

Notice of Motion, Cr Roshena Campbell: Return of workers in the City of Melbourne

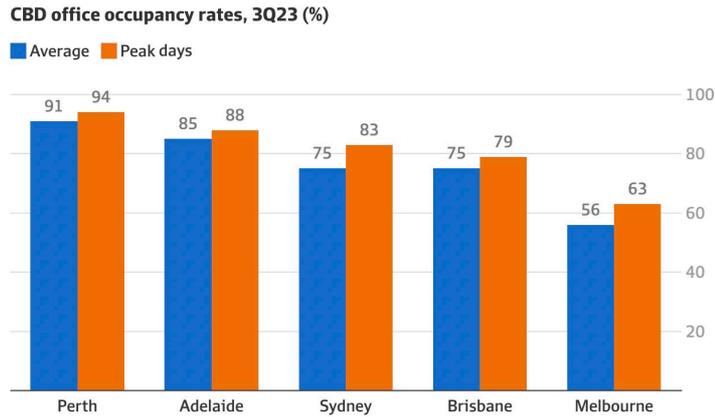
Motion

That the Future Melbourne Committee:

1. Notes:
 - 1.1 There has been a positive trend in Melbourne's office occupancy which rose 13 per cent over the year to September.
 - 1.2 Melbourne continues to lag behind other capital cities with an average office occupancy rate of 56 per cent at the end of September compared to 75 per cent in Sydney and Brisbane, 85 per cent in Adelaide and 91 per cent in Perth.
 - 1.3 The City of Melbourne is playing a leadership role by:
 - 1.3.1 Continuing to prioritise the presence of City of Melbourne employees in the workplace whilst acknowledging obligations to provide flexible ways of working;
 - 1.3.2 establishing the City Economy Advisory Committee to provide strategic advice to the City of Melbourne on how to strengthen the daytime economy;
 - 1.3.3 convening the City Economy Summit next month to consult with city businesses on how the City of Melbourne can grow the daytime economy.
 - 1.4 The State Government is the central city's single biggest employer yet pedestrian sensors near Victorian public sector workplaces indicate lower pedestrian activity than the rest of the city, suggesting fewer public servants are attending the office compared to other city workers.
2. Requests management provide marketing support for a Back to Work campaign in the first week of February 2024 promoting events, hospitality and other activations encouraging a return of office workers after the summer holidays by leveraging existing destination marketing programs and actively seeking partnerships with key stakeholders
3. Requests the CEO convene a roundtable with major employers by March 2024 on how to return office workers and seeking input on council activities that would encourage office attendance.
4. Requests the Lord Mayor write to the Premier requesting the return of Victorian public servants to their CBD workplaces.

Background

1. Melbourne's economic recovery has been strong, but it is incomplete. Evening and weekend activity now exceeds pre-pandemic levels, but weekday activity during business hours continues to lag. Morning commuter activity (6am – 9am) at Flinders Street is approximately 60 per cent of pre-COVID levels.
2. Office occupancy in Melbourne lags behind other capital cities according to the CBRE's Office Occupancy Snapshot.



Source: CBRE

3. Melbourne's lower office occupancy has been influenced by its extensive pandemic lockdowns.
4. There were approximately 30,000 Victorian Public Sector employees who pre-COVID worked in the CBD and accounted for up to 13 per cent of the workers in the city.
5. In March 2021 the State Government announced public servants would be expected to return to their primary office at least three days per week but has subsequently not released public data indicating the levels of actual office attendance.
6. Pedestrian activity in October 2023 at the Lonsdale-Spring St sensor is down by 23.5 percent compared to the pre-COVID benchmark period and down 37.6 per cent at the Collins Place (North) sensor. By comparison pedestrian activity in the rest of the city, which includes these two sensors, is down by 20.3 per cent.

Mover: Cr Roshena Campbell

Secunder: Cr Jason Chang