



Speech by

## GORDON NUTTALL

MEMBER FOR SANDGATE

Hansard 28 April 1999

### RETAIL SHOP LEASES AMENDMENT BILL

**Mr NUTTALL** (Sandgate—ALP) (4.03 p.m.): In rising to support the Bill before the Parliament this afternoon, I must say that since this Government came to office we have not been tardy in addressing the needs of the community. Indeed, this Government gives ongoing attention to what the community is telling us at Community Cabinet meetings and everywhere else we visit. This includes what they have been saying for a long time, even before we came to Government, about employment—and employment in the retail small business area in particular—and the need to protect jobs, as well as find jobs for the people of Queensland in the retail small business area.

My electorate is probably unique in that it does not contain one major shopping centre——

**Mr Schwarten:** But it's got you!

**Mr NUTTALL:** That is right. And they are very lucky to have me.

My electorate contains a number of what are called strip shopping centres. Basically, those centres are not under the one roof. I have encouraged our local Chamber of Commerce and other retailers in the area not to try to compete with the major shopping centres. Indeed, we should be offering an alternative, and it is an alternative to which I believe more and more people are turning. It is an opportunity for small business, particularly in my electorate, to capitalise on people wanting to move away from major shopping centres.

As members on the other side of the House would appreciate, an extensive public, industry and portfolio consultation process has taken place in relation to retail shop leases under this Act. Members may recall that, in 1996, members of the Retail Shop Leases Tribunal, industry associations and individual retailers recommended amendments to the Act to improve its operational efficiency. The amendments are a result of that consultation.

In my view, the reasons for this Bill are threefold: firstly, the clarification of the basis for rent reviews; secondly, that rent reviews be restricted to once every 12 months, except during the first 12 months of a lease; and, thirdly, that the Retail Shop Leases Tribunal be given the power to award costs in certain cases. It is quite clear that this Bill does represent a very positive outcome in terms of not only greater equity for the Queensland retail sector but improved efficiency in retail leasing arrangements across the broad spectrum of the retail sector in toto. With this legislation we expect to have a framework to actively assist both lessors and small retail lessees to operate as they should. Essentially, the legislation makes it necessary for the respective parties to meet their obligations. The legislation endorses the position under the general law or the practice which prevailed in advance of when the statute came into operation.

As members would be well aware, the retail industry is always in a state of flux. As a critical part of Queensland's economy and a sector which offers a considerable number of jobs, especially small business employment, we have to ensure that the sector is not constrained by retail tenancy conditions which inhibit best practices in the retail sector. One particular aspect that I would like to talk about today is the need for us, as a Government, to include unconscionable conduct provisions in State law that would complement what is happening at a Federal level in relation to retail shop leases. This Bill will be complementary to the Trade Practices Act and in line with Queensland's fair trading provisions of the Trade Practices Act. I believe that this is a good thing for all people concerned in the industry.

The retail sector is the major employer in Queensland. It also provides a range of key services in some regions of this State. As all members would be very well aware, some of the more traditional providers of services, particularly in rural and isolated areas, have changed their range of services or have even seen fit to withdraw some of their services from some towns. I believe that the retail industry more and more will be keen to offer those services to the consumer.

The Bill is consistent with this Government's primary aim to develop a very positive climate for Queensland business and industry. The Deputy Premier and Minister for State Development and Minister for Trade said the other day in this Parliament that this Bill will give greater transparency for the retail industry and is consistent with the Act's aim. Moreover, as indicated earlier, the Bill will bring about efficiency and equity in the conduct of retail businesses in this State. At the same time, through amending mandatory minimum standards for retail leases, low-cost and more effective dispute resolution processes should ensue for retail tenancy disputation. This can only be good for the industry as a whole. Not only will this Bill give the tribunal power to make orders as to costs in particular circumstances but it will ensure that unconscionable conduct is not tolerated where, for example, "reasonable" and "frivolous or vexatious" will obviously take their meaning from legal precedent or discretionary powers.

In conclusion, I believe that the Retail Shop Leases Act will become more effective as a result of this Bill and will further assist the retail sector in Queensland by enabling it to be more viable and more marketable. It will assist with job creation, which is a major driving force of this Government.

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