

URBAN RESTRUCTURING PROCESS IN THE CBD OF MELBOURNE, AUSTRALIA – IS THIS DEVELOPMENT A KIND OF GLOBALIZATION IN A PARTICULAR WAY? –

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Abstract

This paper reviewed changes over time in the underlying drivers of demand for urban development including the location of high-rise buildings, the pattern of land-use change, and recent trends in building supply in the CBD of Melbourne. The key features of current Melbourne are: construction of brand-new residential buildings, increase of international students, ongoing several redevelopment plans, and increase rate of office vacancy (mostly occurred in old rundown buildings). Despite of relatively inferior position in the global urban system, why is Melbourne still so active? Is this development a kind of globalization in a particular way?

Introduction

Melbourne ranks second in the Australian urban system, because the city has lost financial and insurance operations to Sydney. However, Melbourne is currently one of the most diversified cities in the world. According to the latest population census, conducted in 2001, the proportion of people born overseas exceeds 30 percent of the city's total population of approximately three million people. So many ethnic restaurants are located throughout the CBD where people gather either for work or for shopping.

There exist some prominent articles describing the changing process of the city. Goodman (1983) investigated the CBD of Melbourne at the micro level and identified the nature and forces of city development. In addition, Maher (1988) provided an outstanding description about the growth and urban development process of the city. According to some previous studies, the city has experienced changes in many aspects including the location of economic enterprises, the structure and composition of the population, and the distribution of high-rise buildings as a result.

From these general observations, this article has the following objectives:

1. Expand the notion of the previous papers by mainly focusing on the last decade.
2. Provide a reasonable explanation to the following questions:

'Why is Melbourne still so active?' and
'Is this development a kind of globalization?'

3. Improve a new technology of analyses both on urban land-use change and urban structural change via GIS.

Methods and Data

In this article, the author focused on the so-called 'city loop area' in the CBD of Melbourne. It covers an area of approximately 2km x 1km ranging from La Trobe street (north end) to Flinders street (south end), and from Spencer street (west end) to Spring street (east end).

The current paper reviewed changes over time in the underlying drivers of demand for urban development including the location of high-rise buildings, the pattern of land-use (skyline) change, recent trends in building supply, and so forth. These findings were cross-referenced with changes in general urban indices including urban employment and other socio-economic changes.

The City of Melbourne has conducted its biennial Census of Land Use and Employment (known as the CLUE database) for more than 40 years. The data for 2002 Census were mainly used in this paper. Population census data distributed from Australian Statistics Bureau were also used to underpin the analysis.

Major Findings

1. Key findings for skyline change in the previous studies

Along Swanston street, the core area of the CBD, we can identify many Gothic style buildings and old and low-rise brick buildings which were mainly constructed during the prosperous *Gold Rush* period of the 19th century.

According to previous studies, the eastern part of Collins street was identified as the heart area of the high-rise office building provision before the mid 1980s. Several high-rise buildings were constructed in that area creating a very prestigious area as a result. The heart of the high-rise office building provision gradually moved to the western part of the CBD, but the area was still dominated urban development.

2. Epoch/ leading features of locational change (horizontal/ vertical expansion)

Another trend of the location of high-rise buildings was identified in the early 1990s. The Bourke Place building (56 stories), appeared in 1992 in the western part of the CBD, was the beginning of major epoch of high-rise construction. Several buildings, most of which were over 50 stories, followed this trend. New buildings were constructed even in the western and northern parts of what was the periphery of the CBD. After completion the distribution of high-rise buildings changed from

The total space or units of dwellings in the CBD grew to ten times the number in the last decade. Several high-rise residential buildings, over 30 stories, are located in the CBD of Melbourne currently. Curiously, some of them were brought about by Asian investors.

5. Strong trend of multiculturalism

A strong trend toward multiculturalism can be seen in the last decade. Previously, the proportion of Melbourne people born overseas was over 30 percent, which is slightly higher than the national average (27.4 percent, 2001 census). Recently, an enormous number of international students have boosted this new trend. O'Connor (2004a) reported the number of the international students in Melbourne, who go to tertiary institutions (university) was over 50,000, which was double that of 1996.

Discussion

The key features of what's going on in current Melbourne are:

1. Construction of brand-new residential buildings
(most of them are nearly 30 stories)
2. Increase of international students
3. Several redevelopment plans has been conducted
(Spencer street redevelopment, southern cross site, etc.)
4. Increase rate of office vacancy (mostly occurred in old rundown buildings)

Why is Melbourne still so active?

According to O'Connor (2002), the dominance of Sydney has been exposed both in research on corporate headquarters or producer services. Both approaches showed that global market-serving finance, advertising, media and advanced business service in Sydney had expanded while activity in those areas had declined in Melbourne.

Despite of relatively inferior position in the global urban system, either despite of big bankrupts occurred in the city, why is Melbourne still so active? As shown in O'Connor (2002), the recent performance of the Melbourne economy, for example, the level of investment in commercial buildings, has usually excess of its share of national population of 17 percent. That is particularly so for factories and the transport/ telecommunications category, manufacturing, wholesale, distribution and the population-serving areas like shops, health and education.

Rethinking 'Globalization'

It's true that Melbourne is now accepting a kind of 'surge' of international students mainly coming from Asian countries. It is partly because the Australian Federal

Government decided to provide special visa classes to facilitate the movement of students since the late 1990s.

The inner city of Melbourne accounts for the majority of international student residential locations (O'Connor 2004b). The large number of international students makes Melbourne 'Global' in a very particular way. International students have an impact on the character of local populations as their consumption of housing and retail and related services during their time in the city adds a new dimension to local population, service functions, and economic structure of the city itself.

General discussion for 'Global City' was very simple. One important step here is to look beyond the simple idea that global cities can be identified by listing their attributes (for example, population size, number of banks or number of headquarters). The large number of international students in Melbourne boosts the city up to a higher level in the global hierarchy in spite of lower level ranking in terms of its commercial role. As O'Connor (2002) argued, the second ranked cities might benefit from global activity to a greater degree than previously expected.

Concluding Remarks

Generally, Melbourne seldom appears in the discussion for 'Global City' because Melbourne has lost financial and insurance operations to Sydney, higher ranked city in the national/ global urban system. Maher (1988) argued, the city might lose the economic performance if they didn't accept another forces for urban development. Since better performance in current Melbourne seems obvious, the closer investigation might be useful for new understanding 'Globalization' in a particular way.

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