



# Melbourne Central Business District & Remainder Small Area Demographic Profile

2013

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### **Disclaimer**

While all due care has been taken to ensure that the content of this report is accurate and current, there may be errors or omissions in it and no legal responsibility is accepted for the information and opinions contained within.

In addition, as the report is based on historic information that is subject to revision and assumptions in preparing forecast figures that are both difficult to predict and liable to change, we do not guarantee the reports currency.

### **Data sources**

Unless otherwise stated, all data in this report are based on the Australian Bureau of Statistics 2011 Census of Population and Housing.

City of Melbourne's own Census of Land Use and Employment (CLUE) 2010 database also utilised for various economic, land use and employment related analysis.

Forecast population estimates provided via 2011-2036 Population and Household forecasts, id Consultants, last updated October 2013.

### **Further information**

For further information about this small area, another small area with the City of Melbourne or the municipality overall, see the City Research webpage found via the City of Melbourne homepage:

<http://www.melbourne.vic.gov.au/AboutMelbourne/Statistics/Pages/Statistics.aspx>

This link also contains other demographic reports related to various elements of the City of Melbourne and the small areas contained within it, such as: Workers Profile, Students Profile, High rise Dwellers profile, Younger Persons Profile, Older Persons Profile and Key Changes between 2006 & 2011 Censuses.



CITY OF MELBOURNE

## Melbourne Central Business District Small Area Demographic Profile

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### 1. Key findings

Melbourne Central Business District (CBD) housed the highest number of residents of all the City of Melbourne's (the 'municipality') small areas. The 20,038 residents in Melbourne CBD represented 21 per cent of the municipality's overall population.

There were 16,320 dwellings in Melbourne CBD representing around 28 per cent of the municipality, with residential apartments comprising 69% of all housing types in the small area.

Half of households in Melbourne CBD were rented (50%); a relatively high proportion compared to the other small areas in the municipality. The proportion of households with a mortgage or owning their dwelling outright (24%) was slightly lower than the municipality average (27%).

The median age of 26 was slightly younger than the municipality average of 28, mainly due to the relatively large population of students in the area.

Melbourne CBD had the highest proportions of residents born overseas and those who speak a language other than English at home compared to all other small areas in the municipality. Two thirds (66%) of Melbourne CBD residents were born overseas with 55% speaking a language other than English at home. China was the most common country of birth (14%) and Mandarin was the most common language spoken at home (18%).

The median personal income of \$560 was relatively low among the municipality's small areas, with only two small areas in the municipality recording a lower median income. One in five (20%) Melbourne CBD residents stated a nil income and can generally be attributed to the large international student cohort residing in Melbourne CBD, a significant proportion of which tend to be financially subsidised by means other than earning a personal income.

The most common household type in Melbourne CBD was a lone person household (36%), followed by family households (35%) and group households (17%). Compared to the overall municipality, Melbourne CBD housed a slightly higher proportion of lone person households and slightly lower proportion of family households.

Melbourne CBD scored slightly higher than the overall municipality for three out of four SEIFA (Socio-Economic Index for Areas) metrics. These results indicate minimal social disadvantage in the area.

More than 188,500 people worked in Melbourne CBD with the most common occupation a 'professional' (39%). 89% of the workforce lived outside the City of Melbourne but within Greater Melbourne.

Around two thirds of workers (65%) used some form of public transport to get to work, with train usage accounting for 50%. A further 21% drove a car, while 3% rode a bicycle to work.

Melbourne CBD's population is forecast to reach around 52,000 by 2036; an increase of more than twice today's population, living in around 27,500 households.

## Melbourne Central Business District Small Area Demographic Profile

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## 2. Profile

### 2.1. History and environment of Melbourne Central Business District

Melbourne Central Business District (CBD) & remainder is the largest business, as well as residential area, in the municipality.

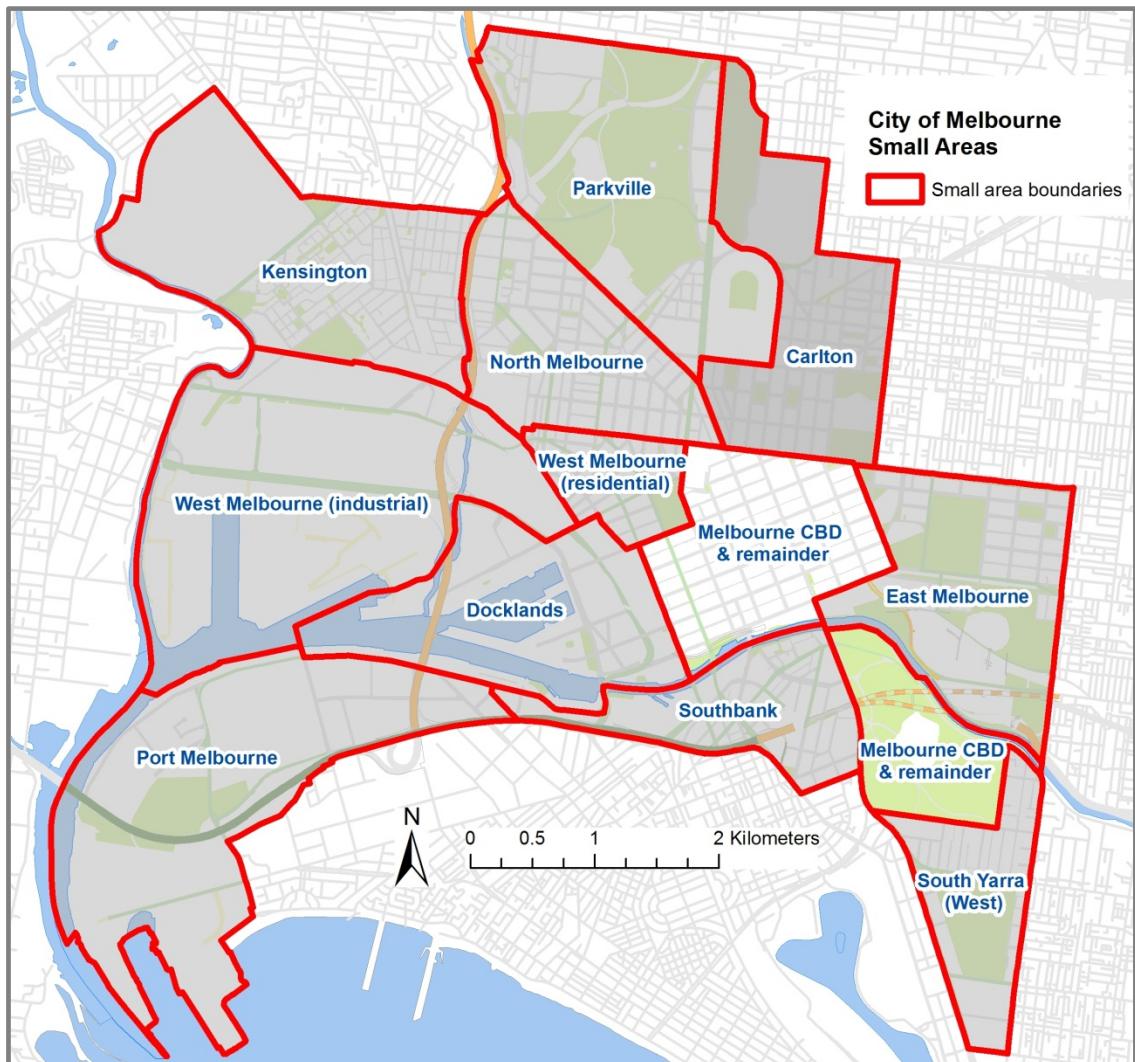
The CBD is Melbourne's business and financial centre. It encompasses the central city grid, plus the area between Victoria and Latrobe streets. The CBD is home to retail, financial, legal, administrative, recreational, tourist and entertainment facilities and operates 24 hours a day, serving a wide variety of residents, workers and visitors.

The over-supply of office space in Melbourne CBD during the 1990s coupled with the City of Melbourne's Postcode 3000 initiative has led to a resurgence in inner-city living.

The Melbourne CBD & remainder small area includes many major parks and gardens including the Royal Botanic Gardens, Kings Domain (which contains Government House), Queen Victoria Gardens, Alexandra Gardens and the Shrine of Remembrance Reserve.

## 2.2. Geography of Melbourne CBD & remainder small area

**Figure 1: Melbourne CBD & remainder small area geography within City of Melbourne**



The small area of *Melbourne CBD & remainder* includes the *Hoddle grid (CBD)* with the small triangle at the top connecting to Victoria Parade encompassing Queen Victoria Markets. The small area also the *Melbourne remainder* section of various parklands south of the Yarra River housing no residents nor dwellings.

## Melbourne Central Business District Small Area Demographic Profile

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### 2.3. Demographic profile

**Figure 2: Key metrics of Melbourne CBD & remainder residents**

Key metrics	Melbourne CBD & remainder	City of Melbourne
Residential population	20,038 (21% of City of Melbourne)	93,627
Younger residents (12-25 years)	44%	33%
Older residents (60 years and over)	5%	10%
Median age	26	28
Residents born overseas	66%	48%
Most common language spoken at home (other than English)	Mandarin (18%)	Mandarin (10%)
Weekly personal income <\$300	32%	26%
Weekly personal income >\$1250	19%	23%
Median personal weekly income	\$560	\$711
Higher education (university) students	27%	21%
Bachelor degree or higher	40%	40%

Melbourne CBD & remainder's residential population of 20,038 represents 21% of the City of Melbourne's (the 'municipality') overall population and positions this small area as the most populous in the City of Melbourne.

With a median age of 26 years, Melbourne CBD was slightly younger than the overall municipality's median age (28). Only two small areas in the municipality had younger median ages, Carlton (25) and Parkville (24).

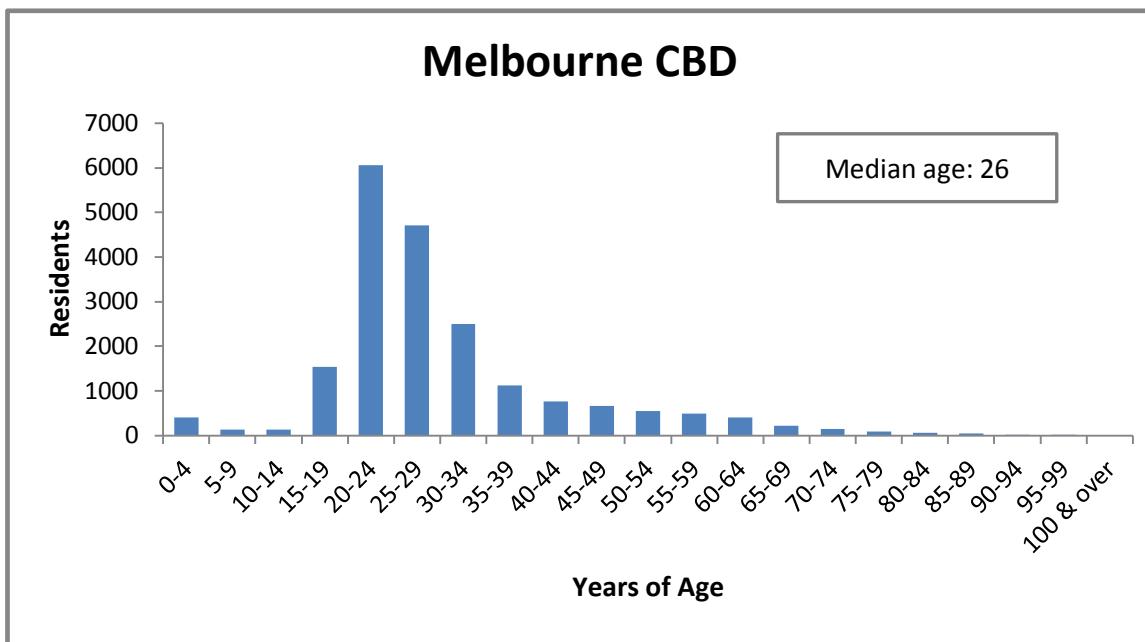
Slightly less than half (44%) of residents were aged 12 to 25 years, with only Carlton (46%) and Parkville (48%) housing a higher proportion of residents this age. Conversely, only one in twenty (5%) Melbourne CBD residents were aged 60 years or older, the smallest proportion across all small areas in the municipality. The most common age range was 20 to 34 years (66%).

Around one third (32%) Melbourne CBD residents earned an income of less than \$300 per week, while one in five (19%) earned in excess of \$1250. The average personal weekly income of \$560 for Melbourne CBD residents means there were only two small areas where residents earned a lower median income: Carlton (\$366) and Parkville (\$327).

Just over one quarter (27%) of Melbourne CBD residents were higher education students compared to the municipality average of 21%. Only two small areas, Carlton (35%) and Parkville (42%), contained higher proportions of higher education students. Four in 10 (40%) residents held a bachelor degree qualification or higher, a proportion equal to the overall municipality average.

Mandarin was spoken at home by more residents in Melbourne CBD (18%) than any other City of Melbourne small area.

**Figure 3: Melbourne CBD & remainder age profile**



As Figure 3 depicts, around two thirds (66%) of Melbourne CBD & remainder's residents were aged 20 to 34 years.

## 2.4. Social profile

### 2.4.1. Education

More than one third (36%) of Melbourne CBD residents attended an educational institution, a higher proportion than the overall municipality (30%) and only surpassed by residents in the small areas of Carlton (45%) and Parkville (49%). Among Melbourne CBD's students, three quarters (75%) were undertaking higher education (i.e. university or similar).

Four in 10 (40%) of Melbourne CBD's residents held a bachelor degree qualification or higher, which was equal to the overall municipality average. The three small areas South Yarra (West) (44%), Southbank (46%) and East Melbourne (50%) had a higher proportion of holders of bachelor degree qualifications or higher.

#### ***2.4.2. Household and family structure***

Lone person households accounted for just over one third (36%) of household types in Melbourne CBD, making this the most common household type in the small area. Family households\* comprised 35%, with group households accounting for 17%.

*\*Note: a family is defined by the ABS as two or more persons, one of whom is at least 15 years of age, who are related by blood, marriage (registered or de facto), adoption, step or fostering, and who are usually resident in the same household.*

#### ***2.4.3. Culture and language profile***

Two thirds (66%) of Melbourne CBD's residents were born overseas, the highest proportion across all the municipality's small areas and well above the municipality average of 48%. The most common countries of birth other than Australia included: China (14%), Malaysia (9%), India (6%), Indonesia (6%) and Korea (3%).

More than half (55%) of Melbourne CBD's residents spoke a language other than English at home, with the most common languages spoken including: Mandarin (18%), Cantonese (7%), Indonesian (5%), Korean (3%) and Hindi (2%).

#### ***2.4.4. Internet connection at home***

Just under three quarters (72%) of households in Melbourne CBD had a broadband Internet connection at home, a similar proportion to the overall municipality (71%). A small 6% had no Internet connection, while 2% had a dial up connection and 6% accessed the Internet via an other\* connection type. 14% of households did not provide an answer to this Census question.

*\* Note on Internet connection types:*

- *Broadband connection includes: ADSL, Cable, Wireless, Satellite, Fibre and Mobile connections*
- *Dial up connection includes: analogue modem and ISDN connections*
- *Other connection type includes: Internet access through mobile phones, etc.*

## 2.5. Income profile

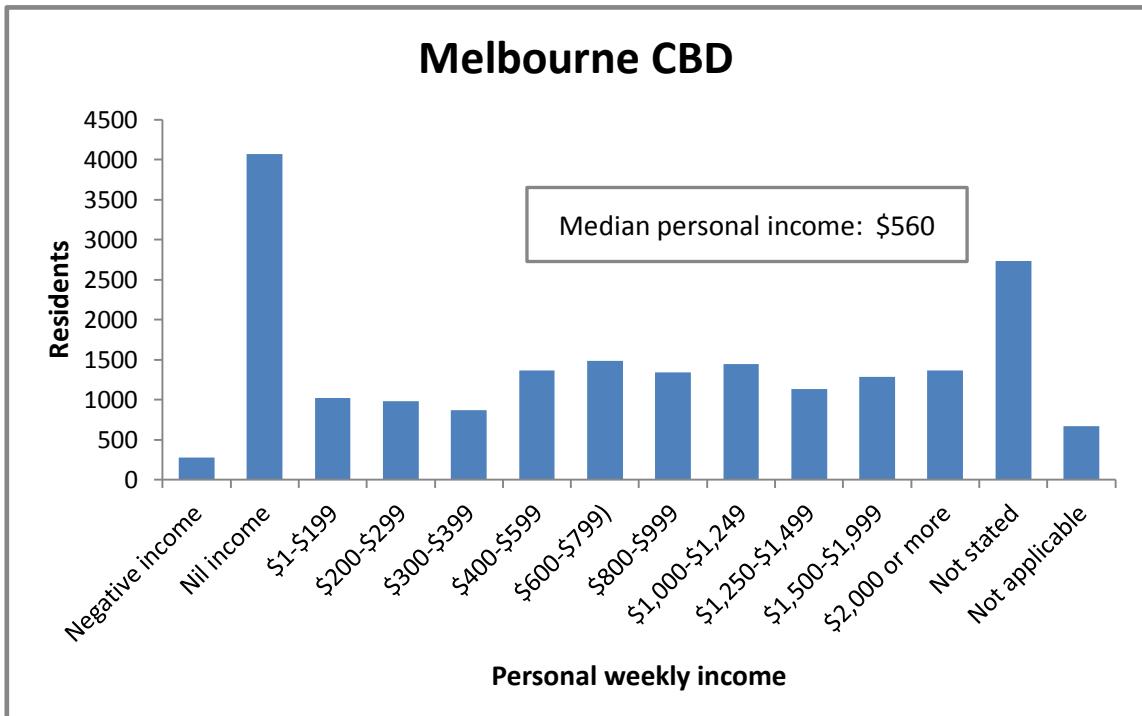
**Figure 4: Melbourne CBD & remainder income comparisons**

Income (weekly)	Melbourne CBD & remainder	City of Melbourne
Median total personal income	\$560	\$711
Median total family income	\$1455	\$1962
Median total household income	\$1039	\$1352

The median total personal income for Melbourne CBD (\$560) was the third lowest among all the municipality's small areas, with the small areas Carlton (\$366) and Parkville (\$327) lower.

Melbourne CBD's median incomes, as listed above in Figure 4, were all lower than overall municipality medians. There was, however, one in five (20%) residents stating a nil income, despite the relatively mid-range incomes. This relatively high proportion can generally be attributed to the large international student cohort residing in Melbourne CBD, a significant proportion of which tend to be financially subsidised by means other than earning a personal income.

**Figure 5: Melbourne CBD & remainder personal weekly income profile**



## Melbourne Central Business District Small Area Demographic Profile

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### 2.6. Socio-economic Index for Areas (SEIFA)

SEIFA is a suite of four indexes compiled from data collected in the ABS 2011 Census which rank areas in terms of the socio-economic characteristics of persons and households in that area. SEIFA allows for comparisons of areas whereby the lower the score, the greater the disadvantage relative to other comparable areas.

The Index of Relative Socio-economic **Advantage and Disadvantage** (IRSAD) summarises information about the economic and social conditions of people and households within an area, including both relative advantage and disadvantage measures.

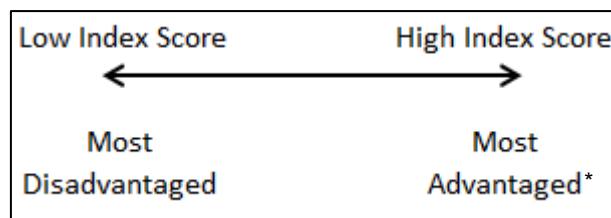
The Index of Relative Socio-economic **Disadvantage** (IRSD) is a general socio-economic index that summarises a range of information about the economic and social conditions of people and households within an area. Unlike the other indexes, this index includes only measures of relative disadvantage.

The Index of **Economic Resources** (IER) focuses on the financial aspects of relative socio-economic advantage and disadvantage, by summarising variables related to income and wealth. This index excludes education and occupation variables because they are not direct measures of economic resources. It also misses some assets such as savings or equities which, although relevant, could not be included because this information was not collected in the 2011 Census.

The Index of **Education and Occupation** (IEO) is designed to reflect the educational and occupational level of communities. The education variables in this index show either the level of qualification achieved or whether further education is being undertaken. The occupation variables classify the workforce into the major groups and skill levels of the Australian and New Zealand Standard Classification of Occupations (ANZSCO) and the unemployed. This index does not include any income variables.

The following diagram represents the continuum that should be considered when interpreting SEIFA scores.

\* Note that for the IRSD, a high index score represents “Least Disadvantaged”.





## Melbourne Central Business District Small Area Demographic Profile

**Figure 6: Melbourne CBD & remainder SEIFA Indexes**

SEIFA 2011 Index	Melbourne CBD & remainder	City of Melbourne
Advantage and Disadvantage	1033	1051
Disadvantage	1002	1026
Economic Resources	785	870
Education and Occupation	1194	1175
Usual Resident Population	20,038	93,627

Relative to all of the City of Melbourne's small areas, Melbourne CBD ranked third to last for Advantage and Disadvantage, and Disadvantage and second last for Economic Resources. Melbourne CBD ranked fourth for Education and Occupation among the other small areas.

Despite Melbourne CBD performing lower than most of the municipality's small areas, several factors should be taken into consideration when assessing an area like the central business district such as car ownership, ownership of relatively small sized dwellings, high proportion of renters, low level of vehicle ownership and students not earning an income will tend to impact the scores downwards.

## 2.7. Housing

**Figure 7: Melbourne CBD & remainder Housing Statistics**

Housing metrics	Melbourne CBD & remainder	City of Melbourne
Number of dwellings*	16,320	58,733
Most prominent housing type*	Residential apartments (69%)	Residential apartments (67%)
Occupied private dwellings fully owned or being purchased	24%	27%
Occupied private dwellings rented	50%	49%
Unoccupied private dwellings	12%	12%
Median rent per week	\$416	\$400
Median mortgage per month	\$2000	\$2167

\*Note: data sourced from CLUE 2010. All other data sourced from ABS 2011 Census

There were 16,320 dwellings in Melbourne CBD, representing around 28% of the municipality's overall dwellings. The most common dwelling type in Melbourne CBD was residential apartments, comprising 69% of all housing types.

Half (50%) of households in Melbourne CBD were rented, with only two small areas containing a higher proportion (Carlton, 62% and North Melbourne, 52%). Around one quarter (24%) of dwellings were either fully owned or being purchased, a slightly lower proportion compared to the municipality overall (27%).

The median weekly rental repayment of \$416 was about mid-range relative to all the municipality's small areas, and slightly more than the municipality average (\$400). The median monthly mortgage payment of \$2000 was relatively low, when compared with all small areas in the municipality. Melbourne CBD was equal with North Melbourne (\$2000) and only higher than Carlton (\$1900).

## 2.8. Land use and business activity

**Figure 8: Land use and business activity profile**

Land use and business metrics	Melbourne CBD & remainder	City of Melbourne	% Share
Business locations with employment	8893	15,959	56%
Most prominent built space	Office	Office	—
Most prominent industry by floor	Other Services	Arts and Recreation Services	—
Most prominent industry by employment	Business Services	Business Services	—
Retail locations with employment	1597	2575	62%
Commercial car parks	94	181	52%
Commercial car park spaces	29,881	64,887	46%
Café/restaurant/bistro	1179	1951	60%
Food court	23	32	72%
Bar/tavern/pub/nightclub	168	252	67%
Office space (m <sup>2</sup> )	3,147,433	5,204,070	60%
Vacant floor space (m <sup>2</sup> )	719,072	3,092,962	23%

\*Note: data in Figure 8 sourced from CLUE 2010

Melbourne CBD contained over half (56%) of the municipality's business locations, with Business Services the most prominent industry type in terms of employment.

The most prominent built space was Offices, which accounted for around 30% of all built space in Melbourne CBD.

With the mixed land usage in a concentrated space like the central business district of the state of Victoria, it is not surprising that most proportional shares of the various business activities listed in Figure 8 tend to be higher than 50%. Notably, the municipality's food courts (almost three quarters, or 72%) and bars/taverns/pubs/nightclubs (two thirds, or 67%) tend to be highly concentrated in Melbourne CBD, compared to the other small areas.

Melbourne CBD accounted for 60% of all of the municipality's office space and 23% of the vacant floor space.

## Melbourne Central Business District Small Area Demographic Profile

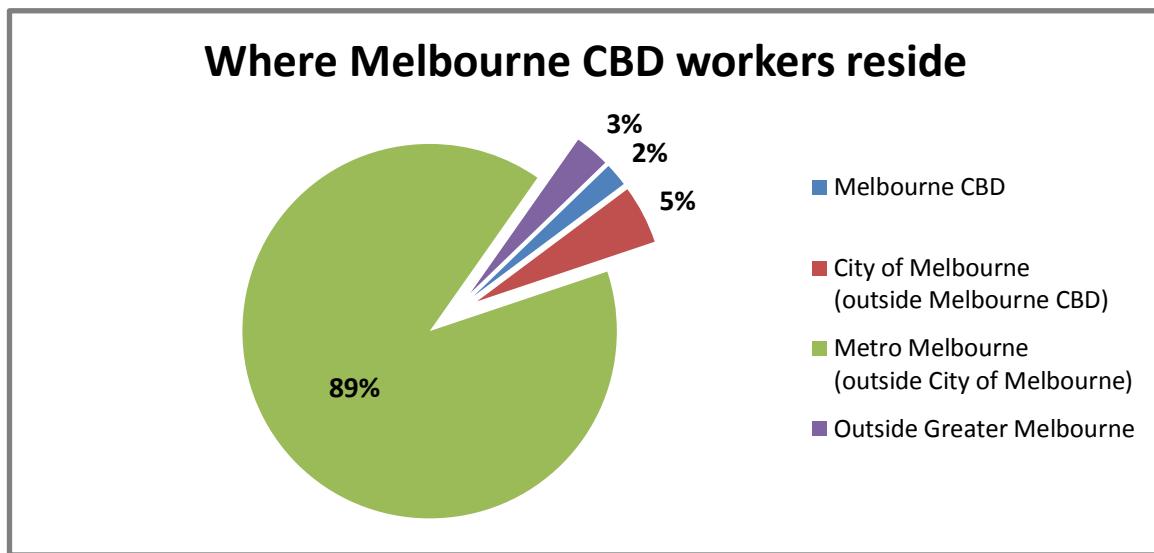
### 2.9. Workforce

**Figure 9: Where Melbourne CBD residents work**

Workplace location	Melbourne CBD resident
Work in Melbourne CBD	4405
Work in City of Melbourne (outside Melbourne CBD)	1781
Work outside City of Melbourne	3281
Not stated	274
<b>Total employed Melbourne CBD residents</b>	<b>9741</b>

The most common workplace location for employed Melbourne CBD residents was within the Melbourne CBD small area (45%). One third (34%) worked outside the City of Melbourne, while the remaining 18% worked in the City of Melbourne, but outside Melbourne CBD.

**Figure 10: Residential location of Melbourne CBD workers**



Melbourne CBD workforce = 188,537

The vast majority of Melbourne CBD's workers, some 89%, reside outside of Melbourne CBD, but within Greater Melbourne. A small proportion of 3% commute from outside Greater Melbourne to work in Melbourne CBD.

7% of Melbourne CBD's workers lived within the City of Melbourne, made up of 2% who resided within Melbourne CBD and a further 5% who resided outside of Melbourne CBD but within the municipality.

**Figure 11: Method of transport of workers to Melbourne CBD\***

Method of transport	Melbourne CBD	City of Melbourne
Train	50%	39%
Car, as driver	21%	34%
Tram	12%	10%
Walked only	6%	5%
Bicycle	3%	4%
Car, as passenger	4%	4%
Bus	2%	2%
Motorbike/scooter	1%	1%
#Other transport method combinations	1%	1%
<b>Total</b>	<b>100% (169,829)</b>	<b>100% (320,473)</b>
<i>Public transport total (train, tram, bus)</i>	65%	51%

Workers who travelled to work on Census day = 169,829 (City of Melbourne = 320,473)

Workers who did not go to work, worked at home, not stated = 18,706 (City of Melbourne = 39,857)

<sup>#</sup> Other transport method combinations include: taxi, truck, ferry and other combinations, not accounted for in assumptions listed below.

Proportions include single methods of transport and combined methods of transport used by workers.

\* When combinations of transport methods are used, the following assumptions have been applied:

- Train plus another method or methods are counted as *train journeys*
- Tram plus another method or methods not including train are counted as *tram journeys*
- Bus plus another method or methods not including train nor tram are counted as *bus journeys*
- Ferry plus another method or methods not including train, tram nor bus are counted as *ferry journeys*
- Bicycle plus another method or methods not including any public transport options are counted as *bicycle journeys*
- Car as driver plus another method or methods not including any public transport options nor a bicycle are counted as *car as driver*
- Car as passenger plus another method or methods not including any public transport options, a bicycle nor a car as a driver are counted as *car as passenger*
- Other plus another method or methods not including any public transport options, a bicycle nor car (either driver or passenger), are counted as *other*

Catching a train was the most common form of transport for Melbourne CBD workers (50%), with one in five catching a train (21%). A higher proportion caught a tram or walked compared to the municipality overall (12% vs. 10% and 6% vs. 5% respectively), while slightly fewer rode a bike (3% compared to 4%). Overall, around two thirds (65%) used some form of public transport to get to work in Melbourne CBD.

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**Figure 12: Key characteristics of workers in Melbourne CBD & remainder**

Key metrics	Melbourne CBD & remainder	City of Melbourne
Number of job positions* (CLUE 2010)	222,063	428,721
Number of workers	188,537	360,330
Professionals	39%	22%
Managers	16%	8%
Labourers	2%	2%
Full-time	77%	75%
Part-time	18%	20%

\*Note: Number of job positions sourced from CLUE 2010

Workers located in Melbourne CBD contributed 52% of the municipality's total workforce, with 188,500 people employed in the area covering around 222,000 job roles.

Three occupations combined accounted for more than three quarters (79%) of all occupations in Melbourne CBD: Professionals (39%), Clerical and Administrative Workers (25%) and Managers (16%). Three quarters (77%) of workers were employed in a full-time capacity.

## 2.10. Future outlook

### 2.10.1. Development activity

**Figure 13: Development activity**

Development activity	Under construction	Construction 0-2 years	Construction 3-5 years	Mooted	Total
<b>Residential dwellings</b>					
Melbourne CBD & remainder	7303	5231	6486	30	19,050
City of Melbourne	13,451	11,726	13,031	16,329	54,537
<b>Student apartments</b>					
Melbourne CBD & remainder	435	69	–	–	504
City of Melbourne	435	555	20	–	1010
<b>Office (m<sup>2</sup>)</b>					
Melbourne CBD & remainder	119,740	65,612	185,109	68,163	438,624
City of Melbourne	385,856	362,525	371,722	495,577	1,615,679
<b>Retail (m<sup>2</sup>)</b>					
Melbourne CBD & remainder	19,579	4922	16,850	1880	43,230
City of Melbourne	38,476	30,786	33,489	55,041	157,792

**Under Construction** (the project was under construction at 27 May 2013). These projects will generally be occupied within the next year. Some larger projects may take longer before they are fully occupied.

**Construction 0-2 years** (the project is proposed to commence construction in the period 28 May 2013 – 27 May 2015). Projects reported as commencing construction in 0-2 years have usually received building approval and it is assumed that works will commence within two years.

**Construction 3-5 years** (the project is proposed to commence construction in the period 28 May 2015 – 27 May 2018). Projects reported as commencing construction in 3-5 years are usually in the process of obtaining planning approval, or approval has been granted subject to conditions that mean construction is unlikely to commence within two years.

**Mooted**. Projects reported as mooted are more speculative in nature. These sites are generally identified by developers as suitable for development, but planning proposals have not yet been lodged.

## Melbourne Central Business District Small Area Demographic Profile

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### *2.10.2. Population projections*

**Figure 14: Melbourne CBD & remainder population and household forecast**

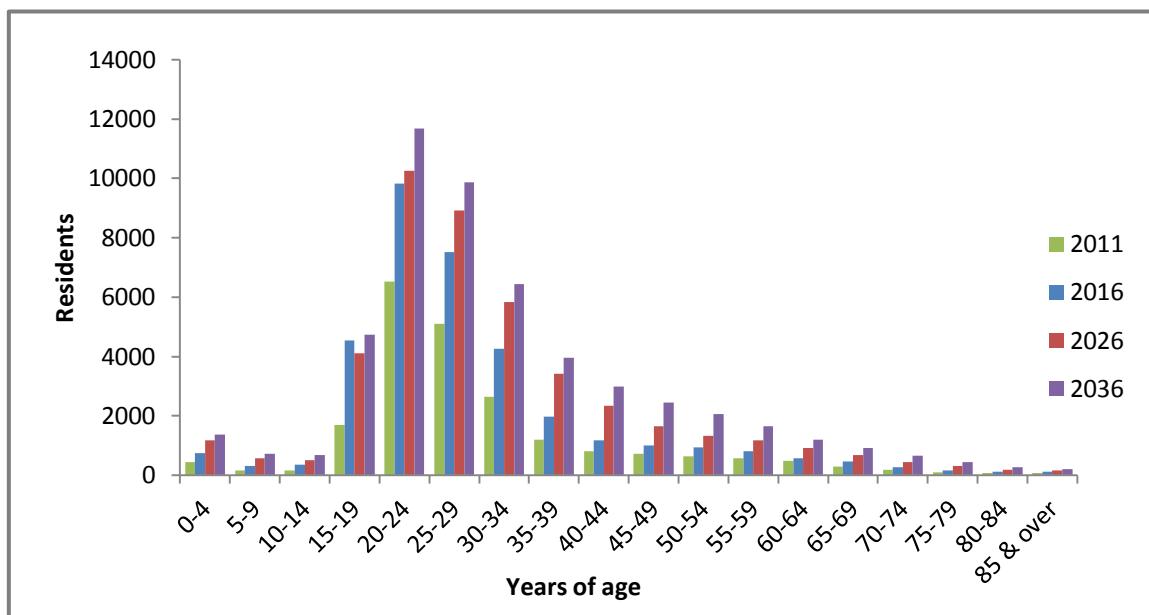
Melbourne CBD & remainder	2016	2021	2026	2031	2036
Residential population	35,159	39,756	43,996	47,903	52,324
Change in population (5 yrs)	-	4597	4240	3907	4421
% change in population (5 yrs)	-	13%	11%	9%	9%
Households	17,853	20,442	22,809	25,021	27,532
Change in households (5 yrs)	-	2589	2367	2212	2511
Melbourne CBD & remainder's share of municipality's population	26%	26%	25%	25%	25%
Melbourne CBD & remainder's share of municipality's households	28%	28%	27%	27%	27%

City of Melbourne	2016	2021	2026	2031	2036
Residential population	133,388	151,826	172,617	192,040	211,962
Change in population (5 yrs)	-	18,438	20,791	19,423	19,922
% change in population (5 yrs)	-	14%	14%	11%	10%
Households	63,100	72,693	83,187	93,269	103,614
Change in households (5 yrs)	-	9593	10,494	10,082	10,345

*Note: data for Figure 14 sourced from id Small Area Population Forecasts 2011 to 2036, City of Melbourne*

Melbourne CBD's share of the overall municipality's residential population is estimated to represent around one quarter (25%) in 2016 and into 2036, with the proportion of households slightly higher with 28% to 27%. By 2036 more than 52,000 residents living in more than 27,500 households are forecast to reside in Melbourne CBD.

**Figure 15: Melbourne CBD & remainder population forecast, by age group**



*Note: data for Figure 15 sourced from id Small Area Population Forecasts 2011 to 2036, City of Melbourne*

Melbourne CBD residents aged 20 to 34 years currently comprise around two thirds (65%) of the population. Figure 15 above suggests that this age group will remain the most populous in 2036, when it is forecast to account for just over half (53%) of the population.