



Australian Government

**Department of Immigration and
Multicultural and Indigenous Affairs**

POPULATION FLOWS

Immigration Aspects

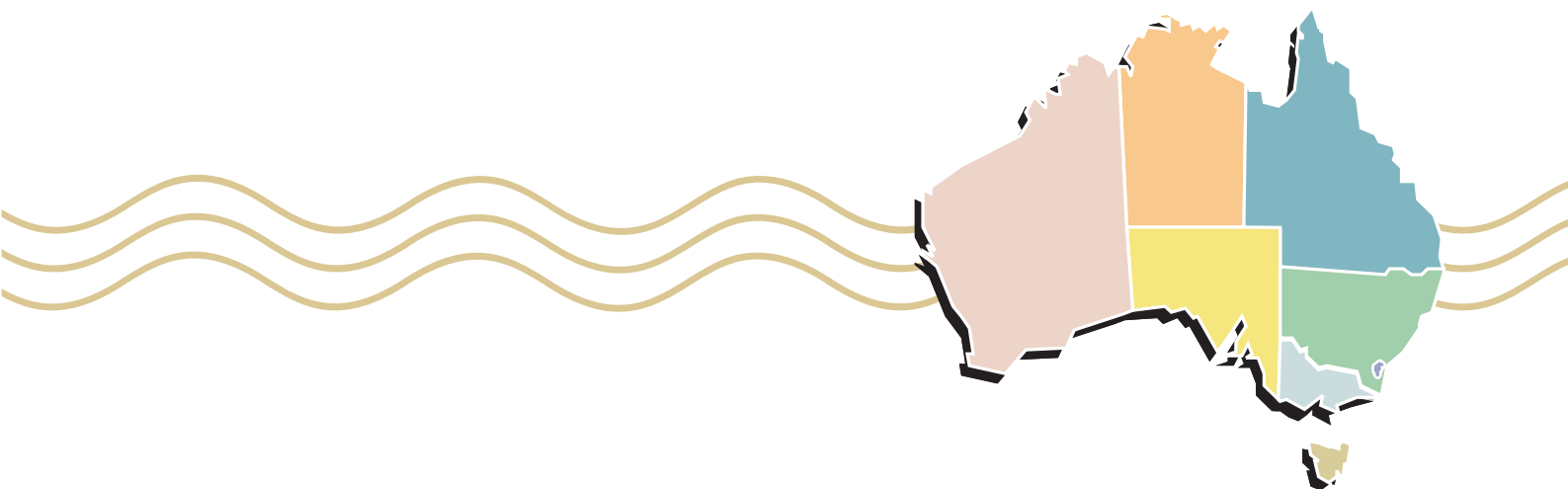


2003-04
edition

Population Flows: Immigration
Aspects

Department of Immigration and
Multicultural and Indigenous Affairs

January 2005



Population Flows: Immigration Aspects was prepared by
Economic and Demographic Analysis Section
Migration Branch
Department of Immigration and Multicultural and Indigenous Affairs

The Department's website at www.immi.gov.au contains this publication as well as a wide variety of additional information on Departmental activities.

© Commonwealth of Australia 2005

ISSN 1444-6510

This work is copyright. Apart from any use permitted under the *Copyright Act 1968*, no part may be reproduced by any process without written permission from the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA). Requests and inquiries concerning reproduction and rights should be addressed to the Assistant Secretary, Migration Branch, DIMIA, PO Box 25, Belconnen, ACT 2616, Australia.

Comments about this publication and requests for further copies can also be addressed to eda@immi.gov.au.



Demographic change is one of the most important issues facing Australia this century. Australians are living longer and having fewer children. As a result we are changing from being a young and growing population to one that is older and growing more slowly.

It is projected that our population may stabilise at around 26 to 27 million by the middle of this century, given current immigration levels.

It is likely that, in the 2030s, for the first time more Australians are likely to die than are born. Without immigration, our population would start to shrink after that time. The number of Australians of labour force age will begin to decline even earlier.

These demographic projections underscore the importance of a Migration Program which places a high value on youth and skill. Australia needs a highly skilled workforce to help support the increased demand on services by an older population and to keep Australia's economy and society vibrant.

Whereas a decade ago, the Skill Stream of the Migration Program accounted for around thirty per cent of the total, it now stands at over double this proportion. Last year's Migration Program was the largest, as well as the most highly skilled, in the past decade.

This emphasis on attracting skilled migrants has a strong positive impact on the economy. Researchers have found tangible benefits:

- Continuation of the current Migration Program compared with no Program is estimated to deliver an increase in living standards of around \$850 per person by 2021-22;
- The benefit of migration to Commonwealth Budgets is about \$7 million per year per 1,000 migrants while the corresponding benefit to State budgets is about \$1 million per year per 1,000 migrants;
- Continuation of the 2004-05 Migration Program is estimated to deliver a net benefit in excess of \$4 billion over four years to the Commonwealth Budget; and
- Skilled migration is placing downward pressure on the gap between rich and poor.

Demographic change is impacting on Australia's regions at a quicker pace than the major cities. It is pleasing, therefore, to note the success of the state-specific and regional 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. Nearly 13,000 visas were

granted under these initiatives in 2003-04, an increase of 60 per cent on the previous year. This outcome represents nearly one-fifth of the total Skill Stream of the Migration Program.

In addition to the significant economic benefits Australia is gaining from a highly skills focused Migration Program, we also have a proud history of resettling refugees and displaced persons. Australia is one of only ten countries that operate an annual dedicated resettlement program and consistently ranks in the top three in the numbers of persons resettled. We will be spending about \$2 billion over the next four years on our Humanitarian Program to help some of the world's most dispossessed people start a new life in this country.

Of course permanent migration to Australia only provides one side of the story. Temporary movements of people are becoming much larger. In the early 1990s only about 10 per cent of the increase in Australia's population due to migration was made up of long-term temporary migration. This has now risen to over 60 per cent.

The large numbers of temporary entrants also contribute significant amounts to the economy through export earnings, taxation and job creation. Tourism export earnings are around \$17 billion per annum, which is 11 per cent of Australia's total export earnings. Expenditure by Working Holiday Makers creates over 50,000 jobs per annum. And overseas students contribute nearly \$6 billion in export earnings annually.

Factors such as falling birth rates, ageing of the population and increased temporary flows of people due to the globalisation of world markets make population a very important issue for the Government. *Population Flows* provides an essential resource of factual information on the flows of people in and out of Australia. This publication is aimed at informing the community on the impact of immigration on our society. It is with pride that I, as the Minister for Immigration and Multicultural and Indigenous Affairs, present this, my second edition of *Population Flows*.

A handwritten signature in black ink that reads "Amanda Vanstone". The signature is fluid and cursive.

Amanda Vanstone

Minister for Immigration and Multicultural and Indigenous Affairs
January 2005



The Portfolio Minister, Senator Vanstone, has outlined in this publication the features of Australia's migration program.

In addition I want to set out what the changing nature of the program means for settlement services.

We have in recent years emphasised youth and skill. At the same time there has been a focus on attracting people to regional Australia and a recognition that in order to compete effectively against other countries for skilled migrants it is in Australia's economic interests to help them settle effectively.

There has also been a greater emphasis on taking refugees from Africa. In 2004-05 Africa is expected to account for around 75 per cent of all people resettled in Australia under the refugee and humanitarian program.

These developments mean we must have settlement programs that help people quickly realise their potential and their goals and recognise that new and emerging communities need particular attention.

In the 2004 Budget the Australian Government acknowledged the challenges faced by these new communities by providing significant new funding for their support.

Assisting new arrivals quickly become productive and part of the larger Australian community benefits all Australians. This is the practical side of our settlement and multicultural policies and is the building block of a program which promotes to business the competitive advantages our cultural diversity provides in our dealings with the rest of the world.

The *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants* released in May 2003 found that Australia has one of the most comprehensive settlement services in the world but there is no room for complacency.

The Australian Government is committed not only to helping new arrivals quickly become productive and achieve their goals but also to feel at home so they will settle permanently in Australia.

The significant number of people arriving each year from diverse backgrounds continues to add to Australia's cultural diversity and programs such as Living in Harmony encourage people to work together to foster acceptance, respect, cohesion, understanding and community harmony.

For many people citizenship represents the final step in the migration process.

Australian citizenship involves commitment to Australia and its people and a broad set of civic values. It is important that all citizens understand the responsibilities and privileges of citizenship.

This publication looks at the changing nature of Australia's population and migration program and the settlement patterns of new arrivals. I am delighted to commend it to you.

A handwritten signature in black ink, appearing to read 'Peter McGauran'. The signature is fluid and cursive, with a large initial 'P' and 'M'.

Peter McGauran

Minister for Citizenship and Multicultural Affairs

January 2005

Contents

Chapter 1

Population Growth and International Movement 1

Population Growth	3
Population Characteristics	4
Permanent Additions to Australia's Resident Population	6
Permanent & Long-Term Movement	8
Population Projections	12
Population Characteristics of Other Countries	16

Chapter 2

The Migration and Humanitarian Programs 17

The Migration and Humanitarian Programs	19
Skill Migration	22
Family Migration	26
Onshore Residence Outcomes	29
Humanitarian Program	30
Humanitarian Program (Offshore)	33
Humanitarian Program (Onshore)	34
Resident Return Visas	36

Chapter 3

State-Specific and Regional Migration 37

State-Specific and Regional Migration Initiatives	39
---	----

Chapter 4

New Zealand Movement 45

New Zealand Movement	47
----------------------	----

Chapter 5

Temporary Entry 51

Temporary Entry	53
Visitors	54
Working Holiday Makers	60
Overseas Students	62
Skilled Temporary Residents	67
Other Temporary Entrants	70
Bridging Visas	72
Stock of Temporary Entrants	73
Overstayers	76

Chapter 6

Economics of Immigration 77

Skill Level of Migrants	79
Labour Market Composition	81
Results from the LSIA	83
Economic Benefits of Migration	87

Chapter 7

Citizenship, Multicultural Affairs and Settlement Services 89

Citizenship, Multicultural Affairs and Settlement Services	91
--	----

Chapter 8

Migration Flows to the States 103

Immigration to the States	105
New South Wales	108
Victoria	112
Queensland	116
South Australia	120
Western Australia	124
Tasmania	128
Northern Territory	132
Australian Capital Territory	136

Appendices 141

Appendix A	
Components of Population Growth 1977–2004	142
Appendix B	
Components of Net Overseas Migration (NOM) 1983–2004	143
Appendix C	
Stock Estimate of Unlawful Non Citizens in Australia as at 30 June 2004	144
Appendix D	
Australia's Diverse Population 30 June 2002	145
Appendix E	
Data Sources for Population Flows: Immigration Aspects	146

Acronyms 147

Glossary 148

Further Information/Related Publications 150