SHOPTALK
ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

SHOPPING CENTRE COUNCIL OF AUSTRALIA

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VICTORIAN GOVT ANNOUNCES FINAL COMMERCIAL ZONING CHANGES

Victorian Planning Minister Matthew Guy this week announced reforms to commercial and industrial zones, which have been the subject of review for almost twelve months (*Shop Talk 12/7/12*, *20/9/12*, *27/9/12*). Details of the reforms, including the Ministerial Advisory Committee's report, are available here. The Shopping Centre Council made a formal submission and met with the Committee as part of the review. The core aspects of the reforms – to expand the amount of land where retail can be developed – remains largely unchanged from the draft reforms exhibited in July 2012. Principally this involves the consolidation of five existing business zones into two new commercial zones (C1 and C2) and enabling some retail development in the light industrial zone (IN3). The Government has removed permit requirements for most retail uses in the C1 zones (which now includes the existing B5 zone). Coupled with the pending removal of all floor space caps across Metropolitan Melbourne (except in growth areas), including in Development Plan Overlays, this is a positive step. The new C2 zone provides increased flexibility for retail uses, including bulky goods (which can develop as of right). The Government has lowered the supermarket floorspace threshold in the C2 and IN3 zones from 2,000m^2 to 1,800m^2. The Shopping Centre Council had recommended 1,500m^2 and the Committee also recommended 1,500m^2. The Government argued, however, that 1,800m^2 is needed to enable competition to full-line supermarkets. In another positive move the Government has, in regional Victoria, introduced a permit requirement in C2 zones and prohibited supermarkets in order to support the town centres. As the Minister has said he has been driven by retail investment concerns, it is welcome news that these reforms will be monitored. This will hopefully ensure that other investment barriers – such as detailed design requirements and public infrastructure contributions in the planning provisions – are also addressed in the future.

SHOP ASSISTANTS UNION WANTS THE RETAILERS TO PAY FOR WORK JOURNEYS

The Shop Assistants Union has applied to the Fair Work Commission to vary the *General Retail Industry Award* so that retail employees working in shopping centres (or other premises), outside the central business district of capital cities, and who are required by the centre to pay a parking fee, are reimbursed by their employers. The union's Queensland secretary, Chris Ketter, has said: "We do not believe Queenslanders should have to pay for the privilege of coming to work". That should impress workers in, say, the Chermside area of Brisbane who, if they bus to their jobs in the city, pay a fare of nearly $8 a day, while shop assistants working at Westfield Chermside, should they elect to park there, pay only $3 a day. The Shopping Centre Council is assisting the National Retail Association to defeat this absurd claim.

PARLIAMENTARY INQUIRY RECOMMENDS REFORMS TO NSW VALUATION PROCESSES

The final report of the Inquiry into the Land Valuation, chaired by Matt Kean MP, was released late last week. The Committee has made 29 recommendations to overhaul the system, with a key change being the replacement of the Office of the Valuer-General with a Valuation Commission, and related administrative and procedural reforms to improve the integrity, fairness and transparency of the system. A most welcome feature of the report, strongly recommended by the Shopping Centre Council (*Shop Talk 4/4/13*), is the finding that the existing unimproved land valuation basis of the system should be retained, rather than moving to a capital improved valuation methodology. This finding acknowledged that a capital improved valuation methodology would be inequitable and distort investment decisions, particularly against commercial property. The Government will respond to the Committee's recommendations by 4 November 2013.