Submission No 007



67 St Pauls Terrace Spring Hill QLD 4000 PO Box 48 Spring Hill QLD 4004

ABN | 44 009 664 073 P | 1800 RETAIL (738 245) F | (07) 3240 0130 www.nra.net.au

THIS IS A PUBLIC SUBMISSION

19 March 2021

Economics and Governance Committee Parliament House George Street BRISBANE QLD 4000

By email: egc@parliament.qld.gov.au

Dear Committee Secretary,

The National Retail Association (NRA) welcomes the opportunity to provide this submission to the committee for the *Inquiry into the COVID-19 Emergency Response and Other Legislation Amendment Bill 2021*.

We look forward to engaging with the Queensland Government on this important topic, to ensure the survival of Queensland businesses over the coming months.

I may be contacted on 07 or by email

Yours sincerely,

mygolaul

Dominique Lamb Chief Executive Officer



INTRODUCTION

1. The National Retail Association (NRA) is the voice of modern Australian retail. The association works with all-sized businesses, from the biggest retailers to the smallest, to create better opportunities for all who work in the retail sector. As the most representative organization in the industry, we pride ourselves on being at the forefront of modern Australian retail, keeping pace with the rapidly changing face of the sector across a wide range of issues. No organisation nationwide is better placed to inform government on the threats, challenges and opportunities facing the retail sector than the NRA.

THE STATE OF QUEENSLAND RETAIL

- 2. The past 12 months have been a tumultuous period throughout society, and retail has been no exception. Extensive consultation with our membership revealed that our Queensland members lost \$400 million collectively in the month of March 2020 alone. Last April at the height of COVID lockdowns the ABS revealed that retail sales for the month nosedived by an unprecedented 15.7 per cent across the state.
- 3. What we have experienced in the latter part of 2020 and thus far this year has been unusually high levels of retail sales. Pent up demand following lockdowns, strong discretionary spending power due to Queenslanders being unable to travel overseas and government assistance measures have all contributed to strong retail turnover. However, all those contributing factors are only temporary, which is why it's wrong to conclude that retail has emerged unscathed from the COVID-recession.
- 4. JobKeeper is due to expire at the end of this month, which will no doubt see many businesses reassess their current operations. The consumer spending levels seen towards the end of 2020 cannot be sustained, particularly for retail stores that trade in non-essential items. All levels of government throughout Australia need to work with the sector to ensure we achieve a 'V-shaped' recovery and we avoid the economic carnage of a second recession in quick succession.

THE COVID-19 EMERGENCY RESPONSE AND OTHER LEGISLATION AMENDMENT BILL 2021

5. The COVID-19 Emergency Response and Other Legislation Amendment Bill 2021 proposes a raft of measures affecting numerous industries and government portfolios. Specifically, the NRA would like to provide feedback on the measures listed below and how they relate to the retail sector:

The Small Business Commissioner

6. The survival rate of Queensland small businesses' over the coming months will prove crucial critical in achieving a strong economic revival. Although retailers of all sizes are vulnerable in poor economic times, it is especially crucial that small businesses throughout Queensland are



equipped moving forward. From metropolitan shopping centres, to suburban precincts and across regional areas, thousands of Queenslanders are employed by small retail outlets.

- 7. COVID-19 has, in some instances, permanently changed the retail shopping landscape. Technology has always had a disruptive effect on the retail sector, but the pandemic has turbocharged many technological changes. Small business retailers need to be sufficiently upskilled in numerous areas to ensure they're competitive in a changing landscape.
- 8. Online retail is particularly relevant. COVID-19 has accelerated the trend towards digital retail and it's a shift in consumer behavior which the NRA expects to be permanent. Smaller retailers throughout the state will continue to need assistance on how to navigate an increasingly digital shopping landscape.
- 9. Queensland also continues to have one of the most regulated trading hours' regimes in Australia. The NRA has advocated for years on the need to reform the laws that govern when shops can and cannot open. Small businesses in particular need to be able to adapt their opening times to changing consumer demands. We will continue to call for a framework that is more flexible and consistent across the state.
- 10. Crime is another issue which is pertinent to small retailers. Most petty crimes such as shoplifting go unreported as the time and resources prove too much, especially for small businesses. While there is no silver bullet that will ever eliminate retail crime, the state government can assist by ensuring law enforcement is sufficiently funded and exploring ways to make reporting crime easier.
- 11. The NRA supports the move to make the role of Small Business Commissioner a permanent one and we look forward to working with the Commissioner into the future.

Leasing Arrangements

- 12. One of the biggest hurdles for retail throughout the pandemic has been leasing arrangements. Thousands of commercial tenants have still had to make rental payments while the utility of their leased premises have been severely limited by lockdowns or safety protocols.
- 13. Vacant store fronts are undesirable for shop owners, landlords and consumers. The continuation of the approach seen over the last 12 months that enables greater flexibility in negotiations between tenants and landlords is important. As already mentioned, Queensland and Australia are still a long way from home with regards to avoiding severe economic fallout from the pandemic. Extending this measure would help immensely when it comes to keeping as many Queensland retail outlets as open as possible.



ABOUT THE SUBMITTER

- 14. The National Retail Association is Australia's largest and most representative retail industry organisation, servicing more than 28,000 retail and fast food outlets nationwide. At our core, we help retail and service sector businesses navigate and comply with an ever-changing, highly competitive environment.
- 15. Our members range from small, family owned and operated businesses to leading national brands; and span nearly every retail category including fashion, groceries, department stores, household goods, hardware, fast food, cafes and services. Unlike other associations, the NRA is the only retail industry association to deliver practical legal advice through its wholly owned and incorporated legal practice, NRA Legal. We are also a national RTO (Registered Training Organisation), meaning we can deliver a wide range of accredited and non-accredited courses upon request. These range from certificate and diploma qualifications and pre-employment programs right through to customer service training, retail traineeships and mystery shopping services.
- 16. The NRA's reputation as the preeminent provider of professional services to the sector is demonstrated by the significant number of associations, buying groups and franchise networks who have chosen to partner with the NRA.
- 17. Thank you for this opportunity to provide our submission on behalf of the retail industry and National Retail Association members.

Yours sincerely,

Dominique Lamb Chief Executive Officer