URBAN SHARING IN MELBOURNE

Country: Australia
Population: 5 159 211

City area: 9 993 km^2
Government: 31 municipalities across Greater Melbourne, Victoria state

SHARING & THE CITY
Cities – Sharing – Sustainability

URBAN SHARING
Sustainability & Institutionalisation

Urban Sharing at a Glance

The sharing economy in Melbourne is among the most vibrant and diverse in Australian cities. Melbourne is a host for many sharing platforms, including space for living (Flatmates), creative activities (Creative Spaces), working (Rubberdesk) and parking (Parkhound); and sharing of cars (GoGet, Car Next Door), e-scooters (Lime), rides (Shebah), tools (Brunswick Tool Library), toys (toy libraries). and clothes (the Volte). These are commercial, non-profit, or public platforms mediating peer-to-peer (P2P), business-to-consumer (B2C), business-to-business (B2B), and city-to-consumer transactions. Melbourne is home to multinational (Airbnb, Uber), national (Toy Libraries, Shebah) and local sharing initiatives (Sharing Shed Melbourne, Happy Hubbub). The shared mobility segment is the most diverse, and is represented by station-based B2C car-sharing (GoGet, Flexicar, GreenShareCar, Popcar, Kinto), P2P sharing (Car Next Door, DriveMyCar), e-scooter sharing, ride-sharing (Share Your Ride, Carpool Melbourne, Coseats), and ride-hailing (Uber, Bolt, Ola, Didi, Shebah).

Role of Authorities in Sharing

Authorities on national, state, and local levels have a stake in urban sharing. Although Melbourne does not have an overarching strategy for sharing, there are several state and municipal level policies affecting the sharing of space, mobility, and physical goods. For example, national and state-level regulations on *accommodation sharing* mainly concern taxation and health and safety issues. Municipal policies permit accommodation sharing in Melbourne, while the Victoria State Planning Provisions classify shared properties as a part of residential buildings and exempt them from planning permits for their operation. In the *shared mobility* segment, regulation varies depending on the mobility mode. The City of Melbourne promotes car-sharing through Melbourne Car Share Policy (2015) and controls the use of e-scooters and free-floating bikes. It also seeks to integrate bike-sharing, car-sharing, and ride-hailing at public transport stations. In its Transport Strategy 2030, the City of Melbourne recognises the potential of ride-hailing for low-density areas and actively explores ways to improve the use of kerb space by ride-hailing vehicles. Sharing of *physical goods* is supported via the state policy "Recycling Victoria. A new economy" (2020), which offers opportunities to apply for government grants for renting or sharing organisations. There are also rules for operating goods-sharing organisations, e.g., obtaining insurance for tool and toy libraries. However, regulation of physical goods sharing is limited.

FORMAS

This project has received funding from the European Research Council (ERC) under the European Union's Horizon 2020 research and innovation programme
(Grant Agreement No 771872)

www.urbansharing.org
www.sharingandthecity.net
yuliya.voytenko@iiiee.lu.se

Drivers for the Sharing Economy in Melbourne

- A favourable climate for social entrepreneurs supports the development of the sharing ecosystem in the city.
- Limited regulations, the availability of idling properties, high demand, and financial rewards for hosts drive the *accommodation sharing* segment.
- Proactive municipal policies, high costs and lack of space for parking, and underserved mobility stimulate *shared mobility*.
- Municipal support, affordability, and convenience for consumers, the possibility to earn money for owners, and the provision of a missing service facilitate *sharing of physical goods*.

Barriers to the Sharing Economy in Melbourne

- Limited access to public funding, private loans, and investments limit possibilities for small and medium-sized sharing organisations to emerge or scale-up.
- Difficulty in obtaining municipal support for non-profit sharing that does not generate paid employment or sell anything, which in turn hinders them scaling-up
- Uneven distribution of shared mobility services, high car ownership, low availability of shared vehicles and their locations, and access to free trams in the same areas limit the demand for car- and bike-sharing.
- Lack of biking culture and bike helmet requirement limit the demand for bike-sharing.
- COVID-19 pandemic restrictions drastically reduced the inflow of tourists, students, and professionals, which had a severe negative impact on the accommodation sharing segment.
- General lack of public awareness about the sharing of physical goods.

Melbourne Citizens and Sharing

Convenience and affordability for users and additional income for owners are the key reasons why people share in Melbourne. However, the residents are more aware of climate change than the circular economy and the benefits of sharing. They are familiar with large multinational platforms, e.g., Airbnb and Uber, and local initiatives, such as carsharing by GoGet. Although many young or single-person households are inclined to share accommodation or reject owning a car in favour of ride-hailing and car-sharing, cars remain an accepted and desirable social norm for personal mobility. There is little bike culture in Melbourne, while the image of bike-sharing was damaged by mixed experiences from private free-floating bike-sharing schemes. Sharing of physical goods (apart from toys) is far less known and less popular.

Sustainability and Sharing

Environmental implications

Sharing solutions can deliver environmental gains to the city. The direct carbon footprints of Airbnb guests tend to be lower compared to traditional hotel guests. Car-sharing users tend to drive less than car owners, complementing driving with public transport, biking and walking. B2C car-sharing platforms offer newer, smaller and more climate-efficient vehicles compared to private fleets. The sharing of physical goods extends the lifetimes of products and prevents waste of functional goods. However, the environmental gains are contextual and depend on the design of the sharing schemes and the degree of their replacement with less sustainable consumption practices.

Social implications

While accommodation sharing offers access to higher quality living, it may also lead to gentrification and destroy community feeling. Co-working spaces facilitate networking, offer childcare and build communities. P2P car-sharing platforms with digital keys and B2C platforms do not create community due to limited interaction among users. Shared bikes negatively affected liveability when private companies offered its service. Drivers for ride-hailing platforms are independent workers lacking social security. Shebah provides rides for citizens with special needs and employs women on flexible schedules, thereby closing the gender gap. Toy libraries offer emotional and information support to families with health or financial issues. Tool libraries attract women and queer people with no access to DIY areas, who experience them as a safe environment. Goods-sharing spaces create a sense of community, which is essential for immigrants and people with disabilities.

Economic implications

Accommodation sharing generates additional income for property owners and new revenues for local businesses and the public sector. Bike-sharing and P2P car-sharing struggle to be economically viable. If shared mobility is integrated into the existing transport system, there is a potential of delivering positive economic outcomes to the city, e.g., new sources of employment and increased tax collection. Capitalising on idling assets allows people to generate additional income, which can be attractive for some groups.