



The Pharmacy
Guild of Australia



MEDIA RELEASE

Retailers and shopping centres welcome retail SME code of conduct

7 April, 2020

The nation's key retail industry groups have welcomed the Code of Conduct targeted at SMEs announced by the Prime Minister today, which reflects the spirit of the principles that the groups had put forward for National Cabinet consideration.

The associations are yet to see a copy of the National Cabinet's Code, but are ready to work with the states to implement a sensible solution. The Australian Retailers Association (ARA), National Retail Association (NRA), Pharmacy Guild of Australia (PGA), and Shopping Centre Council of Australia (SCCA) initially proposed a national Code of Conduct for retail leasing as part of a set of mutually *Agreed Leasing Principles* released by the groups on 31 March 2020.

Given retail leasing is regulated in each jurisdiction, a key purpose of a Code was to ensure a nationally consistent approach, and efficient and timely application given the rapid commercial impacts arising from COVID-19. The parties have been working in good faith on the development of a Code, which included a Draft Code being submitted to National Cabinet on Sunday 5 April.

NRA CEO Dominique Lamb said: "The model announced by the Prime Minister today is sensible and proportionate. It will ensure – to the greatest degree possible – that businesses who suffer a major downturn have the best chance of surviving.

"And that is good for both tenants and landlords. Just as we want to see businesses survive to keep employing their staff, property owners will also want to see the retail sector survive," Ms Lamb said.

Russell Zimmerman said: "The Prime Minister and National Cabinet can be assured that the ARA and our retail industry colleagues will work to ensure the Code is progressed and applied in good faith. The most important issue is that the industry is talking, and landlords and tenants are working together to ensure business continuity."

The National President of the Pharmacy Guild of Australia, George Tambassis, said the Code would provide clarity for commercial tenants, including community pharmacies, where they need to negotiate arrangements with landlords during the COVID-19 downturn.

"Fundamentally, as the Prime Minister said, it is about sitting down and working out an agreed course so that we can all get through this together, and with normal business and employment able to resume," Mr Tambassis said.

Shopping Centre Council CEO Angus Nardi said: "A lot of the principles under the Code the SCCA has already agreed to, including publicly and independently committing to not terminating leases for the non-payment of rent a few weeks ago.

"We welcome the approach to proportionality, which we understand provides a set of guiding principles and examples, which will ultimately be negotiated on a case-by-case basis.

"The SCCA's key focus is on small, medium and family businesses.

“Every day, our members are having hundreds of conversations with their retailers. Like many other industries, centre owners are receiving high volumes of requests for assistance. These are being worked through as quickly as possible”, Mr Nardi said.

All groups look forward to working with States and Territories on regulation, particularly to ensure a uniform approach.

“All of our groups engaged on retail lease legislation across the country, and we look forward to the next stage of work. We call on States and Territories to work together to ensure a uniform approach and efficient application,” Ms Lamb said.

“We look forward to working with the NRA, Pharmacy Guild and SCCA as are all working towards the same goal – to emerge from the other side of this unprecedented experience with our retail partners especially our SMEs in the best possible position to succeed,” Mr Zimmerman said.

Dominique Lamb is available for interviews. Contact the NRA’s media unit on 0467 792 013.

Russell Zimmerman is available for interviews. Contact Tim Janczuk on 0431 045 373.