

SHOPTALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

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NSW RETAIL LEASES ACT AMENDMENTS TO COMMENCE ON 1 JULY 2017

The NSW Deputy Premier and Minister for Small Business, John Barilaro, has announced that the amendments to the Retail Leases Act will commence on 1 July 2017. The amendments come following the passage of the Retail Leases Amendment (Review) Bill through the Parliament in February (ShopTalk 17/2/17 & 24/2/17). In a media statement, the Deputy Premier characterises the amendments to the Act as "the most progressive, wide-ranging and balanced in Australia". The amendments to the Act include the repeal of the minimum 5-year lease term, new regulation around the return of bank guarantees, lease registration and the disclosure of estimated outgoings, and an increase in the jurisdiction of the NSW Civil and Administrative Tribunal (NCAT). The review of the Act in NSW was also the platform for the industry to negotiate a draft voluntary Code of Practice on sales reporting, between various retailer associations including the National Retail Association, Australian Retailers Association, Pharmacy Guild (and ourselves). This Code was negotiated to ensure landlords can continue to collect sales data from retailers, while providing retailers the opportunity to access benchmark information in an appropriate form. The finalisation of the Code is subject to ongoing discussion with its various signatories and a commencement date has yet to be agreed.

WA GOVERNMENT ANNOUNCES CHANGES TO DEPARTMENTAL STRUCTURE

The newly elected McGowan Labor Government in Western Australia has <u>announced</u> sweeping changes to the structure of its public service. Critically, the functions of the Department of Commerce, which formerly had responsibility for retail leasing and shop trading hours issues, among other issues, has been split across two agencies. The bulk of responsibilities relevant to our sector are expected to be shifted to a new Department of Mines, Industry, Regulation and Safety. The Department of Planning has also been merged into a Planning, Lands and Heritage super-Department. These changes will come into effect by 1 July.

QLD PARLIAMENTARY COMMITTEE TABLES TRADING HOURS INQUIRY REPORT

Queensland Parliament's Finance The Administration Committee has tabled its report following its inquiry into the Trading (Allowable Hours) Amendment Bill 2017 (ShopTalk 3/3/17). The Bill reflected the Government's response to the independent review of the trading hour regime, by the Hon John Mickel (ShopTalk 21/10/16). The Shopping Centre Council submitted, and provided verbal evidence, to the Committee. Rather than revisit the issues where the Government squibbed on progressing important reform (for example, facilitating widespread trade on Sundays across regional Queensland, which was largely left unaddressed in the Bill), we concentrated on several minor amendments. The Committee has made three recommendations, key of which was the proposed clarification as to the classification of Cairns CBD as a tourist area and a proposed rollback of the Government's decision to liberalise Sunday trade for car and caravan retailers. In his forward in the Report, the Committee Chair, Peter Russo, notes the following: "Several stakeholders consider the de-regulation of trading hours will have a negative impact upon small business. I disagree". However, there was disagreement between Government and non-Government Committee members as to recommendation should be made regarding the passage of the Bill. The non-Government members of the Committee noted that "the calamitous effect on smaller retail traders...left the non-Government members with no option but to reject these wholesale changes to the retail trading sector recommended in this Bill".

VICTORIAN GOVERNMENT ANNOUNCES SHIFT TO ANNUAL PROPERTY VALUATIONS

The Victorian Government has <u>announced</u> that, from 2019, statutory valuations will occur every year, rather than every two years. As justification, the Government notes that "as land tax is paid annually, it makes sense that it's based on the most up to date valuations". Victoria already holds a dubious distinction where land tax growth has outstripped valuation growth for shopping centres in recent years.

PREVIOUS ISSUES

