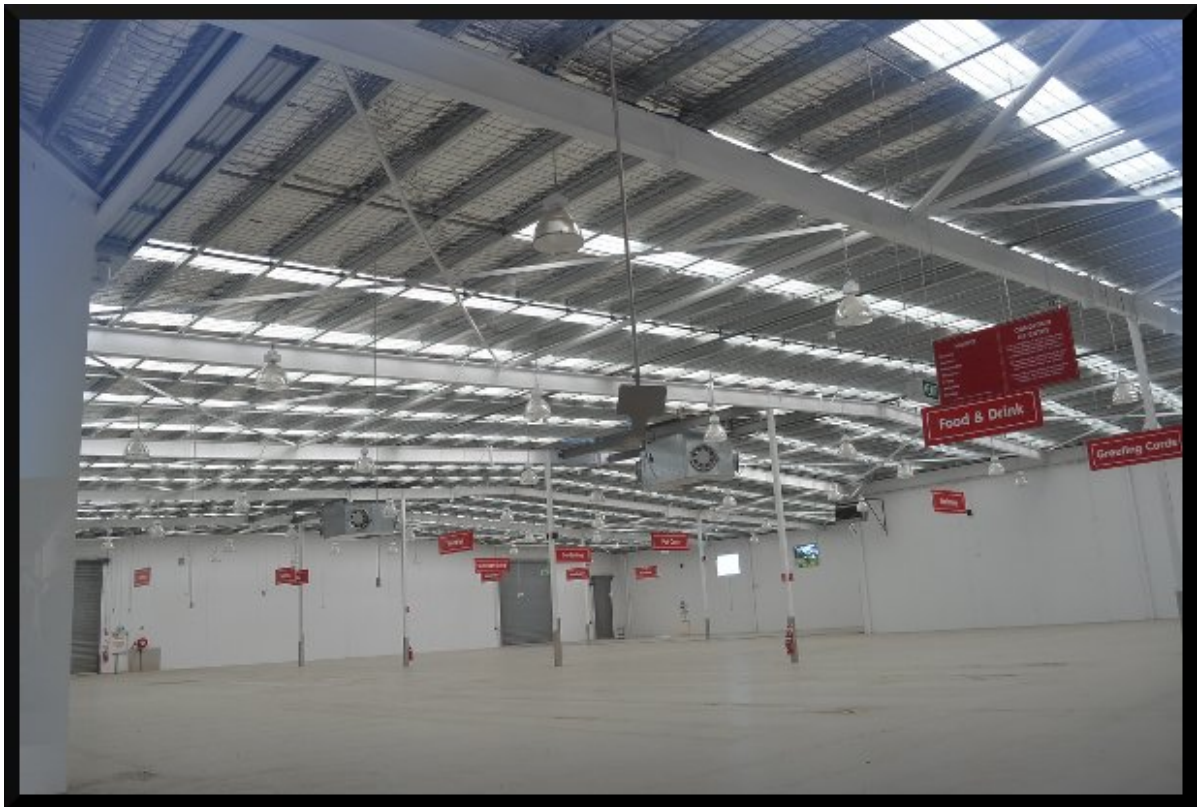


WCC plans to hit market traders with \$600 fee

The WCC has sparked a near riot with its plan to hit market stall holders with a new \$600 a year fee.

Behind the spin, W'bool business is losing heart



The former Sam's Warehouse store at Bayside Plaza is one of many shops lying empty in Warrnambool's CBD and beyond, reflecting the steady decline in business confidence.

OPINION

[dropcap style="font-size: 60px; color:#A02F2F;"] Q
[/dropcap]uite a bit has been written about the latest **Warrnambool Business Confidence Survey** that tests the pulse of local businesses, but nobody has been prepared to say that it reflects a city in deepening trouble.

The spin put on the 2014 results by the Warrnambool City Council is that business confidence has “stabilised”, in that the steady decline since 2011 has levelled out and while things are not good, at least they are no worse than last year.

And while nobody wants to be the bearer of bad news, this is a bit like saying that the *Titanic* is still sinking, but it’s going down more slowly.

Statistics are hard to make sexy, but the number crunchers at Deakin University who analysed the results of the 344 respondents don’t mince words.

They found what they call “*a highly statistically significant difference*” between how Warrnambool businesses feel about the future compared to those in other Victorian regional cities like Ballarat, Bendigo and Geelong.

The difference was this: in 2011, **63%** of local businesses felt they were either faring ‘good’ or ‘excellent’ compared to other cities, but in 2014 only **49%** felt this way, which was a further slide from **55%** in 2013 and **58%** in 2012.

The researchers consider this “*a continual and significant decline*” but us lesser mortals might just call it terrible.



The latest business survey reflects a lack of confidence in Warrnambool's outlook compared to other regional cities.

[dropcap style="font-size: 60px; color: #A02F2F;"] A [dropcap]t the same time, in 2011 only **11%** of businesses described their future as looking fair or poor. This year, that figure has almost doubled to **21%**.

Again, this is not good news.

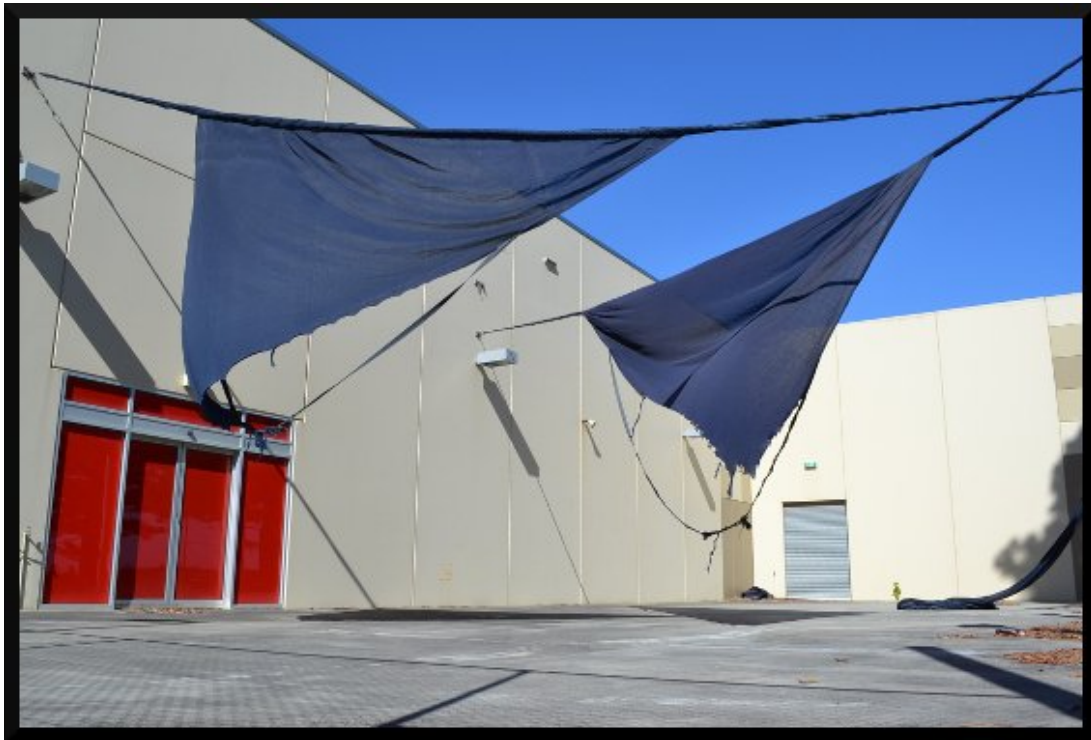
The survey also revealed *"a significantly worsening trend"* when it came to business owners looking at opportunities for further investment in their business in the next 12 months. More than half (51%) said that their prospects were low to very low.

Then there was the sobering response to this very simple question:

"What is your confidence in Warrnambool's business environment over the next twelve months?"

In 2011, **43%** of people said high to very high. This year, that number had almost halved to only **24%** and another **26%** said “low to very low”, with the rest feeling pretty average.

Is this what we aspire to for our beautiful city? To have business confidence levels that are low to very low, or average?



Sails flapping in the wind: the struggling Bayview Plaza reflects a much larger problem facing the city.

[dropcap style="font-size: 60px; color: #A02F2F;"] T
[/dropcap]he sense of melancholy is not just confined to retailers – the business professional and commercial services industry is as equally distressed.

In 2011, a cheerful **77%** of people working in this field felt either “good” or “excellent” compared to their regional counterparts, but this has since tumbled to just below **50%**.

But even they look upbeat compared to the service, electricity, gas, construction and wholesale sector. Again, in 2011, a healthy **71%** of respondents said they felt “good” or

“excellent” – today that has plummeted to only **30%**.

All of these figures might be interpreted by spin doctors as signs of “stability”, but they can be more truthfully described as pretty shocking.

And this is where we get to the troublesome part, because when the council refuses to name up the reality of the sentiment out there in the wider businesses community – as revealed by their own surveys – then nothing is done to confront it and change it.

Instead, the issue is reduced to fact sheets and media releases that tell us things are “stable” and we all breathe a sigh of relief and move on, because to point out the problems leaves you exposed to claims of being negative, or “only making it worse”.

Yet none of us can avoid the obvious signs of decline: like the ‘for lease’ signs all over town, the loss of locally owned businesses that have been around for decades, the vacuous arcades that cannot be filled, the depressing state of Bayside Plaza with its vandalised toilets, and its torn shade sails flapping in the wind over Merri St.



[dropcap style="font-size: 60px; color: #A02F2F;"] W
[/dropcap]hat is needed is not a head in the sand approach, hoping things might just right themselves, but a wide-ranging, open, community discussion on what is not working, why and how we can all work to improve it.

It is not as simple, unfortunately, as whacking traders with a new promotional levy or sprucing up two blocks of Liebig St.

While the Liebig St upgrade is a welcome rejuvenation of at least one part of the main street, it is a little like reupholstering the lounge chairs on the *Titanic*.

The harder questions to ask and to answer are those like these:

- * what sort of retail mix do we want in the CBD and how can we encourage this mix?
- * are commercial rents too high compared to other regions?
- * what can be done to assist more small business start-ups?
- * would more people shop in the CBD if there was free, timed

parking?

* do the almost-empty arcades need to be remodelled or removed?

* how can local businesses be assisted to sell online? (Only 46% do and this has not changed in four years.)

I would like to see the council host a Warrnambool 2020 forum where we map out, as a community, a vision for our CBD by 2020 and how we can all work together (business operators, landlords, the council, thinkers, artists) to start turning the boat around before even more passengers jump ship.

[box]You can download the full [Warrnambool Business Confidence Survey here](#) (2mb) and the council's [media release here](#).[/box]

[button link="http://the-terrier.com.au/subscribe-2/" type="icon" icon="heart" newwindow="yes"]If you would like early access to Opinion pieces, please subscribe to Bluestone.[/button]



You can find earlier Opinion pieces here...

[Sucking the wind out of Portland's sails](#)

[Fun4Kids: the missing bits](#)

[Fun4Kids faces axe after cost blowout](#)

[We reveal the 'mystery man' behind \\$20m apartments](#)

[Granny's Grave buried in bureaucracy](#)

[All words, no funding, for Fletcher Jones story](#)

[Grappling with the work of a predator](#)

[Unravelling the mystery of art commissions](#)

Scrap trader levy and start over



An attempt to unite Warrnambool traders through a new marketing levy has run off the rails: perhaps it is time to start fresh?

OPINION:

[dropcap style="color: #a02f2f;"] A [/dropcap] ballot will soon be held on whether Warrnambool traders should pay a special levy to fund a \$600,000 marketing plan by [Commerce Warrnambool](#), but the main game – to unite the traders as one – has already been lost.

Traders for and against the annual levy are deep in their trenches and, no matter how the ballot falls, there will be bitterness on at least one side.

Even the ballot process itself is fundamentally negative:

rather than relying on enough traders to vote *for* the levy, it will go ahead unless enough traders vote *against* it. Hence there is now a very active and growing grassroots campaign by the [Warrnambool Traders Action Group](#) asking traders to be sure they object.

Given this no-win situation, I would suggest it is time to scrap the levy idea and start over.

It is three weeks since *Bluestone Magazine* [exposed the full extent of the plan](#) by Commerce Warrnambool (a chamber of commerce) to ask the Warrnambool City Council to attach a levy to 1346 commercial and industrial properties based on their capital improved value.

The levy, which would rise by 5 per cent each year for the next five years, would fund Commerce Warrnambool to operate as a major promotional and marketing body for the city.

Of the \$600,000 to be raised, around \$200,000 will be used for administrative and professional development costs, \$100,000 will go toward an annual infrastructure project, and the remainder will be used for a range of promotional and marketing activities.

Regardless of its intent, however, the roll-out of the levy plan has so far been a dismal failure.



*To stop the proposed
Commerce Warrnambool
levy
You must **OBJECT***

The slogan
produced by the

Warrnambool
Traders Action
Group.

[dropcap style="color: #a02f2f;"] D [dropcap]espite Commerce Warrnambool saying it had contacted hundreds of people about the idea, a large number of traders, including several high-profile businesses, said they knew nothing about it until they read it in *Bluestone*, on Facebook, or after it was tabled as a fait accompli at the May 19 council meeting.

These traders fall into two broad camps:

- i) those who object to paying any more than what they already do in council rates and various tourism levies;
- ii) those who might support the concept, but fear Commerce Warrnambool will only duplicate what is already being done by [Warrnambool City Council](#), the [Great South Coast Group](#) and the [Great Ocean Road Regional Tourism Board](#).

Last week, the city of Geelong was [held up as an example](#) of how a trader levy for marketing and promotion can work very well, but the Geelong model is run completely differently to that being proposed for Warrnambool.



The City of Geelong has operated a trader levy since 2001, but it is a very different model to that proposed for Warrnambool. Image: www.g21.com.au

[dropcap style="color: #a02f2f;"] I [/dropcap] taking a closer look at Geelong, there is a template for how things could work here.

First, the Geelong Chamber of Commerce has nothing to do with the special levy: it does not collect it, spend it, administer it or receive a cent from it.

Instead, the [Geelong Chamber of Commerce](#) – which has been running for about 160 years – is an independent body funded through memberships, corporate partners and fundraising events and does all of the things that a business group aims to do, such as networking and lobbying.

Second, the [Central Geelong](#) marketing levy, as it is called, is collected by the City of Geelong Council and is administered by a special committee set up *within* the council.

The Central Geelong Marketing Committee is made up of [12 volunteer representatives](#) from local businesses and sectors, plus one councillor, and supported by a four-person executive team that is employed by the council, including CEO Jodie Reyntjes. (You can [read more here](#)).

The committee manages a levy that in 2012-13 raised \$671,000 and the process appears entirely transparent and fully accountable: they hold monthly public meetings, upload their monthly minutes and produce an annual report.

Indeed, in 2009, Ms Reyntjes wrote an [interesting presentation](#) that underscored the importance of being able to measure the success of the levy in real and meaningful ways: right down to counting the number of pedestrians in the city on a given day.

Such an approach avoids unnecessary duplication of staff and projects, and sits the levy within an established civic framework rather than trying to replicate this framework outside the council and from the ground up.

The Central Geelong levy has been running since 2001 – although not without its detractors – but its ongoing survival and successes indicates that it is doing something right.

Could we learn something from our coastal cousins?



More Opinion pieces...

[Traders are right to be asking questions](#)

[New levy to raise \\$600k for what?](#)

[Be all things, or stick to the basics?](#)

[What is holding Portland back?](#)

We still have jumps racing? Can't get over it.

Traders are right to be asking questions

With Warrnambool traders rallying to stop a controversial levy to pay for promotion and marketing, we have our say in OPINION on why they have every right to be angry and asking questions...