

InSummary

Regional Internal Migration Estimates, March 2021

Dr Lisa Denny

Workforce Demographer

August 2021

Overview

COVID-19 has disrupted life as we knew it.

There has been much public discussion regarding whether the global pandemic will influence people's decisions about where they live, work, raise a family, retire to, invest or study, and therefore result in higher levels of migration.

In particular, regional areas, including Tasmania, have been identified as potential hot spots for relocation. This concept was gaining traction prior to the pandemic in relation to lifestyle migration, particularly with regard to climate change.

This InSummary report analyses the ABS Regional Internal Migration Estimates (RIME) (provisional) data for Tasmania to identify any changes in trends from the pre-pandemic period and during the pandemic up to March 2021.

The RIME series provides a full four quarters of data since the start of the global pandemic in Australia in the first quarter of 2020.

Given that the impact of COVID-19 continues throughout Australia (and globally), any changes in internal migration patterns may be reflective of policy positions in Australia, Tasmania or other states and territories during that period in time and can not be considered indicative of future migration trends.

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Glossary

Internal migration

Movements or flows of people within Australia. Excludes overseas migration.

Interstate migration

Flows of people between states and territories.

Intrastate migration

Flows of people within a state or territory. In Tasmania's case, between Greater Hobart and Rest of Tasmania.

Greater Hobart

*A statistical area defined by the **ABS** to represent the functional extent of capital cities reflecting labour markets and connection to services provision and social networks to include the population within the urban areas of the capital city. Greater Hobart extends to Snug, New Norfolk, Brighton and Dunalley.*

Regional Tasmania

The 'Rest of Tasmania' refers the population not within the Greater Hobart statistical area, as defined above by the ABS.



Executive Summary

Since the global pandemic emerged in early 2020, the ability to move freely between states and territories has been restricted. Interstate migration movements declining considerably during the June and September 2020 quarters.

Interstate migration flows between states and territories returned to more 'normal', pre-COVID levels in the December 2020 and March 2021 quarters. Aggregated at the year-on-year (YoY) level, internal migration within Australia appears to have recuperated to be 3.0% less than the previous year ended March 2020. Total migration movements - arrivals plus departures - for Tasmania was up 0.3%.

In this InSummary report, detailed analysis of the March 2021 quarter RIME series for Tasmania, including comparison with the previous March quarter and the five year pre-COVID average, the period during which Tasmania recorded net migration gains, reveals some interesting findings which will be pertinent to monitor over the coming quarters.

There are three key issues to consider throughout this report;

- 1) Migration trends also exist within quarterly data movements;
- 2) The 25 to 44 years age group intersects a range of key life events which influence where individuals, couples and families live; and,
- 3) The 65 and older age group includes the 'old' and 'old old'.

- The March quarter is associated with the start of the calendar year and commencement of the school and university years resulting in higher migration movements - both inward and outward - similarly for the December quarter being the end of the calendar year. The September quarter usually records relatively lower volumes of migration.
- The 25 to 44 year age group encompasses a period of time when many life events and turning points occur, according to life course theory. These events influence the decision of where to live in different ways and can include completing (or starting or continuing) higher education, travel, starting first job, getting a new job, partnering, buying first home, having first child, separation and so forth. Ideally, for better interpretation of migration data, data for 5 year age groups within this group would be preferable. However, such data is not available, in this series at least.
- While 65 to 84 year olds are more likely to be in the active phase of ageing, those aged 85 or older are more likely to have different needs, influencing where these two different sub-cohorts live.

While more people were flowing between Tasmania and other states and territories than pre-COVID, the composition of those movements by age profile and geographical area are very different and therefore have different policy implications.

Key Points

- For the year ended March 2021, total migration movements (arrivals plus departures) for Tasmania was 1.9% higher than the pre-COVID five year average, indicating increased mobility between Tasmania and interstate.
- Even so, the net migration gain for the period was 8.9% lower than the previous year, and 27.1% lower than the pre-COVID five year average. Increased departures from Tasmania were driving the decline.
- Three in five (60%) of interstate arrivals relocated to Regional Tasmania, two in five (40%) to Greater Hobart.
- A shift of movement out of Greater Hobart to regional Tasmania, which began prior to the pandemic, continued throughout the year to March 2021. Arrivals to Greater Hobart declined 3.4% and departures increased 10.1% compared with the five year pre-COVID average, with the greatest percentage losses associated with intrastate movements.
- The age profile of migrants continues to contribute to increasing the rate of population ageing, albeit, potentially at a slower rate than previous years, if the age profile for March 2021 continues.
- Tasmania recorded a net loss for those aged 65 or older in both Greater Hobart and Rest of Tasmania.

Prior to the pandemic, net migration for Tasmania had been declining since 2019, driven first by increasing departures from 2016 and then declining arrivals from 2019.

In the 2021 March quarter, compared with the March quarter average since 2016;

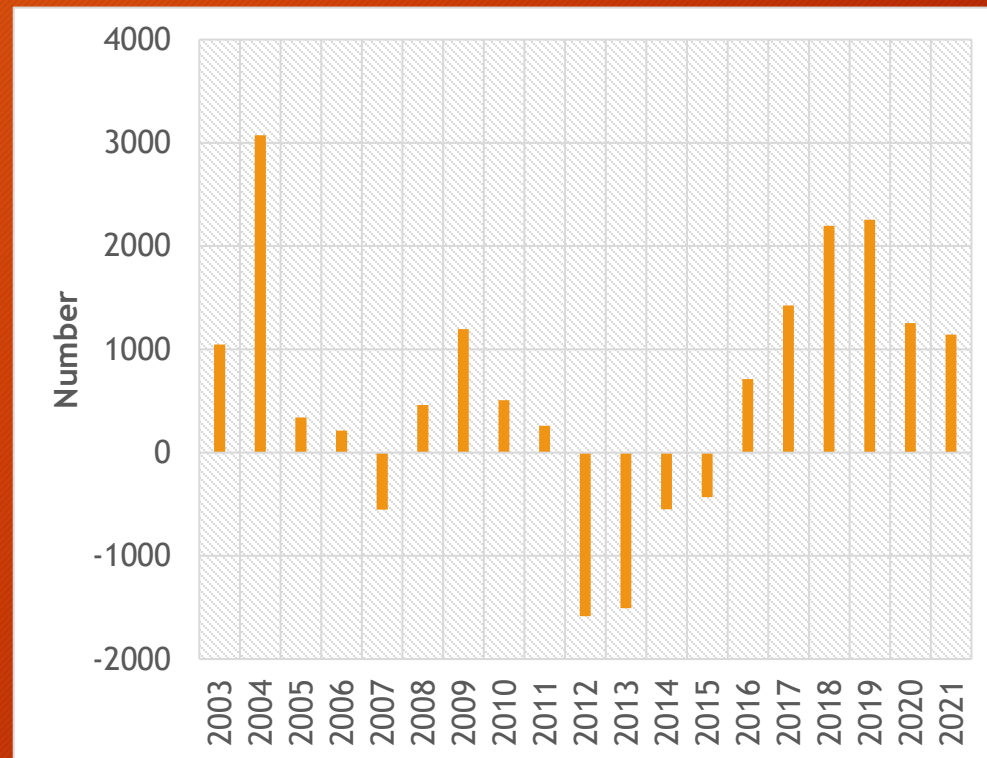
- Net migration for Tasmania declined by 27% (277 people compared with 441 on average), driven by a 23% increase in departures from the state. Arrivals increased by 15%.
- Net migration for Greater Hobart declined by 335% - a loss of 289 people compared with an average gain of 123. This was led by a 30% increase in departures from the area (31% increase to regional Tasmania and 30% increase to interstate). Total arrivals increased by 8% (interstate arrivals increased by 11%).
- Net migration for regional Tasmania increased by 78%. Total arrivals increased by 21%, driven by a 31% increase from Greater Hobart and an 8% increase from interstate. Departures increased by 13%. Departures to interstate increased by 17%.
- A substantial shift in migration movements for those aged 25 to 44 and 0 to 14 years (families) is evident; Greater Hobart recorded a considerable net loss while Regional Tasmania a large net gain.

Net internal migration - Tasmania

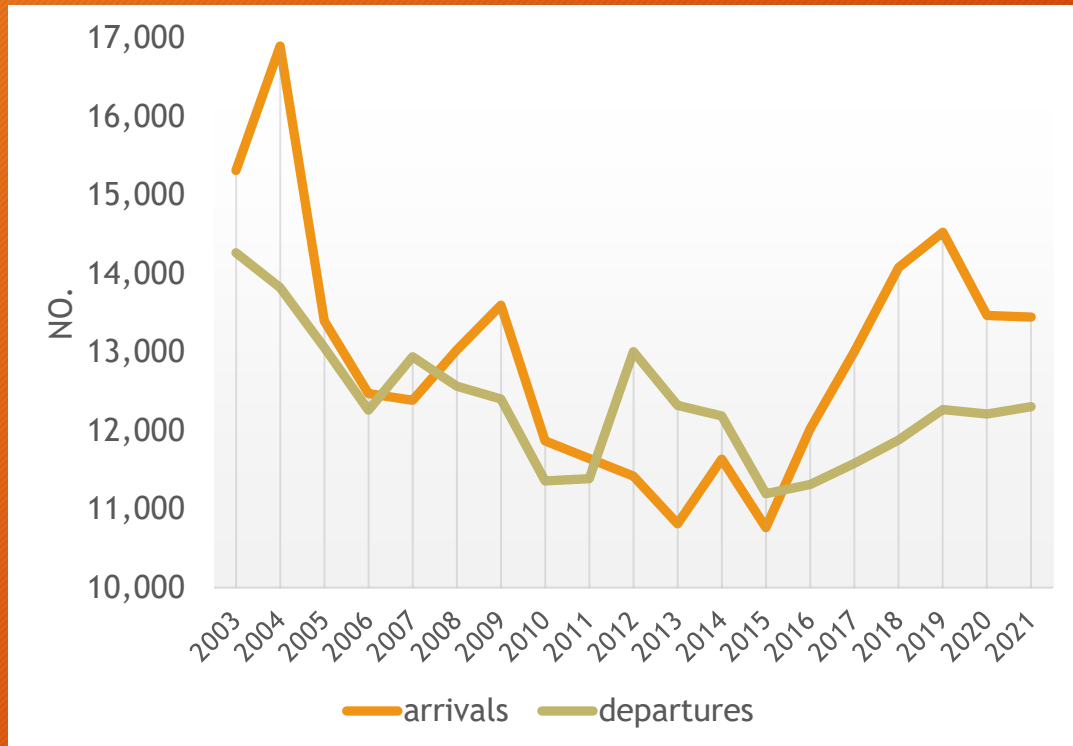
Tasmania recorded its greatest decline in net internal migration since 2012 in the year *prior* to the start of the global pandemic. Net migration declined 44% for the year ended March 2020, it declined a further 9% to March 2021.

The five year pre-COVID net internal migration average was 1,568 persons per annum. Both years to March 2020 and 2021 were below the average.

Arrivals and departures in the June and September quarters were both considerably lower than pre-pandemic averages. Arrivals to the state began increasing again in the December 2020 and March 2021 quarters to 2019 levels, while departures for December 2020 and March 2021 were the highest level since December 2011.



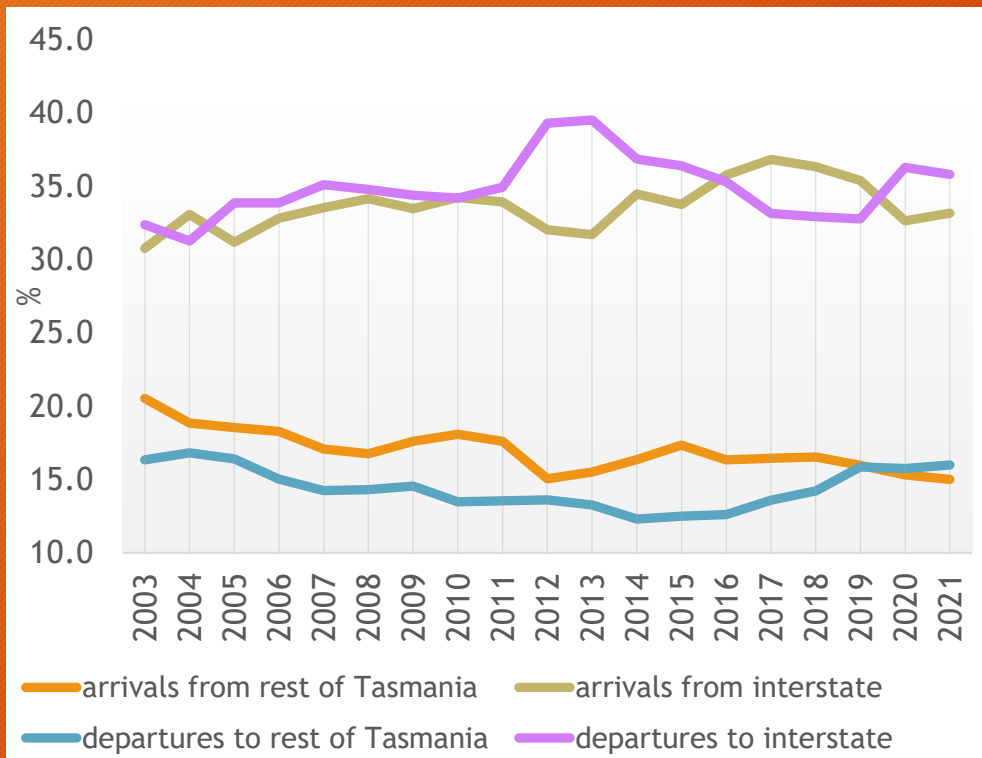
Tasmania - interstate arrivals and departures



Compared with the 5 year pre-COVID average since 2016, for the year ending 31 March 2021

- Net migration declined by 27.1% to 1,143.
- Arrivals increased by 0.2% to 13,444 and departures increased by 3.7% to 12,301.
- Total migration increased by 1.9%. The arrivals proportion of total migration declined to 52.2%, down from a high of 54.2% in both 2018 and 2019.
- Until 2019, arrivals had been increasing at a greater rate than departures.
- Since 2019, arrivals to Tasmania have been declining.
- After steadily increasing from 2015, departures from Tasmania declined slightly between 2019 and 2020, however, increased slightly again in 2021.

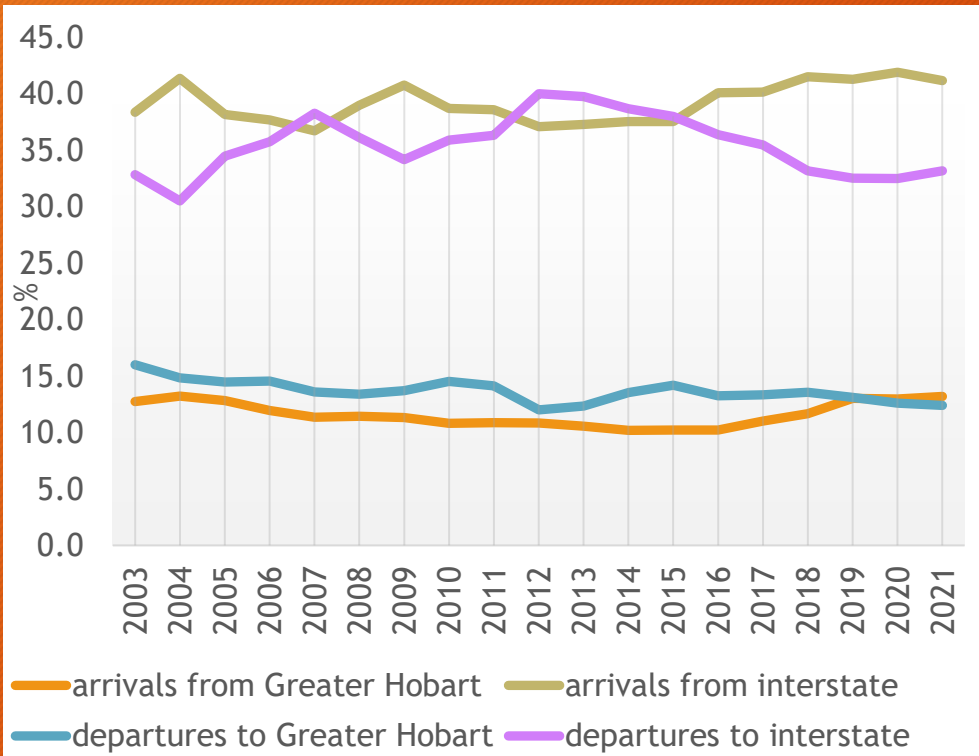
Greater Hobart - arrivals and departures



For the year to March 2021 for Greater Hobart

- Net migration was a loss of 585 people, slightly less than the previous year (-659) but a considerably greater loss compared with the average gain of 461.
- Arrivals increased by 1.0% to 7,803 people, following an 11% decline the previous year to March 2020, compared with the five year average of -3.4%. Arrivals for March 2021 was led from interstate (2.1%) following a 12.4% decline the previous year. The slight increase was offset by a 1.4% decline from regional Tasmania, following an 8.9% decline the previous year.
- Departures increased by 2 persons to 8,388 people, with departures to regional Tasmania increasing by 2.0% and declining 0.8% to interstate compared with the five year average increase of 14.0% and 8.5% respectively.
- Of total migration movements, interstate arrivals was 33.2% (less than the 35.4% average), while departures to interstate was 35.8% (more than the 34.1% average). Arrivals from regional Tasmania declined to 15.0% (average 16.1%) and departures to regional Tasmania increased to 16.0% (average 14.4%).

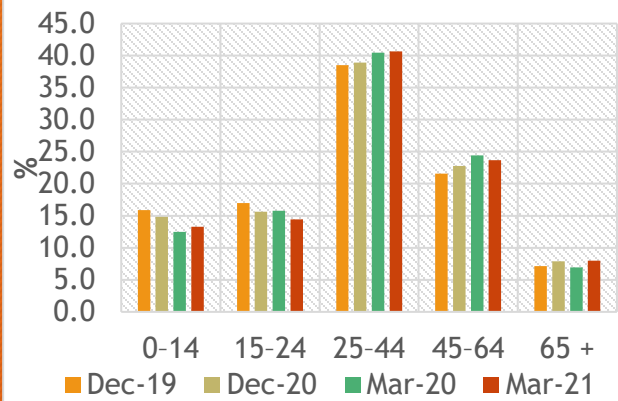
Regional Tasmania - arrivals and departures



Compared with year ended March 2020 and the pre-COVID 5 year average, for the year to March 2021

- Net migration declined by 9.7% to 1,728 persons, following a 6.8% increase for the previous year. This was considerably less than the 56% five year average which resulted from large increases in net migration to regional areas in the years ended March 2017 and 2018 (258% and 191% respectively).
- Of total migration movements, interstate arrivals was 41.2% (less than the 41.0% average), while interstate departures was 33.2% (less than the 34.0% average). Arrivals from Greater Hobart increased to 13.2% (average 13.0%) and departures to Greater Hobart decreased to 12.4% (average 13.2%).
- Total arrivals (10,663) declined by 0.7% on top of a 4.2% decline the previous year, compared with an average gain of 5.1%. Arrivals from Greater Hobart increased by 2.0%, following a 5.6% decline the previous year (14% average), while arrivals from interstate decreased by 1.6% following a 3.7% decline the previous year (2.6% average increase).
- Departures (8,935) increased by 1.2% following a 6.3% decline the previous year. This was led by a 2.2% increase in departures to interstate, offset by a 1.4% decline in departures to Greater Hobart, both following declines in the previous year to March 2020 (-5.2% and -8.9% respectively).

Interstate migration by age group - Tasmania

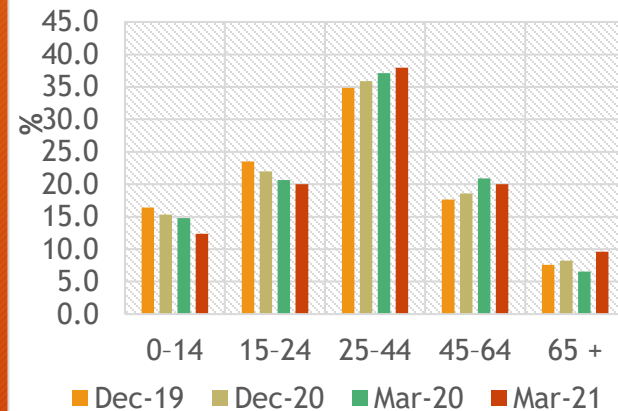


Arrivals

The largest proportion of arrivals was those aged 25 to 44 years, which increased to 40.7% of all arrivals in March 2021 from 38.5% in December 2019.

The proportion of arrivals aged 0 to 14 and 15 to 24 years has been declining.

The proportion aged 65 and older arriving in Tasmania increased to 8.0% from 7.1% in December 2019.

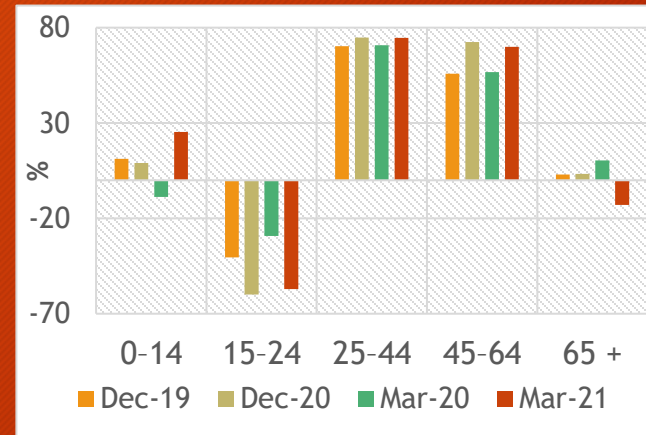


Departures

The largest proportion of departures was those aged 25 to 44 years, which increased to 38.0% in March 2021 from 34.9% in December 2019.

The proportion of departures aged 0 to 14 and 15 to 24 years has been declining.

The proportion aged 65 and older leaving Tasmania increased to 9.6% from 7.6% in December 2019.

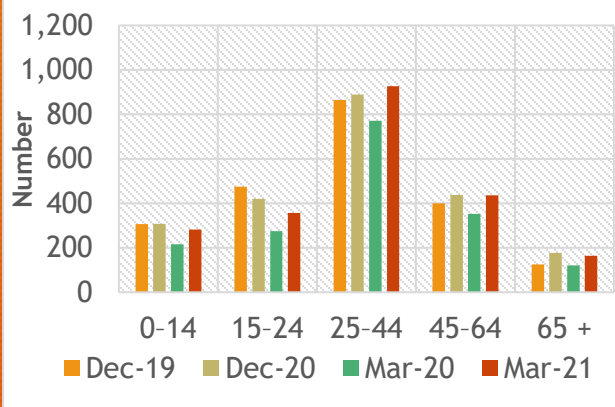


Net Migration

The greatest net migration gains came from the 25 to 44 and 45 to 64 age groups although in lower number than previous quarters, while 15 to 24 year olds contributed a net loss.

In the March 21 quarter, the 0 to 14 age group contributed a considerably higher net gain than in previous quarters, and the 65 years and older age group contributed a net loss, not previously recorded.

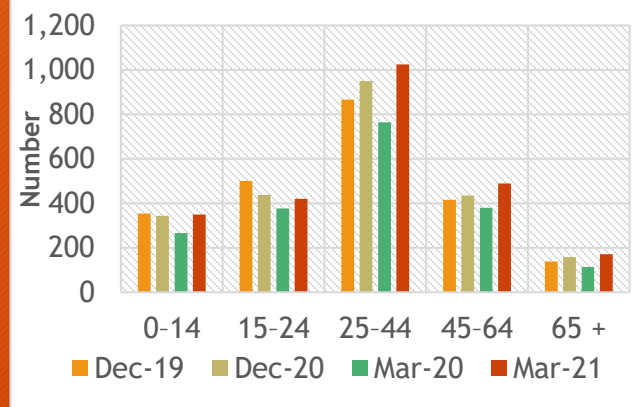
Internal migration by age group - Greater Hobart



Arrivals

On average, around 42% of arrivals are aged 25 to 44 years, and 20% are aged 45 to 64 years.

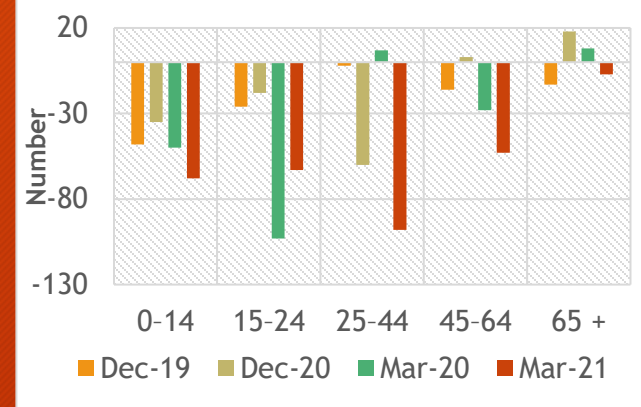
While the March 2020 quarter recorded considerably lower arrivals for all age groups than previous quarters, the March 2021 quarter rebounded, particularly for the 25 to 44 and 45 to 64 age groups, to be higher than previous quarters.



Departures

On average, around 40% of departures are aged 25 to 44 years, and 20% are aged 15 to 24 or 45 to 64 years.

While the March 2020 quarter recorded considerably less departures for all age groups than previous quarters, the March 2021 quarter rebounded, particularly for the 25 to 44 and 45 to 64 age groups, to be considerably higher than previous quarters.



Net Migration

Considerable difference in net migration for all age groups is evident for the March 2020 and March 2021 quarters.

All age groups recorded a relatively higher net loss for the March 2021 quarter than previous quarters, except for those aged 65 and older and those aged 15 to 24. The substantial net loss of 25 to 44 and 0 to 14 year age groups indicates that families were moving out of Greater Hobart.

Greater Capital Cities comparison

Net internal migration for Greater Hobart has very different age profile to that for Capital Cities Combined. The profiles differ further when compared between the March quarters for 2020 and 2021.

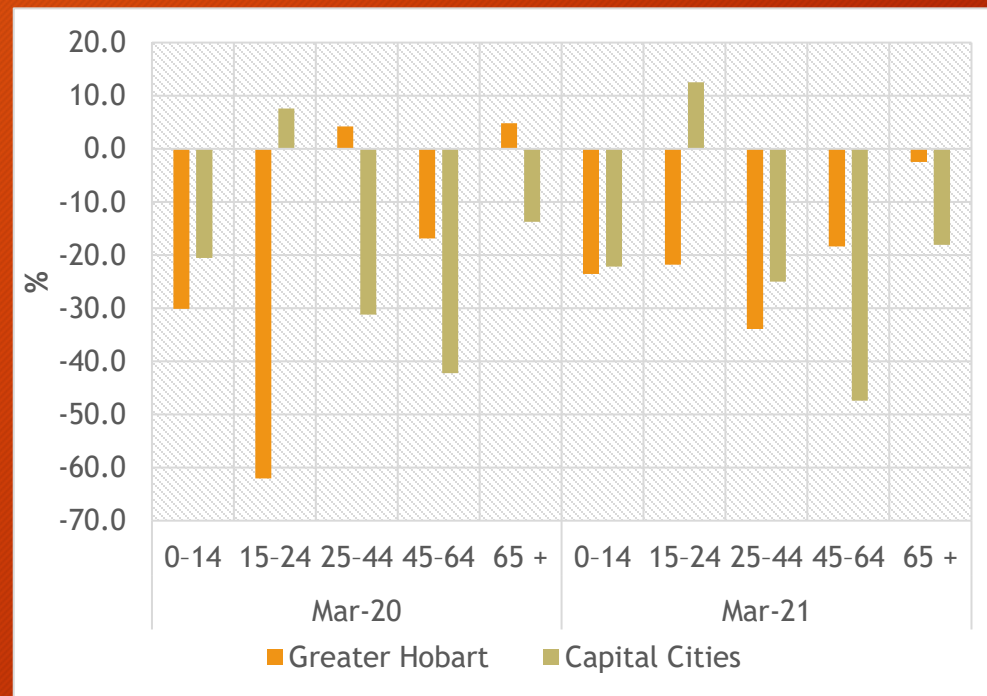
Greater Hobart and Capital Cities Combined recorded net internal migration losses in the March quarters for 2020 and 2021.

For the March 2020 quarter, Greater Hobart recorded the highest proportionate loss for the 15 to 24 age group while Capital Cities Combined recorded a net gain.

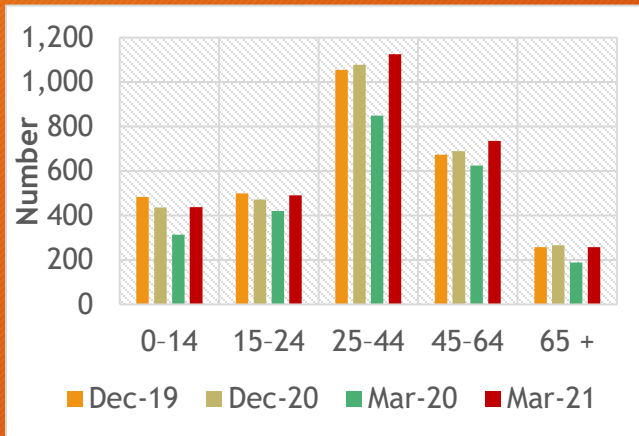
Greater Hobart recorded a net gain for the 25 to 44 and 65 and older age groups while Capital Cities Combined recorded net losses for all other age groups, the highest proportion for those aged 45 to 64 years.

For the March 2021 quarter, Greater Hobart reversed its small net gain for the 25 to 44 age group and recorded the highest proportionate loss. Capital Cities Combined maintained a net gain for the 15 to 24 age group, and increased the proportionate net loss for those aged 45 to 64 years.

Net migration, proportion by age group



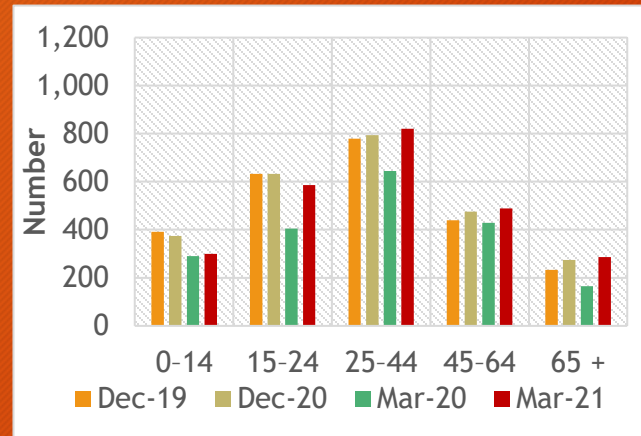
Internal migration by age group - Rest of Tasmania



Arrivals

Arrivals to regional Tasmania were lower in the March 2020 quarter than previous quarters for all age groups.

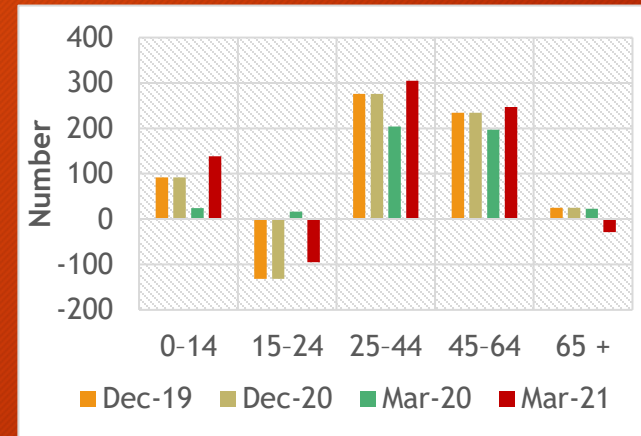
The March 2021 quarter recorded 27% more arrivals than the March 2020 quarter, with more arrivals than previous quarters for the 25 to 44 and 45 to 64 age groups.



Departures

Departures from regional Tasmania were lower in the March 2020 quarter than previous quarters for all age groups.

The March 2021 quarter recorded 28% more departures than the March 2020 quarter, with more departures than previous quarters for the 25 to 44, 45 to 64 and 65 and older age groups.



Net Migration

Net internal migration increased 22% for the March 2021 compared with the March 2020 quarter, driven by larger relative gains in the 25 to 44 and 0 to 14 age groups, indicating families moving to regional Tasmania.

Net losses were recorded for the 15 to 24 age group as well as, for the first time, the 65 and older age group.

Summary

Tasmania

While total migration movements exceeded pre-pandemic levels - both arrivals and departures increased to period high volumes for the final two quarters of the year ended March 2021- the departures proportion increased considerably relative to arrivals.

As a result, net interstate migration declined to its lowest level since 2017.

The age profile of inward and outward migrants suggests that interstate migration will continue to contribute to the ageing of Tasmania's population. However, potentially at a slower rate than in previous years, if the age profile continues.

Greater Hobart

Greater Hobart recorded seven consecutive quarters of net loss for internal migration since June 2019.

Compared with the five year pre-COVID average, Greater Hobart recorded declines in arrivals from both regional Tasmania and interstate and increases in departures to regional Tasmania and interstate.

Migration to and from Greater Hobart has a distinctly different age profile of internal migrants compared with Capital Cities Combined.

The relatively higher net loss of 25 to 44 year olds and 0 to 14 year olds suggests that more families are moving out of the Greater Hobart area than into it.

Rest of Tasmania

Regional Tasmania has recorded net internal migration quarterly gains since June 2018 (20 quarters).

Compared with the five year pre-COVID average, arrivals are higher, particularly from Greater Hobart, and departures are lower, particularly to Greater Hobart.

Net internal migration gains for all age groups were considerably higher than previous quarters, except for those aged 15 to 24 years and 65 and older, suggesting families moved to regional Tasmania.

Discussion

While at the surface, and supported by public discourse, internal migration for Tasmania appears to have rebounded to near pre-pandemic levels, however, more detailed analysis indicates a shift from previous trends.

Increased interstate departures for the last two quarters may reflect a recuperation effect whereby people delayed leaving Tasmania due to COVID-19 and associated policies and restrictions including work and study from home requirements and/or a lack of employment opportunities.

Interstate arrivals remained at higher than average levels; 40% of arrivals relocating to Greater Hobart and 60% relocating to regional Tasmania. Increased interstate arrivals may indicate push or pull factors such as interstate lockdowns or changing lifestyle preferences.

The predominant reasons for people leaving regional areas, historically, have been economic; to pursue education or employment opportunities elsewhere. During the pandemic, work from home requirements, the shift to online learning, and the financial support provided by increased JobSeeker payments and the JobKeeper provision, likely contributed to less people leaving regional areas, including Tasmania.

Since the transition back to work, face to face learning, and the removal of financial support, departures from regional Tasmania has increased to considerably higher levels than the pre-pandemic period to be similar to levels experienced during the recovery phase of the Global Financial Crisis in 2011.

However, at the same time, arrivals to regional Tasmania from both Greater Hobart and interstate, have remained close to historic highs. Relocation to regional areas is usually driven by lifestyle choices rather than economic need. This recent data suggests that a very different profile of movers in and out of regional Tasmania exists.

A significant shift in internal migration patterns is evident in Tasmania with reduced arrivals and movement out of Greater Hobart to the regions, particularly for families. This trend began in 2018 and is likely to be associated with persistent housing affordability challenges and lifestyle needs.

People aged 25 to 44 years are becoming more mobile and moving their children with them. While many are moving to Greater Hobart, many more are leaving and relocating interstate or to Regional Tasmania.

Tasmania also recorded a net loss for those aged 65 or older in both Greater Hobart and the Rest of Tasmania. As Tasmania, particularly, regional Tasmania, has historically attracted an older demographic, this change requires further monitoring and consideration. Anecdotal evidence suggests that the 'old old' population (85 and older) leave regional areas to be closer to family and/or services as they approach end-of-life. Anecdotal evidence also exists that the active ageing (65 to 84 years) move to be closer to their children and to help with grandchildren.

The pandemic is not over and we will continue to live through the interruptions and changes it brings to our economic and social lives. COVID-19, and the associated policy responses, will continue to impact and influence the decision of where people live.

On-going monitoring and analysis of population and migration trends will enable informed policy responses over the short, medium and longer term.

InSummary: ABS Regional Internal Migration Estimates, March 2021

Dr Lisa Denny: Workforce Demographer: www.lisadenny.com.au: August 2021