

# INSTITUTE OF PUBLIC AFFAIRS

# FACTS

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Editor: Mike Nahan

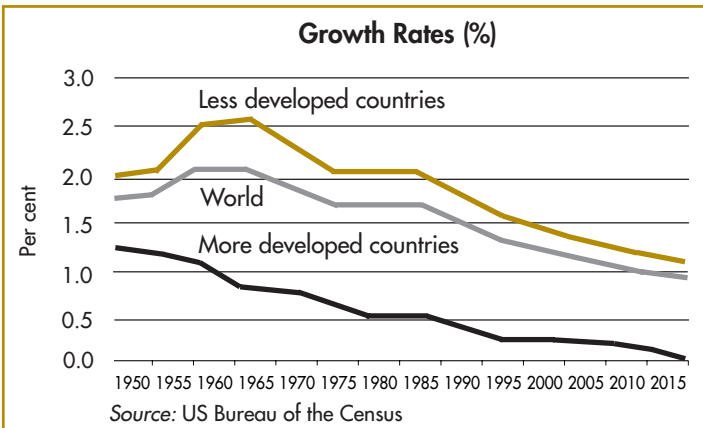
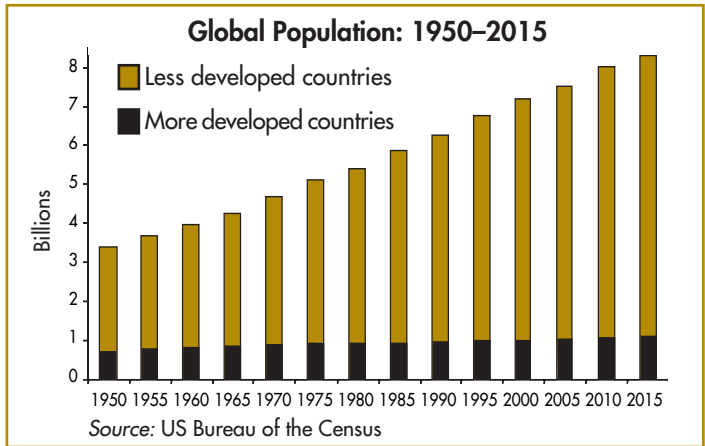
April 2002

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## Focus on Population and Migration

### World Population

The bulk of growth is in the developing world...

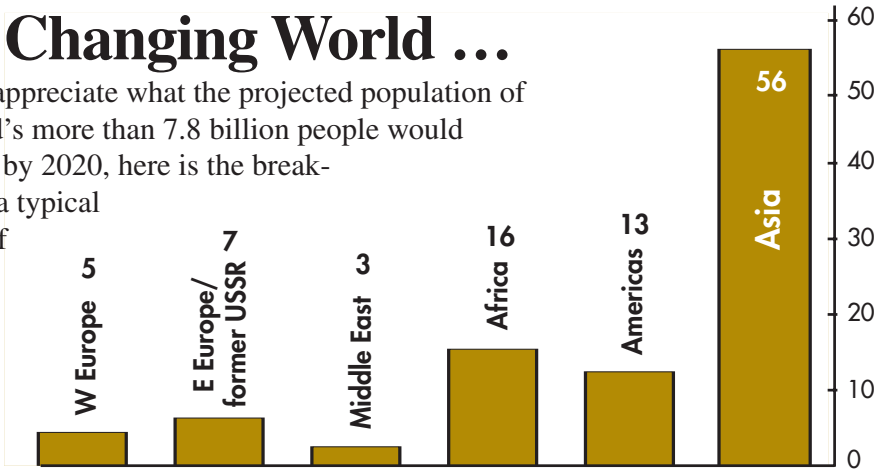


... with a declining fertility rate overall

# The Changing World ...

To truly appreciate what the projected population of the world's more than 7.8 billion people would look like by 2020, here is the break-down of a typical

sample of 100 people:

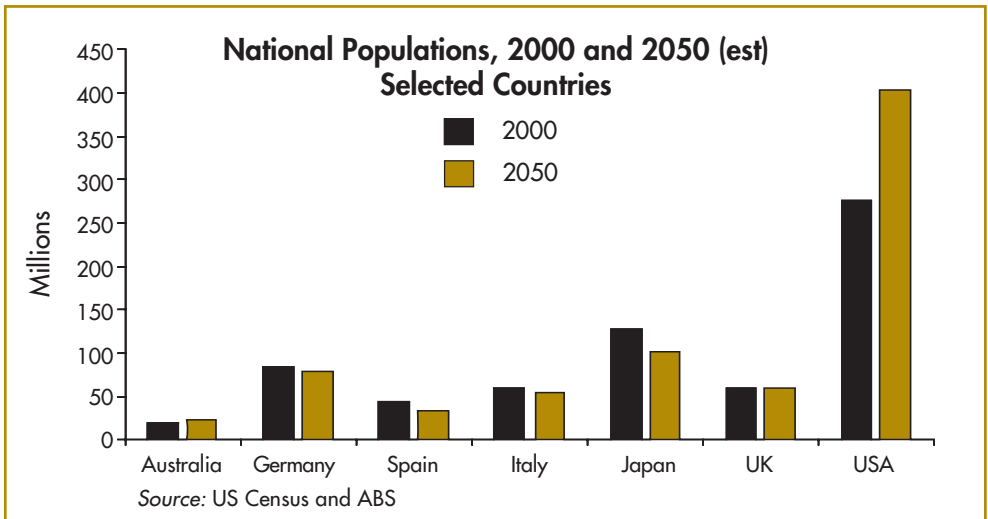


Source: CIA October 2000 Conference 'Demographic Trends: The World's Long-Term Economic, Political, and Security Landscape'.

## But Australia Will Keep Growing

While many countries are facing large reductions in their populations over the next few decades, Australia's population is expected to continue to grow. Japan, for example, is forecast to experience a 20 per cent reduction in population over the next 30 years. Italy, Germany, Spain

and many other developed countries also face significant reductions in their populations. In contrast, Australia's population is continuing to grow at a modest rate (1.2 per cent last year) and is forecast to continue on a modest growth path over the next few decades.



# Problems of an Ageing World

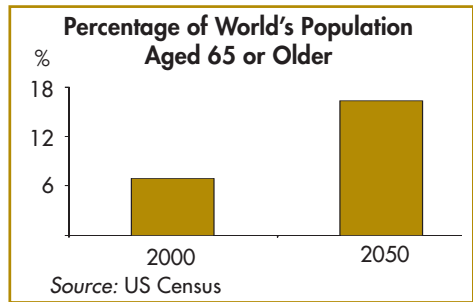
## The Old Get Older

There will be unprecedented growth in the number and percentage of older age groups across the globe in the first half of the 21st century.

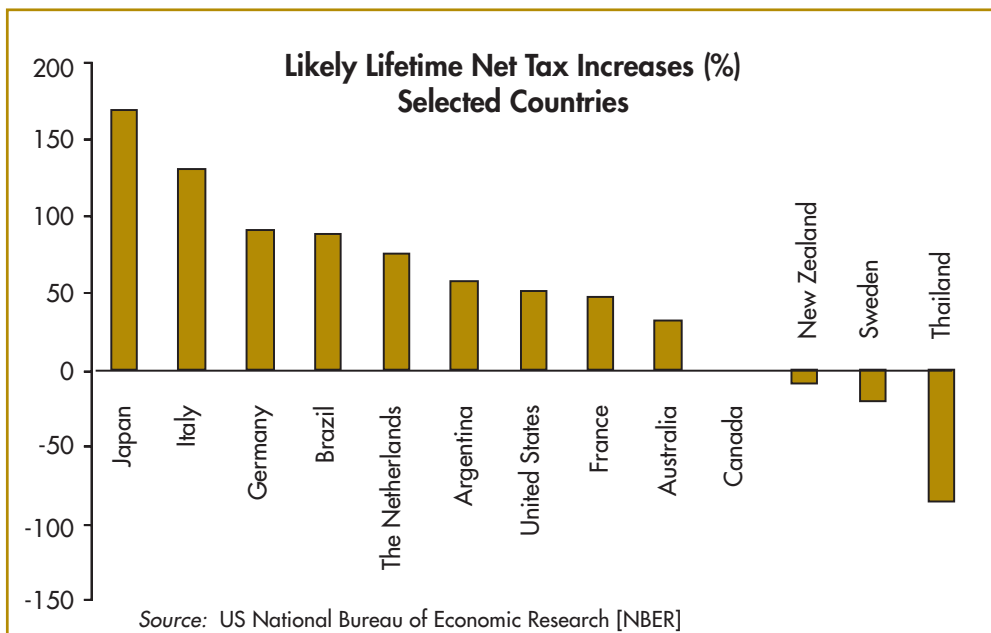
## Ageing May Mean Higher Taxes for Future Generations

Countries face different impacts on their taxation, depending on relative funded and unfunded retirement arrangements for the elderly. The effects of ageing on different countries will vary significantly

For Japan and Italy, in particular, unless current generations pay more taxes or dramatically cut their purchases of goods and services, their



next generation will face lifetime net tax rates that are more than twice as high as current rates. All other things held constant, the smaller the size of future generations relative to the current generation, the larger the imbalance. Australia's position should gradually improve as private super schemes replace dependence on public pensions. At the moment, we have to 'pay twice'.



# Pressure Points on Migration

## Asylum Applications

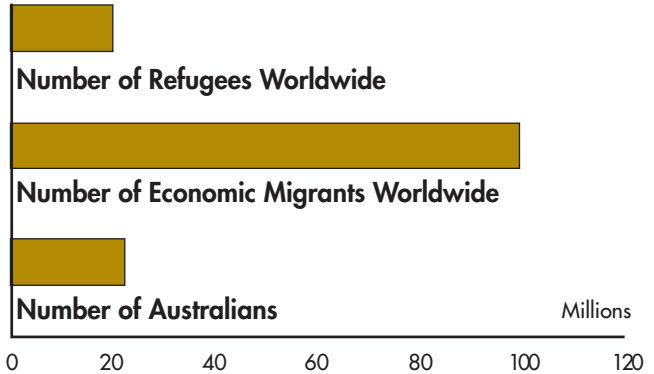
Between 1999 and 2001 there were:

- 1.2 million new applicants for asylum in industrial countries
  - 33.9 thousand of these were to Australia

Source: UN Human Rights Commission

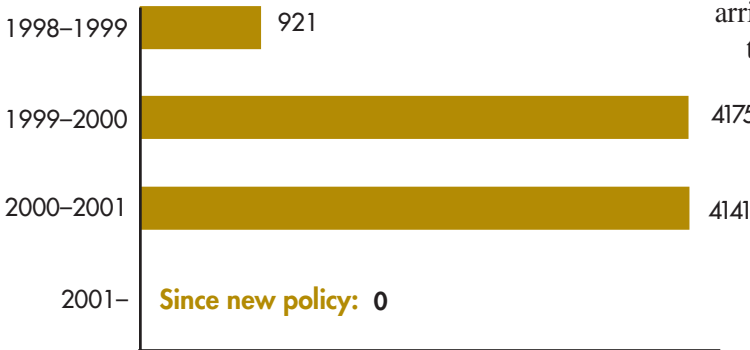
## People on the Move

Refugees and  
Migrant  
Pressure  
Builds



Source: UN Human Rights Commission

## Arrivals by Sea



The number of unauthorised arrivals by sea dramatically increased in recent years. After the federal government introduced a tough policy on boat people, things suddenly changed.

Source: DIMIA

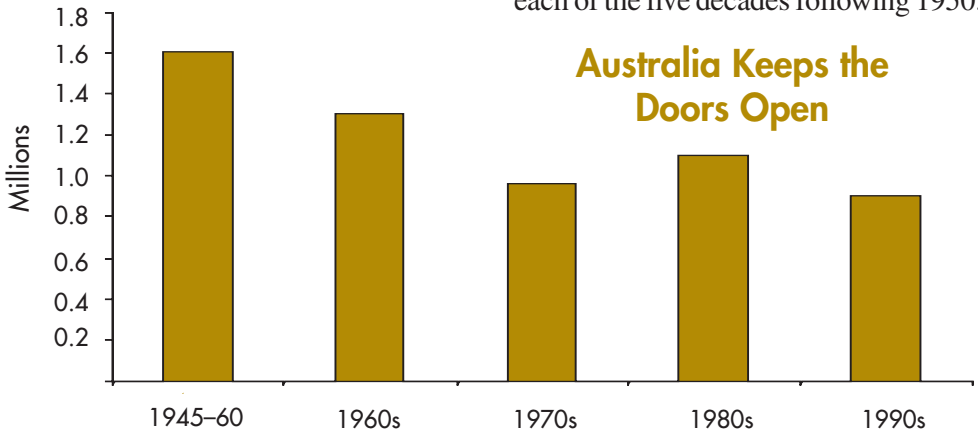
Number of Arrivals

# Australia's Responsibility ...

Post-War migration has had a marked influence on all aspects of our society. In the 50 years of planned post-War migration, Australia has seen:

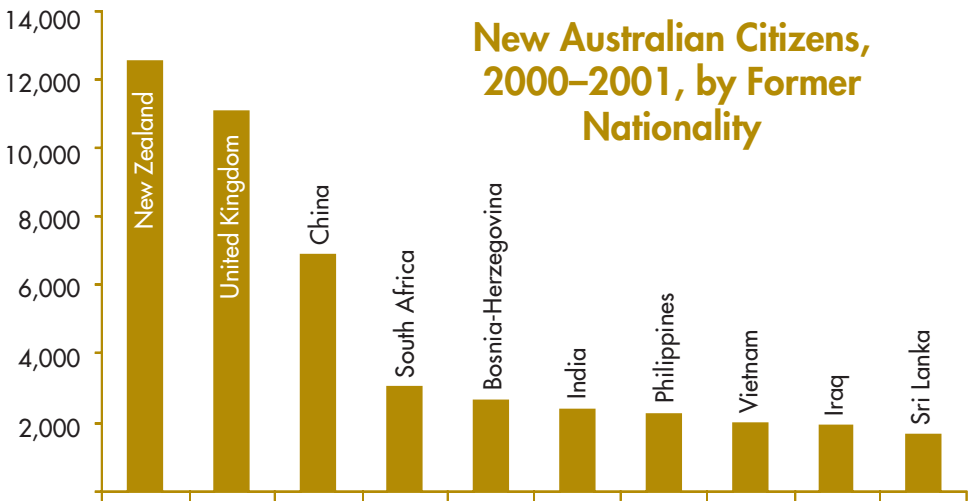
- 5.9 million migrants arrive;
- a population rise from about 7 million to over 19 million.

About one million migrants arrived in each of the five decades following 1950.



Source: Department of Immigration and Multicultural and Indigenous Affairs (DIMIA)

# ... Reflects Its New Composition

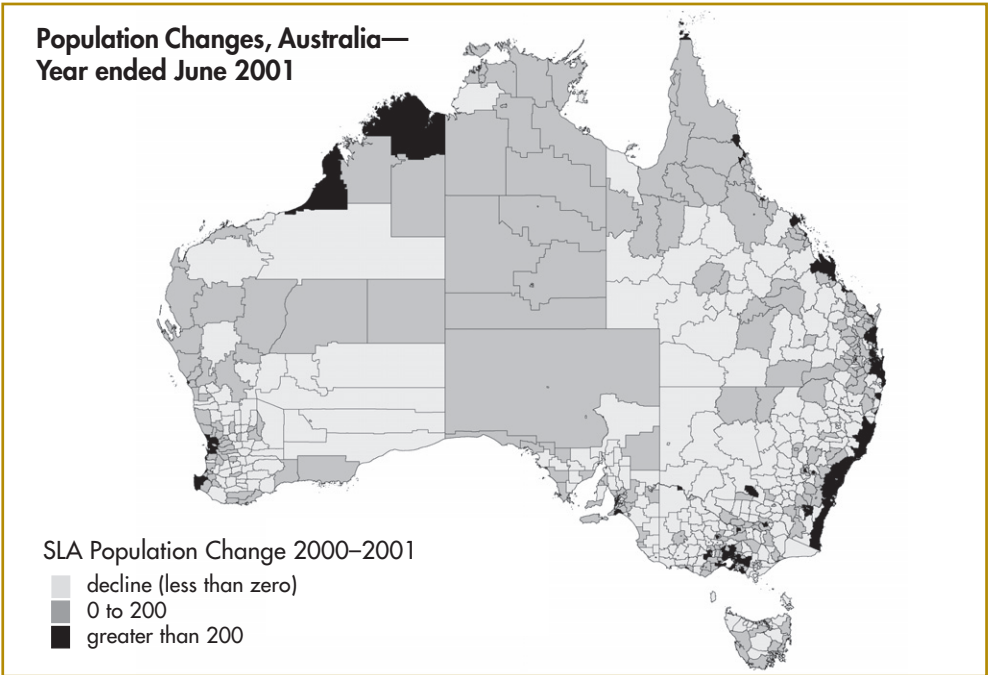


Source: DIMIA

# On the Move ... But Where To?

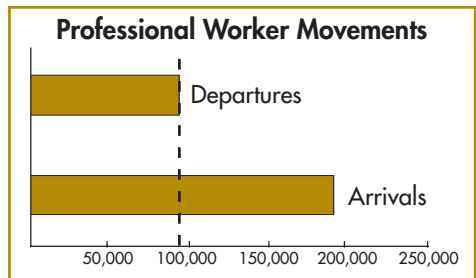
Many of the coastal regions are undergoing population growth: in Victoria on the Mornington Peninsula, around Port Philip, the Bass Coast and the Surf Coast; in NSW around Lake Macquarie, Wollongong, Shoalhaven and Maclean; in Queensland, the Gold

Coast (second largest increase of all local government areas), as well as Maroochy and Pine Rivers; in South Australia at Victor Harbour whilst in Western Australia, Broome, Bunbury and Busselton recorded growth. [ABS Cat.No. 3218.0]



## Economic Migration Benefits Australia

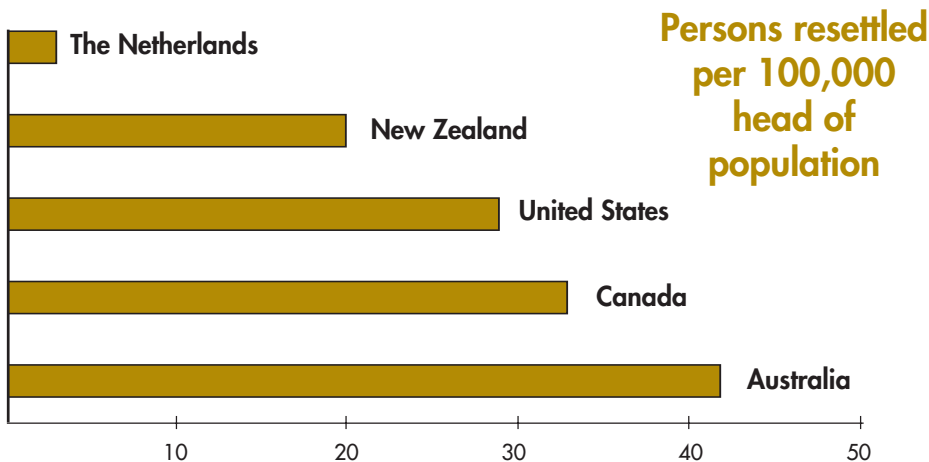
Professionals leaving Australia tend to head for the UK, followed by the USA, Singapore and Hong Kong—but they do return. During the five-year period to 1990–2000, Australia experienced a net gain in every professional category except natural and physical science professionals. [B. Birrell, Monash University]



# Australia's Generous Spirit

Of the five countries whose programmes are comparable with our own, on a per capita basis, Australia planned to resettle

the most refugees and other people in humanitarian need in 2001.



Source: UNHCR

## Strategic Considerations from Demographic Changes

- Many developing nations—including, among others, Saudi Arabia, Afghanistan, Pakistan, Colombia, Iraq, Gaza, and Yemen—will have the largest youth populations through 2020.
- When the 'youth' cohort (15-to-29-year-olds) exceeds the next cohort (30-to-54-year-olds) by a ratio of 1.27 or more, a country's probability of instability—defined as revolution, ethnic war, genocide, and disruptive regime changes—increases.
- While the world's middle class is growing in absolute terms, the problem is that in the poorest countries, in relative terms, it is not growing at all and might even be declining. This will lead to greater instability.
- By 2015, for the first time in human history, a majority of the world's population will live in cities.
- By 2050, on the lowest estimates, the world's population could be as few as about 7.3 billion.
- The population of the region that served as the locus for most 20th century history—Europe and Russia—was 22 per cent of the global population in 1950, but will be only 7.5 per cent by 2050.

[Source: CIA 2000 Conference on Demographic Trends]



## **Victoria Gains**

For the third consecutive year, Victoria's population growth of 1.3 per cent out-paced that of Australia as a whole (1.2 per cent), in contrast to the early 1990s when it was losing people to other States. Victoria's overall population rose 62,172 in the past year to 4,828,968. [Source: ABS Cat.No. 3218.0]

## **Inner-City Living**

22.0 per cent of Australians are born overseas, Capital city growth accounted for 74 per cent of Australia's population growth in 2000–01, with an inner-city increase of 10 per cent in Melbourne, 8.1 per cent in Sydney and 7.6 per cent in Perth. According to Professor Martin Bell, Director of the Queensland Centre of Population Research at the University

of Queensland, the trend towards inner-city living was a result of a major generational change, including couples having fewer children, and young, career-oriented singles attuned to an inner-urban lifestyle. [Sources: *Herald Sun* and ABS Cat.No. 3218.0]

## **Staying Younger**

While the Australian population is ageing, this trend is not nearly as significant as it is in other countries. Australia has a relatively young population, indeed the third-youngest in the developed world. It also has a relatively large immigration programme which further lowers the average age. The dependence ratio in Australia is the same today as it was in 1972. [Source: Australia Institute]

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