

## **7.1 Notice of Motion, Deputy Lord Mayor Roshena Campbell: Concern over congestion levy increase and impact on city visitation**

**Mover: Deputy Lord Mayor Roshena Campbell**

**Seconder: Cr Mark Scott**

### **Motion**

1. That the Future Melbourne Committee:
  - 1.1. Notes the State Government's intention to increase the Congestion Levy in 2026 by approximately 73 per cent in Category 1 and 2 spaces, which would result in a 19 per cent increase to parking fees at City of Melbourne-owned carparks.
  - 1.2. Notes that the City of Melbourne's retail and visitor economy sector is recovering from the impacts of COVID and changed patterns in city visitation.
  - 1.3. Notes strong opposition by industry bodies, traders and other Local Government representatives, including members of M9, to the Congestion Levy increase with concern it will deter city visitation and stall the city's economic recovery.
  - 1.4. Requests the Lord Mayor write to Premier Jacinta Allan and Treasurer Jaclyn Symes, asking the State Government to reconsider implementing the proposed changes to the congestion levy.

### **Background**

2. The State Government introduced the Congestion Levy via the Congestion Levy Act 2005, to apply to private and publicly owned, paid off-street carparks, as a mechanism to encourage more people to utilise public transport, while investing the levy income in upgrading transport infrastructure.
3. A levy increase was announced in December 2024, with the stated intention to bring parking space levy rates in line with Sydney CBD and reduce congestion.
4. The City of Melbourne's Council Plan aims to deliver a city where locals and visitors can move around easily and efficiently, with a well-designed, accessible and connected transport network. It is essential that the close to one million people who are in central Melbourne everyday have the option to use a range of modes of transport.
5. The increase has been widely opposed by industry bodies, traders and inner-city Local Governments. Notably, traders and industry bodies have expressed concerns the increased levy would further discourage city visitation.
6. The levy applies to two City of Melbourne-owned carparks, which could result in an eventual increase for weekday parking in the CBD as a means of cost recovery.
7. As work from home trends continue, Council has a role to play in encouraging workers to come into the city for work. An increase in parking costs may be a deterrent to place-based work.