

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

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NSW GOVERNMENT DEFERS INTRODUCTION OF PROPERTY-BASED EMERGENCY SERVICES LEVY

This week, the NSW Premier, Gladys Berejiklian, and NSW Treasurer, Dominic Perrottet, [announced](#) that the introduction of the property-based Fire and Emergency Services Levy will be deferred and subject to further review. This follows recent reports of disquiet about the impact the levy – to have been introduced as of 1 July 2017 – on some property owners ([Shop Talk 26/5/17](#)). Contributions to the funding of emergency services will continue to be collected via insurance premiums until the review of the new levy is completed. No timeframe has been set. The Shopping Centre Council has already made representations to the Treasurer to ensure that we continue to be engaged in the review process and to seek comfort that the deferral does not create unintended consequences regarding obligations under the *Retail Leases Act*.

WA TREASURER FAILS TO RULE OUT TAX HIKES – DESPITE ELECTION COMMITMENT

This week, the Western Australian Treasurer, Ben Wyatt, was reported as refusing to guarantee that the election commitment to not introduce or increase taxes will be honoured. This is alarming news, particularly given WA statutory charges for shopping centres are the highest in Australia, and have also outstripped land valuation and retail sales growth in recent years. The scourge of statutory charges is becoming completely absurd, whereby shopping centre companies are ably managing the costs within their control; yet there is a growing blow-out in costs beyond their control. The other issue is the volatility of these costs, which is making it more difficult for annual budgeting purposes, including outgoings estimates for retailers, in accordance with retail tenancy legislation. It's worth keeping in mind that the WA Budget isn't until 7 September, well into the 2017-18 financial year. We also face the risk that, even despite the election commitment of no new taxes or tax increases, the Government can still increase the tax take by changing thresholds, rules, imposing 'fees' or 'levies', and even seeking to adjust the underlying statutory valuation methodology.

VICTORIAN RETAIL SMALL BUSINESS REGULATION REVIEW PRODUCES DISCUSSION PAPER

Late last week, the Victorian Small Business Minister, Philip Dalidakis, released the [Small Business Regulation Review \(Retail Sector\) Draft Action Statement](#). The draft Statement proposes four areas of potential reform to retail leasing. Firstly, the draft Statement proposes amendments to the *Retail Leases Act 2003* to 1) clarify when a lessor is to provide a draft lease and information brochure to a prospective tenant, and 2) introduce a timeframe within which a lessor must return a bond or bank guarantee to a tenant once all obligations under a lease have been fulfilled. It also contemplates options to improve the disclosure of "all relevant price and non-price terms (including the proposed rent) a reasonable time before tenants must exercise an option to renew a lease". It is also proposed that the Government will prepare a "standard retail lease" that would be freely available on the Office of the Small Business Commissioner website. (Although it is left unsaid in the draft Statement, we understand that there is no intention to regulate or mandate the use of this lease.) Other proposed action areas in the draft Statement are responses to a collection of common grievances, including improving "access to information" (which is met with world-weary concepts of "no wrong door" access and the need to "write for business not bureaucrats"), reducing approval times and making it easier to comply with food safety regulation. Submissions in response to the draft Statement are due in late June, with a final Action Statement to be released mid-year.

VICTORIAN GOVERNMENT ANNOUNCES UPDATE TO FIRE SERVICES PROPERTY LEVY

In what could be viewed as a cheekily-timed response to the current challenges in NSW, Victorian Treasurer, Tim Pallas, has [announced](#) minor operational changes to Victoria's property-based Fire Services Property Levy, which was introduced in July 2013 ([Shop Talk 2/5/13](#)). Revenue collected via the levy in 2017-18 and 2018-19 will remain the same as 2016-17, the fixed charge components will increase in line with CPI, while variable rates across all categories will fall.

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