



27 July 2007

Productivity Commission
PO Box 80
BELCONNEN ACT 2616
By email: retailtenancies@pc.gov.au

Dear Sir/Madam

Inquiry into the market for retail tenancy leases in Australia

The Property Council of Australia represents Australia's leading property investors, developers and managers.

The Property Council supports the Shopping Centre Council of Australia submission to the inquiry. We believe that the market for retail tenancy leases in Australia is competitive and there is no evidence of significant market failure that requires correction.

Nor is there evidence of entrenched market power or of systemic unfair or unconscionable conduct by retail property owners or managers. There are only a small number of retail tenancy disputes each year and these are usually successfully resolved by low-cost, easily-accessible dispute resolution mechanisms.

The Property Council considers that the retail tenancy market in Australia is already heavily regulated and there is no justification for imposing any more regulation on this sector of the property industry.

Although nationally harmonised retail tenancy regulation would be of great benefit to property owners, managers and tenants alike, a system of national regulation of retail tenancies could only be supported by the Property Council if it were *in place of* not *in addition to* the present system of state and territory regulation.

Yours sincerely

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The Voice of Leadership

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