

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

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IMPORTANT GST REFORMS SHOULD NOT BE LOST TO THE ELECTION CYCLE

With political posturing on the rise in the wake of the now embattled tax reform process and Prime Minister's extraordinary pre-election maneuvering, it is a concern that otherwise good and broadly agreed policy may be caught in the crossfire. For example, in February this year the Federal Treasurer, Scott Morrison, tabled a Bill in the Parliament which would close a GST loop-hole which currently exempts intangible products purchased from foreign suppliers from attracting the GST - otherwise known as the 'Netflix Tax' ([Shop Talk 11/2/16](#)). The Bill has passed the House of Representatives and is currently before the Senate. The timing of the Federal election and the immediate priorities of the Senate will dictate the short-term life of this important reform. Australia's political leaders should also demonstrate progress on the agreement reached last year to abolish the GST Low Value Threshold (LVT) which exempts tangible products under \$1,000 purchased from overseas from attracting the GST ([Shop Talk 27/8/16](#)). Little has been said publically about this critical and already agreed GST integrity measure in recent months and, with a proposed implementation date of July 2017, this raises alarm bells.

AUSTRALIAN ENERGY REGULATOR RELEASES UPDATED EXEMPT SELLING GUIDELINES

The Australian Energy Regulator has released an updated version of the [Retail Exempt Selling Guideline \(Version 4\)](#) which outlines the framework and conditions for obtaining an exemption from holding an electricity retailer authorisation for businesses that sell (or onsell) electricity (including shopping centres); where an authorisation is not appropriate or practical. This is the fourth version since the initial Guideline was released in December 2011 ([Shop Talk 16/2/12](#)). It is hoped that these Guidelines can now operate with some stability to provide both process and investment certainty into the future. The Shopping Centre Council lodged a submission on the Draft Guideline.

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PROMISED REVIEW OF THE AUSTRALIAN CONSUMER LAW IS NOW UNDERWAY

The Australian governments have endorsed a [review](#) of the Australian Consumer Law, now contained in Schedule 2 of the *Competition and Consumer Act*. The review will not include last year's amendments to extend the unfair contract terms law to 'small business contracts', which are scheduled to be reviewed two years after they begin operation on 12 November 2016 ([Shop Talk 19/11/15](#)). The Chairman of the Australian Competition and Consumer Commission (ACCC), Rod Sims, has already nominated some of the ACCC's objectives in the ACL review and these include extending the protections of the unconscionable conduct provisions (s.21 of Schedule 2) to listed public companies. This is an odd objective, particularly given the ACCC's latest [Compliance and Enforcement Policy](#) concedes the ACCC already "cannot pursue all the complaints it receives or issues that come to its attention." Allowing, say, Wesfarmers and Woolworths to sue for alleged unconscionable conduct by their suppliers will hardly resolve the ACCC's resource problem, particularly given the array of legal and commercial avenues for resolution of disputes already available to large listed companies.

'BIG GUNS' EDITION OF SHOPPING CENTRE NEWS IS NOW AVAILABLE

The 'Big Guns' edition of *SCN* ([Shopping Centre News](#)) is now available. This includes the annual survey of the performance of our largest shopping centres in 2015, according to moving annual turnover (MAT); centre sales productivity (MAT/m²); and specialty sales productivity (specialty MAT/m²). These performance indices (and similar tables in other editions for 'Little Guns' and 'Mini Guns') are important information for retailers making location and leasing decisions. It is strange, therefore, that there are still some retailers who seek to have governments prohibit the disclosure of turnover information by retail tenants. In this regard we recommend the editorial in this edition by *SCN's* publisher, Michael Lloyd.

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