

Submission form: Victoria's draft 30-year infrastructure strategy

Your details

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Organisation (if applicable):	Property Council of Australia (Victorian Division)
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About you

Please tell us which best describes you:

☐ Victorian resident
☐ Victorian business owner/operator
☐ Industry professional
☐ Community organisation representative
☐ Local government representative
☐ State government representative
☐ Researcher
☒ Other (please specify): Industry body representative

Your focus areas

Select the topics or regions you are providing feedback on (select all that apply):

Topics	Regions
☒ Across sectors	☒ Regional Victoria
☒ Circular economy	☒ Urban growth areas
☒ Cities	☒ Melbourne
☐ Climate change	
☒ Community infrastructure	
☐ Education	
☒ Energy	
☐ Freight	
☒ Health	
☒ Housing	
☒ Infrastructure for Victoria's First Peoples	
☒ Transport	
☒ Water	

Your feedback

Add as many sections as you need to provide all your feedback in this submission.

Topic/area:	Victorians have good access to housing, jobs, services and opportunities
Recommendation name:	Build more social housing
Recommendation number:	1
1. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
2. Tell us why	Social housing provides stable accommodation to Victoria's most vulnerable populations. Increasing the supply of dedicated social homes for low-income individuals also decreases demand for affordable housing and market-rate rental accommodation, improving broader affordability.
3. Share any supporting evidence or examples	N/A
4. Include proposed changes and improvements	If the Victorian Government (the government) wants to maximise funding efficiency and boost the supply of social housing, the Property Council recommends: - ensuring full transparency on fund allocation, construction progress, and delivery timelines for the ongoing 'Regional Housing Fund'. Public reporting on annual housing targets and streamline planning and approval processes to fast-track construction must be implemented. - not mandating a proportion of dwellings in new builds as 'social housing'. This will worsen economic feasibility for new projects, restricting the supply of social homes. - facilitating more Turnkey projects to incentivise private development. This enables experienced developers to build homes quickly and efficiently, with eventual sale to government. - developing a long-term plan to fully fund social housing that meets anticipated population growth.

Topic/area:	Victorians have good access to housing, jobs, services and opportunities
Recommendation name:	Rezone locations near existing infrastructure for more home choices

Recommendation number:	7
5. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
6. Tell us why	To service Melbourne’s growing population and reduce infrastructure costs for government, developers, and communities, infill development should remain a key focus for future governments. We support the recommendation to further rezone the inner and middle rings of Melbourne for urban uplift. However, given Victoria’s current tax settings, developers will struggle to meet basic feasibility hurdles for new projects in rezoned activity centre precincts.
7. Share any supporting evidence or examples	A major Melbourne apartment project of several hundred units including 80 affordable housing units that began development before the pandemic, required a rezoning for part of the site, which has incurred a \$6 million windfall gains tax liability. The developer had no way of anticipating the size of the liability given no information is provided on valuation methodology in advance of the windfall gains tax notice being received. There are already very significant challenges in the feasibility of apartment projects including financing challenges and increased construction costs. The \$6 million liability is now jeopardising the future of the entire project and will likely need to be passed through to consumers to ensure the project goes ahead at all. It will also scupper any plans the developer has of offering an increased number of affordable housing units beyond those already slated for inclusion.
8. Include proposed changes and improvements	Windfall Gains Tax (WGT) applies to rezonings that increase land value by more than \$100,000. It encourages landholders to delay housing projects to defer the tax, betting on rising land values and improved market conditions. WGT is a major financial barrier to infill development, reducing project feasibility. For example, councils looking to rezone land to boost housing supply are deterred by the financial burden WGT imposes. To assist with urban uplift, the Property Council recommends: • expanding WGT exemptions for large-scale residential rezonings delivering 50 or more homes of any type. • targeted WGT exemptions for activity centres and SRL precincts. • the establishment of Special Economic Zones (SEZ) in rezoned mixed-use precincts, which provide tax exemptions to developers and landholders (payroll tax,

	land tax, absentee owner surcharge, foreign purchaser additional duty, stamp duty and council rate relief). Incorporating sunset clauses within the enabling legislation would ensure periodic reassessment of the SEZ and allow for recalibration of policy implementation as needed. - the formal acknowledgement of BTR as a distinct asset class and the establishment of a streamlined, state-led planning pathway. This helps attract investment, unlock large-scale housing and provide industry certainty. Effective precinct planning and delivery facilitates liveable communities that provide critical infill housing supply aligned with Melbourne’s growth needs. The Property Council’s 2025 report, <i>Public-Private Partnerships in Precincts</i> provides a detailed analysis of market conditions and best-practice approaches to precinct development. It offers strategic recommendations to improve outcomes applicable to future infill precincts, such as activity centres. To achieve better precinct delivery outcomes, the Property Council recommends: Early market collaboration: Engage private-sector partners from the outset to ensure projects are market-ready and viable. Clear government roles and processes: Define responsibilities between government and industry to streamline approvals and avoid inefficiencies. Strategic prioritisation: Establish a clear vision and set objectives for precincts to provide certainty for investors and developers. A single ‘front door’ for proposals: Create a streamlined entry point for market-led proposals, supported by investment-focused leadership. Independent precinct delivery entities: Establish arm’s-length bodies to manage funding, approvals, and long-term planning, ensuring reinvestment into precinct development
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Topic/area:	Victorians have good access to housing, jobs, services and opportunities
Recommendation name:	Mandate more affordable homes near existing infrastructure
Recommendation number:	Future Option
9. Do you support this topic or recommendation?	☐ Yes ☒ No

	☐ In part
10. Tell us why	The Property Council supports policies that drive the expansion of housing supply and recognises the urgent need for further policy measures to bolster the industry's ability to deliver more affordable housing. However, requiring developers to include affordable homes in new developments or make cash contributions will jeopardise economic viability, restricting housing supply overall. Project feasibility in Victoria is already strained due to the current economic climate. Placing further restrictions on developers may prevent new projects altogether.
11. Share any supporting evidence or examples	N/A
12. Include proposed changes and improvements	To incentivise the development of affordable housing further, we recommend implementing the following: • Density Bonus Framework (DBF): Implement a clear DBF for developers with shovel-ready projects that incorporate a specified percentage of affordable housing. This framework should prioritise existing precincts and activity centres while also being accessible to developers in greenfield and regional areas. • Tax Incentives: Offer tax incentives, such as land tax relief, to developers upon reaching construction milestones or completing housing projects that include affordable housing components. This would encourage developers to integrate affordable housing into their projects and achieve timely completion. • Affordability: Subsidies and incentives for developers who look to sell a portion of their residential development as affordable housing defined by specific criteria.

Topic/area:	Victorians have good access to housing, jobs, services and opportunities
Recommendation name:	Phase out residential stamp duties
Recommendation number:	Future Option
13. Do you support this topic or recommendation?	☐ Yes ☐ No ☒ In part

14. Tell us why	In principle, the Property Council supports the abolition of stamp (land transfer) duty fees in Victoria. Stamp duty: • disincentivises property transactions, including older people from downsizing as they are required to pay a considerable fee on any new home purchase. • dissuades potential first-time homebuyers (including younger, lower-income individuals) from participating in the real estate market, as overall home purchasing expenses are greater. • makes it more expensive for people to buy and sell property, reducing overall transactions and the supply of homes available, putting upward pressure on property prices. • adds to the cost of housing projects, sometimes preventing projects altogether.
15. Share any supporting evidence or examples	N/A
16. Include proposed changes and improvements	Given that Stamp Duty is the largest source of revenue for the government, its abolition would represent a significant reduction in Victoria's budget. New government revenue should be found from an alternative source, ideally from a broad base rather than solely levied upon the property sector. It is important that any potential alternative source of revenue is carefully considered, measured and above all, reasonable. The Property Council agrees that a long term, gradual transition is most sensible. However, reform should only be proposed and implemented when economic stability returns to the property market.
Topic/area:	Victorians have good access to housing, jobs, services and opportunities
Recommendation name:	Extend Melbourne's trams to encourage more new homes nearby
Recommendation number:	8
17. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part

18. Tell us why	Building tram extensions in areas that can support new homes will help ease congestion and increase feasibility for medium and high-density living. Currently, market demand for car parking in new dwellings increases the cost of development. Expanding tram extensions will increase housing affordability as new developments can be constructed with fewer parking spaces.
19. Share any supporting evidence or examples	N/A
20. Include proposed changes and improvements	N/A

Topic/area:	Victorians have good access to housing, jobs, services and opportunities
Recommendation name:	Run faster bus services, more often, in Victoria's largest cities
Recommendation number:	9
21. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
22. Tell us why	Increasing the frequency and efficiency of bus services in Victoria's major cities will help ease congestion and foster integrated transport hubs that support higher-density housing. Given the government's ambitious infill targets for Geelong, Ballarat and Bendigo, these regional centres should receive priority public transport investment to support their growth as major economic and commercial hubs.
23. Share any supporting evidence or examples	N/A
24. Include proposed changes and improvements	N/A

Topic/area:	Victorians have good access to housing, jobs, services and opportunities
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Recommendation name:	Build a new bus rapid transit network
Recommendation number:	10
25. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
26. Tell us why	Improving transport connectivity, through bus rapid transit (BRT) networks, will improve the viability and affordability of infill development, boosting housing supply and realising government housing targets.
27. Share any supporting evidence or examples	N/A
28. Include proposed changes and improvements	Whilst the government's 60 activity centres are strategically built around existing public transport infrastructure, connecting bus services from train stations are often lacking. Infill developments located beyond walkable public transport precincts require on-site car parking due to inadequate transport infrastructure, driving up developer costs and reducing housing affordability. To ease congestion pressures and improve medium-density housing affordability across Melbourne, BRT's must be extended to efficiently cater for residential areas.

Topic/area:	Victorians have good access to housing, jobs, services and opportunities
Recommendation name:	Extend metropolitan trains and run more services in Melbourne's west
Recommendation number:	11
29. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
30. Tell us why	Electrifying trains to Melton will free up capacity for more frequent and express V/Line services to Geelong, Ballarat and Bendigo, easing transport pressure on the western growth corridor.

	This critical investment will significantly enhance connection between Melbourne and Victoria's regional centres, improving access to jobs, family and entertainment. By incentivising regional living, Melton's electrification reduces pressure on housing in metropolitan Melbourne, whilst unlocking sustainable development in Melbourne's fastest growing area.
31. Share any supporting evidence or examples	N/A
32. Include proposed changes and improvements	N/A

Topic/area:	Victorians have good access to housing, jobs, services and opportunities
Recommendation name:	Run more bus and coach services in regional Victoria
Recommendation number:	12
33. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
34. Tell us why	Improved bus and coach services support infill development in regional centres and ensures sustainable growth that reduces demand for Melbourne's metropolitan housing market.
35. Share any supporting evidence or examples	N/A
36. Include proposed changes and improvements	Bus and coach connections from major train stations in Geelong (Corio, North Shore, North Geelong, Geelong, South Geelong and Marshall), Ballarat (Ballarat and Wendouree), and Bendigo (Kangaroo Flat, Bendigo and Ipsom) should be prioritised. Improving the efficiency and frequency of routes from existing train stations decreases the need for parking in regional cities, both at stations and new dwellings. This reduces congestion, improves transport efficiency and incentivises medium and high-density living.

Topic/area:	Victorians are healthy and safe
Recommendation name:	Help government schools share their grounds

Recommendation number:	16
37. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
38. Tell us why	As Melbourne's density increases, there will be a greater need for green and open space in established areas. Enabling Victorians to access government school grounds after school hours provides more opportunities to socialise, exercise and access key services. Releasing existing open space to the community can reduce the need for infrastructure contribution fees. The reduction or removal of this additional developer charge will decrease final sale prices, improving housing affordability.
39. Share any supporting evidence or examples	N/A
40. Include proposed changes and improvements	N/A

Topic/area:	Victorians are healthy and safe
Recommendation name:	Better use prisons and invest more in health facilities and transition housing
Recommendation number:	21
41. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
42. Tell us why	Post-release transition housing (PRTH) is a key service that enables former criminals to reintegrate into the community and build stable lives, promoting a stronger, safer Victoria.
43. Share any supporting evidence or examples	N/A
44. Include proposed changes and improvements	Government-owned social housing can be provided temporarily for PRTH. If the government wants to build more social housing that can also be used for PRTH, the Property Council recommends: ensuring full transparency on fund allocation, construction progress, and delivery timelines for the

	ongoing 'Regional Housing Fund'. Public reporting on annual housing targets and streamline planning and approval processes to fast-track construction must be implemented. • not mandating a proportion of dwellings in new builds as 'social housing'. This will worsen economic feasibility for new projects, restricting the supply of social homes. • facilitating more Turnkey projects to incentivise private development. This enables experienced developers to build homes quickly and efficiently, with eventual sale to government. • developing a long-term plan to fully fund social housing that meets anticipated population growth.
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Topic/area:	Aboriginal people have self-determination and equal outcomes to other Victorians
Recommendation name:	Invest in secure homes for Aboriginal Victorians
Recommendation number:	22
45. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
46. Tell us why	The Property Council is committed to our ongoing support for Victoria's indigenous population. Increasing the supply of social homes for Aboriginal Victorians can improve community outcomes, promoting a more inclusive and interconnected Victoria.
47. Share any supporting evidence or examples	N/A
48. Include proposed changes and improvements	If the government wants to maximise funding efficiency and boost the supply of social housing for Aboriginal Victorians, the Property Council recommends: • ensuring full transparency on fund allocation, construction progress, and delivery timelines for the ongoing 'Regional Housing Fund'. Public reporting on annual housing targets and streamline planning and approval processes to fast-track construction must be implemented. • not mandating a proportion of dwellings in new builds as 'social housing'. This will worsen economic feasibility for new projects, restricting the supply of social homes. • facilitating more Turnkey projects to incentivise private development. This enables experienced developers to

	build homes quickly and efficiently, with eventual sale to government. developing a long-term plan to fully fund social housing that meets anticipated population growth.
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Topic/area:	Victoria has a thriving natural environment
Recommendation name:	Plan for and invest in manufactured water
Recommendation number:	Future option
49. Do you support this topic or recommendation?	☐ Yes ☐ No ☒ In part
50. Tell us why	Increasing investment into manufactured water improves Melbourne's long-term sustainability and liveability. However, recent significant challenges within the indigenous cultural heritage protection framework are impacting development capacity and the supply of housing. Whilst the industry is committed to protecting Victoria's indigenous cultural heritage, Victoria must strive for a healthier balance between preserving cultural heritage and enabling positive development outcomes. Any effort to return more water to Traditional Owners and the environment must not undermine the property sector's capacity to deliver homes during a housing crisis. This includes restricting water referral authorities' capacity to deliver critical infrastructure to Melbourne's growth regions.
51. Share any supporting evidence or examples	N/A
52. Include proposed changes and improvements	N/A

Topic/area:	Victoria has a thriving natural environment
Recommendation name:	Better use government land for open space and greenery
Recommendation number:	26
53. Do you support this topic or recommendation?	☒ Yes

	☐ No ☐ In part
54. Tell us why	Open space and greenery improve health and climate outcomes, contributing positively to liveable, thriving and sustainable communities.
55. Share any supporting evidence or examples	N/A
56. Include proposed changes and improvements	To utilise existing open spaces and greenery, we recommend the classification of Special Economic Zones (SEZ) in specific geographic areas with high levels of open space and greenery. SEZ's provide tax exemptions to developers and landholders, including relief from payroll tax, land tax, stamp duty, absentee owner surcharge, foreign purchaser additional duty and council rates. SEZ's incentivise housing development and boost project feasibility in strategic locations, minimising the additional cost of providing additional open space and greenery. SEZ's can provide more equitable access to green space, enabling sustainable development in locations that are best serviced to accommodate additional population growth.

Topic/area:	Victoria is resilient to climate change and other future risks
Recommendation name:	Use new flood maps to revise planning schemes
Recommendation number:	26
57. Do you support this topic or recommendation?	☐ Yes ☐ No ☒ In part
58. Tell us why	Sustainable and layered planning can comprehensively address future risks, providing more certainty to the property industry. This decreases development timeframes, facilitating quicker housing delivery. However, with planning delays currently at all-time highs, the production and application of flood projects to planning schemes may increase development timeframes, worsening Victoria's housing crisis. Victoria must strike an appropriate development balance in high-risk flooding areas, ensuring that risks are appropriately identified and managed, whilst delivering the homes that Victoria needs to boost supply.

59. Share any supporting evidence or examples	N/A
60. Include proposed changes and improvements	N/A

Topic/area:	Victoria is resilient to climate change and other future risks
Recommendation name:	Improve environmental assessments and site selection for energy projects
Recommendation number:	30
61. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
62. Tell us why	The Property Council supports improving environmental assessments (EA) and understands the important role they play in ensuring the protection of Victoria's diverse flora and fauna. Faster EAs will improve development timeframes and affordability, bringing more homes to market at quicker speeds, whilst reducing regulatory hurdles that impose significant holding costs on developers.
63. Share any supporting evidence or examples	In early 2023, the Victorian Grassland Earless Dragon - a species last recorded in 1969 and believed to be extinct - was rediscovered in the wild near Bacchus Marsh. This finding has stalled many patches of urban development in the critical growth area between Geelong and Melton. This has resulted in three years of housing delivery being delayed while ecologists work to survey the area for more Victorian Grassland Earless Dragon habitats and colonies.
64. Include proposed changes and improvements	The Property Council recommends establishing clearer frameworks that allow conservation and development to coexist without unnecessary delays in future developments. Ensuring critical land earmarked for residential and industrial use is not indefinitely stalled by regulatory uncertainty is crucial.

Topic/area:	Victoria is resilient to climate change and other future risks
Recommendation name:	Speed up household energy efficiency and electrification

Recommendation number:	34
65. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
66. Tell us why	The Property Council supports the government's 2023 decision to ban gas connections in new homes and government buildings from 1 January 2024. The shift to all-electric new homes is reducing energy costs for Victorian households at a time when cost of living pressure remains high. Bans on new gas connections provide the property industry with the certainty it needs to deliver zero-carbon-ready buildings that can contribute to Victoria's ambitious emissions reduction and housing targets.
67. Share any supporting evidence or examples	N/A
68. Include proposed changes and improvements	N/A

Topic/area:	Victoria has a high productivity and circular economy
Recommendation name:	Prepare and publish infrastructure sector plans to shape Victoria's cities
Recommendation number:	35
69. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
70. Tell us why	The Property Council supports sector plans that form a long-term vision for infrastructure project funding. Infrastructure sector plans allow Victoria to prioritise projects that are most urgent and beneficial, improving community liveability.
71. Share any supporting evidence or examples	N/A
72. Include proposed changes and improvements	Departments should be provided clear deadlines for the submission of sector plans.

Topic/area:	Victoria has a high productivity and circular economy
Recommendation name:	Prepare for more recycling and waste infrastructure
Recommendation number:	38
73. Do you support this topic or recommendation?	☐ Yes ☐ No ☒ In part
74. Tell us why	The Property Council supports utilising appropriate land for recycling and waste infrastructure. However, any changes to planning controls enabling these facilities to be built with other commercial and industrial land must be subject to significant consultation and scrutiny from relevant stakeholders and the property industry. Investment into recycling and waste infrastructure should complement expanding future industrial land availability. This ensures that Victoria has the relevant industrial infrastructure needed to support an expanding population.
75. Share any supporting evidence or examples	N/A
76. Include proposed changes and improvements	N/A

Topic/area:	Victoria has a high productivity and circular economy
Recommendation name:	Charge people fairly to use roads
Recommendation number:	Future option
77. Do you support this topic or recommendation?	☐ Yes ☒ No ☐ In part
78. Tell us why	The Property Council does not support Infrastructure Victoria's recommended expansion of Melbourne's congestion levy "to include current and future higher density precincts and activity centres". It is unreasonable to require property owners to pay a levy for car parks mandated by the Victorian Planning Provisions. It discourages investment, harms businesses and increases costs for Victorians at a time of economic strain.

	Additionally, the congestion levy compounds an already extensive suite of 15 property taxes, contradicting the government's Economic Growth agenda and increasing uncertainty for investors and developers.
79. Share any supporting evidence or examples	Data¹ suggests that if the levy was passed on to consumers, the average commuter would need to pay an additional \$2,301/year. Given that 27% of vehicles parked in the city are needed for work-related trips during the day, the congestion levy will drive up consumer prices – from supermarket goods to trade services and courier deliveries – by increasing the cost of doing business in the CBD. Off-street parking helps decrease congestion as: • 53% of commuters report that off-street parking saves them driving around searching for on-street parking. • looking for on-street parking contributes 10% towards congestion.
80. Include proposed changes and improvements	The Property Council strongly opposes the government's December 2024 proposal to increase and expand the congestion levy. Its expanded application imposes a significant financial burden and discourages investment without delivering a clear solution to traffic congestion.

Topic/area:	Victoria has a high productivity and circular economy
Recommendation name:	Create and preserve opportunities for future major infrastructure projects
Recommendation number:	43
81. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
82. Tell us why	Victoria needs a comprehensive infrastructure framework to support its growing population. Investing in rail, road and desalination ensures Melbourne remains an attractive and liveable city that accommodates both infill and greenfield development.
83. Share any supporting evidence or examples	N/A

¹ [Victorian Congestion Levy_key facts.pdf](#)

84. Include proposed changes and improvements	Transport and desalination upgrades that support population growth in new greenfields and activity centres should be prioritised over the construction of the Suburban Rail Loop.
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Topic/area:	Victoria has a high productivity and circular economy
Recommendation name:	Reconfigure the City Loop for more frequent and reliable trains
Recommendation number:	Future option
85. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
86. Tell us why	Boosting Melbourne's train capacity reduces car dependency and encourages higher density living in activity centres. By improving the frequency and reliability of its train network, Melbourne supports infill development viability, helping meet the government's 70-30 infill-to-greenfield housing targets.
87. Share any supporting evidence or examples	N/A
88. Include proposed changes and improvements	Given the projected population growth across 60 planned activity centre precincts, reconfiguring the City Loop for more frequent and reliable trains should be prioritised over the construction of the Suburban Rail Loop.

Topic/area:	Victoria has a high productivity and circular economy
Recommendation name:	Extend metropolitan trains to growth areas in Melbourne's north and south-east
Recommendation number:	Future option
89. Do you support this topic or recommendation?	☒ Yes ☐ No ☐ In part
90. Tell us why	Adequate rail infrastructure is crucial, enabling sustainable greenfield growth that helps Victoria build more homes.

	By extending metropolitan train lines in the north and south-east, Melbourne supports greenfield development viability and creates more liveable communities.
91. Share any supporting evidence or examples	N/A
92. Include proposed changes and improvements	Extending metropolitan trains to growth areas in Melbourne's north and south-east should be prioritised over the construction of the Suburban Rail Loop. The Property Council recommends urgently extending the: • Craigieburn line to Donnybrook • Cranbourne line to Clyde

More feedback (optional)

Tell us about infrastructure challenges, gaps or opportunities not covered by the draft strategy. This can include things you think we should add to an existing recommendation, or suggestions for a new recommendation.

Please provide evidence for your suggestions. This can include data, specific examples, cost benefit analyses, surveys, or program evaluations. Also, explain how your suggestions align with the objectives of our draft strategy (see page 11 of the draft strategy).

Suggestions for new recommendations should point towards infrastructure opportunities that can deliver long-term benefits for Victorians. They should also be areas where the Victorian Government has a leading role.