The Government has delivered an election commitment with the introduction into Parliament of legislation to place small businesses on a level playing field with their landlords when negotiating rental leases, Business Minister Paul Henderson said.

Mr Henderson said the Government had conducted extensive consultation with small businesses, retailers, landlords, and representative bodies from around the Territory in drafting the *Business Tenancies (Fair Dealings) Act*.

"This measure was a key ingredient in the Business Package taken to the last election and has been warmly received by business," Mr Henderson said.

"The legislation addresses a long-standing imbalance in the relative bargaining strength between landlords and tenants, and will regulate lease agreements, providing the type of modern legislation in place around Australia.

"The Act will protect landlords and tenants from unfair lease agreements, enhancing job security for the 15,000 Territorians employed in the retail sector, the Territory’s single largest employment sector."

The legislation is designed to cover leased retail premises both in shopping centres and main-street, or strip-shopping precincts. Its key elements include:

- A ban on ratchet clauses (ratchet clauses in leases provide that rent can increase in line with market trends, but cannot decrease in the event of economic decline);
- Establishing a Statutory position of Commissioner of Business Tenancies, to be assumed by the existing Commissioner for Consumer Affairs, to hear and determine disputes;
- Mandatory disclosure statements which will detail costs and expenses for tenants, details of rent calculation and reviews, details of outgoings to be paid by the tenant, and if applicable the shopping centre details
- 5-year leases for tenants to improve security of tenure and bring the Territory into line with interstate legislation

Under the new laws, tenants may also be compensated for disturbance or disruption to premises within control of the landlord where inadequate notice has been given and resulted in an adverse effect on their business.

"The Government is dedicated to supporting small business operators and ensuring they get a fair go, and committed to introducing contemporary retail tenancy legislation" said Mr Henderson.

"The *Business Tenancies (Fair Trading)* Bill represents major reform that will establish sound business conduct in an open and transparent way, creating a fairer deal for all."