

20 October 2021

Committee Secretary
Education, Employment and Training Committee
Parliament House
BRISBANE QLD 4000

## EETC@parliament.qld.gov.au

Dear Secretary,

Re: Mount Isa City Council (MICC) submission into – Trading (Allowable Hours) Act 1990 (the Act), in particular: examining the impact of the moratorium on trading hours orders and restriction on making application (section 59 of the ACT) and recommendations following its expiry; August 2022.

## Introduction

The City of Mount Isa has an estimated population of 20,500. It is the largest inland City in the North West. The closest neighbouring major activity centers are Townsville, which is 900 kms to the east with a resident population of 120,000, Alice Springs which is 1,167 kms to the south west with a population of 20,000 and Darwin which is 1,600 kms to the north west with a population of 132,000.

It is submitted that the retail catchment for Mount Isa extends west to Tennant Creek, east to Cloncurry and incorporates outlining areas such as Burketown and Camooweal. It is estimated that Mount Isa has a retail catchment population of approximately 30,000 residents. Added to this catchment is the large number of fly in/fly out workers and drive in/drive out workers that access retail services.

The Central Business District is anchored by two supermarkets, Coles and Woolworths, as well as a discount department store, K-Mart. Recently, the Mount Isa Village shopping centre was purchased for \$44.2 million. The Mount Isa Village features 19 specialty tenancies and comprises the city's only enclosed shopping centre. With a 19,650m2 site area and a GLA of 9,685m2, the sub-regional complex is the largest shopping centre servicing the Mount Isa trade area.

The Central Business District contains the following national retailers:

- KFC
- McDonalds
- Best and Less
- Dominos
- Subway
- Sportspower
- Coffee Club
- Just Jeans
- Ally Fashions
- EB Games
- Brumby's Bakery
- Bunnings (scheduled to relocate in early 2022)
- Rockmans

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- Pizza Hut
- Australia Post
- Jay Jay's
- BCF
- Zambreros
- Dollars and Sense
- Telstra Shop
- Optus Shop
- Guardian Pharmacy
- Pharmacy First
- Liquor Warehouse
- Totally Workwear
- OPSM

There are a number of banks within the Central Business District, as well as two hotels, three bottle shops, an Ibis and Best Western Motel. There are two pubs/hotels and a number of cafes/restaurants, as well as a cinema and a newsagent.

There is extensive office space within the Central Business District with State and Federal Government agencies well represented, including Centrelink, as well as a plethora of not-for-profit organisations.

On the periphery of the Central Business District there are three service stations and further office accommodation and education facilities.

It is envisaged that the vacancy rate for both the shops and office space is relatively high, with many premises being left vacant and often being the subject of vandalism and graffiti.

The presentation of the Central Business District is tired and in need of renewal. There have been some attempts at introducing some themes through landscaping, but these actions have not been followed through with any consistency.

Outside the Central Business District there is a Harvey Norman store, as well as a number of automotive retail businesses. Additionally, there is a new Bunnings store being constructed which will employ a significant number of people, representing an investment of over \$8 million.

There is one Foodworks store located out of the Central Business District, three independent supermarkets, and a convenience store adjacent to and operated by the Irish Club.

Mount Isa is the recognised hub for State and Federal Governments to deliver services to the broader North West. Additionally, Mount Isa provides goods and services to the mining industry and the agricultural sector and acts as a stopping point for many travelers and tourists. It is estimated that over 100,000 tourists travel through Mount Isa annually, with over 30,000 attending major events such as the Mount Isa Rodeo.

Over the greater North West region, Mount Isa is the hub for health, shopping, mining, freight/logistics, agricultural supplies, tourism and most State and Federal government services.

MICC has taken a well-researched/informed approach in responding to the review of 7-day trading for the larger supermarkets in Mount Isa. Stakeholder engagement has been critical throughout the process and has included consultation with local industry peak bodies such as Mount Isa Tourism Association, Commerce North West, as well as local businesses within the city.

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# **Summary of Feedback Obtained**

#### Mount Isa Tourism Association

General feedback from tourism, hospitality and accommodation venues is that the visitors who frequent their businesses are surprised that for a major service centre for the outback, 7-day trading is not available. Access to food provisions and goods on a Sunday has been identified by the Mount Isa Tourism Association as an important value add to encourage tourists to the region which supports the growth and visitation to various environmental and cultural tourism attractions being promoted. A greater array of shopping and related services provides better incentives for extended visitor experiences, resulting in increasing length of stays and greater access to the tourism dollar.

Mount Isa Tourism Association have indicated they will put forward a submission demonstrating the benefits of 7-day trading and supporting the extended hours of trade.

#### **Commerce North West**

Commerce North West represents large, medium and small businesses across the North West, with a particular focus on Mount Isa. Commerce North West consults regularly with its members on key issues that impact all levels of business. Commerce North West has conducted a survey of businesses and the community to better understand their views on 7-day trading.

Commerce North West have provided the Mount Isa City Council with responses to the survey of over one thousand (1,000) residents and business owners, which demonstrates a good sample size and a keen level of interest from both businesses and the community.

## Summary of findings from Commerce North West as of Wednesday 6 October 2021

- 1,037 respondents
- 62.3% of respondents aged between 25-44
- 76% work full time
- 76% female
- 24 % male
- 78% of small business support the relaxation of Sunday trade restrictions
- 80% of these businesses would not feel pressured to open on a Sunday if the restrictions were relaxed
- 80% of residents support the relaxation of Sunday trade restrictions
- 31% of residents visit grocery stores three times a week
- 32% shop after 5pm on weekdays and 40.48% shop on Saturdays
- 42% of respondents were couples with children
- 68% said they would still support small grocery and convenience stores if Coles and Woolworths were open Sundays
- 89% agree Sunday trading would be more convenient
- 95% would still attend sport and community events on Sundays
- 84% believe that Sunday trade would help relieve congestion in peak times at supermarkets
- 10% believe that Sunday trading would have negative impacts on our community

## **Local Businesses**

The Mount Isa City Council undertook a transparent and open approach to the review of 7-day trading, identifying businesses in the food market services who currently operate on Sundays. They include:

- 1. Brumby's Bakery
- 2. Colonial Convenience Store

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- 3. Sunset Convenience Store
- 4. Pamela Street Food Works
- 5. Turanga Convenience Store
- 6. Camooweal Butchery
- 7. Sunset Butchery
- 8. Turanga Butchery

These local businesses were contacted by Council officers as part of a consultation process. The local businesses consulted had mixed responses with some saying that it would encourage trade and promote the businesses in the city centre, while other businesses that are in direct competition for trade with the major supermarkets and the discount department store, quoted figures indicating that the Sunday trade was the busiest day of the week, and the introduction of 7 day trading would impact foot traffic/attraction resulting in possible financial impacts on their small/medium business.

It is noted that Mount Isa businesses have never thoroughly investigated the opportunities that 7-day trading for Coles and Woolworths could potentially bring. Mount Isa is the service centre for as many as 100 beef producing businesses or cattle stations within a 300-kilometre radius (some are over a million acres in size and have large seasonal staff quotas). Extended Sunday trading could improve the quality of life for rural industry employees by opportunities to enjoy a Saturday night entertainment stayover and shopping trip combination. Mount Isa has regular live music events, cinemas, fine dining, 12 race meetings a year, and annual major events like the Mount Isa Rodeo, Mount Isa Fishing Classic, campdraft events, and the Mailman Express. Motel businesses in Mount Isa report low weekend occupancy rates, Sunday trading may assist both businesses and travelers to obtain better occupancy rates and add extra incentives for travelers to stay longer.

Attracting and retaining staff to Mount Isa will continue to be the biggest challenge to employers and business owners. This trend has been exacerbated due to COVID which has halted the steady inflow of migrant workers. Mount Isa is renowned for giving people from all over Australia a start in mining as well as other related industries. It is likely 7-day trading will assist in attracting a new demographic to the city (to help fill the migrant intake void) and help keep new people in the city for longer. It is also noted that 7-day trading may allow the major supermarkets to employ more staff and in particular trainees. It would help to encourage young people into sustainable employment, as well as create opportunities to other members of the community that are seeking to work hours outside of the standard Monday to Friday schedule.

Community sponsorship provided for local sporting clubs, charities and community groups is also a valuable contribution of the local stores and businesses of Mount Isa. The amount of overall return to the community from local businesses may see some reductions, however, we acknowledge both Coles and Woolworths contribute to many local groups and organisations, as well as have a focus on Indigenous employment which is also of great value to the city. As they stand to benefit the most, a need exists from both Coles and Woolworths to extend their local community support programs to offset possible reductions from the local small business sector.

If detrimental impacts on the existing retail stores or operations are identified, Council will seek to work with those businesses to determine strategies to minimise the impact. Council also believes that there is a role for the State Government in assisting these businesses to transition into the changed trading regime.

### **Resources Sector**

The region's largest employer is the mining industry and the industry moved to 12-hour shifts and a 7-day roster over 10 years ago. Glencore Mount Isa operations has over 3,000 employees. Most employees are on shift work and along with their families have had several years to get accustomed to this lifestyle. Not having

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7-day trading has been a problem to this already restricted lifestyle. Mount Isa has a large contractor workforce that also caters to mining and service industries. Many of these employees work the same shifts and have also voiced their opinions for the need for 7-day trading through the recent online survey completed by Commerce North West.

## Mount Isa Unemployment

Mount Isa has an unemployment rate of 9%, which is higher than the state average, however, youth unemployment and Indigenous unemployment are at 30%. There is a sizeable demographic in the city that live close to the poverty line and shop on a day-to-day basis. There is also a significant part of the Mount Isa population that is under employed. Sunday trading may allow those under employed to secure additional hours. It is possible that the current trading restrictions affect access to more competitively priced items from national chain supermarkets for struggling families that cannot always buy in bulk from the smaller operators.

## **Existing Precedents**

- For hardware, gardening, and building supplies in Mount Isa there is no restriction of trade for Bunnings or Home Hardware.
- For white goods, electrical and home items Harvey Norman has no restrictions on trading.
- Online shopping can be best described as escape expenditure more and more of the population look online to purchase items and continued restrictions to operation hours of businesses may promote more online shopping. High costs of items also encourage online shopping which takes away from the local economy.

#### A Question not asked

To better understand opportunities for the city, the Mount Isa City Council explored the option of "What happens if seven-day trading doesn't go ahead".

- It would stifle growth for Mount Isa City centre.
- Remain disconnected from normal trading practices adopted from other major service centres and towns.
- Not meeting the needs of tourists, which is a growing diversified industry.
- Reduce access to more competitively priced grocery items for struggling families.
- Reduce attraction of new workers and families to the region through reduced services available.
- Add further attraction to fly in fly out through reduced services available which would have a ripple effect across the community.
- Lose the opportunity for employment growth.
- Lose opportunity for Indigenous employment growth- Woolworths have an employment program to recruit 3,000 Indigenous staff Australia wide, the Mount Isa City Council strongly supports this direction as part of the Mount Isa City Local Action Plan.
- Mount Isa plays an integral part, due to the city's demographics to help employers like Woolworths
  achieve this target, 7-day trading also has a part to play in achieving these targets.

### Conclusion

A healthy and vibrant CBD in Mount Isa goes a long way towards creating and maintaining a strong business community, which in turn provides extra services and this is at the heart of a city's livability. Bringing extra opportunity and foot traffic into the CBD on a Sunday will also send a clear message to all businesses from across Australia, as well as potential local businesspeople, that Mount Isa is a functional and dynamic city, open to change and open for business.

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Council has a clear focus on revitalising business starting in the CBD. Council has engaged Tract Consultants to develop a Master Plan for the Central Business District to improve the amenity and safety of the city. Council will be proactive in supporting landlords to attract new tenancies and retail experiences. It is important that Mount Isa is a city that meets the expectations of residents, workers and visitors to ensure that more retail and tourism expenditure is captured, and employment opportunities are provided to all members of the community.

Seven day trading Mount Isa enhances the scope for business growth and opportunity this ultimately is a key focus of what our Council is striving for.

The Mount Isa City Council believes the opportunities provided by 7-day trading may take time for some customers and businesses to realise. Assisting these businesses and planning for this transition will be a focus of this Council in the months to follow starting in the CBD. This initiative fits well with Mount Isa City works currently underway.

For businesses identified by the Mount Isa City Council in this report, we believe the State Government should consider financial relief packages to also assist during the transition phase.

Yours faithfully

David Keenan

Chief Executive Officer

**Mount Isa City Council** 

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