

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

6 SEPTEMBER 2019

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FURTHER UNFAIR CONTRACT TERM CONSULTATION TO COMMENCE LATER THIS YEAR

A spokesman for Commonwealth Assistant Treasurer, the Hon Michael Sukkar MP, was reported in a [media article](#) that consultation on amendments to strengthen the unfair contract term legislation would commence in "late 2019", which will include consultation on a Regulatory Impact Statement. This follows the Government's issuing of a [media release](#) earlier this year, which noted that the Government will consult on several options to amend the current legislation based on the findings of the review by Treasury which commenced in late 2018 ([Shop Talk 30/11/18](#)). Such options include making unfair contract terms illegal and attaching civil penalties to breaches; increasing the threshold definitions for small business; broadening the coverage of the legislation by removing the current value threshold; and considering exempting 'minimum standards' prescribed by state and territory laws.

FORMAL COMMENCEMENT OF SALES REPORTING CODE OF PRACTICE

On 1 July 2019, the [Reporting of Sales and Occupancy Costs- Retail Industry Code of Practice](#) commenced, following a 6-month transitional period. In addition to the Shopping Centre Council of Australia, signatories to the Code include the Australian Retailers Association, National Retail Association and the Pharmacy Guild. We acknowledge the productive and collaborative approach of these key retail industry groups. The Code imposes a mutual obligation in the reporting of retail sales, including for landlords to provide benchmarking data back to retail tenants. The Code was a formal outcome of the review of the NSW Retail Leases Act, which was a 3-year process and culminated in 31-pages of amendment legislation. The Code complements this and other legislation. The NSW Minister for Small Business, the Hon Damien Tudehope MP, issued a [media release](#) to mark this important outcome of the legislative review and industry collaboration. It is the intent of the parties for the Code to be rolled out nationally, and it was developed and approved to have broad application. This will now be progressed, noting that the number of SCCA members already apply the Code nationally.

FRANK LOWY FELLOWSHIP: 2019 NOMINATIONS WELCOMED

Nominations for the 2019 *Frank Lowy Fellowship* are open and being [welcomed](#). The Fellowship, which recognises the contribution made by Sir Frank Lowy AC to the Australian shopping centre industry, will be awarded to a talented person working in the Australian shopping centre industry who has demonstrated both distinction in their professional field and a commitment to shopping centre industry excellence. The Fellowship recipient will receive a cash contribution towards a professional development pursuit or industry event of choice. The Fellowship is an initiative of the Shopping Centre Council and proudly supported by Scentre Group. The nomination period closes on Monday 30 September 2019. For more information visit the [Frank Lowy Fellowship website](#).

LATEST ABS RETAIL TRADE FIGURES HIGHLIGHT FURTHER SLOWING IN SPENDING

The latest release (July 2019) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) trend estimate increased by 0.1 per cent, down from 0.2 per cent in June 2019. In trend terms, Retail Turnover increased by 2.4 per cent year-on-year (y-o-y), down from (a revised) 2.6 per cent in the prior corresponding period (pcp). In seasonally adjusted terms, across the six ABS retail categories, the strongest growth was recorded for 'Food' retailing on a m-o-m basis (0.3 per cent), as well as on a y-o-y basis (3.2 per cent). Seasonally adjusted Retail Turnover decreased by 0.1 per cent in the month of July 2019, down from 0.4 per cent in June 2019. On a y-o-y basis, Retail Turnover increased by 2.4 per cent, down from 2.5 per cent in the pcp. According to the 'experimental estimates of online retail turnover' (explained [here](#)), online retail turnover increased by 1.0 per cent on a m-o-m basis in July 2019, whereas 'traditional' retail (total retail turnover less online retail) increased by 1.1 per cent over the same timeframe, noting that this data is in original (non-seasonally adjusted) terms. Year-on-year online retail growth (14.5 per cent) has fallen back to 2016 growth levels (average growth for 2016 was 14.4 per cent). According to the latest ABS statistics, online retail accounts for 5.9 per cent of retail turnover.

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