



MEDIA RELEASE

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Local shopping precincts could disappear without urgent State Government support

The peak body for main street businesses has warned that the tradition of popping down to your local shops is at risk of disappearing, amid business closures and high vacancy rates, without urgent action from the State Government.

Mainstreet Australia today launched *Our Gathering Places Under Threat*, a plan to work in partnership with the Victorian Government to protect and enhance main streets and the businesses that sustain them.

Despite record numbers of Victorians choosing to work remotely and spending more time in their communities, vacancy rates in main streets have risen since the onset of Covid-19 to now reach up to 20 per cent in some areas.

Mainstreet Australia Executive Officer Elizabeth Joldeski said there was room for greater collaboration, recognising that the State Government's long-held ambition of '20-minute neighborhoods' relies on local businesses and service providers to meet people's needs within their local community.

"The rise in remote work is creating new opportunities for main street businesses, but the pandemic has taken a toll - with our members facing unprecedented pressures because of things like supply chain disruptions, cost of living rises and labour market shortages," Joldeski said.

"This is a key moment for our main street businesses - do we take advantage of the current opportunities as people focus more on their local neighbourhoods, or succumb to the economic headwinds that are already closing some local businesses down? State Government support to revitalise these vital precincts could be the telling factor that pushes things in the right direction."

Mainstreet Australia forecasts that Victoria's main street retailers and other businesses could employ an additional 66,000 people by 2030 with the right support, growing these businesses' contribution to the economy from today's \$50 billion to \$60 billion by the end of the decade, representing an increase of 17% over the period (in constant 2021 prices).

The new plan for Main Streets offers a series of recommendations to the State Government, including innovative approaches that have been successful interstate and internationally, and successful measures that have been implemented in some Victorian municipalities as part of the Covid-19 recovery.

"Main Street businesses have been proven their value throughout the pandemic, with local shopping strips emerging as the heartbeat of their local communities," she said.

"With state support, we can tackle some of the biggest causes of business closures and help to tailor these places for people's changing work and life patterns."

Specific recommendations include support for businesses to negotiate new rental agreements and work collaboratively with other businesses in Main Streets; and government funding to activate streetscapes and to improve administrative processes for implementing Main Street management models.

"Now is the time for the State Government to come to the table, so we can work together to identify areas of agreement between businesses, property owners, and local and state governments.

"With the right support, we can ensure that main street businesses capitalise on new opportunities to become thriving local economic assets that provide all of the essentials for local living and connection," she said.

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