




Speech By
Hon. Shannon Fentiman

MEMBER FOR WATERFORD

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COVID-19 EMERGENCY RESPONSE BILL

 **Hon. SM FENTIMAN** (Waterford—ALP) (Minister for Employment and Small Business and Minister for Training and Skills Development) (8.17 pm): What we are living through right now is unprecedented. Never has there been an event that has changed so much of our lives in such a short amount of time. While supporting the health of Queenslanders has been paramount in the Palaszczuk government's response, of course we are also supporting our state's economy and our state's businesses.

As the Premier stated earlier, this is a twin crisis requiring twin responses. This crisis is causing havoc across our state's economy and our state's 445,000 small businesses. These businesses represent the backbone of our economy. They are the lifeblood of our local communities. According to some reports, 86 per cent of Queensland businesses will be adversely impacted by COVID-19. To date, the Palaszczuk government has responded with over \$4 billion in economic stimulus. We are now in new territory and our world will never be the same. We have to do things differently.

In the name of public safety, health directives were issued forcing many businesses to close their doors and stop trading. Local pubs, gyms, cinemas and cafes have been forced to close their doors or drastically pivot their business models. It has been fantastic to see so many businesses move so quickly and innovatively to an online way of operating and moving to supply takeaway or home delivery. It is great to see local communities supporting their local small businesses and to see small businesses giving back to their communities.

Despite these stories though, there is no doubt that small businesses are struggling. Doors may be closed but the bills including rent, wages and utilities of course have not stopped. National cabinet has agreed that during this unprecedented crisis no tenant should be evicted from their premises. We are asking landlords and tenants to work together, but this is not always possible. When negotiations break down, small businesses currently need somewhere to turn. Legal challenges are costly, especially when our time-poor small businesses are too busy just trying to survive.

This bill not only amends the Retail Shop Leases Act to support those tenants who are suddenly unable to pay their rent as a result of COVID-19 but also establishes the role of the Small Business Commissioner. Having a commissioner with the power to negotiate rental disputes will give small businesses a hand when they need it most. They need more than just an advocate; they need someone with the powers to mediate these disputes which is exactly what happens in other jurisdictions.

New South Wales, Victoria, Western Australia and South Australia all have small business commissioners. These commissioners provide a single point of contact for disputes, especially with regard to retail leasing disputes. In Victoria, over half of the disputes dealt with in 2018-19 related to leasing matters, and that was before COVID-19 hit. Clearly, there has never been a greater need for a small business commissioner in Queensland. We are already hearing troubling stories from businesses that have been reaching out to us with leasing disputes. A popular bar in Nundah that had to close its

doors during COVID-19 has been struggling to bring the landlord to the negotiating table. Instead of talking, the landlord continues to issue breach notices and fines. A dance studio in Helensvale on the Gold Coast also reached out for help in relation to an uncompromising landlord. This is exactly why we need to provide dispute resolution procedures for small mum-and-dad businesses.

The need for such a role was previously highlighted during consultation for the development of our new Queensland small business strategy. Small business owners and key stakeholders indicated that they would benefit greatly from expanding and strengthening the functions of our current Small Business Champion. In particular, there was strong support for dispute resolution services to reduce costs and time for small businesses. Key groups seeking this change included the Australian Industry Group, the Australian Small Business & Family Enterprise Ombudsman and the Chamber of Commerce and Industry Queensland. Currently, small businesses have to navigate multiple pathways to seek information on dispute resolution services such as QCAT, adding complexity and increasing time and costs for small businesses. In the absence of a state commissioner, small businesses in Queensland must go to the national system, the Australian Small Business & Family Enterprise Ombudsman, for assistance. Our small businesses absolutely deserve a commissioner who will provide a key support function that is currently missing. The initiative will give them a clearly identifiable single point of contact in the Queensland government to help them understand the options to resolve retail leasing disputes.

Dispute resolution can come at significant cost for small business owners in terms of legal services, time away from their business, lost productivity and income, additional expenses and stress. National data from the Australian Small Business & Family Enterprise Ombudsman identifies the most significant impacts of disputes experienced by small business are financial loss, opportunity costs and damaged reputations. Establishing this position right now sends a clear message to small businesses across Queensland that we understand the challenges they face and we are here to help them meet those challenges.

The new commissioner's key functions will include: continued advocacy support and information for small businesses; being a single point of contact for businesses on leasing disputes; providing initial information and advisory services; connecting tenants and landlords through premediation services; and trying to identify solutions prior to progressing mediation. If a dispute is brought before the commissioner it is proposed that he or she will have powers to compel both parties to attend mediation prior to the matter progressing to QCAT or the courts. The commissioner will also potentially help implement the National Cabinet Mandatory Code of Conduct SME leasing principles during COVID-19 for small businesses. The state government is currently determining how the code will be implemented in Queensland.

Earlier this month the Deputy Premier and Treasurer announced measures to support the protection of commercial and retail tenants from eviction. These measures are being underpinned in part by \$400 million in land tax relief for property owners which must be passed on to tenants. In her contribution to the debate the Leader of the Opposition expressed concern about whether or not the government would publish reports from the Queensland Small Business Commissioner. I can assure the House that the commission will absolutely report on performance through the department's annual report. That would include performance on mediation services undertaken.

I do want to take the opportunity to express my view that it is a little ironic for the Leader of the Opposition to express concern about the Labor government being transparent and accountable in the role of Small Business Commissioner, when in fact under the LNP government when the member for Nanango was Campbell Newman's assistant minister those opposite abolished the office of the commissioner. That is why Queensland is now one of the only states that does not have a small business commissioner.

Ms Simpson interjected.

Madam DEPUTY SPEAKER (Ms Pugh): Order!

Ms Simpson interjected.

Madam DEPUTY SPEAKER: Order! Member for Maroochydhore, I called the House to order.

Ms FENTIMAN: When we came back into government in 2015 we created the role of Small Business Champion, which gave small businesses a voice at the national table for reform that had been lacking for years under the LNP because they slashed the office of the commissioner. I am incredibly proud that, at a time when small businesses need support most in relation to mediation and retail disputes, the Labor Party government is reintroducing the office of the commissioner for small business to help small businesses after those opposite cut it.

Work on establishing the Queensland Small Business Commissioner will begin immediately after this legislation is passed. The Palaszczuk government wants to give small businesses hope towards recovery in the short term and, more importantly, success in the longer term. This bill gives them that hope. I commend the bill to the House.