



SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

SHOPPING CENTRE
COUNCIL OF AUSTRALIA

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REIV REACTION TO VICTORIAN RED TAPE REDUCTION REFORMS IS PUZZLING

The Real Estate Institute of Victoria is opposing the 'red tape' reform allowing a limited exemption to real estate agent licensing requirements ([Shop Talk 30/1/14](#)). The Real Estate Institute of Queensland did not oppose a similar reform ([Shop Talk 8/5/14](#)). The REIV's stance is odd given the exemption will have no financial impact on it; will not affect tenants or the wider community; and given the exemption is supported by the major commercial real estate agencies. The REIV has never denied the real estate agent's license has no professional relevance for shopping centre staff. The REIV has not always been opposed to such a sensible reform. During the debate over the proposed national license for real estate agents, leading REIV officials were interviewed on television in October 2012 and conceded that major shopping centre owners "are sophisticated but they are getting wound up in the estate agent legislation". The CEO of the REIV said in the same interview: "We're quite happy to talk about related party exemptions and sophisticated investor limits [on real estate licensing requirements]." This is all that is happening in Victoria. This removes unnecessary and costly business regulation on sophisticated commercial property owners who fully understand the risks involved in property transactions and have the ability, through legal and commercial means, to protect themselves against such risks. These owners don't need the protection of Parliaments in their dealings with their managers and agents.

FOREST HILL CHASE WINS AN INNOVATION AND EXCELLENCE AWARD

Congratulations to CFS Retail Property Trust Group and Forest Hill Chase for winning the Redpath Partners [Best Shopping Centre Development](#) Award at the Property Council of Australia/Rider Levett Bucknall Innovation and Excellence Awards. All winners can be viewed [here](#).

VICTORIAN GOVERNMENT REDUCES THE FIRE SERVICES PROPERTY LEVY

The Victorian Government has [announced](#) reductions across all fire services property levy rates for 2014-15, including 9% (Metro) and 20% (Country) reductions for commercial property. This is a welcome move (although some caution is needed given the benefits could be eroded by valuation increases). The transition to the new property-based levy has been an exercise in frustration and a combination of a narrow levy base and higher rates has seen many shopping centres much worse off ([Shop Talk 30/8/12](#) and [2/5/13](#)). Our 100 pages of detailed modelling, analysis and recommendations for a fairer regime, which incorporated refinements which were requested by Treasury officials, were dismissed through a selective application of tax-equity principles. One shopping centre's levy contribution jumped from \$940,000 to \$1.3 million simply because it had completed a redevelopment (given the levy is based on 'capital value') - thus taxing job creating investment. This week's announcement, which appears to confirm our suspicions of an 'over-collection' from the new levy, is hopefully a new start in more productive discussions about tax imposts on the commercial property sector, in the lead up to the State election on 29 November.

VALE SABINA LLOYD, EDITOR-IN-CHIEF, SHOPPING CENTRE NEWS

The shopping centre industry has lost a great supporter with the death of Sabina Lloyd, Editor-in-Chief of *SCN (Shopping Centre News)*. Sabina, with her husband, Michael, and her family, made a great contribution to the promotion of the industry through *SCN* and industry events. Sabina was also instrumental in resurrecting the Shopping Centre Marketing Awards, now being organised by the Shopping Centre Council of Australia. She will be sorely missed and we extend our sympathies to Michael Lloyd and to her family.