New business levy to raise $600k for what?

A proposed new levy will raise $600k to promote Warrnambool, but would it not be better spent on actual projects, like funky public art such as this in London?

OPINION

[dropcap style="color: #abccab;"] I [/dropcap]t's a rare day when businesses ask other businesses to pay **more –** not less – council rates, but that is exactly what is happening in Warrnambool.

A group called **Commerce Warrnambool** has asked the Warrnambool City Council to introduce a special levy that would see 1300 commercial and industrial businesses each pay between $100 and up to $6000 a year for the next five years, with the first year expected to raise $600,000.

The levy, based on capital improved property value*, would rise by 5 per cent each year for the next 5 years.

And what would all this money be used for?

Well, according to the Commerce Warrnambool business plan, the first $200,000 will be used to employ a chief executive ($90,000) and associated support staff ($110,000), with the remaining $400,000 being spent on what can best be described as a huge public relations exercise.

Commerce Warrnambool, which started as a voluntary organisation in 2010 and has about 100 members, effectively wants to professionalise its role in promoting Warrnambool as "a great place to live, work and invest" (the same old mantra) and be paid to do so.

There are already at least three other marketing and public relations bodies that are funded to perform this task, including within the Warrnambool City Council, the Great South Coast Group and the Great Ocean Road Regional Tourism Board, but Commerce Warrnambool clearly feels there is room for even more.

Instead of spending more money on trying to convince people to invest in Warrnambool, why not invest in the things – like public art – that make a city appealing?

[dropcap style=”color: #abccab;”] T [/dropcap]he group will also, among other things, lobby the council (in other words, the council will collect a levy that will be partly used to lobby itself) and help to promote events such as the May Racing Carnival, Port Fairy Folk Festival, Fun for Kids and the Allansford Speedway.

From from what I have seen, these events already have significant marketing budgets and, between them, attract tens of thousands of people.

Given the record number of empty shops in downtown Warrnambool, a proposed 5.5 per cent hike in council rates, and the economic times that trouble most traders, I thought the idea of forking out money for yet *another* public relations and marketing project would be shot down in flames.

But no.

Commerce Warrnambool says it has contacted at least 900 businesses and received between 250-300 letters of support. This means that only a third of those surveyed like the idea, but I am stunned that it is even that high.

The council, sensing an opportunity to partially outsource another of its functions, has seized on the idea and recommended that the special levy go ahead: the councillors will vote on it Monday night (May 19).

But let’s think about this for a moment.

Do we really need a special levy to promote how wonderful Warrnambool is? Why not spend the money – if we are going to travel down this path – to improve what people actually see and experience when they come here?

Perhaps, for example, some of the $600,000 could be used to help sustain **The Artery**, which has given a heartbeat back to the lower end of Timor St, but is largely funded by volunteers and artists paying what little they make to hire an exhibition or studio space.

Or maybe it could be used as a building restoration fund, where property owners are given an incentive to freshen up the many tired, peeling and grubby shop facades around the city.

Telling people to work, live and invest in Warrnambool is one thing, but ensuring the city looks fresh and inviting is quite another.

[dropcap style="color: #abccab;"] O[/dropcap]ne of the Commerce Warrnambool arguments is that other regional cities have set up a business fund, so why don't we? It lists Ballarat, Shepparton, Swan Hill and Mildura among its examples of similar schemes, yet if we pick just one of these – Mildura – there is a cautionary tale to be heard.

The Mildura Rural City Council collects a special levy on behalf of the Mildura Development Corporation and Mildura Tourism – both of which are subsidiaries of the council – to be used for the very sort of activities outlined by Commerce Warrnambool.

Last year, however, [the council swiped $100,000 from the special levy] fund to use for other purposes so that it could keep its overall rates down. Ouch.

Imagine, for a moment, if instead of Commerce Warrnambool fronting up with this levy idea, it was **The F Project** – the local artists’ collective that started in 2008 and has around 150 members.

I am trying to picture the F Project president, instead of Commerce Warrnambool president **Tony Herbert**, asking the council to tax every business owner for a special public art fund that would raise $600,000 a year.

This fund, instead of being used for promotion and lobbying, would be used to commission artists from around South-West Victoria to create new works of public art (including murals, street furniture, sculptures etc) that would be installed around the the city each year.

Such a fund would buy *a lot* of public art and produce tangible, highly-visual results, yet there is little doubt The F Project would be laughed out of the council offices for suggesting such an “indulgence”.

Yet it is the *tangible* things – not just more words – that will ultimately make a difference to people wanting to visit, or move, to Warrnambool. There is no small irony in the council spruiking its Liebig St renewal plans from an empty shop in Liebig St, which is next to another empty shop, which is a few doors from another empty shop…

Money needs to be injected urgently into physical projects that will bring the city back to life – and we don’t need to pay $600,000 a year for somebody to tell us that.

[*The original version of this piece said the levy was based on 3 per cent of property value, which is incorrect. The levy will be calculated as a rate in the dollar based on CIV.]

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