

<b>ATTENTION:</b>	<b>FINANCE &amp; ADMINISTRATION COMMITTEE</b>
<b>SUBMISSION DETAILS:</b>	<b>THE CASE AGAINST EXTENDED RETAIL TRADING HOURS AND IN PARTICULAR IMPLEMENTATION OF SUNDAY TRADING IN MOUNT ISA</b>
<b>STATE MEMBER:</b>	<b>ROB KATTER MEMBER FOR MOUNT ISA</b>

The proposed Trading (Allowable Hours) Amendment Bill 2016 currently proposed by the state Government will make it easier for major retailers – in particular Coles and Woolworths to swamp local, community-run and owned supermarkets & convenience stores in regional Queensland.

The Governments plan is anti-community, anti-consumer and anti-competitive. It works solely in the interests of the major national supermarket chains – obviously, the ONLY Sector driving this agenda.

This has rung alarms bells for me and should also do so for any politician who is serious about protecting jobs and local communities in regional Queensland.

The facts are:

- Giving the green light to major retailers, particularly Coles & Woolworths to open longer hours makes it even harder for independent, community-based businesses to compete.
- Community-driven family-owned businesses provide vital support to the heart of townships and if they are forced to scale down or close their doors a direct adverse impact ripples across the community
- As local businesses close, consumers have less shopping choice
- As local businesses close, there are fewer options for new market offers
- More market dominance makes it easier for the majors to increase prices – history has shown this especially occurs with fresh produce.
- Queenslanders lose jobs because jobs lost in independent stores are replaced in major chains at half the rate
- When you shop with your local community supermarket your money stays in the local community and economy, rather than off to the headquarters of the national chains. Keeping money local supports other local businesses and community ventures.
- There are 760 Independent supermarket owners and operators employing more than 21,000 staff with sales of \$2.8b in Queensland – this is seriously under threat.

Independent research\* in rural & regional Queensland shows that voters do NOT want more power to major retailers Coles & Woolworths:

- Voters are far more concerned about jobs and improving basics like transport: the question of extended hours for supermarket shopping is a non-issue.
- The vast majority of voters (85%) are satisfied with opening hours as they are.
- For 66% of voters it is “extremely” or “very” important that local independent supermarkets survive. 60% do not want to see more dominance for Coles/Woolworths.
- 71% agree that ‘allowing’ large nationally operated retail businesses the ability to determine their own trading hours will harm independently owned community stores and reduce consumer choice.”

The Queensland Government through the Trading (allowable Hours) Amendment Bill 2017 wish to grant the big supermarket chains:

- 7 extra hours per week opening time
- The right to argue to open on Sundays in some 20 small regional communities
- Experience in SE has shown that:

- There is substantial loss of business to an independent supermarket as a result of extended opening hours.
- The big supermarkets have thrown massive money and legal firepower at getting Sunday opening approved elsewhere, leaving no chance for family run business to compete.

#### **IN MY ELECTORATE OF MOUNT ISA:**

I was born and raised in rural North Queensland and I have a strong empathy for rural and regional communities. I have lived and worked in Mount Isa since 2001 and operated my own property valuation business in Mount Isa until I was elected to Queensland Parliament in 2012. I also served on the Mount Isa City Council for four years from 2008-2012 and during that time the Council successfully quashed an attempt by the National Retailers Association to introduce extended trading hours for larger retail outlets in Mount Isa.

My position as State Member for Mount Isa gives me a platform to represent my constituents, especially those who are likely to be disadvantaged by any local, state or federal laws. In this case, my constituents are the small business owners who are likely to be severely impacted by the bid of the Queensland Government to extended trading hours in Mount Isa through the introduction on the Trading (allowable Hours) Amendment Bill 2017. This will have a flow on effect to the elderly and those socially, physically and economically disadvantaged, who cannot afford to travel into the city where most of the big retail stores operate – if the smaller outlets are forced to close, as I predict they will be if the Queensland Governments Bill is successful.

I feel very strongly about this issue as I believe it strikes at the heart of the city of Mount Isa. We have “held the line” against Sunday trading for years now, freeing up the residents to enjoy social events including sports on a Sunday. To bring in Sunday trading for the major retail stores would threaten this way of life, which I believe permanent residents enjoy, judging by the number of signatures we collected in 2014 in a petition against Sunday trading. This Bill would also threaten the very existence of the smaller suburban convenience stores, pharmacies, butchers, newsagents and florists in our city. These stores serve the people well out in the suburbs, with their highest turnover on Sundays, the ONLY day the major retail stores are closed. I have spoken with each of the proprietors of these stores in the past and they are all emphatic that the opening up of Sunday trading in Mount Isa will mean the demise of their stores. In addition to their social contribution to the city, these small stores have given a huge amount in sponsorship and support to the sporting and cultural organisations in this city, totally disproportionate to their size. They are part of the fabric of our city and I would hate to see them go. This is generally not understood by the supporters of Sunday trading, who, from my experience, are either new to the city and/or Fly-in, Fly-out (FIFO) workers, who don’t understand the ramifications of this Bill by the Queensland Government.

The effect on Mount Isa will be the demise of small convenience stores out in the suburbs, and the dominance of large retail stores in the city. Those retail stores will then have a duopoly on food quality and prices. The citizens of Mount Isa will have no choice in terms of grocery shopping and the smaller boutique stores will be closed down. Young people (school pupils mainly) will be targeted to serve in the large retail stores on a Sunday because their wages are cheaper and this will mean they won’t be playing or coaching Sunday sports, which will further impact on our sporting bodies. Sundays for Mount Isa will be just like any other retail day and that will certainly have an impact on family life and leisure in the city.

Sunday should be a restricted trading day for Mount Isa, even though it is a trading day in other parts of Queensland, because we don’t need it here. We are well serviced on a Sunday by locally owned convenience stores out in the suburbs and these generally have extended opening hours. The argument that shops should be open for tourists is a spurious one, as tourists are able to re-stock at these convenience stores and tourist venues are open on a Sunday for sightseeing, the purchase of souvenirs etc.

Current retailers serve the needs of the community very well. The smaller convenience shop owners are not asking for any more than their share of the market and say they can manage with a good trading day on Sundays. People in the main seem to do their big grocery shops at the major retail stores and ‘top up’ at the smaller stores in the evenings or at the weekends which works well for everybody.

Our previous petition collected in 2014 had 1,766 hard copy signatures, plus 104 signatures on e-petition; 1,870 in total. I continually receive and have received more feedback from the Mount Isa community since the Bill was known to be proposed by the Queensland Government and have no doubt we will receive more signatures in a petition against these proposed changes by the Queensland Government.

The loss of a small business would most likely mean the loss of at least one family from Mount Isa and we have seen this happen in the past. The family would shift to a coastal town where there is more population and more opportunity. That would likely impact on a school role – maybe not for one family, but if it happened that many families were affected, there would certainly be an impact on school roles. Because of the mining downturn in recent years, we have already seen a decline in population in Mount Isa and the closure of a number of small businesses. Then there would be a loss to the community in terms of leadership in sport and cultural organisations, a loss in sponsorship, loss of jobs and that would possibly result in more families moving away from the area.

There is no change to the availability of public transport in Mount Isa (i.e. there is no public transport in the city), so the lack of access to the city centre for some community members is still a concern. There is a large retail store (Woolworths) in the suburb of Pioneer, but nothing south of the city centre to service the suburbs of Parkside, Mornington, Townview, Healy, the new subdivision, Gliderport and Happy Valley if the two very good convenience stores in Townview were to close.

Walters IGA closed in Mount Isa in 2014, ostensibly because of difficulties with their other businesses, not necessarily related to Mount Isa. We have had closures of major retail chains since 2014, namely Millers clothing, Mathers shoes as well as a number of smaller stores – including gift shops, baby good shops, coffee shops as well as Gloria Jeans, a music shop, a newsagent, a pool shop, art supply shop, a women's clothing shop, Crazy Clarkes, a bridal boutique, Mount Isa's only pet shop, a uniform shop, an ice cream shop and another shoe shop. We do not need any more closures of shops in Mount Isa.

Nothing has changed since the last application concerning trading hours in 2014 and prior to that 2010 to merit any change in 7-day trading. If anything, the situation for retailers, with the mining downturn, droughts difficulties in recent years and the subsequent decline in population, has become more tenuous, with the need to protect our smaller retailers even more urgent.

In summary, I am asking for a sensible regulation of opening hours that allows a level playing field in regional Queensland and consideration for local family owner retail stores which are the lifeblood for our community.

It is politically significant that regional Queensland does not want another Brisbane-based solution forced upon them as has happened to often in the past. Regional voters are wise enough to see the negative impacts that removing long standing regulations will have. They are much more concerned about maintaining real competition, real choice and also keeping local jobs.

***\*MGA commissioned independent research into attitudes outside Brisbane City. The research was carried out by Factuality Research, November 2016.***