Australia's Population Policy

By Peter McDonald

At 1 January 2010, Australia’s population was estimated to be 22.16 million. This was more than double the population fifty years beforehand in 1960. In both 2008 and 2009, Australia’s population grew by more than two per cent per annum, the fastest growth of any country in the developed world at the time. All three demographic parameters contributed to this high growth rate. The fertility rate of 1.97 births per woman in 2008 was the highest level the country had experienced since 1977. At over 300,000, the level of net overseas migration in 2008 was by far the highest on record. The death rate in 2008 in turn was at its lowest level in history and, at 81.5 years, Australia’s expectation of life for both sexes in 2005 was third only to Japan and Switzerland. In 2009, its human development index was the second highest of all countries.

The indigenous population of Australia was estimated to be 517,000 at the 2006 Census. This was more than double the estimated population in 1986 but this rapid growth is due partly to an increasing propensity for people to identify as indigenous Australians. The fertility rate for the indigenous population is a little higher than that of the non-indigenous population but the expectation of life is a lot lower estimated to be twelve to 15 years lower. The Australian Government has a policy to ‘close the gap’ on the disadvantage of the indigenous population including policy to reduce the difference in death rates.

Since 1947, when only two per cent of the population had been born outside of Australia, the British Isles and New Zealand, Australia has transformed itself into one of the most diverse populations in the world. By 2006, 24 per cent of the population had been born overseas and almost 45 per cent had been born overseas or had at least one parent born overseas. These percentages are higher again in the two largest cities, Sydney and Melbourne.

The years 1947 to 1971 witnessed large scale migration to Australia from the countries of continental Europe. The so called White Australian Policy made immigration difficult for people from places other than Europe. The number born in Northern Europe (excluding the United Kingdom) rose from 32,000 in 1947 to 272,000 in 1971. The equivalent rise for Eastern Europe was from 24,000 to 309,000 and for Southern Europe from 53,000 to 541,000. After 1971, the countries of origin extended to other regions of the world, especially to Asian regions. By 2006, almost 1.5 million Australians had been born in Asian countries, 1.2 million in the British Isles and 1.1 million in continental Europe (see table). Since the 1970s, Australian immigration policy does not differentiate between the countries of origin of the potential immigrants.
Until recently, Australian governments had never had direct policy measures to alter the fertility rate. Generalized family support policies were in place in various forms from the 1950s onwards but these were generally seen as horizontal or vertical equity measures designed to assist families with children rather than to influence the birth rate. However, in 2003 to 2004, the Australian Government became concerned about the fertility rate that had been falling slowly but steadily over a decade. By 2001, the fertility rate has fallen to 1.71 births per woman. To prevent the fertility rate falling to the very low levels prevailing in some European and East Asian countries, in 2004, the Australian Government introduced several policy measures that were supportive of families with children. These included a new substantial ‘baby bonus’ payment of 5,000 Australian Dollar, a significant increase in the family allowance payments and a substantial new child care subsidy that covered 55 to 85 per cent of child care expenses depending upon the parents’ income level. After these policy measures were introduced, the fertility rate increased substantially reaching almost two children per woman in 2008. It is difficult to say whether the rise in fertility was due to the payments themselves, to the psychological impact of the payments, to the general improved economic conditions or to changes in the timing of births that were unrelated to the policy measures. Whatever the cause, the rise in fertility has taken fertility off the policy agenda.

Like any other country, Australia has health policies in place that are designed to reduce death rates. In more recent times, these policies have been directed more towards disadvantaged groups in Australia especially indigenous Australians and others on low incomes.
Immigration Policy

Immigration has always had a prominent role in Australian policy making. Australia’s population has been transformed since 1947 through deliberate immigration policies that were designed initially to increase the size and diversity of the Australian population. Within a decade of 1947, this approach had been replaced by immigration policy targeted towards increasing the skill level of the Australian labour market in order to meet labour demand requirements in the growing economy. Over the years from the 1960s, immigration policy was changed from year to year as the perceived needs of the labour force changed. In the mid 1990s, the permanent migration program was redesigned as a skills-assessed program where applicants received varying numbers of points depending upon their skill level and the requirement for their skill within Australia. Points were also awarded for experience, English language capability and age with younger ages favoured. About 110,000 will enter Australia via the Skill Stream in 2010. Permanent migration status is also provided to partners, parents and dependent children of Australian residents through the Family Stream. In 2010, about 60,000 will enter through the Family Stream about two thirds of whom are partners. The third broad category of permanent entrants comes through the Refugee and Humanitarian Stream. About 14,000 will enter Australia in this stream in 2010. In a reciprocal arrangement with New Zealand, under the Trans-Tasman Travel Agreement, New Zealand citizens have free access to residence in Australia and to the Australian labour market. There are about 550,000 New Zealand citizens living in Australia.

Until the mid 1990s, Australia ran an immigration program that was focused almost entirely on permanent migration. In the mid 1990s, however, temporary labour migration was introduced through the Long-Stay Business visa that enables Australian employers to bring in an employee for between six months and four years to undertake specific tasks. The scheme is meant to be responsive and flexible avoiding the long delays involved in the off-shore permanent migration program. The scheme was slow to take off but expanded rapidly in the years of high economic growth from 2003 to 2008. Persons holding this visa type are permitted to apply for permanent residence on-shore and many do so. Over time, including both overseas students and long-stay business visa holders, more and more applications for permanent residence are made on-shore rather than off-shore. The Australian Government favours on-shore applicants because they are almost always employer-nominated and the person already has experience working in Australia.

Those entering Australia on long-term temporary basis are included in the net overseas migration estimate. Temporary categories including overseas students, long-stay business visa holders, New Zealanders and working holiday makers now dominate total net overseas migration to Australia. In the context of the 2010 Australian Election, there has been a debate that Australia’s high rate of population growth is outstripping the country’s infrastructure capacity. As a result a Minister for Sustainable Population was appointed and an inquiry instigated into Australia’s future population growth.
Literature / Links


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