



Speech by

**Mr G. HEALY**

**MEMBER FOR TOOWOOMBA NORTH**

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Hansard 28 April 1999

### **RETAIL SHOP LEASES AMENDMENT BILL**

**Mr HEALY** (Toowoomba North—NPA) (3.52 p.m.): The Retail Shop Leases Amendment Bill 1999 will be supported by the Opposition. At the outset, I thank the Minister for making officers of his department available for a very concise briefing on the legislation. I particularly thank the Executive Director of the Office of Small Business, Mr Mark Bermingham, for his briefing. Mark and I actually go back a fair way. We were classmates for many years in Toowoomba and it is pleasing to see him continue to do so well in his career in the Public Service. In fact, he and I will be heading back to Toowoomba this weekend for the centenary of our school.

**A Government member** interjected.

**Mr HEALY:** The Minister may like to inquire about one of Mark's recreational pursuits, in which he also shows championship qualities.

The Government deserves congratulations from this side of the House on this legislation. It receives the support of the coalition because the legislation, of course, is coalition legislation. It is another measure from the coalition's term in office that this Government has sensibly continued. In this instance the Government has recognised the reality—that sensible and forward looking legislation should not be junked just because it was not its idea.

Queensland is the most go-ahead State in the Commonwealth. That is something that deserves repeating at every opportunity. It is, I believe quite properly, an article of faith shared by both the coalition and the Labor Party. We on this side of the House want to see that Labor in Government both holds to that faith and is not allowed to degrade Queensland's record in that regard. In this instance, happily, it would appear that those opposite desire to stay on the straight and narrow—that is good; that is of benefit to all Queenslanders—and naturally we applaud it.

Queensland is also the small business capital of Australia. We must never forget that something like 95% of all business in this State is small business and we must not forget that small business merits protection measures that bigger business does not need. This Bill represents Queensland's determination to support and nurture a positive environment for State business and industry. Of course, it is in no way coincidental that this determination follows as a natural consequence from the State coalition's vision for the future of Queensland.

There is a little history to this Bill that I suppose is worth reciting. In April 1997, when the coalition Government released an issues paper calling for public comment on possible amendments to the Act, we recognised the need to provide a fair balance between the interests of tenants and lessors through an appropriate degree of regulation. We understood that legislation offering clarity and structure was important. We knew that most small business owners were not legal practitioners and therefore required legislation in plain English. They needed to know that their business and their future were protected, that the potential for disputes would be minimised and that the capacity for effectiveness would be maximised.

This understanding and determination has not changed. We still recognise and support the needs of Queensland business and industry and we are resolute in seeking solutions which provide greater opportunity for Queensland business to focus on its markets and its products. We recognise that, with the Retail Shop Leases Amendment Bill 1999, the Government has carried on that particular

procedure from the previous coalition Government and has progressed our undertaking in Government to provide improvements to the Act which sustain and advance the future prospects of Queensland business.

Of course, no doubt both the coalition and small business in general throughout the State are looking forward to further improvements by way of legislation as a result of the review of the Act to improve the lot of small business. We realise, of course, that this is the first of many initiatives that, as a result of that review, should see a better go for small business throughout Queensland.

The Queensland economy is increasingly dependent upon the effective functioning of the retail industry. This dependence certainly will not reduce. It will not disappear. It is therefore very important that, whatever the political complexion of the Government of the day, predictable continuity remains the hallmark of effective amending legislation. The Retail Shop Leases Amendment Bill 1999 provides this predictable continuity. It provides Queensland businesses with legislation which reflects more cohesively the changes that have occurred in the retail environment. Legislation should not duck that issue. It is pleasing that in this Bill the issues are confronted squarely, with good sense and with an eye to accommodating changes that might become necessary in the future.

One area where square dealing in the legislative sense is absolutely crucial to the conduct of Government and the proceedings of business is that of dispute settlement. This Bill significantly enhances the Retail Shop Leases Tribunal's ability to deal with disputes. This is a real advantage, particularly in an area where retail tenancies have grown fast, obviously in accordance with Queensland's rapid economic growth, while large shopping centres have become more prevalent as a natural result of advances in retail technology and the power of the corporate dollar.

All small traders deserve effective protection from disadvantage in the retail and tenancy environments brought on by their lack of capacity to combat the power of big money. This is one area of legislative responsibility that the State must address with greater force and more efficiency than has tended to be the case in the past. In that regard, reducing the number of retail tenancy disputes directly enhances the environment in which business operates. This results in direct benefits to the economy in terms of building a strategy of effective dispute resolution, particularly in terms of employment creation.

I guess the only thing that we really need an assurance about in this particular legislation is that small business will see a more user-friendly facility for dispute resolution—not the time-consuming exercise that perhaps has been present. Hopefully with this legislation there will be the assurance for small business that the passing of these amendments will result in a true user-friendly facility.

Another aspect of this legislation is that it limits rent reviews to once every 12 months. That of itself provides a measure of certainty much needed by smaller traders. Further, under section 27 of the Act, multiple rent reviews are prohibited, and it is stipulated that only one basis must be used for each rent review. This provides surety to both parties. There is a common understanding as to how rental is calculated at the time of the review.

Queensland's existing retail tenancy legislation, which this Bill is intended to develop further and improve, was noted as forming best practice when examined in detail by the House of Representatives Standing Committee on Industry, Science and Technology's inquiry into fair trading. The coalition is committed to ensuring that this position of pre-eminence is retained and progressed. Our policy is that Queensland businesses must be provided with every possible opportunity to expand. I underline that point at this juncture by again noting that the overwhelming proportion of Queensland business is, in fact, small business.

Our policy of setting sensible limits to competition policy, for example, is designed precisely to nurture small business. We believe that newsagents, independent pharmacies and, in fact, a whole range of small businesses, including independent hotels, deserve regulatory protection so that they are not shoved aside and killed off by buying power competition. This does not mean that we are anti-competition—far from it. We are pro-competition, but we are pro fair competition. We are for competition that provides the people with as many options in the retail area as they can afford and will patronise.

In some Queensland regions, retailing is the major employer. In these areas, as well as more widely—and that deserves recognition, too—retailing is a key provider of a range of services supporting the local community and businesses. But this key role, as an absolutely fundamental element in the local economy, is particularly strong in some of the more remote regions of the State. Even more importantly, many of those small retail establishments are family owned. Our role as legislators must chiefly be to ensure that wealth generated in the localities in which we live remains in those localities so that it can fuel further growth and flow into the pockets of people who live in those localities.

The Retail Shop Leases Amendment Bill 1999 ensures that every retail tenant in Queensland is allowed the opportunity to manage their business in a fair, reasonable and progressive environment. It offers clarity in definition of the roles and responsibilities of both the tenant and the lessor. I congratulate the former Minister for Small Business, the member for Noosa, for allowing the necessary

procedures to take place when we were in Government for the review of this particular legislation. I also congratulate the current Minister for virtually rubber-stamping the previous legislation. Obviously, he could see that it was in the best interests of small business throughout this State and, in fact, according to the feedback, was what small business wanted. It provides the machinery to redress the imbalance in the power relationship that can exist between lessees and lessors. It guarantees a transparent rental review process.

In short, the Retail Shop Leases Amendment Bill 1999 is legislation which continues to promote best practice standards in Queensland business and industry, which is coalition policy to a T. As I mentioned before, the coalition will be supporting this legislation.

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