



City of **HOBART**

Memorandum: Lord Mayor
Deputy Lord Mayor
Elected Members

Response to Question Without Notice

CENTRAL BUSINESS DISTRICT - BUSINESSES / SHOPFRONTS

Meeting: Economic Development &
Communications Committee

Meeting date: 30 January 2020

Raised by: Deputy Lord Mayor Burnet

Question:

Given the media reports earlier this week, can the Director please provide advice on the number of closures of businesses / shopfronts in the CBD, and how that compares to trends in other years?

Response:

This response answers a question posed before the COVID-19 pandemic and was appropriate at that time. As Tasmania moves from crisis into recovery, the impact on businesses with shop frontages in the city will become more apparent. The economic development team and a broader group from the City of Hobart have been reaching out to businesses to discuss the impacts of COVID-19 which in turn is being used to shape Council's response which to date has included an e-commerce grant and a professional assistance grant.

The attached table of data sourced from [economy.id](#) which is derived from the Australian Business Register shows that from 2014 to 2018 the number of retail trade businesses in the Hobart local government area has dropped by a moderate 1.1 per cent i.e. from 488 to 458 retailers. Information is not available at CBD level.

While the media portrays a dire situation, when considering the vitality of the CBD, it is important to monitor more than one indicator.

Although there may be some vacancies on street level which are more noticeable, the office rental market is very strong. Hobart CBD has a total vacancy of 4.1 per cent which compares to the national CBD average of 8 per cent.

The nominal value of retail trade in Tasmania was estimated to be \$579.3M in trend terms in December 2019, up 0.9 per cent compared with the previous month and up 6.4 per cent from the level recorded one year earlier. As is evident below, Tasmania's retail growth is the highest of any state.

Table 1: Percentage change in retail turnover by jurisdiction, December 2019, nominal trend data

<i>Nominal trend</i>	monthly change (%)	annual change (%)
NSW	0.1	1.2
Vic	0.2	2.6
Qld	0.5	5.0
SA	0.1	1.7
WA	0.3	3.3
Tas	0.9	6.4
NT	0.4	3.5
ACT	0.4	4.3
Aus	0.3	2.8

SOURCE: RETAIL TRADE, AUSTRALIA, ABS CAT NO 8501.0: TABLE 3

There may have been a small drop in the number of retailers in our city and we may be seeing an increase in accommodation and food services but according to Louise Grimmer this is not apocalypse, this is a "correction in the market". Louise goes on to comment that:

...where once the focus of towns and cities was predominantly retail, there is now a greater emphasis on changing the mix of cities. This means including other drawcards such as hospitality, leisure, community and cultural facilities, events and experiences in addition to shopping.

Louise Grimmer is a Senior Lecturer in Marketing and a retail expert at the University of Tasmania.

Question:

What work is being undertaken by Hello Hobart to activate the city for business?

Response:

The response below was appropriate as of 30 January 2020. In response to the COVID-19 pandemic, Hello Hobart promptly expanded the traditional campaign boundaries to ensure support was available to all business owners in the City's municipal area.

The Hello Hobart team created a suite of online resources for both customers and business owners including a directory of business operating an online store and food businesses still operating. In addition, Hello Hobart began a 'Support Local' campaign to encourage shopping from Hobart businesses on social media. Hello Hobart has regularly updated retailers through the email newsletter with relevant information including State Government initiatives and the City's own grants programs.

As at May 2020, Hello Hobart has a large cohort of dedicated followers, including through Facebook (9,806 followers) and Instagram (2,853 followers), with each post (or editorial piece) reaching an average of 11,000 people. An example of successful Hello Hobart's posts include a new store opening which reached 37,300 people in January 2020 and the launch of the online business directory for COVID-19 which reached 22,100 people.

In summary, Hello Hobart activates the business community through a number of ways. Primarily, Hello Hobart creates editorial style pieces celebrating/promoting stores within the Hello Hobart footprint. This is then shared on social media and through the Hello Hobart website.

Over 180 stores have been interviewed and featured on Hello Hobart since its inception in August 2016.

Hello Hobart has a number of targeted campaigns throughout the year. In 2019, campaigns included Christmas and a campaign to launch the new Information Hub in collaboration with the Tasmanian Tourism and Information Centre.

In the past, Hello Hobart has also held activations alongside openings such as H&M. Hello Hobart supported the Super Sidewalk Saturday events in 2016-17.

The Hello Hobart team continue to work closely with the business community and other key stakeholders within the Hello Hobart footprint.

The Economic Development, Engagement and Strategy Unit are also working on a wider business support strategy for the City of Hobart. This will include much of Hello Hobart's work and determine the gaps for support that the City may be able to provide in conjunction with existing programs from State and Federal Government.

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.



Tim Short
DIRECTOR COMMUNITY LIFE

Date: 20 May 2020
File Reference: F20/13463; 13-1-10

Attachment A: The ABS Business Register

Registered businesses by industry

Industry	2018			2017			2016			2015			2014			Change 2014 to 2018	Percentage Change 2014 to 2018
	Number	%	Tasmania %	Number	%	Tasmania %	Number	%	Tasmania %	Number	%	Tasmania %	Number	%	Tasmania %		
Agriculture, Forestry and Fishing	176	2.8	14.6	178	2.9	15.0	177	3.0	15.3	176	3.0	15.6	181	3.1	15.8	-5	0.3
Mining	10	0.2	0.4	9	0.1	0.3	9	0.2	0.3	7	0.1	0.4	3	0.1	0.3	+7	-0.1
Manufacturing	218	3.4	4.4	196	3.2	4.4	192	3.2	4.5	185	3.2	4.4	189	3.2	4.5	+29	-0.2
Electricity, Gas, Water and Waste Services	6	0.1	0.3	10	0.2	0.3	15	0.3	0.3	3	0.1	0.3	9	0.2	0.3	-3	0.1
Construction	501	7.9	15.5	492	8.0	15.3	455	7.6	15.2	480	8.2	15.0	447	7.6	15.0	+54	-0.3
Wholesale Trade	154	2.4	2.5	167	2.7	2.6	172	2.9	2.6	154	2.6	2.8	154	2.6	2.8	+0	0.2
Retail Trade	458	7.2	6.9	484	7.8	7.1	494	8.3	7.3	491	8.4	7.5	488	8.3	7.8	-30	1.1
Accommodation and Food Services	534	8.4	5.7	495	8.0	5.5	443	7.4	5.5	442	7.5	5.4	438	7.4	5.3	+96	-1.0
Transport, Postal and Warehousing	314	4.9	6.1	223	3.6	5.6	189	3.2	5.6	186	3.2	5.7	189	3.2	5.7	+125	-1.7
Information Media and Telecommunications	54	0.8	0.6	46	0.7	0.6	51	0.9	0.5	62	1.1	0.7	51	0.9	0.6	+3	0.0
Financial and Insurance Services	660	10.4	7.1	661	10.7	7.1	654	10.9	7.1	662	11.3	6.9	648	11.0	6.7	+12	0.6
Rental, Hiring and Real Estate Services	816	12.8	9.9	826	13.4	10.1	811	13.6	10.0	811	13.8	10.2	797	13.5	9.9	+19	0.7
Professional, Scientific and Technical Services	1,023	16.1	9.3	973	15.8	9.2	963	16.1	9.0	924	15.7	8.8	937	15.9	9.0	+86	-0.2
Administrative and Support Services	221	3.5	2.9	212	3.4	2.9	174	2.9	2.7	180	2.7	2.8	184	3.1	2.5	+37	-0.4
Public Administration and Safety	17	0.3	0.3	13	0.2	0.3	15	0.3	0.3	14	0.2	0.3	23	0.4	0.4	-6	0.1
Education and Training	87	1.4	1.0	82	1.3	0.9	81	1.4	0.9	76	1.3	0.9	85	1.4	0.9	+2	0.1
Health Care and Social Assistance	790	12.4	6.3	788	12.8	6.4	746	12.5	6.1	693	11.8	6.0	706	12.0	5.8	+84	-0.5
Arts and Recreation Services	99	1.6	1.2	82	1.3	1.1	96	1.6	1.2	98	1.7	1.2	115	1.9	1.4	-16	0.4
Other Services	182	2.9	4.3	185	3.0	4.5	206	3.4	4.5	196	3.3	4.3	194	3.3	4.4	-12	0.4
Industry not classified	39	0.6	0.8	49	0.8	0.9	37	0.6	0.8	52	0.9	0.9	68	1.2	1.0	-29	0.5
Total business	6,357	100.0	100.0	6,169	100.0	100.0	5,979	100.0	100.0	5,871	100.0	100.0	5,905	100.0	100.0	+453	

Source: Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, 2016 to 2018. Cat. No. 8165.0 Note: Non-employed businesses includes sole proprietors where the proprietor does not receive a wage or salary separate to the business income.
<https://home.id.com.au>

Notes: The ABS Business Register is extracted from the Australian Business Register maintained by the ATO. It is a count of businesses with an Australian Business Number (ABN) on the Australian Business Register (i.e. actively trading). Business register counts are published by the ABS on statistical level 2 boundaries (SA2), not Local Government Area boundaries. The data presented in economy id aggregates SA2 level data to Local Government Areas. Where an SA2 crosses an LGA boundary, an estimate has been made to apportion the businesses in an SA2 across two or more LGAs.