



SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

SHOPPING CENTRE
COUNCIL OF AUSTRALIA

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WA COMMERCIAL TENANCY REGULATIONS HAVE NOW BEEN GAZETTED

The long-awaited [Commercial Tenancy \(Retail Shops\) Agreements Amendment Regulations \(No.2\) 2012](#) were gazetted last Friday. These are the regulations that flow from the [Commercial Tenancy \(Retail Shops\) Agreements Amendment Act 2011](#), which was passed late last year ([Shop Talk 8/12/11](#)). Both the Amendment Act and the Regulations begin operation on 1 January 2013. The Regulations deal with a range of matters including a new Disclosure Statement and Tenant Guide; the measurement of lettable area; the phasing in of the new provision requiring lessors to notify lessees of the date of exercise of options; and the standard clause for relocations which occur in the first five years of a lease. The Shopping Centre Council lodged a [submission](#) on the Draft Regulations ([Shop Talk 16/8/12](#)).

SHOPPING CENTRE NEWS LITTLE GUNS EDITION IS NOW AVAILABLE

The latest edition of [SCN \(Shopping Centre News\)](#) has now been published. This is the [Little Guns](#) edition, which provides comparisons, on a range of measures, of 99 shopping centres ranging between 20,000 and 45,000 square metres of gross lettable area. This edition also includes features on QIC Global Real Estate's Woodgrove Shopping Centre development in Melbourne and the Stockland Merrylands and Townsville redevelopments. Click [here](#) for subscriptions to SCN.

AUSTRALIAN CENTRE FOR RETAIL STUDIES REPORT ON WORLD RETAIL CONGRESS

The Australian Centre for Retail Studies presents a snapshot of the 2012 World Retail Congress in its recent report and details of the contents can be viewed [here](#). This report and other retail reports can be purchased [here](#).

FEDERAL GOVERNMENT REJECTS ACTION ON LOW VALUE THRESHOLD – FOR NOW

The Federal Government has ruled out any immediate action to reduce the \$1,000 low value threshold for GST on imported goods, which operates as a reverse tariff by making goods worth less than \$1,000, sold by foreign retailers, less expensive than equivalent goods sold by local retailers. This is despite last week's [final report](#) of the Federal Government-appointed [GST Distribution Review Panel](#) which recommended, as soon as practicable, a reduction in the LVT and said a reduction to \$500 "could be done almost immediately". (The Panel's report is [here](#) – refer chapter 11, recommendation 11.2.) Any prospect of quick action, however, was [rejected](#) this week by the Assistant Treasurer when releasing the [Government's response](#) to the [report](#) of the Low Value Parcel Processing Taskforce. The Taskforce was established to seek to drive efficiencies in the processing of Customs and Australia Post handling of imported goods. The Federal Government argues the current inefficiencies in the processing of parcels prevents a reduction in the LVT, with the Productivity Commission concluding it was not cost-effective i.e. the cost of collection of the GST would outweigh the revenue collected.

Unfortunately the Federal Government continues to ignore the option raised by the GST Distribution Review Panel of replacing the current approach of collecting GST 'at the border' with one that imposed a GST liability directly on overseas suppliers of goods and services to Australians. This sensible option, which has worked for other countries, was proposed by an independent taxation expert, Michael Evans, in a [report](#) commissioned by the Panel. This approach would avoid the problems of border processing inefficiencies since only those parcels on which GST had not been paid would end up in the inbound processing queue. This would act as an incentive for all overseas retailers to comply with the new direct GST liability regime.