

11 July

Retail Trade Industry Case Study
Productivity Commission
GPO Box 1428
CANBERRA CITY ACT 2601
Via email retail.trade@pc.gov.au

Dear Commissioners,

RE: Chamber of Commerce and Industry Queensland – Relative Costs of Doing Business in Australia: Retail Trade

The Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide feedback on the Productivity Commission's interim report on the Relative Costs of Doing Business in Australia with respect to the retail sector. CCIQ notes the Commission's terms of reference set for the review are to identify the costs facing businesses operating in Australia in the retail trade industry and to identify areas of cost advantage and disadvantage for these businesses compared to international competitors.

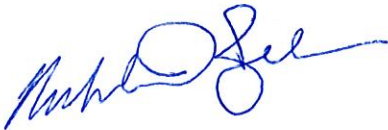
CCIQ's submission focuses on issues specifically relating small to medium businesses operating within Queensland's retail sector. The aim is to provide the Commission with a clear view of how their business operations are impacted by local, state, and federal government policy settings that influence the cost of doing business in Queensland. As the peak industry organisation for small and medium enterprise (SME) in Queensland, CCIQ is well-placed to provide feedback to the Commission with respect to the issues targeted in this review.

The core focus of this submission is to highlight the existing government policy settings which exert unnecessary pressure on the costs of doing business in Queensland's retail sector. To this end, CCIQ's attached submission will highlight the value of retail to Queensland's economy, provide preliminary commentary on the interim report issued by the Commission, and list key issues for the review to consider such as wage costs, labour on-costs, electricity price rises, insurance costs, tax and administrative burdens, and competition issues such as retail shop trading hours.

On behalf of Queensland small and medium retailers, CCIQ remains frustrated by the lack of reform from government since the Productivity Commission's 2011 inquiry into the Economic Structure and Performance of the Australian Retail Industry. Nevertheless, CCIQ welcomes the Harper Review of Competition Policy and the forthcoming review of workplace relations laws to address broader issues of competition and productivity in Australia's economy. It is in the context of review and reform that all levels of government are able to face head-on the challenges of changing business conditions due to advances in digital technology and greater global market interconnectedness. In this light, CCIQ believes there is substantial need to examine Queensland's ability to compete internationally, particularly with respect to the retail sector, and commends the Federal Government for commissioning this report into the costs of doing business.

The Chamber looks forward to working with the Productivity Commission and the Federal Government to ensure the best outcomes are achieved for Queensland businesses, our economy, and the community. CCIQ would be pleased to discuss matters contained herein at the Commission's convenience.

Yours Sincerely,



Nick Behrens
General Manager, Advocacy