

# SHOPPING CENTRE COUNCIL OF AUSTRALIA

6 July 2015

Workplace Relations Framework  
Productivity Commission  
GPO Box 1428  
CANBERRA CITY ACT 2061

And by email: [workplace.relations@pc.gov.au](mailto:workplace.relations@pc.gov.au)

Dear Sir or Madam

## **Sunday Trading Information: Inquiry into Workplace Relations Framework**

Thank you for the opportunity to provide the Productivity Commission with information on shop trading patterns and Sunday trading. We appreciate the Commission contacting us about these issues.

The **attached** information complements our previous submission to the Commission, dated 13 March 2015, which is identified as submission No. 153 on the Inquiry website.

The **attached** information, which is derived from a selection of our member' shopping centre portfolios, provides a 'snapshot' on key indicators such as:

- (1) retailer participation (which provides a measure of how many retailers open and trade, including small retailers – i.e. not just 'large' retailers such as Woolworths, K-Mart and David Jones), and
- (2) customer foot traffic (which provides a measure of customer demand through visits to the shopping centre):

The information is as follows:

- **Perth Sunday trading reforms – Snapshot – Two Years On (August 2014)**

This information was provided to the WA Government in September 2014 as part of ongoing feedback on the introduction of Sunday trading across Perth in August 2012.

- **Perth 2014 Extended Christmas Trading Hours: March 2015**

This information was provided to the WA Government on the 'extended' trading hours period across Christmas 2014, which the Minister for Commerce can grant under the *Retail Trading Hours Act 1987*. The period for 2014 was announced by the Hon. Minister Michael Mischin MLC on 2 November 2014 in a media statement titled: "Christmas bonanza for early-bird shoppers".

- **Customer foot traffic across a national shopping centre portfolio: 2009-2014.**

This analysis was recently completed and outlines the growth of customer foot traffic across various days between 2009-2014 for a national shopping centre portfolio. The analysis highlights that Sunday has experienced the highest growth (5.8%: and more than 1.6 higher than Saturdays) of any day across the period.

I would gladly discuss the above and attached information in more detail. Please do not hesitate to contact me

Yours sincerely

6.7.15

Angus Nardi  
**Executive Director**

Attachments: (1) WA Sunday Trading, (2) WA Christmas 2014; (3) Foot traffic analysis

Leaders in Shopping Centre Advocacy

**SHOPPING CENTRE COUNCIL OF AUSTRALIA (SCCA)**  
**PERTH SUNDAY TRADING REFORMS – SNAPSHOT: TWO YEARS ON**

We recently (August 2014) surveyed a sample of our members  
to assess the impact of Sunday trading across their centres / portfolios two years on.

**KEY RESULTS**

**80%-100%**

- .Specialty (i.e. small) retailer participation in Sunday trading
- .This has increased from the 80%-90% participation rate recorded in our August 2013 survey

**1,400+**

- .Estimated additional small retailers now trading on Sundays, reflecting above participation rate
- .These retailers previously did not trade as the surveyed shopping centres were closed
- .Some 'external' retailers were already trading at some centres (e.g. service stations, fast-food outlets)

**Services (e.g. banks)**

- .Generally, services such as banks aren't participating in Sunday trade

**Fastest**

- .Specialty retailer take-up rate was faster than Brisbane (2002) and Adelaide (2003)
- .This is one indicator that Perth residents and consumers have embraced Sunday trading

**5%-14% ↑**

- .Range of increases in weekly sales since Sunday trading was introduced

**\$170 million**

- .Estimate minimum additional annual sales from 2013 to 2014

**3<sup>rd</sup> overall**

- .Most popular day trading day behind Thursday and Saturday
- .This is largely a function of the 6 available trading hours, versus 9 on a Saturday and 12 on a Thursday

**9am**

- .Preferred Sunday opening time to better support breakfast and morning tea trade (e.g. cafes)

**Less congestion**

- .Major benefit: less congestion at shopping centre car parks (and therefore surrounding roads) on Saturdays due to spread of trade to Sunday

**Customer...**

- .Perhaps the most important consideration of all: Strong, ongoing support from consumers

**Contact:**

**Angus Nardi**

|

08 9447 1111 | [www.scca.com.au](http://www.scca.com.au)

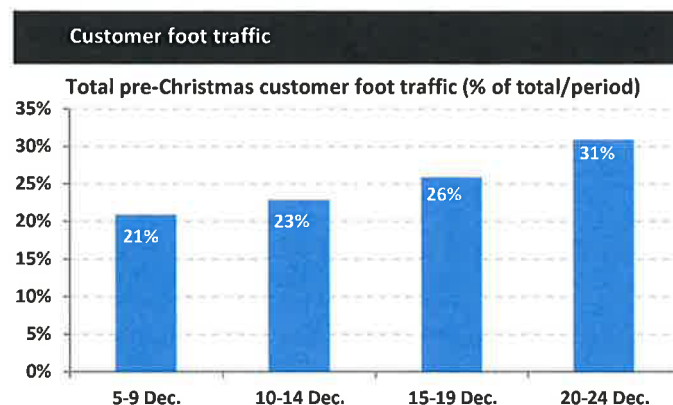
## PERTH 2014 EXTENDED CHRISTMAS TRADING HOURS – SNAPSHOT

We have assessed the 'extended' trading hours period in December 2014/January 2015 as announced by the Minister for Commerce, Michael Mischin, on 2 November 2014, in his media statement: "Christmas bonanza for early-bird shoppers". Based on (1) customer foot traffic and (2) retailer participation data, the SCCA considers that the extended trading hours period was a success. It enabled retailers to trade more flexibly to serve their customers. It provided business, employment and consumer opportunities. SCCA members that operate across Perth include AMP Capital, Charter Hall, Federation Centres, Lend Lease, Novion Property Group, Perron Group, SCA Property Group, the Scentre Group and Stockland.

### 5 KEY RESULTS AND OBSERVATIONS: A SNAPSHOT FROM SCCA MEMBERS

#### 1 Customer foot traffic increased over time

- For one SCCA member company, the proportion of customer foot traffic across the 20 pre-Christmas days, which incorporated extended trading hours, increased from 44% in the first 10 days (5-14 December) to 57% in the last 10 days (15-24 December) (see below). This suggests that Perth's shoppers undertook their Christmas shopping later in the month. This trend was experienced by a number of SCCA members.



#### 2 ...so did retailer participation...from 15% to 41%

- For another SCCA member company, the average retailer participation increased over time during the 'early morning' extended trading hour period, increasing from 15% in the first 10 days (5-14 December) to 41% in the last 10 days (15-24 December). This trend was experienced by other SCCA members. These figures highlight two important issues: (1) more than just 'big' retailers traded during the extended trading hours period, and (2) small retailers are not (and cannot be) 'forced' to trade by shopping centre owners and managers (otherwise the participation rate would be 100%).

#### 3 1,839+ store openings

- In one SCCA member shopping centre alone, 1,869 store openings were enabled during the extended trading hours period in the lead up to Christmas. When multiplied across Perth's various shopping centres, these store openings provided additional business, employment and consumer opportunities. It was observed that common 'early morning' store openings were food retailers, which was similar to trade later in the day including where co-located with (for instance) entertainment precincts.

#### 4 Top 5: Sundays (and Boxing Day) the strongest

- The top 5 days for retailer participation for one SCCA member company were the 4 Sundays (7<sup>th</sup>/14<sup>th</sup>/21<sup>st</sup>/28<sup>th</sup>) across December as well as Boxing Day. This suggests that Sunday trading is a popular trading day, with the potential for further systematic trading hours reform, and that Boxing Day is a popular shopping day as it is across the country in other major cities.

#### 5 Perth's shoppers and retailers operate differently

- A key outcome is that SCCA member feedback indicates that Perth's retailers opened at different times across different days. For one SCCA member centre, Friday 19 December 2015 had the strongest retailer participation with 95% take-up. For another centre, the strongest retailer participation occurred on Saturday 20 December. This suggests, quite sensibly, that where regulation enables flexibility, retailers respond differently and open at different times depending on their location.

## **Foot Traffic Data**

The Shopping Centre Council of Australia (SCCA) reached out to a number of members to obtain highly confidential foot traffic data over a given timeframe and given a certain criteria (see 'Methodology' below). For the purposes of this analysis, the SCCA has utilised the data of one member who has a well-established, national portfolio. The results of this data have been analysed and is set out below.

## **Methodology**

The SCCA obtained six years of data (between 2009 and 2014) pertaining to centre foot traffic for 'stabilised' centres, that is those that are unaffected by development from the beginning to the end of the analysis period, across most states. Further, data was used from centres that were already subject to seven day trade and therefore could be considered 'super stable' centres. Using 2009 as the 'baseline' for the analysis, the change in foot traffic was then calculated over the following five years.

For the purposes of this exercise, data for centres in the Australian Capital Territory were omitted as they were not considered stabilised centres. The Northern Territory and Tasmania were omitted due to the relatively small size of the sample pool. Likewise, Western Australia was also omitted, although this was due to the fact that Sunday trading was only introduced in August 2012.

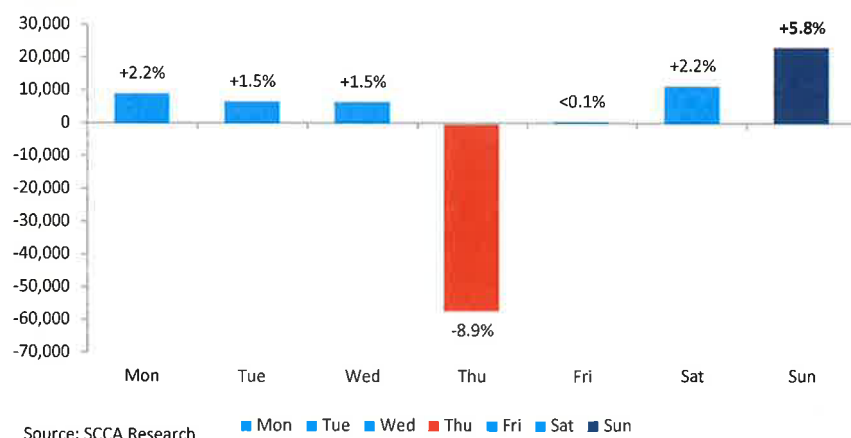
Data was collected from 13 Regional centres throughout Australia with a combined Gross Lettable Area Retail (GLAR) of more than 1.24 million square metres. This represents 20 per cent (by GLAR) of SCCA Members' Regional shopping centres in New South Wales, Victoria, Queensland and South Australia. The SCCA feel that this is a good representation of the national shopping centre sector.

## **Analysis**

As the below chart (Fig. 1) highlights, Sunday total foot traffic has grown by a very sizeable 5.8 per cent, totalling more than 23,200 persons, across the aggregated centres. Growth has also been recorded for Monday and Saturday (+2.2 per cent), Tuesday and Wednesday (+1.5 per cent), with negligible growth recorded for Friday.

**Figure 1.**

**Average Daily Foot Traffic Analysis**  
Aggregated National Data



The growth on these days is the direct result of the redistribution of Thursday (late-night shopping) foot traffic which has dropped by 8.9 per cent (-57,156 persons) over the analysis period, almost 41 per cent of which is now attributed to Sunday foot traffic.

The growth in foot traffic for Sundays is more than 1.6 times higher than on Saturdays during the analysis period.

## Conclusion

Based on this one piece of analysis, the following is abundantly clear:

- Sunday has recorded the biggest growth in foot traffic over the last five years;
- There has been a monumental shift in the habits of those that visit shopping centres in Australia;
- Growth in foot traffic for Sundays is more than 1.6 times higher than on Saturdays;
- Sunday has become 'just another shopping day';
- Should this trend continue, Sunday will soon become on par with, if not ahead of, Saturday in terms of popularity.

## Simon Hemphill

Head of Research, Shopping Centre Council of Australia

Affiliate of the International Council of Shopping Centers

Level 1, 11 Barrack Street, SYDNEY NSW 2000 | W [www.scca.org.au](http://www.scca.org.au)

T +61 2 9033 1953 | I | € | | |

ABN 41 116 804 310

Shopping Centre Council of Australia Limited

Property Council of Australia House, Level 1, 11 Barrack Street, Sydney NSW 2000

Telephone: +612 9033 1902 Facsimile: +612 9033 1976 [www.scca.org.au](http://www.scca.org.au)