



Australian Government

Planning for Australia's Future Population

September 2019



Planning for Australia's Future Population

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From the Prime Minister

There is so much that is great about our country. We are a stable, prosperous and peaceful nation. But this doesn't mean we can be complacent. We cannot ignore the big issues in the hope they will solve themselves.

One of these big issues is population. Everyone has a view on what Australia should look like in the future. But I think that all of those views would include new infrastructure and better services.

They would include a safe Australia, where jobs are plentiful and opportunities abound. An Australia that welcomes new migrants but ensures we choose who joins us. An Australia where people can afford a home for their families and be well enough off to give them what they need.

Beyond that, Australians don't want to be stuck in traffic or wedged in overcrowded public transport just to get to where they need to go. They want to feel they live in a country of shared values and ideals. Australians want to feel that they are seeing the benefits of their country's success.

I know some Australians feel that we will not realise this future. For some, it is congestion, pollution, overcrowding, and loss of community affecting their quality of life. For others, it is the difficulty in attracting jobs, skills and new ideas to their cities, towns and regions. As the Government, it's our job to change this. It is our job to draw up a plan for Australia's future population. And we are getting on with that job.

We can't do it on our own – State, Territory and Local governments all play a vital role. But I know Australians don't care who takes action, they just want us to get on with the job. This is why the Commonwealth Government is planning for Australia's future population and is working with State, Territory and Local governments on a shared approach to manage the current challenges and develop long-term plans.



As part of this plan, the Commonwealth Government is stepping up to the big nation-building projects with rail and road both a priority across our cities and regions. We are driving our economy forward to fund the essential services and social infrastructure Australians rely on. We are seeking to manage population growth by adopting well-targeted, responsible, and sustainable immigration policies.

Our plan, working across all levels of government, will help to ensure Australia continues to be one of the most liveable places in the world, including for generations to come.

A handwritten signature in blue ink, which appears to be 'Scott Morrison'.

The Hon Scott Morrison MP

From the Minister for Population, Cities and Urban Infrastructure

Population issues affect every aspect of Australians' lives. The Government recognises this.

The Government understands the pressures being felt in cities – 75 per cent of population growth over the last few years has been in Melbourne, Sydney and South-East Queensland – and this fact hasn't gone unnoticed by the residents of these cities.

At the same time, many of Australia's smaller cities and regions have experienced low or declining growth. This is also having a real impact on liveability.

Since the original launch of *Planning for Australia's Future Population* in March, the Government has been active.

We have forged ahead in implementing a range of migration measures to ensure that we are reducing population pressures in our major cities and supporting our smaller cities and regions to attract the people they need.

This includes reducing the permanent migration program by a cumulative 120,000 places over four years, setting aside 23,000 places for regional areas, and introducing various visa changes to ensure our migration program is meeting the needs of our country.

Fast rail connections between our major cities and surrounding regional centres are also designed to disperse the population and support our regional areas to grow and prosper.

We have complemented this by committing a record \$100 billion for transport infrastructure projects over the next decade.

This is all about busting congestion in our cities, increasing connectivity between cities and regions through fast rail, and upgrading major transport routes.

We have put forward a range of opportunities to States and Territories for collaboration on infrastructure and other initiatives to meet the needs of local populations.



This has included new City Deals designed to address pressures in booming parts of Australia and Regional Deals designed to support the growth of our smaller towns and regions.

The Commonwealth Government understands that, to be successful, we must work hand in hand with State, Territory and Local governments to create an integrated and coordinated approach to population planning.

That is why all levels of government have been working together to develop a National Population and Planning Framework.

We have also established the Centre for Population, which will help all levels of government and the community better understand how states', cities' and regions' populations are changing and the challenges and opportunities that this presents.

This is not the last word on population. The Government will continue to push forward with an ambitious agenda to address population issues right across Australia.

A blue ink handwritten signature of Alan Tudge.

The Hon Alan Tudge MP

Planning for Australia's future population

Australia's population is now over 25 million, having increased by almost five times over the last century.

Australia's population story is one of strong growth. Each state and city and region has its own population story and these have varied over time. In general, growth has been strongest in Australia's cities, with Sydney, Melbourne and South-East Queensland accounting for 75 per cent of Australia's population growth over the last few years, although some regional areas have also grown strongly.

Population growth has shaped the Australia we know today – an Australia that is the envy of the developed world with strong economic growth and a cohesive society. Australians are proud of their country and migrants generally integrate well into their new communities. Unemployment is low, more Australians are participating in education, and health outcomes have been continuously improving. All these indicators point to a country with strong living standards for its people.

Managing growth in our cities

- Reducing the permanent migration program from 190,000 to 160,000 places
- Encouraging migrants to settle outside Sydney, Melbourne and South-East Queensland
- Fast rail to connect orbital cities
- \$4 billion Urban Congestion Fund
- City Deals
- Guaranteeing essential services
- First Home Loan Deposit Scheme
- Record investment in hospitals, schools and child care

If Australia is to continue to make the most of population growth, we must meet the needs of future generations. We must manage the rate of growth through the migration program and plan and invest in the infrastructure and services needed in the future.

Better population planning will help overcome capacity constraints and congestion pressures in Australia's biggest cities. This is a key focus for the Government going forward with major investments in infrastructure right across Australia. Reforms to housing and a continued focus on key services such as health and education will maintain a high quality of life for Australians.

Investing in our regions

- Regional Deals
- Decentralisation agenda
- Designated Area Migration Agreements
- Regional provisional visas
- Destination Australia Scholarships
- Extending the Temporary Graduate visa for regional students
- \$4.5 billion Roads of Strategic Importance
- Fast rail to connect Australia's regions to the cities

The Government is investing right across Australia and throughout the regions. We are connecting the major cities with our growing regional centres by upgrading key road and rail corridors. This will connect sectors such as agriculture, mining and tourism to transport hubs.

We are also working with State, Territory and Local governments through Regional Deals to support regions to make the most of their natural strengths.

The Government is providing 4,720 scholarships over four years for both domestic and international students, studying at a regional campus of a university or vocational education and training provider.

Changes have also been made to the Temporary Graduate visa for international students who have completed their studies at a regional campus of a university, to ensure they can continue to live and work in regional Australia.

This is complemented by new Designated Area Migration Agreements which help regions attract the skills and workers that they need.

A strong and prosperous Australia

- Attracting the best migrants
- Supporting jobs and skills needs
- Managing an ageing population

Australia's economic strength is supported by a successful migration program that brings skilled people of working age. These migrants help offset the effects of an ageing population and address skills shortages in the economy. The Government will focus on attracting the most highly-skilled migrants while ensuring States and Territories and employers can continue to meet their changing needs. We're ensuring that Australia's migration program is equipped for an increasingly globalised economy.

Well-functioning communities

- Community Hubs
- Fostering Integration Grants
- Strengthening communities through sport and recreation activities
- Community Languages Multicultural Grants Program
- Enhanced community engagement

Australia is overwhelmingly a harmonious nation where diversity is celebrated. But this relies on continuing community connections and the successful integration of new arrivals. The Government is increasing support for migrant groups to allow them to engage in the community and workforce.

Delivering a National Population and Planning Framework

- Establishing a common understanding of population issues
- Increasing transparency
- Ensuring greater collaboration
- Facilitating shared action

Planning for and managing population growth is a shared responsibility of Commonwealth, State, Territory and Local governments. This is why we have joined with States, Territories and the Australian Local Government Association (ALGA) to better plan for population changes.

Already, this is bringing benefits, with all levels of government working together on the development of a National Population and Planning Framework. The Framework will ensure a more integrated approach to population planning and management.

To provide a central, consistent and expert perspective on population growth in Australia, the Commonwealth Government has established a Centre for Population. The Centre will help all levels of government and the community better understand how states', cities' and regions' populations are changing and the challenges that change presents.

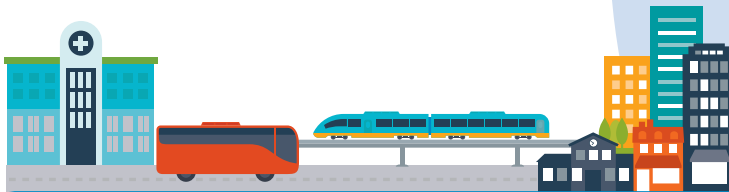
This Plan marks a turning point in the way population is treated across government, with a move to greater collaboration, transparency and longer-term planning. Most importantly, this Plan delivers the action necessary to ensure that population growth benefits all Australians.

Taking action to manage



MANAGING GROWTH IN OUR CITIES

Ensuring population growth supports liveability through new infrastructure and better services



A STRONG AND PROSPEROUS AUSTRALIA

Keeping the economy strong to improve the lives of Australians



DELIVERING A NATIONAL POPULATION AND PLANNING FRAMEWORK

Australia's changing population



INVESTING IN OUR REGIONS

Better connecting regional Australia with opportunities for growth



WELL-FUNCTIONING COMMUNITIES

Building safe and connected communities

- Establishing a common understanding of population issues
- Increasing transparency
- Ensuring greater collaboration
- Facilitating shared action

Working with State, Territory and Local governments

The Commonwealth Government is taking advantage of the opportunities that population growth offers and meeting the challenges head on.

Managing population growth is a shared responsibility involving Commonwealth, State, Territory and Local governments working together.

Each level of government has primary responsibility for different components. The Commonwealth, for example, has primary responsibility for the major population growth lever – migration settings – while State, Territory and Local governments have primary responsibility for infrastructure, planning and service provision. These need to be better aligned.

The Prime Minister, Premiers, Chief Ministers and the President of the ALGA came together at the Council of Australian Governments (COAG) in December 2018 to discuss population issues.

Population is a matter of national significance that requires coordinated action by all Australian governments. This is reflected in COAG's decision to include population on the agenda for discussion at all future meetings.

To take immediate action, COAG tasked Treasurers, along with the President of ALGA, to develop a National Population and Planning Framework.

Treasurers and ALGA put this into action in February 2019 with the inaugural meeting of the Treasurers' Forum on Population.

Treasurers agreed to immediately establish two working groups. One working group covers Regional Analysis and the other covers Data and Forecasting. These working groups have commenced and their ongoing work will form a strong basis for continued collaboration with States, Territories and ALGA.

The Treasurers' Forum discussed the importance of a holistic approach to population, which nevertheless recognises the very different population changes happening around Australia. It was agreed that the Framework should set out a practical approach to improve population planning and management.

COAG welcomed progress on the Framework at their August meeting. COAG also agreed a vision for the Framework. The vision included improving Australians' quality of life, supporting economic growth, ensuring sustainable urban and regional growth, and encouraging community cohesion.

All levels of Government continue to work together in developing the Framework, with a final Framework to be considered by the Treasurers' Forum on Population in October. The Framework will then be provided to COAG for agreement.

Better understanding population changes

The Commonwealth Government has established a Centre for Population within the Commonwealth Treasury.

This is in recognition that population change affects every aspect of Australians' lives. It is important to understand how Australia's population is changing and the implications of those changes.

Australia's ability to understand the nuances of population change and coordinate policy responses that are in the country's best interests will be vital for ensuring that we can provide the evidence base for policies that continue to boost living standards for all Australians.

For too long, population issues have been fragmented across governments, reducing the effectiveness of population planning, data analysis, and policy development.

The Centre's team of demographic and data experts will draw on the wealth of population data and knowledge across Commonwealth, State, Territory and Local governments and academics.

Working with these stakeholders, the Centre will undertake the analysis required to transform the existing data into valuable insights.

State, Territory and Local governments have already had an opportunity to shape the research agenda of the Centre.

This marks the beginning of the Centre's work in ensuring that policy makers across all levels of government can access the evidence necessary to respond to population change.

The Centre will provide a national view as well as seeking to detail, where possible, the many varying population stories across Australia's cities, towns and regions.

The Government is aware that every individual experiences the opportunities and challenges associated with a changing population in their own unique way.

This makes it imperative that the experiences of business, community groups and the public are also recognised in Australia's population narrative.

By synthesising evidence, analysis, and views on key population issues across Australia, the Centre aims to provide insights into how best to address the challenges of population change while maximising the opportunities.



Treasurers' Forum on Population



National Population and Planning Framework



Improved Regional Analysis



Better Data & Forecasting



Research Agenda

Australia's population story

Australia has a history of strong population growth, having grown by more than 20 million people since Federation.

Along with nations such as New Zealand and Israel, Australia has seen some of the highest population growth rates in the developed world.

Our population growth rate has fluctuated over time. The growth rate of 1.6 per cent for 2018 is the same as the average since Federation, but lower than during the 1950s and 1960s and higher than during the 1980s and 1990s.

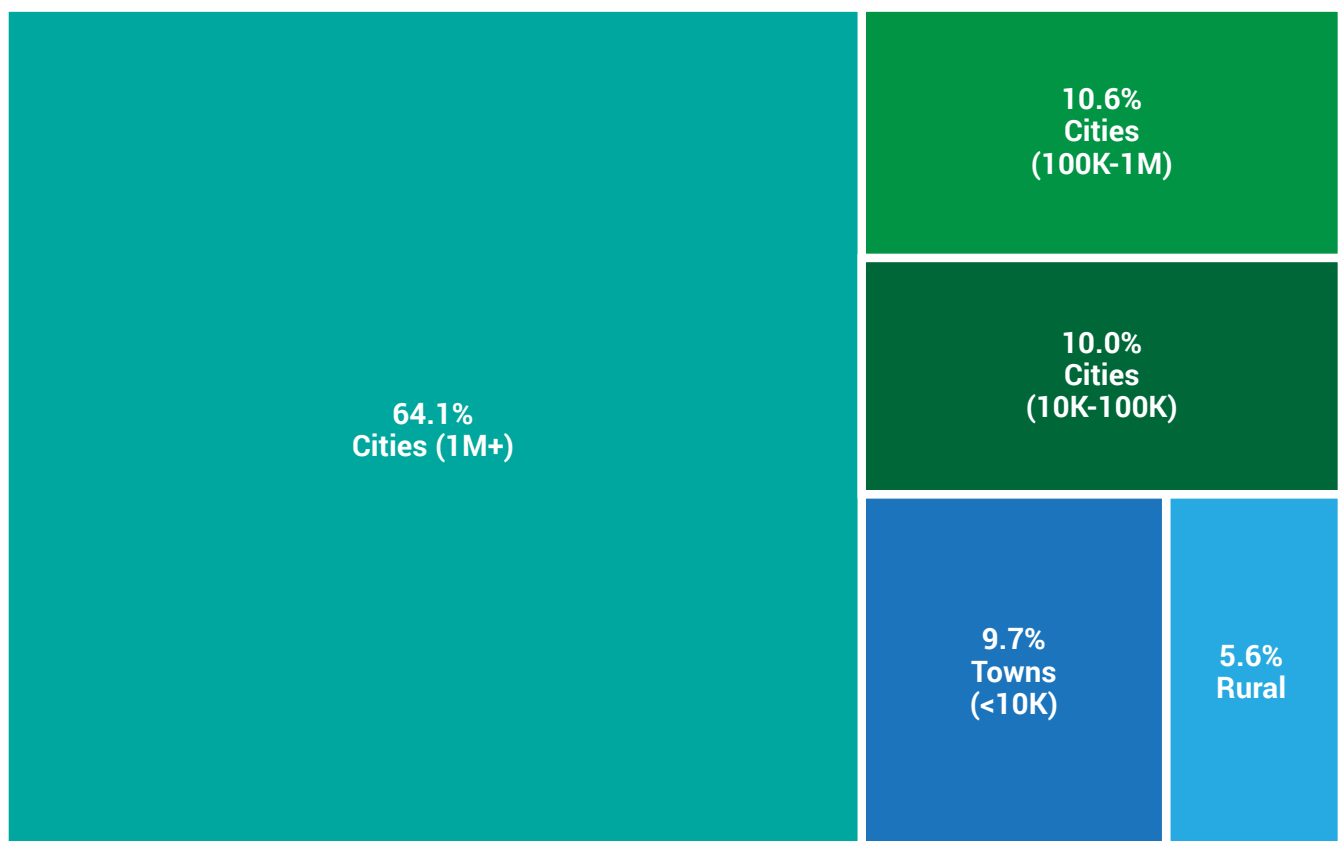
For much of Australia's history, population growth has also been urban population growth. The proportion of people concentrated in cities, and particularly capital cities, is larger now than at any time in history.

In 1911, the eight capital cities accounted for nearly 40 per cent of the population and by 1944 more than half. Now, the eight capital cities account for over two-thirds of the population.

By 2029, the Australian Bureau of Statistics (ABS) expects that Australia's population will grow to 29.5 million.

Sydney's population is projected to reach 6.4 million. Melbourne is projected to be Australia's fastest growing city, increasing its population from 5.1 million to 6.3 million. Melbourne is projected to overtake Sydney as the most populous Australian city by 2037.

Where are people in Australia?



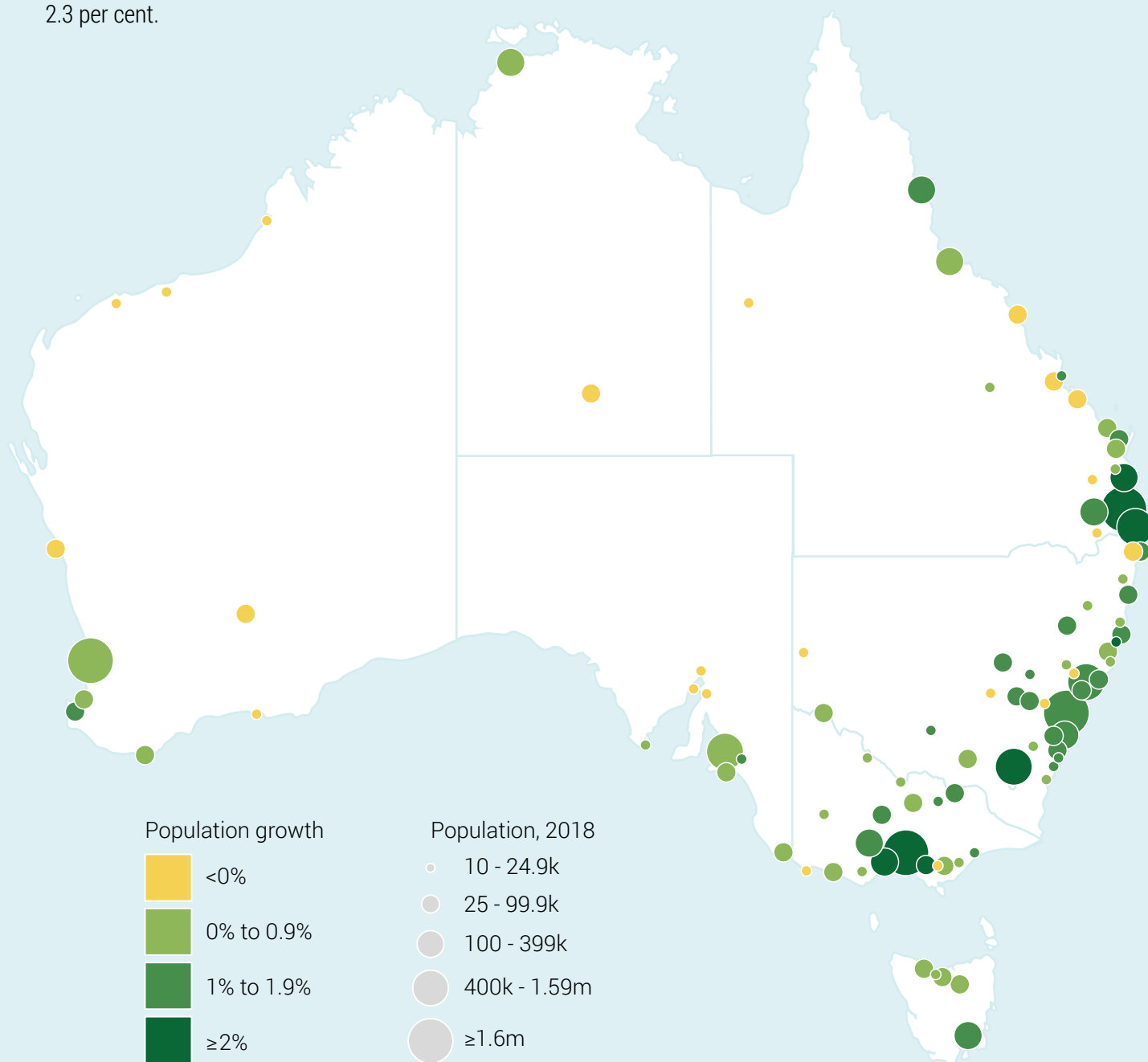
Population growth around Australia

In the three years to 30 June 2018, Sydney, Melbourne, Canberra and South-East Queensland all averaged at least 1.9 per cent annual population growth. Annual growth peaked at 2.8 per cent in Melbourne in 2015-16. Population growth in the other capitals has been more moderate.

Some regional centres also experienced strong population growth. Several regional areas including Geelong, the Gold Coast and the Sunshine Coast averaged annual population growth in excess of 2.3 per cent.

Regional areas such as Albury-Wodonga, Ballarat, Bendigo, Cairns and Toowoomba also experienced solid population growth of between 1 and 2 per cent per year.

At the same time, some other Australian regions, particularly outer regional and remote areas, experienced low growth or a declining population.



The origins of a growing Australia

Australia's population growth has been driven by both natural increase and net overseas migration.

Historically, natural increase (births minus deaths) has been the main driver of Australia's population growth. However, net overseas migration (immigration minus emigration) has been the main driver during brief periods in history.

Natural increase, despite some fluctuations, has been slowing for many decades. This has been driven by a falling birth rate.

Since the mid-2000s, a falling birth rate combined with a relatively high number of overseas arrivals has resulted in net overseas migration again contributing more to population growth than natural increase.

In 2018, net overseas migration was 248,500 and natural increase was 156,400. In total, Australia's population grew by 404,800, or 1.6 per cent.

Since 2010, around 41 per cent of population growth has occurred from natural increase, with migration accounting for the remaining 59 per cent.

Migration has contributed particularly strongly to growth in a number of capital cities. Over a 20 year period, overseas born people contributed nearly two-thirds of the population increase in Sydney. In Melbourne and Perth, they contributed half of the population growth.

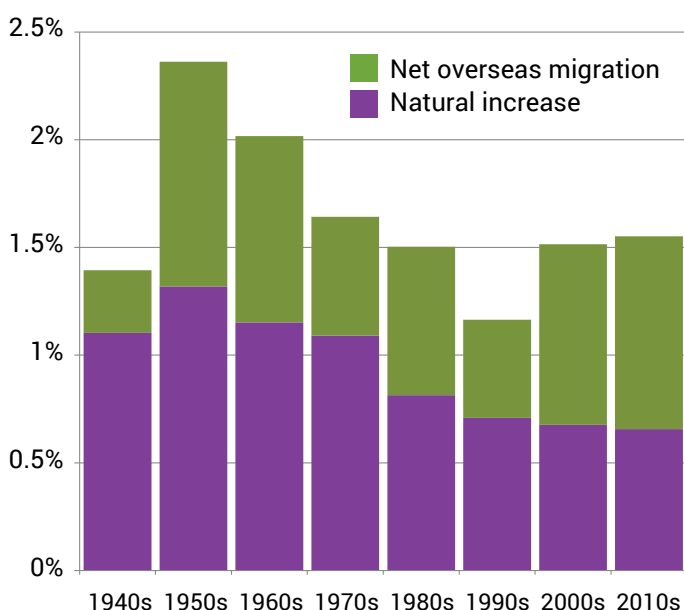
Migration has provided a boost to the economy, bringing skilled, working age people to our shores. This has increased labour force participation, and has likely improved productivity.

Migrants also make an important social contribution to the Australian community, bringing new languages, ideas and cultural perspectives to Australia, and helping to make us one of the most successful multicultural nations in the world.

The ABS projects that Australia's average annual population growth rate will be 1.6 per cent over the decade to 2027 under current projections compared to 0.5 per cent without continued migration.

In the absence of migration, holding everything else constant, Sydney would grow below the national average at 0.3 per cent, while Melbourne would grow at 0.8 per cent. Adelaide and a number of regional areas would experience declining populations in absolute terms over the decade.

What drives population growth?



Recent population changes



TEMPORARY MIGRATION

Most temporary migrants will eventually leave Australia, however some will go on to become permanent residents.

- New Zealanders are the largest group of temporary migrants, making up around 35 per cent of temporary residents in Australia at any given time.
- Growth in the number of temporary migrants has largely been driven by international students.
- Around 1 in 2 temporary skilled workers have gone on to become permanent residents, compared to 1 in 6 international students.
- Most tourists and visitors do not visit for long enough to be counted in Australia's population.

PERMANENT MIGRATION

In 2018-19, 160,323 visas were granted under the Permanent Migration Program, the lowest number in a decade. The skilled stream comprises around two-thirds of the Permanent Migration Program – consistent with outcomes this decade.

NATURAL INCREASE

While Australians are living longer, falling fertility rates have meant that the contribution of natural increase to population growth has declined.

Life expectancy for both Australian males and females remains amongst the highest in the world – in 2017, life expectancy at birth was 80.5 years for men and 84.6 years for women, up from 55.2 years for men and 58.8 years for women in the 1900s.

Fertility rates have dropped from 3.1 babies per woman in 1921 to around 1.7 babies now.

Strong population growth in cities

Population growth has been particularly strong in Australia's major cities.

Between 1998 and 2018, population growth in capital cities accounted for 75 per cent of the more than 6.4 million increase in Australia's population. But growth has not been consistent between cities.

Different cities have grown at different rates as changing economic conditions have attracted workers and families to move and take up opportunities across Australia.

During the mining boom, high flows of Australians and newly arrived migrants moving to mining boom states has meant that Brisbane, Perth and Darwin experienced relatively high rates of growth.

As the mining boom has dissipated, the flows of people have reversed, with Australians and newly arrived migrants attracted to cities such as Melbourne, Sydney and Canberra.

Brisbane's population growth has remained strong, perhaps due to the non-mining component of its economy, while Perth's population growth has slowed.

Adelaide has experienced low population growth throughout the 20 year period, while Darwin has seen high fluctuations in growth from year to year.

In absolute terms over the last 20 years, Melbourne grew by 1.6 million, Sydney by 1.3 million, Brisbane by 0.9 million, Perth by 0.7 million and the remaining capitals by 0.4 million.

With over half of newly arrived migrants flowing to Sydney and Melbourne and strong internal migration into South-East Queensland, these three areas together have accounted for 75 per cent of Australia's population growth over the last three years.

Concentrated population growth has created vibrant cities that attract jobs and communities and deliver innovation and productivity.

But it has also heightened existing pressures on infrastructure, housing, services, communities and the environment.

It is likely that our cities will continue to grow as Australians and newly arrived migrants alike seek to take up the opportunities that Australia's cities provide.

But this population growth needs to be sustainable.

It needs to occur at a rate where infrastructure and services can be put in place to match the growing population.

If this does not occur, the result is increased congestion, housing pressures, pollution and lack of support and amenity. This has adverse consequences for quality of life.

Population changes in Australia's capital cities in 2017-18



Pop Growth is the combination of natural increase, net overseas migration (NOM) and net internal migration (NIM).

Natural increase (Natural) is the difference between births and deaths.

Net overseas migration (NOM) is the difference between overseas arrivals and overseas departures.

Net internal migration (NIM) is the difference between arrivals from and departures to other areas of Australia.



Taking the pressure off cities

The Government recognises that the current rate of population growth, and its concentration in Australia's major cities, warrants clear action.

Our big capital cities, particularly Melbourne, Sydney and South-East Queensland, are feeling the pressure from rapid population growth over the last decade. Three quarters of all Australia's population growth has been to these three areas.

In many cases, the freeways have slowed, trains are sometimes at crush capacity and housing construction has not always kept pace. Avoidable congestion is already estimated to cost \$25 billion and is forecast to reach \$40 billion by 2030 without further change.

Australia's major cities continue to attract both Australian-born and overseas-born residents. Over a 20 year period, at least half of Sydney and Melbourne's population growth has come from migration.

To take pressure off the big capitals, while supporting the growth of regions and smaller cities that want to grow faster, the Government has introduced a number of measures:

- Reduced the permanent migration program from a cap of 190,000 to a cap of 160,000 for four years. Within this revised cap, 23,000 places have been set aside for our regions and smaller cities.
- Taken action to encourage students to consider the regions for their studies through new Destination Australia scholarships. International students make up over 40 per cent of net overseas migration but over 80 per cent of these students study in Melbourne, Sydney or Brisbane.
- Provided a visa incentive for international students to study and live in regional Australia through access to an additional year in our country on a post-study work visa.
- Provided States and Territories with a greater say on migration by increasing the number of places available to States and Territories. This provides increased flexibility for States to meet their particular population needs. States experiencing low population growth or skill shortages can look to attract a greater number of migrants to their State, while those States experiencing high growth can lower the numbers of migrants nominated.
- Put in place a fast rail plan to connect our major cities with their neighbouring regional centres. We've already committed \$2 billion to fast rail between Melbourne and Geelong and have business cases underway for other fast rail corridors from Melbourne, Sydney and Brisbane, designed to take the pressure off our three major cities and support the surrounding regions.
- Increased funding for infrastructure in our cities through major transport projects, City Deals and Regional Deals.

These initiatives are detailed in the following pages.



Urban form and access to jobs and housing

Over the past decade, Australia's population increased by 3.7 million people – much of this in Sydney, Melbourne and South-East Queensland.

Much of this population growth has been accommodated by increasing the urban footprint of cities.

For example, Melbourne's outer suburbs have experienced strong population growth. Wyndham alone accounted for over 12 per cent of the city's population growth over the last decade.

In Sydney, growth patterns were more balanced, but the outer urban ring still accounted for the largest share of population growth.

A further issue is when population growth is not necessarily aligned with jobs growth.

For example, Sydney's inner area added over 90,000 jobs between 2011 and 2016, while the working age population in the area grew by around 75,000.

In contrast, the outer area of the city added over 75,000 jobs while the working age population grew by around 160,000 people.

Consequently, there is a growing mismatch between where people live and where they work.

However, as cities such as Melbourne, Sydney and Brisbane grow, they will need to accommodate more people through alternative employment hubs to their CBDs.



Commonwealth infrastructure investment

The Commonwealth is investing \$100 billion over the next decade in transport projects across the country, including more than \$40 billion over the next four years.

The Government has funded more than 900 major projects since 2013. There are over 130 projects under construction or development, over 140 are in the pre-construction stage involving detailed design and planning works, procurements, or environmental assessment, and over 300 have been completed.

The Government has invested \$4.5 billion in the Roads of Strategic Importance initiative. Under this initiative, key freight routes are being upgraded to efficiently connect regions to ports, airports and other transport hubs. This will deliver substantial social and economic benefits, including opportunities for greater regional employment and business growth.

The Government has committed \$4.2 billion towards 26 key freight corridors and around 50 projects across the country.

The Government has also established the \$250 million Major Project Business Case Fund for the Commonwealth's early involvement in business case development for major projects. The Government has announced 20 major business cases.

Construction of the Western Sydney International (Nancy-Bird Walton) Airport commenced in 2018 and operations are to begin by 2026. The Government is providing equity of \$5.3 billion to WSA Co to deliver stage one of the airport.

Construction of the Melbourne to Brisbane Inland Rail project also commenced in 2018. The Government is delivering Inland Rail by providing \$9.3 billion in equity and grant funding to the Australian Rail Track Corporation.

Major projects across the country include METRONET in Perth, the Melbourne Airport Rail Link, the Western Sydney Infrastructure Plan, the first stage of the Sydney Metro Greater West railway line that includes connectivity to the Western Sydney International (Nancy-Bird Walton) Airport, the upgrade of the Bruce Highway in Queensland, the North-South Corridor in South Australia, a new four-lane bridge to cross the Derwent River in Tasmania, and the Central Arnhem Road Upgrade in the Northern Territory.



Busting congestion in cities

Infrastructure investments to manage growth and bust congestion are critical to ensuring Australians continue to experience a high quality of life.

Congestion imposes a significant cost on people living in our cities. Urban congestion limits access to employment and services and obstructs access to ports and markets.

Congestion in Australia's capital cities has an estimated economic cost of \$25 billion per year.

With more cars on the road, average travel speeds in capital cities have been slowing. For example, inner Melbourne's road speeds have been rapidly slowing, reducing by 25 per cent over the past decade.

Despite lower average road speeds, average commute times have only increased by around three to four minutes over the past decade.

This indicates that Australians are moving closer to work, changing jobs, travelling during off-peak periods or working from home.

Adaptation is good news and governments are looking to facilitate this where possible. However, adaptation is not costless and increased congestion can, over time, make cities less productive and liveable.

Not every person or employer is able to adjust, and adjustment also takes time.

Residents in outer-urban areas may have the greatest difficulty adjusting. These areas have longer commute distances and fewer public transport services.

The Government is committed to busting congestion and is investing \$4 billion in the Urban Congestion Fund, with projects targeting congestion, delivering a more reliable road network for commuters and freight, and addressing local bottlenecks.

As part of the Urban Congestion Fund, the Government is also providing \$500 million for a Commuter Car Park Fund to make rail networks more accessible and take cars off the road.

Additional works include road upgrades, technological solutions which improve access to employment and transport hubs, and improving commuter corridors by addressing bottlenecks on bridges.

Public transport can also suffer from congestion. Many of the commuter rail corridors in Sydney, Melbourne and Brisbane have been experiencing capacity passenger loads during morning peaks since 2011.

Pressure on the public transport network is expected to continue. Government analysis estimates a 60 per cent increase in the number of public transport passengers between 2011 and 2031.

The Government is working with State, Territory and Local governments to build and upgrade transport connectivity in key locations.

Urban Infrastructure Projects

Western Australia

North-East Perth

- NorthLink WA, Swan Valley Bypass (\$556m)
- METRONET, Morley-Ellenbrook Line (\$500m)
- Tonkin Highway Interchanges (\$293m)
- Tonkin Highway Gap (\$232m)
- Roe Highway-Great Eastern Highway Bypass and Abernethy Road-Great Eastern Highway Bypass Interchanges (\$144m)
- NorthLink WA, Tonkin Highway Grade Separations (\$101m)
- Urban Congestion Fund projects e.g. Lloyd street extension

North-West Perth

- METRONET, Yanchep Rail Extension (\$350m)
- Mitchell Freeway Extension, Hester Avenue to Romeo Road (\$108m)
- Urban Congestion Fund projects e.g. Mitchell Freeway widening

South Perth

- METRONET, Thornlie-Cockburn Link (\$350m)
- METRONET, Byford Extension (\$241m)
- Armadale Road Duplication, Anstey Road to Tapper Road, Development Phase (\$116m)
- Armadale Road Bridge (\$190m)
- Perth Freight link (\$1.2b)
- Urban Congestion Fund projects e.g. Commuter car park upgrades on the Mandurah line

METRONET: Future projects (\$227m)

South Australia

- North-South Corridor Future Priorities (\$2.7b)
- Northern Connector (\$708m)
- North-South Corridor - Darlington Upgrade Package (\$534m)
- North-South Corridor, Torrens Road to River Torrens (\$384m)
- Gawler Rail Line Electrification (\$220m)
- Goodwood and Torrens Junctions (\$189m)
- North-South Corridor - Regency Road to Pym Street (\$177m)

Victoria

North Melbourne

- North East Link (\$1.8b)
- Melbourne Airport Rail Link (\$5b)
- M80 Ring Road Upgrade (\$500m)
- Tullamarine Freeway Widening (\$200m)
- Urban Congestion Fund projects e.g. Commuter car park upgrades on the Northern Line

South Melbourne

- Monash Freeway Upgrade (\$500m)
- Monash Rail (\$475m)
- Frankston to Baxter Rail Upgrade (\$225m)
- Urban Congestion Fund projects e.g. Thompsons Road extension

East Melbourne

- East West Link (\$4b)
- Urban Congestion Fund projects e.g. Dorset Road upgrade and extension

West Melbourne

- Urban Congestion Fund projects e.g. Hume, Calder and Western Freeways

Suburban Roads Upgrades, South Eastern and Northern Roads (\$1.1b)

Queensland

North Brisbane

- Gateway Upgrade North (\$862m)
- Bruce Highway, Deception Bay Road Interchange Upgrade (\$120m)
- Urban Congestion Fund projects e.g. Gympie Arterial Road

Inner Brisbane

- Brisbane Metro (\$300m)
- Urban Congestion Fund projects e.g. Indooroopilly roundabout intersection upgrade

South Brisbane

- M1 Pacific Motorway, Eight Mile Plains to Daisy Hill (\$500m)
- M1 Pacific Motorway Upgrade Program, Gateway Motorway-Pacific Motorway Merge (\$115m)
- Kenmore Roundabout Upgrade (\$12.5m)
- Urban Congestion Fund projects e.g. Boundary Road level crossing upgrade

West Brisbane

- Ipswich Motorway, Rocklea to Darra (\$200m)

Gold Coast

- M1 Pacific Motorway, Varsity Lakes to Tugun (\$500m)
- M1 Pacific Motorway Upgrade Program, Mudgeeraba to Varsity Lakes Upgrade (\$110m)

Sunshine Coast

- Bruce Highway, Caloundra Road to Sunshine Motorway (\$650m)

New South Wales

North Sydney

- NorthConnex (\$412m)
- Urban Congestion Fund projects e.g. Blaxland Road-Balaclava Road intersection

Western Sydney

- Western Sydney International (Nancy-Bird Walton) Airport (\$5.3b)
- Western Sydney North South Rail Package (Business Case and Stage 1) (\$3.5b)
- WestConnex (\$1.5b)
- M12 Motorway (\$1.4b)
- The Northern Road (\$1.2b)
- Bringelly Road Upgrade (\$407m)
- Urban Congestion Fund projects e.g. Horsley Drive Upgrade

South Sydney

- Port Botany Rail Line Duplication (\$400m)
- Urban Congestion Fund projects e.g. King Georges Road upgrade

Tasmania

- Hobart Congestion Package \$25m
- Tasman Highway Intelligent Transport Solutions \$10m
- Launceston Eastern Bypass Study, Launceston \$1.5m



Targeted investment to drive urban development

Along with investments in transport infrastructure, the Government is increasing other forms of infrastructure through cooperative partnerships with State, Territory and Local governments.

A key pillar of the Commonwealth's engagement has been through City Deals which take a proactive approach to developing Australia's cities as a great place to live and work.

City Deals include setting a plan for the future of a city and then aligning policy and investments across all levels of government.

Catalytic infrastructure investments tied with urban governance and land use reform will ensure Australia's cities remain great places to live, work and play.

To date, the Government has negotiated City Deals for Townsville, Launceston, Western Sydney, Darwin, Hobart, Geelong, and Adelaide.

For example, the Western Sydney City Deal will deliver rail, jobs and community infrastructure for the people of Western Sydney, building on the Commonwealth Government's \$5.3 billion investment in the Western Sydney International (Nancy-Bird Walton) Airport.

The centrepiece of the Western Sydney City Deal is a \$7 billion joint government commitment to the delivery of a Stage 1 North-South Rail Link from St Mary's to the Aerotropolis via the Airport by 2026.

Under the Deal, \$280 million in new government funding was announced to support infrastructure projects and liveability initiatives, including \$15 million in Commonwealth Government funding to accelerate planning reforms to support housing supply in Western Sydney.

Building on the success of the Western Sydney City Deal, the Government is progressing negotiations for City Deals with Perth and South-East Queensland. The Government has also announced an intention to work with the Victorian Government to progress City Deals for South-East Melbourne and North-West Melbourne.

By having a shared vision for the future of these communities and coordinating investments across all levels of government, the Government is ensuring congestion is reduced and access to jobs, services and affordable housing supports growing and liveable cities.



City Deals

A new way of working with State, Territory and Local governments



Deals being delivered



Townsville

- Constructing the North Queensland Stadium.
- \$75 million in Commonwealth funding for the Port Channel Capacity Upgrade.
- Preserving the Townsville Eastern Access Rail Corridor.



Launceston

- \$260 million for the University of Tasmania campus.
- \$95 million to improve the health of the Tamar Estuary.
- \$20 million for the City Heart project to reposition Launceston's CBD as an attractive retail and visitor experience.



Western Sydney

- North-South Rail Link to realise a 30-minute city.
- Creating 200,000 jobs with the Aerotropolis and agribusiness precincts.
- Skilling residents in the region and initiating an Aerospace Institute.



Geelong

- \$171 million to deliver a new Geelong Convention and Exhibition Centre.
- \$27.9 million to deliver a range of projects to revitalise public spaces in central Geelong.
- \$136 million to deliver priority projects under Stage Two of the Shipwreck Coast Master Plan and improve key tourist sites along the Great Ocean Road.



Darwin

- Revitalising the city centre through a new education and civic precinct, including a new Charles Darwin University city campus.
- Redeveloping State Square to cool the city, increasing space for outdoor events and festivals.
- Support for the Larrakia people as the traditional owners of Darwin.



Adelaide

- Redeveloping the old Royal Adelaide Hospital site, known as Lot Fourteen, to deliver a precinct that drives entrepreneurship, innovation and creativity.
- Ensuring the right settings to better manage population growth and city planning.



Hobart

- \$730 million to create a reliable, sustainable and cost effective transport system, including \$576 million to replace Bridgewater Bridge — Tasmania's largest transport infrastructure investment.
- Solidifying Hobart as a gateway to the Antarctic and the Southern Ocean, including options to facilitate an Antarctic and science precinct at Macquarie Point.



Upcoming Deals



Perth

- The Government is working with the Western Australian Government to progress a City Deal for Perth.



South-East Queensland

- Building on the significant joint government investment in congestion-busting road and rail projects, this is a long term shared vision from all three levels of government to drive investment and enhance liveability in South-East Queensland.



South-East Melbourne

- The Government is working with the Victorian Government to progress a City Deal for South-East Melbourne.



North-West Melbourne

- The Government is working with the Victorian Government to progress a City Deal for North-West Melbourne.



Connecting regional centres

Strong population growth in Australia's three largest cities is spilling over into the surrounding areas creating vibrant cities which are becoming strong population centres in their own right.

Faster passenger rail links are critical to connect fast growing regional centres to surrounding capital cities.

Improving the transport connections between our capital cities and regional centres has significant potential to support economic and population growth in the regions.

The speed and comfort of rail lends itself to transport over long distances, allowing for more productive time than would otherwise be the case in a private vehicle and helping to support the increasingly flexible nature of work.

Many of Australia's regional centres are already growing strongly. For example, since the start of the decade, Geelong in Victoria, and the Gold Coast and the Sunshine Coast in Queensland, have averaged annual population growth in excess of 2.3 per cent.

Population growth in these cities is driven by a number of factors including proximity to major capital cities, lower costs of living, retirement amenity and lifestyle preferences.

Transport, particularly rail connectivity, will be an important factor in further supporting and integrating regional and metropolitan economies for their mutual benefit.

Currently, many regional trains run at slower speeds due to track limitations. For example, the average speed between Sydney and Wollongong is less than 60 km/hour.

Among the factors constraining the current speed of this service is the location of a single tunnel only large enough for one line.

This means that trains often need to wait for trains coming from the other direction before they can pass. Single tracks create a bottleneck that restricts the number of trains that can run, which often leads to overcrowding during peak periods.



The Government's 20 year plan is to have faster, more efficient and reliable journey times along strategic corridors connecting major regional centres with capital cities.

This includes \$2 billion for fast rail between Geelong and Melbourne announced in the 2019-20 Budget, which has the potential to cut journey time in half to 32 minutes.

It also includes \$40 million for assessments of five fast rail corridors between Sydney and Wollongong, Sydney and Parkes (via Bathurst and Orange), Melbourne and Albury-Wodonga, Melbourne and Traralgon, and Brisbane and the Gold Coast.

These business cases will complement the three Commonwealth-funded business cases already underway for Sydney to Newcastle, Melbourne to Greater Shepparton, and Brisbane to the regions of Moreton Bay and the Sunshine Coast.

Updates to these rail networks could significantly improve average train speeds, reduce journey times, increase the frequency of services, and improve network reliability.

A National Faster Rail Agency has been established to oversee the delivery of the Geelong fast rail project, faster rail business cases, and to provide advice to the Government on future fast rail opportunities.

A new, faster rail network will help shape the future growth of our cities and regions; bring people, jobs and services closer together; provide a catalyst for greater investment in the regions; and, over time, help to take pressure of Sydney, Melbourne and Brisbane.

Delivering a prosperous Australia

While population growth has increased congestion in our cities, it has also increased economic growth.

The contribution of migrants



Being younger, migrants are more likely to participate in the labour force.

In the absence of migrants, all else being equal, instead of the participation rate increasing 2.1 percentage points over the period from 2000 to 2018, it would have fallen 2.8 percentage points.



Without migration, growth in Australia's workforce would slow dramatically and, in the longer term, would even shrink.

The focus of Australia's migration arrangements on skilled workers has meant that migrants have also likely supported productivity.



In 2016, 69 per cent of recently arrived migrants, aged between 25 and 44, were educated to a diploma level or higher compared to 42 per cent of Australians of the same age.



Skilled and family migrants are estimated to contribute more to Government revenue through income tax than they absorb in expenditure, through the use of services. The 2017-18 permanent migrant intake is estimated to improve the Commonwealth budget by \$4.2 billion across the migrants' lifetimes.

Australia has recorded its 28th consecutive year of economic growth, the longest period of growth of any developed country.

Economic reforms from the 1970s onwards, sound economic and government institutions, Australia's proximity to the growing markets of Asia, high demand for Australia's raw materials, as well as population growth have all contributed to this enviable record.

Over the past 40 years, population factors (i.e. the share of the population that is working age) have contributed around a sixth of the growth in Australia's GDP per person.

A strong economy has many tangible benefits, including increased prosperity and the creation of new jobs. But the more intangible benefits – that a stable, prosperous economy creates a strong foundation for Australians to feel they have opportunities to lead a life of their choosing – have potentially been even more important.

Australia's migration arrangements, which focus on young, skilled migrants, have contributed to this economic growth.

Despite reductions to the permanent migration program, the focus of the program will remain firmly on attracting skilled migrants to our shores who will help alleviate the ageing of Australia's population, fill labour and skills shortages, and add to our diverse society.



The Government is continuing to ensure Australian businesses can access the skills they need through employer sponsored migration.

This offers Australia the best opportunity to bring forward the economic dividend from migration as these migrants begin working and contributing to the economy immediately.

The Government is also providing additional points to skilled migrants without dependants as well as those migrants whose dependants have strong English language skills. Migrants with good English are more likely to be able to participate in the workforce and contribute to the Australian economy. Strong English language skills also allow migrants to settle into their communities quickly.

Opportunities, of course, remain for family and humanitarian migration.

While permanent migration, and particularly skilled migration, has contributed to Australia's economic success, temporary migration has also made a large contribution to the Australian economy.

For example, in 2017-18, international students in Australia added \$32.4 billion to the economy and other personal travel (e.g. tourism) added \$21.6 billion, making these our third and fifth largest export industries.

Temporary migration has also contributed to a flexible, responsive and diverse economy.

Temporary migration has fluctuated with general economic and labour market conditions. This has supported structural shifts in the Australian economy, such as the emergence and dissipation of the mining boom, by helping businesses to fill short and medium-term skills gaps when Australian workers were not available.

The Government has sought to retain the responsiveness that temporary skilled workers inject into the economy but ensure that they are only brought into Australia in response to genuine skills shortages. Changes in 2018 to achieve this replaced the 457 visa with the Temporary Skill Shortage visa.

The new visa applies more stringent eligibility criteria to employers and visa applicants, including stricter labour market testing, strengthened English language requirements and new work experience requirements.

Housing for a growing population

A growing population needs access to additional housing. When housing is secure and affordable it can help ensure the wellbeing of individuals, families and communities.

Over recent decades, new housing supply has not always kept pace with demand for housing from population growth and a reduced average household size.

For example, the NSW Government estimated in 2017 that there was an accumulated undersupply of 100,000 dwellings in Sydney. This mismatch seems to have contributed to higher housing costs, including in the rental market.

Many low income households around Australia have been experiencing rental stress. Nearly 50 per cent of low income rental households across Australia spent more than 30 per cent of their income on rent in 2018.

House price growth has historically gone through cycles. Interest rates and supply restrictions can have an important impact on house price growth.

Additional demand for housing from population growth may also have an impact on house prices.

To support first home buyers, the Commonwealth Government has created the First Home Loan Deposit Scheme, which will provide up to 10,000 guarantees per year to eligible first home buyers to purchase a home with a deposit of as little as 5 per cent.

The States and Territories have responsibility for housing supply through planning, land use and housing infrastructure policies.

The Commonwealth Government supports the states to provide housing and homelessness services through funding the National Housing and Homelessness Agreement.





The Commonwealth Government is actively contributing to the supply of housing by:

- Selling Commonwealth Government land when suitable for residential housing and deemed surplus to Commonwealth requirements.
- Enabling Australians to propose alternative uses for Commonwealth land through the online Australian Government Property Register.
- Requiring affordable housing initiatives to be considered in the disposal of all Commonwealth land that is suitable for housing.
- Divesting 127 hectares of land in Maribyrnong in Melbourne to cater for up to 6,000 new homes within 10km of the CBD, subject to the approved planning framework.
- Establishing the National Housing Finance and Investment Corporation (NHFIC) to operate the \$1 billion National Housing Infrastructure Facility that will provide finance for infrastructure to unlock new housing supply.
- Limiting tax deductions for expenses associated with holding vacant land which will discourage 'land banking' by individuals.



The Commonwealth Government is creating the right incentives to improve housing outcomes by:

- Helping first home buyers save a deposit through voluntary contributions into superannuation, and helping them get into the market earlier with a deposit as little as 5 per cent.
- Reducing barriers to downsizing to free up larger homes.
- Strengthening the capital gains tax rules so that foreign residents pay the right amount of tax.
- Better targeting tax deductions for residential investment properties.
- Strengthening foreign investment rules to discourage foreign investors from leaving their property vacant.

For the most vulnerable Australians, the Commonwealth Government is:

- Helping to improve outcomes in social housing and homelessness with NHFIC operating an affordable housing bond aggregator that aims to provide cheaper and longer term finance to registered community housing providers.
- Providing over \$1.5 billion to State and Territory governments annually under the National Housing and Homelessness Agreement.



Supporting a changing population

Australia's strong economic growth has enabled the Government to deliver record investments in essential services, including in education and healthcare.

This year, the Commonwealth Government will invest more than \$80 billion in health, \$35 billion in education, and \$180 billion in social services and welfare.

As the population grows, the Government will continue to prioritise these essential services that Australians rely on.

Changes in the location and characteristics of Australia's population are just as important as its size, with new services required as greenfield developments are built or new people move into an established location.

A different mix of services has also become necessary as Australia adapts to meet the needs of a changing population.

More women are choosing to enter the workforce, increasing the call for affordable, quality childcare. The Government's Child Care Subsidy benefits more than 1 million families per year, helping carers balance their work, training and caring responsibilities.

Increasing women's workforce participation will help to fill emerging gaps in the workforce as older Australians retire, but continued migration is needed to slow the rate at which Australia's population ages.

The demand for health and aged care services, in particular, is expected to increase.

The Government is taking action to anticipate this with changes to aged care services to improve availability, safety, and quality supported by total expenditure of \$21.6 billion in 2019-20. This is an increase of more than 50 per cent since 2013-14.

The Commonwealth Government is also making a record investment in public hospitals with funding increasing by more than 50 per cent over the five years to 2018-19 and expected to further increase to \$29.1 billion in 2024-25. In addition, the \$1.3 billion Community Health and Hospitals Program will improve patient care and reduce pressure on community and hospital services across the country.

Education is becoming more important in a globalised economy, increasing the need to ensure quality education for our young Australians.

The Government is delivering fairer funding for schools through needs-based funding to ensure those students with the greatest need receive the support they require.

The Government's needs-based schools funding will deliver a record \$292 billion in recurrent school funding from 2019 to 2029.

To ensure the welfare system encourages self-reliance and is targeted to those most in need, the Government has increased the time that new skilled and family migrants must wait to access certain benefits, ranging from one to four years. Exemptions exist for vulnerable cohorts.



Characteristics of Australia's population

More women in work

At the start of the 20th century, men outnumbered women (by around 110 to 100), as the population had been significantly shaped by male-dominated migration from overseas. Today, women outnumber men, making up 50.7 per cent of the population at the last census.

One of the biggest changes to the labour force over the last century is the increasing number of women in work. In 2019, the participation rate for women was over 60 per cent, compared with around 54 per cent 20 years earlier.

This has helped to boost living standards for families and drive Australia's economic growth.

More highly educated

We are becoming a more educated society. Around 67 per cent of 20 to 64 year olds have a vocational or university qualification, up from 59 per cent a decade ago.

Over 75 per cent of people aged 20 to 24 in 2018 already hold or are studying towards a vocational or university qualification.

An older population

The ratio between working age people to people aged over 65 has decreased rapidly over the past 50 years. At the beginning of the 1970s, there were nearly 8 working age persons for every Australian over the age of 65. Today, this figure has almost halved, with 4 working age persons for every Australian over 65.

Without continued migration, this ratio is projected to halve again by 2066. With current migration levels, the ratio would fall to 3 working age persons for every Australian over 65. Trends for Australians to work longer may also lessen the impact of an ageing population.

Australians aged over 85 are projected to be one of the fastest growing age cohorts in the country. In 2018, there were 503,000 Australians aged 85 years and over, making up 2 per cent of the population. This group is projected to triple in size to around 1.5 million by 2066, growing to 4 per cent of total population.

Migration has helped alleviate the ageing of Australia's population since migrants to Australia are younger on average than the resident population – around 83 per cent of migrants arriving in 2017 were less than 40 years old, compared to only 54 per cent of the resident population.

Delivering the skills needed in regions

Regional Australia is also experiencing a changing population. But there is not one regional population story, just as there is not one Australian population story.

As agricultural and manufacturing employment has declined, there has been a movement of people away from inland towns.

In contrast, there has been an increasing flow of people to coastal regions driven by increased technological connectivity and lifestyle preferences.

This has meant that a town's amenity has become an important feature in understanding population flows.

For example, over the past 40 years, the Gold Coast and Sunshine Coast combined have grown from around 250,000 to over 1 million residents. Cairns and Townsville have grown collectively, from around 150,000 people to over 300,000.

Some regional inland towns have also experienced strong bursts of population growth.

During the mining boom, a number of inland regional areas and cities such as the Pilbara, the Kimberley, and Mackay experienced rapid population growth driven by significant capital investment. Since 2012, this trend has reversed, with some regions now experiencing population decline.

Regional Australia has been built on hard work, resilience and community mindedness. An important element has been the hard work of families that have migrated to regional Australia for a new life.

Regional Australia has skill shortages and positions that cannot be filled locally. Many regions and industries are desperate to fill positions so that they can continue to operate.

We need migration that contributes to regional communities, meets local skill shortages and invests in local economies and communities.

The Government's new regional provisional visas are designed to support these efforts by encouraging more migrants to settle and remain in regional areas. 23,000 places have been set aside for these visas, which require migrants to live in our regions for three years before being eligible for permanent residency. This will enable skilled migrants to become established in regional communities and contribute to regional economies.

Overseas migration has played an important role in maintaining population in regional areas, contributing slightly more to population growth than natural increase.

For example, over the last 10 years, migrants have been the largest contributor to population growth in New England and the Riverina in NSW, Warrnambool and the Mallee region in Victoria, and the wheat belt and resource-rich southern part of Western Australia. Of those migrants who settled outside Sydney, Melbourne, Brisbane and Perth, at least 85 per cent were still there five years later.

In addition to building the local workforce, migrants support entrepreneurship, business development and job creation in regional Australia.



To attract Australian and international students to study in regions, the Government has committed funding for 4,720 new Destination Australia scholarships over four years. Students will be able to access \$15,000 each per year for studying at a regional campus of a university or vocational education and training provider.

The Temporary Graduate Visa has been extended for international students who have completed their studies at a regional campus of a university, have lived in regional Australia during their first post-study work visa, and wish to continue to live and work in regional Australia.

The Commonwealth has seven Designated Area Migration Agreements (DAMAs) in place. These are five year agreements to allow employers in designated regions to sponsor skilled workers under the Temporary Skill Shortage visa, the Employer Nomination Scheme visa and, from November 2019, the Skilled Employer Sponsored Regional (Provisional) visa. The DAMAs allow employers to fill critical skills and labour needs which are not available under the standard visa arrangements.

The seven DAMAs are for the Northern Territory, the Great South Coast Region of Victoria, the Goldfields WA, Adelaide City, Regional South Australia, Orana NSW and Far North Queensland. The Government is also in negotiations to introduce DAMAs in other areas around Australia.

The Government will continue to consult across Australia to ensure that the Migration Program is fit for purpose and is addressing critical skill shortages.

The Government has also made changes to the Working Holiday Maker, Pacific Labour Scheme, and Seasonal Worker visa programs to address workforce shortages in regional Australia. This will help to provide farmers with more workers when they need them.

What attracts people to the regions?

Australia's regions are diverse and the factors attracting people to a particular region are just as varied. For instance, Bunbury in Western Australia experienced significant population growth from mining and natural gas workers who were able to commute to jobs in remote mining regions whilst taking advantage of the attractions of coastal living.

Furthermore, those regional centres in close proximity to the major cities have also enjoyed increased growth. Regional centres such as Geelong, Ballarat, the Gold Coast and the Sunshine Coast have experienced significant growth as their neighbouring capital city has grown.

There have also been smaller towns which have been successful in unlocking their intrinsic economic potential, such as Margaret River in Western Australia which has taken advantage of the nexus between agriculture, amenity and tourism.



Investing in regional Australia

Government support to regional Australia focuses on supporting regional communities to realise their potential.

The Government has committed significant funding to provide the infrastructure, connectivity and access to essential services needed to make regional Australia an attractive place to live and work.

Based on the Government's successful City Deals model, Regional Deals bring together all levels of government around a clear set of objectives.

Deals are tailored to each region's comparative advantages, assets and challenges and reflect the unique needs of regional Australia.

Regional Deals support 'a place-based approach' by putting community-identified priorities at the centre.

The Government has signed a regional deal for Barkly, is in the process of negotiating a deal for Hinkler, and has invited State and Local governments to partner in an Albury-Wodonga Regional Deal. The Government has committed to pursuing Regional Deals for other parts of regional Australia following consultation with State, Territory and Local governments. More information on our plans will be available soon.

The Government's regional programs ensure the necessary infrastructure to maintain local services needed for liveability and support economic growth.

The Government's \$4.5 billion Roads of Strategic Importance Program will upgrade key freight routes and better connect key sectors, such as agriculture, mining and tourism, to transport hubs.

The \$841 million Building Better Regions Fund provides dedicated funding to communities outside the major capitals to invest in infrastructure and community development activities to create jobs, drive economic growth and build stronger regional communities.

The \$272 million Regional Growth Fund provides grants of \$10 million or more for major transformational projects which will support long-term economic growth and create jobs in regions, including those undergoing structural adjustments.

Digital connectivity is critical to supporting regional growth. The Government has put the NBN on track to provide high speed broadband access to all Australians in regional areas by mid-2020, and has extended investment in the Mobile Black Spot Program in the 2019-20 Budget.

The Government's commitment to decentralise jobs outside Canberra, inner Sydney and inner Melbourne will also support strong and vibrant regional economies through the creation of local jobs, economic diversification and regional growth.

The Government is establishing the National Water Grid Authority (the Authority), delivering on its election commitment to invest \$100 million to bring together world-best science to identify and plan the next generation of water infrastructure. The Authority will identify opportunities to build water infrastructure to support regional Australia, build resilience to drought and meet the demands of a growing population.



Supporting the regions



Regional Deals

Like existing City Deals, Regional Deals bring together all levels of government to capitalise on the opportunities for a region and make the most of local strengths to foster economic development.

Regional Deals support a 'place-based approach' by putting community identified priorities at the centre.

Initial Regional Deals

Barkly



Hinkler



Albury-Wodonga



Designated Area Migration Agreements

Designated Area Migration Agreements allow employers in designated regions to sponsor skilled workers under the Temporary Skill Shortage visa, the Employer Nomination Scheme visa and, from November 2019, the Skilled Employer Sponsored Regional (Provisional) visa. The DAMAs allow employers to fill critical skills and labour needs which are not available under the standard visa arrangements.

Initial DAMAs

Northern Territory



Great South Coast Region of Victoria



Goldfields WA



Adelaide City



Regional SA



Orana NSW



Far North Queensland



Roads of Strategic Importance

The Government's \$4.5 billion Roads of Strategic Importance Program will upgrade key freight routes and better connect key sectors, such as agriculture, mining and tourism, to transport hubs.

Example projects

Northern Australia Package



Bindoon Bypass



Tasmanian roads package



Regional Programs



Building Better Regions Fund

\$841 million in funding for regional communities to build infrastructure and community development activities.



Regional Growth Fund

\$272 million investment for major transformational projects to support economic growth and jobs in our regions.



Mobile Black Spot Program

\$380 million to extend and improve mobile phone coverage and competition in regional and remote areas of Australia.



Keeping Australians together

Population growth can enliven and add diversity to communities, whether this growth comes from newly arrived migrants or Australians moving to new locations.

Australia is one of the most culturally diverse and socially cohesive nations in the world. Twenty-nine per cent of our population was born overseas and half of the population was either born overseas or has a parent born overseas. These benefits rely on successful integration and cohesion within communities.

A cohesive community is one where people have a strong sense of identity and are engaged with their local community.

As population growth changes the make-up of communities, people can become concerned about issues such as respect for shared values, community safety, economic security and discrimination.

The Government understands that all Australians want to share common ideals and feel safe. Being connected to strong, resilient, diverse and inclusive communities is a great source of strength for people.

It provides a sense of belonging, the opportunity to contribute and help others and a support network in tough times.

Sharing common ideals and values does not mean rejecting diversity, but rather embracing an Australia where a diverse population can come together, and grow together, while retaining individual diversity.

To date, Australia has largely managed to achieve this. We come from all corners of the globe and from many walks of life but we share a strong sense of belonging and pride in our country.

Australians have high levels of life satisfaction and continue to believe that multiculturalism has been good for Australia.

The majority of Australians believe that migrants improve Australian society by bringing new ideas and cultures and are generally good for the economy.

Consistent with Australia's Multicultural Statement, *Multicultural Australia: United, Strong, Successful*, the Government continues to strengthen its engagement with Australia's diverse communities, to enhance community-wide integration and social cohesion outcomes.



A diverse Australia

Australians speak many languages

Australians speak over 300 languages, including 150 Indigenous languages.

Almost 1 in 4 speak a language other than English, although English remains the most common language spoken at home. Over 72 per cent of the population speaks English only.

Australians come from many different countries

Australian-born people account for 71 per cent of the population. Over 3 per cent of Australians are estimated to be Aboriginal and/or Torres Strait Islander, but they make up over 30 per cent of the Northern Territory's population.

Of Australians born overseas, those born in Asia now outnumber those born in Europe.

Despite this, Australians born in the United Kingdom and Ireland remain the largest group of overseas born residents (5.1 per cent).

This is followed by China (2.6 per cent), India (2.4 per cent), New Zealand (2.3 per cent), the Philippines (1.1 per cent) and Vietnam (1.0 per cent).

Recent migrants from Indonesia, South Korea, Iraq and Thailand have overtaken Croatia, Malta, Poland and Serbia in the list of top 20 migrant source countries.

Different parts of Australia have attracted different nationalities

Migrants from the United Kingdom account for 12 per cent of the population in Perth compared to 4 per cent in Melbourne and Sydney.

People born in China account for over 2 per cent of Australia's population – around 5 per cent of Sydney's population, 4 per cent of Melbourne's population, 3 per cent of Canberra's population but only 1 to 2 per cent across most of the other capital cities.

People born in India account for 2 per cent of the national population – around 4 per cent of Melbourne's population but only 2 to 3 per cent across most of the other capital cities.

Australians practice over 100 religions

Christianity remains the most common religion (52 per cent), although the number of Australians reporting no religion has increased to 30 per cent of the population. A large number of other religions are practiced by a small number of Australians. Islam and Buddhism are the next most common religions, each were practiced by around 2.5 per cent of the population in 2016.

Supporting migrants to adapt to life in Australia

The Government is increasing support for migrants to become established and integrated in their communities.

The Government funds a range of programs to increase support for migrants to become oriented, established, and integrated in their communities.

For example, humanitarian migrants and other eligible migrants receive early, tailored and intensive settlement support in the first five years of their arrival in Australia. Government settlement services assist these migrants with employment, education and training, housing, health and well-being, community participation and networking, family and social support, legal and language services.

There are a number of other Government programs which support newly arrived migrants such as the National Community Hubs Program. This program helps migrants with school-aged children to connect with their community.

Similarly, the Government's Fostering Integration Grants program funds community organisations supporting migrants to integrate into Australian social, economic and civic life.

Groups assisted through this program include newly arrived migrants and emerging ethnic communities, with a particular focus on women, young people and regional migrants.

Social cohesion allows our nation to benefit from the economic and social contribution of all communities and acts as a protective factor against safety and security issues.

The Government is also delivering a package of social cohesion measures. The package focuses on the everyday experiences Australians have in common – how we communicate, live and engage with each other.

It includes investment in:

- the **National Community Hubs Program**, helping migrants with school-aged children to connect with their community; and a pilot National Youth Hubs initiative, using the successful approach used in the National Community Hubs Program to support migrant and refugee women and young people aged 13-21;
- the **Community Languages Multicultural Grants Program** to help young Australians learn another language and connect people to new languages and cultures;
- **Implementing Sport 2030**, which includes a range of initiatives supporting Australian sport and the role it plays in promoting social inclusion;
- the **Fostering Integration Grants Program** to help local community organisations assist migrants to integrate into life in Australia;
- digital initiatives through the **Enhanced Community Engagement program** to help young people to understand and counter online hate; and
- **grants to community organisations** with a record of delivering successful grassroots programs to enhance integration, mutual understanding and respect for diversity.

Some programs will celebrate diversity and inclusion through sport, while others will encourage community participation and pathways to employment. The package will complement existing programs that celebrate our unique diversity, connecting Australians with new cultures and the cultures of their ancestors.



The Government's Community Sport Infrastructure Grants program is improving community sport infrastructure to support greater community participation in sport and physical activity and providing safer, more inclusive community sporting hubs.

Sport and physical activity bring people together – young and old Australians, women and men, Indigenous Australians, people from various ethnic backgrounds. All brought together because of their passion for sport.

Sport epitomises Australian values of team work, playing by the rules, hard work, trying your best, and life lessons of winning and losing. Sport helps break down barriers and fosters community pride.

The Government has long promoted and supported sport and physical activity through support for national sporting organisations and programs and campaigns targeted at specific population groups. The Indigenous Marathon Project, Girls Make Your Move campaign, and the Big Issue Community Street Soccer Program are just some examples.

Nhill settlement story

The settlement of migrants works best when communities connect with migrants who reflect their unique needs and character.

This was the case for a Karen refugee community from Myanmar who were resettled in Australia through Australia's Humanitarian Program, and were attracted to live and work in the small, regional town of Nhill in north western Victoria.

In recent times, Nhill has faced a declining working-age population.

In 2009, Luv-a-Duck, a family-owned agricultural business, needed workers.

Through AMES Australia, a not-for-profit migrant and refugee settlement agency funded by the Commonwealth Government, Luv-a-Duck managers and community leaders in Nhill established close ties with leaders from the Karen refugee community who were initially living in Melbourne.

The positive experiences of the first small groups of families who moved to Nhill inspired others and, by the following year, there were more than 70 Karen refugees in the community.

Between 2010 and 2015, approximately 160 Karen refugees resettled in Nhill.

Fifty-four of these refugees are directly employed by Luv-a-Duck, with the remainder enabling the creation and filling of additional jobs across a number of broader community businesses.

In addition to the economic benefits this has brought, these refugees have slowed population decline, revitalised local services and increased social capital across both communities.

Employment and labour market opportunities were a core part of the Nhill story, however successful settlement required support services for those relocating and leadership from both the local and the Karen refugee community.

