

**10 December, 2015**

## **MEDIA RELEASE**

### **Emergency services levy reform should not slug important consumer facing sectors**

Retailers and major shopping centre owners have urged the NSW Government to work closely with them in the design and implementation of the new Emergency Services Property Levy to ensure that additional costs are not lumped on these critical consumer facing sectors.

The NSW Government has announced that from 1 July 2017 emergency services will no longer be funded via a levy on insurance premiums but through a levy on unimproved land values.

"We see the sense in a shifting the emergency services levy to a broad-based property levy but want to ensure reform options aren't over-simplified and don't place a disproportionate burden on shopping centres, their retailers or customers" said Mr Angus Nardi, the Executive Director of the Shopping Centre Council of Australia.

"A similar reform process in Victoria was a debacle and resulted in levy increases of 400% for some shopping centre owners. We do not want to see this happen in NSW.

"Our submission to a 2012 Discussion Paper on this issue noted that indicative rates would lead to 275%-514% increases based on a sample of our member's insurance-based contributions at that time.

"We hope these rates have been put in the bin.

"It's hard not to worry about a reform proposal that is based different property-levy rates being applied to different categories of land.

"We are keen to make sure that the relatively low fire risk of shopping centres – which invest significant resources into fire suppression systems – is appropriately reflected in the final rates.

The Australian Retailers Association's Executive Director, Russell Zimmerman, also urged caution in the implementation of this change.

"If a system is designed which can leave more money in the consumers' pocket, that is a good win for retailers.

"The flip side is that any increase in statutory costs lumped on shopping centre owners through new or increased taxes will have flow through impacts to retailers.

"This means that retailer costs can increase, which will put more pressure on their businesses, which were substantial in Victoria along with South Australia, and their consumers.

"The Government needs to make sure it consults with all of the stakeholders that will be impacted by this change, and the retail sector can't be forgotten.

**Contact:**

**Russell Zimmerman, ARA – 0418 796 805**

**Angus Nardi, SCCA – 0408 079 184**