



National Retail Association

MEDIA STATEMENT

February 6, 2012

Turbulent retail sector results underline need for tax reform

The turbulent results of retail trade data released today highlight the need for urgent reform of the unfair GST and excise arrangements which favour overseas businesses.

National Retail Association executive director Gary Black said a close analysis of the ABS figures showed the retail sector continued to trade in turbulent and difficult circumstances.

“This December data confirms what we understood anecdotally – that while the December 2011 Christmas trading season could have been worse, it saw a continuation of the very difficult trading environment that retailers have experienced over the last two years,” Mr Black said.

“Once again, the key discretionary categories – household goods, clothing and footwear and department stores – are struggling to get out of negative growth and trading conditions remain extremely difficult.

Annual Retail Sales Growth by Category – (seasonally adjusted excluding cafe and restaurant data)

Category	Food	Household Goods	Clothing, Footwear & personal accessories	Department Stores	Other Retailing	Australia Total (ex. Café & rest. Data)
Year to Jan 2011	4.12%	-1.90%	-3.34%	-4.08%	4.19%	1.45%
Year to Feb 2011	5.76%	0.44%	1.01%	0.73%	4.91%	3.65%
Year to Mar 2011	3.69%	1.69%	0.55%	-4.26%	3.89%	2.31%
Year to Apr 2011	4.20%	-0.02%	1.19%	3.40%	7.24%	3.47%
Year to May 2011	3.23%	0.84%	-2.16%	0.19%	4.97%	2.21%
Year to June 2011	3.54%	-1.60%	-1.82%	-4.86%	5.85%	1.61%
Year to July 2011	4.12%	-0.34%	-7.53%	-2.22%	7.18%	2.06%
Year to Aug 2011	5.42%	2.18%	-6.64%	-3.57%	5.31%	2.85%
Year to Sept 2011	5.39%	3.03%	-8.15%	-3.84%	5.21%	2.81%
Year to Oct 2011	4.94%	2.59%	-2.24%	-3.31%	6.02%	3.28%
Year to Nov 2011	4.96%	2.09%	-3.52%	-4.00%	5.95%	2.99%
Year to Dec 2011	4.04%	0.86%	-1.40%	-1.73%	6.54%	2.79%



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“The only growth areas are the food sector – which continues to show considerable resilience in the face of the overall downturn in the sector and food price deflation - and the miscellaneous category of ‘other retailing’ where good growth has been recorded in the pharmaceutical, cosmetics and toiletries range and non-classified retail areas which includes a very limited but perhaps telling measure of online retailing.

Mr Black said the state-by-state breakdown showed all states continued to record very modest growth, with the exception of Western Australia, which is in a world of its own.

“Across the majority of retail categories and the majority of states, we continue to see evidence of the damage being caused to Australian jobs by the unfair tax and import duty loophole that favours overseas retailers. Once again, we warn the Federal Government that its failure to act to level the customs and tax playing field is causing severe harm to the Australian retail sector and is resulting in the shift of thousands of Australian jobs offshore.”

Annual Retail Sales Growth by State – (seasonally adjusted including cafe and restaurant data)

State	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Year to Jan 2011	1.23%	2.72%	1.56%	0.43%	3.27%	-2.90%	1.94%	3.84%
Year to Feb 2011	3.63%	2.76%	4.82%	1.58%	5.70%	-2.33%	3.00%	2.61%
Year to Mar 2011	1.35%	3.61%	2.09%	0.76%	4.67%	-3.38%	1.86%	0.84%
Year to Apr 2011	2.29%	5.86%	3.39%	-2.04%	5.54%	-2.79%	-0.31%	0.26%
Year to May 2011	-.30%	3.99%	3.52%	-2.30%	6.94%	-2.89%	0.40%	0.05%
Year to June 2011	-1.82%	3.24%	3.29%	-3.00%	7.09%	-1.84%	0.44%	-1.65%
Year to July 2011	-1.00%	2.07%	1.74%	-2.02%	8.78%	-0.39%	1.72%	-0.82%
Year to Aug 2011	-0.27%	2.59%	3.04%	-1.06%	8.88%	0.81%	2.49%	-0.77%
Year to Sept 2011	0.79%	1.70%	3.42%	-0.13%	7.96%	1.83%	2.55%	1.67%
Year to Oct 2011	2.09%	3.19%	3.67%	0.21%	9.98%	-0.30%	7.55%	0.08%
Year to Nov 2011	1.94%	1.24%	3.92%	1.41%	11.00%	0.35%	8.92%	-3.18%
Year to Dec 2011	0.95%	2.62%	1.79%	1.47%	9.98%	0.86%	4.58%	-1.02%

The National Retail Association is Australia’s largest and most diverse retail association, representing large and small businesses across all areas of retail and the broader service sector.

**Gary Black is available for media interviews.
Contact CBC Group – Media and Public Affairs, on (07) 3112 5250**