



Competition Policy Review Secretariat
The Treasury
Langton Crescent
PARKES ACT 2600

17 November 2014

TO WHOM IT MAY CONCERN

Competition Policy Review

Submission from P4T

Partnering for Transformation provides consultancy and facilitation packages for communities, organisations and churches. P4T is working to create a world where everyone is seen and valued, where our basic needs are met and where there is opportunity to live a connected life of meaning and purpose. Our focus is working to improve the social environment towards a just society. We are members of the Relational Thinking Network whose UK members founded and continue to run the Keep Sunday Special campaign, which has led opposition to deregulation of Sunday trading in the UK.

Recommendation 51 of the review recommends that remaining restrictions on retail trading hours be removed. We are concerned that:

- a) the review pays insufficient attention to the social and relational impact of its recommendations;
- b) has a flawed analysis of the competition issues; and
- c) will restrict choice as much as increasing it

A. Social Impact

The review provides no adequate assessment of the social impact of this recommendation. We are part of a network that has argued that all policy should be subject to economic, social and environmental tests.¹ The social impact of working

¹ *Stating the Obvious: the case for integrated public policy*, Relationships Forum http://www.relationshipsforum.org.au/assets/downloads/rfa_stating_the_obvious_main_report.pdf

hours has previously been assessed by network members in Australia² and the UK³. Employees in the retail sector have, in practice, limited choice and control over working hours, including the choice not to work on public holidays. There is strong research evidence that working long and unsocial hours reduces the time parents spend with their children. Shift-parenting within couples can mean that shared time with partners is significantly constrained. The ability to fulfil care responsibilities, such as for older parents may also be compromised.

The breakdown of family relationships has significant economic costs. Where deregulation increases the pressures on family life, stronger employee protection measures may be required to ensure that individuals have better control over their own work/life balance. Continuing partial regulation of retail trading hours can be seen as more economically efficient and more effective than resorting to stronger employment protection to minimise the adverse social impact.

Shared time is also important for communities with the ability to participate in national events and holidays is important for both national identity and cohesion.

B. Competition issues

We question the extent to which regulation of retail trading hours distorts competition between 'bricks and mortar' retailers and online retailers (whose trading is not restricted). Many retailers operate through both channels - or have the opportunity to do so. Retailers that are not online are mostly catering for local trade where things are required immediately, or where physical sight of product or personal service is required. The competitive distortion of online traders being able to avoid tax (by deeming products to have been 'sold' in lower tax regimes) and lower liabilities for land tax is far greater.

C. Choice

Deregulation can restrict choice. Retailers do not always, in practice, have the choice not to open as shopping centres may require tenants to open as a condition of leases. Matching competitors opening hours may mean that existing sales are spread over a longer period at greater cost. Residents can no longer choose quieter streets on days where trading was previously restricted, while shopworkers (plus those working in distribution, street cleaners, and others who are affected) may not be able to choose to be with family.

² *An Unexpected Tragedy: evidence for the connection between working patterns and family breakdown in Australia*, Relationships Forum http://www.relationshipsforum.org.au/assets/downloads/rfa_an_unexpected_tragedy_main_report.pdf

³ *Unsocial Hours, Unsocial Families*, Relationships Foundation <http://www.relationshipsfoundation.org/unsocial-hours-unsocial-families/>