

Policy & Advocacy Update 2024

Strengthening the ARA's position as
the authoritative and most influential
voice for the Australian retail sector

retail.org.au/advocacy-policy



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Overview

The retail community continues to face into economic headwinds and dynamic market forces, while navigating an intense government reform agenda across almost every policy area

The ARA has been stepping up our advocacy efforts - converting media releases, letters and submissions into extensive media coverage and meetings with key stakeholders, which we have leveraged for some big advocacy wins for members in the past year

We have expanded our network of collaborators with like-minded employer groups to present a united front to government, and we have strengthened our positive relationship with unions

We are driving transformative projects and informing government policy to shape the future of retail

And we are expanding the role of our Advisory Committees to improve the feedback loop with members, within a strategic framework that focuses our attention on the things that matter most.

Context: operating within a challenging macro environment



POLITICAL CONTEXT

Intense period of legislative reform after change of government in May-22

Lack of consultation on key changes but generally more submissions with less notice and shorter timeframes

Rise of Crossbench and Greens presents both risks and opportunities

Budget in May-24 will provide early indication of government's thinking on election - could be as early as Aug-24

Early TAS election in Mar-24. QLD and ACT elections in Oct-24. NT in Aug-24

Disconnect between productivity focus in Jobs and Skills White Paper and government legislative reform agenda

Biggest IR changes in a decade

Attempt to divert cost-of-living pressures from government to retailers

Defunding of Private RTOs in favour of TAFE threatens training in retail sector



ECONOMIC CONTEXT

Inflation down to lowest level in two years (from peak of 7.8% in Dec-22 down to 4.1% in Dec-23) but another 12 months before back in target band

Cash rate held at 4.35% in Feb-24

Retail trade between 0.8% and 2.2% in six months to Dec-23 (in comparison to 7.6% in Dec-22) well below inflation

Cost of doing business continues to increase across supply chain, labour, energy, labour, rent and insurance



SOCIAL CONTEXT

Cost of living pressures moderate but remain central to government narrative

Wages growth (last reported) at 4.0% in Sep-23, above inflation at same time

Retail vacancies falling, down from Nov-22 peak of 49,900 to 37,200 in Nov-23

Increase in anti-social behaviour and assaults against retail workers

Closing the Gap Report re-opens policy conversation after referendum defeat

Reporting of gender pay gap data will maintain focus on gender equality

Incursion of health policy through diabetes review and advertising standards



MARKET FORCES

Supply chain pressure due to natural disasters, conflicts and industrial disputes

Rise of Artificial Intelligence (AI) presents risks and opportunities for business

Cyber security risks highlight digital divide between small and large business

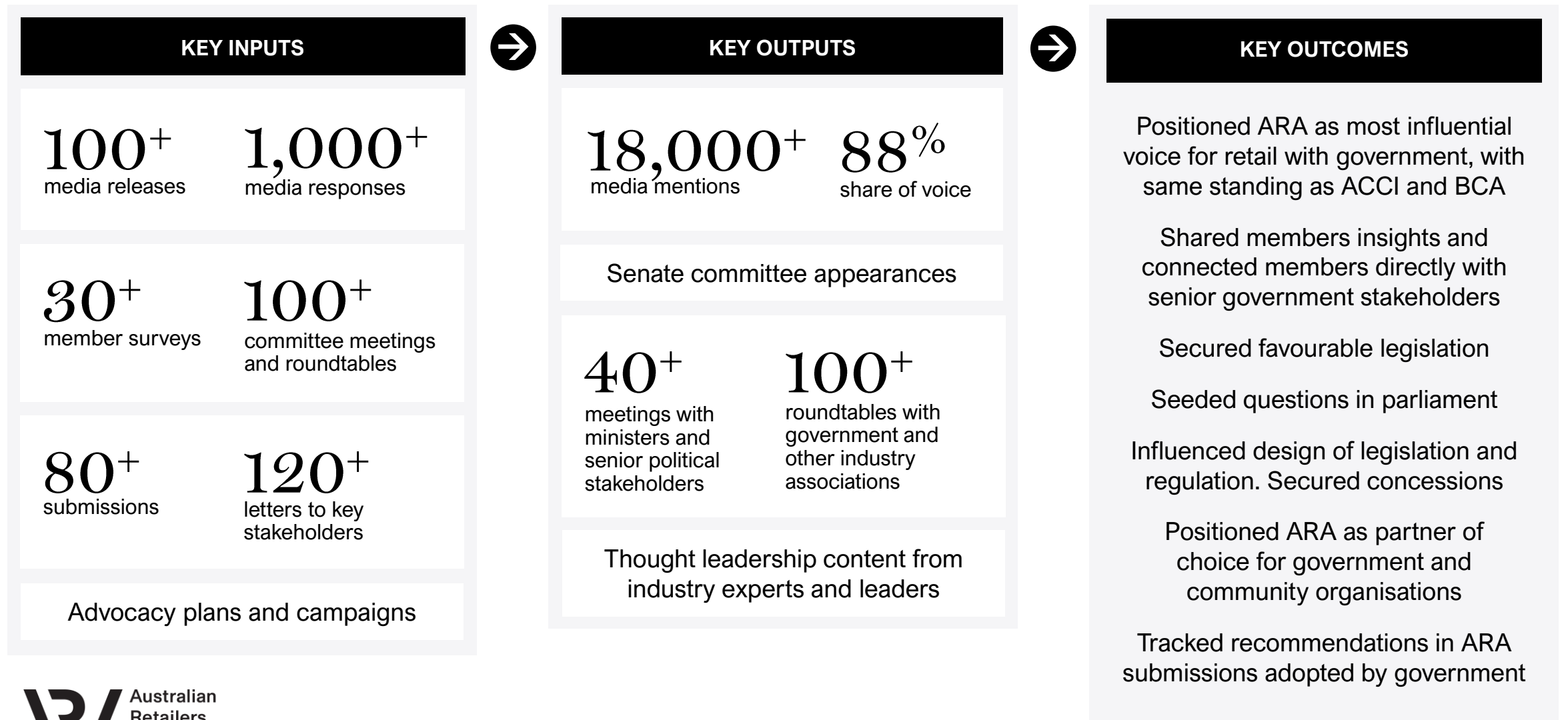
Shift to net-zero, circular economy gathers pace with government intervention

REGULATORY CONTEXT

Significant regulatory burden on business as government reforms shift into implementation and compliance

Red tape reform slow and frustrating

Context: driving for positive change for members



Context: talking about the issues that matter for retail



Policy and Advocacy Framework

STRATEGIC VISION:
Strengthen the ARA's position as the
authoritative and most influential voice for the Australian retail sector

VALUES: Unify our sector | Advocate for our sector | Educate and support members | Connect members with partners | Promote our members' progress

KEY FOCUS AREA 1

STRONG SECTOR

We want to build a strong, thriving sector by reducing costs, minimising complexity and removing barriers to growth

Trading conditions
Costs of doing business
Competition and trading hours
Leasing and franchising
Payments network
Regulation and red tape
Technical standards

KEY FOCUS AREA 2

PRODUCTIVE WORKFORCE

We want to build skills and employment pathways into a contemporary workplace relations system that benefits employers and employees

Workplace relations reform
Award modernisation
Minimum wage review
Skills and employment pathways
Retail as a career

KEY FOCUS AREA 3

SOCIAL IMPACT

We want to create inclusive experiences for employees and consumers, and play a positive in physical and mental health

Diversity, equality and inclusion
*with a focus on gender equality
and Indigenous reconciliation*
Mental health
Health and nutrition

KEY FOCUS AREA 4

SUSTAINABLE BUSINESS

We want to empower the transition to the low-carbon, circular economy of the future and mainstream responsible sourcing

Net-zero transition
Plastics and packaging
Circular economy
Product stewardship
Responsible sourcing
Modern slavery

KEY FOCUS AREA 5

SAFETY AND RESILIENCE

We want to build a safe and resilient sector that protects retailers, employees and consumers from risks and threats

Workplace health and safety
Retail crime and assaults
against retail workers
Cyber security
Responsible use of technology
Supply chain resilience
Crisis response management

DRIVERS: Advisory committees | Member surveys, roundtables and consultation | Government relations | Letters, submissions and inquiries

ENABLERS: Media campaigns, releases and responses | ARA channels and content | Grants | Partnerships and sponsorships | Relationship management

Policy and Advocacy Framework

STRONG SECTOR

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Trading conditions

Costs of doing business

Competition and trading hours

Leasing and franchising

Payments network

Regulation and red tape

Technical standards



Policy and Advocacy Framework

PRODUCTIVE WORKFORCE

We want to build skills and employment pathways into a contemporary workplace relations system that benefits employers and employees

Workplace relations reform

Award modernisation

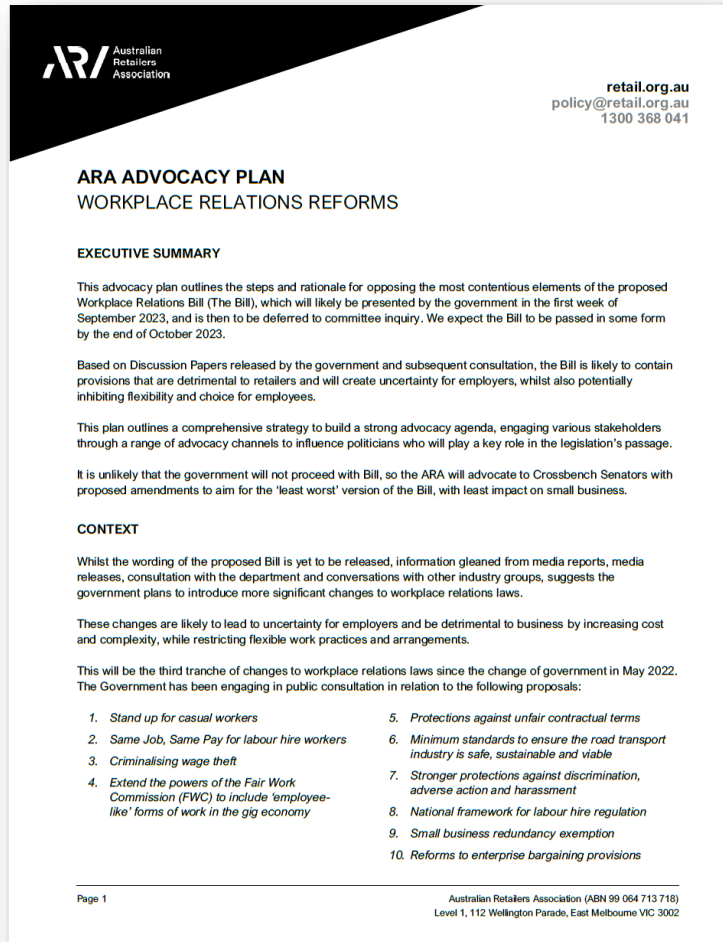
Minimum wage review

Skills and employment pathways

Retail as a career



Closing Loopholes Advocacy Plan



Inputs: Letter writing campaign, media releases and OpEd, submission to Senate Inquiry, member surveys and testimonials

Outputs: Meetings with Minister Burke, Senator Cash, Senator Lambie, and the Teal Independents. Roundtable discussions and follow-up conversations with Senator Pocock. Industry working groups with other employer groups to ensure united front. Appearance at Senate Inquiry. Questions seeded in parliament

Outcomes: Legislation remains flawed, but a number of concessions were secured for the least-worst version of the bill

- ARA was first and consistent to call for the bill to be split
- ARA supported three of the four measures passed in Dec-23
- ARA opposed other measures but made common-sense recommendations, most of which were reflected in final bill

KEY FOCUS AREA 3

SOCIAL IMPACT

We want to create inclusive experiences for employees and consumers, and play a positive in physical and mental health

Diversity, equality and inclusion

- Primary focus on gender equality and Indigenous reconciliation
- Secondary focus on LGBTQIA+ community, recently-arrived migrants, neurodiversity and people living with a disability

Mental health

Health and nutrition



KEY FOCUS AREA 4

SUSTAINABLE BUSINESS

We want to empower the transition to the low-carbon, circular economy of the future and mainstream responsible sourcing

Net-zero transition

Phase-out of single-use plastics

Packaging regulation

Circular economy

Product stewardship schemes

Responsible sourcing

Modern slavery



KEY FOCUS AREA 5

SAFETY AND RESILIENCE

We want to build a safe and resilient sector that protects retailers, employees and consumers from risks and threats

Workplace health and safety

Retail crime and assaults against retail workers

Cyber security

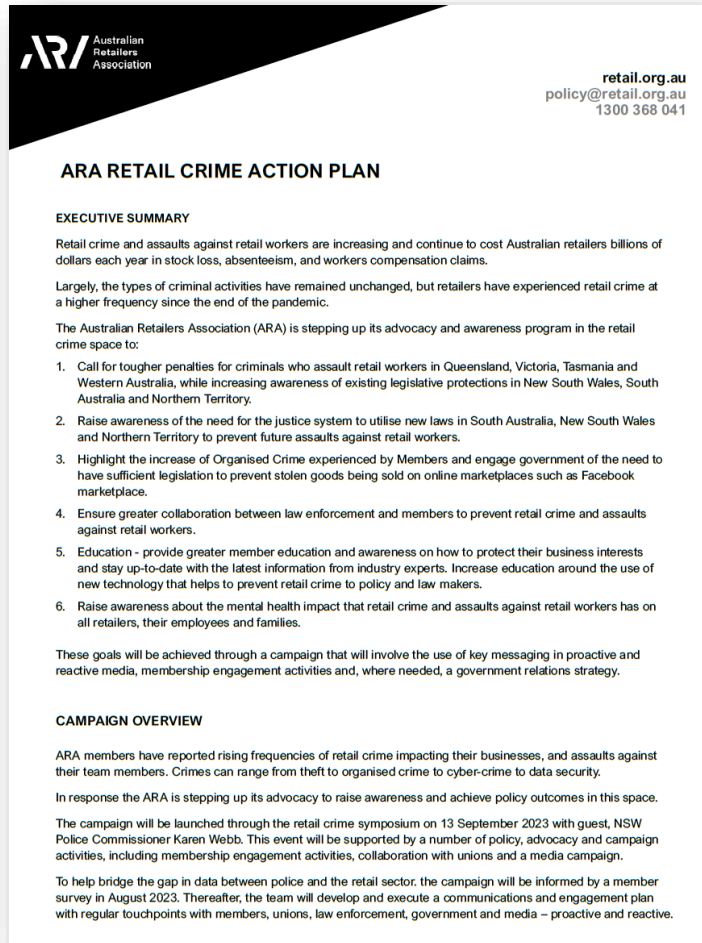
Responsible use of technology

Supply chain resilience

Crisis response management



Retail Crime Advocacy Plan



Inputs: High-visibility media campaign with media releases and media responses. Retail Crime Symposium. Retail Crime Advisory Committee. Member surveys and case studies.

Outputs: Strong media interest. Events with NSW Police Commissioner and NSW Workplace Relations Minister. Meetings with QLD Attorney General, NT Police Minister and senior government stakeholders, TAS Police Minister, Chief of Staff to TAS Attorney General, City of Hobart, WA Small Business Minister senior adviser, WA Small Business Commissioner, SDA and Crime Stoppers. Attendance at roundtables with Police.

Outcomes: Repositioned narrative around retail crime. Tougher penalties for those who assault retail workers in SA, NSW and WA. Tripartite formed between Safework Australia, SDA and ARA. ARA representation on the NSW Ministerial Working Group for Workplace Safety. Partnership with Crime Stoppers Australia.

Strategic Initiatives

PROJECT PROTEUS

APPLICATION TO VARY GENERAL RETAIL INDUSTRY AWARD (GRIA)

In February 2024, the ARA lodged an application - on behalf of a consortium of 20 ARA members. The aim is to make the GRIA clearer, simpler and more flexible for employers and employees alike

CLEARER	SIMPLER	MORE FLEXIBLE
<p>The GRIA has 994 individual rates of pay across 96 pages, which requires significant legal and technical expertise to avoid significant compliance risks arising from unintended mistakes.</p> <p>We need to make the award clearer to reduce those risks.</p>	<p>The aim is to simplify the award, so employers clearly understand their obligations and employees understand their entitlements.</p>	<p>The application also aims to make the award to be more responsive to the changing needs of our sector, so it provides for the flexibility that employers need and employees want.</p>

Strategic Initiatives

PARLIAMENTARY FRIENDS OF RETAIL OPPORTUNITY FOR MEMBERS TO ENGAGE WITH PARLIAMENTARIANS

The ARA is in the final stages of establishing a Parliamentary Friends of Retail Group, which will provide an opportunity for ARA members to engage directly with parliamentarians

The aim is to build an educated support base within federal parliament, help to bust myths about common misconceptions and increase the understanding of challenges for retail businesses large and small.

Once a coalition co-chair has been confirmed, the group can be formally established. Once established, the plan is to hold two events in Parliament House during CY24 – subject to support and feedback from the three co-chairs.



Co-chair (Independent)
Ms Allegra Spender MP
Member for Wentworth (NSW)

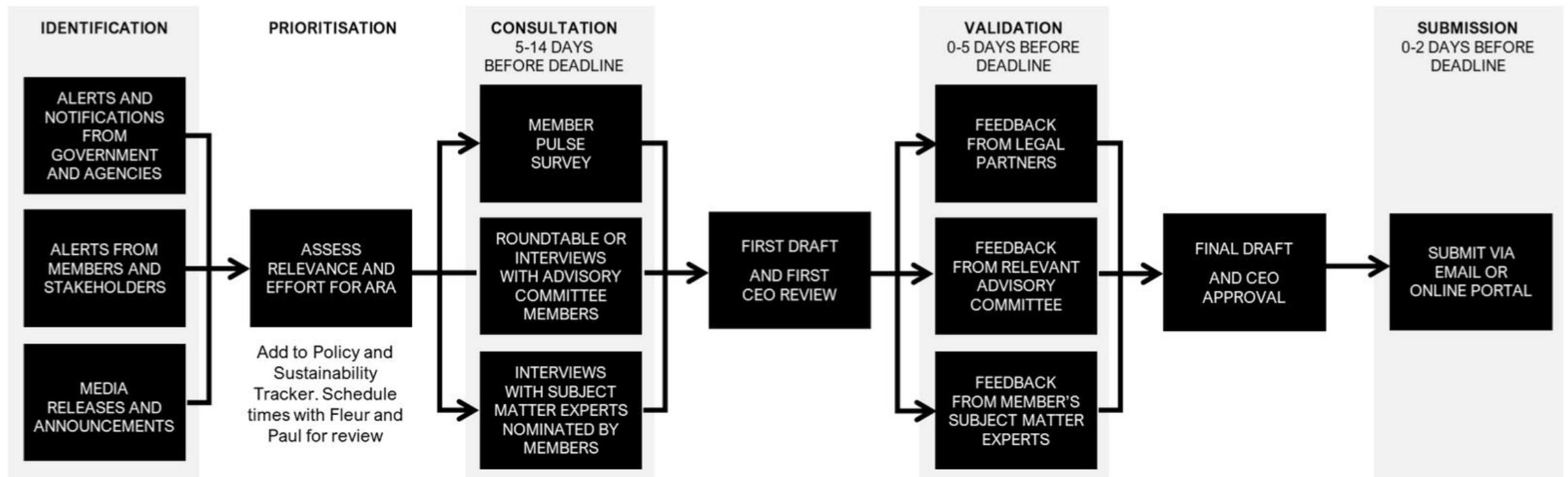


Co-chair (Labor)
Mr Jerome Laxale MP
Member for Bennelong (NSW)

Co-chair (Coalition)
To be confirmed

ARA Australian
Retailers
Association

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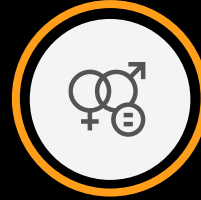
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AR/ ADVISORY COMMITTEES



CEO FORUM



DIVERSITY, EQUALITY
& INCLUSION



EMPLOYMENT
RELATIONS



INDUSTRY AFFAIRS



LEASING AND
FRANCHISING



PAYMENTS



QUICK SERVICE
RESTAURANTS



RETAIL CRIME



SKILLS & TRAINING



SMALL BUSINESS
FORUM



SUPPLY CHAIN



SUSTAINABILITY



TAXATION



TECH &
INNOVATION



TECHNICAL
STANDARDS



WORKPLACE HEALTH
& SAFETY



QUICK SERVICE RESTAURANTS ADVISORY COMMITTEE

Chair

Karen Bozic | Group CEO, Craveable Brands

PURPOSE

Provide mechanism for dialogue between members to share information and insights on areas of common interest

Shape advocacy priorities and approach in areas specific to QSR segment

Provide a QSR perspective on the ARA's broader policy and advocacy priorities

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01 Inform ARA advocacy on workplace relations reforms, looking at impact through lens of QSR segment. Provide data and case studies
- 02 Share insights on submissions (eg. Review into Franchising Code of Conduct) and monitor emerging issues (eg. advertising standards)
- 03 Share insights and monitor progress of Retail Crime Advocacy Plan
- 04 Share insights about sustainability policies and supply chain impacts

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01 Step-up advocacy about changes specific to sector and determine future priorities
- 02 Prepare for changes arising from Closing Loopholes (casuals, gig)
- 03 Maintain watching brief on changes to advertising standards

Only industry specific forum for QSR



DIVERSITY, EQUALITY & INCLUSION ADVISORY COMMITTEE

Chair
Elise Sharpley | Partner, Deloitte

PURPOSE

Define an authentic vision for diversity, equality and inclusion across the retail sector and agree specific priorities

Take a public stance on issues that impact employees, customers and the community through collective and individual leadership

Work as a united leadership group to implement progressive, powerful and lasting change across the retail landscape

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01 Plan and deliver third Gender Equality Symposium
- 02 Increased signatories to ARA Gender Equality Position Statement
- 03 Provide leadership perspective on development of ARA Position Statement for Indigenous reconciliation ahead of referendum

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01 Launch and socialise ARA Gender Equality Playbook
- 02 Engage regulators and employers re: Gender Pay Gap Reporting
- 03 Explore policies, white papers and thought leadership content
- 04 Increase industry support for ARA Position Statements



EMPLOYMENT RELATIONS ADVISORY COMMITTEE

Chair

Lynda Blakely | Group Human Resources Director, JB Hi-Fi Group

PURPOSE

Support ARA efforts to influence workplace relations reforms through working groups, direct input and advocacy with government and media

Facilitate dialogue between members to determine the impact of changes in policies and legislation

Identify issues likely to impact retailers and support the ARA's role to educate and inform members about compliance

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01 Support drafting, review and validation of policy submissions
- 02 Connect members with experts about changes as a result of Secure Jobs / Better Pay, Closing Loopholes and Respect@Work
- 03 Connect members with agencies about Workplace Gender Equality Agency (WGEA) obligations and workplace sexual harassment

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01 Connect members with regulators so we can educate them about the challenges for retailers in implementing reforms
- 02 Bring practical lens to what government reforms look like in practice as we implement Closing Loopholes and Secure Jobs / Better Pay
- 03 Facilitate conversations with members and experts about how to prepare for changes like employee-choice casual pathway



PAYMENTS ADVISORY COMMITTEE

Chair

Lance Blockley | Managing Director, The Initiatives Group

PURPOSE

Ensure a competitive market for payments and maximising cost savings for retailers over time, including through least-cost routing

Contribute to policy on issues including competition, least-cost routing, electronic payments, surcharging, fraud & scams, and payment regulation

Ensure retailers remain abreast of developments and innovations in the payments system

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01 Explore innovations for in-store and online payments
- 02 Promote parallel improvements in fraud and scam mitigation
- 03 Look at least-cost routing to optimise cost of payments
- 04 Provide feedback on payments policy submissions to regulators

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01 Promote strategic use of payment innovation to drive growth
- 02 Balance payments security and payments convenience: *when the customer wants to pay, try not to get in the way*
- 03 Help members navigate changes to the regulatory landscape



RETAIL CRIME ADVISORY COMMITTEE

Chair
Sophie Wong | General Manager Supermarkets Transformation, Coles

PURPOSE

Define the root cause and impacts that retail crime has on the community, team members and the retail sector

Understand and raise awareness about the connection between retail crime and the safety of the team and community

Share best practice examples of what is effectively reducing retail crime to support all retailers and the community

Support to amplify common trends

Bring members together with united voice to engage stakeholders who can assist in reducing retail crime

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01** Amplify calls for stronger legislation to protect retail team members
- 02** Establish the foundations for stronger relationships between the retail sector and police, creating a platform for future collaboration
- 03** Define the key trends shaping retail crime including cyber crime, organised crime and the rising level of youth crime in community

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01** Pursue stronger protections for team members in VIC, TAS and ACT
- 02** Drive development of a consistent reporting platform for retail crime
- 03** Release Retail Crime White Paper, to support advocacy efforts
- 04** Support implementation of a National Police Engagement Plan incl. Retail Crime Units in each jurisdiction, and a contact directory



SKILLS & TRAINING ADVISORY COMMITTEE

Chair

Belinda MacDonald | Head of Learning & Development, Fantastic

PURPOSE

Position skills and training as a key driver in pursuing retail as a career and driving high retention rates in the sector

Challenge the preconception that retail work is not skilled work, to influence Skills Priority List that drive government policy and investment decisions

Raise awareness about impact of changes in government policy that are defunding private Registered Training Organisations (RTO) in favour of TAFE

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01 Engage with government and industry stakeholders
- 02 Look at best practice trends in recruitment to support members
- 03 Support government's strategic review of Certificate IV program

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01 Influence Skills Priority List and co-design qualifications for retail sector as they come up for review (with Jobs and Skills Council)
- 02 Develop Advocacy Plan to raise profile about impact of government policy on building a skilled workforce for the retail sector
- 03 Grow active members of committee with compelling guest speakers



SUPPLY CHAIN ADVISORY COMMITTEE

Chair

Darren Wedding | Chief Supply Chain Officer, Super Retail Group

PURPOSE

Connect supply chain professionals with their peers - initiated in the depths of the COVID disrupted Supply Chain

Provide ARA membership with a concise view on the status of the end-to-end supply chain, both current and outlook

Share information amongst member and support peer leaning

Connect members with expert insights and government representatives

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01 Establish Supply Chain Health Check for ARA members
- 02 Share insights with members from external guest speakers, including updates from government, departments and agencies
- 03 Capture insights from members about supply chain disruptions

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01 Continue to publish Supply Chain Health Check
- 02 Build capability of committee members about developments in sustainability incl. waste, packaging, modern slavery and emissions
- 03 Define member needs and expectations. Grow membership of committee with compelling agendas and guest speakers



SUSTAINABILITY ADVISORY COMMITTEE

Chair

Fiona Baxter | Head of Sustainability | 7-Eleven Australia

PURPOSE

Help shape a shared vision for sustainability across the retail sector

Work collaboratively to deliver initiatives and campaigns to bring that vision to life

Provide insights and expertise to support delivery of the ARA's strategic priorities

Participate in peer-learning exchanges – sharing experiences, achievements and lessons with other committee members

Leverage the scale and experience of our largest members to uplift the sector

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01 Shape a sectorial response to climate change, including Scope 3 emissions
- 02 Navigate changes in circular economy space, incl. product stewardship, plastics bans and container deposit schemes
- 03 Provide updates on modern slavery reporting and supply chain risks
- 04 Connect members with experts and regulators about Greenwashing Guidance. Support drafting and validation of policy submissions

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01 Navigate requirements of Climate-related Financial Disclosures regulation
- 02 Influence the future state of circular economy, product and packaging stewardship schemes, materials bans, and regulation of packaging
- 03 Build capability and awareness about managing greenwashing risks



TAXATION ADVISORY COMMITTEE

Chair

Abs Osseiran | Tax Partner, Deloitte Australia

PURPOSE

Provide guidance to the ARA and members on Australian tax policy, good tax governance and corporate tax citizenship and Tax best practice.

Guide the ARA's advocacy across tax policy issues affecting its members and the sector.

Help ARA members succeed by connecting them to a network of other tax professionals, regulatory bodies and associations, and industry leaders

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01** Influence ATO Mixed Food GST Determination through submission and participation on GST Cluster Roundtable
- 02** Inform policy submissions on Simplot and Chobani GST decisions
- 03** Inform engagement with ATO on food classification
- 04** Update members on FBT changes (with a focus on carparking)

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01** Provide updates on changes in international tax arrangements
- 02** Continued engagement with ATO on food classification and GST Food Determination
- 03** Maintain focus on improving reviews and streamlining ATO engagement with taxpayers



TECH & INNOVATION ADVISORY COMMITTEE

Chair

David Phillips | Partner, Deloitte Digital

PURPOSE

Increase understanding of tech and innovation as driver of value growth and productivity.

Facilitate peer learning to exchange information and experiences and bring best in class global innovation to help lift retail technology capability

Help decision making and coordination of key investment decisions and priorities to advance Australian Retail

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01** Connect members with emerging technology and trends, risks and opportunities impacting customers and mid-office
- 02** Explore how to prioritise and understand different technologies
- 03** Support development of policy submissions on cyber security strategy, privacy and responsible use of Artificial Intelligence (AI)

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01** Build awareness about how tech and innovation can drive productivity and customer experience
- 02** Provide input into submissions shaping the regulatory environment
- 03** Balance ethical considerations against productive use of technology, through Code of Conduct for the responsible use of technology
- 04** Monitor and understand regulatory landscape so retailers get the most out of tech and changes impacting tech, data and innovation



TECHNICAL STANDARDS ADVISORY COMMITTEE

Chair

Selva (Kidnapillai Selvarajah)
Policy and Regulatory Specialist, Supermarkets | Woolworths Group

PURPOSE

Share information amongst members, providing insights from experts and regulators, and engaging in peer-learning

Participate in technical standards development via submissions and engagement with Standards Australia, regulatory bodies and governments

Work as a united group to promote progressive and lasting change in product safety and regulatory across the retail landscape in Australia

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01 Establish committee, define purpose and grow membership
- 02 Strengthen relationships with regulators including Australian Competition and Consumer Commission and Standards Australia
- 03 Support development of submissions in relation to product safety and the regulatory environment for Australian retailers

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01 Provide regular updates about technical standards and the evolving regulatory landscape to ARA members
- 02 Formalise participation in Standards Australia Working Groups
- 03 Grow membership of committee with compelling guest speakers



WORKPLACE HEALTH & SAFETY ADVISORY COMMITTEE

Chair

Amy Towers | Founder and Principal Advisor, Risk Collective

PURPOSE

Ensure that members remain at the remain abreast of emerging trends, best practice and compliance obligations

Help to shape the ARA's view of how to improve the safety landscape for retailers

Share information with and between members, providing insights from experts, government and regulators

Use industry knowledge to inform submissions and influence change to help continue to reduce workplace harm

KEY FOCUS AREAS (LOOKING BACK TO CY23)

- 01 Provide regular updates on WorkSafe Victoria's WorkWell program
- 02 Share insights and experiences from rise of retail crime, assaults against workers, aggressive behaviour and gang-related violence
- 03 Shape development of education materials and content for members
- 04 Engage with experts from ICARE, WorkSafe Vic, Safe Work Australia

KEY FOCUS AREAS (LOOKING AHEAD TO CY24)

- 01 Continue to share insights on emerging and escalating WHS risks
- 02 Survey advisory committee to understand of member priorities
- 03 Establish feedback loops to ensure member expertise informs development of submissions, training materials and collaborative working groups like the Retail Employee Safety Advisory Council

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