



**Australian  
Retailers  
Association**

Mr Phil Manners  
Director  
The Centre for International Economics  
Level 7, 8 Spring Street  
SYDNEY NSW 2022  
By email: [pmanners@thecie.com.au](mailto:pmanners@thecie.com.au)

6 November 2019

Dear Mr Manners

**Re: Draft Report – Commercial Building Disclosure (CBD) Scheme Review**

We refer to the above draft report, and to our previous submission to you on this issue. We also thank you for the opportunity to attend the recent retail/shopping centre workshop in Sydney.

The Australian Retailers Association is Australia's largest retail body, representing a \$325bn sector employing more than 1.3m people. ARA members include Australia's most trusted retailers, from its largest department stores and supermarkets to specialty retail, electronics, food and convenience chains, to mum-and-dad operators.

As noted in our earlier submission, we do not support the CBD scheme being extended to shopping centres or retail in any form which includes a regulatory requirement imposed on landlords or tenants. To this end, we welcome the draft CIE recommendation the scheme not be extended to shopping centres. We urge the CIE to publish this recommendation in its final advice and report, which we understand will be provided to the Minister for Energy, Hon Angus Taylor MP. We also urge the CIE to recommend the scheme not be further considered for extension in any subsequent review that may be undertaken.

Our industry is highly regulated, including in the area of retail leasing, which is subject to detailed state legislation. This legislation already expressly provides for mandatory disclosure of energy-related information, providing detailed operating costs to retail tenants along with other operating costs such as statutory charges (e.g. taxes). In this regard, there is no failure of key information that tenants want being provided to them. Further, operating costs currently provided are disclosed on a comparable \$/m<sup>2</sup> metric. Operating costs are a key issue for retailers, which is also why the shopping centre and retail industries share key and universal metrics such as Occupancy Cost Ratios.

As the peak retail industry body, we work with the Shopping Centre Council of Australia, the national retail landlord lobby, on industry and regulatory issues including those relating to operating costs. This includes the Code of Practice on the Reporting of Sales and Occupancy Costs (NSW), to which the ARA is a signatory, along with the SCCA and other key groups.

Phone: 1300 368 041  
Fax: (03) 8660 3399

**MELBOURNE OFFICE**  
Address: Level 1, 112 Wellington Parade  
East Melbourne VIC 3002



Australian  
**Retailers**  
Association

It remains a concern that certain groups claiming to speak for tenants, or purporting to know “what’s good for tenants,” are not in fact tenant groups as the ARA is. Aside from these groups not being appropriately positioned to speak on behalf of tenants, they are unlikely understand retail industry and regulatory issues.

Thank you for consulting with us. We endorse your recommendation the CBD scheme not be extended.

There is no key information failure under current legislation, and we certainly do not want duplicative or costly red-tape that provides no substantial benefit.

We are happy to discuss the matter in more detail if desired. Should you wish to do so, please contact Yale Stephens, Head of Public Affairs and Brand, at [REDACTED]

Yours sincerely

**RUSSELL ZIMMERMAN**  
Executive Director

**YALE STEPHENS**  
Head of Public Affairs

Phone: 1300 368 041  
Fax: (03) 8660 3399

**MELBOURNE OFFICE**  
Address: Level 1, 112 Wellington Parade  
East Melbourne VIC 3002