



Speech By  
**Hon. Grace Grace**


**MEMBER FOR BRISBANE CENTRAL**

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Record of Proceedings, 24 May 2017

## **TRADING (ALLOWABLE HOURS) AMENDMENT BILL**

### **Second Reading**

 **Hon. G GRACE** (Brisbane Central—ALP) (Minister for Employment and Industrial Relations, Minister for Racing and Minister for Multicultural Affairs) (9.13 pm): I move—

That the bill be now read a second time.

It is with great pleasure that I rise to speak on the resumption of debate on the Trading (Allowable Hours) Amendment Bill 2017. The measures in this bill will modernise and simplify current trading hours in Queensland and support jobs, cut red tape and increase choice for consumers. If the bill is passed, a massive 99 specific trading hour provisions contained in over 40 pages of orders from the Queensland Industrial Relations Commission will be reduced to just seven standard trading hour provisions covering all large stores across the state. Based on previous independent studies, Queensland Treasury estimates that these changes have the potential to increase gross state product by up to \$79 million and support up to 1,000 additional full-time-equivalent jobs.

The first step in this reform was delivered in this parliament in February with the passing of amendments to establish Easter Sunday as an open trading day for all large shops in South-East Queensland in time for Easter 2017. I note that these amendments were supported by both sides of the House. This change proved to be a great boost for large and small businesses and consumers alike during the Easter trading period just gone. Resolving the trading status of the Easter Sunday public holiday also means that across Queensland we have standardised the remaining four public holidays that are to be treated as closed trading days to Good Friday, Christmas Day, Labour Day and Anzac Day. As I foreshadowed in February, this bill now delivers on the remainder of the government's trading hours reform package.

The key reforms contained in the bill include a sensible, balanced and modest extension to the current allowable trading hours for non-exempt shops under the act. In South-East Queensland the new hours will be from 7 am to 9 pm Monday to Saturday—in line with the decision of the QIRC in late 2016—and in regional Queensland from 7 am to 9 pm Monday to Friday and 7 am to 6 pm on Saturday. Trading hours for Sunday and public holiday trading will be standardised across Queensland from 9 am to 6 pm. Those regional towns that currently do not have Sunday and public holiday trading will continue to be able to opt in to these trading hours through an application to the Queensland Industrial Relations Commission, and that has always been the case.

Special tourist areas such as Port Douglas will have access to extended hours that meet the needs of domestic and international visitors. There will be a streamlined process for special trading hours applications to be made to allow for extended trading hours around major events such as the Commonwealth Games. Trading hour restrictions will be removed for butcher shops, special exhibitions and trade shows. All hardware stores will be able to open on Sunday from 6 am.

Extended trading hours will apply in the period leading up to Christmas for non-exempt shops in all areas of the state, with trading to close from 6 pm on Christmas Eve to allow retail workers to go home and be with their friends and family. The employment thresholds at which independent retail shops such as smaller grocery stores become subject to the same trading restrictions as larger non-exempt shops will be lifted from 20 to 30 employees on the floor in any one shop and from 60 to 100 employees where a number of related shops are operated. This will remove the current brake on employment and business expansion for these smaller retail businesses.

Importantly, the government recognises the impact that changes to trading hours can have on retail workers and their families. Therefore, the bill includes protections for retail workers and will make it an offence for an employer to require an employee to work the extended trading hours that have been introduced unless the employee has freely elected to work those hours. This agreement to work must be in writing and applies to all hours which are being extended by this amendment bill. This means that no worker will be made to work any of the additional hours allowed under the bill unless they voluntarily agree to do so. The bill also amends the act to include the impact on employees as a new criterion for the QIRC to consider in deciding trading hour applications.

The changes which I have outlined follow a comprehensive review of Queensland's retail trading hours by an independent reference group chaired by former Speaker and now QUT School of Justice Associate Professor John Mickel. I again place on record my thanks to John Mickel and his reference group for all their work and for the final report they delivered on what is a complex and contested area. I also thank the Finance and Administration Committee for its consideration of the Trading (Allowable Hours) Amendment Bill 2017 with special thanks to the member for Sunnybank as chair and all those who made submissions to the committee during its considerations.

I note that the committee tabled its report on 28 April 2017 and made three recommendations. The first is to include the Cairns CBD in the defined tourist area—basically this was an oversight—permitting trade to 10 pm Monday to Saturday and 9 pm Sundays and most public holidays.

The second recommendation was to refer to the appropriate street addresses for the Westfield Chermside and Westfield Garden City shopping centres to remove any doubt that the whole of the shopping complex is covered in the event of any expansion. It is a better way of clarifying that it is the whole centre. The third recommendation was to exclude the application of new extended hours to motor vehicle or caravan retailers—that is, maintain the existing trading hours.

While not a recommendation of the committee, it is considered appropriate to also include Pacific Fair Shopping Centre in the defined tourist area under the bill as it is directly adjacent to the Gold Coast coastal portion of the tourist area, sharing the common border of the Pacific Highway at Broadbeach. Without a doubt, it is one of the largest shopping centres in the tourist area of the Gold Coast, so we will be adding that into the tourist area.

The government has accepted all three recommendations of the committee. In particular, I acknowledge the many strongly held views we heard from those employers and employees working in motor vehicle and caravan retail shops who did not wish to see an introduction of Sunday trading for their industry. We have listened respectfully to their concerns and we have responded accordingly by maintaining the current trading hours arrangements for the industry.

I can report that Dr Brett Dale, CEO of MTA Queensland, has welcomed the government's decision to accept the committee's recommendations, saying—

We are extremely pleased with the announcement made by Minister Grace and her understanding of the significant issues raised by the automotive industry, where the pressures on businesses to be forced to open on Sunday and the impact on staffing are enormous.

We have listened to them, and trading hours for that industry will remain the same. I now table the government's response to the committee report.

*Tabled paper:* Finance and Administration Committee: Report No. 37—Trading (Allowable Hours) Amendment Bill 2017, government response [785].

It is disappointing to note that the non-government members of the committee in their statement of reservation have indicated that the bill should not be passed. Whatever happened to the Liberal Party in this state? This appears to be based in part on unsubstantiated concerns that trading hours changes would have a negative impact on smaller retail traders. No evidence was provided by the non-government members to substantiate these concerns and they are not borne out by any evidence in the parliamentary committee report or the Mickel report.

The review by John Mickel considered the impact on small business and employment and found there was little evidence that trading hours restrictions have a material impact on the overall viability of small retail businesses. The review report found that evidence from previous significant changes in

retail trading hours regulation suggests employment is in fact likely to increase. For example, the Productivity Commission reported that Coles added 450 jobs when Sunday trading was introduced in 2002 in the Brisbane and near metropolitan region, and ABS figures showed that retail employment overall in Queensland increased by 12.6 per cent—double that of New South Wales and Victoria at the time.

These matters were considered further by the parliamentary committee when it examined the legislation. It found that the evidence from other jurisdictions was that small businesses continued to thrive when trading hours were relaxed or totally deregulated, with consistently high small business participation rates of 90 per cent in both regulated and deregulated states.

I also note the evidence that extended trading hours for large retailers can have positive flow-on impacts for smaller retailers. For example, when a large retailer in a shopping centre is open it creates more foot traffic for nearby smaller businesses. The Shopping Centre Council of Australia has reported that for every large retailer in Queensland that is able to trade in a shopping centre there are at least an additional 30 to 42 smaller businesses—bakeries, pharmacies, newsagents, cafes—that can open and trade, depending on the size of the centre. These smaller retailers can benefit from large retailers opening due to their large catchment and the customer foot traffic they generate. In one large centre the Shopping Centre Council reported a 13 per cent increase in monthly customer foot traffic following the introduction of Sunday trading. Weekend customer traffic also increased from an average of 17 per cent of weekly traffic to 26 per cent of weekly traffic.

Under the bill, smaller retailers will also have the certainty of knowing there is a five-year moratorium on further trading hours applications to the QIRC. This will allow businesses to plan ahead and will remove uncertainty, knowing that the hours in the legislation are set for the next five years and they will not be tied up in expensive and time-consuming cases in the QIRC, as is currently the case.

In light of all this evidence, it would indeed be disappointing if the LNP did not support this bill, particularly in light of their professed concern about red-tape reduction. Just last week the LNP released a policy aiming for a 20 per cent reduction in red tape overall. As a first step, to demonstrate their credentials on this front, they have a chance to put their money where their mouth is and support a bill that cuts a swathe through red tape, with 99 specific trading hours provisions being replaced by seven specific trading hours provisions—a 93 per cent cut in red tape. Those opposite sit over there and profess to want to reduce red tape, but they mumble. It is absolutely unbelievable what has happened to the Liberal National Party in this state.

The LNP might also wish to take note of the comments made by Dominique Lamb, CEO of the National Retail Association, on this matter when she said—

Business owners are tired of politicians paying lip service to cutting red tape but failing to act when the opportunity was presented to them.

The proposed new laws would significantly streamline and simplify opening and closing times, and drastically reduce the red-tape burden on businesses that trade across various parts of the state.

These are very sensible reforms that will free up retailers to get on with business and job creation, and they are the low-hanging fruit in terms of eradicating red tape.

I say to the members for Clayfield and Kawana: the ball is in your court. These are the most significant changes to Queensland's retail trading hours in more than two decades. As the *Courier-Mail* editorialised in November last year—

Queensland's trading hours are an obvious area ripe for reform. Right now Queensland has a very real opportunity to make significant legislation and productivity gains in this area by removing some of the shackles that fetter one of our state's biggest employers.

However, for too long trading hours reforms were put in the too-hard basket by successive Queensland governments. By contrast, the Palaszczuk government has seized the chance to deliver this major piece of economic reform for an industry that employs 255,000 Queenslanders, or 11 per cent of all jobs across the state, paying about \$9.9 billion in wages and accounting for \$76 billion in sales.

We have brought together business and unions to develop a reform package that is good for jobs, cuts red tape and provides more choice for the Queensland public and visitors to the state. The standardisation of the hours by the recent Industrial Relations Commission decision changes the majority of trading hours throughout the state by a mere one to two hours, but it standardises those trading hours and cuts red tape. We still have opposition from those opposite, who have no plans, no idea and no policy. This bill is about more jobs, more choice and less red tape. That is what these reforms are about. I commend the bill to the House.