



SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

SHOPPING CENTRE
COUNCIL OF AUSTRALIA

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ELECTRICITY PRICE RISES EXPECTED IN QLD: GOVT ANNOUNCES FURTHER REVIEW

The Queensland Competition Authority (QCA) recently consulted on its [Draft Determination into regulated electricity prices](#) for 2012-13. The Determination incorporates a range of changes to current tariff structures, which will have a huge impact on shopping centres and on retail tenants. Modeling undertaken for one shopping centre highlights an electricity purchase increase from \$2.9 million to \$3.4 million. There will also be significant impacts for on-selling schemes. One centre estimates a financial loss of \$600,000 in the six months from July to December 2012. The loss of income across other centres ranges from 38% to 163%. In the latter case, the purchase and on-selling of electricity will be at a complete loss. These costs do not factor in the potential cost to install new sub-meters. Premier Newman and the Minister for Energy and Water Supply, Mark McArdle, have expressed concerns about the proposed increases and have frozen the residential tariff for 2012-13 (but not business tariffs) and have announced a further review into electricity prices. The QCA's Final Determination is due by 31 May. A copy of the SCCA submission is [here](#).

WITHHOLDING TAX INCREASED; GREEN TAX BREAKS DUMPED IN FEDERAL BUDGET

There were big hits to the property industry in the Federal Budget this week. The managed investment trust withholding tax will double from 7.5% to 15% from 1 July 2012, reversing the reductions the Federal Government has implemented since 2007. The promised company tax rate cut has also been scrapped. As feared ([Shop Talk 3/5/12](#)), the already postponed \$1 billion *Tax Breaks for Green Building* program, due to commence on 1 July 2012, has now been scrapped. The Property Council has prepared this useful [summary](#) of the major impacts of the Budget on the property industry.

CHATSWOOD CHASE SYDNEY WINS TOP NSW PROPERTY AWARD

Chatswood Chase Sydney has been [named](#) the 2012 NSW Development of the Year in the Property Council of Australia / Rider Levett Bucknall Innovation and Excellence Awards. The Colonial First State Retail Property Trust-owned shopping centre is now in the running for national award honours later this month. Chatswood Chase Sydney is also in contention for the Ray White Real Estate Best Shopping Centre Development, along with Willows Shopping Centre in Thuringowa (DEXUS); enex100 in Perth (ISPT); Stockland Rockhampton; Charlestown Square in Newcastle (GPT); and Thrift Park in Mentone, Melbourne (Woolworths). Click [here](#) for tickets to the national awards gala dinner in Sydney on Saturday 26 May.

ICSC RETAIL REAL ESTATE WORLD SUMMIT AND ASIA SHOPPING CENTRE AWARDS

The ICSC Retail Real Estate World Summit will be held in Shanghai on 11-14 September 2012 with the theme 'The Globalization of Retail'. Click [here](#) for the program and [here](#) to register. The 2012 Asia Pacific Shopping Centre Awards will be announced at the Summit (on 11 September) and the [call for nominations](#) closes on 1 June 2012.

PROPERTY COUNCIL'S ADVANCED COURSE ON RETAIL LEASES ACT IN MELBOURNE

The Property Council, Victoria, will partner with Minter Ellison to hold a half-day advanced course on the *Retail Leases Act*, with emphasis on Victorian case law, on 29 May. Click [here](#) to register.

NEW ZEALAND 2011-12 SHOPPING CENTRE DIRECTORY NOW AVAILABLE

The Property Council, New Zealand has released the 2011-12 *Shopping Centre Directory*. Click [here](#) to purchase your copy.