

QUESTION TAKEN ON NOTICE

SUPPLEMENTARY BUDGET ESTIMATES HEARING: 20 OCTOBER 2009

IMMIGRATION AND CITIZENSHIP PORTFOLIO

(58) Program 1.1: Visa and Migration

Senator Fierravanti-Wells asked:

Provide details in relation to future population growth including:

1. Estimated population growth over the next 10 years?
2. The immigration component of that growth?
3. The net annual immigration level required to meet those projected figures?

Answer:

1. Population projections are modelled by Treasury based on past trend data compiled by the Australian Bureau of Statistics (ABS), which provide a basis for key parameters such as the total fertility rate, life expectancy and net overseas migration.

The most recent population projection by Treasury was published in 2007 in the Intergenerational 2 Report (IGR2). IGR2 notes that Australia's estimated resident population (ERP) reached approximately 20.6 million in June 2006, and is projected to rise to 23.2 million by 2017 and 25.3 by 2027. As part of the 2009-10 Budget announcements, the Australian Government committed to releasing the IGR3 Report prior to the 2010-11 Budget.

The ABS announced on 22 September 2009 that the preliminary ERP of Australia at 31 March 2009 was 21 779 000 persons. This was an increase of 439 100 persons (2.1 per cent) over the previous 12 month period.

Growth in Australia's ERP is due to positive Net Overseas Migration (NOM), higher rates of fertility among the resident population, and to a lesser extent increasing levels of life expectancy. As reported by the ABS:

- Australia's fertility level has reached 1.94 offspring per woman in 2007-08 which is up from 1.72 as in 2002-03 and is approaching the replacement rate of 2.1.
- Over the past 20 years life expectancy at birth has improved by 6.0 years for males and 4.1 years for females. Based on current mortality rates, a boy born in 2005-2007 can expect to live 79.0 years while a girl can expect to live 83.7 years.

- Preliminary Net Overseas Migration (NOM) for the year ended 31 March 2009 was 278,200 persons.

The NOM estimate includes both temporary and permanent entrants who have been in Australia for a period of greater than 12 months out of a 16 month period. The figure therefore includes Australians returning from overseas, skilled workers coming to Australia on temporary visas and foreign students and long term visitors.

2. The immigration component of population growth, NOM, is measured and defined by the ABS.

According to the most recent population estimates issued by the Australian Bureau of Statistics on 22 September 2009, over the 12 month period to March 2009, NOM accounted for 63 percent of the growth in the ERP, or 278,200 persons.

Based on overseas arrivals and departure data, the Department of Immigration and Citizenship estimates that the Permanent Migration Program component of NOM is 25 per cent, the humanitarian component is 5 per cent, long-term New Zealand arrivals account for 10 per cent, while long-term temporary entrants such as students and 457 visa holders account for 60 per cent.

3. The population projections reported in IGR 2 were based on an assumed NOM of 110 000 persons per year.