

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

THURSDAY 8 OCTOBER 2015

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WEEKEND PENALTY RATES TAKES CENTRE-STAGE IN FEDERAL POLITICS

Over the past week, the issue of weekend penalty rates, including those in the retail sector, has taken centre-stage in Federal politics. This comes in the context of the Productivity Commission's current review into the workplace relations framework, as well as the Fair Work Commission's review of the Retail Modern Award. Principally indicated through comments made by the Prime Minister, Malcolm Turnbull, and Minister for Employment, Michaela Cash, the Government may take the issue of penalty rates (amidst other workplace relations reforms) to the next election (expected in 2016). Other Government members have also weighed into the argument to support the lowering of penalty rates, citing issues such as addressing youth unemployment. On Melbourne radio this week, the Prime Minister agreed with the notion that we are now in a 'seven day economy', in reference to the fact that Sunday has become a normal day for the economy. It has also been reported that the Prime Minister has suggested that changes in penalty rates could be tied to reforms (for lower paid workers) under the tax system such as tax incentives or credits. This has been further clarified by the Treasurer, Scott Morrison, with reports that he believes such a move could be "innovative". In response, the Opposition Leader, Bill Shorten, has stated that "we accept the Liberal challenge about penalty rates being an election issue". In a similar vein, the Australian Council of Trade Unions (ACTU) has threatened a major campaign to protect penalty rates. As has been previously reported, the Shopping Centre Council has provided three submissions to the Productivity Commission's inquiry and our evidence has been referenced in the context of the premise of the 'seven day economy'. The submission period on the Commission's draft workplace relations report has now closed and 103 submissions were received from various groups. The Commission will now finalise its final report which is due to the Government by 30 November 2015. This will no doubt influence and shift the public debate again.

STRONG REBOUND IN RETAIL TRADE FOR AUGUST, IN LINE WITH CONSENSUS

The latest release of Retail Trade data from the Australian Bureau of Statistics for August 2015 indicates that the overall month-on-month (m-o-m) trend estimate grew by 0.2 per cent. In trend terms, retail turnover increased by 4.3 per cent year-on-year (y-o-y). In seasonally adjusted terms, Retail Turnover increased by 0.4 per cent for the month of August 2015, compared to -0.1 per cent in July 2015, and by 4.5 per cent on a y-o-y basis. The strongest growth was recorded for 'Department stores' and 'Other' retailing on a m-o-m basis (both 1.3 per cent), whilst 'Household goods' retailing recorded the strongest y-o-y growth (9.1 per cent). The strongest state was New South Wales (up 6.6 per cent to \$91.9 billion), whilst the weakest states were Western Australia (up 2.6 per cent to \$33.3 billion) and Queensland (up 2.6 per cent to \$58.8 billion). However, Western Australia joined New South Wales and the Australian Capital Territory as the only jurisdictions to record positive growth across all six ABS categories.

OFFICE OF THE CHILDREN'S GUARDIAN DRAFT REGULATIONS FOR EMPLOYING CHILDREN

The NSW Office of the Children's Guardian (OCG) is currently exhibiting the draft [Children and Young Persons \(Care and Protection\) \(Child Employment\) Regulation 2015](#). These regulations, which set rules around the employment of a child (under 15, or 16 for modelling work) for performance or promotional activities, are proposed to replace existing regulations which lapse on 1 December. The draft regulation seeks to clarify which entity needs to be 'authorised' as an employer in circumstances where a third party (eg. a promotions company or an agency), in effect, engages a child on behalf of another party. The draft regulations outline that the employer is the person which, in effect, is responsible for the 'care, control and direction' of the child during their employment. The OCG has explained that adherence to the regulations should be considered by parties on a 'case by case' basis.

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