

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

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FEDERAL CABINET SWORN-IN AND ADMINISTRATION OF ACTS GAZETTED

In late May, Prime Minister Scott Morrison [announced](#) his new Cabinet and the associated [Administrative Arrangements Order](#) was finalised, which resulted in some small changes from the previous term of Government. The Hon Josh Frydenberg remains Treasurer and will continue to have responsibility for taxation matters and the majority of the *Competition and Consumer Act 2010*. The Hon Michael Sukkar will re-enter the Ministry as Assistant Treasurer. Based on recent enquiries, it seems that specific responsibilities are yet to be finalised. The Hon Peter Dutton has been reappointed to the Home Affairs portfolio with responsibility for national security issues, including Australia's Strategy for Protecting Crowded Places from Terrorism and the recently introduced Modern Slavery reforms. The Hon Angus Taylor continues in his capacity as Minister for Energy and the additional portfolio of Emissions Reduction, which covers several areas of reform. The Hon Michaelia Cash has been reappointed Minister for Employment, Skills, Small and Family Business.

NSW BUDGET: SMALL BUSINESS MEASURES ANNOUNCED

NSW Treasurer Dominic Perrottet handed down the 2019-2020 state [budget](#) earlier this week. Some relevant measures included continuing payroll tax cuts and progressively raising the payroll tax free threshold to \$900,000 in 2019-20. This measure continues from the payroll tax cut in the 2018-19 Budget, which is geared at helping small-medium sized businesses, and progressively raises the threshold up to \$1 million by 2021-22. The red-tape reduction program, Easy to Do Business, that currently assists small businesses in navigating Government agencies and approvals, will be extended to the housing and construction sector. The Budget allocates \$27 million in expenses and \$22 million in 2019-20 to assist the café and clothing retail sectors (amongst others). In relation to clothing retail, the program includes information about retail leasing and shop trading hours and provides an interface with local councils and Government bodies to assist in setting up and expanding their business.

AUSTRALIA POST ONLINE RETAIL REPORT: ANNUAL SNAPSHOT OF CONSUMER TRENDS

Australia Post recently released the 2019 eCommerce industry paper - [Inside Australian Online Shopping](#). Now in its fourth year, this publication takes a deep look into the trends and purchasing behaviour of online consumers. The latest edition indicates that the year-on-year growth in the number of purchases was up 20.2 per cent (in 2018), an increase of ~100 basis points on 2017. The report also highlights, using a combination of ABS and Quantum data, that "Australians spent \$27.5 billion buying goods online, an increase of 24.4% year on year...", totalling some '10 per cent' of retail spending. However, it is worth noting that this calculation excludes cafes, restaurants and takeaway food services from the total spend figure – and when added back in, online retail would account for something closer to 8 per cent. Interestingly, whilst growth in 'fashion' transactions increased by 20.4 per cent in 2018, this was 6.8 percentage points lower than the prior year.

VICTORIAN BUDGET CONTINUES SMALL BUSINESS NARRATIVE WITH MORE PAYROLL TAX CUTS

In late May, Victorian Treasurer Tim Pallas announced the 2019-2020 state [budget](#). The budget narrative centred on commitments made as part of the November state election. Small businesses were targeted with the payroll tax-free threshold are benefitted by an increase from \$650,000 to \$700,000 by 2022-23 to reduce their tax liability. This will be delivered through a threshold increase of \$25,000 from both 1 July 2021 and 1 July 2022. The budget also announced \$27.3 million to establish a new Essential Services Commissioner (ESC). The Commissioner will deliver the Energy Fairness Plan to crackdown on energy companies with bigger fines and more powers for the regulator. The Red Tape Commissioner has been provided \$800,000 to review Victoria's building and planning approvals processes. The Budget allocates \$150 million to establish the Victorian Jobs and Investment Fund with one of its three priorities to build on attracting investors like "David Jones and the Alibaba Group" according to the Victorian Treasury's [budget overview](#).

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