

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

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ACCC RELEASES DRAFT “CLASS EXEMPTION” FOR COLLECTIVE BARGAINING

This week, the Australian Competition and Consumer Commission (ACCC) released a draft [‘class exemption’ for collective bargaining](#). The proposed class exemption seeks to make it easier for small businesses to jointly bargain and negotiate with ‘target’ businesses on common issues. To gain a class exemption, relevant businesses would need to comply with the ACCC’s process and requirements. Businesses that fall outside the class exemption would still be able to go through the ACCC’s authorisation or notification process. The SCCA provided a submission on the ACCC’s discussion paper on this matter last year ([Shop Talk 14/9/18](#)). The ACCC Deputy Chair, Mick Keogh, has been reported as saying that “...the class exemption would not force anyone to join a collective bargaining group, or force a customer, supplier or franchisor to deal with the bargaining group if they did not want to”. The ACCC is seeking feedback on the draft class exemption and associated documents, including a draft legislative instrument and the eligibility criteria of exempt businesses not having an aggregated annual turnover (in the previous financial year) of \$10 million or greater. Submissions are due by 3 July 2019.

ACCC ISSUES DRAFT DETERMINATION ON MUSIC LICENSING REQUIREMENTS

The ACCC has issued its [Draft Determination](#) on the Australasian Performing Right Association’s (APRA) application to continue its arrangements for the acquisition and licensing of performing and communication rights ([Shop Talk, 24/5/19](#)). The Shopping Centre Council provided a submission to the ACCC on its initial consultation on APRA’s application. The ACCC proposes to grant authorisation for a 5-year period, with relevant conditions. In addition to conditions that apply to APRA’s current authorisation, the ACCC is proposed to impose additional conditions in relation to the transparency of APRA’s licensing and distribution arrangements. This includes a proposed requirement for APRA to ‘publish its methodology for calculating its license fees for each license category, including relevant data, economic analysis or examination, and matters taken into consideration in determining each license fee’. Submissions are due by 5 July 2019.

LATEST ABS RETAIL TURNOVER FIGURES HIGHLIGHT SLOWER SPENDING

latest release (April 2019) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) trend estimate increased by 0.2 per cent, equal to (a revised) 0.2 per cent in March 2019. In trend terms, Retail Turnover increased by 2.9 per cent year-on-year (y-o-y), slightly down from 3.0 per cent in the prior corresponding period (pcp). In seasonally adjusted terms, the strongest growth was recorded for ‘Department stores’ retailing on a m-o-m basis (1.8 per cent), whilst ‘Food’ retailing was the strongest performing category on a y-o-y basis (4.2 per cent). Seasonally adjusted Retail Turnover decreased by 0.1 per cent in the month of April 2019, down from 0.3 per cent in March 2019. On a y-o-y basis, Retail Turnover increased by 2.8 per cent, down from 3.5 per cent in the pcp. According to the ‘experimental estimates of online retail turnover’ (explained [here](#)), online retail turnover decreased by 2.1 per cent on a m-o-m basis in April 2019, whereas ‘traditional’ retail (total retail turnover less online retail) decreased by 2.8 per cent over the same timeframe, noting that this data is in original (non-seasonally adjusted) terms. Year on-year online retail growth (11.0 per cent) has fallen back to 2017 growth levels, whereas ‘traditional’ retail growth (3.8 per cent, y-o-y) has increased over the same timeframe. According to the latest ABS statistics, online retail accounts for 5.7 per cent of retail turnover. According to NAB, the Online Retail Sales Index contracted 3.8 per cent in April on a month-on-month, seasonally adjusted basis. The strongest jurisdictions in seasonally adjusted terms were Tasmania (up 5.2 per cent to \$5.2 billion) followed by Victoria (up 5.0 per cent to \$84.5 billion) and the ACT (up 4.1 per cent to \$6.0 billion). Western Australia was the worst performing jurisdiction (up 0.3 per cent to \$34.1 billion). It is worth noting, however, that this is the third consecutive month of y-o-y growth for the state following nine consecutive months of negative growth. ‘Clothing, footwear and personal accessory’ retailing recorded the highest growth in the ACT (10.1 per cent), Victoria (7.7 per cent) and Queensland (5.8 per cent). ‘Household goods’ retailing recorded the lowest growth in three jurisdictions, albeit positive growth for two of those jurisdictions.

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