




Speech By
Dr Christian Rowan

MEMBER FOR MOGGILL

Record of Proceedings, 10 May 2016

RETAIL SHOP LEASES AMENDMENT BILL

 **Dr ROWAN** (Moggill—LNP) (5.01 pm): I rise to make a contribution to the debate on the Retail Shop Leases Amendment Bill 2015. The purpose of this legislation is to provide a robust and transparent framework with respect to addressing both the perceived and actual imbalance in negotiating power that can exist between landlords of major shopping centres and small retail tenants.

As is the case with much of the Palaszczuk Labor government's legislative agenda, this legislation is predominantly a reintroduction of a previous LNP bill on this matter, which expired with the dissolving of the 54th Queensland Parliament. As such, this Labor government continues to display a lack of leadership, with no clear vision, plan or direction for Queensland. There is no doubt that this Labor government is asleep at the wheel.

The LNP had previously undertaken considerable stakeholder consultation in this area, which included public consultation through the release of a discussion paper late in 2011 and an options paper in May 2013. In June 2013, a reference group was established, comprising key retail sector and professional stakeholders, to consider the options paper and submissions before making recommendations to the then government in deciding the outcomes of the review.

The key objectives of the review were to identify opportunities to improve legislative efficiency and effectiveness, to reduce red tape and to lessen the compliance costs for retail lessees and lessors. Another aim was to continue to address the imbalance in access to information and negotiating power without interfering with commercial arrangements or business outcomes. That process was completed in December 2013. As it then stood—in 2014—the bill provided amendments to the act resulting from the statutory review. Today, in 2016, it is recommended that the Retail Shop Leases Amendment Bill 2015 be passed, with six recommendations that are based on minor technical issues.

In my electorate of Moggill, there are four medium sized shopping centres and my office is on the first floor of one of those shopping centres.

Mr Walker: A very nice office it is.

Dr ROWAN: I take that interjection from the member for Mansfield. Retailers have told me of the need for a balance between safeguarding retail tenant interests and identifying opportunities for reducing the regulatory and other compliance burden upon business. The Retail Shop Leases Amendment Bill 2015 will provide that framework.

The amendments in this bill will reduce the regulatory burden for the Queensland retail sector whilst at the same time continue to safeguard the interests of retail tenants. By setting mandatory minimum standards for retail shop leases and providing for dispute-resolution processes that are not financially prohibitive to either a landlord or a tenant, there is the potential for an overall reduction in protracted disputes in the retail sector. Importantly, the Queensland state government will not incur

additional costs as a consequence of this legislation being enacted. I am also of the view that aligning with the legislative frameworks that exist within other state jurisdictions will achieve some cross-border operational efficiencies.

If people are considering entering into a retail shop lease in Queensland, it is important that they obtain professional legal advice to ensure that their rights are protected and that they understand the nature of any proposed retail shop lease and their obligations under that lease. As I have said, this legislation attempts to address the imbalance that can sometimes arise between large landlords and small retail tenants in respect to accessing information and negotiating power, prescribing low-cost dispute resolution processes for disputing parties to follow in the event of a disagreement in respect of the lease or assignment. Since becoming their local state member, in my electorate of Moggill that is something that retail outlets and tenants have drawn to my attention.

It is the responsibility of all governments to engage and augment the right economic circumstances and conditions for business to flourish. Governments should never be an impediment to the endeavours of the private sector. It is for those reasons that I commend the Retail Shop Leases Amendment Bill 2015 to the House, particularly given that it is based substantially on work progressed by the LNP when it was last in government.