

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

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CHANGES PROPOSED TO RETAIL DEFINITIONS IN NSW LOCAL ENVIRONMENTAL PLANS

This week, the NSW Department of Planning and Environment [released](#) for consultation various proposed changes to retail-related definitions in the Standard Instrument LEP. This follows the release of a report from the so-called Retail Expert Advisory Committee in November last year ([Shop Talk 10/11/17](#)). The Department is proposing to replace and rename the current definition of 'bulky goods premises' with a new definition for 'specialised retail premises', having abandoned an earlier proposal to 'tweak' the current definition ([Shop Talk 2/2/18](#)) (we question the basis upon how such premises are being characterised as 'specialised'). The proposed definition would generally bring NSW into line with the Victorian definition of 'restricted retail premises' ([Shop Talk 2/2/12](#)). The Department is also proposing to amend the current definition of 'garden centre', and introduce entirely new definitions into the Standard Instrument for 'artisan premises', 'local distribution premises' and 'neighbourhood supermarket', the latter proposed to be a supermarket not exceeding 1,500m² in a B1 Neighbourhood Centre zone. Once again, the NSW Government seems to be bending over backwards to facilitate all sorts of supposed changes in retail models and trends, while doing little to facilitate streamlined change and investment for shopping centres, which generally sit within the Government's preferred investment locations (i.e. activity centres) and align with the Greater Sydney Commission's 'Three Cities' vision ([Shop Talk 23/3/18](#)). They are also doing so without acknowledging the change and innovation constantly being driven by our sector without any special treatment via the planning system. In fact, an early review suggests a proposed change could potentially, however unintentionally, constrain the future evolution of retail models within shopping centres. The proposed definition amendments in the Standard Instrument LEP come in the context of the development of a broader Retail Strategy for NSW. It remains unclear when further information on this strategy will be available. Comments on the changed definitions are being welcomed by the Department until mid-May.

LATEST ABS DATA INDICATES A STRONG BOUNCE IN RETAIL TRADE

The latest release (February 2018) of the monthly ABS Retail Trade data indicates that the month-on-month (m-o-m) trend estimate increased by 0.4 per cent, up from 0.3 per cent in the prior corresponding period (pcp). In trend terms, Retail Turnover increased by 2.7 per cent year-on-year (y-o-y), up from (a revised) 2.5 per cent in the pcp. In seasonally adjusted terms, Retail Turnover increased by 0.6 per cent in the month of February 2018, up from (a revised) 0.2 per cent in the pcp. On a y-o-y basis, Retail Turnover increased by 3.0 per cent, significantly up from 2.1 per cent in the pcp. Positive growth was recorded across all six ABS categories on both a m-o-m and y-o-y basis for the first time since April 2017. The strongest growth was recorded for 'Department stores' retailing on a m-o-m basis (1.5 per cent), whilst 'Clothing, footwear and personal accessory' retailing was the strongest category on a y-o-y basis (4.9 per cent). Positive consumer sentiment for the last three consecutive months, something which has not occurred since late 2016, appears to have been reflected in the current ABS data. The latest figures from the Westpac-Melbourne Institute Index of Consumer Confidence reports consumer sentiment at 102.7. Whilst down from 105.1 in January 2018, this figure is up on the pcp in the last two years.

FEDERAL PARLIAMENTARY INQUIRY INTO OCCUPATIONAL LICENCING

A Senate 'Red Tape Committee' has determined to undertake an [inquiry](#) into the impact on the economy and community of occupational licensing. A specific term of inquiry relates to areas of red tape that are "particularly burdensome, complex, redundant or duplicated across jurisdictions" – perhaps a proxy definition for real estate licensing requirements for large commercial property owners in some jurisdictions. The recent winding back of licensing requirements for large commercial property owners in South Australia ([Shop Talk 11/8/17](#)), NSW ([Shop Talk 4/8/16](#)) and Queensland ([Shop Talk 30/10/14](#)) should be instructive for the Committee.

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