



Speech by

Mrs E. CUNNINGHAM

MEMBER FOR GLADSTONE

Hansard 28 April 1999

RETAIL SHOP LEASES AMENDMENT BILL

Mrs LIZ CUNNINGHAM (Gladstone—IND) (4.40 p.m.): I wish to make only a couple of comments. Some statistics from 1994-95 indicate that 17% of businesses established in Queensland were small businesses. In that year, small businesses employed 20% of all Queenslanders and 45% of Queenslanders in the younger age group, that is, 15 to 25-year-olds.

I wish to express my support for small business. More so than the giant retailers—Coles, Woolies and Franklins—the small family businesses are the backbone of the community. I have attended a number of sporting functions at which there have been multiple-draw raffles. Invariably the prizes have been donated by, for example, the local electrical trader, the small retailers, the chemists and so on. It is those people who are affected by the Retail Shop Leases Amendment Bill. I congratulate both the former Minister, the member for Noosa, and the current Minister, because both made the choice to introduce this legislation. On behalf of the retailers in my area, I thank them for addressing this issue and beginning the review of the retailing legislation.

I wish to comment specifically about a couple of matters. The first matter relates to the review of a rental agreement in its first year. As I understand it, this was done primarily because there were discounted rental periods in the first year, often for a period less than one year. In subsequent years, the review process is more clearly prescribed. I wish also to comment on proposed new section 27, which states—

"The rent may be reviewed using different bases during the term of the lease, but each review must be made using only 1 basis."

For example, if a review is going to be based on a CPI or a fixed percentage increase, that has to be nominated at the beginning; the lessor cannot wait until the review is to be done and then pick the higher of the two percentages. By addressing this issue, the Government has given a great deal of security and certainty to lessees, who invariably, particularly in the larger shopping centres, are the minority shareholders. The big retailer is usually the drawcard around which all of the other little shops congregate. They are usually the ones at the greatest disadvantage not only because of their size but also because of their relatively small turnover. The introduction of this sort of certainty will give a great measure of protection to them. I thank the Minister for that.

I wish also to raise the discretion being given to the tribunal to allow costs to be awarded against either party. I note that the grounds for these cost orders are as follows—

- "(a) the dispute is frivolous or vexatious; or
- (b) the party has incurred costs because another party—
 - (i) sought an adjournment of the hearing without giving reasonable notice; or
 - (ii) contravened a procedural requirement."

My information is that those circumstances are usually beneficial to the larger trader and more detrimental to the smaller trader. I congratulate both this Minister and the previous Minister for giving a greater measure of protection, certainty to small traders. I reiterate that the Woolies, Coles and Franklins of the world are essential to our economy. I do not dispute that. However, they often operate to the detriment of the smaller retailers—the retailers that I consider to be the backbone of local communities and the local ethos, and the providers of local employment for our young people. I congratulate the Minister for bringing forward this Bill and I wish him every success.