

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

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JOINT RETAIL INDUSTRY TAX PAPER LODGED WITH STATE TREASURERS

The Shopping Centre Council has partnered with the Australian Retailers Association to prepare a joint [Retail Sector Tax Policy Position](#). The *Policy Position*, which has been sent to state and territory Treasurers, elaborates on the key issues we jointly raised in a submission to the apparently abandoned [Re:Think Tax Discussion Paper](#) process ([Shop Talk 9/7/2015](#)). Prepared in an environment where states and territories are considering options for future health and education funding, landlords and retailers do not want to see governments pursue tax mix and rate increases, particularly to land and payroll tax, which could result in a disproportionate hit on our sector. The *Policy Position* highlights the significant role the sector already plays in terms of tax generation, including of GST, and reiterates our joint concern about overly simplistic tax proposals which continue to gain attention, such as proposals to abolish stamp duty and replace it with land tax. It also flags our concern that so-called 'value-capture' infrastructure funding could just end up being another tax on land with cost impacts for landlords and retailers.

IPART REVIEWING NSW LOCAL GOVERNMENT RATING SYSTEM

The Independent Pricing and Regulatory Tribunal has released an [Issues Paper](#) on the NSW local government rating system. This review is considering the current council rating system, including valuation methods and rating categories, and also how rates could be applied to achieve the Government's policy of a post-amalgamation four year rate path freeze. The paper reflects on a number of valuation methods, including unimproved land value (which is currently used in NSW) and capital improved value. The paper makes 'arguments for moving to a CIV method', which include that "*the market value of a property may better correlate with the benefits received by the owners from the provision of public goods*". The Shopping Centre Council will be making a submission to IPART in response to the Issues Paper.

WA STILL TO DECIDE IF IT IMPLEMENTS SMALL BUSINESS UNFAIR CONTRACT TERMS LAW

Commentary on the new small business unfair contract terms law has noted the law will begin operation on 12 November 2016 ([Shop Talk 19/11/15](#)). This is the case in all jurisdictions except Western Australia. Amendments to the Australian Consumer Law (Schedule 2 of the *Competition and Consumer Act*) do not automatically apply in WA, as they do in other states and territories, but require an amendment to the *WA Fair Trading Act 2010*. This means that unless the WA Parliament acts before 12 November 2016, the new small business unfair contract terms law will only apply to corporations (within the meaning of the *Corporations Act*) operating in WA, not to other forms of business structures such as sole traders or partnerships. So far the WA Government has made no announcement of its intentions. It should be noted that in 2013 the WA Parliament did amend the WA Act to apply in WA various previous amendments to the ACL (including the introduction of interpretative principles into the unconscionable conduct provisions).

ALDI EXPANSION IN WESTERN AUSTRALIA SHOWS THE BENEFITS OF SUNDAY TRADING

The current rollout of Aldi stores in Western Australia is one of the benefits of the introduction of Sunday trading for Perth ([Shop Talk 23/8/12](#)). [Inside Retail](#) recently reported that Aldi has completed construction of its distribution centre in Perth and that four Aldi stores will open in June (at Mirrabooka Square, Lakeside Joondalup, Belmont and Kwinana). *Inside Retail* also reported that a further 16 Aldi stores will open in WA before the end of 2016. Aldi currently has plans for up to 70 stores in WA. Prior to the introduction of Sunday trading in Perth in 2012, Aldi had ignored WA and concentrated its Australian expansion in the eastern states. Recent Roy Morgan Research figures show Aldi now has 12.1% of the total supermarket share; with Woolworths holding 37.3%; Coles on 32.5% and IGA holds a 9.7% market share.

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