

BULLETIN

All Members



Reference No: Retail Leases Act – 11-19

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Changes to the Retail Leases Act

Dear Member

On October 30, the Victorian Government introduced a new Bill into the Parliament - the ***Retail Leases Amendment Bill 2019***.

The Bill makes a few changes to the Retail Leases Act and is designed to make it easier for small business owners to understand their leases, get their money back quicker, remove confusion around legal obligations and lease terms and conditions, and enhance building safety.

Key elements of the Retail Leases Amendment Bill 2019 include:

- Requiring retail tenants to be informed of the proposed rent before they extend their lease.
- Allowing more time for tenants to consider the terms and conditions of a proposed lease – 14 days compared with seven days under current legislation.
- Setting a maximum 30-day timeframe for the return of security deposits from landlords – currently the Act states deposits should be returned “as soon as practicable”, which is open to exploitation.

The Bill also confirms the current practice of landlords passing on the costs of repairs, maintenance and installation of essential safety measures (ESM) to tenants when agreed to in a lease.

Most leases are already negotiated with ESM costs included – the proposed changes provide certainty and eliminate confusion in dealings between landlords and lease-holders.

The Minister for Small Business, Adem Somyurek made a Ministerial Determination to exclude the lease of farms for genuine farming activity from the provisions of the Retail Leases Act.

The Bill in its entirety can be viewed [here](#).

If you have any feedback or comments on the Bill, could you please provide them to me in the first instance and I will forward them on directly to the Minister.

Kind regards

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