

SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

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PRODUCTIVITY COMMISSION INQUIRY: COLLECTION MODELS FOR LOW VALUE GOODS

The [Terms of Reference](#) for a four-month Productivity Commission inquiry into models for collecting GST on low value imported goods have been issued. The Federal Government acquiesced to this inquiry during the passage of the [Treasury Laws Amendment \(GST Low Value Threshold\) Bill 2017](#) through the Parliament as a result of Opposition amendments to the Bill ([Shop Talk 16/6/17](#) & [23/6/17](#)). In a [statement](#) issued by the Shadow Treasurer, Chris Bowen, while the Bill was subject to debate, it is stated that "the Productivity Commission inquiry will allow stakeholders an opportunity for an independent hearing into their concerns and the merits or otherwise of other collection models". The Commission has been tasked with considering and making recommendations on the effectiveness of the now legislated vendor collection model and if other models may be more appropriate, including with regard to impacts on Australian small businesses and consumers. A final report is due by 31 October 2017 to, practically, allow sufficient time for any amending legislation to be passed prior to the commencement of GST collection on low value imported goods on 1 July 2018. A discussion paper will be released by the end of July.

COURT OF APPEAL DECISION DISMISSES APPEAL REGARDING RETAIL PROVISION OF SERVICES

This week, the Victorian Court of Appeal [dismissed](#) an appeal against an earlier Supreme Court judgment in *CB Cold Storage Pty Ltd v IMCC Group Pty Ltd [2017] VSC 23* regarding the scope of the retail provision of services in the context of the definition of 'retail premises' under the Victorian *Retail Leases Act 2003* ([Shop Talk 24/3/17](#)). The Court of Appeal affirmed the application of the 'ultimate consumer' test and rejected the view that a distinction be drawn between commercial (or business) and non-commercial consumers of services. With this appeal having been dismissed, the Court has, in effect, broadened the potential scope of the *Retail Leases Act 2003* to include warehouses and cold storage, previously assumed not to be retail.

ABS RETAIL TRADE DATA: STRONG SALES FOR SECOND CONSECUTIVE MONTH

The latest release (May 2017) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) trend estimate increased by 0.3 per cent, equal to (a revised) 0.3 per cent in the prior corresponding period (pcp). In trend terms, retail turnover increased by 3.2 per cent year-on-year (y-o-y), up from (a revised) 3.1 per cent in the pcp. In seasonally adjusted terms, the strongest m-o-m growth was recorded for 'Household goods' retailing (2.2 per cent), whilst the strongest category y-o-y was 'Cafes, restaurants and takeaway food services' retailing (5.3 per cent). Retail Turnover increased by 0.7 per cent m-o-m in May 2017, a relatively strong result following a significant increase of 1.0 per cent in April, and by 3.8 per cent y-o-y (up from a revised 3.1 per cent in the pcp) - the strongest level of growth since April 2016. The strongest jurisdictions in seasonally adjusted terms were the ACT (up 5.1 per cent to \$5.7 billion) followed by Tasmania (up 4.6 per cent to \$4.8 billion) and South Australia (up 4.1 per cent to \$20.1 billion). The weakest jurisdiction was Western Australia (up 0.4 per cent to \$34.0 billion).

REVIEW INTO THE SMALL BUSINESS AND FAMILY ENTERPRISE OMBUDSMAN

Last week, the findings of a [review](#) into the operation of the Australian Small Business and Family Enterprise Ombudsman, currently Ms Kate Carnell AO ([Shop Talk 4/2/16](#)), were handed to the Federal Minister for Small Business, Michael McCormack. The review was led by Ms Su McCluskey, who was also a member of the Harper Competition Review Panel. The review sought to establish how 'efficiently and effectively' the Ombudsman operated "...as an advocate for small business and family enterprise". Submissions have been made [public](#) and, interestingly, a number of stakeholders have questioned the use of the title 'Ombudsman' in reference to the functions of the role. This is an issue the Shopping Centre Council raised during the consultation on the establishment of the Ombudsman under the *Australian Small Business and Family Enterprise ombudsman Act 2015* ([Shop Talk 9/4/15](#)).

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