Chapter 15

THE CENTRAL BUSINESS AREA

For planning purposes the central business area of Melbourne may be defined as the area bounded by Flinders, Spencer, Franklin, Victoria and Lansdowne Streets.(1) Within this area are concentrated the major part of the business and administrative activities of the metropolitan area. It is the heart not only of Melbourne, but of the whole of Victoria. Over 200,000 people enter it in the course of a working day. Because of the importance and complex nature of its functions, the intensity of its development and the many and special problems associated with its growth, special surveys were carried out to obtain the necessary basic information to enable the problems of the area to be properly assessed. A detailed survey was carried out to determine the manner in which floor space was being used, during the course of which the conditions of the buildings was also recorded. In addition the number of persons employed in every fifth building was obtained as the basis for the statistical assessment of the number and occupation of workers within the area. This formed a very useful check on the sample statistical survey carried out by the Gallup Poll Organisation and demonstrated the value of sample surveys for statistical purposes. From this statistical survey information was obtained regarding both the physical characteristics of the area and the people who use it. An analysis of the information obtained gave an understanding of the functions and problems of the area, the general trend of development and the probable future needs.

PHYSICAL ASPECTS

Floor Space Use

Because of the height of buildings and the mixture of uses within individual buildings, the normal land use survey did not give a reliable guide to activities within the central area. To obtain the necessary information, therefore, every building within the area bounded by Flinders, Spencer, Latrobe and Spring Streets was inspected and the use of space on every floor ascertained and recorded on 40 feet to the inch plans. Map 74 shows the broad distribution of the principal uses of floor space in each of the 32 blocks comprising the city centre. The diameter of each of the circles shown is proportionate to the area of floor space in the particular city block and the colours within the circles show the manner in which the floor space is being used.

The Floor Space Index(2) provides a convenient method of recording the intensity of land use in such an area. The indices for each of the blocks in the city centre is shown on map 74. It will be seen that the index varies from less than one in some blocks around the northern extremities of the area, to about four in the area bounded by Flinders, Queen, Bourke and Swanston Streets, where are situated the principal office buildings and the largest retail stores.

Table 97 summarises the uses of floor space within the area bounded by Flinders, Spencer, Latrobe and Spring Streets, both in relation to the type of use and the amount of employment. It will be observed that for all types of occupancy the average number of persons to each 1,000 square feet of floor space is four.

Offices

Offices providing for all aspects of private business and government administration, as well as for the professional activities of doctors, dentists, solicitors, accountants and others, occupy nearly one-third of the total floor area and account for almost half the total employment in the central area. Nearly 40% of this floor space is taken up by the offices of government departments and public authorities. Most private office space is located in the central and western parts of the area and is generally centred around the Collins Street-Queen Street intersection which is the focus of financial activities and business administration. The trend is for private office use to spread to the west and north. The offices of government departments and public authorities are generally dispersed through the area although two main groupings may be distinguished. Most of the Commonwealth and State government offices are located at the eastern end of the central area in the vicinity of the Treasury Gardens, while the majority of transport and public utility authorities are to be found towards the western end. The Commonwealth Government has recently acquired the block bounded by Spring, Lonsdale, Exhibition and Latrobe Streets

(1) For statistical purposes activities fronting on the south side of Flinders St. and the west side of Spencer St. were considered as being within the central area.

(2) Floor Space Index is the ratio of total floor area of buildings on a site to the area of the site together with the area of internal roads and half the area of boundary roads. For example, a floor space index of 4.0 means that for the site to which it applies, the total floor area is four times the area of the site together with the area of internal roads and half the area of boundary roads.

Table 97

USE OF FLOOR SPACE

(Area bounded by Flinders, Spencer, Latrobe, and Spring Streets only)

Type of Use	*Floor Space*			*Employees*		*Employees per 1,000 Square Ft.*
	Thousand Square Feet		*%*	*Number*	*%*	
Offices:						
Private	6,892					
Government	4,350	11,242	30.5	65,080	45.6	5.8
Retail Trade:		6,979	19.0	24,150	17.0	3.4
Warehousing:						
Wholesale	5,695					
Storage	871	6,566	17.8	16,500	11.6	2.5
Industry:						
General	5,320					
Garages & Service Stations	403	5,723	15.6	30,000	21.0	5.2
Residential:		3,226	8.8	3,820	2.7	1.2
Other Uses:						
Churches, Theatres and Halls	1,487					
Hospitals & Health Institutions	543	2,030	5.5	3,050	2.1	1.5
Ancilliary Uses:						
Passageways, Lifts Space, Cloak-rooms, etc.		855	2.3			
Vacant Space:		170	0.5			
Total		36,791	100	142,600	100	4.0

as a site for its future administrative offices. It is reasonable to assume that an increasing proportion of the central city area floor space will be taken up by offices. This is the trend in most large cities. Already in Melbourne there is evidence of an increasing proportion of large undustrial and commercial organisations developing their administrative and business functions in the city with their productive and distributive functions located outside it. As the value of land increases with the growth of population and business activity, it will become less economic to use central city area space for other than offices and shopping.

Retail Trade

Retail trade, or shopping, accounts for nearly one-fifth of the total floor space and over one-sixth of employment in the central city area. The main shopping area is bounded by Elizabeth, Lonsdale, Exhibition and Flinders Streets with Bourke Street, where are located most of the large department stores, as the centre of activity. Automobile distributors are prominent in Exhibition and Russell Streets and the northern end of Elizabeth Street. The general trend is for the retail trade to expand north from Bourke Street in the area between Elizabeth and Swanston Streets although some consolidation and redevelopment of shopping is taking place in the area south of Bourke Street towards Flinders Street Station. Many large retailers are of the opinion that Melbourne's future retail space requirements in the city might be best provided by a redevelopment of old areas resulting in a better concentration of modern stores rather than by allowing the retail area to spread too much. The most logical area for such redevelopment is in the general area south of Bourke Street between Elizabeth and Swanston Streets.

Wholesale warehouses and storage

Wholesale warehousing and storage are the third largest users of space in the central area and account for the employment of more than 10% of the people who work there. In approximately 85% of the area so occupied the premises are used for the conduct of wholesale business as well as the storage and handling of goods. The remaining 15% is primarily devoted to the bulk storage of goods. Three-quarters of the total warehouse and storage space is located west of Elizabeth Street and a high proportion in Flinders Lane which is the hub of Melbourne's wholesale trade. The relative importance of the various types of wholesale and storage activity in terms of space used for those purposes is summarised in Table 98.

Clothing, Textiles and Soft Furnishings: Warehouses handling these commodities are located mainly in Flinders Lane in the area between Spring and William Streets where this trade has been firmly established for many years. The advantages of a well-known central location in close proximity to the large city retailers is still believed to outweigh the increasing difficulty caused by growing traffic congestion in respect to movements of goods.

Wool, skins and hides: This group is comprised mainly of a few large warehouses at the western end of the city. The importance of a central city location is diminishing and several of the larger firms are already planning to move to outer areas. Facilities for bulk transport is an important factor and the increasing congestion in the central city area is offsetting its other advantages for this group. Skins and hides have noxious features which make their handling and storage undesirable in the central city area.

Builders, hardware and supplies: This group is also largely comprised of a few large concerns the majority of which are located west of Elizabeth Street. Because of the tendency for most of these organisations to be engaged in both the wholesale and retail trade, location in the central area is of considerable importance to them. Only a few firms which are concerned mainly with the wholesale trade and which have inadequate space in the central area appear desirous of leaving the central area.

Produce warehouses comprise the second largest number of individual wholesale organisations with a considerable variation in size and type. 80% of the occupied floor space is located in the area bounded by William, Collins, Spencer and Flinders Streets. As with clothing, there is a distinct tendency for this group to cluster, and considerable commercial value is placed on the existing old-established location. Many of these organisations carry some industry such as packing, blending and crating.

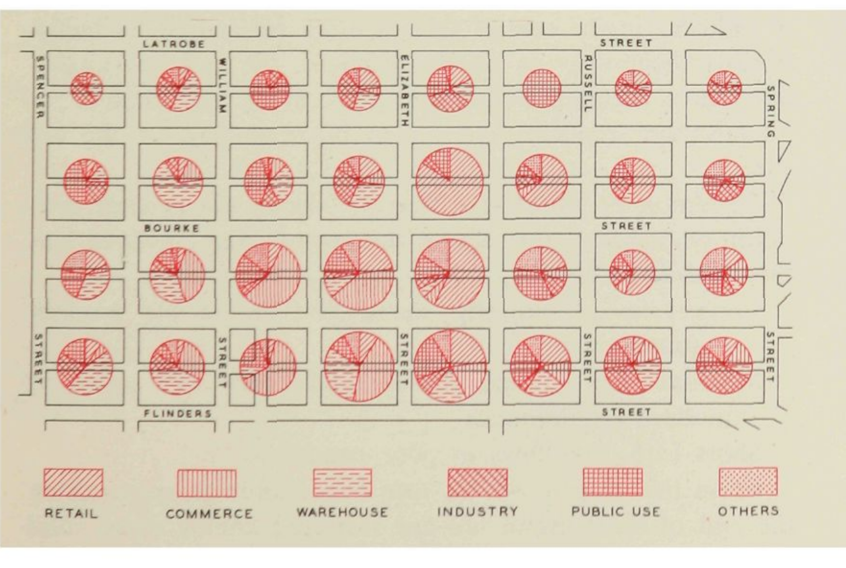
Table 98

DISTRIBUTION OF FLOOR SPACE FOR WAREHOUSING AND STORAGE

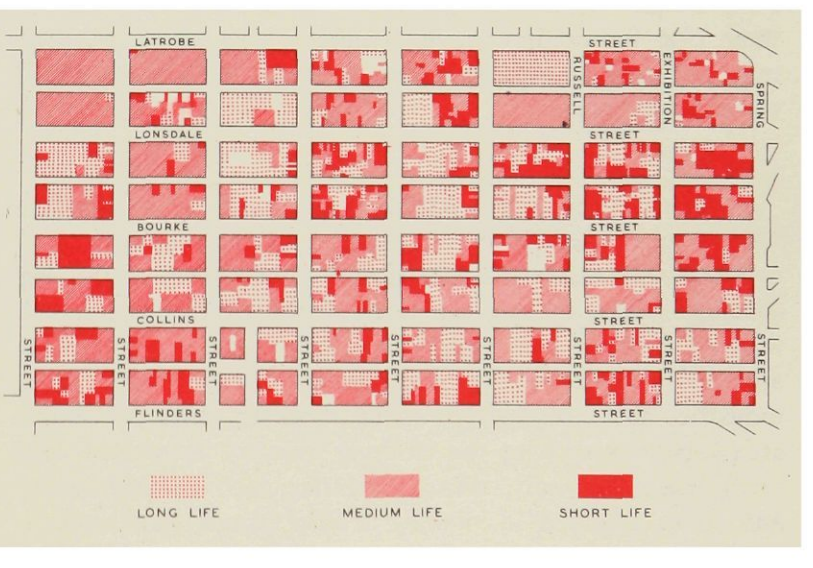
Type of use	*Percentage of Total*	
	Wholesale Warehouses	*Bulk Storage*
Clothing, Textiles and Soft Furnishings	27	4
Wool, Hides and Skins	10	7
Builders, Hardware and Supplies	7	1
Produce	7	10
Paper, Books and Stationery	6	1
Groceries	6	0.5
Electrical and Radio Goods	5	1.5
Drugs	4	1
Wine and Spirits	4	1
Others	24	73
	100	100

Paper, books and stationery: The majority of large establishments in this group are also located towards the western end of the city where they are fairly well spread. As with the hardware group there is a tendency for many firms to be closely allied with both the wholesale and retail trades. They are closely related to the printing industry which also tends to be highly centralised. Proximity to the great majority of customers is the principle attraction of the central area and most large firms prefer to remain in this area if they can obtain sufficient space.

Groceries: This group is also primarily located towards the western end of the city and the bulk of floor space is taken up by a few very large organisations. Most of the trade is with metropolitan retailers and as these organisations operate exclusively as wholesalers, they are not so dependent on a central city area location as some other groups.



74 DISTRIBUTION OF FLOOR SPACE



75 CONDITION OF BUILDINGS