

Our Gathering Places Under Threat

A plan to protect and enhance our Main Streets, in partnership with the Victorian Government.



October 2022





Mainstreet Australia: Our Gathering Places Under Threat

Purpose

As Victoria emerges from the COVID-19 pandemic, the State's Main Streets and the businesses that occupy them sit at a crossroads. There is now a renewed interest in, and connection to, these heartbeats of our community as people retain a preference for working from home and staying within their local neighbourhood. More and more, Victorians want to shop locally, work locally and play locally and Main Streets, the gathering place for so many, provide a vital setting for this to occur.

But the picture is not all rosy. Main Street businesses face a number of threats that could, if not addressed, lead to them facing increasingly severe financial pressures. Trends in consumer behaviour, with people now more likely to shop online and opt for home delivery, as well as labour shortages, supply chain challenges and general cost of living pressures all point to a difficult future.

We know Main Streets are vital for community prosperity, well-being and employment. Main Street business owner Nikki, who has been forced to put her wholefoods store into liquidation, recently told *The Weekend Australian*:

“Small local businesses like ours form an invaluable network in our local communities. They’re a little bit of the village square, a bit town plaza. They form part of people’s routines, their sense of belonging. They teach our children basic commerce and manners. They are just ‘there’ and that’s a comfort, especially in these times of much loneliness, depression and anxiety.”

The Victorian Government has recognised the significance of local community business clusters through various policies, including enshrining support for the concept of the ‘20 Minute Neighbourhood’ within Plan Melbourne 2017-2050, the State’s long-term metropolitan planning strategy.

“The 20 Minute neighbourhood is all about ‘living locally’—giving people the ability to meet most of their daily needs within a 20-minute return walk from home.

“These connected and walkable places are where people can live, work and play; buy their bread and milk, work from home or local business, access services and meet their neighbours at the central gathering places.”

We know that achieving policy outcomes like 20 Minute Neighbourhoods is only possible with thriving Main Streets.

The aim of this plan – “Our Gathering Places Under Threat” – is to outline a future partnership between Main Street businesses and Victorian State Government to realise the full potential of Victoria’s urban, regional and rural Main Streets, through a range of initiatives including those that support the coordinated management of a Main Street and the businesses in them to more effectively work together, and in partnership with local and state government.

Role and importance of Main Streets

A vibrant network of dynamic Main Streets has formed the backbone of Victorian planning strategies for metropolitan and regional areas for the last 70 years.

Mainstreet Australia believes that the key to fulfilling the potential of such a network relates to the strength and vitality of the businesses in the Main Streets and their capacity to work together towards the management of the Main Street.

Across every suburb, town or city in Victoria that has a Main Street, the initiatives outlined in this plan, if implemented, will provide direct economic and social benefit.

Victoria's network of Main Streets provides opportunities for people and their communities to work, shop, be entertained and access health, education and community services, among other opportunities. Main Streets enable small, local businesses to establish, operate, invest and flourish in local precincts around Victoria.

Main Streets are a significant contributor to Victoria's economy and economic growth. It is estimated that Main Streets employ around 390,000 people in Victoria, accounting for 11.7% of the State's jobs and generating over \$50 billion in economic value (12% of Victoria's Gross State Product) [1]. Additionally, Main Street businesses provide employment opportunities for diverse and often marginalised people in Victoria, including young people, the Culturally and Linguistically Diverse (CALD) community, and women.

In terms of economic value generated by retail jobs in Victoria, the \$50-plus billion currently generated by Main Streets would be equivalent to \$60 billion of Victoria's Gross State Product in 2030 (expressed in constant 2022 prices). This is a significant contribution to the Victorian economy, and is reflected in the number of jobs supported and the significant role Main Streets play in meeting the needs of individuals, households and businesses in the local and wider communities.

Importance of Main Street Centre Management

The coordinated management of a Main Street enables all business and activities to work together and effectively market, promote, maintain and develop the Main Street in an effective and efficient manner, as is the case with any privately owned shopping centre.

By their very nature, Main Streets comprise a multitude of individually owned businesses and activities, in a multitude of individual properties, in individual ownerships.

"Our Gathering Places Under Threat" sets out a vision to enable Main Streets to play a central role in galvanising and sustaining local communities around Victoria, in the face of increasing challenges. We believe the potential of Main Streets will best be harnessed when all stakeholders – governments, local councils, business associations, property owners and businesses – work collaboratively. We know the most important components of a successful Main Street are its businesses, services and activities. These are the essential reasons that people ultimately choose to visit a particular centre. This is not to underestimate the importance to Main Streets of good urban planning, attractive streetscapes and public spaces, and the like.

This is why Mainstreet Australia advocates so strongly for recognition and support for the businesses, services and their associations, and the importance of sound centre management and governance arrangements.

Without quality businesses providing the desired goods and services, a Main Street will be unable to maintain its vibrancy and importance in local communities. And without an effective business association, a Main Street will be unable to operate in a coordinated and integrated fashion, and unable to partner effectively with State and Local governments.

[1] Geografia, 'The Power of Victoria's Main Streets', 2020 (p.11)

How to capture the potential of Main Streets

“Our Gathering Places Under Threat” sets out a vision to enable Main Streets to galvanise and sustain local communities around Victoria. We believe the potential of Main Streets will best be harnessed when all stakeholders – governments, local councils, business associations, property owners and businesses – work collaboratively.

Mainstreet Australia has identified five Priority Areas that we see as vital to the sustainability and growth of Main Streets in Victoria. The five priority areas for action are:

1. Recognise, embrace and promote the unique strengths and opportunities of Main Streets to support local communities and grow the economy;
2. Develop and implement a new framework for robust Main Street governance and management;
3. Encourage improved property owner / small business relationships;
4. Alleviate staff shortages and skills gaps for small business; and
5. Enable and support sustainable Main Streets.

Mainstreet Australia puts forward specific Recommended Actions for the Victorian Government’s consideration, and welcomes the opportunity to work in partnership with the Victorian Government to bring these recommended actions to fruition.



Recommended Victorian Government Actions to Capture the Potential of Victoria's Main Streets

Priority Area	Recommended Actions for the Victorian Government
Priority Area 1: Recognise, Embrace and Promote Main Streets to Support Local Communities and Grow the Economy	<p>1.1 Develop a White Paper that aligns the principle of '20-minute neighbourhoods', supported in the Victorian Government's Plan Melbourne strategy, with the central role that Main Streets will need to play in achieving this outcome. The White Paper would explore opportunities to coordinate the effective management and governance of Main Streets in addition to planning, design, infrastructure, placemaking and activation to create thriving Main Streets at the centre of future 20-minute neighbourhoods.</p> <p>1.2 Commit to an evidence-led campaign to encourage people to shop local / work local / eat local / meet local that responds to changing post-pandemic attitudes and celebrates the growing desire in the community for people to work in the neighbourhoods they live in.</p> <p>1.3 Provide targeted grants and additional mentoring support through the Small Business Minister and Business Victoria to support Main Street businesses, as are already provided to other sectors. This will demonstrate the Victorian Government's commitment to the sector and recognise the ongoing challenges these businesses face in a post-pandemic environment.</p> <p>1.4 Provide incentives for both government and private sector businesses and services to operate in local trading precincts, to ensure important services are retained in Main Street locations Plan Melbourne's 20-minute neighbourhood objective is achieved.</p> <p>1.5 Collaborate with Main Street representatives and businesses to host a 'Global Forum on Main Streets' in Victoria in 2024, bringing together international experts to discuss the most effective ways to invigorate Main Street businesses and capture new opportunities emerging from people's changing shopping habits and work patterns.</p> <p>1.6 Provide grants to replicate and broaden successful initiatives launched in response to the pandemic. This means continuing to fund activations (parklets, performances, art installations, space activations grants and other programs to stimulate visitation) but also providing ongoing business support, such as the funding of associations and building management skills.</p>



Priority Area	Recommended Actions for the Victorian Government
<p>Priority Area 2: Develop and Implement a Framework for Robust main Street Governance and Management</p>	<p>2.1 Support Local Councils and business associations wanting to establish coordinated management and marketing programs in their Main Streets by developing best practice guidelines that explain the processes and benefits of the special rate provisions in the Local Government Act 1989.</p> <p>2.2 Evaluate the opportunities to introduce a BID program in Victoria through a review of international best practice of Business Improvement Districts (BIDs), using examples from the UK, USA and Australia (NSW).</p> <p>2.3 Work with representatives of Main Street businesses, and support the development of:</p> <ul style="list-style-type: none"> • a professional development program for people managing and advocating for Main Street businesses • training for business operators who volunteer to serve on the committee of a local business association.
<p>Priority Area 3: Encourage Improved Property Owner / Small Business Relationships</p>	<p>3.1 Lead discussions between peak property ownership bodies and business to encourage greater collaboration on Main Street revitalisation approaches.</p> <p>3.2 Investigate incentives to encourage the activation of vacant premises and best practice approaches to reducing shop vacancies. This should be informed by the success of programs like the City of Melbourne's Shopfront Activation program.</p> <p>3.3 Develop a tool-kit, mediation services and financial assistance package to empower Main Street traders to better manage rent/lease negotiations and pressures.</p> <p>3.4 Promote opportunities for the renewal of Victorian Government funding for mediation support services, provided via the Small Business Commissioner directly to traders, noting the value of this approach for small businesses during COVID.</p>

Priority Area	Recommended Actions for the Victorian Government
Priority Area 4: Alleviate Staff shortages and skills gaps for small business	<p>4.1 Provide funding for a ‘Main Street Jobs Summit’, bringing together key stakeholders to find solutions to crippling staff shortages in the local retail and hospitality sectors.</p> <p>4.2 Provide funding to create a program of digital skills capacity building targeting Main Street businesses, with a focus on CALD, family businesses and disadvantaged areas. This would complement existing support provided through Business Victoria.</p> <p>4.3 Establish a collaboration between Business Victoria, the VET sector and TAFE Victoria to develop customer service training specifically targeting workers in Main Street businesses.</p>
Priority Area 5: Enable and support Sustainable Main Streets	<p>5.1 Implement an education campaign through Small Business Victoria (in conjunction with Sustainability Victoria) to ensure Main Street businesses are able to integrate sustainability goals into their core business strategy.</p> <p>5.2 Support Small Business Victoria to conduct sustainability audits of Main Street businesses and provide follow-up advice to help them implement meaningful sustainability strategies.</p>



Conclusion

One of the strengths of our Main Streets are their constancy and dependability in a world that is going through unprecedented change. Through pandemics, economic and social upheaval and the looming threat of Climate Change, we can always depend on our local greengrocer or bakery to still be there tomorrow, serving us with a smile and a chat.

And yet this confidence masks some real threats facing our Main Street businesses as they seek to continue to build and maintain community connections in volatile economic conditions. If not confronted, there is a very real possibility that we could wake up one day and find that local business we love is gone.

Main Street businesses are the reason people visit a town centre or even move to a particular area. While the planning, design, streetscapes, parking and environment of a centre are obviously important to the presentation of Main Streets, it is generally the case that people choose to frequent a centre that provides the businesses, services and activities that they need.

This is why Mainstreet Australia advocates so strongly for recognition and support for the businesses, services and their associations, and the importance of sound centre management and governance arrangements.

Without quality businesses providing the desired goods and services, a Main Street will be unable to maintain its vibrancy and importance in local communities. And without an effective business association, a Main Street will be unable to operate in a coordinated and integrated fashion, and unable to partner effectively with state and local Governments.

Mainstreet Australia believes partnership is key as we seek policy solutions that support and protect Main Street businesses. We stand ready to work with the State Government, local councils and other key stakeholders to ensure these beacons of the community continue to anchor our local neighbourhoods long into the future.

Join our advocacy efforts and support the revitalisation of Australia's Main Streets. Find out more about Mainstreet Australia membership [here](#).

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