

To Whom It May Concern:

I am writing as a member of the working community and as a person with economics and legal training, who is very competent in using the internet.

Retail spending has no doubt been trending downward in recent periods (see <http://www.treasury.act.gov.au/snapshot/RET.pdf>). Consequences of this decrease in retail activity include reduced GST revenue, profitability of retailing and the viability of small businesses.

Whilst it may be convenient for the retail industry to pinpoint the GST import threshold as a key contributor to the change in consumer behaviour and shift toward online purchasing, it is simply not the case. I would instead suggest that the current inappropriate trading hours of the majority of retailers is in part to blame. The convenience and competitiveness of online shopping sites is another key factor.

Weekly retail trading hours

People are working longer hours in the face of increased costs of living and expenditure requirements. On the whole it can be agreed that most of the working community will be engaged in the office or workplace between 9am and 5pm, with a 30 minute to one hour lunch break and a couple of short coffee breaks during the day. In the bigger cities and demanding corporate offices, people are often in the workplace well before and after these times, and are commuting for lengthy periods on either side.

Given that practically every store is open only between 9am and 5pm, there is simply no time for most employed people to get to the shops when they are open. The only exception to this is the one late night shopping evening and weekends and supermarkets that have longer trading hours.

Not everyone is in close proximity to a shopping district to be able to quickly run to the shops during a lunch break. In any case, this time is often taken up doing other crucial errands such as visiting the bank or post office (which have similar inappropriate trading hours), rather than browsing stores. In some cases, employees in demanding positions may work through their lunch hour.

Moreover, on late night shopping evenings and at weekends people often have family and other commitments that limit shopping at these times. Many people also avoid attending shops at these peak times given the influx of shoppers and consequential parking and congestion issues.

It seems absolutely absurd that retailers close their doors the moment workers knock off and are looking for an activity to unwind after a long working day. These people are employed and are as such relatively cashed-up and should be a prime target market for retailers, yet trading hours do not address their timing needs.

I understand that it may initially be difficult to get retail staff to work later hours, but perhaps they could start later. For example, instead of opening a clothes shop at 9am when everyone is at work or school or commuting, open at 10 or 11am. This would not only ease the congestion faced during peak hours on roads and transport, it would be a more efficient allocation of staffing resources to employ staff only when consumers can attend the shop. Of course, this is just an example and each store would face different opening hour needs. For this reason, it should not be legislated and each store should have the autonomy to decide their own trading hours to best address the needs of their consumers and staff.

Also, it is my opinion that any initial resistance to later trading hours by retail staff would be sufficiently countered by the needs of those staff to earn a living and continue in their chosen profession and they would indeed simply adapt as

Public holidays trading

Additionally, the statutory restrictions on retailers to open on certain public holidays are an affront to both secularism and an open, liberal economy in Australia and compound the problems of inappropriate weekly trading hours.

It is absurd that State Governments should interfere in the trading hours of retailers on some religious/Christian holidays. Whilst these days are public holidays, the religious aspect is not observed by a large proportion of the Australian society (the most recent census has no religion as the second most populous grouping in the religion category). As such, retailers and consumers should be able to engage in trade on Good Friday, Easter Sunday etc as these days have absolutely no meaning other than a day off work and the government should not attempt to ascribe any meaning to them by restricting trade on these days.

In light of my earlier comments, often these public holidays are a prime opportunity for working people to get to the shops in the first instance, only to face stores closed due to mandatory retail trading restrictions.

Obviously, for days of actual national significance, such as ANZAC Day, limiting morning trading is somewhat appropriate given the non-denominational and mournful tone of the day.

Online shopping

It is primarily due to the inappropriate weekly and holiday trading hour problems noted above that I personally do not attend shops as often as I did prior to working full time and conduct most of my shopping online, mostly from overseas websites.

Where so-called bricks and mortar stores are unable or unwilling to adequately cater to busy, working people, online shopping presents a solution. After work and at my convenience I am able to purchase a wide variety of goods that I cannot access in bricks and mortar stores. In addition to being open 24-hours, many of these online stores are cheaper and have a wider range of items for sale, with sufficient stock still available of popular models and sizes.

The competitiveness of international online retailers compared to domestic stores is particularly apparent. In the first instance, many popular Australian shops do not have well-functioning online stores or charge excessive postage costs. The immaturity and under-development of an Australian online retail presence alone pushes many consumers to international retail websites.

International online retailers also present other advantages:

- many large international online retailers do not charge shipping fees and have reliable express postage options;
- many international sites are cheaper than comparable domestic websites (and significantly cheaper than domestic bricks and mortar stores). This price differential is increased given the strong Australian dollar; and
- international online retailers on the whole have more comprehensive and easier to use websites than lacklustre and under-developed Australian interfaces.

Given these advantages, international online shopping presents a better alternative for savvy, time-poor, working consumers to the Australian retail market.

To conclude, Australian retail trade (bricks and mortar stores) do not adequately cater to the Australian working and non-Christian community. Online shopping provides the solution for many consumers, such as my self, and given the still-developing Australian online retail presence, many online consumers purchase off international websites.

Australian retailers must significantly alter their current approach in order to stay relevant and viable in an increasingly digital and globalised world.

- Bricks and mortar stores should address key issues, in particular, weekly and holiday trading hours and price and variety differentials to online stores.
- Australian online retailers should expand their presence in order to capture the market that currently is forced onto international websites. Domestic retailers should firstly establish an online shopping website, provide discounted or free shipping and invest in web development for a more comprehensive and user-friendly shopping experience. Australia is several years behind the international online retail market in this regard.

Whilst I would prefer to support the domestic market, at present and given the deficiencies of the Australian retail sector it is difficult to do so. In undertaking significant reform, the Australian retail sector, both on- and off-line, may be able to renew the interest of local consumers. Otherwise, I (and *many* others like me) have no problem in finding a comparable, cheaper product online in my leisure time from the overseas market, to the ongoing detriment of domestic retailers.

Sincerely,

Arunima Lal