



committee for
frankston and
mornington peninsula

Frankston Mornington Peninsula Benchmarking Analysis



Acknowledgement of Country

The Committee for Frankston & Mornington Peninsula acknowledges and pays respect to the **Bunurong people**; the Traditional Custodians of these lands and waters.

We pay our respects to their Elders past, present and emerging.



Image: Mornington Peninsula Shire Council's 'Bunurong Country 2025' by first nations artist Glenn Shaw.

Read the report

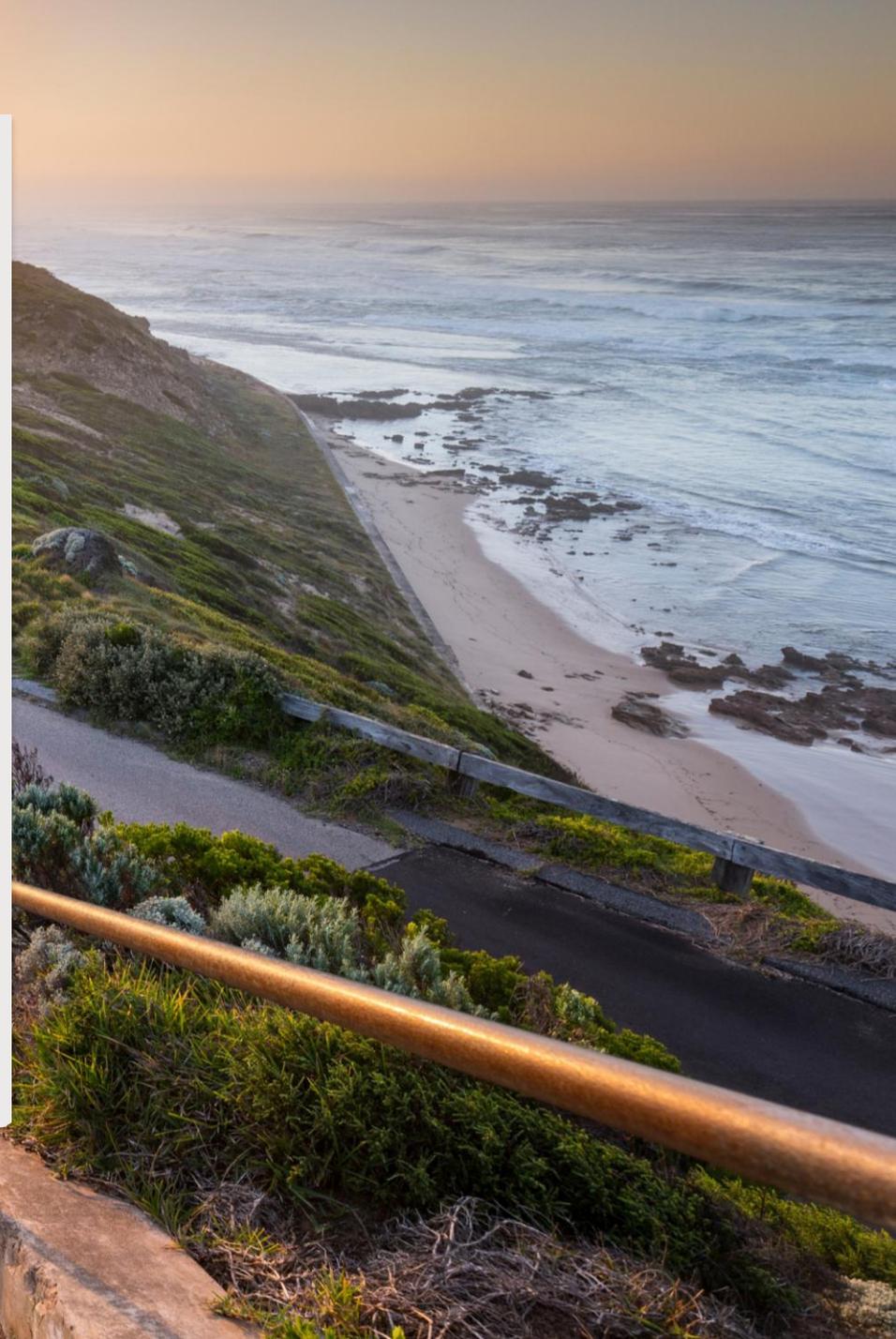


Introduction

- The Committee engaged Urban Enterprise to conduct benchmarking analysis of our region to comparable regions across Victoria.
- They determined the most appropriate, like-for-like comparison of our region was *Greater Geelong and the Borough of Queenscliffe*.

Why is it always Greater Geelong!?

- We share similar demographics, populations, economies, jobs, tourism, and almost identical proximity to Melbourne CBD.
- The Committee already conducted previous benchmarking against *Greater Geelong* in 2022, so this gives us a clear contrast to data already collected.





So, why are we doing this?

We're benchmarking ourselves against a leading peer, to identify areas for improvement and discover best practices in advocacy.

CFMP Strategic Plan 2025-2030:

'We will provide benchmarking and detailed analysis of how our region is fairing when compared to other comparable regions, and how the work of the Committee is influencing these outcomes.'

But first...





This is not about complaining about Geelong.

We can present and articulate an evidence based, data-led comparison between our two regions, and highlight to government what we need to support fairer outcomes, more investment, and positive policy settings for Frankston and the Mornington Peninsula.

2022 Benchmarking

	Frankston & Mornington Peninsula	Greater Geelong
Economic output	\$31.2 billion	\$34.8 billion
Employment	87,000 jobs	91,000 jobs
Government budgeted investment	\$2,317 per person	\$22,823 per person
Commitments made	Baxter rail electrification (\$225M), Jetty Rd overpass (\$70M)	Geelong fast rail (\$2B), Geelong Cities deal (\$500m+)

Regional Benchmarking



Figure 1: Benchmark Regions

■ Geelong-Queenscliffe ■ Frankston-Mornington Peninsula



Source: Urban Enterprise, 2025.

Table 1: Comparative Snapshot

	Frankston-Mornington Peninsula	Geelong-Queenscliffe
Distance to Melbourne	70km ~ 1 hour drive	80km ~ 1 hour drive
Population (2024)	316,000	293,000
Median Age (2021)	43 years	40 years
Employment (2021)	117,000	127,000
Visitation (2022-24 ave.)	7.9 million	6 million

Source: Census of Population & Housing, ABS, 2021; NVS & IVS, TRA 2022-24; Census Place of Work modelled by Remplan, 2025

Population

Our region is **older**, with a higher proportion of residents aged 55+.

A concerning trend is the departure of 18–35 year olds.

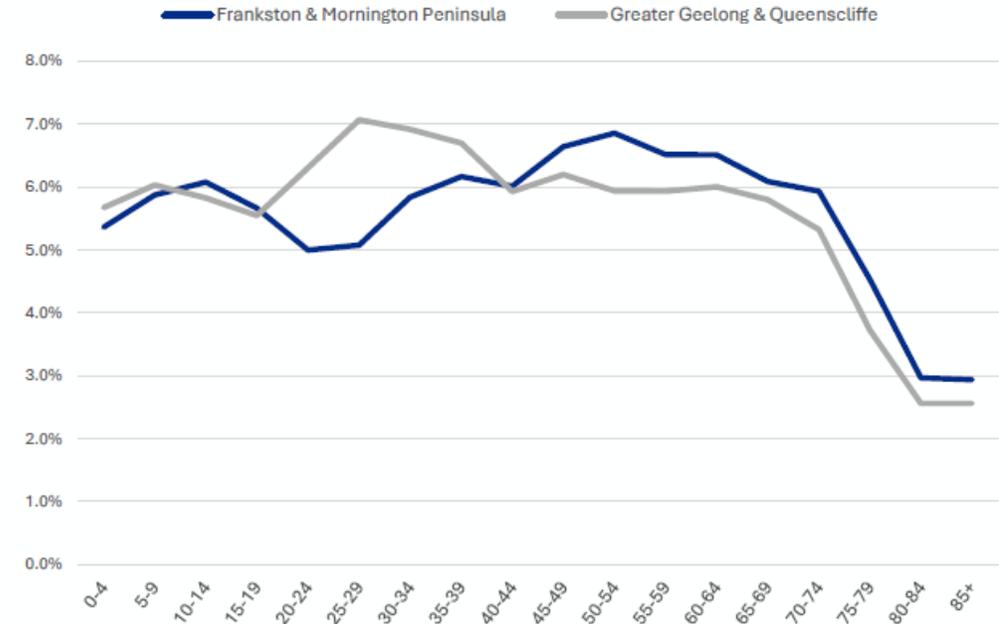
By 2036, our two regions will both continue to grow but at different rates.

Current population:

- FMP: 316,000
- Greater Geelong: 293,000

2036 population:

- FMP: 344,000
- Greater Geelong: 371,000



Source: ABS Census of Population & Housing, 2021

An aerial photograph of a coastal town during sunset. The town is densely packed with houses and buildings, situated on a peninsula or near a large body of water. The sky is filled with soft, golden light from the setting sun, with scattered clouds. In the foreground, there is a dark, shadowed area with some vegetation and a path. A large, semi-transparent black box is overlaid on the lower right portion of the image, containing white text.

Young people aged 18–35 are more likely to leave our region than *Geelong* due to **housing affordability**, lack of **public transport**, and fewer **education opportunities**.

Housing Affordability

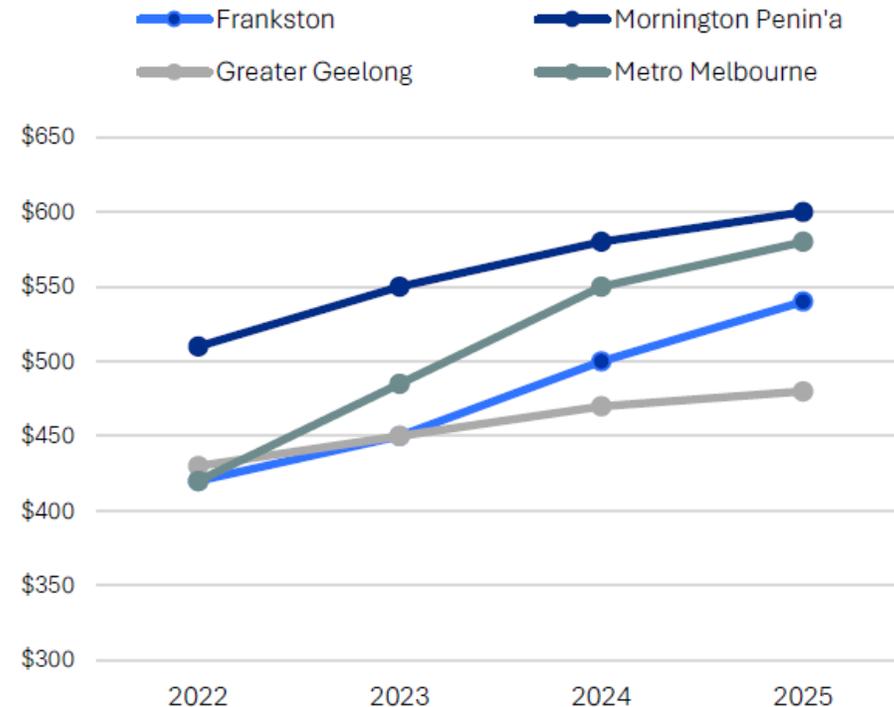
Housing and rental affordability is a more significant problem here than in Geelong.

Affordability remains a key concern for first home buyers and low to moderate income earners.

High house prices on the peninsula price out key workers employed in healthcare education, hospitality, construction and tourism.

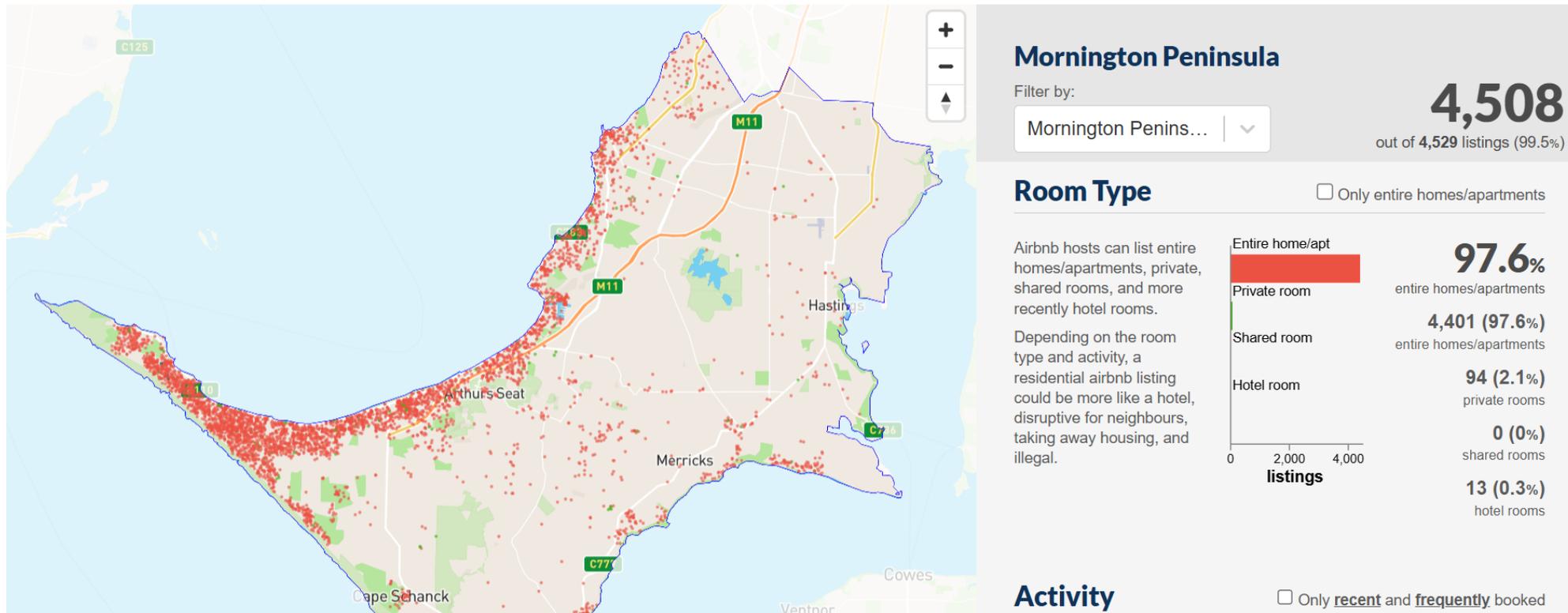
All these industries are critical to the long-term economic resilience and capacity of the region.

Figure 4: Median Rents, 2022-2025



Housing Capacity

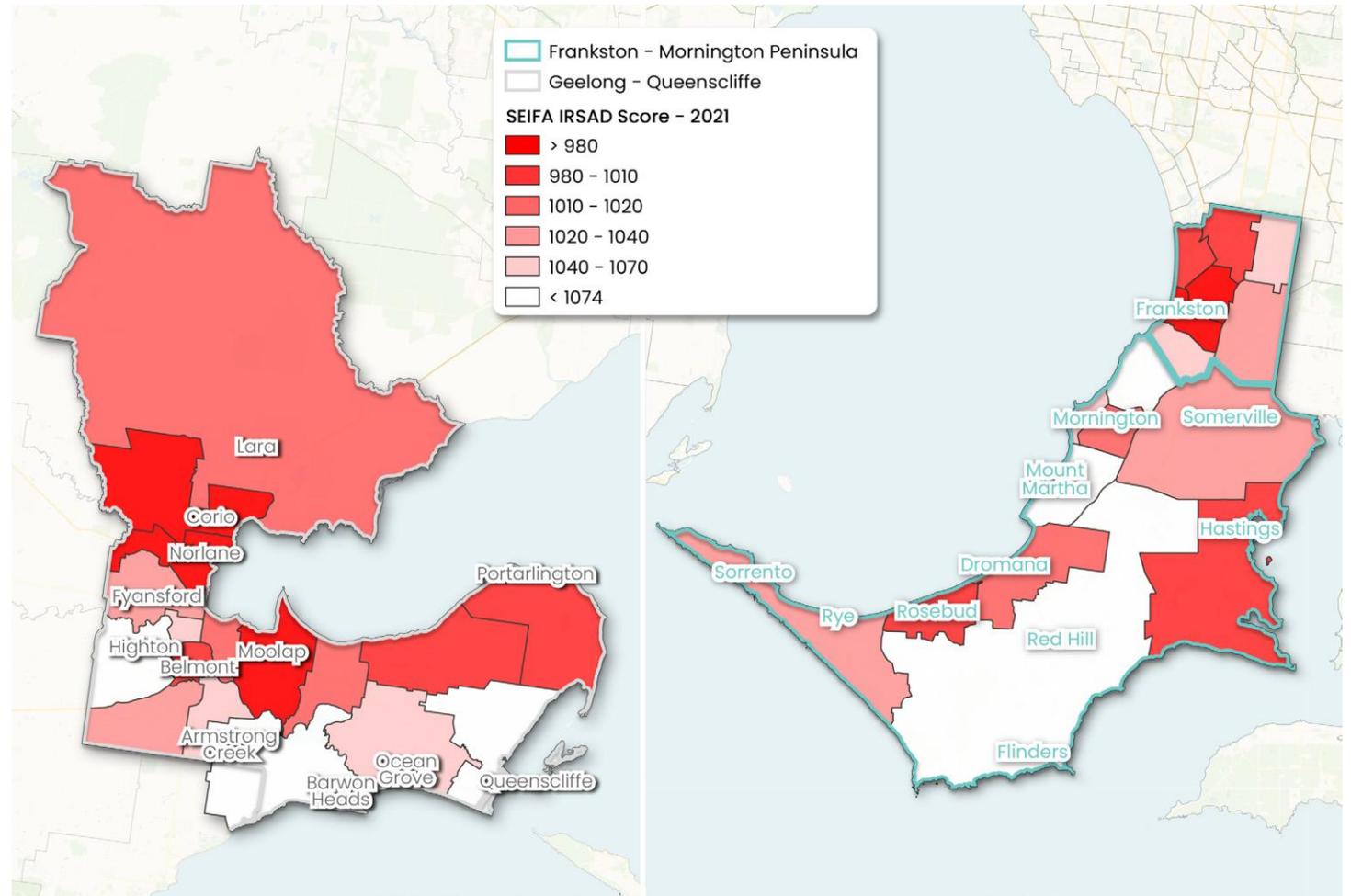
Geelong will build an additional 48,000 homes by 2036. We'll build just 19,000 by then. There is also a noticeable difference in dwelling occupancy between the regions. The Peninsula has a low occupancy rate (82%) due to a high prevalence of holiday homes.



Disadvantage

Both regions include pockets of disadvantage, despite broader perceptions of affluence across the Mornington Peninsula.

We need the government to recognise these nuances when considering government investment and service delivery, because communities with higher levels of disadvantage often require targeted support within otherwise prosperous regions.



Local Economy

Geelong is a major regional service hub, with a higher concentration of employment in health, education and knowledge sectors – supported by decentralisation initiatives.

In contrast, the Frankston–Mornington Peninsula economy is more oriented towards **tourism, agriculture, retail and industrial** activity.

Tourism is a defining and critical driver of the our economy, with 8 million visitors annually. This is more than twenty times the resident population.

The report determines that the Peninsula plays a crucial role as both a peri-urban production area and a premier destination for tourism and recreation.

Table 2: Economic Profile, 2024

	Frankston–Mornington Peninsula	Geelong–Queenscliffe
Employment	117,000	127,000
Output	\$43.97B	\$48.76B
Regional Exports	\$12.37B	\$12.59B
Value Added	\$19.26B	\$20.77B

Source: Remplan, 2024.

Employment and Economic Output

In Geelong, **76%** of employed residents work locally, indicating a **high level of job containment**.

By contrast, **only 55%** of Frankston Mornington Peninsula residents work locally.

This low job containment rate reflects a higher level of commuting to other areas in metropolitan Melbourne for work.

In Geelong, skills shortages exist in health care, social assistance, engineering, and construction; driven by infrastructure and population growth.

Here, skills pressures are concentrated in aged care, early childhood education, and hospitality, reflecting the region's service-oriented economy and ageing population.

Frankston-Mornington Peninsula faces more pronounced challenges in local employment access and workforce participation, particularly in middle- and high-skill occupations – than Greater Geelong.



Just 55% of residents work where they live. It's 76% for Greater Geelong residents.

This means nearly 1 in 2 residents commute out of area for work.

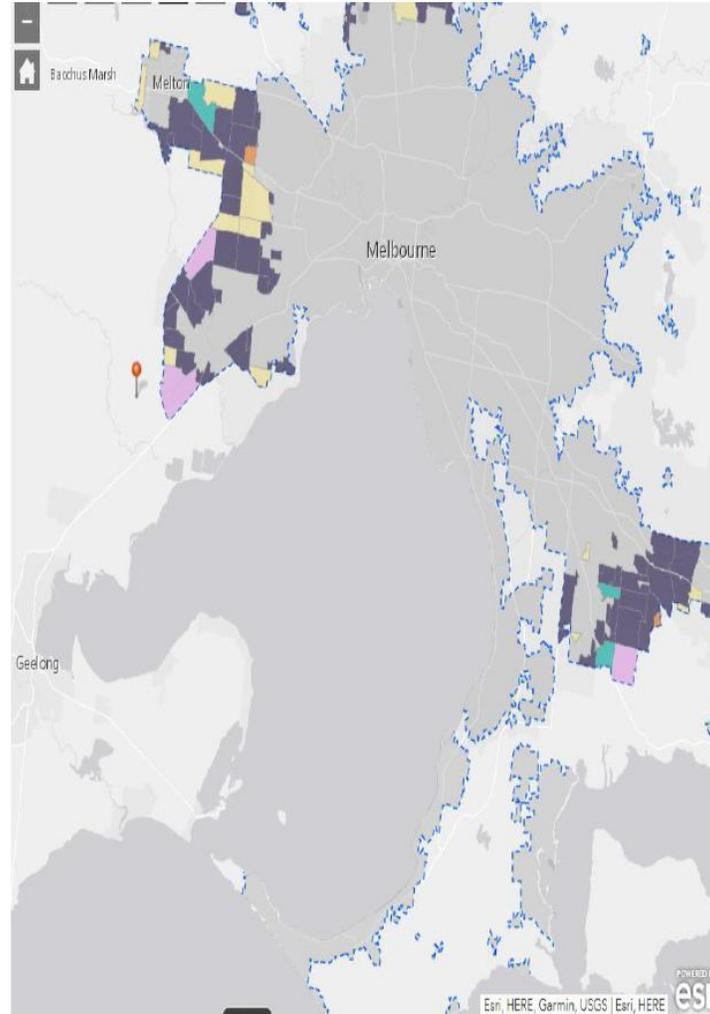
Tax Analysis

- Across all major state taxes and levies assessed, the report finds that the Peninsula faces a materially higher overall tax burden than *Greater Geelong*.
- We pay more than Greater Geelong under every significant state tax due largely to our metropolitan designation and higher property values.
- **This results in a unequivocal higher tax burden for our region:**
 - *stamp duty*
 - *land tax*
 - *payroll tax*
 - *the independent schools payroll tax (impacted schools in FMP are being hit by between \$1.3m to \$1.9m per year).*
 - *metropolitan planning levy*
 - *cladding rectification levy*
 - *short stay-accommodation levy*

Vacant Residential Land Tax

One component of recent residential land tax changes since 2024 defines residential land as land capable of being solely or primarily for residential purposes, and, unimproved land in Metropolitan Melbourne left undeveloped for five years or more capable for residential development.

Given Peninsula property values, the impost of taxes like this is far more burdensome.



Comparison of Distances (Greater Melbourne)

– Bellarine Peninsula entirely not caught under new rules even though distances from CBD are comparable to Mornington Peninsula:

- Melbourne CBD to Sorrento : 100km – **Captured**
- Melbourne CBD to Clifton Springs – Approx 100km – **Not Captured**

NB: Greater Melbourne stops just before Little River (Approx 45 km – Approx equivalent to Carrum)

Payroll Tax

Frankston and Mornington Peninsula businesses pay \$290 million per year in payroll tax.

Businesses in Greater Geelong pay \$65 million per year under the same tax.

This is entirely to do with our designation within Metropolitan Melbourne.

Businesses in Melbourne pay 4.85% on taxable wages that exceed \$1m.

Businesses in Regional Victoria pay 1.215% under the same thresholds.

TABLE 3: PAYROLL TAX ESTIMATE 2024

	Frankston-Mornington Peninsula	Geelong-Queenscliffe
Businesses	28,600	23,200
Turnover estimate	\$33.4B	\$27.6B
Wages estimate	\$11.3B	\$9.6B
Payroll tax rate	4.85%	1.21%
Payroll tax estimate	\$290M	\$65M

Source: ABS Business Counts, 2024 / Urban Enterprise, 2025



Our region pays **\$225 million**
more per year in payroll tax than
Greater Geelong.

Pictured: Geelong's new \$449.1 million Convention Centre - 'Nyaal Banyul'.

Wait, so why so much tax?

Across all major taxes and levies assessed, the analysis indicates that Frankston Mornington Peninsula is likely to be subject to a higher overall tax liability compared with *Greater Geelong-Queenscliffe*.

This is underpinned by a combination of factors, including:

- **Metropolitan status**, which exposes the region to additional levies and a higher payroll tax rate.
- Higher residential **property values**, increasing land tax and stamp duty per property.
- A **larger commercial and industrial land base**, expanding land tax and stamp duty exposure; and
- **More short-stay accommodation properties**, resulting in higher short-stay levy contributions.



An aerial photograph of a winding asphalt road cutting through a dense, lush green forest. The road curves from the top left towards the bottom right, then loops back to the left. A small dark car is visible on the road in the lower-left quadrant. The text is centered over the road.

**They're the differences.
So, how does government
respond?**

\$1.1 billion Peninsula University Hospital



Government Funding Analysis

Federal Financial Assistance Grants

The Victorian Local Government Grants Commission allocates Commonwealth funding to local governments.

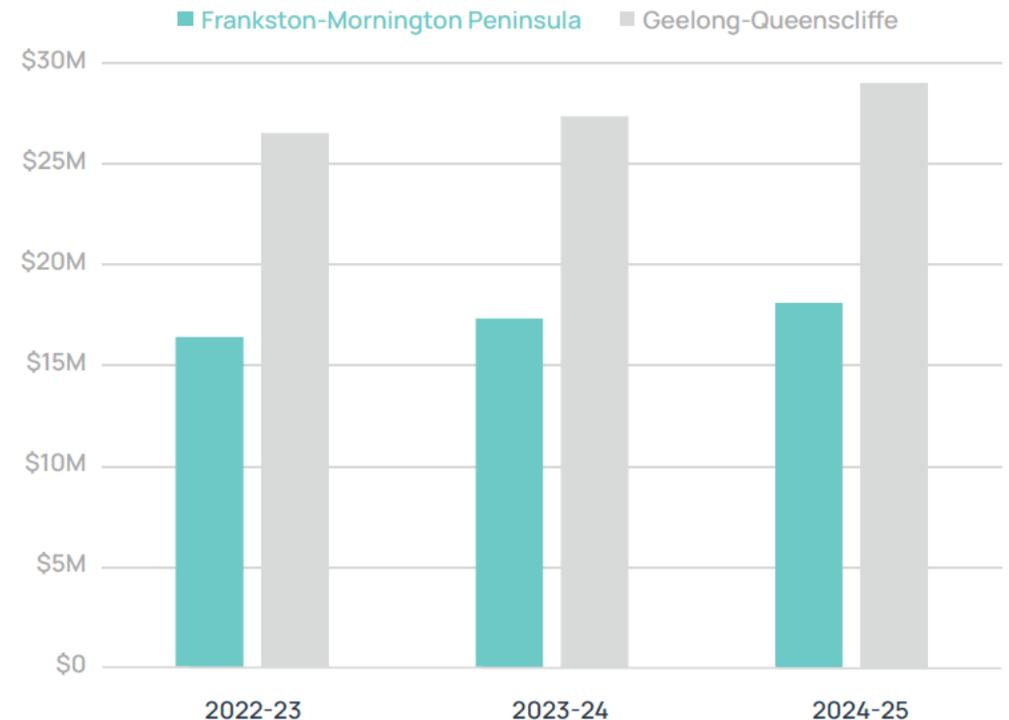
Funds are distributed through an equalisation formula to ensure councils have the capacity to provide a similar standard of services.

Over the past three years, *Greater Geelong* has received a higher level of Financial Assistance Grant funding.

Annually, Frankston Mornington Peninsula receives \$16–17m per year.

Greater Geelong receives \$27–29m a year.
That's an additional 37% to local government.

Figure 6: Federal Financial Assistance Grants, FY23–FY25



Source: VLGGC Annual Allocation Report 2024–25.

Government Funding Analysis

State Government Budget

The peninsula consistently receives a lower level of annual funding than Geelong.

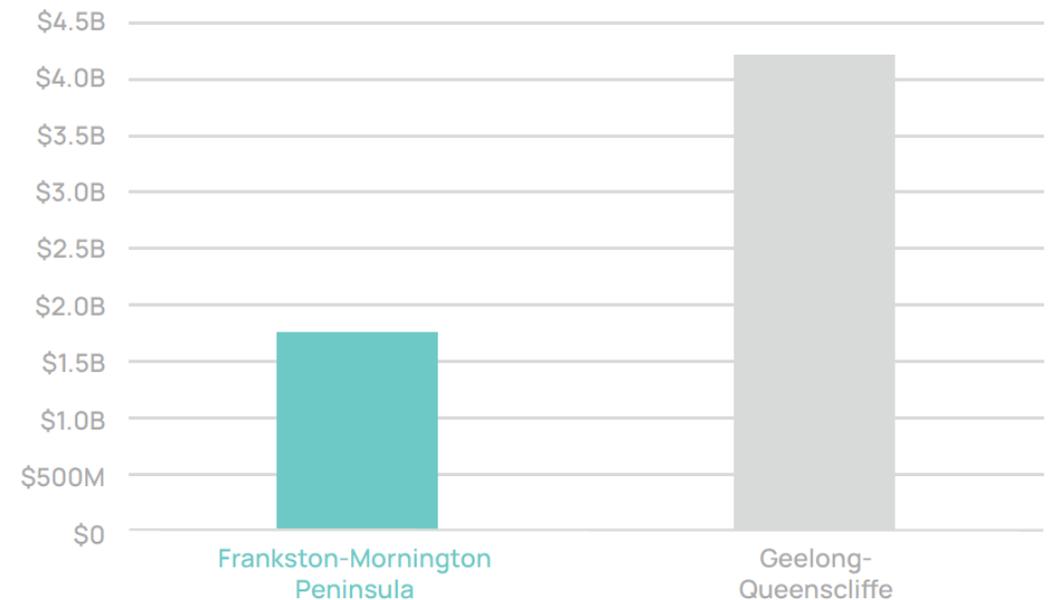
TEI figures from the last three years =

- **\$4.2 billion invested in Geelong**
- **\$1.8 billion invested FMP**

This ratio of 2.3 to 1 is consistent with previous benchmarking undertaken by the Committee.

It reflects a long-term, sustained difference in capital investments between the two regions over successive budget cycles.

Figure 8: Total Estimated Investment, FY23-FY26



Source: Victorian Government State Capital Program, 2023-24 to 2025-26

An aerial photograph of the Twelve Apostles coastline in Victoria, Australia. The image shows the ocean on the left, a rocky coastline with several prominent limestone stacks (the Twelve Apostles) in the middle, and a green peninsula on the right. A road runs along the coast, and a visitor center with a parking lot is visible on the right side. The sky is filled with white and grey clouds.

Per person, the State Government delivers **\$5,600** to residents in Frankston + Mornington Peninsula. It delivers **\$14,400** to residents in Greater Geelong.

Pictured: The \$126 million Twelve Apostles Visitor Experience Centre

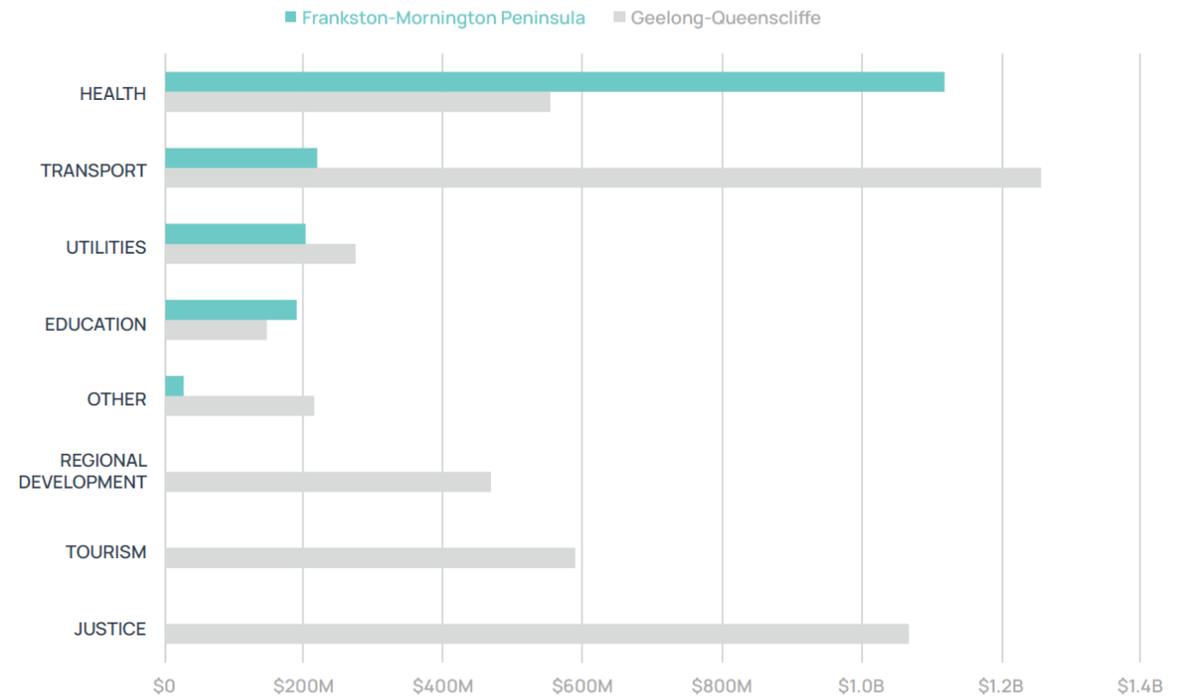
Funding Analysis

The absence of tourism and regional development funding across Frankston and the Mornington Peninsula is a clear difference, particularly given the region's major destination role, and status as one of Victoria's most visited tourism regions.

This is highlighted by significant demand for local transport infrastructure and services, which suggests a stronger case for state government investment here – not less.

Geelong has successfully leveraged its position as a regional city to attract both resident and visitor-led investment projects.

FIGURE 9: TEI BY FUNDING TYPE, FY23-25



Source: Victorian Government State Capital Program, 2023-24 to 2025-26. Note Urban Enterprise has logically grouped projects as seen above.

An aerial photograph of a large marina. A long, narrow pier extends from the bottom left towards the top left, with many boats docked along its length. To the right of this pier, a large rectangular basin is filled with hundreds of small, white motorboats docked in neat rows. The water is a deep blue-green color. In the bottom left corner, some buildings and a parking lot are visible on the shore.

Pictured: The \$10m
'Wangim Walk'
from the Geelong
City Deal

Both regions have benefited from major health investments, but Geelong has attracted a **more diversified capital program** that extends beyond resident services – including investment that enhances the region's economic and tourism capabilities.

Priority Projects

- **Rezoning of Hastings SUZ-1 land**
 - Unlocks new jobs and investment opportunities
 - Address regional shortage of industrial land and diversification of local economy
- **Victorian Renewable Energy Terminal**
 - Major, enabling infrastructure for Victoria's proposed offshore wind industry
 - Local jobs, investment opportunities + Hastings as the clean energy hub of Victoria
- **Improved Visitor Economy Infrastructure**
 - Complete the Peninsula Trail missing links and provide connections to townships, new tourism routes, and generate \$111m of economic benefits.
- **Stony Point Rail uplift**
 - Improve service, reliability and frequency on the already existing Stony point line – supporting calls for expanded rail service to Frankston East precinct

Priority Projects

- **Nepean Boulevard Revitalisation**

- Improve safety, connectivity and public amenity within a key activity area, gateway and destination

- **Transport Upgrades Projects**

- Improve traffic flow, safety and connectivity – supporting future population and economic growth
- Major works to improve the Jetty Rd, Rosebud intersection; Southern Peninsula traffic congestion; and East-West connections linking Western Port and Mornington.

- **Redevelopment of Rosebud Hospital**

- Major need to redevelop the existing hospital which is not fit for purpose.
- Compliment the redevelopment works undertaken at Frankston Hospital.

- **Designated Area Migration Agreement**

- Create tailored migration pathways for industries facing workforce shortages and reduce red tape.



Making our case to decision-makers,
supporting our stories with data, and
forging stronger collaboration between
industry and local government.

**This is what will help us get more
interest and better targeted responses
from Canberra and Spring Street.**

Read the report



Q&A



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