



Archbishop of Sydney

17 November 2014

Competition Policy Review Secretariat
The Treasury
Langton Crescent
PARKES ACT 2600

Submitted via website: competitionpolicyreview.gov.au

COMPETITION POLICY REVIEW

Submission from the Social Issues Committee, Anglican Church, Diocese of Sydney

Thank you for the opportunity to make a submission to the review of Competition Policy.

On behalf of the Anglican Church in the Diocese of Sydney, I would specifically like to comment on Draft Recommendation 51 of the Competition Policy Review Draft Report. We do not support the recommendation to deregulate retail trading hours in all States and Territories. Instead, we support all actions that both the Federal and NSW Government might take to continue facilitating formal community 'down time' and celebrating culturally significant days.

Any proposal to change workplace relations law in Australia cannot be taken lightly, as such laws and regulations affect the lives and incomes of millions of Australians. Good industrial relations rely upon, and create, good community relations. If profit and consumerism replaces this goal, all relationships will suffer and our communities will be weakened.

We believe that any further deregulation of retail trading hours in Australian States and Territories would have a negative impact on society generally for three reasons:

- 1. further deregulation will negatively impact on shared family and community time on public holidays,**
- 2. further deregulation will shift undue power to employers, and**
- 3. further deregulation is unnecessary.**

1. Further deregulation will negatively impact on shared family and community time on public holidays

Currently, only 4.5 days in the NSW calendar have trading restrictions for General Shops. These days – Christmas Day, Boxing Day, Good Friday, Easter Day [Sunday] and Anzac Day [until 1pm]) – are some of the community's most important cultural days. Christmas Day, Good Friday and Easter Day remain central days of religious observance for hundreds of thousands of Australians, including many people who would not normally attend church at other times of the year. It is essential that the Christian origins of these public holidays are properly respected and not subjected to further commercialisation. We note the Recommendation provides that part of Anzac Day should be quarantined as is currently the case in NSW, and this should continue.

Annual religious/cultural celebrations and memorial days are an essential ingredient for human flourishing in any society. They provide necessary recalibrations of working schedules that enable groups large and small to celebrate achievements, reflect on challenges and mourn losses. They regulate the present experiences of daily life with both time to recall the past and space to consider our future. In short, they invest family and community life with a value that commerce and trade can only serve but never provide. Christian festivals in particular celebrate the transcendent significance of human life as we commemorate God's generosity towards the needy and his willingness to forgive debts – two vital restraints to the cold efficiency of free market economics.

The loss of Boxing Day as a public holiday would be a major shift in Australia's holiday season. In 2014, Christmas and Boxing Day fall on a Thursday and Friday, which means that many people will have a four-day long weekend. While this does not happen every year, such a period of extended formal community rest is much valued. Removing Boxing Day from the public holiday calendar will change the nature of the 'Christmas break' for many. For example, under Recommendation 51, a retail employee could end up working late on Christmas Eve, and then starting early on Boxing Day. At a time when families are often geographically separated from each other, the ability to organise family social activities is already challenging. Removing these last few public holidays will damage social capital by making it impossible for large sections of the retail industry to have time off to rest and enjoy recreational time with friends and family.

What does a truly civil society look like? By what measure shall we evaluate our progress and even growth as a nation and as a society? Increasingly a number of alternative voices are addressing this evaluative process, which is so often dominated by more easily quantifiable economic measures such as Gross Domestic Product and the like. These voices call us to recognise the supreme importance of social connections, and an evaluation of society's growth against *being human*—being social beings, rather than being producers and consumers or economic beings. When confronted by such decisions, we stand at a junction where we say life can either be evaluated in purely economic terms and developmental measures (which have in recent times been shown to be somewhat illusory) or life should be evaluated with a more nuanced set of measures. The measures we require are those that do not leave economics behind *per se*, but broaden our evaluation to start thinking about the things that make us truly human. For instance, we should look at quality of life and relationships, and even life satisfaction indicators, rather than just purely economic indicators. If this were done, it would be seen that we are in peril of giving up too much if we accept further deregulation of trading hours. We contend that there are real concerns about loss of social cohesion even in the proposed incremental change. We are in danger of losing the art of living well — living wisely, as we step by step become *homo economicus*, (economic people) and move away from our identity as *homo sapiens* (wise people).

2. Further deregulation may shift undue power to employers

Our second area of concern over further deregulation of retail trading hours in NSW and around Australia is that vulnerable workers need to be protected from unintended consequences of any deregulation. A number of people are required already to work during this time (by obligation or choice), but this is not the case for most working Australians. Yet the unequal bargaining position and the inexperience of many younger people or migrant workers in the retail sector mean that the potential for exploitation remains. While employees required to work on these days will be paid penalty rates, they do not feel able to refuse to work on these culturally significant days. If businesses are open on these additional days, employees will inevitably face pressure to work, as well as the fear of retribution in the form of less flexibility or reduced shifts from their employers.

Inevitably, it is the casualised or part-time workforce that would provide the bulk of labour in these new trading days. In the labour market there is a correlation between this less secure and

intermittent employment, and the broader insecurity and/or vulnerability of this cohort of workers with respect to life and social inclusion. In the most extreme cases there is no choice to work or not to work. This choice comes from the power that wealth brings. As such the 'needs' of the economy should remain second to the rights and working conditions of employees and their families. Civil society demands an account of this growing disparity.

3. Further deregulation is unnecessary

The trading restrictions on these 4.5 days that apply to most General Shops equate to just over 1% of our annual trading calendar. An extension of trading hours does not represent a significant gain for some over what could be lost many. Further, there are no trading restrictions on Special Shops (small shops such as convenience stores). Under current laws, small shops can and will be able to trade on all 365 days per year.

NSW retail trading laws have been extended by almost 20% during the past two decades. A balance needs to be struck between the interests of shopping centres, retailers and small business owners with the interests of employees and healthy communities. As highlighted by the Draft Report, support for deregulation is not unanimous in the retail sector (p. 105).

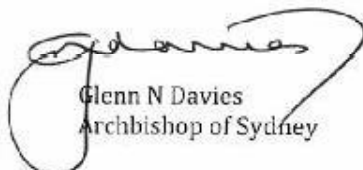
Thirdly, there is also no clear evidence that Australians want a further extension of shopping hours. The only time Australians have voted on retail trading laws was in Western Australia in 2005, when a substantial majority of voters rejected the extension of trading hours. In the Moss Report (Review of Shop Trading Hours Act S.A. 2006/07), it was found that 'there is no clear evidence of public demand for further extension of shopping hours'.

Additional comments

We do not accept the argument in the Draft Report that because 'bricks and mortar' retailers are disadvantaged in competing with online stores, limits on retail trading hours should be 'abandoned'. Those 'bricks and mortar' shops have the same ability to open an online store, thereby allowing their goods to be sold 24 hours, each day of the year. Both types of shops have the same warehousing, supply chain restrictions and delivery hours. The capacity of consumers to order goods online at any time provides a strong argument **not** to deregulate retail trading hours. Internet shopping has fundamentally changed the nature of 'bricks and mortar' retailing, and this cannot be 'solved' simply by extended shopping hours.

In summary, the Draft Report on page 105 states that, in relation to trading hours, *the relevant policy question is whether restrictions are in the public interest, not whether they are in the interest of particular competitor*. We believe that certain restrictions on trading hours are manifestly in the public interest for the reasons stated above. We believe that deregulation of retail trading hours will have a negative impact on the collective life of our nation. While these proposals impact small business owners, shop assistants and retail workers directly, the proposals will indirectly have a large impact on the whole community. Given the effects of these proposals on relationships, families and communities, we would encourage the Federal Government to reject any further deregulation of retail trading hours.

Yours sincerely



Glenn N Davies
Archbishop of Sydney