Executive Summary

Main Streets Matter

Victorian Main Street

Renewal Agenda 2026

MAINSTREET AUSTRALIA

October 2026

Executive Summary

Victoria's main streets are public economic infrastructure. Their performance depends on safety, amenity, accessibility, active businesses, coordinated management and confidence. In 2026, safety has become the most urgent issue for many traders and precinct managers.

Research commissioned by Mainstreet Australia identified 698 main streets across Victoria, supporting approximately 390,000 jobs and generating more than $50 billion in economic value. These figures, drawn from Geografia's 2020 research, demonstrate the scale of main streets as a significant component of Victoria's economic infrastructure.

The latest statewide crime data is nuanced: Victoria's criminal incident rate fell 2.7% in the year to March 2026, but retail theft remained under pressure. Alleged offender incidents for stealing from a retail store increased 11.7% to 20,998.

Separate retail-location analysis reported 4,823 assault and related offences and a 10.1% increase in stalking, harassment and threatening behaviour at retail locations.

Source: Crime Statistics Agency/DataVic, 22 June 2026; Australian Retail Council, 2026.

The Victorian Government has responded with important measures. The $10 million Hospitality Security Fund provides $5,000 matched Security Uplift Grants and $5,000–$25,000 Direct Impact Grants for eligible licensed hospitality venues in four inner-Melbourne municipalities.

In August 2026 the Government also announced 150 additional PSOs, expanded powers to deploy PSOs to shopping strips and crime hotspots, and extension/expansion of Operation Pulse.

Mainstreet Australia welcomes these measures. Our position is that they should become the foundation for a broader, place-based approach covering the full main street economy and metropolitan and regional centres.

Core Proposition

Safe streets are productive streets. Victoria needs visible safety action now, backed by strong precinct governance, local capability and coordinated investment. **Mainstreet Australia proposes a $62 million, four-year renewal package built around three pillars: SAFE, STRONG and VIBRANT Main Streets.**

1. Main Streets as Public Economic Infrastructure

Main streets support small business creation, local employment, tourism, services, culture and community life. Unlike privately managed shopping centres, which typically have a single management structure coordinating security, cleaning, marketing, leasing, customer data, activation and capital investment, main streets combine public assets, many private owners and businesses, local government services and State Government responsibilities. Their openness and authenticity are strengths, but fragmented management is a structural disadvantage.

1.1 Regional Main Streets

The case for investment is especially important in regional Victoria, where the main street is often the town's primary commercial centre, visitor gateway, tourism and hospitality hub, service centre and civic meeting place. Equitable statewide access to main street programs will support regional jobs, visitation, liveability and community resilience.

2. Safety, Crime and Business Confidence

Crime affects main streets through direct loss, staff trauma, security costs, reduced visitation and weakened investor confidence. Perception matters alongside recorded crime: repeated visible theft, threatening behaviour, vandalism, public drug and alcohol use, neglected vacancies and poor lighting can change how a place is experienced.

3. The Governance Problem

Responsibility is dispersed across policing, planning, transport, small business, local government, tourism, property owners and councils. Business associations often become the de facto coordinators without authority or sustainable resources. The result is uneven accountability and an over-reliance on local goodwill.

4. The Case for State Government Leadership

Many drivers of main street performance require State-level action or cross-portfolio coordination. A dedicated coordinating function can make main streets visible in government, align programs and provide a consistent partner to councils and precinct organisations without replacing local roles.

4.1 Current Crime Evidence

- 625,426 offences were recorded in Victoria in the year to 31 March 2026, down 0.2% year-on-year; the recorded-offence rate fell 1.9%.

- Criminal incidents fell 1.0% to 468,711 and the incident rate fell 2.7%.
- Alleged offender incidents increased 8.6%; theft alleged-offender incidents increased 6.3%.
- Steal-from-a-retail-store alleged offender incidents increased 11.7% to 20,998.
- Retail-location analysis identified 4,823 assault and related offences and a 10.1% rise in stalking, harassment and threatening behaviour.

The policy conclusion should therefore avoid overstating a uniform statewide crime increase. The stronger case is that retail theft and worker/customer safety remain acute even as some headline crime measures have recently eased.

Source: DataVic/Crime Statistics Agency, year ending March 2026; Australian Retail Council.

4.2 Mainstreet Australia Sector Evidence

A recent Mainstreet Australia survey found 79.1% of Victorian main street respondents reporting increasing anti-social behaviour. Reported issues included vandalism/graffiti, public drug and alcohol use and aggressive behaviour. This provides direct place-sector evidence of the confidence problem experienced on shopping strips.

4.3 Recent Victorian Government Response

Mainstreet Australia acknowledges and supports the direction of recent Victorian Government action:

- $10 million Hospitality Security Fund, including $5,000 matched Security Uplift Grants and Direct Impact Grants of $5,000–$25,000 for eligible licensed hospitality venues affected by fire-related crime.
- Operation Pulse: high-visibility police and PSO deployment in major shopping centres, extended in March 2026 and announced for further expansion in August.
- 150 additional PSOs announced in August 2026, alongside regulatory changes to allow deployment to local shopping strips and other crime hotspots.
- Continued focus on frontline visibility and retail precinct safety.

These measures validate Mainstreet Australia's core argument that visible safety resources and practical security investment are economic interventions. However, current grant eligibility is narrow: the Hospitality Security Fund is limited to eligible licensed hospitality businesses in Melbourne, Port Phillip, Stonnington and Yarra. Mainstreet Australia seeks a broader main street response for retail and service businesses and for suburban and regional centres.

Source: Business Victoria, Hospitality Security Fund; Victorian Government and contemporary reporting, August 2026.

5. Reform Area 1: SAFE Main Streets – Crime, Safety & Confidence ($20 million)

5.1 Main Streets Crisis Response Fund

A flexible $10 million four-year fund for precincts facing acute crime, vacancy, property damage or confidence shocks. It should support rapid, locally designed packages rather than single-purpose responses.

5.2 SafeStreets Co-Investment Program

A statewide $10 million four-year program extending the principle of recent hospitality security support to the wider main street economy.

- Precinct safety and CPTED audits.
- Smart lighting and illumination.
- CCTV and appropriate surveillance infrastructure.
- Rapid graffiti and damage response.
- Safety ambassadors/concierges and targeted security presence.
- Vacant-shop activation and improved passive surveillance.
- Trader safety training, reporting pathways and local safety plans.
- Partnership arrangements for PSO/police hotspot deployment where operationally appropriate.

The program should use flexible co-contributions and simple outcome-based acquittals. It should complement, not duplicate, police operations or existing hospitality grants. The program will provide an indicative initial grant tier of up to $20,000 per precinct with flexible co-contribution arrangements involving councils, business associations and other local partners. Provision will also be made for larger, collaborative precinct-wide projects where greater investment is justified by demonstrated safety needs, local partnerships and expected outcomes.

5.3 Retail Worker Protection and Repeat Offending

Mainstreet Australia supports stronger practical protection for frontline workers and encourages Government to examine measures that address repeat threatening and violent behaviour at retail and hospitality premises, alongside policing, prevention, youth diversion and justice responses.

6. Reform Area 2: STRONG Main Streets - Governance and Precinct Funding

6.1 Victorian Main Streets Unit

Establish a small Victorian Main Streets Unit within an existing department or economic-development structure. It should be strategic and delivery-focused, not a new agency.

- Lead a Victorian Main Streets Strategy.
- Coordinate State programs affecting main streets.
- Administer targeted place-based funding.
- Coordinate with Vic Police, transport, planning, local government, small business agencies.
- Lead Business Improvement District (BID) reform and pilots.
- Commission State of Main Streets benchmarking.
- Partner with Mainstreet Australia on sector capability.

6.2 Victoria's Special Rate and Charge Model

Victoria's Special Rate and Charge model remains valuable but complex and limited in reach. Mainstreet Australia's sector research indicates around 20–24 councils operate business-related schemes covering roughly 60–70 precincts.

Business Improvement Districts (BIDs) are an internationally recognised model for coordinated precinct management and investment. In Victoria, comparable arrangements have traditionally operated through Special Rate and Charge schemes, while other Australian jurisdictions use different terminology, including Special Improvement Districts (SIDs). For simplicity, this paper uses BID as the overarching term. A Victorian BID framework should modernise processes, create clearer governance and accountability, and be tested through metropolitan and regional pilots.

- Statewide BID framework and guidance.
- Pilot program.
- Standard business-case, ballot/engagement and governance templates.
- Training for councils, associations and boards.
- Advisory support and a three-year review.

6.3 Main Street Leadership and Capability

Local organisations are being asked to manage safety, marketing, governance, stakeholder engagement, activation and crisis response. A $2 million four-year capability program should support governance, professional development, BID readiness, safety planning, data and benchmarking, peer learning and practical toolkits.

Source: Victorian Chamber of Commerce and Industry & Committee for Melbourne, Maximising Victoria's Potential and Competitiveness, June 2026.

7. Reform Area 3: VIBRANT Main Streets - $30 million

A productive main street operates across mornings, daytime, evenings and weekends. The issue is broader than nightlife and includes hospitality, retail, services, transport, culture, workers, families and visitors.

7.1 Recommended Model: Existing-Structure Extended-Hours Function

Government should assign an explicit night-time and extended-hours economy function within existing small-business/economic-development architecture or an appropriate existing senior statutory role. The model should preserve the independence and core statutory duties of any office used, while creating a clear cross-government coordination mandate.

- Identify planning, licensing, transport and safety barriers.
- Coordinate practical cross-agency solutions.
- Support metropolitan and regional pilots.
- Improve time-of-day economic data.
- Represent small-business and main-street impacts in policy design.

7.2 Vibrant Precincts Co-Investment

Retain a $10 million four-year co-investment program for destination activation, events, markets, marketing, place branding and cross-precinct collaboration. The program will provide indicative grants of up to $20,000 per precinct, with flexible local co-contributions and an additional $10,000 strategic collaboration tier for projects involving three or more precincts.

7.3 Amenity, Greening and Accessibility

Lighting, shade, public toilets, seating, accessibility, street trees, shopfront quality and safer crossings are economic infrastructure. They influence dwell time, comfort, passive surveillance and the willingness to visit. Retain a $20 million four-year Main Street Amenity and Greening Fund, delivered in partnership with councils and precinct organisations to improve streetscapes, accessibility, public spaces and climate resilience across metropolitan and regional Victoria.

8. Victorian Main Street Renewal Agenda - $62 Million Over Four Years

Investment Initiative	Purpose	4-year investment
SAFE MAIN STREETS		**$20m**
Main Streets Crisis Response Fund	Rapid response to safety, vacancy and confidence issues	$10m
SafeStreets Co-Investment Program	Place-based safety improvements	$10m
STRONG MAIN STREETS		**$12m**
Victorian Main Streets Unit and Strategy	Statewide coordination and strategy	$5m
Victorian BID Program	Precinct governance and funding reform	$5m
Leadership & Capability Program	Training, support and benchmarking	$2m
VIBRANT MAIN STREETS		**$30m**
Main Street Amenity & Greening Fund	Streetscapes, accessibility and climate resilience	$20m
Vibrant Precincts Co-Investment Program	Activation, marketing and visitation	$10m
TOTAL INVESTMENT	**Four-year Victorian Main Street Renewal Agenda**	**$62m**

Indicative new program investment: $62 million over four years. This is not simply an expenditure package: it is an investment in Victoria's local economic infrastructure, designed to strengthen safety, business confidence, precinct management, visitation and private investment. The package comprises **$20 million for SAFE Main Streets, $12 million for STRONG Main Streets and $30 million for VIBRANT Main Streets**. The extended-hours economy function would operate through existing government structures rather than a new standalone office, and is not separately funded under this package.

9. Implementation Pathway

First 100 days

- Establish Main Streets Unit within an existing structure.
- Convene cross-government Main Streets Taskforce with safety as first agenda item.
- Confirm statewide SafeStreets design and relationship to existing hospitality security programs.
- Begin BID framework consultation, including how existing Victorian Special Rate and Charge arrangements can transition into a clearer contemporary framework.
- Define extended-hours function within existing government architecture.

Year 1

- Launch Crisis Response and SafeStreets rounds.
- Commission State of Victorian Main Streets baseline.
- Launch Vibrant Precincts pilots.
- Commence leadership/capability program.
- Develop local safety partnership protocols with councils, precincts and Victoria Police.

Years 2–4

- Scale successful programs statewide.
- Roll out metropolitan and regional BID pilots.
- Deliver amenity/greening projects.
- Publish annual performance reporting.
- Evaluate and embed successful reforms.

10. Mainstreet Australia's Role

Mainstreet Australia can act as sector convenor, capability provider, BID adviser, research and benchmarking partner and delivery partner, ensuring State policy is informed by councils, precinct managers, business associations and small businesses.

Conclusion

The 2026 election platform should be clear: safety comes first, but lasting improvement requires strong management and sustained investment in vibrant places. Recent Victorian Government measures show that government recognises the urgency of retail and precinct safety. Mainstreet Australia's $62 million, four-year renewal agenda builds on that momentum and extends support across the broader main street economy. It is an investment in Victoria's local economic infrastructure - metropolitan and regional - combining immediate safety action with stronger

governance, capability, activation, amenity and greening. SAFE main streets build confidence, STRONG main streets provide coordinated leadership and sustainable management, and VIBRANT main streets attract people, activity and investment. Together, these reforms will support safer, stronger and more vibrant local economies across metropolitan and regional Victoria.

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