



Plan Melbourne 2017 - 2050

Addendum 2019

Introduction

Melbourne will continue to be a global city of opportunity and choice. This remains the vision for Melbourne as set out in the Victorian Government's land use planning strategy, *Plan Melbourne 2017-2050* (Plan Melbourne). Plan Melbourne outlines how Melbourne's growth and change will be managed over the next three decades while building on Melbourne's legacy of distinctiveness, liveability and sustainability.

Plan Melbourne includes nine principles that underpin a long-term vision for Melbourne; seven outcomes to drive Melbourne as a competitive, liveable and sustainable city; 32 directions setting out how these outcomes can be achieved; and 90 policies outlining how each outcome will be approached, delivered and achieved.

This addendum has been prepared in recognition of changes that have occurred since the release of Plan Melbourne in 2017. It is to be read in addition to the existing Plan Melbourne strategy and

implementation plan. Delivery of the five-year implementation plan is well underway. Plan Melbourne's implementation will be reviewed every five years, with the first review in 2022.

This addendum provides an update on Melbourne's projected population, housing and employment growth and supersedes the projections set out in Plan Melbourne. It also provides an update on key land use and transport planning that has occurred since 2017 that advance the achievement of Plan Melbourne outcomes and directions.

Plan Melbourne acknowledged (page 16 of Plan Melbourne) that it was released while consideration of major infrastructure investments to support the long-term growth of Melbourne was still underway. The infrastructure planning outlined in this addendum align with Plan Melbourne's principles, outcomes and directions and link many of Melbourne's state significant places.

Update on Melbourne's growth

Between 2016 and 2031 metropolitan Melbourne is projected to grow by around 1.6 million people – from a population of 4.7 million to a population of around 6.3 million people. By 2051 the metro Melbourne area is projected to grow to around 8.4 million people. A population increase of this magnitude would require another 1.6 million dwellings.

Projections have been reviewed following consideration of the 2016 census and the most recent data from the Australian Bureau of Statistics. Trends have been running ahead of previous projections and long-term population and dwelling expectations may arrive sooner than anticipated but the overall story of strong growth remains.

Projected employment growth

Metropolitan Melbourne was home to around 2.3 million jobs in 2016 (DELWP, adjusted ABS number). It is estimated that the total number of jobs required across Melbourne by 2031 will be around 3.2 million, and by 2051 around 4.1 million. This will require the provision of another 900,000 jobs by 2031, and another 1.8 million jobs by 2051.

The inner metro region will continue to be a key focus for jobs growth; however it is also anticipated that there will be strong demand for more jobs in Melbourne's growth areas to support population growth.

By 2051, the percentage of Melbourne's population aged 65 and over is projected to increase from 13.7 per cent to 18.5 percent. This demographic change will present significant challenges for community services and infrastructure.

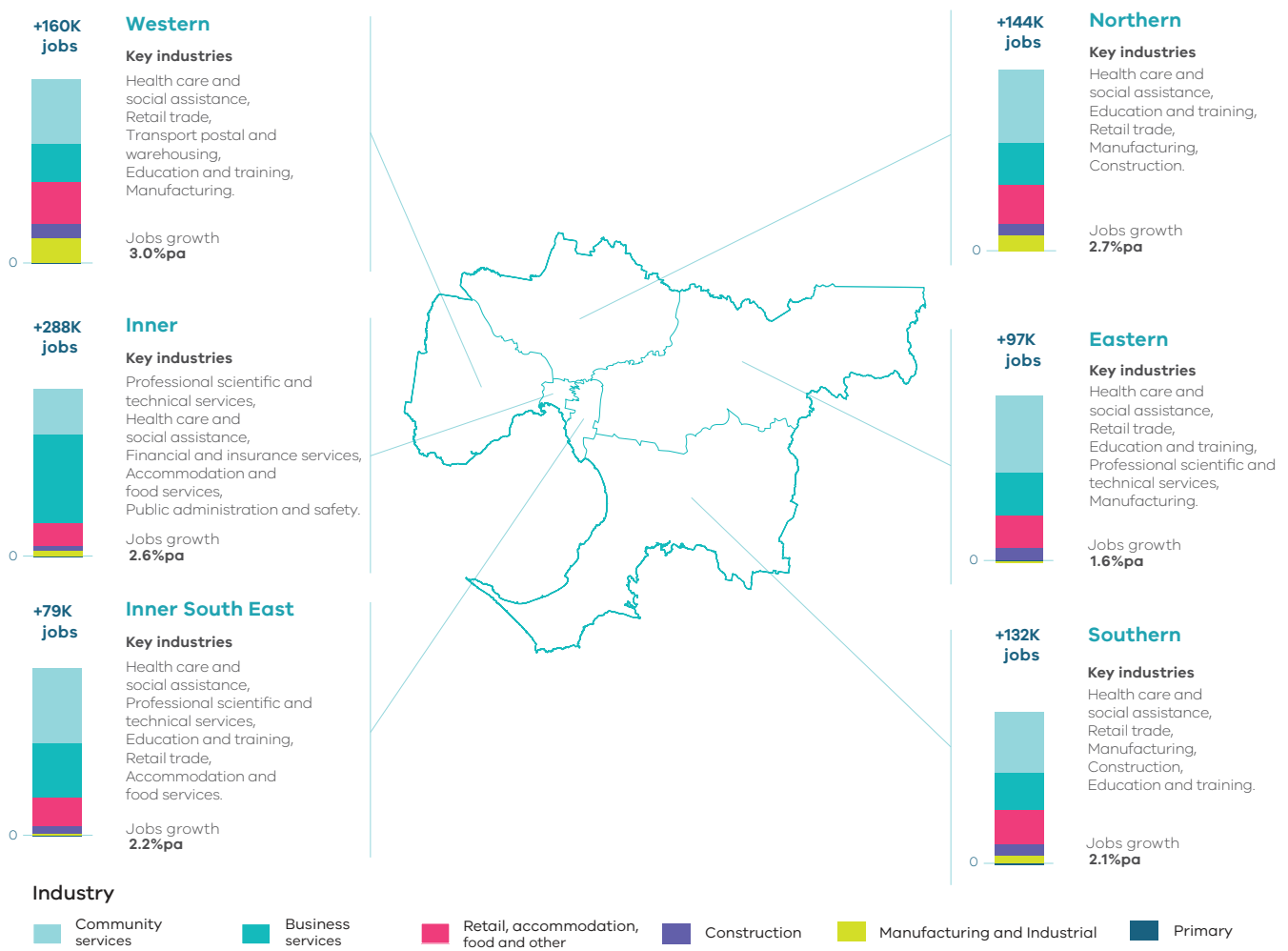
There will also be a greater proportion of lone-person and couple only households, although families with children are expected to continue to be the most common household type. The city will also need to keep up with the needs of the young, with Melbourne's school-age population projected to grow by almost 500,000 by 2051.

There will continue to be strong growth in population serving sectors such as retail trade and accommodation and food services; however, health care and social assistance as well as professional, scientific and technical services will experience the largest growth in jobs between 2016 and 2031.

Across metropolitan Melbourne, traditional industrial sectors such as manufacturing are expected to see very little change in overall job numbers, though the wholesale trade and transport, postal and warehousing sectors will see overall growth.

Figure 1 has been updated since the release of Plan Melbourne and indicates a higher number of jobs will be required across all regions.

Figure 1: Projected employment growth, metropolitan Melbourne, 2016 to 2031



Source: Department of Jobs, Precincts and Regions, internal analysis (2018)

Industrial and commercial land requirements

In order to remain prosperous, Melbourne must remain attractive to investment. This means ensuring well-priced industrial and commercial land is available in locations that can support and strengthen industry as the city grows.

This addendum highlights recent research on industrial and commercial land for Melbourne that was not available in 2017. Strategies to respond to these findings are set out in the draft *Melbourne industrial and commercial land use plan*, which is currently available for public consultation.

Industrial land

While the manufacturing sector is declining as a proportion of all jobs, its contribution to the Victorian economy remains steady at around \$30 billion in 2017–2018. There is also high demand for this land for other industrial uses such as logistics and advanced manufacturing.

Plan Melbourne has clear policies to protect state-significant industrial precincts (SSIPs) from incompatible land uses and identify future industrial land.

Across metropolitan Melbourne, industrial land has been recently consumed at a rate of around 280 hectares a year (Urban Development Program 2018). Approximately 80 per cent of the industrial land consumed was in the Western, Northern, Southern or Officer-Pakenham SSIPs, with the greatest level of consumption in the Western SSIP. The Southern SSIP is likely to exhaust all supply by the mid 2020's. The Western SSIP has approximately 15 years supply of zoned land and only 6 years supply of unzoned land.

Overall, metropolitan Melbourne is estimated to have approximately 23 years supply of zoned land and approximately 15 years supply of unzoned land that has been identified for future industrial purposes.

The Government is committed to protecting green wedges and maintaining the urban growth boundary.

With little opportunity for additional industrial land to be set aside within the urban growth boundary, their ongoing protection and retention for industrial uses will be critical.

Commercial land

Commercial land and corresponding floorspace can be occupied by a range of office, retail, entertainment, food and accommodation uses.

As the population of Melbourne continues to grow and the economy becomes more service-based, it is expected that there will be strong demand for commercial floorspace.

Between now and 2031 it is estimated that approximately 11.9 million square metres of commercial floorspace will be required across metropolitan Melbourne to meet projected demand.

Of this total, 57 per cent would be required for office uses. The inner metro region, and particularly the City of Melbourne will continue to be a key focus for growth.

There is expected to be significant commercial floorspace required in the western, southern and northern regions. Much of this demand will be in growth area municipalities. Just over 1,560 hectares of land has been identified for future commercial purposes through existing growth area plans.

Options to accommodate projected demand for commercial floorspace in other locations will need to be identified within existing commercial areas. Consideration will also need to be given to areas that could be rezoned to accommodate future floorspace requirements.

Integrated land use and transport planning

Updated 2050 Plan for Melbourne

Plan Melbourne acknowledged that Melbourne’s transport system needs the capacity to cope with an additional 10.4 million trips a day by 2050 – up from the current figure of 12.5 million trips per day. Given the new population projections discussed earlier, it is now expected that the transport system will need to cope with an additional 11.8 million trips per day by 2050.

To achieve this, Melbourne needs a huge, well planned investment that enables the city to grow while meeting these transport challenges.

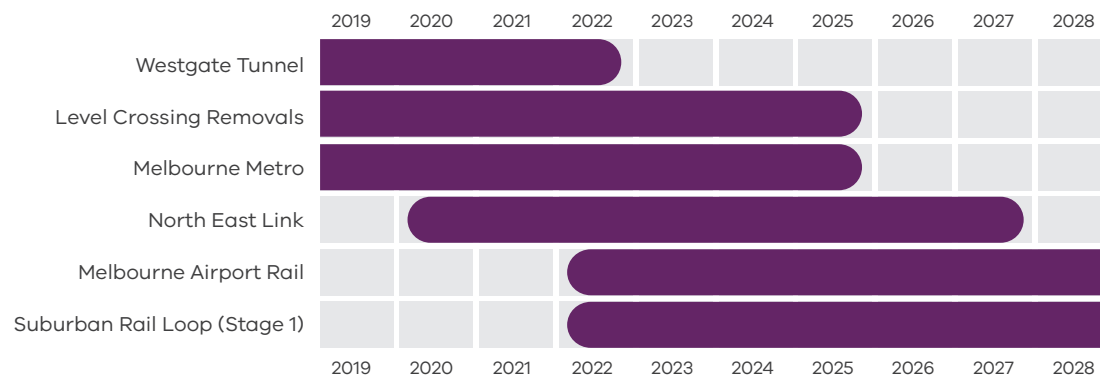
Plan Melbourne already sets out in its land use policies that a key solution to meeting trip demand across the transport network is land use change across the city that ensure integration of land use and transport planning. New and different services on existing infrastructure will also play an important role in moving people and goods.

The updated 2050 plan (Map 1) sets out the commitments that the Government has made to build Melbourne Airport Rail (MAR) and North-East Link and introduces Suburban Rail Loop. It also acknowledges the early investigation of new projects, including the elements of the Western Rail Plan beyond completion of MAR.

The Government will continue to assess the movement and access requirements across Victoria. Additional projects may be identified in future years beyond what is currently listed. The 2050 map may be updated again as necessary.

These major infrastructure investments, aligned with land use changes, will enable the development of Melbourne to manage the projected population growth and change. These projects will be rolled out progressively over decades as set out in Figure 2.

Figure 2 – sequencing of transport projects



Source: Department of Environment, Land, Water and Planning

Map 1 – Melbourne 2050 spatial framework



Source: Department of Environment, Land, Water and Planning

Suburban Rail Loop

Melbourne's radial transport network faces pressure into the future as population growth continues in the outer fringes of Melbourne. To support the distribution of population and employment in line with Plan Melbourne, further evolution of the transport network is required. Suburban Rail Loop will connect people to jobs outside of the central business district by supporting the consolidation of these into precincts underpinned by rail and will contribute to managing population growth by providing housing choice in the right places close to jobs and services.

Suburban Rail Loop includes a new orbital rail line connecting every major railway line from the Frankston line to the Werribee line, with a connection to Melbourne Airport, and includes several new stations and integrated precinct development. It will provide a more efficient transport system, providing better access to employment, health, education and activity centres and allowing more people to live, work and access services in precincts linked by public transport.

The proposed corridor through Melbourne's middle suburbs provides the greatest opportunity to establish a direct rail connection between Melbourne's major employment, health, and education precincts and activity centres outside the central business district.

Suburban Rail Loop will assist with the creation of jobs, estimated at 20,000 new jobs during construction. It will also boost Victoria's economy with investment in growth precincts as well as travel time savings across Melbourne.

Suburban Rail Loop will connect places that will be the focus for public and private investment. It will connect Melbourne's middle suburbs to growth precincts, and link all Victorians to major health, education and employment centres,

including the Monash, La Trobe, Sunshine and Werribee National Employment and Innovation Clusters, Melbourne Airport, Deakin University at Burwood and the Metropolitan Activity Centres in Box Hill and Broadmeadows.

Three new transport super hubs will connect regional passengers to the Suburban Rail Loop, providing all Victorians with better access to economic opportunities as well as world-class education and health services.

Suburban Rail Loop supports the key principles that underpin Plan Melbourne and in particular: a globally connected and competitive city; a city of centres; social and economic participation; and infrastructure investment that supports balanced city growth.

Suburban Rail Loop aligns with the relevant outcomes and directions set out in Plan Melbourne, such as supporting Melbourne to be a productive city that attracts investment (outcome 1) and ensuring Melbourne has an integrated transport system that connects people to jobs and services (outcome 3).

There are also several outcomes and related directions that will need to be considered as part of the planning, design and delivery of the project. These include ensuring Melbourne is a sustainable and resilient city (outcome 6) and a distinctive and liveable city (outcome 4), particularly by adopting a strong place-making approach, ensuring design excellence and respecting Melbourne's heritage.

Suburban Rail Loop precincts will also contribute to the directions under outcome 5 to make Melbourne a city of inclusive, vibrant and healthy neighbourhoods, including the development of 20-minute neighbourhoods and improving local connectivity with mass public transport connections.

State significant places – implications of Suburban Rail Loop

Suburban Rail Loop is a program of investments that will lead to an integrated rail and precincts outcome. It includes consideration of place-based investment and changes in precincts around new train stations.

This aligns with Plan Melbourne policy which requires a precinct-wide approach in planning for new development and investment opportunities on the existing and planned public transport network, thus maximising the benefits of this infrastructure.

The project will enable Melbourne to grow in strategic precincts along the project corridor, with a focus on creating places that offer great liveability, productivity and connectivity. Many of the precincts identified are already listed as state significant places in Plan Melbourne.

Planning and delivery of precincts will be undertaken in accordance with the outcomes, directions and policies contained in Plan Melbourne, including consideration of the additional information provided in this addendum on planning for industrial and commercial land and incorporating the 20-minute neighbourhood hallmarks.

While Suburban Rail Loop precincts are focussed around the new rail corridor, the accessibility offered by the project will change the shape of the city, including attracting greater investment along connecting rail corridors.

The land use implications of Suburban Rail Loop will be reflected in more detail in the relevant metropolitan regional land use framework plans (action 1 in the Plan Melbourne implementation plan).

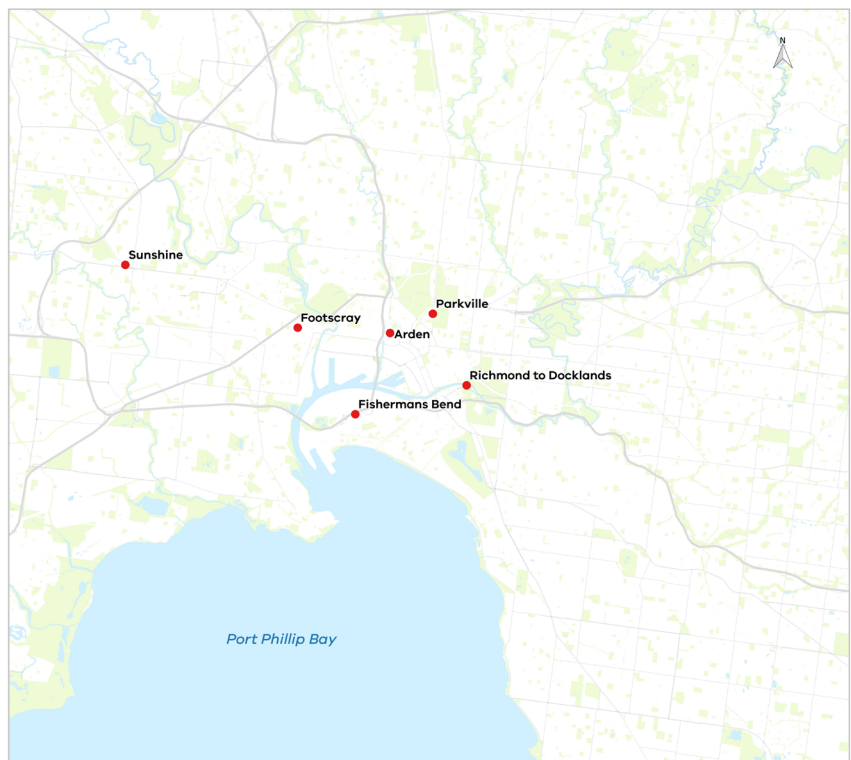
Priority precincts

A key means of achieving the ambitions in Plan Melbourne is through the development of Victoria's priority precincts. These are a selection of the state significant places designated in Plan Melbourne. These locations have been identified as priority precincts to accommodate major population growth, catalyse economic activity and maximise the value of government investments for the community. The initial priority precincts are:

- Arden
- Fishermans Bend
- Footscray
- Parkville
- Richmond to Docklands
- Sunshine

By identifying Victoria's priority precincts, the Victorian Government is sending a signal to the community, our federal and local government partners, and industry about where the Government will be putting in extra effort to make sure these places grow and excel. These locations are reflected in the Melbourne 2050 Spatial Framework (page 14-15 in Plan Melbourne). While some areas have been identified as priority precincts, it does not change the status of other state significant places that will remain a focus for investment, such as through the delivery of Suburban Rail Loop and other transport improvements.

Map 2 - Priority Precincts



Legend

- Priority Precinct
- State significant road corridor
- Road
- Waterway
- Water body
- Public Open Space

2.5 0 2.5 5 7.5 10 km

Source: Department of Jobs, Precincts and Regions

20-minute neighbourhoods

Plan Melbourne seeks to embed an approach to 20-minute neighbourhoods in major infrastructure projects, including Suburban Rail Loop and the removal of level crossings. This will ensure that surrounding communities benefit from the coordinated planning of state and local infrastructure.

A place-based community partnership approach to developing 20-minute neighbourhoods has been recently tested through a pilot program. It reinforced the importance of 20-minute neighbourhoods as a concept and the 'hallmarks' (set out on page 98 of Plan Melbourne) as the framework to deliver planning for places.

The program was an opportunity for all levels of government to collaborate and work with communities to address local transport, health, environmental and economic issues. Creating well designed pedestrian friendly neighbourhoods was a priority for communities in the program.

This approach will be modelled in the delivery of state infrastructure projects to ensure the wider planning around investment is effective, delivers whole-of-government state policy and ensures that communities are partners in delivery.

Embedding the 20-minute neighbourhoods 'hallmarks' into major infrastructure projects will ensure that there is a coordinated outcomes framework to deliver more inclusive, vibrant and healthy neighbourhoods as part of all major infrastructure investments.

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