



SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

SHOPPING CENTRE
COUNCIL OF AUSTRALIA

Thursday 8 March 2012

[Archive](#)

PUBLIC HOLIDAYS BILL IS NOW IN THE SOUTH AUSTRALIAN PARLIAMENT

The [Statutes Amendment \(Shop Trading and Holidays\) Bill 2012](#) has now been introduced into the Legislative Assembly of the South Australian Parliament ([Shop Talk 1/3/12](#)). Parliament resumes sitting next week, for one week, and it is likely to be several weeks before the Bill reaches the critical Legislative Council, where the Government does not have a majority. For the Bill to pass the Legislative Council, the Government will need the support of at least four of the independent and minor party MLCs. One of the independents, John Darley MLC, this week floated a 'compromise' whereby the public holiday provisions would only apply after 9pm on both Christmas Eve and New Year's Eve (instead of the present intention of 5pm). This solves nothing, however, since it still means most employers throughout SA will be penalised – in some cases paying up to 275% of ordinary time – for a trading hours concession which delivers nothing to them ([Shop Talk 24/11/11](#)). This prompted another of the independents, Ann Bressington MLC, to describe Mr Darley's proposal as "ridiculous". The Opposition has also announced that it does not support Mr Darley's 'compromise'. The Shopping Centre Council's comments on the Bill are [here](#).

BRENDAN O'CONNOR IS THE NEW FEDERAL MINISTER FOR SMALL BUSINESS

[Brendan O'Connor](#) has been [appointed](#) as the new Federal Minister for Small Business, following the resignation last week from the Ministry and from Federal Parliament of Senator Mark Arbib.

PROPERTY COUNCIL VICTORIA EDUCATION COURSE ON RETAIL LEASES ACT

The Property Council has organised an educational course on the provisions of the Victorian *Retail Leases Act* in Melbourne on 18 April. Click [here](#) for information and to register.

NSW LOCAL GOVERNMENT REFORM SUBMISSION OPPOSES RATE GOUGING

The Shopping Centre Council has lodged a [submission](#) on the NSW Government's [Destination 2036](#) local government reform program. The submission primarily addresses the issue of council ratings for shopping centres, which have continued to increase well above any reasonable measure, such as the NSW 'rate peg', the Local Government Cost Index or the Consumer Price Index. The current rating framework is too easily abused and enables gouging by local councils, requiring no demonstrable link to the provision or cost of council services, and often based on dubious reasoning such as 'capacity to pay'. The 'capacity to pay' approach, which is prohibited in Queensland, enables a council to simply decide that an owner can afford a rate increase. There is no standard test that needs to be applied to this approach; nor does any test need to be applied consistently. This is poor public policy and poor taxation policy. The 'capacity to pay' argument also demonstrates that some councils don't understand, or don't care, that much of the council rates for shopping centres are paid by retail tenants, either directly in outgoings or indirectly in rents. Our submission cites examples where council rates are outstripping land tax, with council rate increases ranging up to 70%. In one centre (where land tax went down, consistent with a decrease in land valuation) the average increase in council rates per retail tenant was \$4,500. This blatant discrimination and gouging must be addressed in the reform process.

AUSTRALIAN CENTRE FOR RETAIL STUDIES SEMINARS AND NEWSLETTER

The ACRS offers its *Global Retail Insights* seminar for 2012. Click [here](#) for full details and [here](#) to register for Melbourne on 16 March or for Sydney on 19 March. Registrations close tomorrow, Friday 9 March. Click [here](#) also to subscribe to *Retail Insights*, the free monthly newsletter.