The changing shape of Australia’s overseas-born population

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Immigration to Australia was dominated by migrants from the United Kingdom or continental Europe for a period of almost two centuries. In the late twentieth century, however, the composition of the overseas-born population began to change dramatically, as shown by Tom Wilson and James Raymer in their analysis of the period 1981 to 2011.

Immigration has long played a prominent role in shaping Australia’s demography, economy and culture. At the end of the Second World War, the overseas-born population[1] stood at 0.75 million, or 10% of the population. By 2016 it had increased to a record 6.9 million, or 28% [1]. The geographical origins of those migrating to Australia have also changed radically. In 1947, 87% of the immigrant population had been born in Europe, a figure that changed very little until the late 1970s. By the end of the twentieth century, however, the European-born share of the immigrant population had declined to about 50%, as migrants from Asia, Oceania, Africa, and the Americas arrived in Australia. This diversification trend has continued in the twenty-first century.

This article analyses changes in the overseas-born population between 1981 and 2011 using a newly-created dataset in which population stocks and flows have been adjusted to ensure consistency between them (see Box).

Policy context

Immigration policy has played a crucial role in shaping Australia’s migration history and the composition of its immigrant population for many decades [2, 3]. At the end of Second World War, concerned that Australia should either “populate or perish”, the Australian government embarked on a major immigration programme and created a Department of Immigration. In the immediate post-war years, large numbers of migrants from continental Europe arrived as part of the Displaced Persons Programme,[2] which marked the beginning of a shift from the earlier dominance of British migrants to broader Europe-wide origins. However, due to the discriminatory “White Australia” policy[3] introduced in the early twentieth century, few migrants of non-European heritage were accepted until the 1970s. The policy was dismantled in the 1960s and 1970s, precipitating a major shift in the origins of Australian immigration. Another significant policy change occurred in the mid-1990s. Until then, Australia’s immigration policy was geared towards attracting settlement migrants who would remain in the country permanently. In 1997 the government introduced a temporary migration scheme for skilled workers, recognizing that the settlement migration scheme was too slow and inflexible to meet the needs of a globalizing world [2]. The 1990s also witnessed huge growth in the numbers of overseas students and working holidaymakers[4] coming to

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[1] Persons born overseas and who have lived (or intend to live) in Australia for at least one year.
[3] This was a set of policies effectively prohibiting non-European immigration to Australia. One example is the infamous dictation test. It could be in any European language, though the selected language was usually one unfamiliar to the prospective immigrant (e.g. Welsh).
[4] A scheme whereby people aged 18-30 from selected countries can holiday and work in Australia for a year.
Australia for fixed periods. Together, these trends have been described as a “new paradigm of international migration” in which temporary migrants outnumber permanent settlers [4]. Unlike permanent migration which is subject to a fixed number of visas, temporary migration is mostly unrestricted and is largely market-driven. Connections between the two forms of migration are important, however. Many migrants on temporary visas successfully apply for places in the permanent Migration Programme whilst in Australia.

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In 1981, Australia’s overseas-born population stood at 3.1 million, 2.3 million of whom had originated from Europe. By 2011 it had increased to 5.8 million and was much more geographically and culturally diverse. Figure 1 illustrates how its size and composition evolved over the three decades from 1981. The India-born population surged from 43,000 in 1981 to 325,000 in 2011 and the population born in South East Asian countries also rose rapidly, from about 140,000 to 770,000, partly due to increasing numbers of students. Likewise, the New Zealand-born population more than tripled, from 170,000 in 1981 to 530,000 in 2011, a number equivalent to about 12% of the resident population of New Zealand at the time. However, the story is different for the European-born. The numbers of UK-born residents increased only slightly, rising from just over 1.1 million in 1981 to 1.2 million by 2011, while the population from southern and eastern Europe declined, falling from 870,000 to 760,000. (5)

In proportional terms, the European-born declined from 76% of the overseas-born population in 1981 to 40% by 2011. This includes a 37% to 21% drop in the UK-born and a dramatic fall of 28% to 13% in those from southern

and eastern Europe. Population shares from all non-European regions increased, including Africa and the Middle East (from 6% in 1981 to 11% by 2011), South East Asia (from 5% to 13%), New Zealand (5% to 9%), and China and India (both from about 1% to 6%).

The age-sex structure of Australia’s overseas-born population has also changed dramatically, as shown in the population pyramids of Figure 2.

The relatively small numbers of children reflect the fact that most immigrants are young adults and, while some move to Australia with children, many have children after arrival (who are therefore Australian-born).

Overall, the overseas-born population was older in 2011 than in 1981, and larger in every age-sex group. But there is considerable variation by country/region of birth. The UK-born population has aged substantially as the younger cohorts in 1981 have shifted up to older ages and have not been replaced by similarly large younger adult cohorts. A more extreme version of this shift has occurred in the population from southern and eastern Europe which saw its proportion aged 65 years and over increase from 7% in 1981 to 34% by 2011. Other populations, such as those born in India and China, are much younger. The China-born population contains relatively large numbers in the higher education ages. Huge growth is also evident across all ages in the South East Asian population, especially among females. The sex ratio in 2011 was 75 males per 100 females, versus 96 for the overseas-born as a whole.

Immigration and Australian population growth

An examination of the demographic components of change affecting the overseas-born provides an initial explanation for the changes in population size and age structure shown above. Figure 3 shows the migration flows and deaths among the overseas-born population over the period 1981-2011.

Overseas-born populations increase through immigration and are depleted by mortality and emigration. Although Australia is regarded as a major immigration country, the graph shows that many immigrants eventually leave. For the overseas-born as a whole, the volume of emigration has varied between 30% and 50% of the immigration flow. Some emigrants are “settlement” migrants returning to their countries of origin, or moving on elsewhere; others are temporary migrants leaving at the end of an

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Figure 2. The age-sex structures of Australia’s overseas-born populations in 1981 and 2011

(a) All overseas-born
(b) Southern and eastern Europe
(c) South East Asia

Note: different horizontal scales are used.
Source: authors’ calculations based on ABS data.

Figure 3. The demographic components of change affecting Australia’s overseas-born population, 1981-2011

Source: authors’ calculations based on ABS data.

Figure 4. The demographic components of change affecting Australia’s overseas-born population by age group, 2006-2011

Source: authors’ calculations based on ABS data.

employment contract, course of study, or working holiday.
The number of deaths is mostly related to the size of the overseas-born population and its age structure: older populations have more people in the age groups where death rates are highest. For example, it is not surprising to observe many more deaths in the population born in southern and eastern Europe, which has an old age structure, than in the China-born population, which is much younger. With mortality and emigration exceeding immigration, the population born in southern and eastern Europe has been declining for many years.
The age structure of the overseas-born is influenced by the age profiles of immigration and emigration over the childhood and main working ages, and also mortality at older ages. Unlike the population as a whole, the overseas-born age profile is not supplemented by births (by definition, births to overseas-born populations in Australia are Australian-born), so if immigration declines, rapid ageing results. In common with most countries, international migrants are concentrated in the young adult age groups (Figure 4). Although the levels of immigration and emigration changed over the 1981-2011 period considered here, their basic shapes remained similar. The peak age group for both immigration and emigration has remained steady at 25-29, although the proportion of children in the migration age profiles has declined and that of young adults has increased. The latter reflects the growth of temporary rather than settlement migration and a shift to later childbearing in many immigrant source countries.

For the population born in southern and eastern Europe, immigration and emigration have switched from significant numbers of children and middle-aged adults to very few children and mostly young adults. This doubtless reflects the growth of temporary migration and the low fertility of southern and eastern Europeans. The result is modest net migration gains in the young adult ages only, so the age structure is mostly shaped by the gradual flow of earlier migrant cohorts to higher ages. The China-born migration age profiles have become much broader over time and increasingly concentrated in the young adult ages. The immigration peak at ages 20-24 and emigration peak...
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at ages 25-29 in recent years reflect a large temporary student component. In contrast, UK and New Zealand-born migration age profiles have varied much less and have consistently included large numbers of children, especially for immigration. For both of these countries of birth, the numbers of emigrants at older adult ages have increased over time as immigrant populations have aged.

The overseas-born population has long played a crucial role in Australia’s demography, economy and society, and will continue to do so in the coming decades. With migration policy encouraging both temporary and settlement forms of migration, Australia’s overseas-born population will undoubtedly grow larger in future decades, with immigration and emigration flows remaining concentrated in the young adult ages. And if policy continues to prioritize the economic contributions from migration, the increasing pool of well-educated students and skilled professionals in developing countries should generate a larger share of immigration from those regions, and result in greater diversity in Australia’s overseas-born population in the decades ahead.

References


Abstract

In Australia, the size, age-sex structure and origins of the overseas-born population underwent a dramatic transformation between 1981 and 2011. From largely settlement migrants from the United Kingdom and other parts of Europe, immigration to Australia now hails from a much greater range of origins than previously. The overseas-born population has also grown older, and its structure is changing with successive inflows and outflows; many immigrants eventually return home or move elsewhere. Since the 1990s, the proportion of temporary migrants (students, business visa holders, and working holidaymakers) has increased.

Keywords

Australia, overseas-born population, migration, diversity, country of origin.