

Media Release

20 October 2014

VICTORIAN GOVERNMENT SAVES COMMERCIAL PROPERTY OWNERS MILLIONS A YEAR IN UNNECESSARY REGULATION

The Victorian Government's announcement to reduce red tape and save millions of dollars each year for shopping centre owners, along with other commercial property owners, is a welcome step to reduce the cost of doing business in Victoria, according to the Shopping Centre Council of Australia (SCCA), the nation's peak industry group for the shopping centre industry.

"This is a welcome announcement, and a reform that we've been pursuing for some time", said Steven Sewell, SCCA Chairman and Chief Executive Officer/Managing Director of Federation Centres.

"We applaud the Government for introducing an initiative that will reduce the cost of doing business in Victoria", said Mr Sewell.

"This reform fell short at the national level a couple of years ago, so it's pleasing that the Victorian Government has taken this leadership position. Queensland is the only other government to pursue similar reforms, with legislation passed earlier this year".

"We raised the need for this reform in our submission to the Federal Competition Policy Review, so this announcement is also timely given that the recent Draft Report, led by Professor Ian Harper, noted (at page 100) that (professional) 'licensing requirements can raise barriers to entry in markets that create more costs than benefits to the community'".

"The Victorian real estate licensing regime is a cost burden on our sector, and teaches our sector nothing about how to own, manage or lease a shopping centre".

"As major investors, the cost and administrative burden of the current licensing regime outweighs any benefits".

"Commercial agents, including our own members such as JLL and Savills, will continue to play a major role in our sector in terms of leasing, management and transactions".

"As part of Victoria's important real estate sector, we are keen to see a strong and prosperous sector that benefits the State's economy and community."

The Shopping Centre Council of Australia represents Australia's major owners, managers and developers of shopping centres. Our members are AMP Capital Investors, Blackstone Group, Brookfield Office Properties, Charter Hall Retail REIT, CFS Retail Property Trust Group, DEXUS Property Group, Eureka Funds Management, Federation Centres, GPT Group, Ipoh Management Services, ISPT, Jen Retail Properties, JLL, Lancini Group, Lend Lease, McConaghy Group, McConaghy Properties, Mirvac, Perron Group, Precision Group, QIC, Savills, Scentre Group (formerly the Westfield Group and Westfield Retail Trust) and Stockland.

Contact: Angus Nardi, Executive Director, 0408 079 184