

Population Flows: Immigration  
Aspects

Department of Immigration and  
Multicultural and Indigenous Affairs

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The 2001 edition of *Population Flows* is important given 2001 marked the Centenary Year of the Federation of Australia. Immigration has played a key role in nation building, with migration contributing significantly to Australia's overall population size, structure, composition, and skills base. Immigration has been a key contributor to the growth of Australia's population, which has risen from four million at the time of Federation, to over 19 million today. Australia will shortly receive its six millionth immigrant since World War II.

Australia is a multicultural and cosmopolitan society that owes much to the contribution of the successive waves of immigration from every continent in the world. The Australian population has become increasingly more diverse through the century. The then top 10 source countries made up 95 per cent of the overseas-born population in 1901. However the current top 10 source countries accounted for just 60 per cent of the overseas-born population in 2000. Settlers coming to Australia in 2000–01 came from almost 200 countries. The inclusive and tolerant nature of our society has meant that migrants have been accepted as Australians and have had the opportunity to contribute to the success of Australia.

Immigration also plays a significant role in supplementing Australia's labour force and attracting business investment and innovation. About one quarter of the Australian workforce was born overseas. Furthermore, more than half of the migrants now coming to Australia enter under the skilled stream. Initiatives have also been implemented to facilitate the entry of professionals in fields such as information and communications technology (ICT) which are in demand and will be essential to Australia's future economic growth.

In the Centenary Year of Federation it is fitting that we look back on our achievements but, more importantly, forward to our future. Given Australia's population directions, immigration will inevitably play an even greater role in our future than it has done in our past. Australia's fertility rate is declining and in about 30 to 40 years, deaths will begin to outnumber births for the first time in Australia's history. Without immigration, we would reach that point much sooner and our population would begin to shrink and age rapidly. Many Western European nations

and Japan, with very low fertility rates and little planned migration, are already facing such issues and the likely impacts for health and pension expenditures and rates of economic growth.

Immigration is the key to achieving a sustainable population for Australia. The current program is at a level that will assist in slowing the projected decline in our workforce growth rate, and in stabilising our population at around 25 million by mid century, with significant environmental and demographic benefits. Chapter 1 reports on the growth, birthplace and movement of the Australian population over recent years, along with the projected outlook for the future.

One of the factors to ensuring that net overseas migration does not fall below what we need to reach stabilisation is to make sure that the public is aware of the benefits of the current focus on skilled migrants. And these benefits are very tangible:

- while researchers in the early 1990s found immigration to have a neutral impact on the economy, today it is clearly having a strongly positive impact;
- the Government's emphasis on skilled migration will deliver \$6.7 billion in improved living standards for Australians by 2007–08; and
- the 2001–02 Migration Program will contribute \$3.7 billion over the next four years to the Commonwealth budget bottom line.

For the future, from a population perspective, there are three key strategies we must continue to pursue:

- We must continue to pursue family friendly policies that will help to minimise further falls in fertility (but noting that there are limits to the effectiveness of these policies);
- We must also continue to encourage older workers to remain in the workforce longer; and
- We must continue to enhance our skilled migration intake to maintain and indeed enhance our comparative advantages in immigration management, in particular our ability to attract young, skilled migrants in the face of increasing competition from other countries in Europe in particular.

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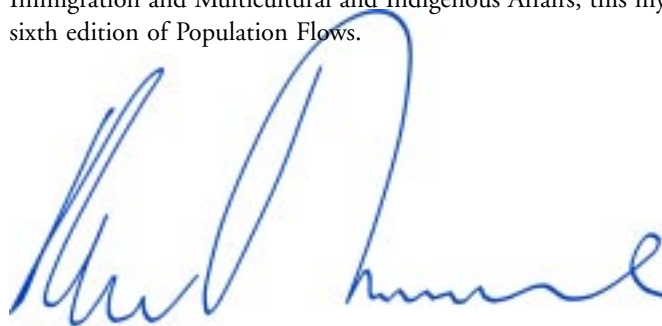
The cornerstone to the success of Australia's immigration program is its orderly yet responsive nature, underpinned by an inclusive notion of citizenship and appropriate support services. Given the dynamic nature of migration flows, policy settings are closely monitored and adjusted to ensure that the migration program achieves economic, social, humanitarian and environmental objectives. In recent times there have been a number of key initiatives and changes to Australia's immigration policies designed to achieve better outcomes. These changes are reflected in a more targeted migration program, which is now delivering major economic and budgetary benefits, and changes in temporary entry programs designed to facilitate the entry of genuine students, temporary business entrants and tourists. Chapters 2 and 4 provide more detail on these changes. Changes have also been made to enhance settlement, citizenship and multicultural programs.

Our current Migration Program is highly skills focused, employing rigorous selection criteria. Australia is now attracting better-educated, younger, more job-ready migrants with the qualifications and language skills to operate successfully in the Australian workplace. Chapter 5 reports that these migrants are performing better in the labour market than other migrants and the Australian population as a whole.

States and Territories are also benefiting from the state-specific migration initiatives set up to encourage a more balanced dispersal of Australia's skilled migrant intake and address skill shortages that may exist in specific regions of Australia. Almost 4000 migrants were granted visas under these initiatives in 2000–01, an increase of 16 per cent on the previous year.

Permanent movements to Australia provide only part of the picture. The statistics in Population Flows show the growing significance of temporary movements of people to Australia (Chapter 4). Tourist visa grants, spurred by the successful Sydney Olympics, reached a record high of 3.5 million in 2000–01, an increase of almost 10 per cent over the previous year. Overseas student visa grants also reached an all time high in 2000–01, with 146,600 visa grants, up 23 per cent on 1999–2000. Overseas students contributed an estimated \$3.7 billion to the economy in 2000. Other categories of temporary entrants, including temporary business entrants and working holiday makers, also recorded strong growth last year.

I am determined to ensure that our permanent and temporary entry programs continue to deliver for Australia. In this regard, it is important that the community understands the impact of immigration on Australian society, and the role immigration will play in Australia's future. There is a need for informed debate and examination of these issues. The statistics and commentary in Population Flows 2001 document the demographic road we have travelled since Federation and our proud record over the last 100 years, and the growing significance of immigration to our future. It is with pride that I present, as the Minister for Immigration and Multicultural and Indigenous Affairs, this my sixth edition of Population Flows.



Philip Ruddock  
Minister for Immigration and  
Multicultural and Indigenous Affairs  
February 2002

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### UNAVAILABILITY OF 2000–01 OAD DATA

Statistics on overseas arrivals and departures (OAD) are based on information from international passenger cards completed by persons arriving or departing from Australia.

DIMIA has recently automated the processing of passenger cards and problems with the introduction of the new system have caused delays in the availability of data.

As a result, OAD data for 2000–01 are not yet available. The main consequence is Chapter 6, 'Migration Flows to the States', has been excluded from this edition of Population Flows.