Public Accounts and Estimates Committee

Impact of COVID 19 on the City of Melbourne

Date: 13 August
Presenter: Lord Mayor Sally Capp and CEO
Justin Hanney

CITY OF MELBOURNE

The City of Melbourne was the engine room of Victoria's economy before COVID-19

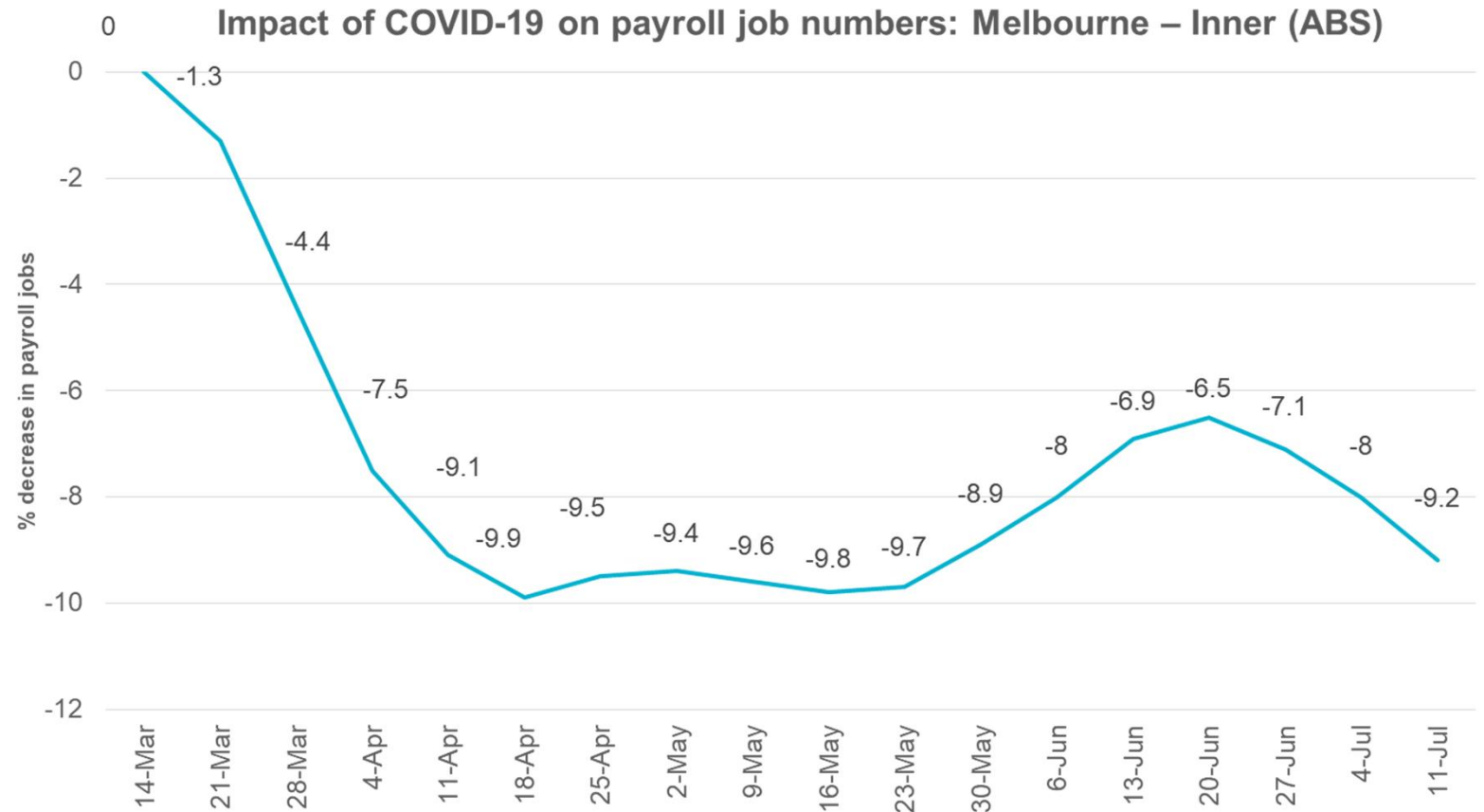City of Melbourne's economy was **booming** before COVID-19:

- **$104 billion** in Gross Local Product – a record

- Central city economy home to almost **500,000 jobs**

- The CBD alone supplying more than **240,000 jobs**

- Docklands coming of age and home to more than **72,000 jobs**

- **52,000 international students** live or study in central Melbourne, supporting our tertiary sector and stimulating our economy

- **1 million pedestrians** on any given week day
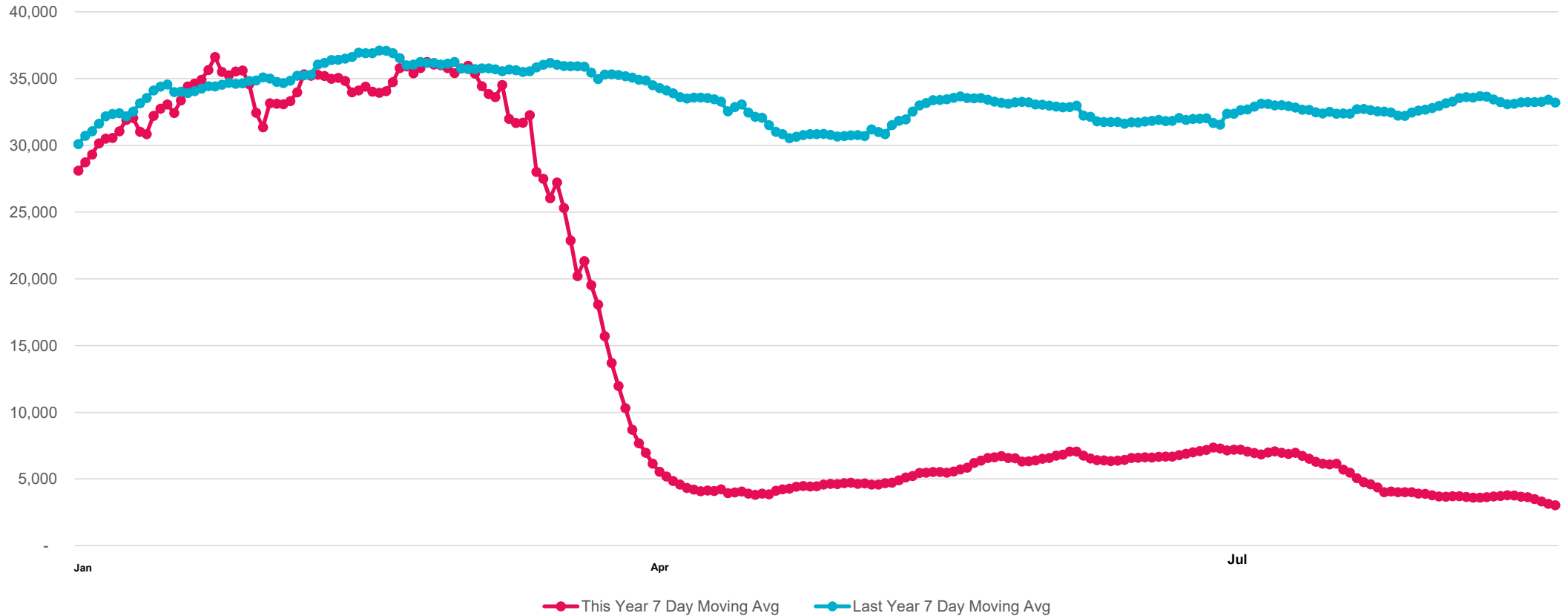
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ABS payroll data indicates inner Melbourne is the **third hardest-hit region** in Australia.

- An estimated **31.7%** of local businesses have applied for JobKeeper

- A City of Melbourne survey shows **7.5%** of food businesses have closed permanently

- And a further **8%** are considering closing

Impact of COVID-19 on payroll job numbers: Melbourne – Inner (ABS)

Line chart, % decrease in payroll jobs by week:
- 14-Mar: 0
- 21-Mar: -1.3
- 28-Mar: -4.4
- 4-Apr: -7.5
- 11-Apr: -9.1
- 18-Apr: -9.9
- 25-Apr: -9.5
- 2-May: -9.4
- 9-May: -9.6
- 16-May: -9.8
- 23-May: -9.7
- 30-May: -8.9
- 6-Jun: -8
- 13-Jun: -6.9
- 20-Jun: -6.5
- 27-Jun: -7.1
- 4-Jul: -8
- 11-Jul: -9.2

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Pedestrian traffic in City of Melbourne has plummeted

Flinders Street Station Underpass pedestrian activity – this year vs last year

This chart compares pedestrian activity year (magenta) to date to 2020-08-09 to last year (blue). This sensor provides an indication of commuter activity.

A key challenge - the volume and value of daily visitation will take time to return

There are many cohorts of city visitors and the impact of COVID-19 is different for each. The speed of their recovery to pre-COVID-19 levels will also vary.

POPULATION COHORT	PRE-COVID VISITATION (2016 weekday population)	EXPECTED TO RETURN (assumed % of pre-COVID-19 figure)	POST-COVID-19 VISITATION (assumed 2020-21 weekday population)
Workers	381,000	50%	190,500
Students	78,000	**80%**	62,400
Metropolitan visitors	170,000	**75%**	127,500
Residents	148,000	**100%**	148,000
Visiting children	32,000	50%	16,000
International visitors	53,000	10%	5,300
Interstate visitors	35,000	**60%**	21,000
Regional Victorian visitors	14,000	**80%**	11,200
TOTAL	**911,000**	**64%**	**581,900**

We expect daily visitation **will not return to pre-COVID** levels in 2020-21, even after restrictions ease. Daily visitation is **expected to decrease by 64%** from 911,000 to 581,9000.

City of Melbourne has proactively responded to COVID-19

The City of Melbourne has implemented a comprehensive program of support for local businesses.

RECOVERY PACKAGE

$50M
COVID-19 recovery package
to assist businesses

BUSINESS CONCIERGE HOTLINE

10,000
businesses contacted
through our expanded COVID-19 Business Concierge Service

ARTS GRANTS

$2M
in arts grants
to creatives who were hit hard because of COVID

STUDENT VOUCHERS

10,000
international students
supported through $200 food voucher program

RATES

ZERO
net increase
in rates for commercial and residential properties

BUSINESS GRANTS

$5.5M
In business grants
to assist small to medium businesses

BIKE LANES

40kms
of bike lanes
fast-tracked in the central city

FREE PARKING

9500
frontline workers
provided with free parking vouchers

PARKING PERMITS

3000
hospitality parking permits
to help businesses with delivering takeaways

The City of Melbourne has also worked with the Victorian Government on *Working for Victoria* initiatives.

GREENING THE CITY

54
Jobs created to plant
150,000 new trees,
shrubs and grasses

CLEANING THE CITY

173
people redeployed
to ensure the city's
cleanliness

KEY FACTORS TO ACCELERATE CITY RECOVERY:

CONTAIN THE SPREAD OF COVID-19

The ability to suppress, contain or eliminate the spread of the disease

BUSINESS SURVIVAL

As many businesses as possible surviving through the restriction period

RETURN OF CITY WORKERS

Relaxation of social distancing allowing return of workers to workplaces

BORDERS OPENED

Relaxation of national and international border restrictions allowing visitors to return to Melbourne

PEOPLE FEEL SAFE

Safety concerns of the population are alleviated.

THRIVING INDUSTRIES

Industry specific recovery support is implemented.

GROWTH IN CITY WORKERS

Increased level of daily city worker attendance.

VISITORS RETURN

Visitation is encouraged through events and attractions.

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