

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

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GOVERNMENT RESPONDS TO SENATE INQUIRY INTO RETAIL LEASING

The Federal Government has [responded](#) to the Senate Committee inquiry report into the need for a national approach to retail leasing ([Shop Talk 19/3/15](#)). This Committee, established at the agitation of Independent SA Senator, Nick Xenophon, delivered quite reasonable recommendations despite the anti-landlord bias in its Terms of Reference. In its response, the Government, unsurprisingly, supports the role of Small Business Commissioners and notes the recent establishment of the Australian Small Business and Family Enterprise Ombudsman. This does give impetus for the establishment of Commissioners in new jurisdictions (e.g. Qld). Disappointingly, the Government reveals a lack of understanding about the function of existing lease registers in various jurisdictions (i.e. to establish indefeasibility of title) and appears to confuse the role of lease registers with the premise of transparency and the role of disclosure statements. With regard to disclosure statements, the Government has indicated a willingness to re-establish the dormant National Retail Tenancy Working Group - if there is strong support from all jurisdictions to do so - to attempt to develop a national disclosure statement. Considering the failure of earlier attempts to harmonise disclosure, it is unlikely all jurisdictions will come on board. The Government has also responded to dissenting recommendations made by Senator Xenophon, including on matters like an enshrined right of renewal and the disclosure of incentives. Generally speaking, the Government indicates that the Senator's recommendations should be matters for consideration by the NRTWG should there be strong support to see it re-established. Pleasingly, the Government does not support the Senator's recommendation to prohibit the provision of sales and occupancy data to landlords. The Government notes that it "understands the need for shopping centre landlords to have the right tenancy mix and sales and occupancy data is required to ensure viability of the shopping centres". Common sense has, pleasingly, prevailed on this issue.

QUEENSLAND HAS JUMPED ON THE 'VALUE-SHARING' BANDWAGON

In the wake of the Federal Government's inexplicable infatuation with the premise of 'value-capture' infrastructure funding ([Shop Talk 4/2/16](#)), the Queensland Government has jumped on board and is hosting a 'value-sharing' symposium in mid-March. Much like the Federal Government, Queensland looks to have been swept up in looking at the "benefits of alternative and innovative funding models" without first considering the valuation, taxation and planning fundamentals which drive the already considerable contributions made by shopping centre owners. It will be interesting to hear how the 'expert speakers' at this symposium explain how they would determine the increment of land value attributable to infrastructure provision (advice from our own valuation experts is that this is not easily achieved). Meanwhile, analysis of Infrastructure Australia's 'infrastructure priority list' released last week ([Shop Talk 18/2/16](#)) reveals that around 100 SCCA members' centres could be hit with a value-capture levy should the Government accept IA's recommendation that "Governments should routinely consider value capture opportunities in all future public infrastructure investments...". This is hardly a beneficial or innovative outcome for shopping centre owners.

NSW GOVT RESPONDS TO PARLIAMENTARY INQUIRY INTO COMPANION ANIMAL BREEDING

The NSW Government has [responded](#) to the [recommendations](#) of the Joint Select Committee on Companion Animal Breeding Practices in NSW ([Shop Talk 3/9/15](#)). The Inquiry found that "banning pet shops would result in less scrutiny of the pet industry without any reasonable expectation of improved animal welfare outcomes". The Inquiry also made a number of recommendations about strengthening the statutory [Animal Welfare Code of Practice - Animals in Pet Shops](#). The Government has accepted, in whole or in part, all of these recommendations and has now referred them to the Animal Welfare Advisory Council for further consideration and advice.

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