2015. Following the change of government at the election, this matter is now the responsibility of the Attorney - General, Yvette D'Ath. The stakeholders involved in the review are still awaiting advice from the Attorney - General on the Government's intentions with regard to the amending Bill.

SHOPPING CENTRES AND RETAILERS PARTNER ON 'NETFLIX TAX' SUBMISSION

The Shopping Centre Council has partnered with the Australian Retailers Association (ARA) to lodge a joint submission in response to the <u>Tax Laws</u> Amendment (Tax Integrity: GST and Digital Products) Bill 2015 (the 'Netflix Tax'). The Bill generally proposes that off-shore suppliers of digital and other intangible goods and services (or a related electronic distribution service - EDS) should collect and remit GST to the Australian Government. The joint submission offers strong support to the Government's effort to level the playing field between domestic and off-shore retailers by ensuring the consistent application of the GST to digital goods and services consumed in Australia, whether purchased domestically or offshore. The Government is right to close this GST loophole now so the GST base does not progressively erode as more and consumables become digitised and more easily accessible from off-shore providers. highlights that Australian submission also consumers are actively being enabled, including through the Government's own policy and expenditure commitments to the likes of the NBN, to engage in online marketplaces making the need to close this GST loophole even more important. The submission also notes that the same reform principles should apply to the application of the GST to tangible products purchased off-shore which are currently subject to the \$1,000 Low Value Threshold (LVT). Australia's political leaders have since announced in principle agreement to significantly lower the LVT (Shop Talk 23/7/15).

VICTORIAN SMALL BUSINESS MINISTER, ADEM SOMYUREK, STEPS DOWN

In May the Victorian Premier, Daniel Andrews, announced the Minister for Small Business, Adem Somyurek, would stand aside pending an investigation into alleged inappropriate behavior. Following the completion of this investigation, the Premier this week accepted Mr Somyurek's resignation. The Labor Caucus will elect a replacement for Mr Somyurek on 31 July.

PREVIOUS ISSUES

