

A 10-year plan for industrial land

/ NOVEMBER 2025



ACKNOWLEDGEMENT OF COUNTRY

We proudly acknowledge Victoria's First Peoples

We proudly acknowledge the First Peoples of Victoria and their ongoing strength in practising the world's oldest living and continuous culture. For generations, First Peoples have built and maintained thriving economies through connections to land, water and resources. We pay our respects to Elders past and present.



Description of artwork

Aaron (Gunaikurnai) 'Movements Between the Five Clans' 2019, acrylic on canvas.

'The tracks are going between the five clans of the Gunaikurnai and the hands are the symbols of my spirit travelling around the campsites.'

This artwork was created through programs provided by the Torch. The Torch provides art, cultural and arts industry support to Indigenous offenders and ex-offenders in Victoria. The Torch aims to reduce the rate of re-offending by encouraging the exploration of identity and culture through art programs to define new pathways upon release.

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Cover photo: 4Ten Epping Industrial Estate

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UNLOCKING INDUSTRIAL LAND FOR LONG-TERM GROWTH

Victoria is growing – and so is demand for well-located and affordable industrial land. The 10-year plan for industrial land is Victoria’s roadmap to meet this demand.

Industrial land drives economic activity and jobs growth. It provides space to manufacture and move goods, process materials and deliver essential services a growing population depend on.

Land values more than doubled in some areas during COVID-19, with strong demand and shortage of effective supply in key markets across metropolitan Melbourne contributing to ongoing industry concerns.

Since 2023, land values eased in most markets driven by downward pressure from escalated construction and debt costs but rents continue to rise and vacancy rates remain low.

Demand is forecast to continue growing based on indicators including industry, employment and population growth, land supply, market dynamics, policy, infrastructure delivery and freight.

Melbourne’s industrial land take-up is projected at 330 hectares each year over the next decade. This is higher than the historic 10-year average (302 hectares) but consistent with the historic 5-year average (323 hectares). The forecast assumes no loss of existing industrial land.

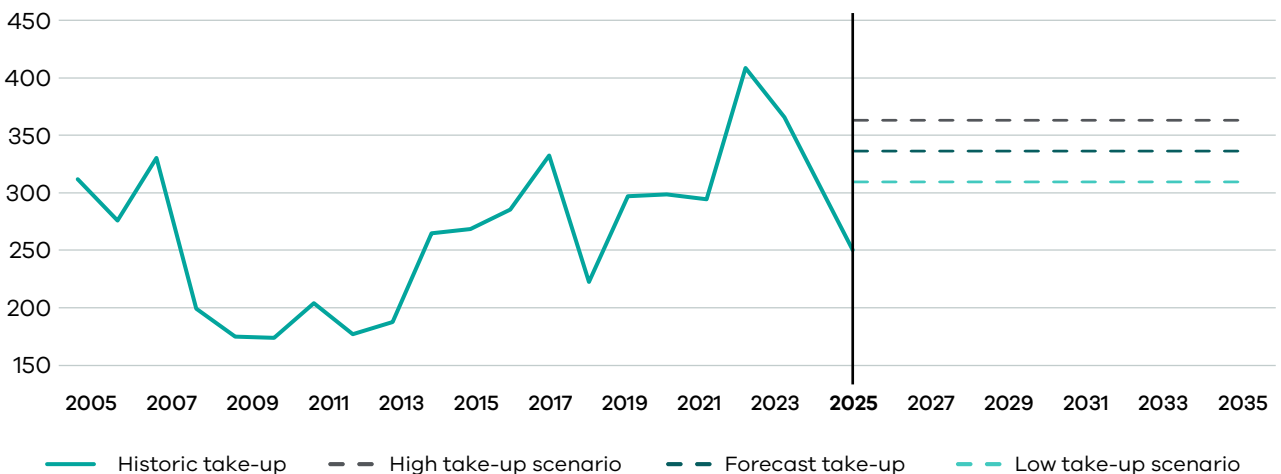
Based on forecast take-up, existing and future supply can accommodate 38 years of development, but realising the economic benefits of remaining supply requires timely and well-coordinated planning and infrastructure delivery.

In regional Victoria, industrial precincts play a key role in economic development. They can also take pressure off supply in metropolitan markets in peri-urban areas well connected to the freight network.

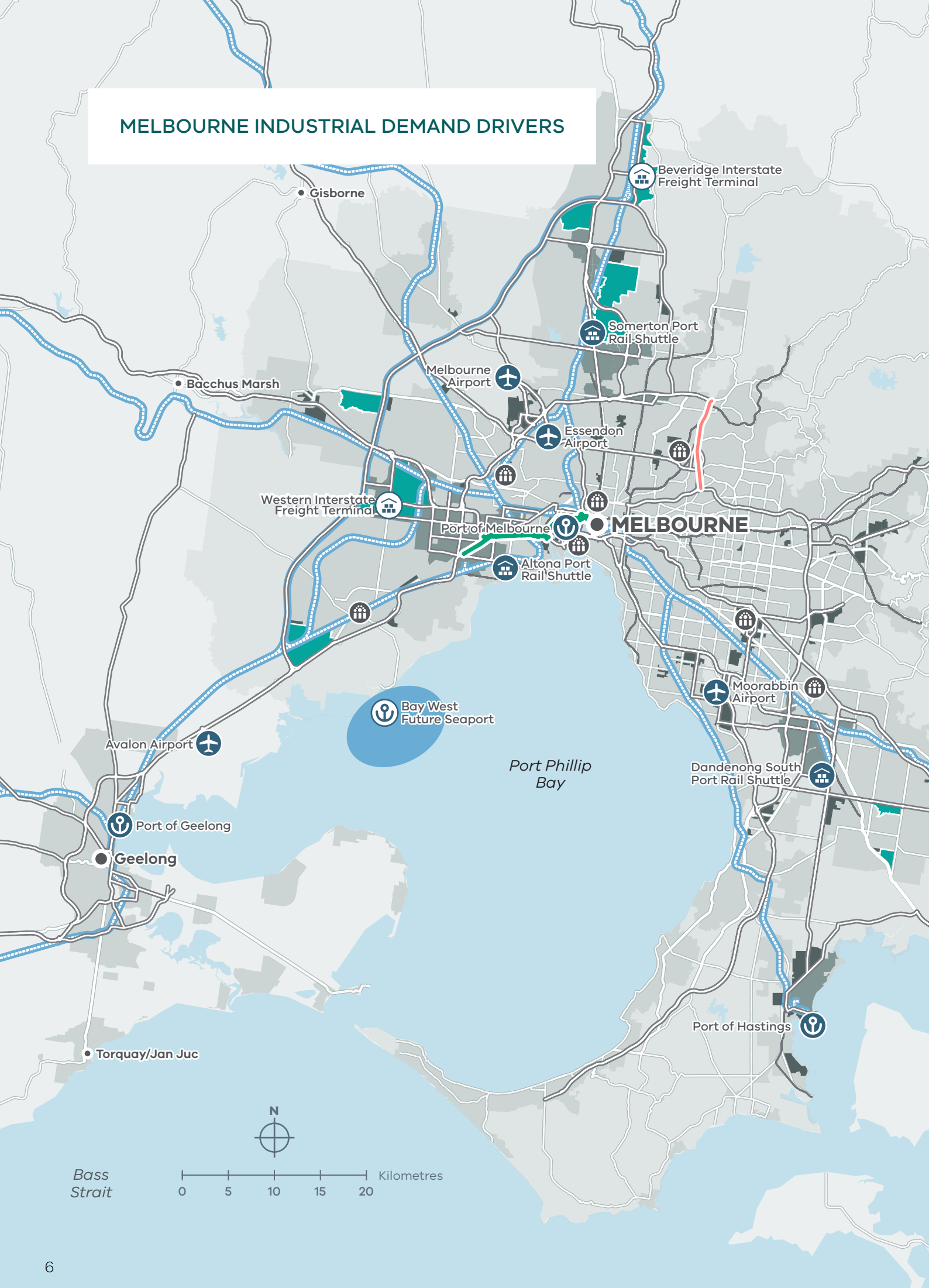
This plan outlines the actions we’ll take over the next decade to address barriers and accelerate planning processes to bring supply online sooner – supported by infrastructure – to give businesses certainty they can invest, expand and innovate with confidence in Victoria.















It implements the Government’s Economic Growth Statement, Victorian Industry Policy, Plan for Victoria and Victorian Freight Plan, action to deliver a 10-year plan for unlocking industrial land and builds on the Melbourne Industrial Commercial and Industrial Land Use Plan, Victorian Commercial Ports Strategy and the Victorian Recycling Infrastructure Plan.

Melbourne industrial land take-up



MELBOURNE INDUSTRIAL DEMAND DRIVERS



-  Employment and Innovation Area
-  Rail Network
-  Principal Freight Network - Rail
-  Principal Freight Network - Road
-  State-significant Road Corridor
-  Urban Area
-  Melbourne metropolitan region
-  State-significant Industrial Precinct
-  Regionally-significant Industrial Precinct
- Future Access and Employment**
-  Bay West Port (Indicative)
-  Intermodal Freight Terminal (Indicative)
-  Future Employment Precincts
-  North East Link
-  Westgate Tunnel

NORTHERN

- The Northern region is expected to play a key role in accommodating demand, with growing levels of take-up, future rezoning of precincts including Northern Freight and Merrifield North, and delivery of key supporting infrastructure.
- Delivery of the Beveridge Interstate Freight Terminal (BIFT) in the Northern Freight precinct will connect Victoria's intermodal precincts to a national network, from Melbourne to Brisbane via regional Victoria through the Commonwealth's Inland Rail Project, linking local industries to national and global markets.

SOUTHERN

- High take up and low vacancy rates in the Greater Dandenong area indicate strong demand, however there is no future unzoned supply in the Southern SSIP to accommodate growth. It's critical that existing industrial land in this region is protected and preserved.
- The Pakenham/Officer State Significant Industrial Precinct and land unlocked through rezoning Special Use Zone land in Hastings is anticipated to accommodate more demand in the Southern region over time.

EASTERN

- Existing supply needs to be safeguarded in the Eastern region, which has only zoned 82 hectares available and no future unzoned supply.
- North East Link will provide faster and more reliable travel times for freight movements, reducing travel times by up to 35 minutes, and \$427 million of economic value each year from better freight connectivity.

WESTERN

- Since 2014, Melbourne's Western region has accounted for more than half the floorspace leased and constructed across Melbourne. The West is forecast to maintain a key role in accommodating demand.
- The future Western Interstate Freight Terminal (WIFT) and surrounding industrial precincts including Derrimut Fields, and unlocking Special Use Zone Land in Altona North will support continued growth of freight and logistics in the west.
- The West Gate Tunnel will provide a vital alternative to the West Gate Bridge, safeguarding our key economic corridor accessing the Port of Melbourne.

INNER / INNER SOUTH EAST

- It's likely industrial land uses will intensify in inner areas to make more efficient use of limited supply, such as through multi-storey warehousing.
- Renewal of post-industrial areas in inner Melbourne can provide new employment opportunities and services to support growing housing and population densities.
- AI factories can play a key role in driving innovation in inner Melbourne areas well connected to communications infrastructure, like NEXTDC's future \$2 billion AI factory and Technology Campus in Fishermans Bend.

PLANNING FOR GROWTH: UNLOCKING FUTURE SUPPLY

The *10-year plan for Melbourne's greenfields* provides a pipeline of employment precinct planning. This enables industry and government to plan and invest with certainty, with better sequencing of development coordinated with infrastructure delivery.

A total of 5,805 hectares of unzoned greenfield land is identified as future supply. Of this, 3,415 hectares will be added in State Significant Industrial Precincts (SSIPs). These areas will be protected from incompatible uses to support future industrial growth.

This land will be unlocked for industrial use through precinct planning, alongside other uses like infrastructure and conservation.



WHAT WE'RE DOING

- Delivering the 10-year plan for Melbourne's greenfields: planning 14 employment precincts over three horizons, with Officer South already gazetted in February 2025.
- Enabling early rezoning of part or all of unzoned industrial PSPs through the Industrial Land Gateway Service, where planning and infrastructure requirements can be met.
- Bringing forward planning of the Merrifield North and Derrimut Fields precincts.
- Ensuring infrastructure keeps pace with development through staging of future precincts and their road and rail connections.



WHAT WE'LL DO

- Pilot updated planning processes for industrial precincts to unlock land faster and cut red tape.
- Identify options for new supply within Melbourne's Urban Growth boundary, such as areas where land use is yet to be determined.
- Consider bringing forward rezoning proposals for industrial land leveraging access to the Principal Freight Network where there is significant co-investment or third party funding for infrastructure.
- Work in partnership with the Commonwealth Government and Melton City Council to plan for the longer term development of the Western Interstate Freight Terminal and adjacent industrial land.

Future greenfield industrial precincts

PRECINCT	CAPACITY FOR JOBS ¹
Completed in 2024-25	
Officer South Employment	22,000
Under preparation or commencing in 2025-26	
Casey Fields South (Employment)	4,300
Croskell (Employment)	6,900
Northern Freight	14,300
Merrifield North	4,700
Derrimut Fields	7,100
Commencing between 2026-27 and 2028-29, completion by 2033	
Cardinia Road Employment (Part 2)	1,500
Pakenham West Employment	2,100
Warrawee	1,200
Wallan East (Part 2)	3,300
Commencing between 2029-30 and 2033-34	
Chartwell East	5,500
Mambourin East	3,900
Werribee Junction	7,800
Cooper Street West	1,200
To be programmed 2034-35	
Craigieburn South Employment Area	2,200
Northern Quarries	11,600
Ravenhall (Quarry site)	1,500

Melbourne future industrial land supply

REGION	FUTURE SUPPLY – UNZONED (HA)
Northern	2,487
Northern SSIP	1,736
Southern	1,219
Southern SSIP	0 ²
Pakenham/Officer SSIP	687
Hastings SSIP	0 ²
Eastern	0²
Western	2,099
Western SSIP	992
Inner Metro	0²
Inner South East	0²
TOTAL	5,805

Source: DTP Internal analysis 2025

- Capacity for jobs is an estimate based on current information. They are subject to revision as precinct planning progresses and developable area is refined.
- Areas with no available future unzoned supply will be supported by unlocking zoned land such as rezoning SUZ land in the Hastings SSIP, ensuring protection of existing supply, and accommodating demand in other areas.

WHAT DOES A MODERN INDUSTRIAL PARK LOOK LIKE?

Victoria's industrial footprint is evolving in response to changing demand drivers. Growth in e-commerce is driving demand for warehouses and distribution centres, while advanced manufacturing, automation and AI are increasing productivity.

In the right locations, traditional industrial uses increasingly co-locate with ancillary and consumer uses like services, hospitality, offices, retail and short-term accommodation.

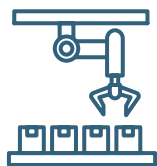
Modern industrial precincts are designed to create welcoming environments for workers and visitors. This includes high quality design and landscaping, public spaces and walking paths, wayfinding signage, lighting and security, and natural light integration into work spaces.

As Victoria transitions to net zero, modern industrial precincts will be powered sustainably by renewable energy.

AI is booming and data centres are the foundation of the digital economy. Availability of well-located and serviced industrial land in Melbourne is essential to support sector growth, offering ready access to skilled workers and proximity to clients advanced education and research services. The Victorian Government is working to ensure that the energy and water needs of the sector can be sustainably met.

Advancing Victorian industry to drive innovation and economic growth

The *Victorian Industry Policy* identifies key focus areas that will impact future industrial land use:



- Developing emerging industries and assessing the potential of enabling technologies including critical minerals, circular economy, wind energy, hydrogen and biomethane, low carbon products, health technologies and defence.
- Modernising Victorian industry through technology adoption and innovation to boost competitiveness and productivity, house a growing population through Modern Methods of Construction, and modernise Victorian manufacturing, with an emphasis on food, chemical, composites, polymers and rubber, and machinery and transport equipment.
- Supporting industry through the energy transition with a focus on freight transport and manufacturing of food, machinery and transport equipment, fabricated metal, composites, polymers and rubber and pulp and converted paper.



Hart Precinct, Essendon Fields

The 30-hectare Hart Precinct at Essendon Fields is a hub for advanced manufacturing, logistics, and sustainable industry with direct access to transport and amenity. In 2025, Modscape relocated to a 20,000 sqm purpose-built facility on-site, delivering modular projects using Modern Methods of Construction. The precinct features high-quality design, landscaping, and security, with workers benefiting from the broader 305 hectare mixed-use area that hosts 330+ businesses and 6,000 jobs.



Built for industry, designed for place

LOGIS Eco-Industrial Park in Victoria's first fully integrated eco-industrial business park located on 154 hectares of industrial land (IN3Z & IN1Z) in Dandenong, delivered by Development Victoria and Melbourne Water. It features highly flexible lots, active transport connections, 18 hectares public open space, community facilities, Water Sensitive Urban Design and Integrated Water Management.

ENABLING DEVELOPMENT ON EXISTING INDUSTRIAL LAND

There are **26,266** hectares of zoned industrial land across metropolitan Melbourne. This includes **6,971** hectares intended for future development, made up of **4,505** hectares vacant land and **2,567** hectares with a non-industrial use. However, it's not all shovel ready.

We hear from industry that supply is constrained with servicing, infrastructure shortfalls, land fragmentation, planning and regulatory issues identified as barriers to development. Delays to road and rail connections are inhibiting planning processes and delaying development.

To better enable development, we'll review how we plan and fund key enabling infrastructure like road and rail connections through industrial growth corridors – including through co-investment with industry.

Victoria's growth will continue, but land supply is finite. We can make better use of existing industrial land through more coordinated infrastructure delivery and through higher-density development such as multi-storey warehousing.

We're working across government and with industry to address barriers, facilitate development and make better use of supply.



WHAT WE'RE DOING

- Providing dedicated facilitation support to businesses looking to invest in Victoria through the Investment Gateway and the work of the Investment Coordinator General.
- The Greenfield Subdivision Concierge service is working in partnership with councils and industry to unlock zoned greenfield land.
- Fast tracking approvals and unlocking strategic sites through the Development Facilitation Program.
- Rezoning 1,100 hectares of Special Use Zone land in Altona & Altona North to an industrial zone that supports industry and jobs growth.
- Reviewing the zoning of up to 2,200 hectares in Hastings – currently restricted under Special Use Zoning – unlocking it for new and growing businesses.



WHAT WE'LL DO

- Prepare 10 hectares of surplus government land in Melbourne's industrial areas for release to market and review further opportunities on surplus or underutilised government land in industrial areas.
- Engage with industry to develop options for approximately 51.5 ha of vacant government industrial land next to the Melbourne Market in Epping.
- Rezone inner west industrial land in Brooklyn, Tottenham and West Footscray to an alternative employment zone to support the relocation of container businesses as part of the West Gate Tunnel Project, alongside unlocking land better suited for freight business in the west, such as Altona North and Derrimut Fields.
- Identify further options for supply in peri-urban areas in consultation with stakeholders.

Services to enable development of industrial land



Melbourne zoned available industrial land supply (ha)

REGION	VACANT	NON-INDUSTRIAL USE ³	TOTAL
Northern	1,069	446	1,515
Northern SSIP	838	178	1,016
Southern	1,770	1,770	3,540
Southern SSIP	153	54	207
Pakenham/Officer SSIP	376	109	485
Hastings SSIP	553	542	1,095
Eastern	72	10	82
Western	1,473	335	1,808
Western SSIP	803	111	915
Inner Metro	19	4	24
Inner South East	2	0	2
TOTAL	4,405	2,567	6,971

Source: DTP Internal analysis 2025

3. Land zoned for industrial use with an existing use that isn't industrial, such as residential buildings and agricultural infrastructure.

FUTURE PROOFING FREIGHT AND LOGISTICS PRECINCTS

Victoria is Australia's freight and logistics capital, generating more jobs and economic growth from freight than any other state.

Ensuring supply of industrial land for modern freight precincts will help maintain Victoria's position as the national hub, supporting a world-class freight and logistics industry.

To meet the growing freight task, we're better aligning industrial land use with the freight network – ensuring it is fit for purpose and has the gateway capacity to meet current and future needs.

Victoria Delivers: Victorian Freight Plan 2025-30 sets the vision for the freight system to protect and strengthen Victoria's competitive advantage, to enhance Victoria's liveability and economic prosperity.

It includes key planning actions for industrial land:

- Implement a planning referral arrangement for areas around the future Bay West port, to ensure it's protected from encroachment that could risk its future delivery.
- Update the Victorian Planning Provisions to protect key gateways (intermodal terminals and commercial ports) from encroachment.

Supporting change in Melbourne's west



The West Gate Tunnel, is set to open in 2025, providing a direct connection from the West Gate Freeway to the Port of Melbourne and CityLink. This new alternative will take thousands of trucks off residential streets in the inner west where 24-hour no-truck zones will be introduced.

Most freight movements to and from the Port will be improved by this direct freeway connection, but the inner west areas in Brooklyn, Tottenham and West Footscray won't be as suitable for container logistics anymore. We're working with these businesses to support the transition and unlocking land better suited for freight business in the west in Altona North and Derrimut Fields.

Change in the inner west creates an opportunity for regeneration of industrial land to provide more jobs in the growing Tottenham and West Footscray activity centres.

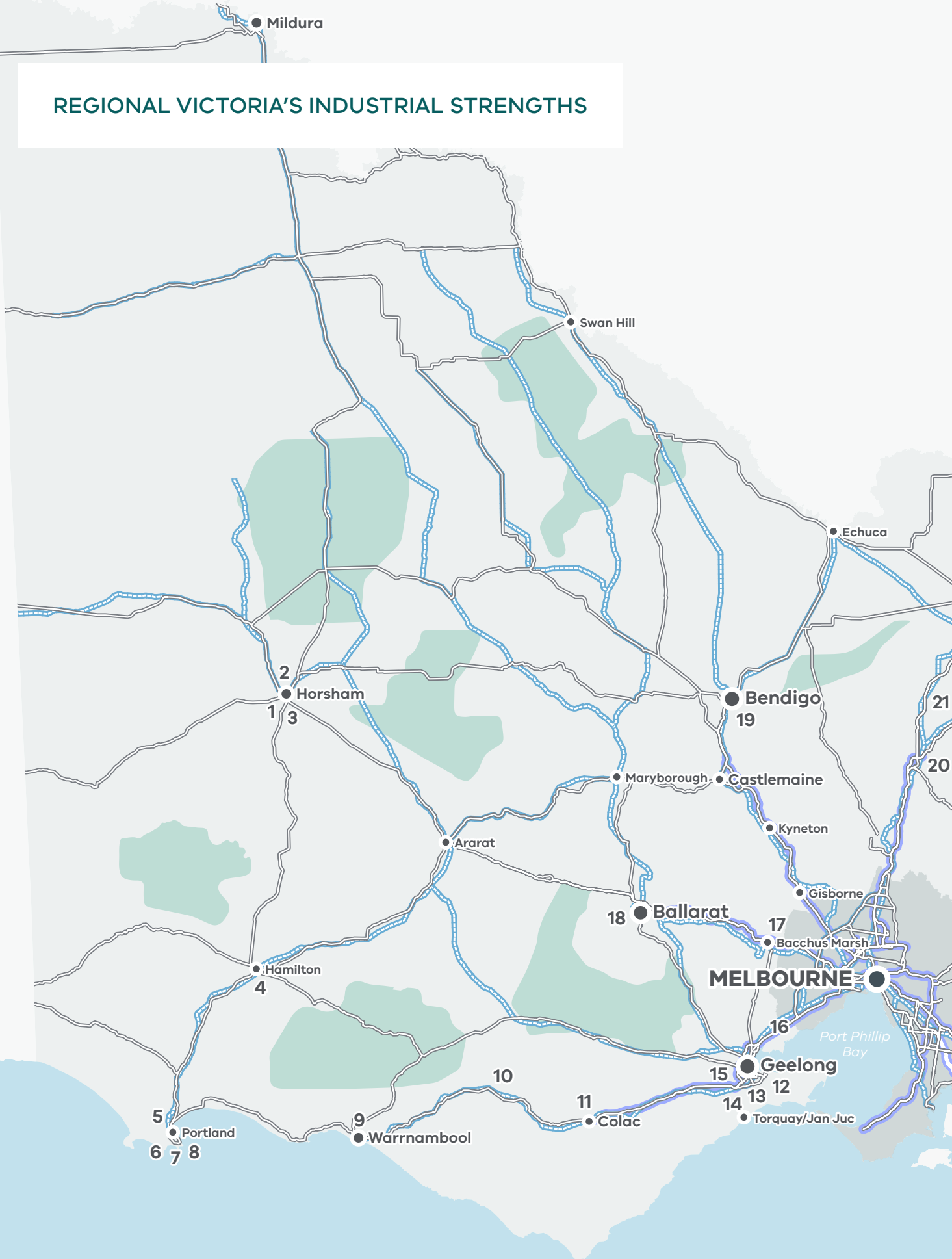


Nexus, Dandenong South



Nexus Dandenong South is a 180- hectare IN1Z master planned industrial precinct that is home to 18 major local and international brands including Bunnings, Martin Brower, Walkinshaw, Schneider Electrical and Beaumont Tiles, and the future Dandenong South Intermodal Terminal.

REGIONAL VICTORIA'S INDUSTRIAL STRENGTHS



Regional Employment Projects and Precincts

1. Horsham WAL Hub
2. Enterprise Estate
3. ID Burnt Creek Industrial Estate
4. Hamilton Industrial Precinct
5. Portland North Employment Precinct
6. Central Portland Employment Precinct
7. Madeira-Packet Employment Precinct
8. South Portland Heavy Industrial Precinct
9. Warrnambool Regional Airport Precinct
10. Camperdown Production Precinct
11. Colac East Industrial Precinct (J Barrys Road)
12. Geelong Future Economy Precinct
13. Geelong Port Renewable Energy Precinct
14. Pivot City Innovation District
15. Geelong Ring Road Employment Precinct
16. Greater Avalon Employment Precinct
17. Parwan Employment Precinct
18. Ballarat West Employment Zone
19. Bendigo Regional Employment Precinct
20. Hilldene Employment Precinct
21. Nagambie Employment Precinct
23. GVLink
24. Logic Wodonga
25. Longwarry Logistics and Employment Hub
26. Gippsland Logistics and Manufacturing Precinct
27. Port Anthony Marine Terminal Industrial Precinct
28. Latrobe Regional Airport
29. Yarram Residential and Industrial Growth Areas
30. Latrobe City Food and Manufacturing Precinct
31. West Sale Defense Precinct
32. Bairnsdale South Industrial Estate



JOBS FOR THE REGIONS

A strong Victoria relies on a strong regional Victoria. It's why we're delivering targeted initiatives for regional industrial land.

Victoria's regions are a major source of jobs and economic activity. In 2023-24, industrial sectors contributed \$17.6 billion in Gross Value Added and supported 134,000 jobs. Primary production, from agriculture to mining, is also central to the regional economy and relies on industrial land for related activities like processing and refining.

But shortages of available industrial land and the high cost of connecting water, power and transport are limiting development and holding back investment.

That's why the Victorian Government is protecting regional industrial land, planning new employment precincts and investing in trunk infrastructure – to ensure businesses have the space to grow.



WHAT WE'RE DOING

- Investing \$15 million to open up more industrial land across regional Victoria through the Trunk Infrastructure Fund.
- Planning and rezoning regional employment precincts at Avalon, Parwan and Bendigo.
- Delivering Ballarat West Employment Zone – transforming more than 400 hectares of surplus government land into industrial, wholesale, logistics, construction, commercial and residential areas and an Intermodal Freight Hub.
- Investigating the role for renewable energy industrial precincts to deliver efficient emissions reduction while creating jobs and economic growth across the State.



WHAT WE'LL DO

- Expand monitoring and assessment of industrial land through the Urban Development Program by expanding coverage to the whole of the state and better aligning reporting of land status to industry needs.
- Provide policy support for state significant regional industrial land by identifying and protecting state significant supply.
- Develop a practice note to support councils to prepare and implement local industrial land strategies.

Connecting metro and regional Victoria with global markets at Avalon



The state-significant Greater Avalon Employment Precinct will support more than 16,500 jobs once rezoning is complete. Located 55km from Melbourne's CBD and 20km from Geelong, the precinct is strategically positioned to serve both metropolitan and regional Victoria and offers direct access to global markets via Avalon Airport, and the nearby Ports of Melbourne and Geelong.

The Precinct builds on industrial development at the Avalon Airport Industrial Precinct as it continues to grow as a national hub for intermodal logistics, employment, and economic activity. Major employers such as Australia Post, Cotton On, Petstock, and Hanwha Defence Australia currently employ over 2,000 people in the area.



Pivot City Innovation District



Pivot City Innovation District is transforming former regional industrial land into a thriving business hub.

Once home to the historic Federal Mills and a glass factory, the 11-hectare IN2Z waterfront site in Geelong now hosts over 50 organisations with more than 1,200 onsite employees.

Renewal at Pivot City shows how industrial land can unlock jobs, attract investment, and create new visitor destinations.

