

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

THURSDAY 17 DECEMBER 2015

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TERRORISM INSURANCE ACT REVIEW FINALISED; SCHEME TO CONTINUE

The Federal Government has completed the triennial [review](#) of the *Terrorism Insurance Act*. The Act, which establishes the terrorism reinsurance scheme and Australian Reinsurance Pool Corporation (ARPC), commenced in 2003 and provides an avenue for insurance cover for declared terrorism incidents. Following the '9/11' terrorist attacks in the US, it was considered important to address a market failure in the insurance sector and ensure that commercial property (and other sectors) had access to terrorism insurance on reasonable terms ([Shop Talk 26/11/14](#)). The Lindt Café incident on 15 December 2014 was a declared incident for the purpose of the Act. Positive outcomes from the review include commitment to the continuation of the scheme as there is still no reasonable private market for terrorism insurance in Australia. Unfortunately, the Government has opted to increase current levy rates and has indicated that they will consider basing future premium calculations on insured asset value, which would simply amount to an additional, new property tax.

NO CHANGE RECOMMENDED TO LOBBYIST DEFINITION IN QUEENSLAND

The Finance and Administration Committee of the Queensland Parliament has [recommended](#) that the definition of 'lobbyist' in the *Integrity Act* be retained and that the scope of the lobbyist register remain unchanged following its review of recommendations regarding the functions of the Integrity Commissioner. The report subject to review recommended that 'in-house' lobbyists, including staff from "large corporations" and "peak industry associations" that perform a lobbying function, be captured by the definition and subject to disclosure on the lobbyist register. The Shopping Centre Council [argued](#) that there was no compelling case to justify changing the approach, and urged them to look to the regulation of lobbying in NSW as a reasonable middle ground.

DISCUSSION PAPER ON STRENGTHENING THE MISUSE OF MARKET POWER LAW

The Federal Government has released a [Discussion Paper](#) on options for strengthening the misuse of market power provisions (section 46) of the *Competition and Consumer Act*. This follows controversy over the Harper Panel's recommendation to make changes to section 46. The Federal Government, when announcing last month its response to the Harper recommendations, promised further consultation on section 46. Submissions on the Discussion Paper close on 12 February 2016. Australia's Treasurers discussed the Government's response to the balance of Harper's recommendations at their 10 December meeting, reaching agreement that "all levels of Government must be on board".

REMINDER ABOUT NSW BOXING DAY TRADING AND SPEND PREDICTIONS

Retailers across NSW will be able to trade on Boxing Day following the NSW Government's successful navigation of this long awaited reform through the Parliament ([Shop Talk 12/11/15](#)). First announced in the March election campaign, the NSW Treasurer, Gladys Berejiklian, secured this reform with the support of the Christian Democrats. Centre managers are reminded that, under the new rules, retailers cannot be forced to trade on Boxing Day. A landlord who is found to have compelled a retailer to trade may be liable for a fine of up to \$22,000. More information on the Boxing Day 2016 requirements is available on the NSW Industrial Relations [website](#). This new law will be subject to independent review in early 2017. The Australian Retailers Association has predicted that, on Boxing Day in NSW, consumers will spend close to \$750 million. This would be the first time that NSW shoppers have spent more than any other state and would represent almost a third of the \$2.3 billion that is expected to be spent nationally. However, Victoria is expected to finish a close second with just over \$721 million forecast to pass through the tills on Boxing Day.

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