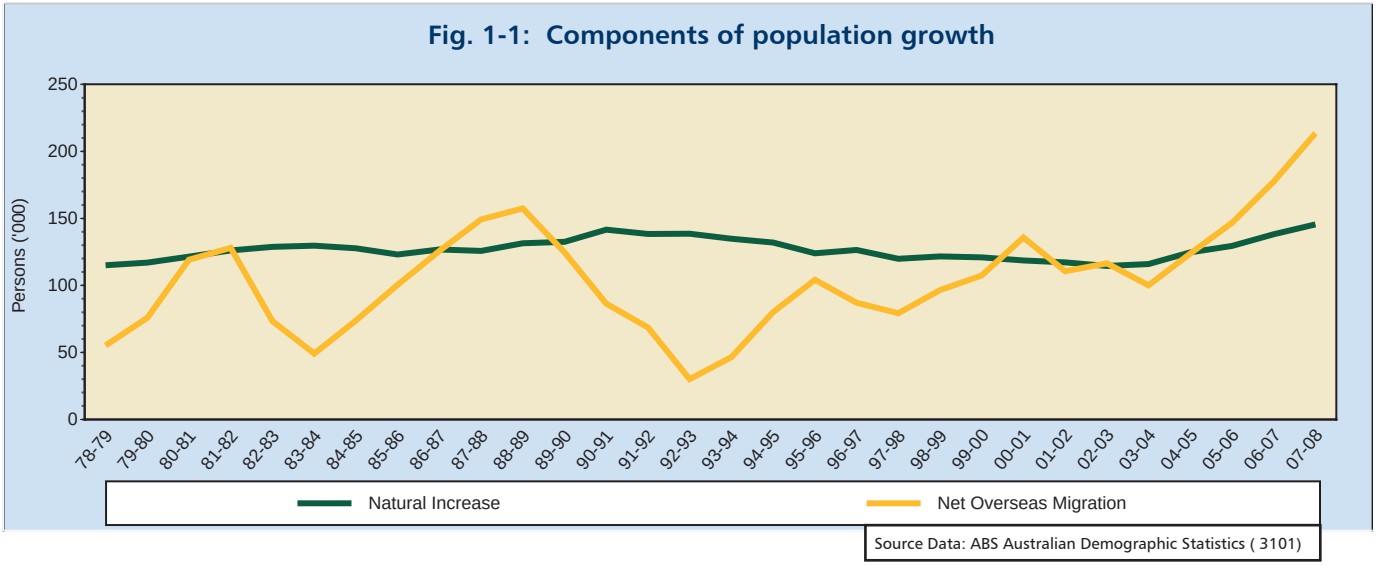
Chapter 1

Population growth

- Australia's population reached 21.4 million at the end of June 2008.
- Australia's population growth in 2007-08 was made up of 145 500 people through natural increase (births less deaths) and 213 500 through net overseas migration.
- The United Kingdom (UK) remains the largest overseas-born group, but as a proportion of the total overseas-born, it is declining. The second largest birthplace group is the New Zealand-born.
- Net long-term temporary movements in 2007-08 were 206 605.
- In 2007-08, 76 923 people left Australia permanently and emigration is now at its highest level ever.
- Australia lost 37 095 skilled people through permanent emigration in 2007-08, but gained 52 705 skilled permanent arrivals (settlers).
- In 2007-08 a total of 107 662 people were approved as Australian citizens.

Population growth

Fig. 1-1: Components of population growth



Source Data: ABS Australian Demographic Statistics (3101)

Components of population growth

The preliminary estimated resident population (ERP) of Australia at 30 June 2008 was 21 374 000 persons, an increase of 359 000 since 30 June 2007 and 91 400 persons since 31 March 2008. The increase for the year ended 30 June 2008 is the largest recorded for a 12 month period since the ERP concept was introduced in 1971 by Australian Bureau of Statistics (ABS).

Natural increase for the 12 months ended 30 June 2008 was 145 495 persons, an increase of 4.3 per cent (or 6 000 persons) on the natural increase for the year ended 30 June 2007 (139 500 persons).

Net Overseas Migration (NOM)

Net overseas migration (NOM) is the addition to the population of Australia arising from the difference between those leaving permanently or for at least 12 months out of the 16 months period, and those arriving permanently or for 12 months out of the following 16 months.

The ABS has developed an improved method for calculating NOM from September quarter 2006 onwards. As a result estimates prior to 2006-07 are not comparable with more recent estimates.

As shown in Fig. 1.1, NOM can fluctuate considerably from year to year, but has steadily increased in recent years. For the year ended 30 June 2008, Australia recorded a preliminary NOM estimate of 213 461 persons. This was the difference between 443 195 overseas arrivals that were added to the population (NOM arrivals) and 229 734 overseas departures that were subtracted from the population (NOM departures).

Fig. 1-2: Net overseas migration (NOM) 2007-08

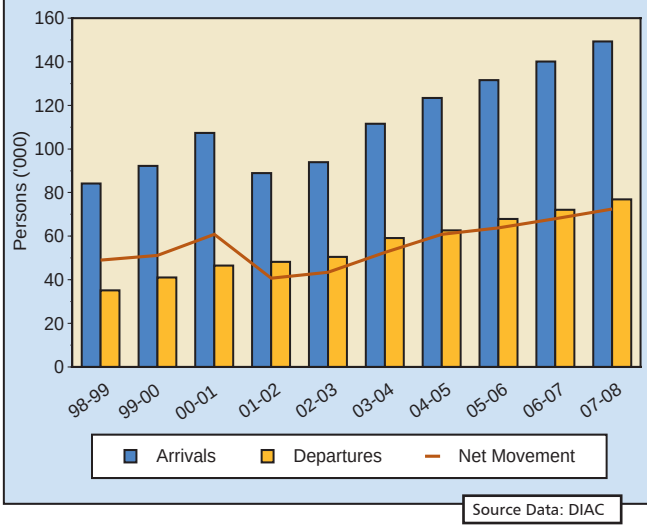
	NOM arrivals	NOM departures	NOM
NSW	144 910	83 742	61 168
Vic	108 650	50 603	58 047
Qld	87 325	46 035	41 290
SA	25 675	11 489	14 186
WA	60 932	26 269	34 663
Tas	3798	2259	1539
NT	4676	3706	970
ACT	7224	5623	1601
Australia	443 195	229 734	213 461

Source Data: ABS Australian Demographic Statistics (3101)

The contribution made to population growth by NOM (59.5 per cent) was higher than that of natural increase (40.5 per cent). The relatively large net overseas migration in recent years reflects larger Migration Programs, growth in the number of overseas students and the strength of Australia's economy.

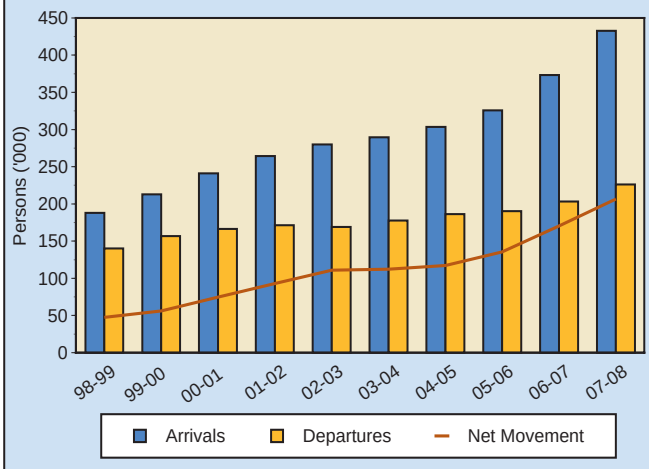
Permanent and long-term movement

Fig. 1-3: Permanent arrivals vs departures



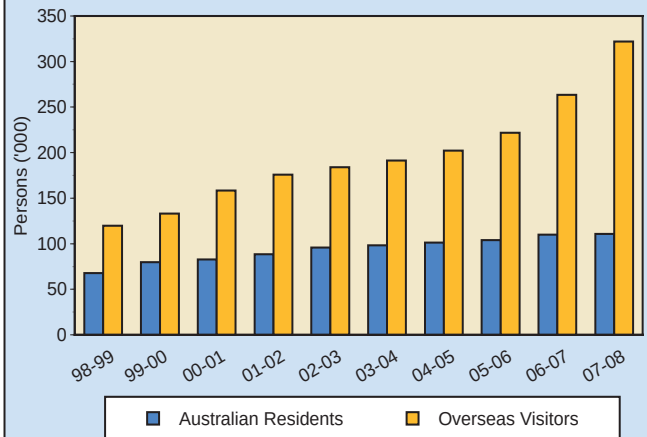
Source Data: DIAC

Fig. 1-4: Long-term arrivals vs departures



Source Data: DIAC

Fig. 1-5: Long-term arrivals by residence status



Source Data: DIAC

Permanent movement

Permanent arrivals (settlers) are made up of people visaed offshore under the Migration and Humanitarian programs, and New Zealand citizens (not counted as part of the Migration Program) who intend settling in Australia permanently. Permanent departures comprise Australian residents (including former settlers) who, on departure from Australia, indicate that they do not intend returning.

In 2001-02, permanent arrivals were 88 900 - a decrease of 17.2 per cent from the previous years figure of 107 366. Since then arrivals have steadily increased from 93 914 in 2002-03 to 149 365 in 2007-08.

The number of permanent departures has been increasing steadily since the early 90s. In 2007-08, permanent departures increased to 76 923 people, its highest level ever. In 2007-08 the overseas-born accounted for 49.1 per cent of permanent departures, about the same level as the past few years, but down from 60.0 per cent in 1998-99.

Net permanent movement totalled 72 442 people in 2007-08, up from 68 045 people in 2006-07 and 63 740 in the previous year.

Long-term movement

Long-term arrivals comprise overseas visitors (including temporary residents and students) who indicate an intention to stay in Australia temporarily for 12 months or more, and Australian residents returning after an absence of 12 months or more overseas. Long-term departures comprise Australian residents who intend to stay abroad 12 months or more and overseas visitors departing who stayed 12 months or more in Australia.

Long term movements are made up of long term arrivals and long term departures. Since 1999-2000, the major element of net overseas migration has been long-term movement. The level of long-term movements is strongly influenced by both domestic and international conditions, particularly economic conditions. Strong economic conditions in Australia are usually associated with high levels of long-term arrivals.

There were 432 677 long-term arrivals in 2007-08 of which 25.6 per cent were Australian residents. The percentage of long term arrivals who were Australian residents has declined, while the percentage of long term overseas visitors has increased.

In 2007-08, 226 072 people left Australia as long-term departures. 45.1 per cent of them were Australian residents.

In 2007-08, net long-term movement totalled 206 605 people, an increase of 21.4 per cent from the previous year.

As Fig. 1-6 shows, the major source countries of long-term visitor arrivals to Australia are different to the source countries of permanent arrivals. Much of long-term visitor movement to Australia is for business or study purposes.

The total net gain from permanent and long-term movement in 2007-08 was 279 047 people (Note, this differs from NOM as it does not include migration adjustments which provide for changes in travel intention and it counts people arriving or departing for 12 months or more rather than 12 out of 16 months).

Emigration by birthplace

In 2007-08, 76 923 people left Australia permanently. The steady increase in emigration observed in recent years has continued this year and now at its highest level ever. (See Fig. 1-7)

Permanent departures of the Australia-born persons were 39 144. This represents 50.9 per cent of all departures, slightly down from the previous year.

Of the overseas-born departing, the New Zealand-born were the largest national group accounting for 20.7 per cent of departures (7820 people), followed by the UK-born accounting for 16.0 per cent (6047 people).

People born in North-East Asia and South-East Asia accounted for 23.3 per cent and 11.6 per cent of overseas-born departures respectively.

Fig. 1-6: Long-term arrivals vs permanent arrivals by major country of birth, 2007-08

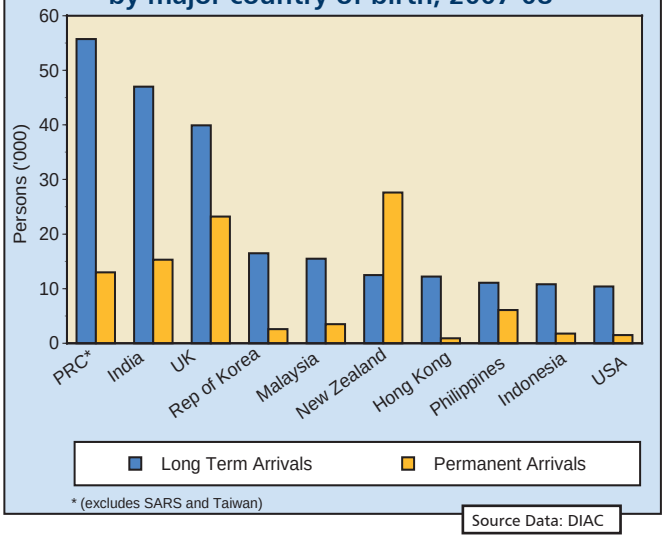


Fig. 1-7: Permanent departures

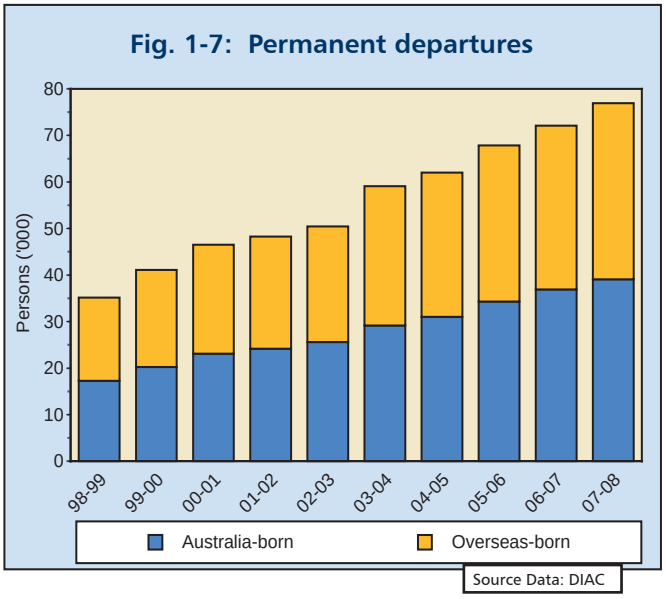
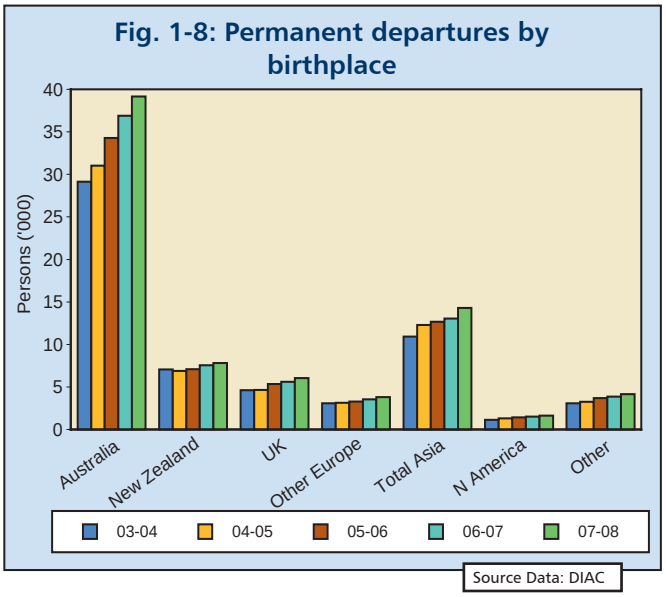
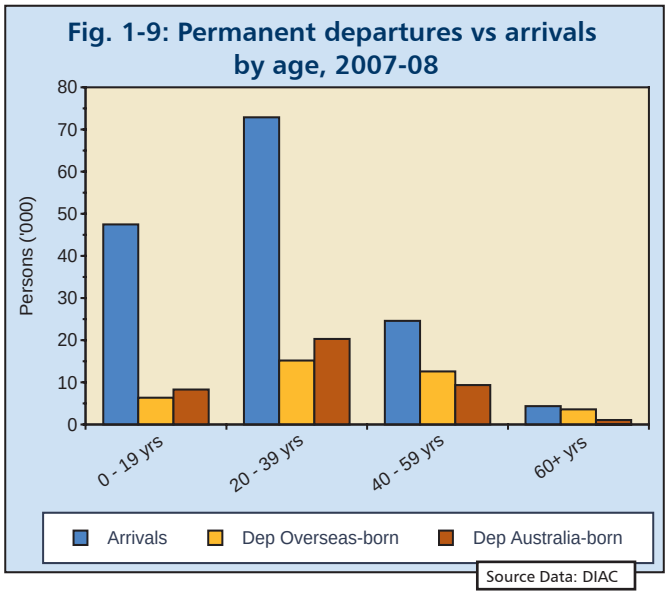
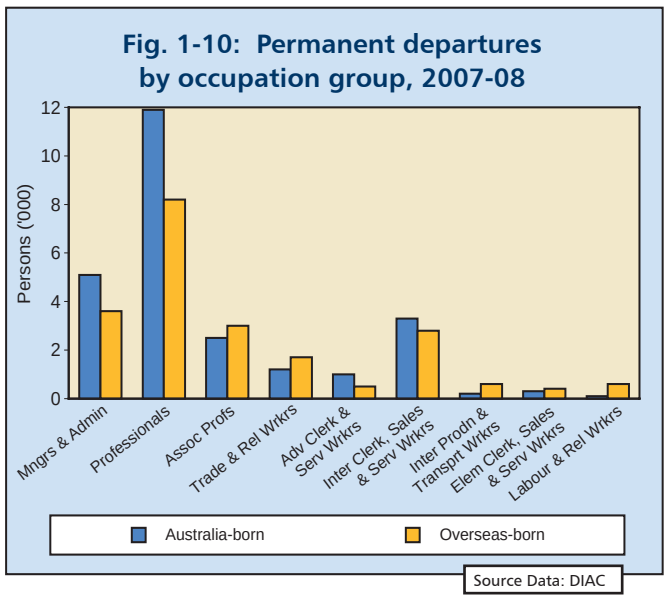


Fig. 1-8: Permanent departures by birthplace







Emigration by age

In 2007-08, 40.1 per cent of all overseas-born emigrants were between the ages of 20 and 39 years compared to 48.8 per cent of permanent arrivals. Some 17.0 per cent were aged under 20 years, 33.3 per cent in the 40-59 year age group and only 9.6 per cent were 60 years or older.

Australia-born emigrants are more likely to be young families, with 46.5 per cent of the total aged 25-39 years and 15.0 per cent aged under 10 years.

Emigration by occupation

Skilled emigrants are those permanently departing who, prior to leaving, were employed in managerial, administrative, professional or associate professional occupations, or as tradespersons.

A total of 37 095 permanent departures and 52 705 permanent arrivals were skilled in 2007-08. While the number of skilled emigrants is increasing over time, the net effect of the difference between skilled immigrants and emigrants is positive.

In 2007-08, the proportion of those emigrants in the workforce who were skilled (as stated on out-going passenger cards) was 78.1 per cent. Of the emigrants in the workforce, 17.0 per cent were managers or administrators, 39.3 per cent were professionals, 10.8 per cent were associate professionals and 5.7 per cent were tradespersons. Semi-skilled persons constituted 16.6 per cent of emigrants in the workforce, and unskilled 2.9 per cent.

The top 5 occupations of emigrants in 2007-08 before they left the Australian workforce were managers and administrators (6232 people), school teachers (2454 people), building and engineering professionals (2036 people), accountants (1799 people) and sales representatives (1447 people). However, it should be noted that 3498 people have inadequately described their occupation.

There were more Australia-born skilled emigrants than overseas-born skilled emigrants in 2007-08 (20 667 Australia-born people compared with 16 428 overseas-born people). This difference is most evident in the professional occupations.

Of the total Australia-born departures (who were in the workforce), 76.5 per cent were skilled, while 69.8 per cent of the overseas born emigrants were in this category.

In 2007-08, 77.2 per cent of the 7151 Australia-born emigrants migrating to UK were skilled. Some 74.5 per cent of the 3672 emigrants to USA, 65.6 per cent of the 3524 emigrants to New Zealand, 79.1 per cent of the 1956 emigrants to Singapore and 64.7 per cent of 1755 emigrants to the UAE were skilled people.

Despite subdued economic conditions in some overseas countries, the upward trend in permanent departures of the Australia-born showed no signs of a decrease to the end of 2007-08.

Emigration by length of residence

The majority of overseas-born people leaving Australia permanently in 2007-08 had lived here for five years or more (69.3 per cent). Of the remaining 30.7 per cent, 13.7 per cent had lived in Australia less than two years and 15.9 per cent had lived here between two and five years.

Destination of emigrants

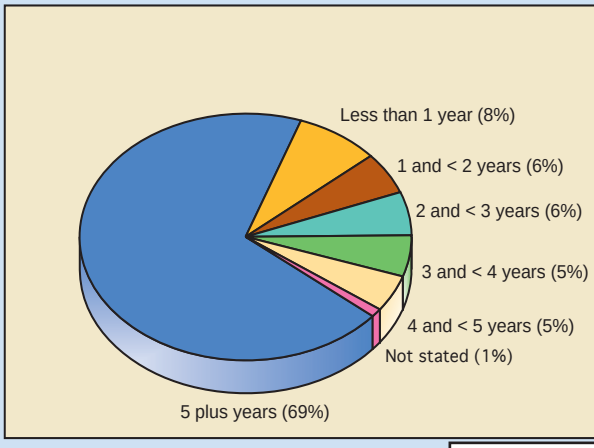
During 2007-08, of 37 779 overseas-born emigrants 22 767 people (60.3 per cent) had returned to their birthplace. Analysis of the major emigrant nationalities shows that 78.8 per cent of 7820 New Zealand born emigrants, 56.0 per cent of 6047 UK born emigrants , 61.5 per cent of 4480 the PRC born emigrants, 77.5 per cent of 2211 Hong Kong (SAR of China) born emigrants and 65.2 per cent of 1338 Vietnam born emigrants returned to their country of birth.

Some 39.7 per cent of overseas born emigrants (15 012) have migrated to countries other than their country of birth.

Analysis of emigrants from major source countries shows that those who born in Afghanistan (6.3 per cent), Burma (Myanmar) (7.3 per cent), Zimbabwe (7.6 per cent), Iraq (9.3 per cent) and Sri Lanka (15.5 per cent) have a relatively a low propensity to return to their birth countries.

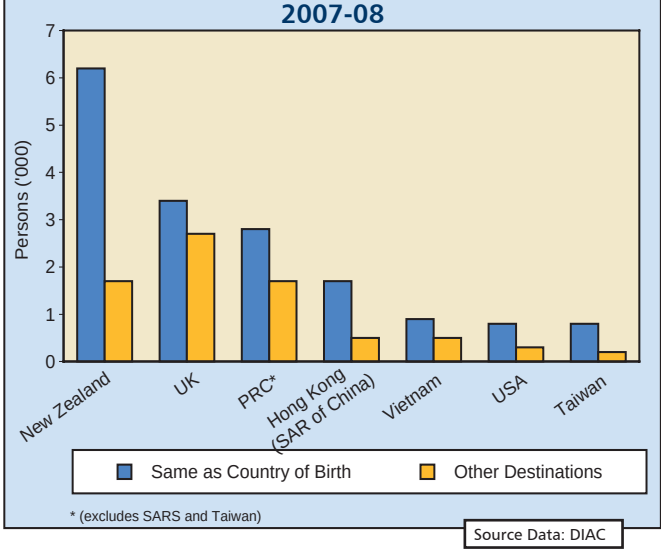
Two-thirds of all Australia-born emigrants leave for one of the top five destination countries. The most popular destinations were the UK (22.0 per cent), New Zealand (14.4 per cent), the USA (12.7 per cent), Singapore (7.6 per cent) and the UAE (6.1 per cent). Other popular destinations were Hong Kong (SAR of China), the PRC, Canada and Japan.

Fig. 1-11: Permanent departures of overseas-born by period of residence 2007-08



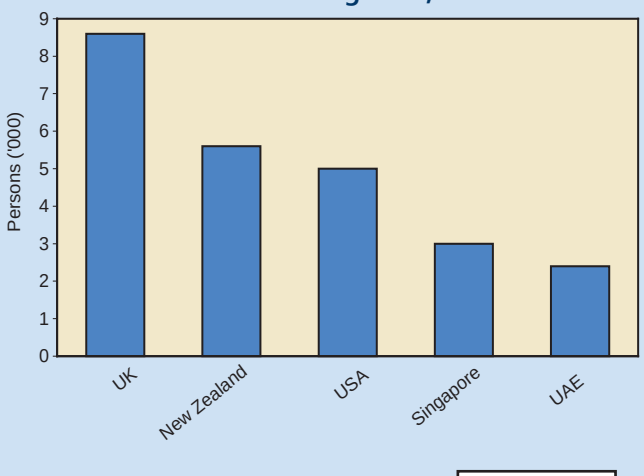
Source Data: DIAC

Fig. 1-12: Destination of overseas-born emigrants, 2007-08



Source Data: DIAC

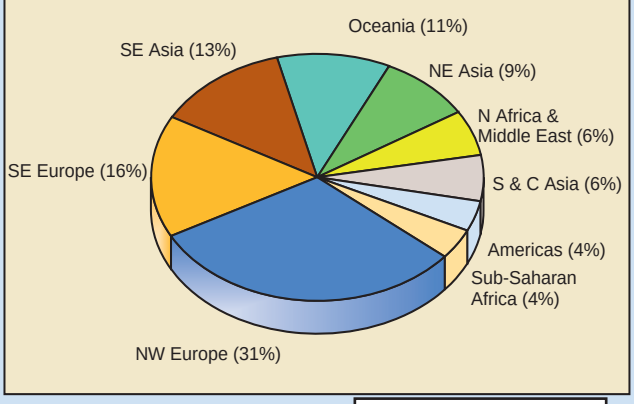
Fig. 1-13: Top 5 destinations of Australia-born emigrants, 2007-08



Source Data: DIAC

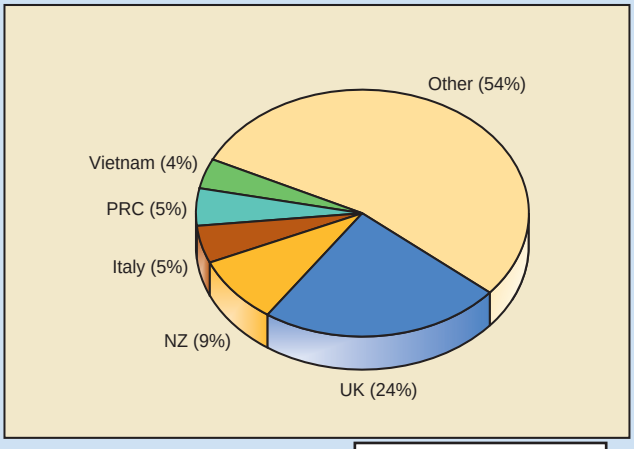
General population characteristics

Fig. 1-14: Overseas-born population by region of birth 2006 Census



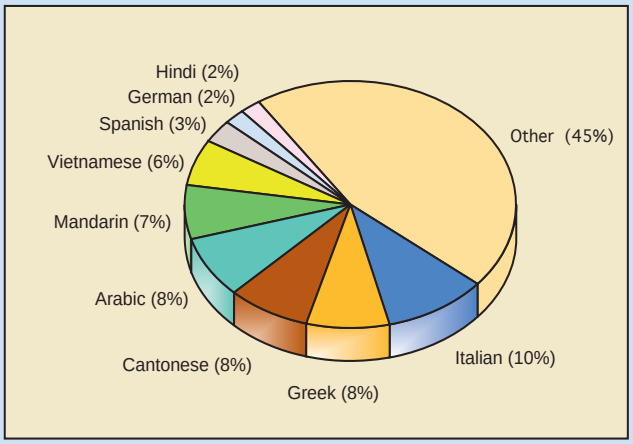
Source Data: ABS, 2006 Census

Fig. 1-15: Overseas-born population by country of birth 2006 Census



Source Data: ABS, 2006 Census

Fig. 1-16: Language other than English spoken at home, 2006 Census



Source Data: ABS, 2006 Census

Birthplace

Australia's population at the 2006 Census was 19.9 million, up 5.8 per cent from the figure of 18.8 million in 2001. Between the 2001 and 2006 Census, the proportion born overseas rose from 23.1 per cent to 23.9 per cent. The proportion of those born overseas or who had at least one parent born overseas increased from 44.1 per cent in 2001 to 45.0 per cent. More recent statistics on Australia's diverse population by country of birth are in Appendix D.

The UK was the largest overseas-born group (23.5 per cent), but as a proportion of the total overseas-born the UK is declining – down from 25.4 per cent in 2001. The second largest birthplace group, the New Zealand-born, made up 8.8 per cent of all overseas-born. The next largest birthplace groups were the PRC (4.7 per cent), Italy (4.5 per cent), Vietnam (3.6 per cent), India (3.3 per cent), the Philippines (2.7 per cent), Greece (2.5 per cent) and Germany (2.4 per cent).

Birthplaces that have increased significantly between 2001 and 2006 were Liberia (1527 people, up 1239.0 per cent), Sierra Leone (1811 people, up 437.4 per cent), Sudan (19 052 people, up 287.9 per cent), Saudi Arabia (3477 people up 112.3 per cent) and the UAE (2978 people up 104.3 per cent).

Birthplaces that have decreased significantly between 2001 and 2006 were Estonia (1930 people down 19.5 per cent), Lithuania (3065 people, down 16.9 per cent), Norway (3630 people, down 16.5 per cent), Latvia (5616 people, down 16.2 per cent) and Hungary (20 162 people, down 11.4 per cent). On a region of birth basis, Southern and Central Asia had the greatest increase (43.3 per cent) between 2001 and 2006, followed by sub-Saharan Africa (35.4 per cent) and North-East Asia (30.1 per cent).

Language

In the 2006 Census, 3 208 900 people (16.2 per cent of the population) reported they spoke a language other than English at home. Italian was the most popular language (10.1 per cent of all languages other than English), followed by Greek (8.0 per cent), Cantonese (7.8 per cent), Arabic (7.7 per cent), Mandarin (7.0 per cent), Vietnamese (6.2 per cent), Spanish (3.1 per cent), German (2.4 per cent) and Hindi (2.2 per cent). Other popular languages spoken at home were Macedonian, Croatian, Korean, Turkish, Polish and Tagalog.

Languages that have increased significantly between 2001 and 2006 were Shona (2797 people, up 531.4 per cent), Malayalam (7092 people, up 140.2 per cent), Telugu (8279 people, up 137.8 per cent), Swahili (3053 people, up 119.8 per cent), Gujarati (11 873 people, up 116.2 per cent) and Afrikaans (16 808 people, up 109.5 per cent).

Languages that have decreased significantly between 2001 and 2006 were Tok Pisin (1601 people, down 48.8 per cent), Yiddish (1906 people, down 27.9 per cent) and Estonian (1252 people, down 23.5 per cent).

There were 55 698 people who reported speaking an Australian Indigenous language at home, an increase of 9.4 per cent over the 2001 Census.

English proficiency

At the 2006 Census 3 208 900 reported they spoke a language other than English at home, of these 2 591 660 people (80.8 per cent) said they spoke English 'very well or well' while 561 413 (17.5 per cent) people said they 'did not speak English well or did not speak English at all'.

Religious affiliations

Around two-thirds (63.9 per cent) of Australia's population reported a Christian religion in the 2006 Census. The remainder was made up of other religions which also includes 'Religion not clearly described' (6.2 per cent) plus 'No Religion' (18.7 per cent) and 'Not stated' (11.2 per cent).

The most popular religions were Catholic (25.8 per cent, up 2.5 per cent on the number reported in the 2001 Census) followed by Anglican (18.7 per cent, down 4.2 per cent) and Uniting Church (5.7 per cent, down 9.1 per cent).

The most popular non-Christian religions were Buddhism (2.1 per cent, up 17.0 per cent), Islam (1.7 per cent, up 20.9 per cent), Hinduism (0.7 per cent, up 55.2 per cent) and Judaism (0.4 per cent, up 5.8 per cent).

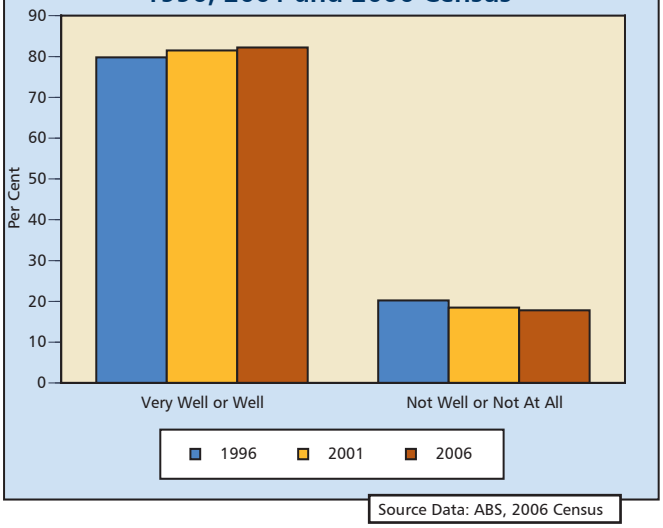
Religions that have increased significantly between 2001 and 2006 include the Apostolic Church (Australia), Christian City Church and Assemblies of God. Religions that have decreased significantly over this same period include Melkite Catholic, Aboriginal Evangelical Missions and Ukrainian Catholic.

Ancestry

At the 2006 Census, 29.0 per cent of the Australian population reported Australian ancestry. The most popular ancestries after Australian were English (24.7 per cent), Irish (7.1 per cent), Scottish (5.9 per cent), Italian (3.3 per cent) and German (3.2 per cent).

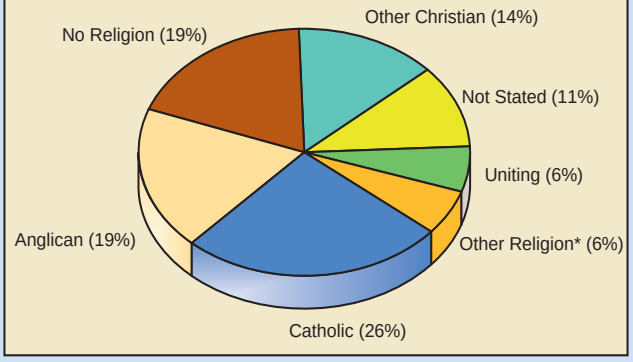
Other common ancestries were Chinese (2.6 per cent), and Indian (0.9 per cent).

Fig. 1-17: Proficiency in spoken English 1996, 2001 and 2006 Census



Source Data: ABS, 2006 Census

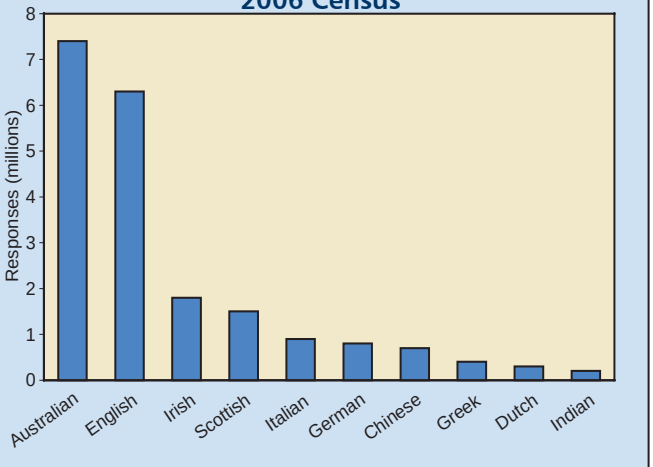
Fig. 1-18: Religious affiliations 2006 Census



* Other Religion is other religions other than Christian religion, religious belief not further defined and religious belief inadequately described.

Source Data: ABS, 2006 Census

Fig. 1-19: Top Ten ancestries* in Australia 2006 Census



* Ancestry in this case counts the first and second response and therefore may include double counting eg. if a person reports Greek as their first response and Australian as their second, they will be counted once under each category.

Source Data: ABS, 2006 Census

Social characteristics of migrants

Fig. 1-20: Arrival patterns

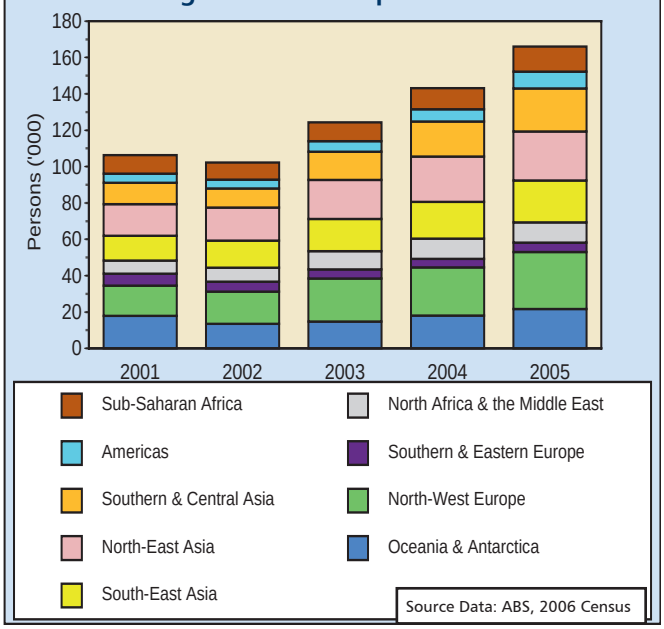


Fig. 1-21: Marital status by country of birth

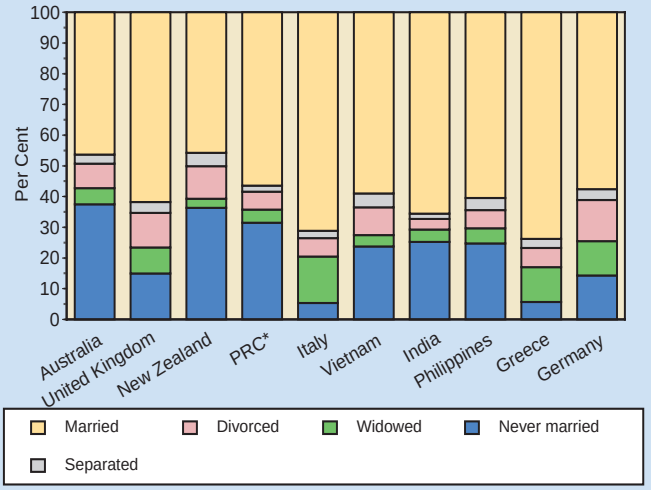
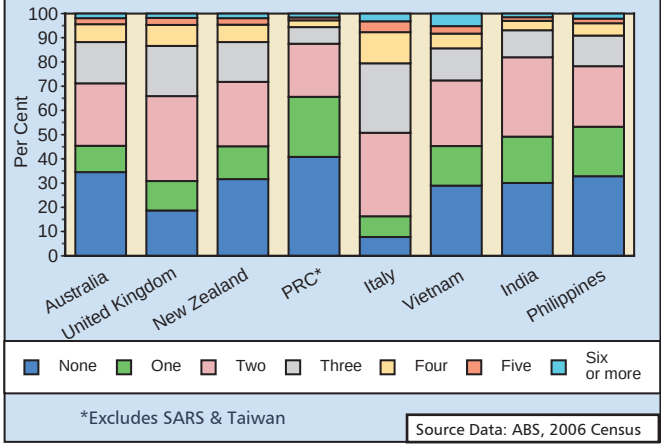


Fig. 1-22: Number of children in the family by country of birth



This section on the social characteristics of migrants highlight some interesting information on migrants revealed in the 2006 Census.

Fig.1-20 shows the arrival patterns by region of birth since 2001. Total arrivals have been consistently increasing over time. Arrivals from Oceania on the other hand have fluctuated over time and there has been a decline in the arrivals from Southern and Eastern Europe.

The marital status of the Australian born and overseas born reveals a number of interesting differences. For instance, Fig.1-21 shows that Australian and New Zealand born migrants have similar marital status profiles. Both have similar proportions that are married (around 46 per cent), and never married/single (around 36 per cent). In contrast, most other migrants are married. For example, the Italian population is mostly married (71.2 per cent), very few are single (5.3 per cent) and a significant portion (15.1 per cent) are widowed. These characteristics reflect the older profile of the Italian population and are also evident in the Greek population.

Fig. 1-22 shows the proportion of the population with one, two and three or more children by country of birth for Australia and the top seven migrant groups. People from the PRC have the highest incidence of one child (23.9 per cent) and no child (39.4 per cent) families. In contrast, only 15.7 per cent of those born in Italy have one child or none and 19.8 per cent have four children or more. Among the top seven migrant groups, Vietnam has the highest proportion with six children or more (5.0 per cent).

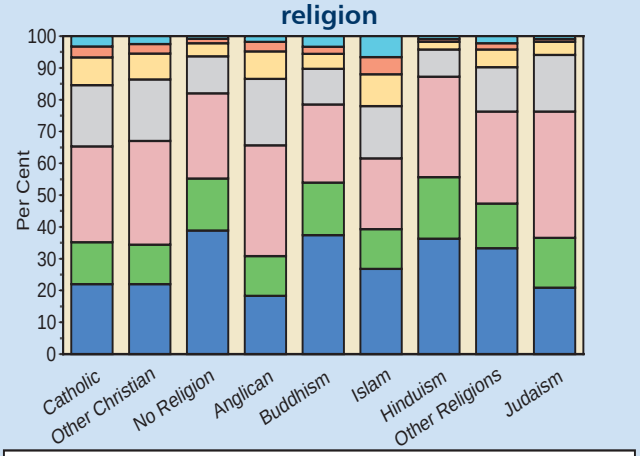
Fig. 1-23 shows the number of children in the family by religion. Those with 'no religion', Buddhism and Hinduism have the highest proportion with no children (above 37 per cent), while Muslims had the highest proportion of having six or more children (5.1 per cent).

Of the top 15 birthplaces, Fig.1-24 shows that migrants from Vietnam, Philippines, Lebanon and Sri Lanka had the highest average household sizes of four people. Those from Italy, the UK, Greece, Germany and the Netherlands had the lowest average household sizes of only two people.

Fig. 1-25 shows overwhelmingly that most people have internet access at home. Access to the internet was highest for those born in India, South Africa and Malaysia, and lowest for those from Italy and Greece.

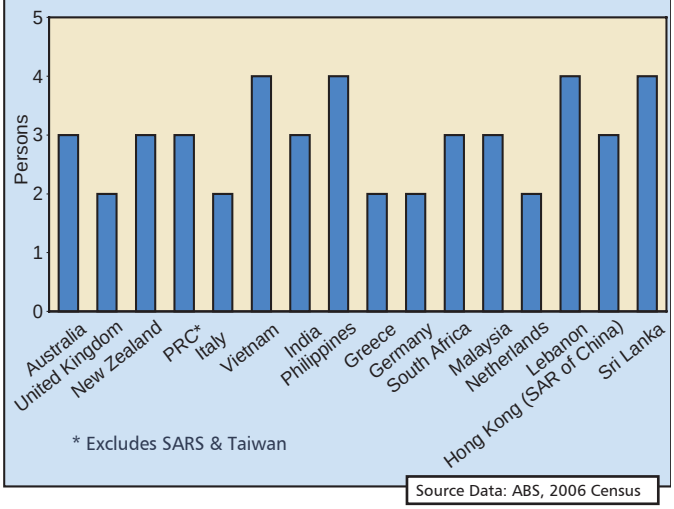
Fig. 1-26 shows the proportion of the population 15 years of age and over who volunteer. As can be seen, migrants from English speaking countries such as the USA, Canada, the UK and New Zealand are more likely to be involved in volunteering activities than those from a non English speaking country such as the PRC, Vietnam and India. The low proportion of volunteers from Italian and Greek born is possibly due to their older age profile.

Fig. 1-23: Number of children in the family by religion



Source Data: ABS, 2006 Census

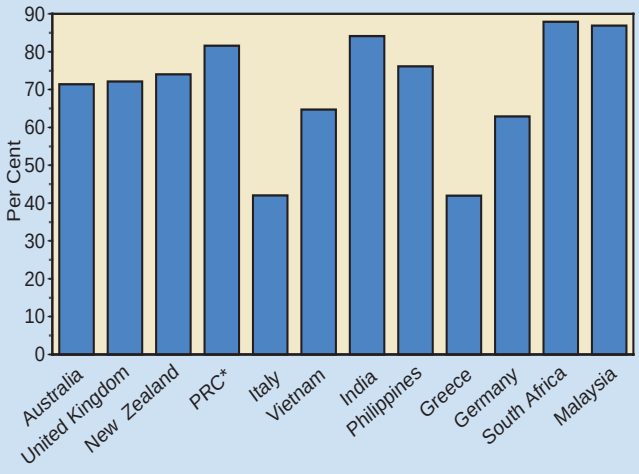
Fig. 1-24: Average size of household by country of birth



* Excludes SARS & Taiwan

Source Data: ABS, 2006 Census

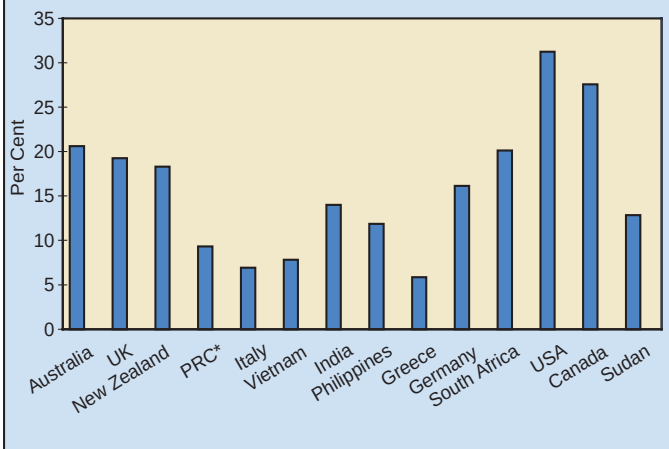
Fig. 1-25: Internet connection by country of birth



* Excludes SARS & Taiwan

Source Data: ABS, 2006 Census

Fig. 1-26: Proportion of (15 years & over) population who volunteer by country of birth

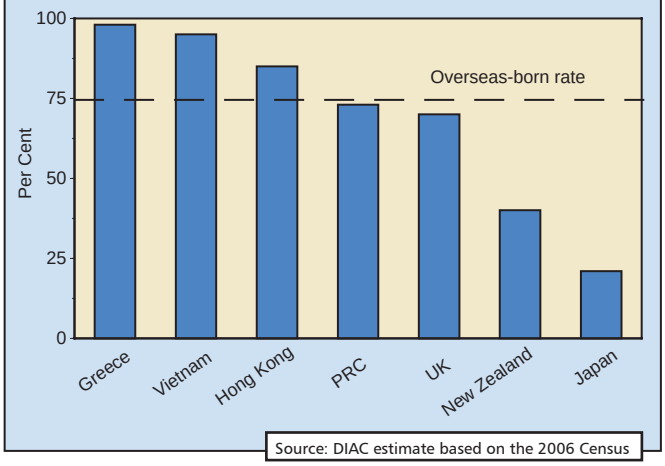


* Excludes SARS & Taiwan

Source Data: ABS, 2006 Census

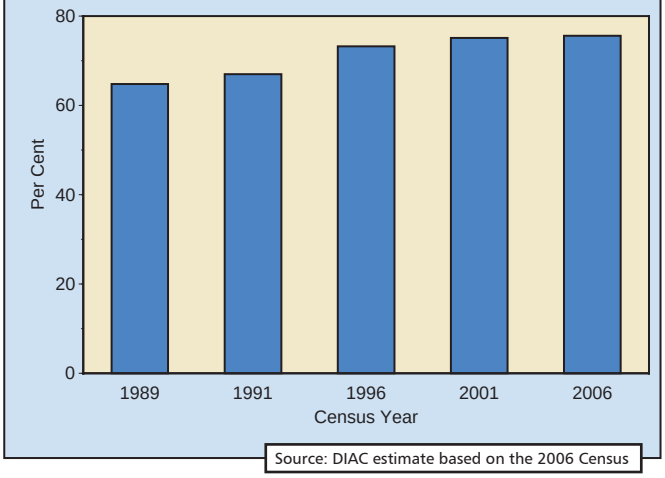
Profile of Australian citizenship

Fig. 1-27: Estimated citizenship take up rate For selected countries of birth



Source: DIAC estimate based on the 2006 Census

Fig. 1-28: Estimated take-up rate of citizenship



Source: DIAC estimate based on the 2006 Census

Australian citizenship encompasses shared civic values and acts as a strong unifying force in the Australian community. These shared civic values include loyalty to Australia and its people, a belief in the democratic process, respect for the rights and liberties of others and a commitment to uphold and obey Australia's laws. It is the commitment to these values that is one of the great strengths of the Australian community. Whether Australian by birth or by choice, Australian citizenship is the common bond which unites us all.

Becoming an Australian citizen is an important way of showing pride in being part of Australia's dynamic and diverse society. Australian citizenship allows full participation in the Australian community. Australia's approach to citizenship is inclusive and non-discriminatory.

Following a record year in 2006–07, 107 662 people were approved as Australian citizens in 2007–08 by conferral, descent and resumption. Of this number, 92 603 were approved for citizenship by conferral, which was a 39.8 per cent decrease compared to 2006–07. This downturn was expected following record numbers of conferrals in 2006–07 ahead of the 2007 changes to the citizenship act. These changes included an increase to the residence requirement and the introduction of a citizenship test.

Numbers are now increasing and it is anticipated that application numbers will continue to increase during 2008–09.

The top ten source countries of people conferred Australian citizenship in 2007-08 were (by country of former citizenship): the UK, India, the PRC, New Zealand, the Republic of South Africa, Iraq, Philippines, the USA, Afghanistan, and Sudan.

The Department promotes the value of Australian citizenship and encourages eligible people to become citizens. However, it is a personal decision for each prospective citizen as to when and why they apply for citizenship once they are eligible. The Department will continue to research the incentives and barriers to applying for citizenship. Further details can be found at www.citizenship.gov.au

The take-up of Australian citizenship by migrants is measured by the percentage of residentially eligible migrants from different countries who become Australian citizens. At the 2006 Census the estimated take-up rate for people born overseas was 75.6 per cent.

Information from the 2006 Census indicates that the take-up of Australian citizenship by migrants varies significantly. The countries with the highest take-up rates are Greece (98.2 per cent), Hungary and Croatia (both 96.7 per cent), the Former Yugoslav Republic of Macedonia (96.6 per cent), Bosnia and Herzegovina (both 96.1 per cent) and Lebanon (96.0 per cent).

The 2006 Census data indicates that more than half of the permanent residents who were eligible to acquire Australian citizenship but who had not, were from just two countries – the UK and New Zealand. Other nationalities with sizeable numbers of residentially eligible non-citizens are Italy, Malaysia, India and the PRC.

Promotion of Australian citizenship

The objective of Australian citizenship promotion is to implement a program which promotes the value of Australian citizenship and encourages eligible non-citizens to become Australian citizens.

Departmental promotion of Australian citizenship continued through public relations activities throughout the year. Key highlights included special citizenship ceremonies to mark the introduction of the new Australian Citizenship Act 2007 on 1 July 2007, Citizenship Day on 17 September 2007, Australia Day 2008 and Refugee Week 2008.

A Government public information campaign to inform the Australian community of the new citizenship test was launched on 17 September 2007 and put on hold on 14 October 2007 in accordance with federal election caretaker conventions.

For most people, the final step in becoming an Australian citizen is taking the pledge of commitment at a citizenship conferral ceremony. Australia Day 2008 saw over 14 000 people from 114 countries become Australian citizens at 321 ceremonies across the nation, including a 'mega ceremony' in Western Australia with 1313 new citizens conferred by the Minister. In total 121 221 people were conferred Australian citizenship in 2007-08.

The Department continued its partnership with the National Australia Day Council to promote Australian citizenship through sponsorship of the Australian of the Year Awards, highlighting the significance of Australian citizenship for Australia Day, and promoting Australian citizenship affirmation ceremonies.

Changes to citizenship law

The Australian Citizenship Act 1948 (the old Act) and Australian Citizenship Regulations 1960 were repealed

Fig. 1-29: Conferrals of Australian citizenship

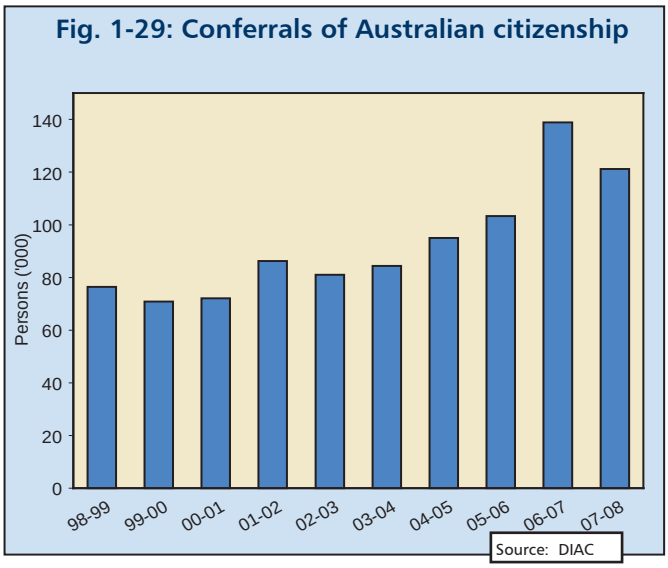
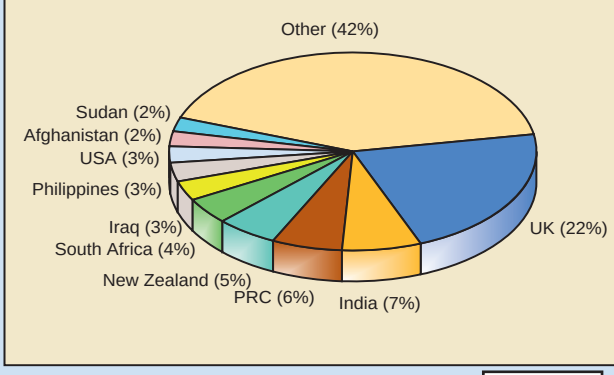


Fig. 1-30: Former country of citizenship of people conferred Australian citizenship 2007-08



when the Australian Citizenship Act 2007 (the new Act), the Australian Citizenship (Transitionals and Consequentials) Act 2007, and the Australian Citizenship Regulations 2007 came into effect on 1 July 2007.

The new Act replaced the old Act and sets out the conditions under which Australian citizenship may be acquired or lost.

Significant changes to the legislation include:

- amendments to the residence requirement for Australian citizenship
- a new personal identifier framework for Australian citizenship
- the removal of the age limit for citizenship by descent and resumption
- the prohibition of approval of citizenship where a person is a threat to national security
- strengthened provisions for revocation and refusal of citizenship
- a new provision relating to statelessness
- a requirement that most adult applicants for Australian citizenship by conferral pass an Australian Citizenship Test.

Citizenship Test Outcomes

Since 1 October 2007, most adult applicants for citizenship by conferral must pass a citizenship test before they apply for citizenship. Citizenship test outcomes to 30 June 2008 show that:

- 48 713 clients sat the Australian citizenship test
- 46 500 of these clients (or 95.5 per cent) passed the test on their first or subsequent attempt
- The Department administered 59 185 tests to these clients, including re-sits where clients did not pass the test on their first attempt
- The top ten countries of birth for test participants were: The UK, The PRC, India, Iraq, The Republic of South Africa, New Zealand, Philippines, Afghanistan, Sri Lanka and Sudan
- 23 359 test participants (48 per cent) were from the Skill Stream of the Migration Program. The percentage of Skill Stream clients who passed the test on their first or subsequent attempt was 99 per cent.
- 10 829 test participants (22.2 per cent) were from the Family Stream of the Migration Program. The percentage of Family Stream clients who passed the test on their first or subsequent attempt was 92 per cent.
- 5528 test participants (11.3 per cent) were from the Humanitarian Program. The percentage of Humanitarian Program clients who passed the test on their first or subsequent attempt was 82 per cent.
- A further 8997 test participants (18.5 per cent) were Resident Return Visa holders and Special Category Visa holders.

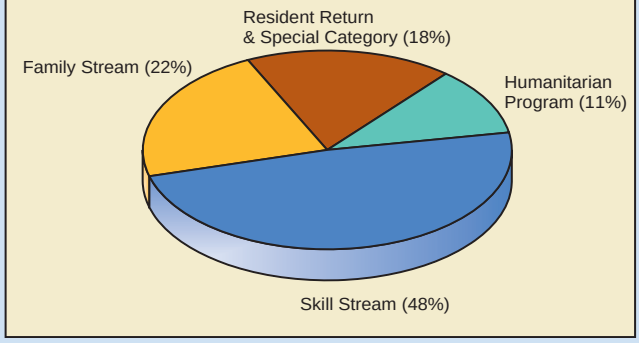
Test Review

On 22 November 2008 the Minister released the report by the Australian Citizenship Test Review Committee. The report titled Moving forward … Improving Pathways to Citizenship lists 34 recommendations for improvements to the current citizenship test. The Government supports the majority of the report's recommendations.

The Pledge of Commitment which people make when they become Australian citizens will become the new focus of Australian citizenship testing. Test questions will link to people's understanding of aspects of the Pledge including democratic beliefs and values, the responsibilities and privileges of Australian citizenship and Australia's system of government.

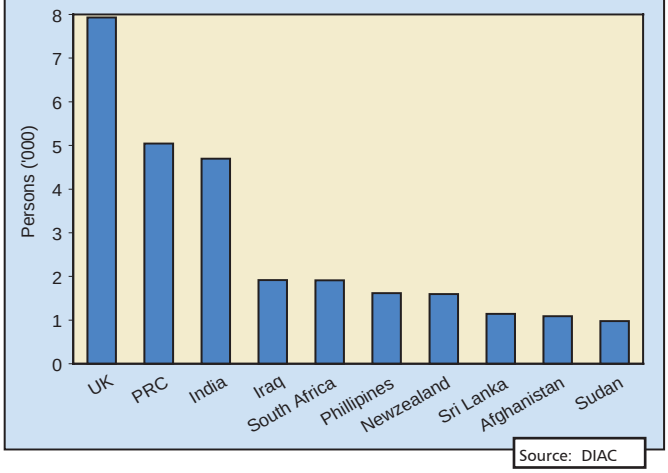
The Government anticipates that the revised citizenship test will be ready for implementation by August 2009.

Fig. 1-31: Citizenship test participants by migration program/stream - 2007-08



Source: DIAC

Fig. 1-32: Citizenship test participants by country of birth - 2007-08



Source: DIAC

The full review report and the Government's response can be found on the review website at:

http://www.citizenshiptestreview.gov.au.

Population projections

The population projections for Australia presented in this report are sourced from ABS and span the period from 30 June 2008 to 2101. These projections are not predictions or forecasts, but are simply illustrations of the growth and change in population which would occur if certain assumptions about future levels of fertility, mortality and Net overseas migration (NOM) were to prevail over the projection period. The assumptions incorporate recent trends which indicate increasing levels of fertility and NOM for Australia.

The projection results should be viewed in terms of population size and growth, and the changing age structure and distribution of the population. Three main series of projections, Series A, B and C, have been selected from a possible 72 individual combinations of the various assumptions. Series B largely reflects current trends in fertility, life expectancy at birth and NOM, whereas Series A and Series C are based on high and low assumptions for each of these variables respectively.

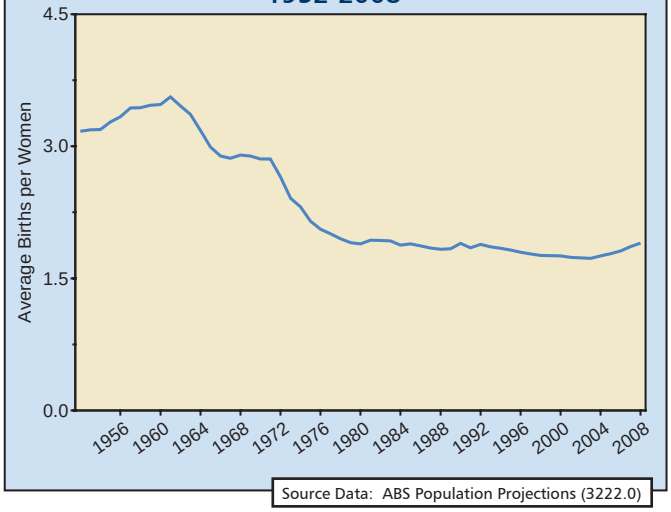
By 2056 Australia's population is projected to increase to between 31 and 43 million people, with around 23 to 25 per cent being 65 years or older. In 2007 Australia's population was 21 million people, with 13 per cent being 65 years or older. The ageing of Australia's population is the result of sustained low fertility, combined with increasing life expectancy.

The number of people aged 85 years or over is likely to increase rapidly over the next 50 years, from 344 000 people in 2007 to between 1.7 million and 3.1 million people in 2056. By then, people aged 85 years or over will make up 5 to 7 per cent of Australia's population, compared to only 1.6 per cent in 2007.

The population of all states and territories, except Tasmania, are projected to continuously increase to 2056. Using the Series B assumptions Tasmania's population will increase slowly before levelling out by around 2040 and then decreasing slightly from 2051 on.

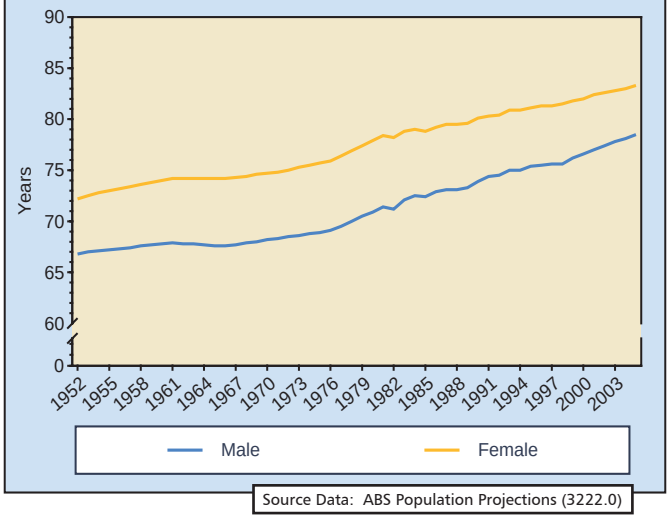
Queensland's population is projected to more than double in size, from 4.2 million people in 2007 to 8.7 million people in 2056. As a result, Queensland would replace Victoria as Australia's second most populous state in 2050. Western Australia's population is also projected to more than double over the same period, from 2.1 million people to 4.3 million people. The Northern Territory is projected to increase by 87 per cent, from 215 000 in 2007 to 401 600 in 2056.

Fig. 1-33: Total fertility rate 1952-2008



Source Data: ABS Population Projections (3222.0)

Fig. 1-34: Life expectancy at birth 1952-2004



Source Data: ABS Population Projections (3222.0)

The remaining states and territories are projected to increase by smaller proportions between 2007 and 2056: Victoria (64 per cent), New South Wales (48 per cent), the Australian Capital Territory (50 per cent) and South Australia (39 per cent).

Factors involved in population change

Australia's demographic future depends on the following key factors:

- fertility
- life expectancy
- net overseas migration (NOM)

Change in the size of the population is the result of natural increase (births minus deaths) and NOM.

Fertility

Future trends in fertility are an important determinant of Australia's future population size, structure and growth. In 1961, at the height of the 'baby boom', Australia's Total Fertility Rate (TFR) peaked at 3.5 babies per woman. Since then fertility has declined, falling sharply during the early 1960s as the oral contraceptive pill became available, before levelling out at around 2.9 babies per woman in the years 1966–1971. The reinterpretation of abortion law in New South Wales in 1971 had a substantial impact on women's ability to control their fertility. Subsequently a fall in births to young women contributed to a further decrease in the TFR and an increase in the median age of mothers. The TFR reached replacement level (2.1) in 1976, and continued to fall as increasing numbers of women chose to delay or forgo having children.

Fertility stabilised somewhat during the 1980s, before resuming a more gradual decline during the 1990s. The TFR reached a low of 1.73 babies per woman in 2001 and has increased since then, to 1.81 babies per woman in 2006.

In recent years, TFRs for Victoria, South Australia and the ACT have been lower than rates for Australia as a whole, while TFRs for the remaining states and territories, particularly Tasmania and the Northern Territory, have been higher.

TFRs for Australian capital cities are typically lower than TFRs for their respective states and territories. In 2004–2006, the TFR for Adelaide was 7 per cent lower than the TFR for South Australia overall, while TFRs for Darwin, Perth and Melbourne were 4–5 per cent lower than their respective state/territory levels. TFRs for Sydney, Hobart and Brisbane were 2–3 per cent lower than the rates for New South Wales, Tasmania and Queensland respectively.

Fertility levels vary considerably between countries. There are many factors that can influence a country's fertility rate, such as differences in social and economic development and contraceptive prevalence. In general, developing countries have higher fertility rates while developed countries have lower fertility rates. According to the Population Reference Bureau (PRB) 2006 World Population Data Sheet, more-developed countries have an average TFR of 1.6 babies per woman, while less-developed countries have an average TFR of 2.9.

Australia's TFR for 2006 of 1.8 babies per woman is well below the PRB world average of 2.7 babies per woman. Compared to other developed countries, Australia's TFR is above the PRB average of 1.6. Fertility in Hong Kong is very low at 1.0 babies per woman. Other countries that have low fertility are Ukraine (1.2) and Germany, Romania, Italy and Japan (all with 1.3). In contrast, many African countries have very high fertility rates, with Niger (7.9) and Guinea-Bissau (7.1) among the highest.

Life expectancy

Australian life expectancy has improved steadily for both men and women since Federation. Male life expectancy at birth has increased from 55.2 years in the period 1901–1910 to 78.7 years in 2004–2006. Over the same period female life expectancy increased from 58.8 years to 83.5 years. The gains made in the early part of the 20th century are primarily attributed to improved living conditions such as improved water supply, sewerage systems, food quality and health education. The continuing increases in the latter part of that century are mainly due to improving social

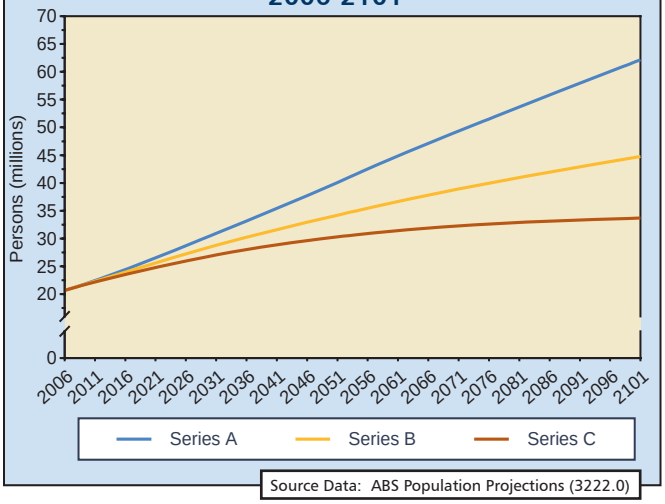
Fig. 1-35: Main projection series, Australia

	Assumptions				*Population as at 30 June*	
	Total Fertility Rate [b]	Net Overseas Migration [c]	Life expectancy at birth (years) [a]		2056	2101
	Women	*Persons*	*Males*	*Females*	*million*	*million*
Series A	2.0	220,000	93.9	96.1	42.5	62.2
Series B	1.8	180,000	85.0	88.0	35.5	44.7
Series C	1.6	140,000	85.0	88.0	30.9	33.7

(a) From 2056 (b) From 2021 (c) From 2010-11 for Series A and C From 2007-08 for Series B

Source Data: ABS Population Projections (3222.0)

Fig. 1-36: Projected population 2006-2101



Source Data: ABS Population Projections (3222.0)

conditions and advances in medical technology such as mass immunisation and antibiotics.

The past two decades have seen further improvements in life expectancy. These increases are due in part to lower infant mortality, fewer deaths among children and fewer accidental deaths among young adults, and lower levels of deaths among older men from heart disease.

Between 1970–1972 and 2004–2006, life expectancy at birth has improved on average by 0.32 years per year for males and 0.26 years per year for females. For both males and females, the smallest increase during this period was recorded between 1995–1997 and 1996–1998 (with male life expectancy increasing by 0.17 years and female life expectancy increasing by 0.15 years) while the largest growth was recorded between 1998–2000 and 1999–2001 (with male life expectancy increasing by 0.47 years and female life expectancy increasing by 0.37 years).

The faster increase in male life expectancy at birth has narrowed the gap between male and female life expectancy at birth. In 2004–2006 female life expectancy at birth exceeded male life expectancy by 4.8 years, in contrast to the peak difference of 7.0 years in 1980–1982.

Australian life expectancy is currently amongst the highest in the world. According to the PRB 2006 World Population Data Sheet, the combined life expectancy at birth of males and females globally is 67 years. Australian life expectancy (estimated by the PRB to be 81 years for both males and females combined) is above that for countries such as the USA and the UK (both 78 years), Greece and New Zealand (both 79 years), and Canada (80 years). Australia's current life expectancy of 81 years is similar to that of Spain, Sweden, Switzerland, Iceland and Hong Kong (each 81 years), and slightly lower than Japan (82 years).

The United Nations (2006) projects global life expectancy at birth to reach 75 years by 2045–2050, with Australian life expectancy continuing to rank amongst the highest in the world (86 years in 2045–2050).

Combined life expectancy at birth in this set of ABS population projections is assumed to be 86.5 years in 2056 under the medium assumption (similar to the United Nations estimate) and 95.0 years under the high assumption.

Net overseas migration (NOM)

In 2007–08 net overseas migration (NOM) contributed an estimated 213 461 people to Australia's population. While changes in fertility have the biggest effect on the youngest ages of the population, and changes in mortality are felt predominantly in older age groups, NOM affects the population of all ages. Although the age structure of migrants at arrival in Australia is younger than the Australian population as a whole, migrants age along with the rest of the population in the years following their arrival. Changes in NOM therefore affect the size of the population more than the age distribution.

Net overseas migration contributes to population growth through both the levels of migration itself, and by children born to migrants to Australia. The effect of NOM can be determined by comparing the projected population of each of the three main series with the projected population resulting from an assumed NOM level of zero. In Series A, NOM contributes a total of 16.6 million people to Australia's population between 30 June 2007 and 2056, and 37.0 million people between 30 June 2007 and 2101. In Series B, NOM contributes fewer people to the population (12.9 million by 2056, and 26.0 million by 2101), while in Series C, NOM contributes the fewest people (9.7 million by 2056, and 18.4 million by 2101).

As Australia's population ages NOM will be increasingly important for our labour force. In fact, within four years, as the baby boom generation retires NOM will become the only source of net labour force growth.

Population prospects for Australia

Australia's estimated resident population (ERP) at 30 June 2008 of 21.4 million people is projected to increase to between 30.9 and 42.5 million people by 2056, and to between 33.7 and 62.2 million people by 2101. Series A projects the highest growth, while Series C projects the lowest growth. (see Fig.1-35).

In the last 10 years Australia's population increased by 1.3 per cent per year on average, with just over half of this growth resulting from natural increase (the excess of births over deaths) and just under half from net overseas migration (NOM). In the last 2 years, Australia's population has grown by 1.5 per cent per year, with NOM contributing more to population growth than natural increase. In 2007-08, there were 287 478 births and 141 983 deaths in Australia, resulting in natural increase of 145 495 people, while NOM contributed 213 461 people to Australia's population.

Compared to Series B, Series A assumes higher levels of components of population change (fertility, life expectancy, and migration) while Series C assumes lower levels. As a result, Series A results in larger projected populations by 2056 and Series C results in lower populations.

In Series C, a state of natural decrease, in which deaths outnumber births, is reached in 2048. However, net overseas migration more than compensates for losses due to natural decrease and Australia's population continues to increase, albeit slowly, throughout the projection period. A state of natural decrease is also reached in Series B, but only in the last year of the projection (2101).

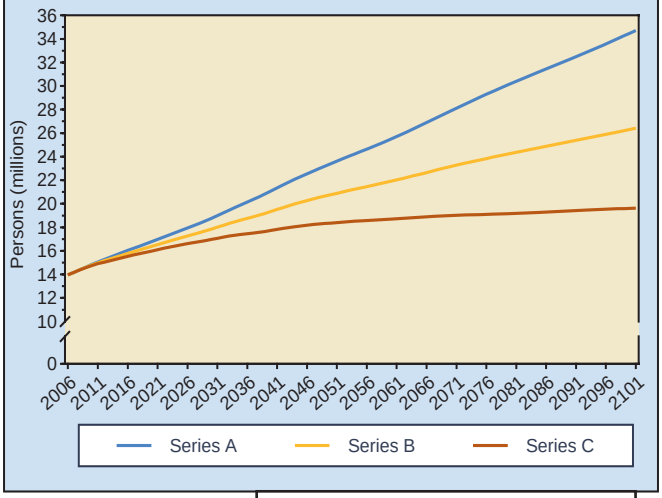
In contrast to the 2004-based set of ABS population projections released in November 2005, no series shows population decline for Australia before the end of the century.

Prospects for other dimensions of population

Fertility, life expectancy and NOM have implications for other dimensions of population, including:

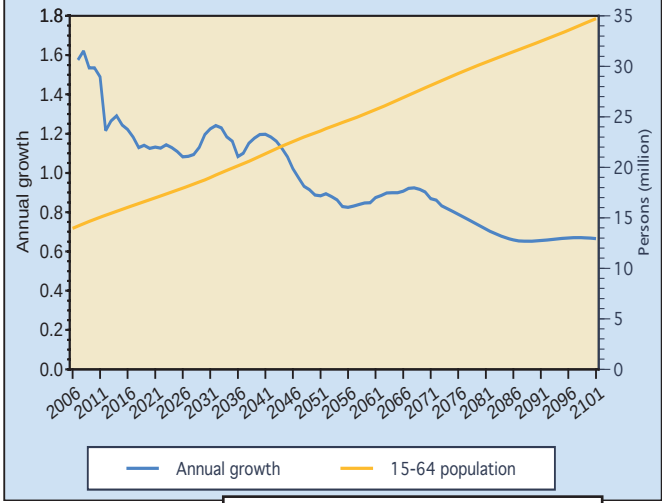
1. the workforce's potential growth rate and size;
2. the population age structure; and
3. population distribution.

Fig. 1-37: Projected population aged 15-64 years, 2006-2101



Source Data: ABS Population Projections (3222.0)

Fig. 1-38: Annual growth of projected 15-64 years population



Source Data: ABS Population Projections (3222.0)

1. Change in the potential workforce's growth rate and size

The potential workforce is the number of people in the population of workforce age (usually defined as 15-64 year olds). The actual workforce will depend on the proportion of 15-64 years olds that seek to actively participate in the workforce. As population growth slows, growth in the potential workforce is also projected to slow considerably. (See Fig.1-38)

2. Change in the population age structure

The ageing of Australia's population, already evident in the current age structure, is expected to continue. This is the result of sustained low levels of fertility combined with increasing life expectancy at birth. The median age of Australia's population (36.8 years at 30 June 2007) is projected to increase to between 38.7 years and 40.7 years in 2026 (Series A and C respectively) and to between 41.9 years and 45.2 years in 2056 (Series A and C).

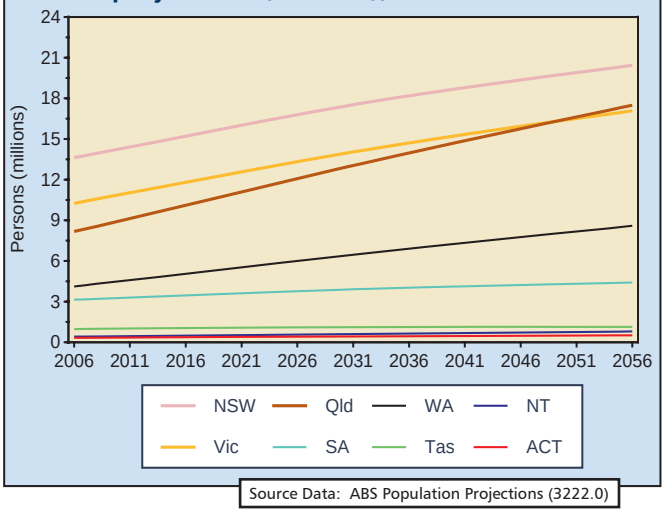
The age composition of Australia's population is projected to change considerably as a result of population ageing. By 2056 there will be a greater proportion of people aged 65 years and over and a lower proportion of people aged under 15 years. In 2008 people aged 65 years and over made up 13.7 per cent of Australia's population. This proportion is projected to increase to between 23 per cent and 25 per cent in 2056 (Series B and C respectively) and to between 25 per cent and 28 per cent in 2101 (Series B and C). The proportion of people aged under 15 years is projected to decrease from 19.3 per cent in 2008 to between 15 per cent and 18 per cent in 2056 (Series C and A respectively) and to between 14 per cent and 17 per cent in 2101 (Series C and A).

There were 364 859 people aged 85 years and over in Australia at 30 June 2008, making up 1.7 per cent of the population. This group is projected to grow rapidly throughout the projection period, to between 4.9 per cent and 7.3 per cent by 2056 (Series B and A respectively), and to between 5.8 per cent and 9.3 per cent by 2101 (Series B and A).

3. Population distribution

Assuming the medium level assumptions, Series B projects continuing population growth for all states and territories except Tasmania. By 2056 the population of New South Wales is projected to reach 10.2 million people, an increase of 3.3 million people (or 48 per cent) since 30 June 2008, while Victoria is projected to reach 8.5 million people, an increase of 3.3 million people (or 64 per cent).

Fig. 1-39: State and territory population projections (Series B), 2006-2056



Source Data: ABS Population Projections (3222.0)

Compared to Series B, Series A assumes higher levels of components of population change (fertility, life expectancy, and migration) while Series C assumes lower levels. As a result, Series A results in larger projected populations by 2056 than Series C.

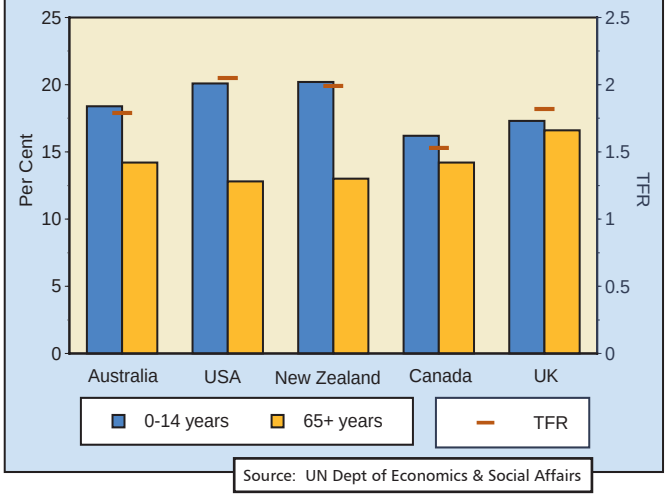
In Series B, all capital cities are projected to experience higher percentage growth than their respective state or territory balances, resulting in further concentration of Australia's population within the capital cities. At 30 June 2008, around 64 per cent of Australians lived in a capital city. By 2056 this proportion is projected to increase to 67 per cent.

Series B projects Sydney to remain the most populous city in Australia, with 7.0 million people in 2056, closely followed by Melbourne with 6.8 million people. Sydney's population also continues to exceed that of Melbourne in Series C. However, in Series A, Melbourne's population exceeds Sydney's in 2039. This is mainly due to the larger levels of internal migration losses assumed for Sydney (a net -48 000 people per year) compared to Melbourne (a net -15 000 people per year) in this series.

In Series B, Perth is projected to experience the highest percentage growth (116 per cent) of Australia's capital cities, increasing from 1.6 million people at 30 June 2008 to 3.4 million in 2056. The second highest percentage growth (114 per cent) is projected for Brisbane, increasing from 1.9 million people to 4.0 million people. Darwin is also projected to double in size over the projection period, from 0.1 million people in 2008 to 0.2 million people in 2056.

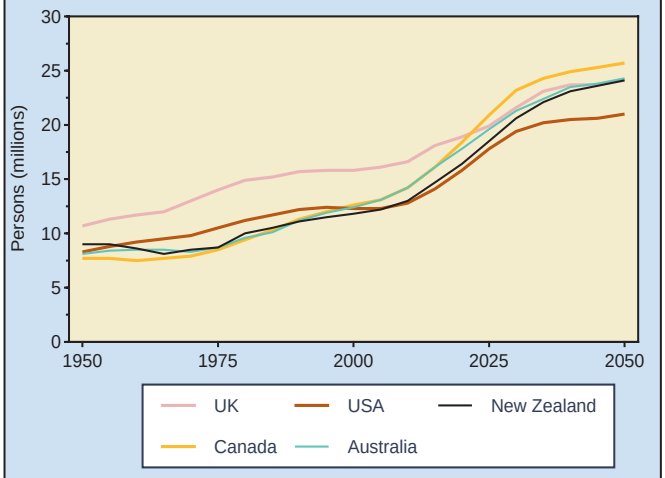
International comparisons

Fig. 1-40: Dependent population and total fertility rate 2005-2010



Source: UN Dept of Economics & Social Affairs

Fig. 1-41: Projected population over 65 years



Source: UN Dept of Economics & Social Affairs

For the 12 months ended 30 June 2008, Australia's population growth rate (1.7 per cent) was higher than that of the world (1.2 percent). Australia's growth rate was lower than some developing countries including Papua New Guinea (2.2 per cent), the Philippines (2.0 per cent) and Malaysia (1.8 per cent). It was higher than India (1.6 per cent), Indonesia and Singapore (both 1.2 per cent), New Zealand and Vietnam (both 1.0 per cent), the USA (0.9 per cent), Canada (0.8 per cent), China and France (both 0.6 per cent), Hong Kong (0.5 per cent), the Republic of Korea and the UK (both 0.3 per cent), Greece and Sweden (both 0.2 per cent). Over this period Italy experienced no change in population while Japan's population declined by 0.1 per cent.

According to figures from the US Bureau of Census' International Data Bank of 226 countries, Australia's population size ranked 55th in 2008 (down from 54th in 2007) and is projected to rank 58th by 2050. By 2050, India is projected to have displaced China as the most populous country with close to one fifth of the world's population at 1.8 billion people.

According to United Nations population projections (2006 revision), a number of developing and developed countries will experience low positive to negative population growth rates between now and the middle of the century. In 2000–2005, Japan's annual growth rate was 0.14 per cent. By 2045–2050 Japan's population is projected to be decreasing by around 0.8 per cent per year. Similarly, Italy, Greece and the Netherlands each recorded small positive population growth over the period 2000–2005, but are projected to experience decreases in population by the middle of the century (–0.3 per cent, –0.2 per cent and –0.05 per cent per year respectively). China's population growth rate is also projected to decline from positive growth of 0.7 per cent to –0.3 per cent during the same period.

In contrast, the growth rates of Hong Kong, India, Indonesia, New Zealand, Papua New Guinea, the United Kingdom, the United States of America and Canada are projected to slow but remain positive between 2000–2005 and 2045–2050.

Population characteristics of other countries

Populations of different countries grow at different rates, depending on the number of births, deaths, immigrants and emigrants. According to United Nations estimates world fertility rate for the 2000-2005 period is 2.65 and for the 2005-2010 period 2.55. 2005-2010 estimates show that the TFR ranges from 7.19 births per woman in Niger to 0.91 births per woman in Macau. Australia's TFR for this period is 1.79, compared to Canada (1.53), the UK (1.82), New Zealand (1.99) and the USA (2.05). The United Nations high and low variants are assumed to remain 0.5 children above or below the medium fertility level for the majority of the period to 2050. Thus, the United Nations high fertility assumption shows Australia's fertility increasing to 2.35 babies per woman by 2045–2050 while the low assumption assumes a TFR of 1.35 babies per woman.

The latest available national projections produced by individual developed countries tend to emphasise a medium-level assumption of gradual decline or constant fertility. New Zealand projections released in 2007 assume a medium TFR declining from 2.11 babies per woman in 2008 to 1.90 in 2026 (Statistics New Zealand, 2007). Population projections for Sweden assume a constant TFR of 1.85 (Statistics Sweden, 2007). The United States of America is an exception, with a projected increase in fertility. Interim projections released in 2004 use a TFR assumption that reaches 2.2 babies per woman in 2025

(US Census Bureau, 2004), slightly lower than the medium assumption used in the previously released full set of the United States of America projections.

Dependent population is defined as a part of the population that does not work and relies on others for the goods and services they consume. In practice, specific population age groups have in their entirety been categorized as dependent population, even while the definition may not necessarily apply to every individual in the population with the indicated ages. In general those categorized as dependants include the children and the elderly. The rest of the population constitutes the working age population. The delineation of any boundary for children and for working ages varies across countries and studies have tended to be discretionary, and thus appear arbitrary. In this analysis working ages set at 15 to 64 years, and as a result the implied dependent ages are then 0-14 years and 65 years and older.

Analysis of population figures of the UK, the USA, Canada, New Zealand and Australia shows that over 30 per cent of the population are dependent on other members of the population. Of these countries Canada has the lowest dependent population (30.4 per cent) while the UK has the highest (34.0 per cent). Australia's dependent population is 32.6 per cent of the total population.

As Fig.1-41 shows the proportion of people aged 65 years and over is increasing in all those countries. Low fertility is one of the key factors that impacts on the ageing of the population. The proportion of 65 years and over population in Canada has gone up by 5.4 per cent from 1950 to 2005. By 2010 it is projected to go up by 6.5 per cent. Australian situation is very much similar to Canada, with the 65 years and over population is projected to go up by 6.1 per cent by 2010.

The life expectancy (both sexes, at birth) of the world is 65.8 years (63.9 years for males and 67.8 years for females) for 2007 according to CIA World Factbook 2008 and 67.2 years (65.0 years for males and 69.5 years for females) for 2005-2010 according to United Nations World Population Prospects 2006. Life expectancy ranges from 84.3 years in Macau to 32.2 years in Swaziland. Many of the countries with the lowest life expectancies, namely Swaziland, Botswana, Lesotho, Zimbabwe, South Africa, Namibia, Zambia, Malawi, Central African Republic, Mozambique and Guinea-Bissau, are suffering from very high rates of HIV/AIDS infection, with adult prevalence rates ranging from 10 to 38.8 per cent.

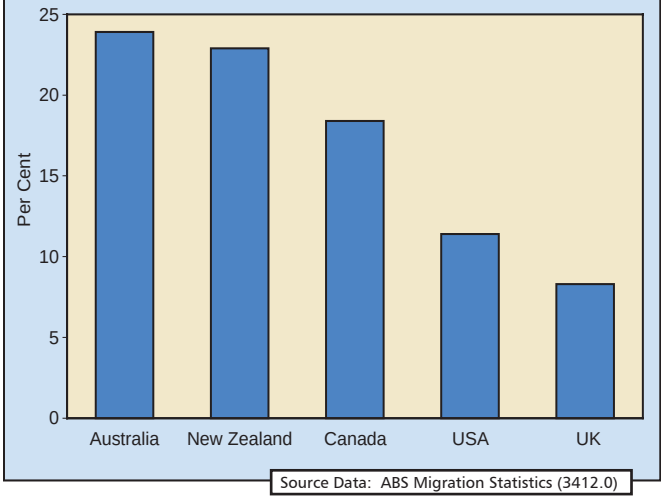
Comparison of life expectancy between the 2000-2005 period and the 2005-2010 period shows an increase in all five countries shown in Fig. 1-42. Of those five countries Australia has the highest life expectancy for both males and females. However, according to United Nations

Fig. 1-42: Life expectancy, 2005-2010

	Male	Female	Both
Australia	78.9	83.6	81.2
Canada	78.3	82.9	80.7
New Zealand	78.2	82.2	80.2
UK	77.2	81.6	79.4
USA	75.6	80.8	78.2

Source: UN Dept of Economics & Social Affairs

Fig. 1-43: Proportion of overseas-born in population, 2001 & 2006



Source Data: ABS Migration Statistics (3412.0)

estimates Japan has the highest life expectancy with 82.6 years for both sexes while Australia is ranked 5th. The other countries ranked better than Australia are Hong Kong (82.2 years), Iceland (81.8 years) and Switzerland (81.7 years). According to UN estimates Canada is ranked 11th, New Zealand 13th, the UK 22nd and the USA 38th.