

# SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

10 MAY 2019

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## FINAL REPORT RELEASED ON ACT ASSEMBLY COMMERCIAL RATES INQUIRY

The ACT Legislative Assembly's Standing Committee on Public Accounts (PAC) recently released the final report on its inquiry into commercial rates ([ShopTalk 22/2/19](#)). It is a landmark report, comprising 25 reform recommendations including: (1) increased transparency on rating factors, (2) better defined land-use categories and apportionment between categories, and (3) the potential for retrospective rate determinations. Importantly, the Committee found there are 'fundamental problems in the commercial rates regime', and that the current system imposes a burden on commercial ratepayers which "appears to have a chilling effect on commercial activity and investment in the Territory." The Committee concluded that the ACT government should take "urgent action" and "engage relevant stakeholders so as to support a constructive process, and an effective and equitable outcome." In our view, problems with the current framework come from 2012 tax reforms to phase out stamp duty and shift the burden to land-based taxes – a so-called reform which is naively supported by some groups. Our analysis highlighted that since 2012-13 while land value has decreased, commercial rates have increased significantly. Our analysis is cited in the final report, based on our submission to the inquiry, appearance at a public hearing and response to Questions on Notice. We thank the Committee for their engagement. We will engage with the Government on the next steps to seek to inform the preparation of their response.

## NATIONAL CONSTRUCTION CODE: NEW ACCESSIBLE ADULT CHANGE FACILITY REQUIREMENT

The Australian Building Codes Board (ABCB) last week released the 2019 National Construction Code (NCC) which, following consultation last year, includes new requirements for accessible adult change facilities (AACF) ([ShopTalk 9/3/18](#)). The ABCB states that "NCC 2019 will require the construction of AACFs..." in new or redeveloped shopping centres with a design occupancy of greater than 3,500 people. It is our understanding that the design occupancy is calculated at 3 sq m per person at a level entered direct from the open air or any lower level, and 5 sq m per person on all other levels. The full NCC can be accessed [here](#).

## LATEST ABS RETAIL TURNOVER FIGURES HIGHLIGHT IMPROVED YEAR-ON-YEAR GROWTH

The latest release (March 2019) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) trend estimate increased by 0.3 per cent, equal to (a revised) 0.3 per cent in February 2019. In trend terms, Retail Turnover increased by 3.0 per cent year-on-year (y-o-y), down from (a revised) 3.1 per cent in the prior corresponding period (pcp). In seasonally adjusted terms, Retail Turnover increased by 0.3 per cent in the month of March 2019, down from (a revised) 0.9 per cent in February 2019. On a y-o-y basis, Retail Turnover increased by 3.5 per cent, up from 3.2 per cent in the pcp. Across the six ABS retail categories, the strongest growth was recorded for 'Cafes, restaurants and takeaway food services' retailing on a m-o-m basis (1.4 per cent), whilst 'Clothing, footwear and personal accessory' retailing was the strongest performing category on a y-o-y basis (5.9 per cent). 'Department stores' retailing recorded negative growth on a monthly, quarterly and annual basis. The strongest jurisdictions in seasonally adjusted terms were Tasmania (up 5.5 per cent to \$5.2 billion) followed by Victoria (up 5.1 per cent to \$84.3 billion) and the ACT (up 4.1 per cent to \$6.0 billion). Western Australia recorded a second consecutive month of positive growth but remains the worst performing jurisdiction in growth terms (up 0.2 per cent to \$34.1 billion).

## SCCA MARKETING AWARDS: JUDGING PANEL ANNOUNCED

The Shopping Centre Council of Australia is pleased to announce that the 2019 SCCA Marketing Awards expert judging panel will include; Vanessa Fletcher, Director, Visit California; Kate Thomas, Head of Marketing, Aje and; Georgia Thomas, Strategist, The Australian. Nominations for the 2019 program will open on Monday 1 July 2019 and close on Monday 5 August 2019. The Awards Gala Dinner will be held on 16 October 2019 at the Ivy, 330 George Street, Sydney. The evening will commence with networking drinks and canapes in the Ivy Sunroom from 5:30 pm. The formal award ceremony will be held in the Ivy Ballroom from 7 pm, where a seated dinner will be served. For more details regarding the dinner or the nomination process please see the Awards [website](#).

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