



Speech by

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Hansard 6 March 2002

TRADING [ALLOWABLE HOURS] AMENDMENT BILL

Dr WATSON (Moggill—Lib) (4.03 p.m.): The Liberal Party will be supporting the Trading (Allowable Hours) Bill before the House. We realise this legislation has come about as a result of an anomalous decision made by the Industrial Relations Commission. We think it is right that the parliament should go ahead and legislate in this area. If I have a problem with this legislation, it is that I suspect it does not go far enough.

Mr Lawlor interjected.

Dr WATSON: I suspect that down the track we will find that other areas experience the same problem the member for Bundamba spoke about in relation to Ipswich—that is, people moving out of the area, voting with their feet, and shopping in other areas. Quite frankly, I would be amazed if we could not find people in Toowoomba with exactly the same view and reaction as the member for Bundamba outlined. While we support this bill, we recognise that it will not fix all of the problems. In fact, if anything it probably should have been broader. That is an issue that will be revisited by this parliament at some time in the future.

This bill is an example of what happens when we interfere in markets. The Industrial Relations Commission has set trading hours for some time now, because this parliament in the past decided that that was the way it was going to be. If I recall correctly, the member for Keppel as minister introduced some rather radical, although I think appropriate, changes to trading hours. Then, unfortunately for this state, other events unfolded.

The fact is that there has been interference in the market. Over time, the changes that occur in society build up. Instead of incremental changes, as there would be if the markets were working more freely, there are significant changes that occur in a way which actually ends up hurting people. The member for Toowoomba South was right in some respects. People might get hurt by this bill in a particular way. That is because anomalies have built up over time.

Changes in society do not stop just because the government interferes or because the Industrial Relations Commission interferes. The changes that are taking place in our society—flexible working hours, changes in lifestyles, changes in technology and so on—continue to occur. They will all eventually force some significant change in our society. Instead of nice incremental changes to which people can adjust bit by bit, significant changes, such as those contained in this bill, need to be made. In some respects this legislation is a result of past decisions of previous governments and the Industrial Relations Commission.

I want to talk about some of the changes that are taking place. This bill does not go far enough, and not just in a geographical sense. It also does not recognise the other kinds of changes taking place in our society in a way that will affect all businesses in the future. The Minister for Industrial Relations has to deal with these issues and will have to deal with more of them in the future because technology in particular is changing in a dramatic way, and that is impacting on the way we do business. Over the luncheon adjournment, I searched the Internet and looked at a few pages from different places around the world and from Australia. I will quote some of these references to the parliament, because some of these things are actually taking place. We have to recognise that things are changing. They are changing in ways that all of us recognise just from driving down the street, not just from getting on to the Internet. For example, petrol stations have changed in a dramatic way. Members can see how petrol stations have changed. Once upon a time when people went to the petrol station they bought

petrol or had their cars repaired. These days car repairs are done in specialised areas and petrol stations have, in many cases, 24-hour shopping for simple things that people demand and that the corner store used to look after—milk, bread, the paper, cigarettes and so on. Those things are now being sold by local petrol stations. These sorts of changes are occurring in many areas. Our approach to trading hours has to reflect that kind of activity.

As I said earlier, our lifestyles and our working styles are changing. Where and how we work is changing. That is contributing to significant changes in the demands that consumers are rightfully putting on businesses to deliver services. Those changes will occur even more so in the future. There are also significant changes taking place because of the growth of the Internet and the ability to shop 24/7—that is, 24 hours a day, seven days a week every week of the year. People can shop not only in their local area but also anywhere around the world.

Just before Christmas my eldest son decided to buy a particular piece of technology from the United States. He logged onto the Net and found that he could buy it from I think it was Illinois, although I cannot recall precisely where in the United States. He ordered it and arranged to have it delivered to our home in Kenmore Hills. When he ordered it, he was given a Fedex number. He knew precisely when it left the US and was able to track his parcel every step of the way on the Internet. He knew when it landed in Brisbane and when it would be delivered. It was not precise. They said it would arrive early morning and it arrived about 9.30. He did not get the exact detail that it would be delivered at 9.30, but he knew the day and knew that it would arrive early morning.

That is the reality. That is occurring. If local businesses cannot adjust and deliver that kind of service because of restrictions imposed by parliaments, Industrial Relations Commissions or whatever, they will suffer, because consumers will use the technology available and shop where it is convenient at a time which is convenient. That is the critical thing. People are putting much more emphasis on the way they use their time and therefore demand services to be available when they want it. Because of technology, they can in fact demand that. Businesses have to start to adjust to that. No matter if it is a small business, a medium sized business or a large business, if they do not respond to the demands of the consumer they will fail. It is as simple as that. That is not going to change. It has not changed in hundreds of years, but today's technology means that they have to change.

I want to mention a couple of examples I picked up from the Net. One article from 15 January this year by Shelley Dempsey said that Christmas online sales were up 50 per cent for Roses Only. I must admit that I did not have enough time to find out what kind of business Roses Only was, but I assume it is an Internet florist. I assume that is what it is, even though I have not actually purchased any of its products for my wife.

Mr Cummins: It could be an undertakers.

Dr WATSON: It could be, but I think it is a florist. The article detailed that the experience of Roses Only mirrored that of retailer David Jones. David Jones's operational director was quoted as saying that the retailer had doubled its online sales this Christmas and that all its internal sales targets had been met. The article goes on to say that in fact David Jones was the No. 1 local site visited, with 162,000 visits in the lead-up to Christmas. Even though that number is not very high when compared to a site like Amazon.com, it still means that in Australia there were 162,000 visits by online shoppers to David Jones.

It is interesting to note the response by the owner of Roses Only. The article states—

We've been out there now for seven years and I suppose there is that real endorsement by our customers now for branding. I would say that as high as 80 per cent of all our orders are use-before customers.

The article goes on to say—

Roses Only launched in 1995 as a bricks and mortar business and added a website in 1999. Both online and offline affiliate marketing programs have been carried out with partners ...

The critical thing is that this small business was growing at the same rate or faster than the giant retailer David Jones because it tapped into a market and delivered a service that customers wanted using on-site, off-site and online opportunities. The article continues—

Plans are on the drawing board to broaden fulfilment to more regional areas and to open more shopfronts both in Australia, to every capital city if possible, and to some Asian capitals. There's definitely an opportunity to expand the brand in Singapore, Hong Kong, Japan and so on,' says Stevens.

They are the opportunities that are available. Those opportunities will arise faster and businesses have to be able to adjust to those kinds of opportunities and demands.

Another interesting article from late last year by the same author, Shelley Dempsey, states that 19 per cent of all SMEs are now selling online in Australia, up from 14 per cent the year before. Small and medium enterprises are fast getting into the online business. As I said before, that is 24 hours a day, seven days a week business because they are not in any way confined by artificial restrictions on trading hours. Retailing is not the only thing that is being affected by use of the Internet. All of us know the affect it has had on banks. Last year in Australia between June and December the overall online

domestic market for banks rose 13 per cent. The Commonwealth Bank now reports that Australia has four million registered Internet banking customers. Those people are doing more and more of their banking online. As they get used to doing their banking online, they will use the Internet for other online services. As people get more familiar and confident with the processes, they will rely more and more on that method.

At the end of last month in the United States a Forrester Research survey indicates that total US spending on online sales increased from \$4.9 billion in November to \$5.7 billion in December. The number of householders shopping online increased to 18.7 million in December from 16.8 million in November. Consumers spent on average \$304 per person in December compared with \$293 in November. Total online sales for 2000 reached \$42.4 billion. In 2001, it reached \$47.6 billion. That is the reality we are facing. If this parliament does not address that reality, then we are simply living in the past. Those who do not want to accept the changes taking place in our society and those who do not want to accept the extra demands being placed upon businesses and the rising expectations by consumers are living in the past.

If we want to respond to the changing world, this parliament and other places have to start adopting the demands consumers are putting on business. Parliaments ought to be facilitating business, because that facilitates the creation of jobs and encourages investment. That in turn lowers the cost of delivering services to consumers, and that is what this is about. The Liberal Party believes that the parliament ought to be taking this opportunity and grasping the nettle to encourage businesses of all sizes in Queensland to respond to consumer demands. If we can do that, Queensland will be better off.
