

## Peninsula Pays More, Gets Less: New Report Reveals Funding Shortfall

A new report commissioned by the *Committee for Frankston & Mornington Peninsula* has revealed that the Peninsula pays hundreds of millions of dollars more in tax than Greater Geelong – but gets less than half the funding.

The Frankston & Mornington Peninsula Benchmarking Analysis, prepared by Urban Enterprise, found:

- Frankston–Mornington Peninsula businesses pay **\$225 million more in Payroll Tax** each year than businesses in Greater Geelong. That’s despite the two regions sharing similar populations, numbers of businesses and economic output.
- Across all major State Government taxes— including payroll tax, land tax, stamp duty and the short-stay levy – the **Peninsula contributes substantially more in tax**. This is largely due to the Peninsula’s metropolitan classification, property values and holiday homes.
- Over the past three Victorian State Budgets, **Greater Geelong received \$4.2 billion** in capital investment, compared with **\$1.8 billion allocated to Frankston–Mornington Peninsula**.

This equates to a **2.3-to-1 investment ratio**, or approximately **\$14,400 per resident in Greater Geelong** compared to **\$5,600 per resident in Frankston–Mornington Peninsula**.

The *Frankston & Mornington Peninsula Benchmarking Analysis* also found that sustained funding disparities are contributing to long term structural challenges, including:

- Young people (18–35) are more likely to leave the Peninsula than Geelong due to housing affordability, fewer education opportunities, and lack of public transport.
- Nearly 1 in 2 Frankston–Mornington Peninsula residents commute out of area for work. In Greater Geelong, 76% of residents work where they live.
- Greater Geelong will build 48,000 new homes by 2036. The peninsula will build 19,000. Coupled with a lower occupancy rate, housing capacity and affordability is significantly more challenging in Frankston–Mornington Peninsula.

- Despite recording 2 million more visitors than Greater Geelong, Frankston-Mornington Peninsula received no regional development or major tourism funding.

The findings in this report now reflect a long-term, sustained difference in capital investments and tax revenue between the two regions over successive years.

Some progress has been made, most notably the significant investment into healthcare in Frankston (\$1.1 billion) and the redevelopment of Peninsula University Hospital.

In response to this report, the Committee has identified key priorities for government which help overcome some of the region-specific challenges identified in this report, including:

- Strategic re-zoning of underutilised land to retain local jobs, while pitching Hastings as the hub for Victoria's renewable energy future.
- Improving public transport connections between Frankston East and Western Port, as well as major transport upgrades to key arterial roads.
- The revitalisation of Nepean Boulevard in Frankston's City centre, and improved visitor economy infrastructure throughout the Mornington Peninsula.
- The redevelopment of Rosebud Hospital, supported by a reduction in red tape to tackle workforce shortages across key industries.

The Committee will utilise the data collected in this report to assist advocacy efforts with senior decision-makers and local representatives in the lead up to November's Victorian Election.

A full copy of the Benchmarking Analysis Report is available at [cfmp.org.au/current-work/benchmarking-fmp-2026](https://cfmp.org.au/current-work/benchmarking-fmp-2026).



**Quotes attributable to Committee CEO, Josh Sinclair:**

“Our region continues to raise substantial tax revenue for the Victorian Government, but it’s not being matched by significant government investment.”

“The Committee has identified key priority projects for government which would help keep young people in our region, create local jobs where people live, and strengthen our region’s role as the most visited part of Victoria.”

“For years, we’ve seen more diverse capital investment throughout Geelong which enhances their economic and tourism capabilities. This is a stark contrast to the absence of any regional development funding for the peninsula.”

“Geelong has successfully leveraged its position as a regional city to attract investment for residents and visitors – and there are many lessons we should learn from their advocacy and alignment on key priorities.”