

Population

The number of people living in Australia, together with their demographic characteristics and distribution across the country, is an important influence on many of the dimensions of progress mentioned in this publication. Similarly, many of the dimensions of progress influence the size and shape of Australia's population.

This commentary provides some contextual information about the population and explains some of the links between changes in population and dimensions of progress. In doing so, the aim is not to answer questions about whether, and to what extent, Australia's population should grow.

Population size and trends

At June 2005, Australia's current resident population was estimated at 20.3 million people.¹ The population has increased by more than 16 million since 1901, when it was recorded at 3.8 million. Over that period, natural increase, defined as the excess of births over deaths, was the main source of growth in the population. However net overseas migration was also a significant source of increase.²

Australia reached the population milestone of 20 million people in December 2003, following an increase of more than 2 million people in the 10 years between June 1993 and June 2003. However, the rate of growth over that decade was, on average, markedly slower than growth rates in most previous decades. A major factor in this slower rate of population growth has been the decline in fertility, and its effect on the rate of natural increase. In 1921, a woman could be expected to give birth to around 3.1 children in her lifetime. Twenty years later, the expected number of births per woman, as measured by the Total Fertility Rate (TFR), had declined to 2.36 children. Over the last 80 years, fertility rates have fluctuated considerably, the highest being 3.55 in 1961. Since the early 1960s, fertility has been falling. In 2004, Australia had a TFR of 1.77 babies per woman. This is well below the current replacement level of 2.1 babies per woman, which is considered the number of babies a woman would have to have over her lifetime to replace herself and her partner.³

Estimated resident population

At 30 June	Population no.	Increase %
1995	18 071 758	. .
1996	18 310 714	1.32
1997	18 517 564	1.13
1998	18 711 271	1.05
1999	18 925 855	1.15
2000	19 153 380	1.20
2001	19 413 240	1.36
2002	19 640 979	1.17
2003	19 872 646	1.18
2004	20 091 504	1.10
2005	20 328 609	1.18

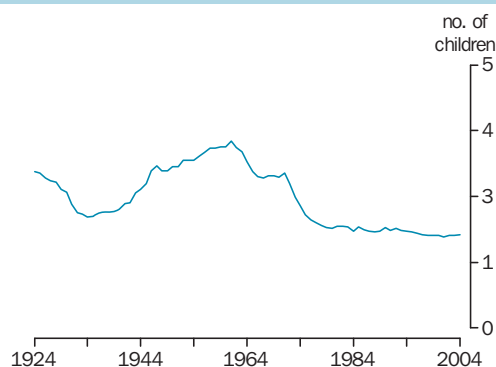
Source: Australian Demographic Statistics, cat. no. 3101.0.

Because of this shortfall, overseas migration remains important to Australia's continuing population growth, explaining a sizeable portion of our population increase in recent decades. The actual level of net overseas migration varies from year to year, and because natural increase has been trending gradually downwards since the 1970s, fluctuations in total population growth can thus be partly attributed to the size of migration intakes from year to year. Since 1996, net overseas migration has generally accounted for between 40 and 50% of Australia's annual population growth. The exception was 2001 when the contribution of net migration overtook that of natural increase, accounting for 53% of Australia's population growth in that year.¹

Population distribution

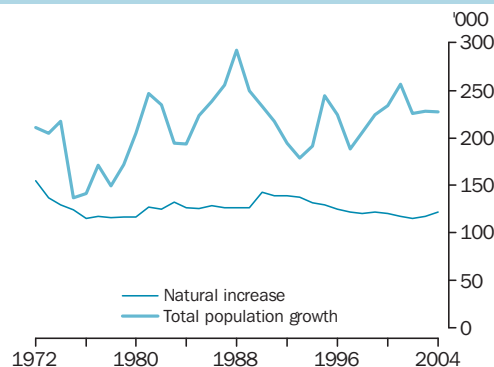
Australia is large in area, and compared with other countries, its population is small relative to its size. For every square kilometre of land there are, on average, around only two Australians. But this statistic hides the fact that Australia is a highly urbanised nation. Approximately 84% of the population is contained within the most densely populated 1% of the continent, the predominantly fertile temperate coastal regions.

Total fertility rate



Source: Births, Australia, cat. no. 3301.0.

Annual population growth



Source: Births, Australia, cat. no. 3301.0.

Population density of selected countries—2001

	People per square kilometre
Australia	2
Canada	3
Italy	190
Japan	336
Korea	476
New Zealand	14
United Kingdom	244
United States of America	29

Source: OECD in Figures 2002.

The majority of Australia's population is concentrated in two widely separated coastal regions. The larger of these is the east to south-east region, the smaller lies in the south-west of the continent.

New South Wales is the country's most populous state, accounting for one-third of the total population in 2005. Of all Australia's states and territories, the population of Queensland grew the fastest between 1995 and 2005 (by 21%), and the populations of Western Australia and the Northern Territory were next fastest, growing by 16% and 14% respectively. Tasmania had the slowest population growth over the period at 2%.¹ The rural population includes people living on private rural properties, in very small communities, and in bounded localities (population clusters of 200 to 999 people). From Federation until 1976, the percentage of Australians living in rural areas declined steadily. In 1911, 43% of Australians lived in rural areas; this proportion had fallen to 14% by 1976. Technological, social and economic changes contributed to population decline in these areas. Between 1976 and 2003, this decline appeared to have halted, with a slight increase in the proportion of people living outside capital cities.

Population age structure(a)

Age group (years)	1995	2005	Change	
	'000	'000		%
0–4	1,300	1,265	– 2.7	
5–14	2,589	2,714	4.8	
15–24	2,699	2,820	4.5	
25–34	2,840	2,870	1.0	
35–44	2,756	3,008	9.1	
45–54	2,224	2,794	25.6	
55–64	1,513	2,190	44.8	
65–74	1,282	1,399	9.1	
75–84	678	954	40.7	
85+	191	315	64.8	
Total	18,072	20,329	12.5	

(a) Includes 'Other Territories' of Australia from September 1993. Source: Australian Historical Population Statistics, cat. no. 3105.0 .65.001; and Australian Demographic Statistics, cat. no. 3101.0.

This is largely due to people moving to coastal regions and other urban centres.

Population composition

The age structure of the population has changed significantly over the last century. A decline in birth rates, and increases in life expectancy have meant that children under 15 now make up a smaller proportion of the population. Conversely, in 1901 only 4% of the population was 65 or over whereas by 2005, this figure had risen to 13%.

The balance between men and women has also changed. In 1901 there were 110 men for every 100 women (in part due to the relatively high proportion of Australian immigrants who were male). This gap has closed. In 2005, there were slightly fewer men than women in Australia (100 men for every 101 women).^{1,2}

Aboriginal and Torres Strait Islander population

The Aboriginal and Torres Strait Islander population of Australia was estimated to be 458,500 people at 30 June 2001, or 2.4% of the total Australian population. The Indigenous population is projected to have grown to between 501,500 (low-series projection) and 542,900 (high-series projection) by mid-2006.⁴ In 2001, around 90% of Indigenous people were identified as being of Aboriginal origin, 6% were identified as being of Torres Strait Islander origin and 4% were identified as being of both Aboriginal and Torres Strait Islander origin. The Indigenous population is relatively young, with a median age of 21 years compared to 36 years for the non-Indigenous population.⁵

In 2001, around 30% of the Indigenous population lived in major cities, 43% in regional areas and 27% in remote areas. The majority of Indigenous people live in New South Wales (29% of the Indigenous population) and Queensland (27%), Western Australia (14%) and the Northern Territory

Estimated resident population by region of birth—2004

Region of birth	Change since 1996		
	'000	'000	%
North-West Europe	1,486.4	-34.4	-2.3
Southern and Eastern Europe	842.8	-50.6	-6.0
North Africa and the Middle east	272.3	60.5	22.2
South-East Asia	599.5	101.6	17.0
North-East Asia	364.9	84.8	23.2
Southern and Central Asia	245.4	84.0	34.2
Americas	185.2	20.1	10.8
Sub-Saharan Africa	193.1	74.7	38.7

Source: Migration, Australia, 2003–04, cat. no. 3412.0

Immigrant populations

Australia, along with New Zealand, Canada and the United States, is often described as a 'settlement country'. All four countries have experienced substantial positive net migration in the last decade, although New Zealand registered negative net migration for a short time in the late 1990s.⁶ These countries have higher proportions, than other OECD countries, of population who were born overseas. Australia has the highest proportion.

Immigrant population in selected OECD countries – 2001

Country	Percentage of total population
Australia	23.1
Canada	18.2
Denmark	6.0
Finland	2.8
Netherlands	10.4
New Zealand	19.5
Sweden	11.5
United States	11.1

Source: OECD Factbook 2005

(12%). Indigenous people comprise about 30% of the Northern Territory population but less than 4% in all other state/territory populations.⁵

Overseas born population

Australia has experienced successive waves of immigration over the past century, and each wave has been characterised by a different predominant region of origin, usually related to world events of the period. In the post World War II period, immigration from western Europe increased markedly. However since 1996, the number of Australians who were born in these countries has declined. As those earlier immigrants have grown older and returned to their country of origin or died, current levels of immigration from these regions have not been high enough to replace them. Since 1996, immigration from the various regions of Asia has continued to increase, part of a trend that began in the late 1970s. Overall numbers of immigrants from these regions continue to have comparatively high growth rates.

Links between population and progress

The size and composition of Australia's population influences, and is in turn influenced by, many aspects of progress considered in this publication. Some Australians believe the population should grow quickly to reach substantially higher levels by the end of this century – they point to the economic and other benefits not just of a larger population but also of a growing population.

Other Australians are of the view that our environment cannot sustain a significantly larger population and that economic progress should be generated mainly through productivity enhancements, rather than just through an increase in the scale of economic activities. This focus on sustainability acknowledges the need to obtain a given lifestyle now without reducing the capacity for future generations to enjoy comparable lifestyles.

Two of the environmental arguments advanced for stabilising our population are:

- ◆ The limited amount of land suitable for agriculture.
- ◆ Our climate patterns, and in particular the limited amount of rainfall.

Arguments raised to counter these two views include the following:

- ◆ Australia already provides for more people than its own population. In the mid-1990s, for example, a rough calculation from the State of the Environment report estimated that we produce one-third of the world's wool, and that our agricultural exports feed about 55 million people (at Australian levels of consumption).⁷

Milestone years for Australia's population

Year attained	Population
1858	1 million
1877	2 million
1889	3 million
1905	4 million
1918	5 million
1925	6 million
1939	7 million
1949	8 million
1954	9 million
1959	10 million
1963	11 million
1968	12 million
1971	13 million
1976	14 million
1981	15 million
1986	16 million
1990	17 million
1995	18 million
1999	19 million
2003	20 million

Source: *Australia in Profile*, cat. no. 2821.0; *Australian Demographic Trends*, cat. no. 3102.0; *Australian Social Trends*, cat. no. 4102.0; *Estimated Resident Population by Country of Birth, Age and Sex, Australia*, cat. no. 3221.0; *Population by Age and Sex, Australian States and Territories*, cat. no. 3201.0; and *Year Book Australia*, cat. no. 1301.0.

- ◆ Some 70% of current water use is by agricultural industries, rather than directly by Australian households.

Where people live also has important effects. Concentrating people within an area can have localised environmental effects, such as air pollution in cities. The concentration of people in the coastal areas of south-eastern Australia has also resulted in relatively high rates of land clearing for urban development, together with the need to provide water, sewerage and landfill sites. This urban expansion tends to occur in Australia's more fertile areas leaving less land available for preservation or agriculture.

Conversely, some remote and sparsely populated areas have seen declining population levels over the last decade. This has generally been characterised by declining numbers of young people in these areas and ageing of the local populations. Such population decreases are often associated with a decline in employment prospects and access to services.

The number of seats in the House of Representatives is determined by the size and distribution of the population. As the population changes, this feeds into changes in the number of seats allocated to each Australian state and territory.

The population's geographic and age distribution also influences the labour market. Changes in the labour market, in turn, can influence the geographic distribution of the population, by encouraging people to move to where they can find employment.

The proportion of the population that is employed provides a broad indicator of the degree of economic dependency in Australia – the relative sizes of the total population and of that part of the population engaged in paid work. Economic dependency may increase owing to, say, a rise in the number of unemployed or the number of people past retirement age. Between 1994–95 and 2004–05, the proportion of the civilian Australian population aged 15 and over, that was employed rose from 58% to 61%.⁸

Changes in patterns of mortality, fertility and migration lead to changes in the age distribution of the population. This in turn contributes to changes in the demand for health and other services. As an example, the current ageing of the population reflects an increase in life expectancy, and is contributing to an increasing demand for aged care services.

Current ABS population projections indicate that Australia's population could range between 25 and 33 million people by 2051, if various assumptions for fertility, mortality and net overseas migration were to hold.⁹ The population would have an older profile and there would be more older people not in the labour force per adult in paid work. The proportion of the total population aged between 15 and 64 could decline from 67% in 2004 to less

than 60% in 2051, according to the ABS projections.⁹

Endnotes

- 1 Australian Bureau of Statistics 2003, *Australian Demographic Statistics June 2005*, cat. no. 3101.0, ABS, Canberra.
- 2 Australian Bureau of Statistics 2005, *Year Book Australia 2003*, cat. no. 1301.0, ABS, Canberra.
- 3 Australian Bureau of Statistics 2005, *Births Australia, 2004*, cat. no. 3301.0, ABS, Canberra.
- 4 Australian Bureau of Statistics 2004, *Experimental estimates and projections, Aboriginal and Torres Strait Islander Australians*, cat. no. 3238.0, ABS, Canberra.
- 5 Australian Bureau of Statistics and Australian Institute of Health and Welfare 2003, *The Health and Welfare of Australia's Aboriginal and Torres Strait Islander Peoples*, cat. no. 4704.0, ABS, Canberra.
- 6 OECD Factbook - Population and migration - International migration, 2005
- 7 State of the Environment Advisory Council 1996, *Australia — State of the Environment Report 1996*, CSIRO Publishing, Melbourne.
- 8 Australian Bureau of Statistics 2006, *Labour Force Australia*, cat. no. 6202.0, ABS, Canberra.
- 9 Australian Bureau of Statistics 2005, *Population Projections, Australia 3222.0*, ABS, Canberra. ABS