



# Franchise Council of Australia Media Release

## FCA Media Release: FCA welcomes new Qld commercial leasing changes

28 May 2020

The Franchise Council of Australia has welcomed the Queensland Government's implementation of the national commercial leasing code, saying the state sets out the most balanced and fair playing field for small businesses and franchisees in the country. State parliaments around Australia are currently implementing the national commercial leasing code, agreed to by the National Cabinet process.

FCA CEO Mary Aldred said the peak industry body had directly raised concerns with Small Business Minister Shannon Fentiman that franchisees who had their head lease held by their franchisor may not be covered under the national leasing code principles where the franchisor was above the \$50,000 threshold set by JobKeeper eligibility. This meant many franchisees would be excluded from being able to access provisions in the code, such as the proportionality principle, where a drop in turnover caused by the current covid-19 economic environment should be met by a commensurate reduction in rent.

"On behalf of thousands of small businesses, we thank Minister Fentiman and the Queensland Government for being willing to listen to feedback from small business, and respond by ensuring there is a fair and level playing field set for everyone. This will give mum and dad small business owners in Queensland every shot at making it through the current Covid-19 environment to the other side," said Ms Aldred.

Franchising in Australia represents nearly 90,000 brands and employs around 534,000 jobs. "It's small business that's going to be a key driver of Australia's path to recovery, and commercial landlords unwilling to provide any concessions to small business tenants have been holding us back from playing that role. While this legislation doesn't fix every challenge currently faced, the Queensland Government have just made it easier for small businesses to get out and have their best shot at making it through this current crisis," added Ms Aldred. The FCA is urging other state governments around Australia to look incorporate the Queensland provisions in their respective regulations.

The Queensland regulations from the legislation are available at: <https://www.legislation.qld.gov.au/view/html/asmade/sl-2020-0079#>

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**ENDS**

The Franchise Council of Australia is the peak body for the \$184 billion franchise business segment, which includes 1,344 networks, with 90,000+ individual franchised outlets, employing 598,500 Australians across the nation.

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