



# What's shaping population in Australia's growth areas?

Population Insights Workshop - April 2023

.id informed decisions | forecast.id

# Today's workshop

1. Who we are
2. The big picture
3. What's driving growth
4. Real life examples
5. How are growth areas being impacted?
6. Q&A





# Who we are...

Company of demographers, housing analysts, forecasters, economists and Census data experts

40 employees

25 years working with Local Government

Over 300 local government clients covering 80% of Australia's population

Market leaders in online demographic information

*To contribute to the good society by helping organisations make informed decisions*

**engage**  
the community

**inform**  
your people

**influence**  
decision-  
makers

**monitor**  
impacts

**.id**  
informed decisions

With an evidence base designed to support local government



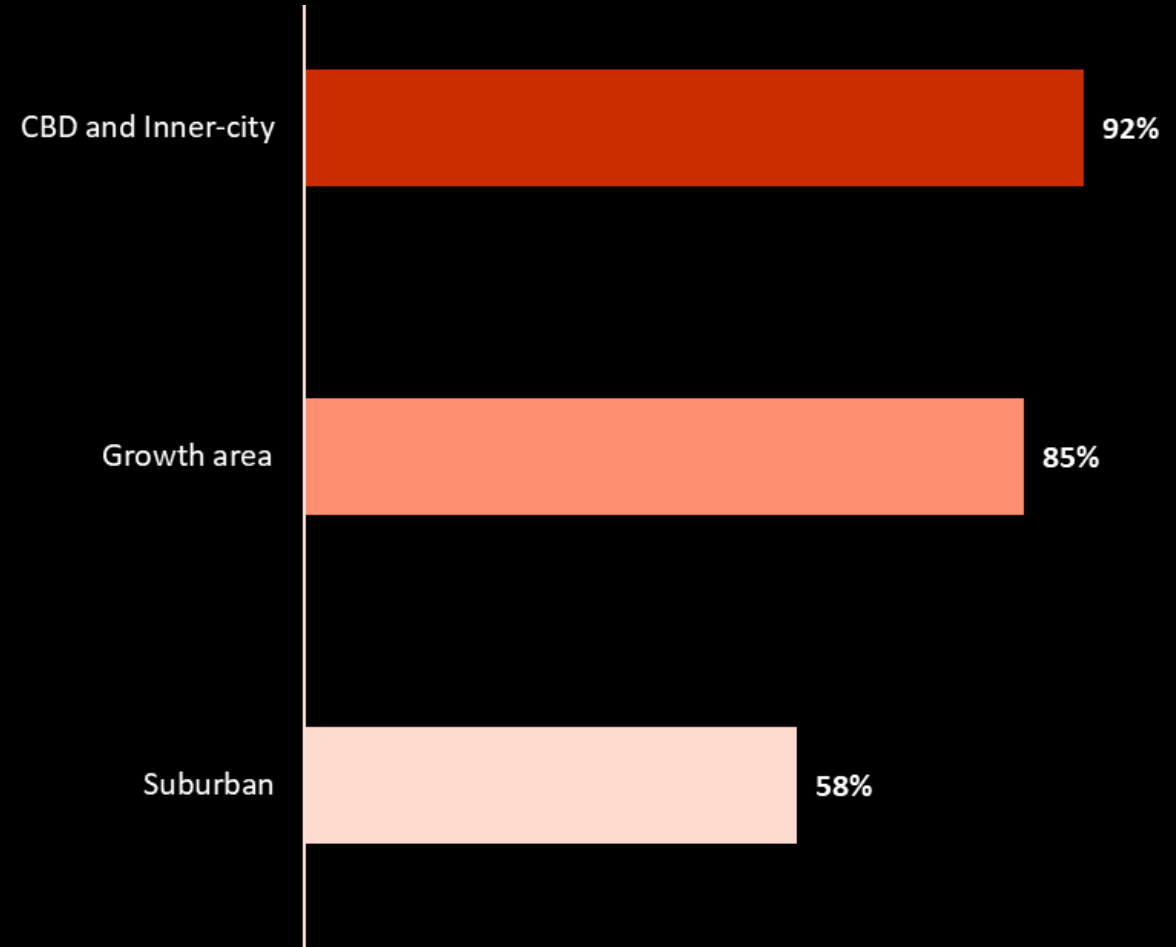
# Over 85% of growth area councils are covered by forecast.id



Capital cities

70%  
of councils

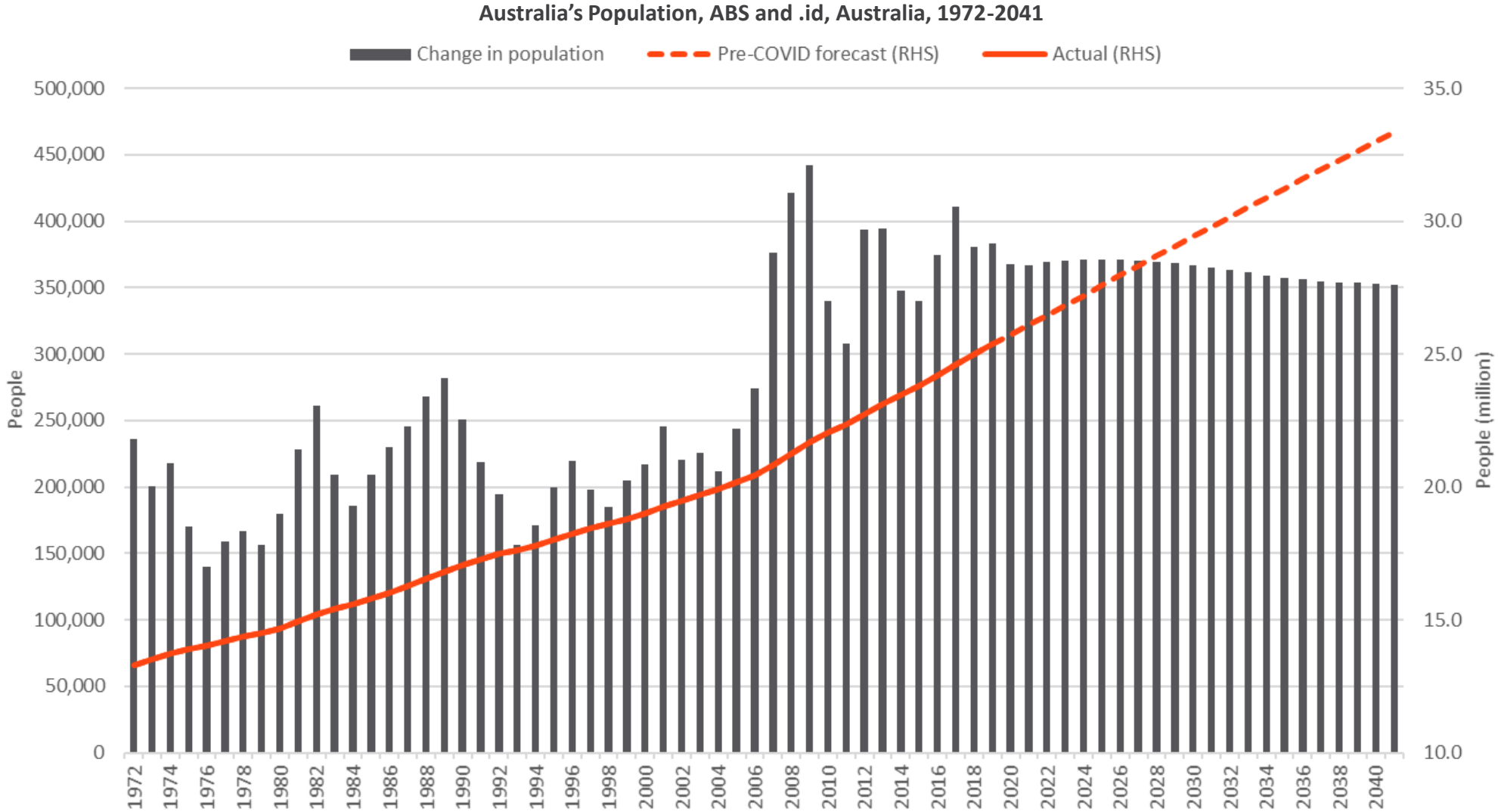
Share of councils with forecast.id



# The big picture

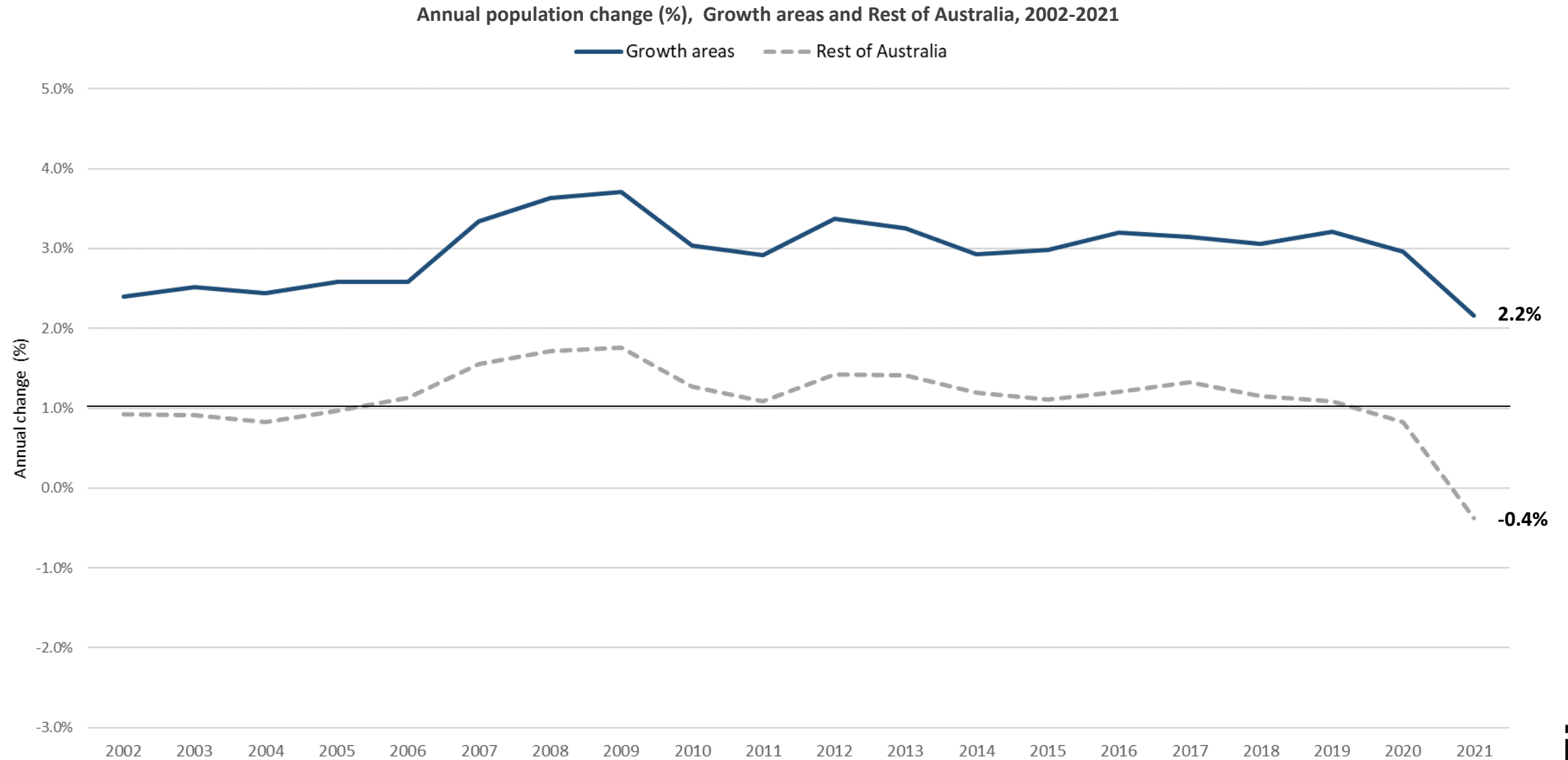


# Australia is one of the fastest growing OECD countries

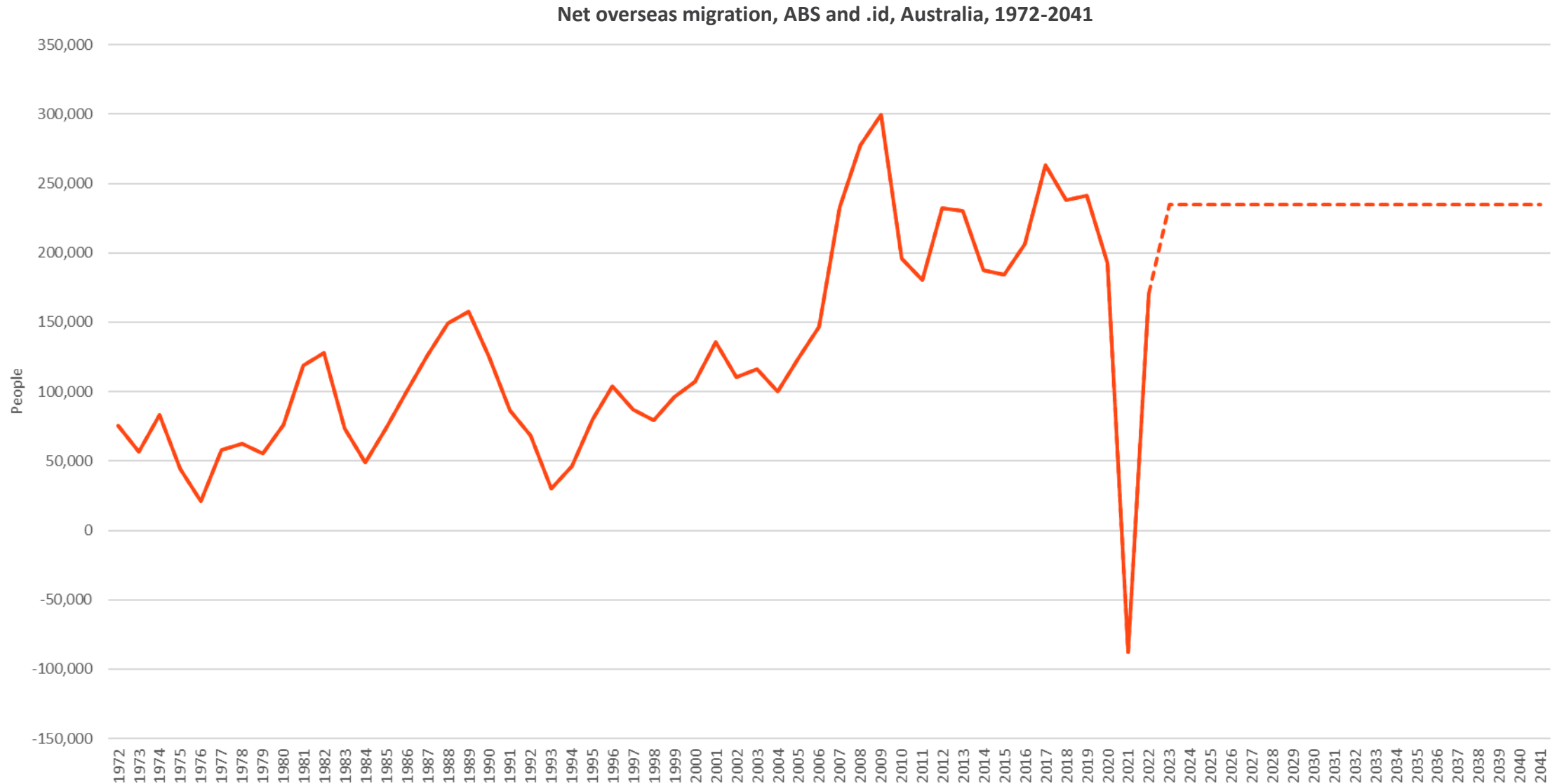




# Metro growth areas have been central to Australia's growth story



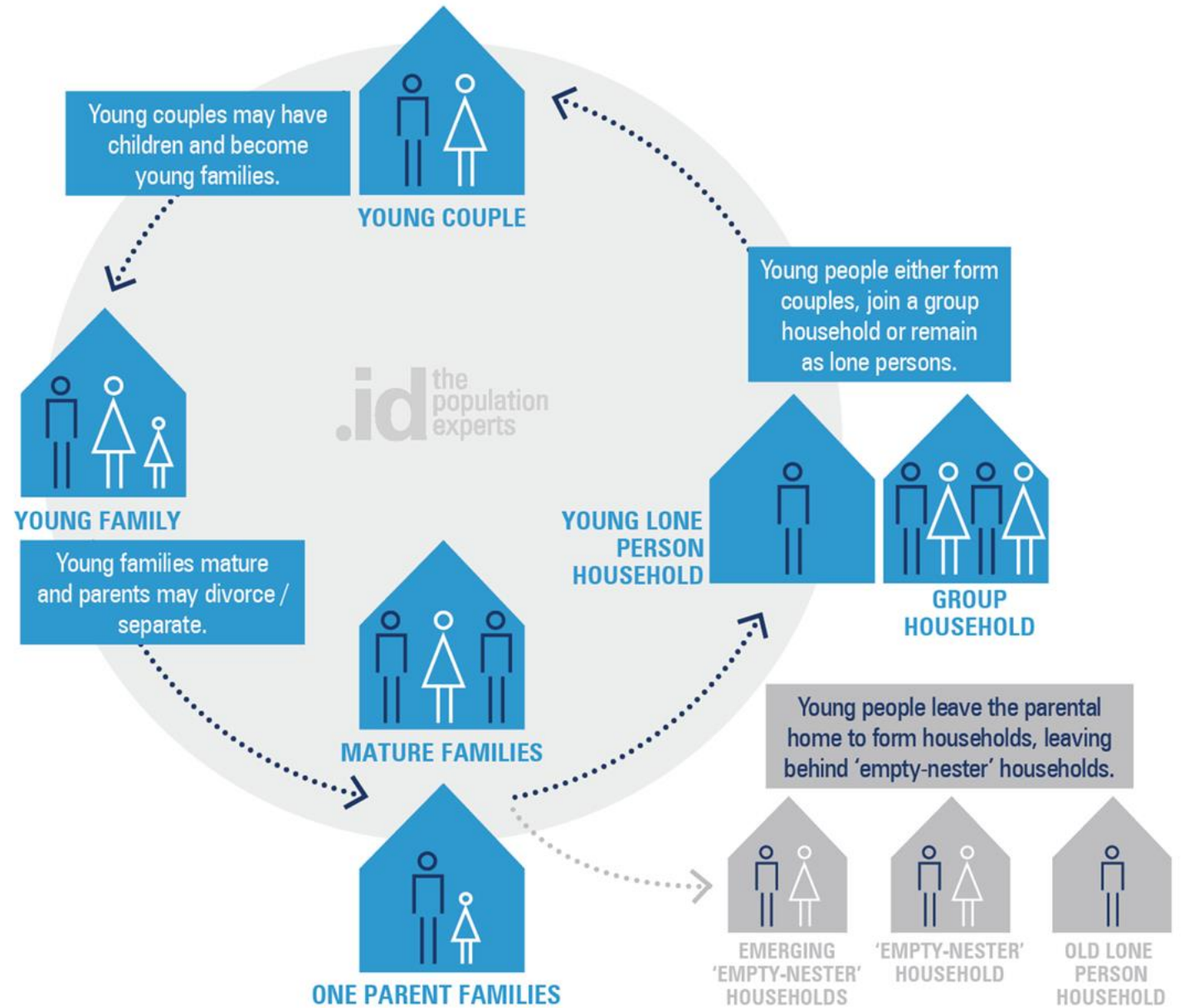
# After the biggest shock since WW1, a strong recovery in overseas migration is underway



What's driving population  
in growth areas?



# Forecasting suburb life cycles



# Small area Assessment Framework

**Supporting information**

- Impact of COVID-19
- About the forecasts >
- Forecast methodology >
- Site map
- Sign in

**Other resources**

- Latest updates
- Related sites
- Training videos
- Help centre
- Nat'l Demographic Indicators
- Nat'l Economic Indicators
- Resource centre
- Blog
- Understand liveability in your LGA
- Gender equity analysis

**Potential impacts on rural areas**

Based on our understanding of the characteristics of rural areas, we consider the following to be likely impacts on population growth. These insights are not necessarily specific to the Griffith City, but reflect challenges and opportunities for this type of place.

<p><b>Overseas migration</b></p> <p>Low short-term impact from the net overseas migration shock as a very low share of overseas migrants move directly to rural areas. However, some rural areas that have industries reliant on migrant workers (including temporary workers) may experience a short-term decline.</p> <p>Low longer-term impact from the net overseas migration shock as a relatively low share of rural residents are born overseas compared to other regional areas. Typically, overseas migration as a contribution towards total migration is lower in rural areas compared to major regional and metropolitan cities.</p> <p>Negligible impact on future international student residents. While the impact on the number of new international students will be severe nationally, COVID-19 will have a negligible impact in rural areas which do not contain universities or attract international students*</p>	<p><b>Internal migration</b></p> <p>Interstate migration will be affected considerably in the short-term, due to border closures and economic uncertainty. Areas which typically experience net out-migration to other States will retain more residents, while cities which typically experience net in-migration will not gain as many new residents.</p> <p>Intrastate migration Typically, rural areas attract new residents from other areas within the State, particularly from capital cities. Levels of net in-migration could increase under COVID-19, particularly for rural areas in closer proximity, with strong transport linkages and relatively short commuting times to major regional and metropolitan cities.</p>	<p><b>Natural increase</b></p> <p>Births are likely to be fewer in the short-term as fertility typically declines in times of economic uncertainty. Rural areas tend to have relatively high levels of fertility and forecast births and as a result may be impacted more than other areas. However, due to the economic resilience of rural areas this impact may be mitigated.</p> <p>Deaths caused by COVID-19 are currently at very low levels. This is due to low overall case numbers, however, the number of deaths could increase if case numbers increased in areas with vulnerable, elderly residents. Generally, rural areas have relatively higher shares of residents aged over 70 years and therefore a higher mortality exposure compared to other areas.</p>
<p><b>Economic resilience</b></p> <p>Majority of jobs in (resilient) primary and secondary industries means rural areas will experience less overall job loss, compared to other areas with more jobs in tertiary industries (retail trade, education, accommodation and food services). However, exposure may increase if a town is home to a sole employer that is experiencing a downturn in revenue due to COVID-19.</p> <p>Relatively small decline in employed residents means rural areas may retain (even attract in some LGAs) more residents. Generally rural areas have large numbers of residents working in their respective LGAs in agriculture and manufacturing (primary and secondary industries).</p>	<p><b>Resident vulnerability</b></p> <p>COVID-19 will increase the likelihood of housing relocation among households who are already vulnerable due to factors such as, unemployment or insecure work, low income, and rental or mortgage stress.</p> <p>Moving house could affect household formation in several ways including: younger residents moving back home with their parents, elderly residents moving in with their children (as dependants), formation of group households and other larger households to share housing costs. This could also mean that rural areas may experience some inflow of previous residents (young and vulnerable adults) who may move back to the family home for</p>	<p><b>Local amenity</b></p> <p>Availability of lifestyle opportunities including access to open space and natural environment. A large number and diversity of lifestyle opportunities can draw residents to rural areas.</p> <p>Access to affordable quality accommodation means that rural areas will attract new residents from regional and capital cities, which have comparatively more expensive housing.</p> <p>A range of land uses including farming, forestry, cropping and to a lesser extent tourism, means that rural areas are also attractive to new residents seeking new (and sometimes speculative) ventures including, taking over the operations of family farms, farm stays</p>

Visual aid only:  
Extract from  
forecast.id website

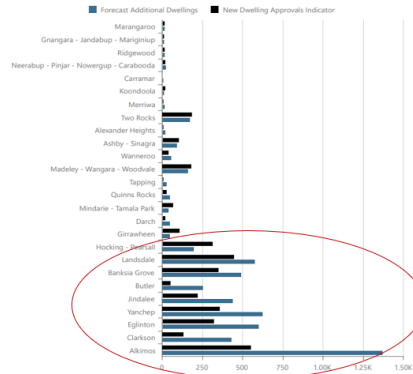
# How are we capturing these drivers?

- ✓ **Construction activity** – net additional dwellings by year
- ✓ **Dwelling occupancy rates** – tightening in many suburban areas
- ✓ **Households** – looking closely at single-adult households by age group
- ✓ **Age specific migration** – starting to revert to pre-pandemic levels
- ✓ **Birth rates adjustments** –select areas with high share of family forming age groups

# We develop assumptions in collaboration with you

## Informed by small area forecast monitoring

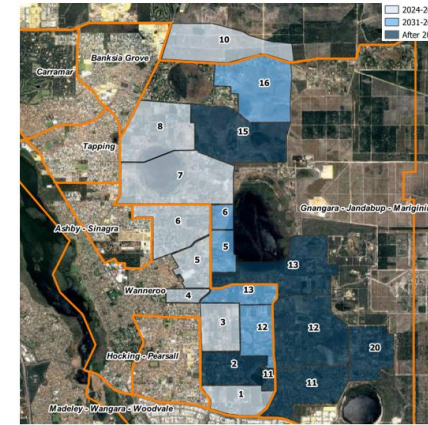
New dwelling approvals, forecast dwellings, small areas, 2017-2018



City of Wanneroo (previous Forecast)

- **Dwellings:** +2,200 difference, or +2.83% 2018 dwelling stock
- **Population:** +8,400 residents, or +3.97% 2018 Estimated Resident Population (ERP)

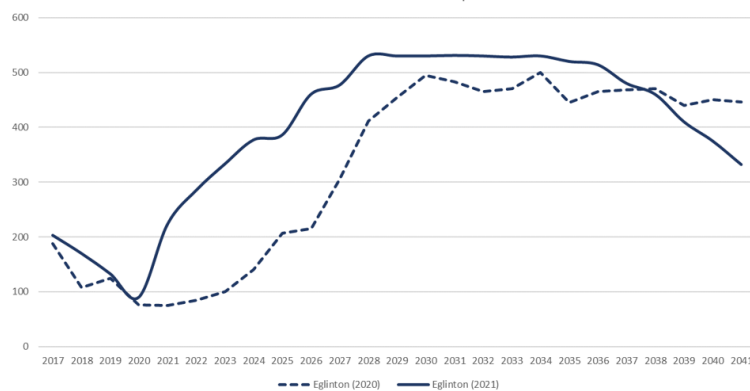
## East Wanneroo Structure Plan staging assumptions



Precinct	Period	No. Dwellings	Notes
1. Mary Street	2024-2039	1,500	Close to existing services
2. Betch Drive	N/A	0	Due to recent hobby farm subdivision
3. Elliot Road	2024-2040	2,000	Close to existing services
4. High Road	2024-2030	300	Close to existing services
5. Belgrade Road	2025-2041	1,400 / 2,000	Servicing Constraints close to Wanneroo TC
6. Edgar Griffiths Park	2027-2041	1,780 / 3,500	Servicing Constraints
7. Lake Marignip	2024-2041	1,500 / 4,000	Short-medium
8. Ranch Road	2024-2040	2,000	Close to existing services
10. South Pirjar	2029-2041	1,200 / 4,000	Consolidated land
11. Lakelands	N/A	3,000	Outside forecast period
12. Gnarara district centre	2035-2041	200 / 7,500	Long term - servicing constraints
13. Trichel Road	2035-2041	180 / 4,500	Sewer at a distance
15. Central Marignip	N/A	3,800	Servicing & Transport Constraints
16. North Marignip	2034-2041	470 / 4,000	Close to services
20. Lotan	N/A	2,500	Outside forecast period

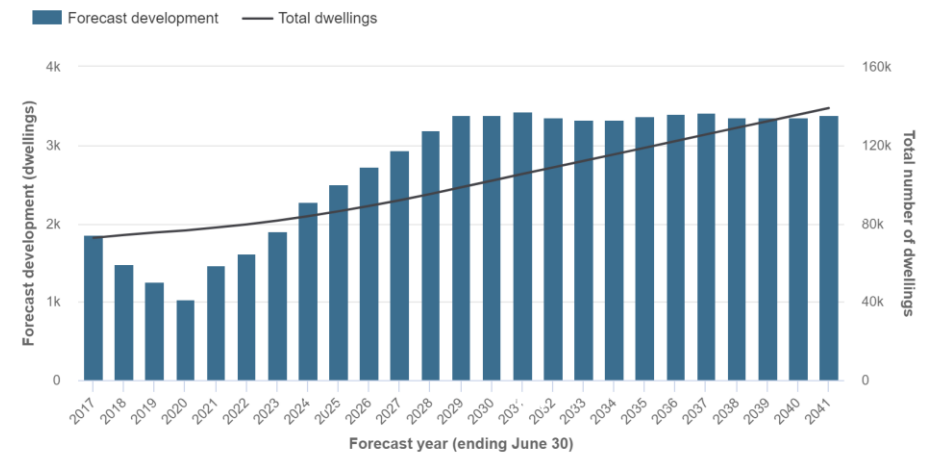
## Eglinton: 10,000 additional dwellings by 2041

Additional residential development



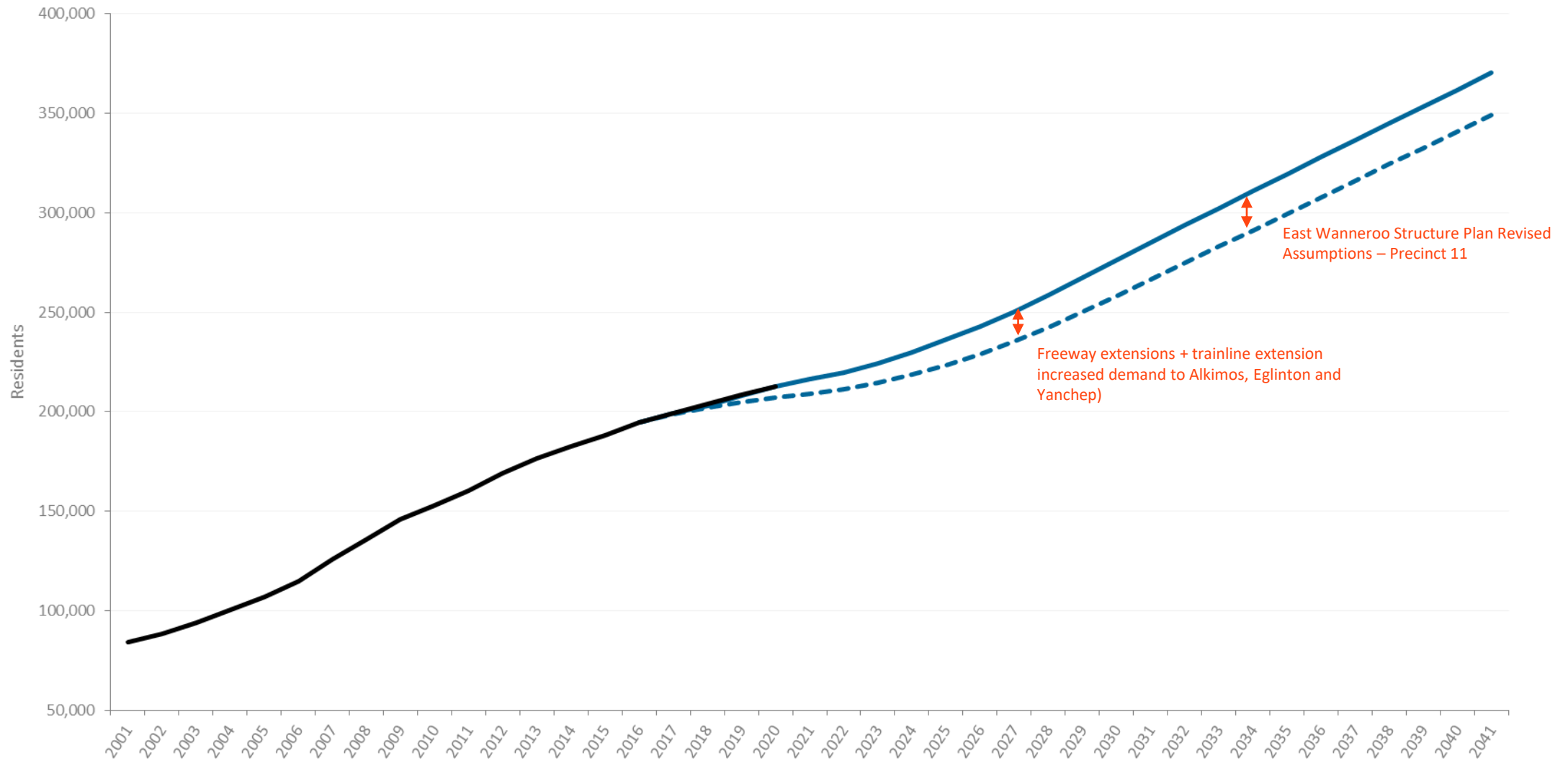
## Forecast residential development

City of Wanneroo



# forecast.id's single scenario allows you to monitor your policies

Population Forecast, forecast.id, City of Wanneroo, 2016-2041, reviewed 2021





# State population projections are not forecasts of the future

*“Population projections are not forecasts of the future”* SA Government

*“It’s the responsibility of the user to identify the risk and which band to use”* WA Tomorrow

*“These projections do not include demographic impacts of Government policies and any major land releases”*  
Tasmanian Government

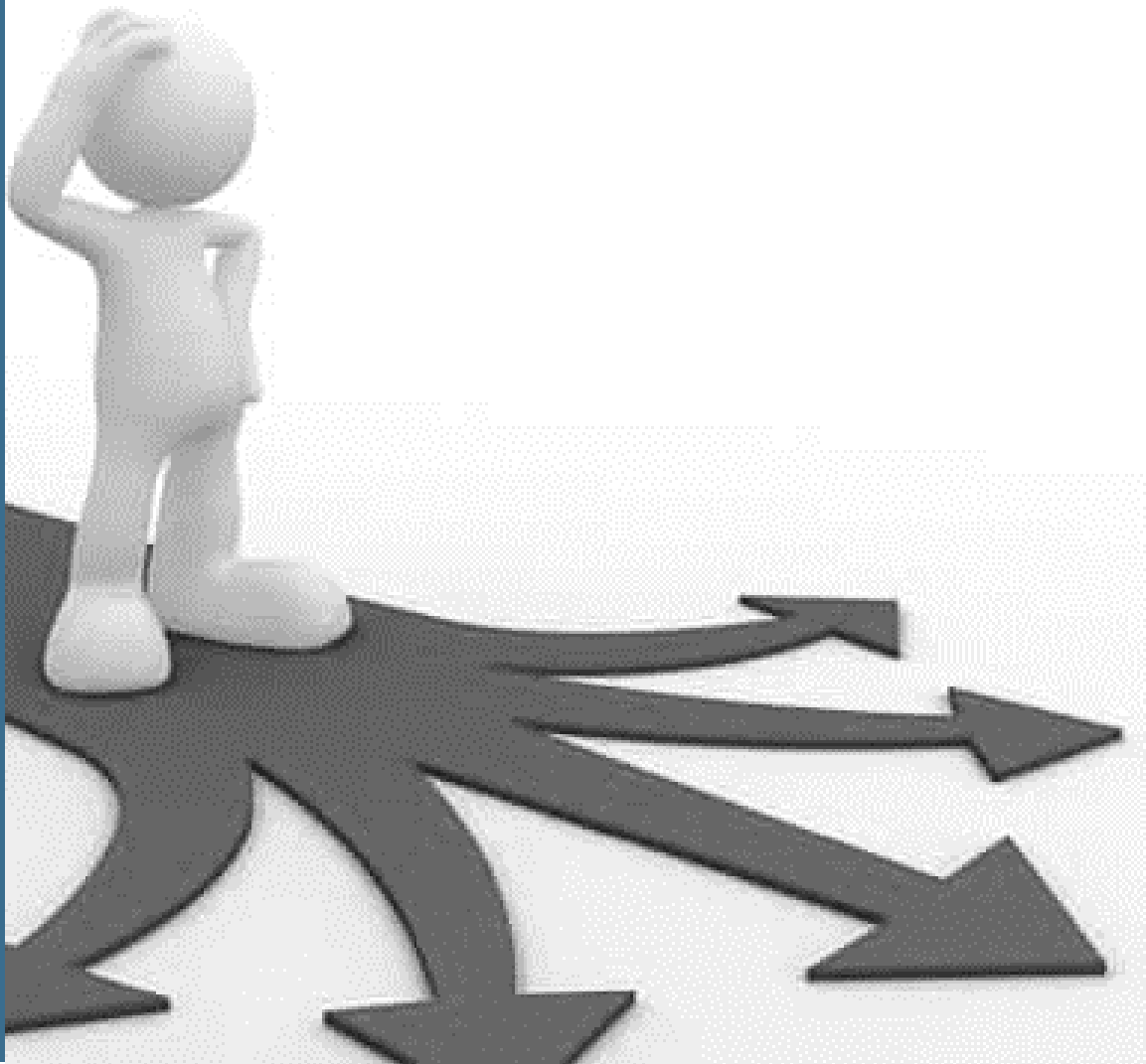
*“Different policy settings could result in changes to the expected size, distribution and characteristics of the population.”* Victoria in Future

*“Three possible future population outcomes”* NSW Government

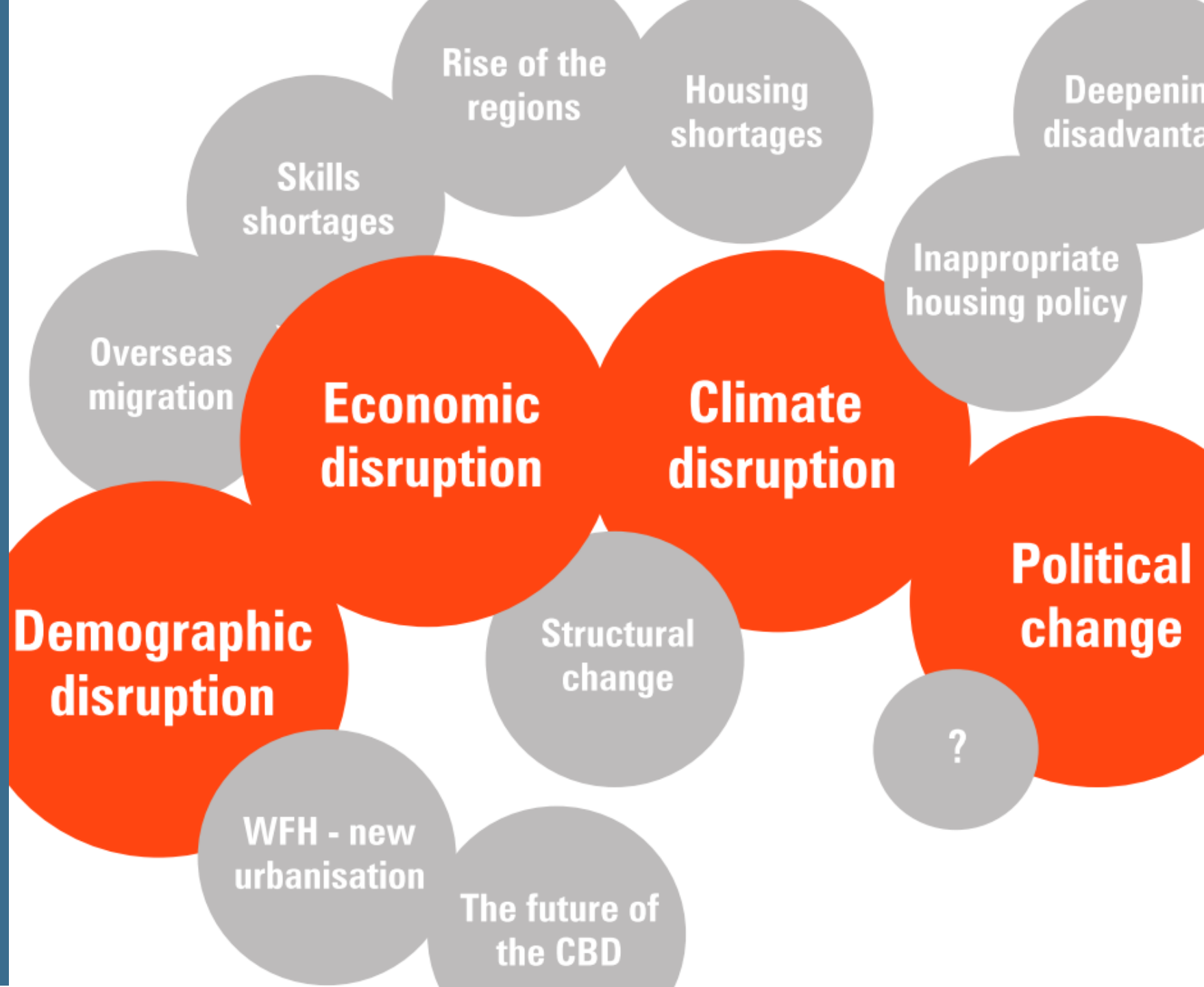
*“To account for this uncertainty, a range of possible outcomes has been used”* Queensland Government

*“Treasury is working to update its projections of the ACT’s population*

*”* ACT Government



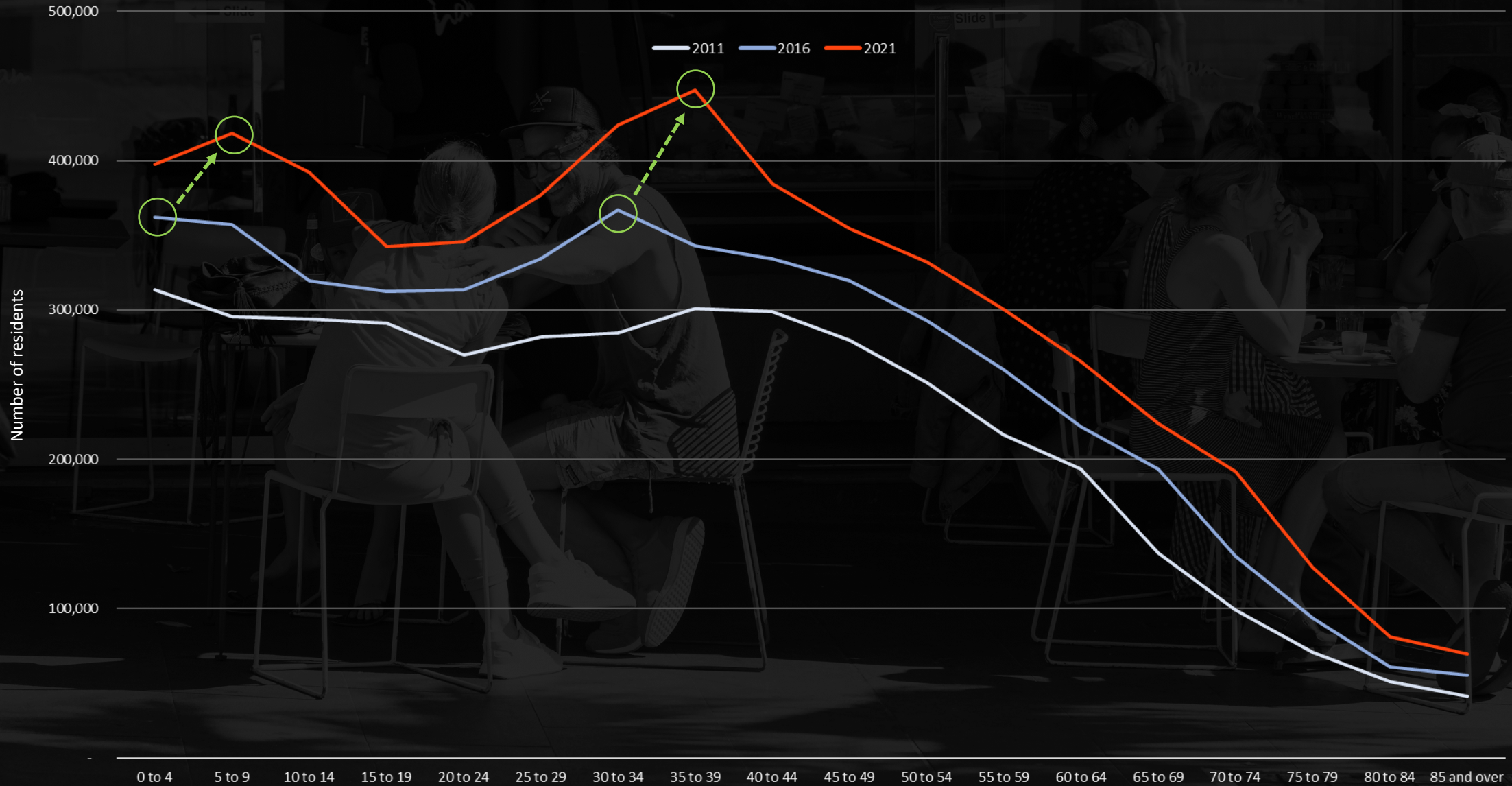
How are growth areas being impacted?



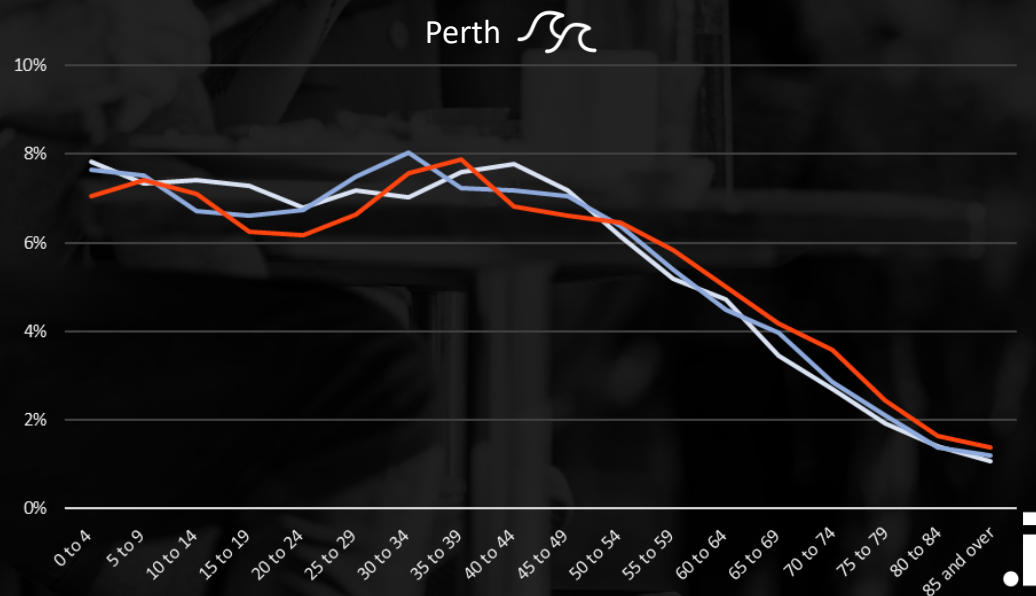
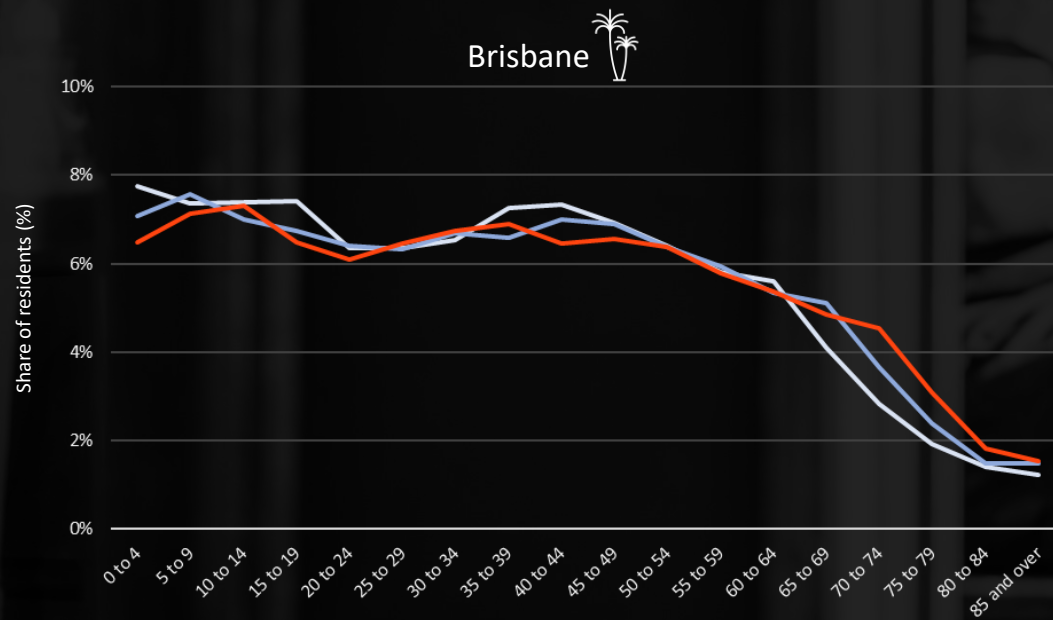
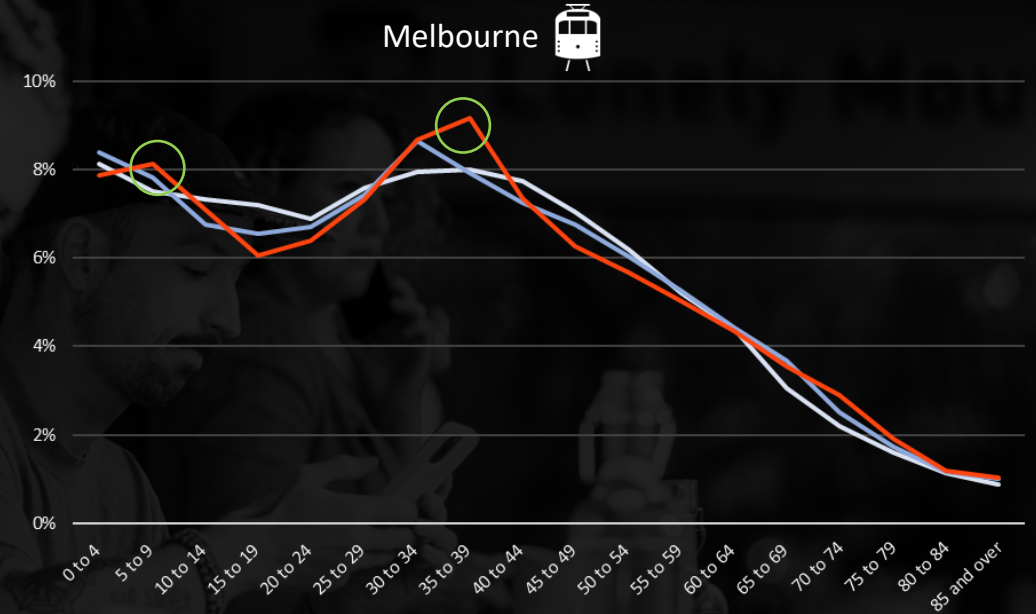
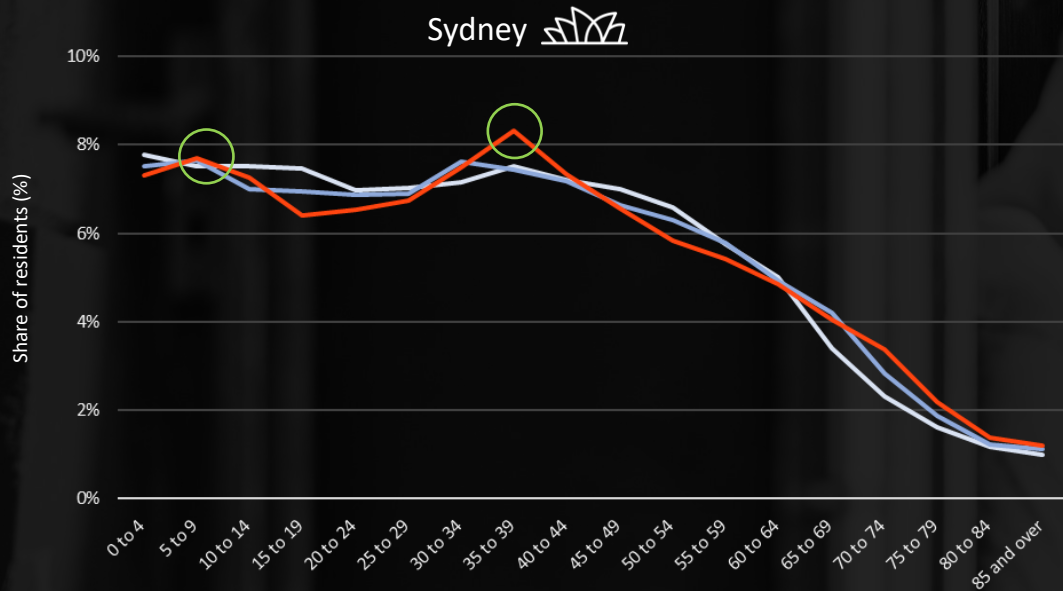
Impact on age structure

# Growth areas are growing up: 35-39 year-olds now largest age group


Residents by age, Growth areas, Australia, 2011 - 2021

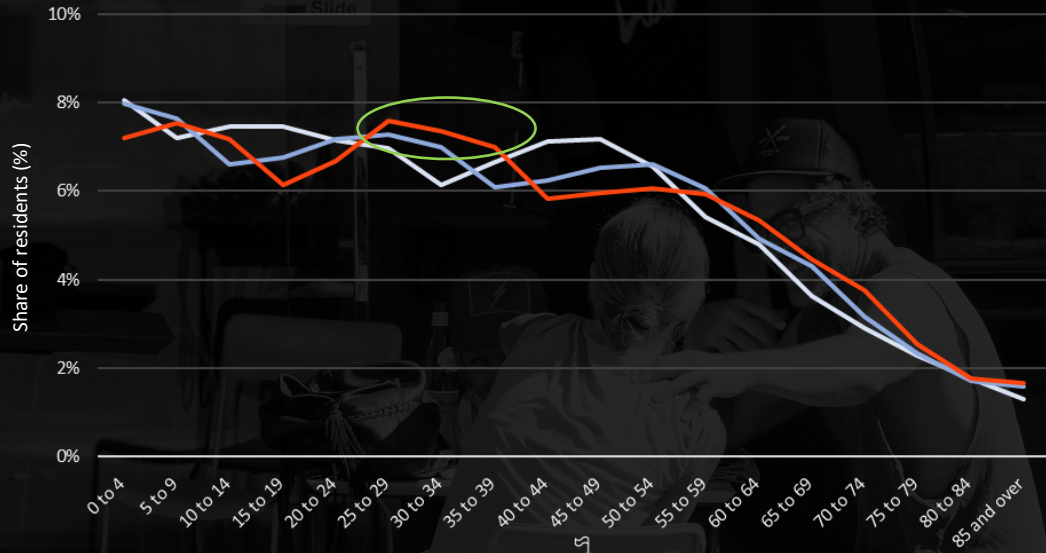


# Driven mostly by Sydney and Melbourne

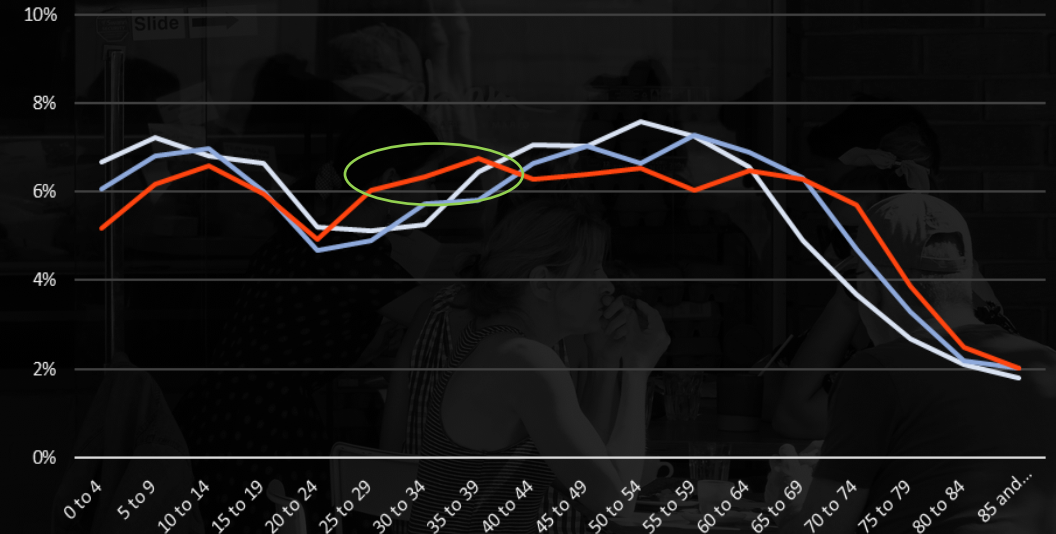



# Adelaide and Hobart more age diverse than Canberra and Darwin

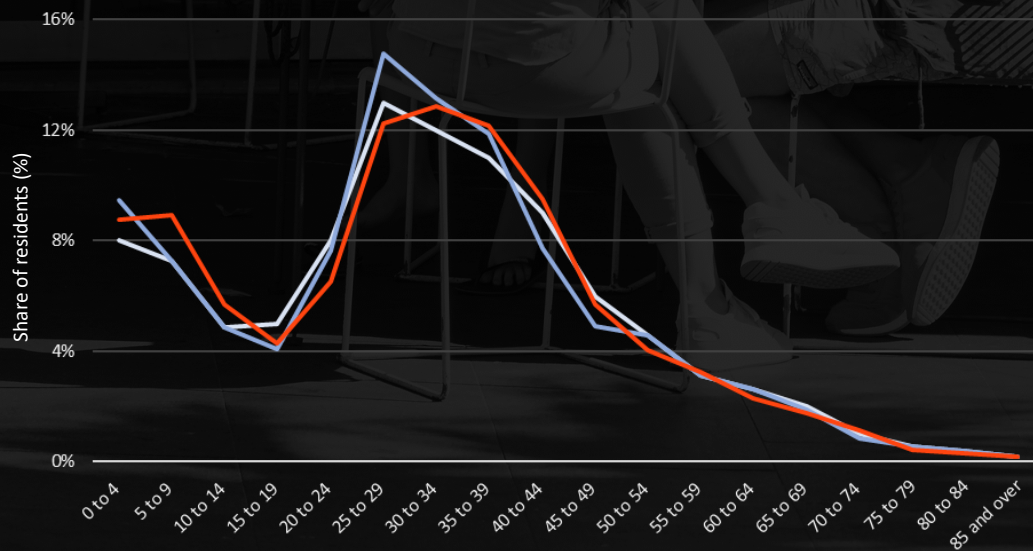
Adelaide 




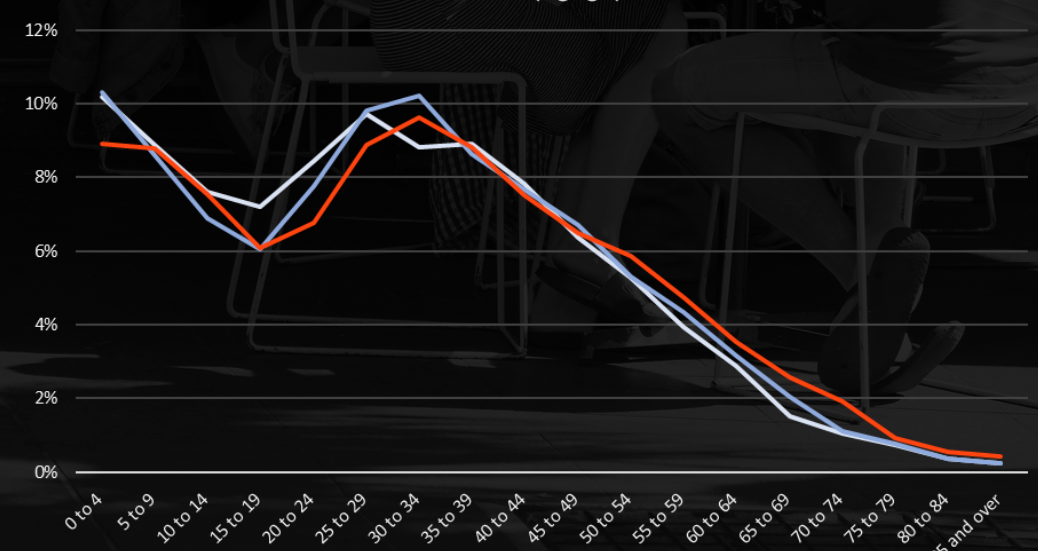
Hobart 



Canberra 



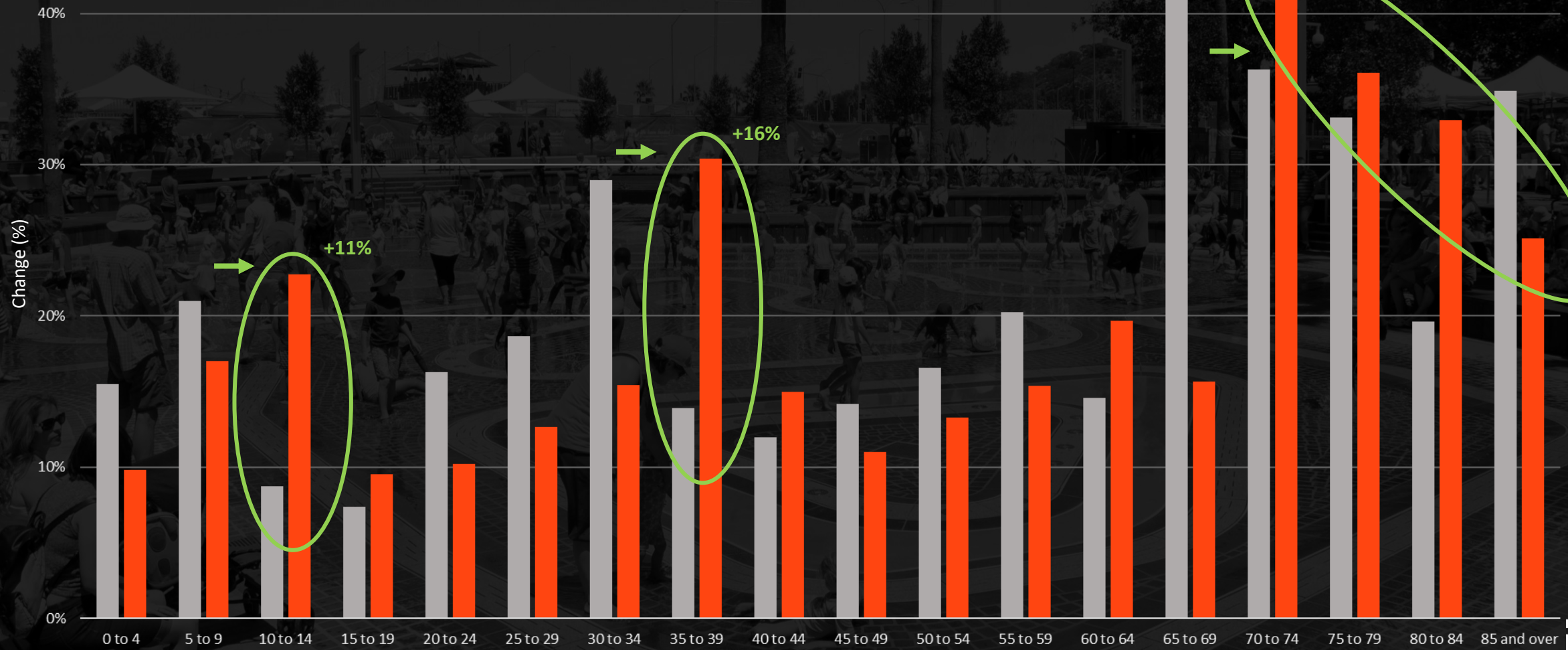
Darwin 



# Strongest gains in 35-39 year-olds and 10-14 year-olds

Change in residents (%) , Growth areas, 2011 to 2021

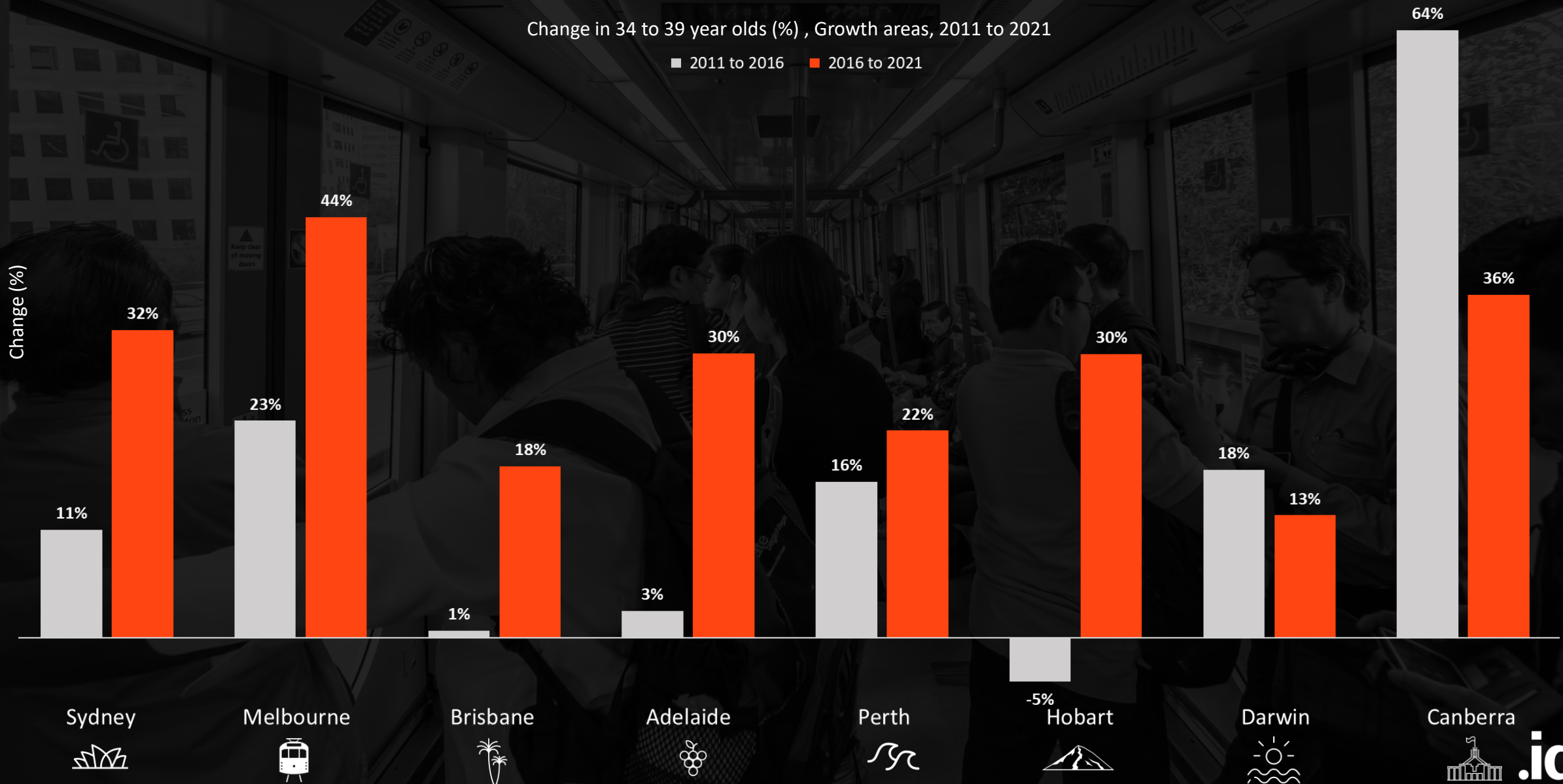
■ 2011 to 2016 ■ 2016 to 2021



# With unprecedented growth in 35-39 year-olds across the board

Change in 34 to 39 year olds (%) , Growth areas, 2011 to 2021

■ 2011 to 2016 ■ 2016 to 2021



Sydney



Melbourne



Brisbane



Adelaide



Perth



-5% Hobart



Darwin



Canberra

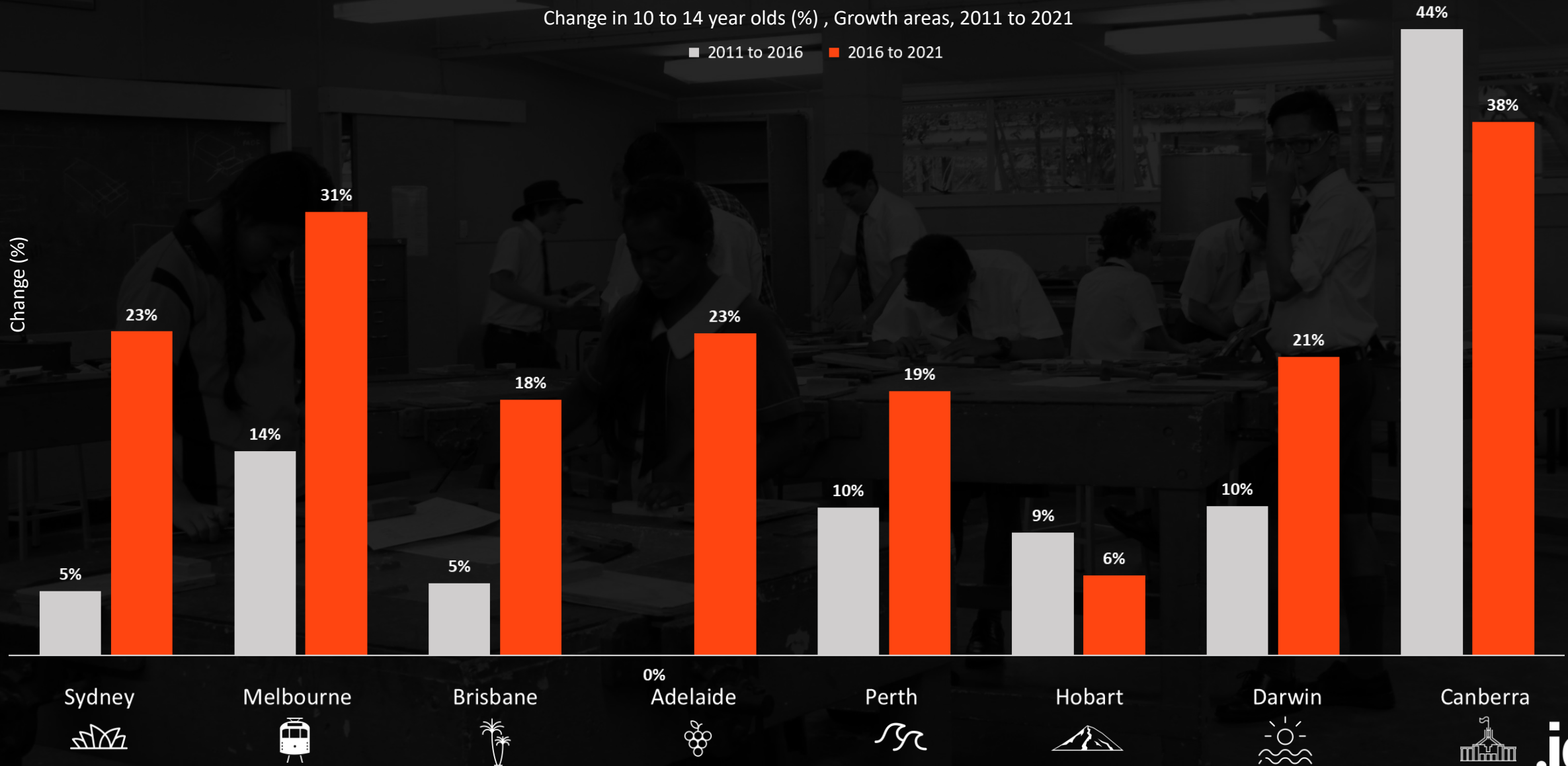




# And an associated increase in older children

Change in 10 to 14 year olds (%) , Growth areas, 2011 to 2021

■ 2011 to 2016 ■ 2016 to 2021



Sydney



Melbourne



Brisbane



0%  
Adelaide



Perth



Hobart



Darwin



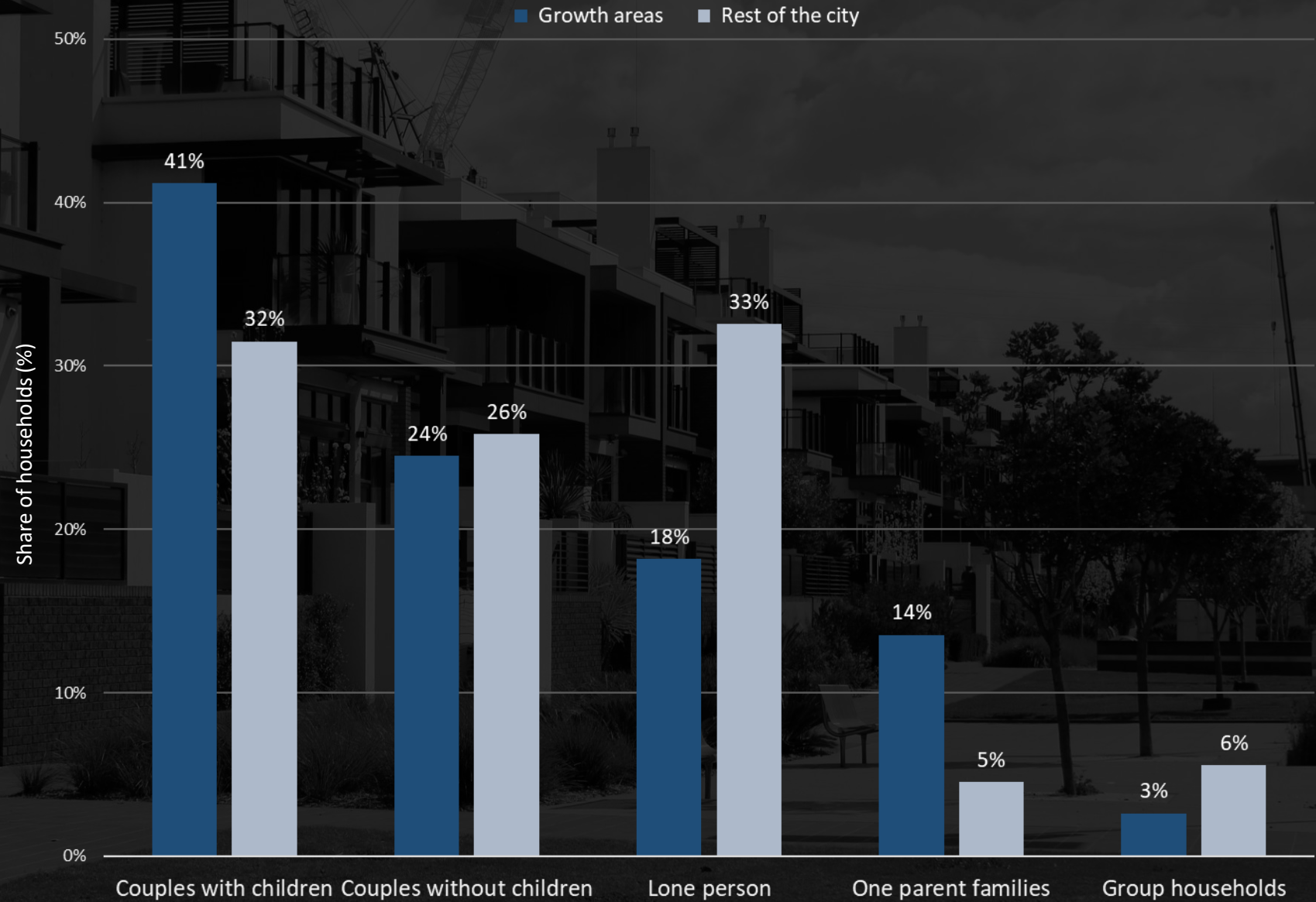
Canberra



# Impact on household formation

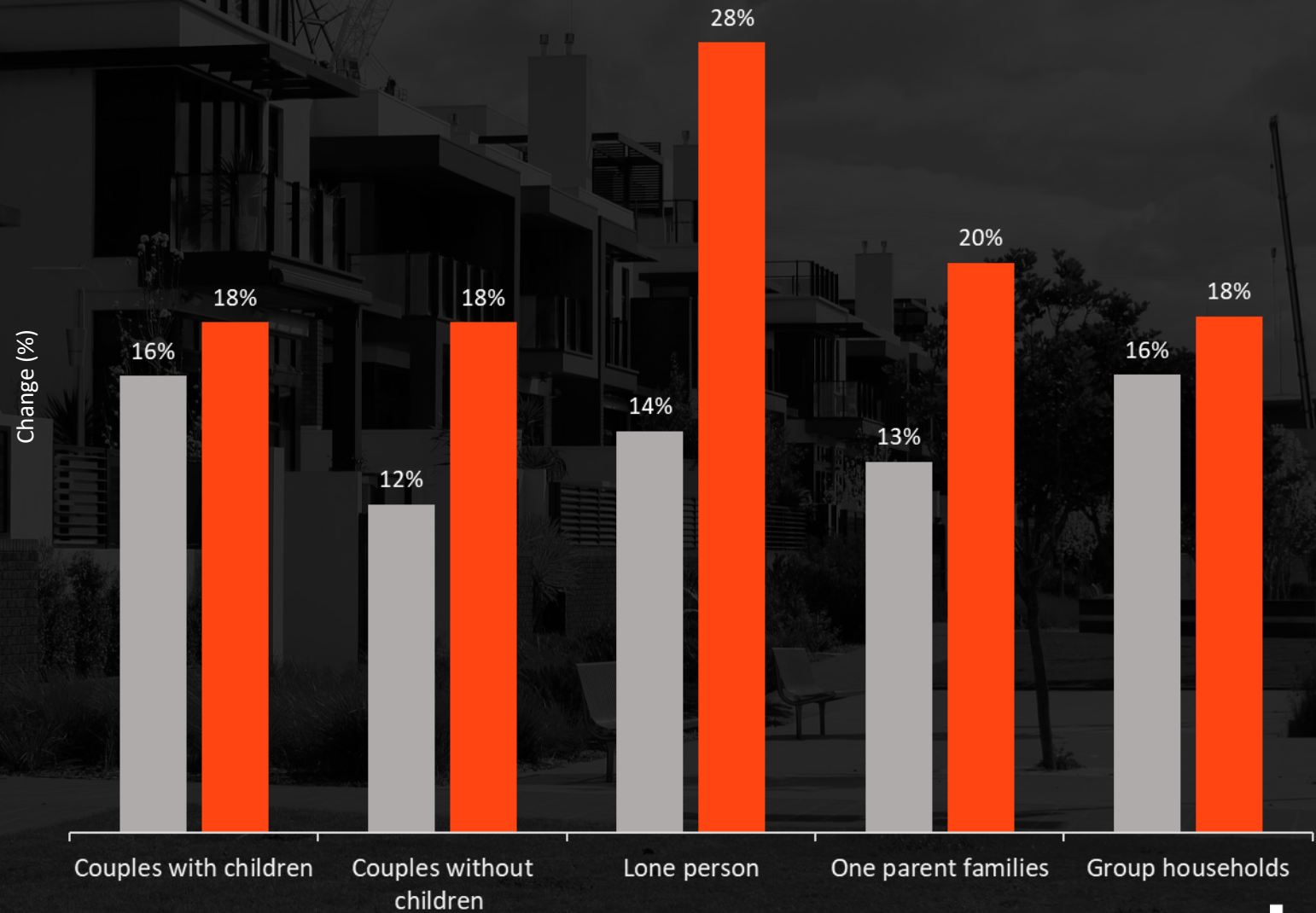
While family households dominate...  
...One-in-three households have only one breadwinner

Share of households by type, Growth areas and Rest of the city, Australia, 2021



Change in household types (%), Growth areas, Australia, 2011 to 2021

■ 2011-2016 ■ 2016-2021

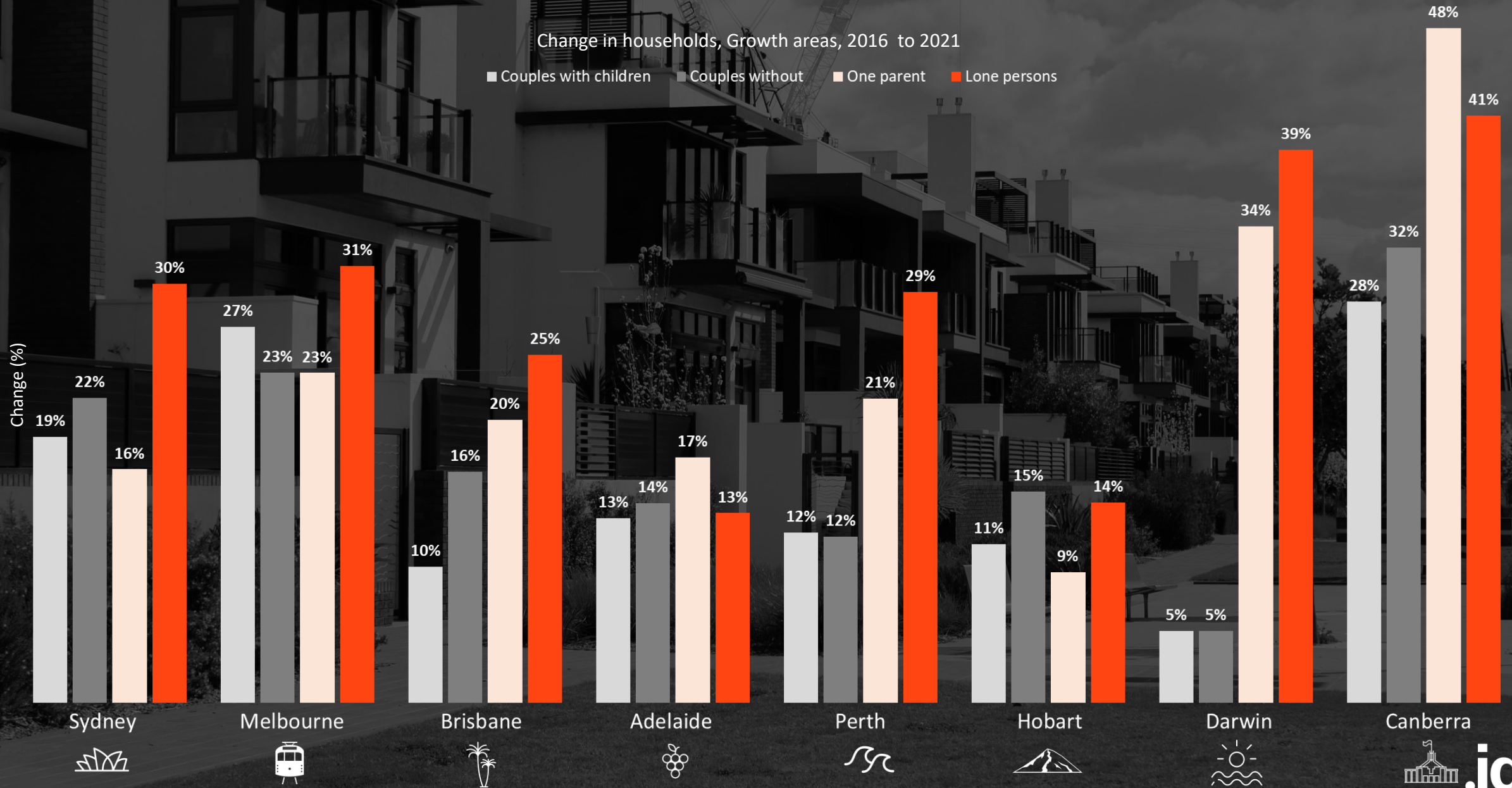


Lone person & one-parent families the fastest growing household type

# Record growth in single-adult households in all cities

Change in households, Growth areas, 2016 to 2021

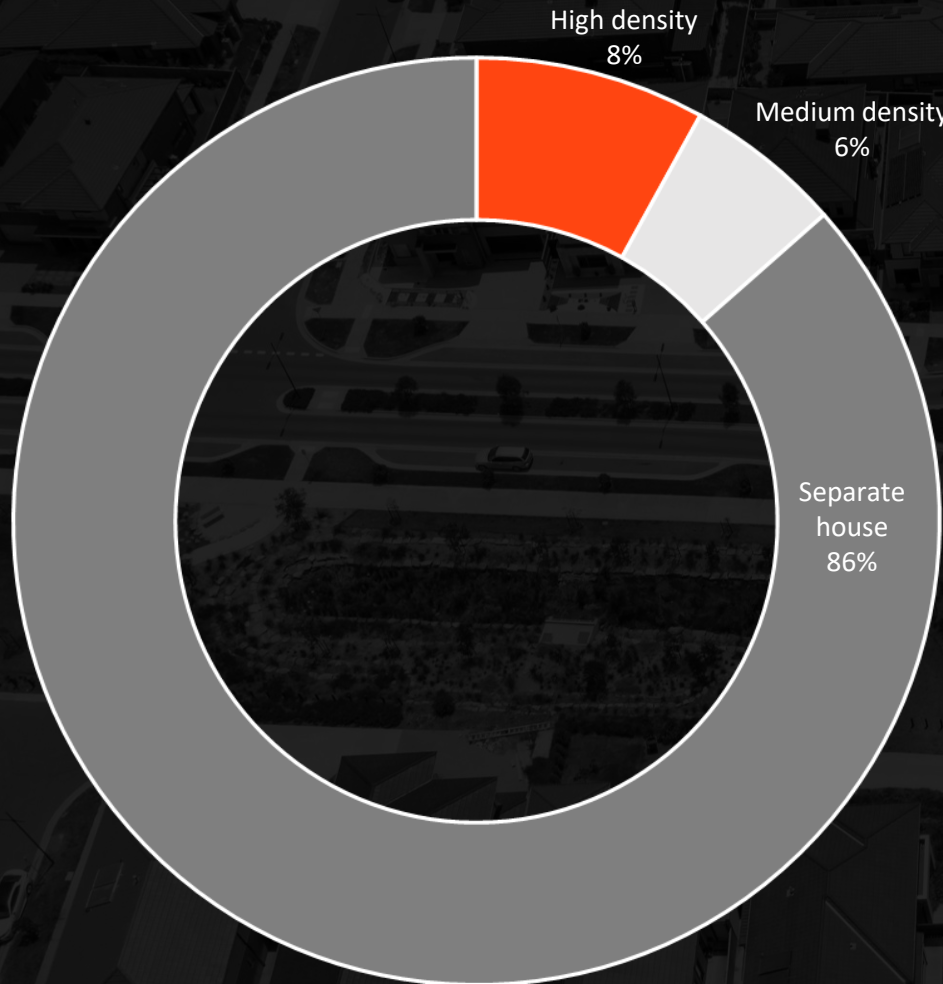
■ Couples with children ■ Couples without ■ One parent ■ Lone persons



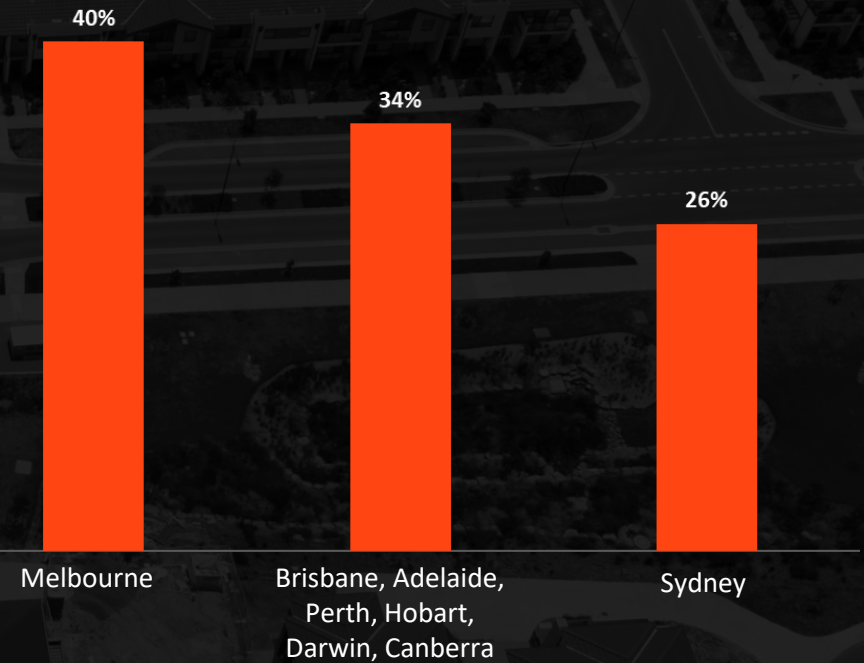
# Impact on housing

# Over 85% of new housing are detached dwellings

Share of new dwellings by type (No.) , Growth areas, 2016 to 2021



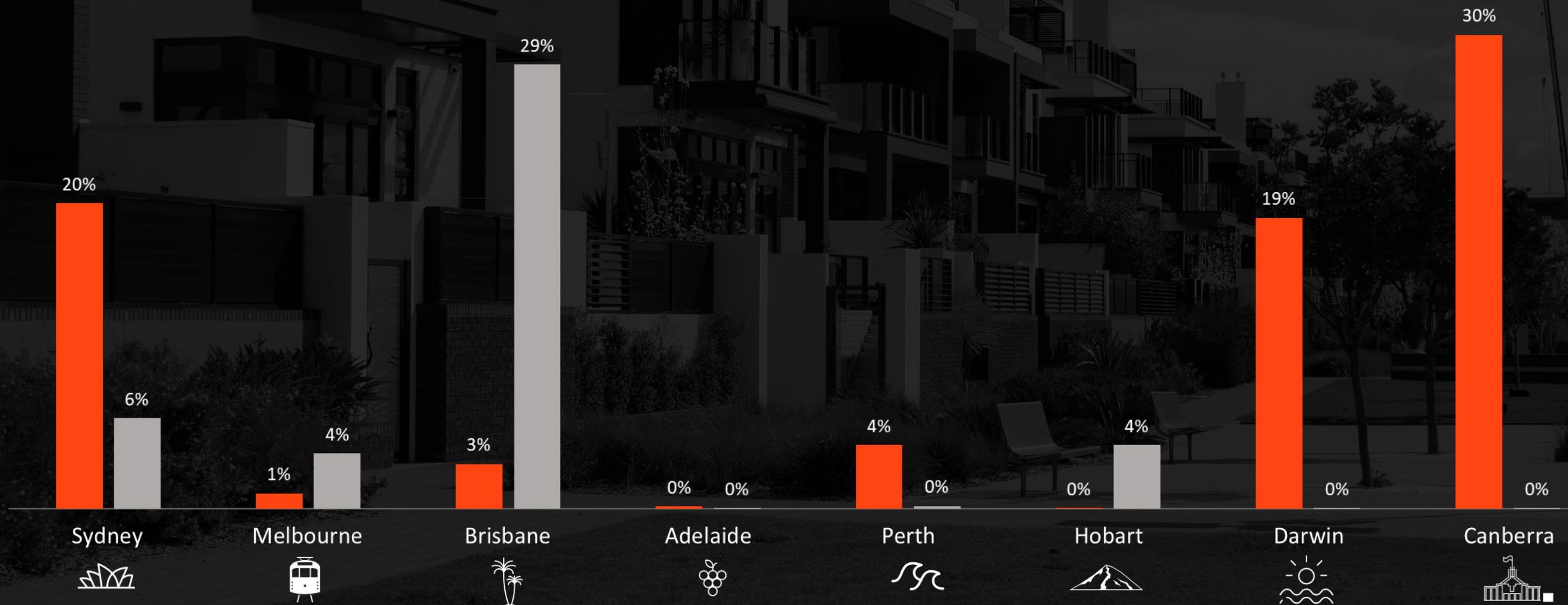
Share of new separate houses by city, 2016 to 2021



# Sydney, Brisbane and Canberra lead the way with higher density

High and medium density share of total new dwellings (%), Growth areas, 2016- 2021

High density Medium density

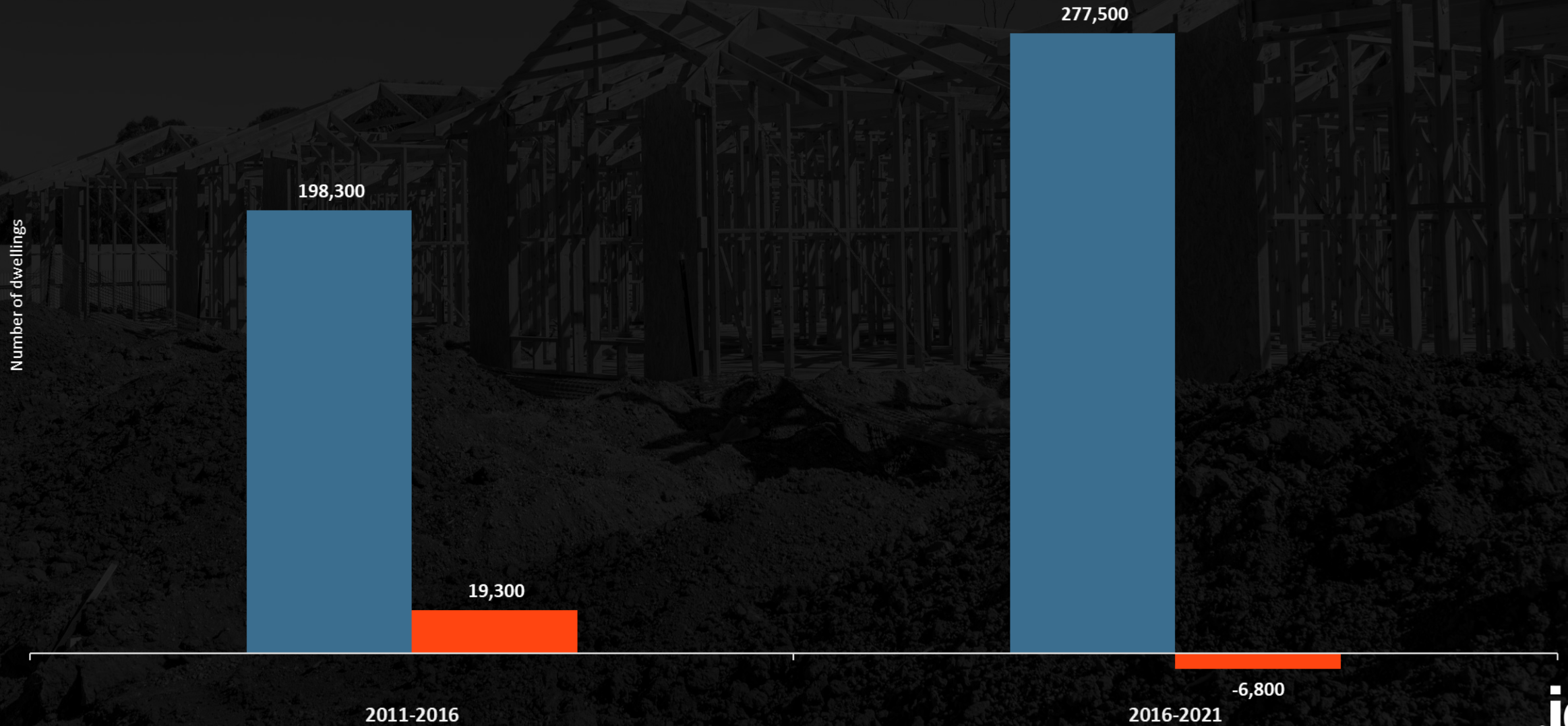




# Residential construction up by 25%, to over 54,000 new dwelling pa

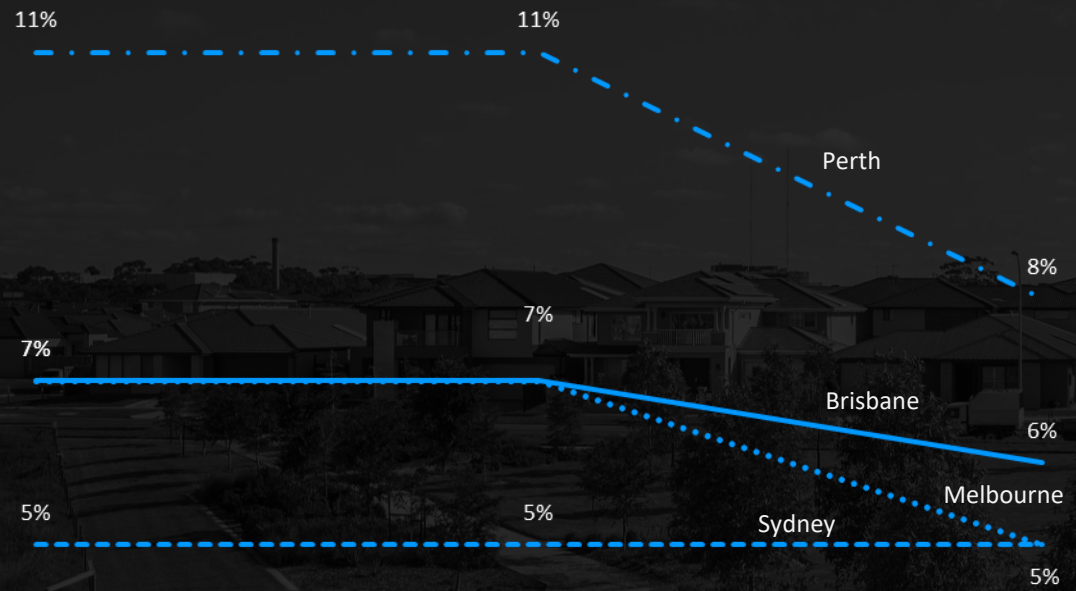
Change in dwellings, Growth areas, Australia, 2011 to 2021

■ Occupied ■ Vacant

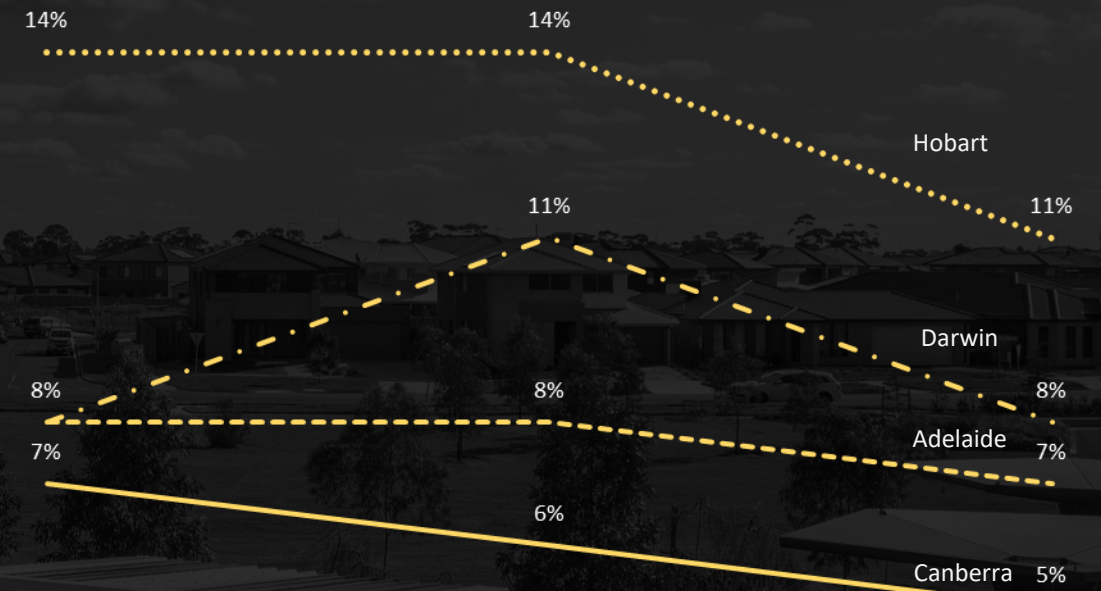


# As, vacancies drop to historic lows across the country

Vacancy rates, Large capitals, 2011- 2021



Vacancy rates, Small capitals, 2011- 2021



2011

2016

2021

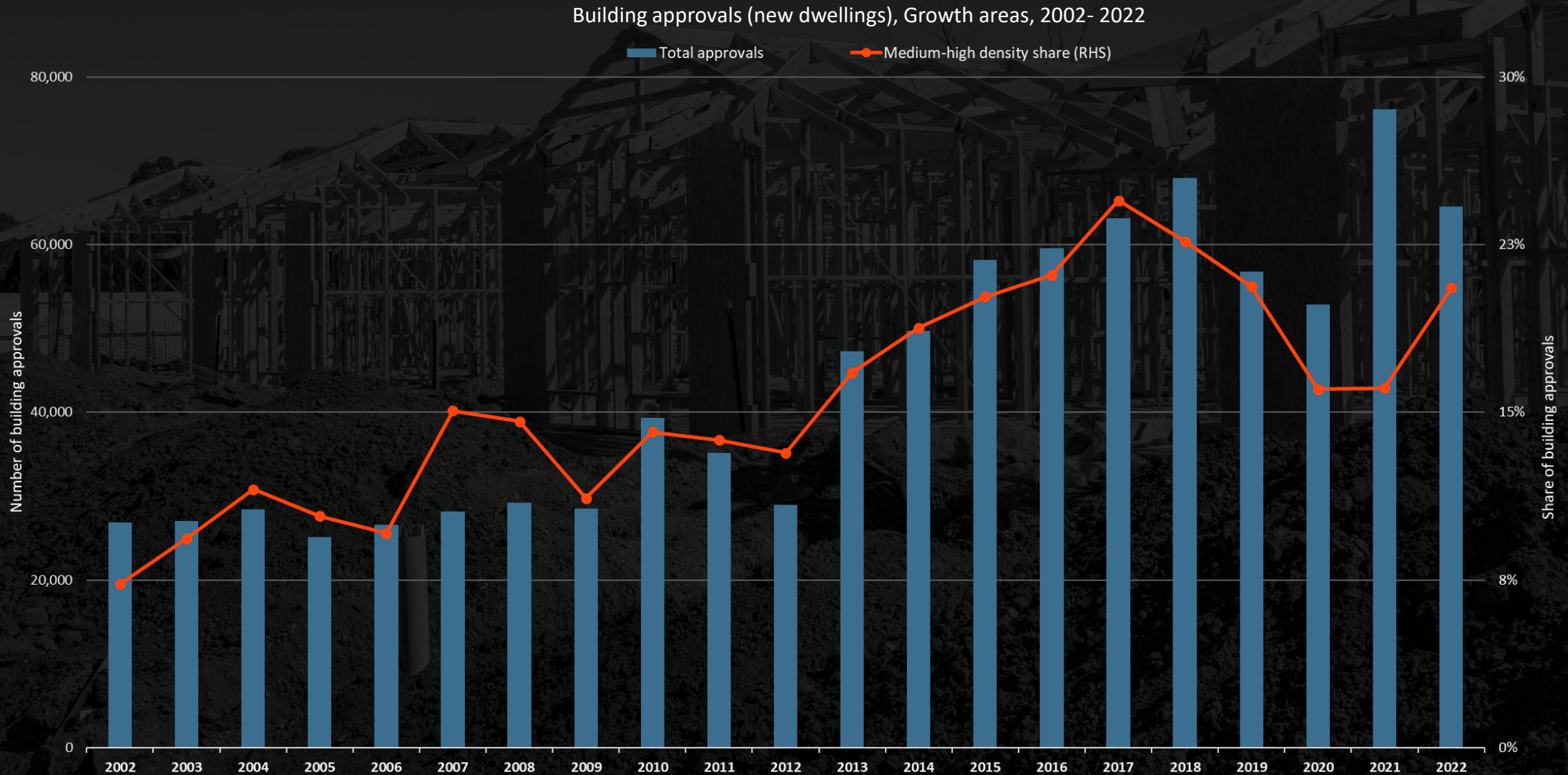
2011

2016

2021

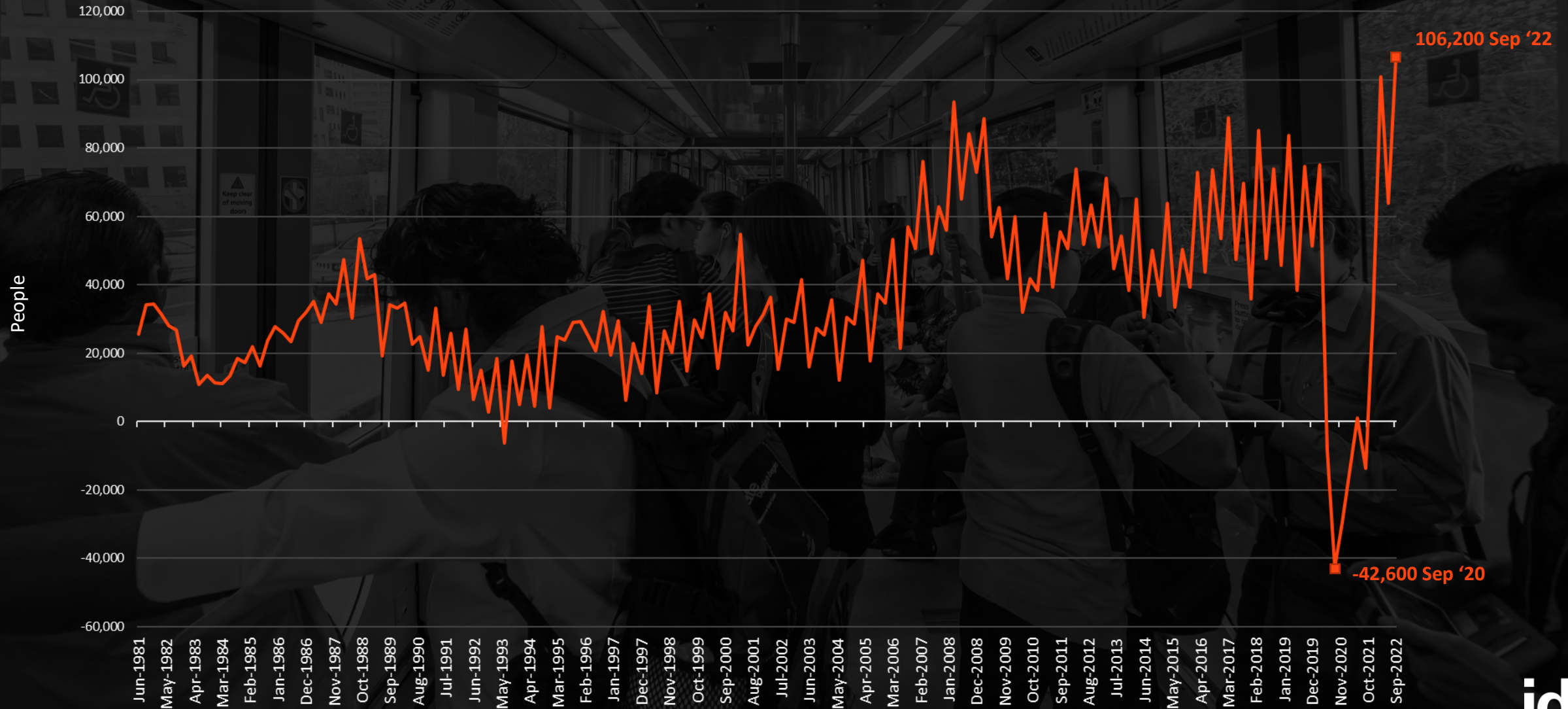
# Looking forward:

## Solid housing pipeline with building approvals at all time highs



# Looking forward: Net overseas migration is at all time high

Net overseas migration, Quarterly, Australia, 1981 to 2022



# Key insights

**Families are maturing and demanding different mix of services, facilities and dwellings.** Late thirty's and primary-aged children are now largest age groups.

**Sydney and Melbourne are largest in numbers,** the smaller capitals have experienced the biggest turn around to changing migration patterns

**One-in-three households have only one adult breadwinner,** this share is increasing and is fueling demand for new and different housing.

**Residential construction increases by 25%,** but is not enough to meet demand as vacancy rates fall across our growth areas

**New housing is slow to respond to shifts in demand.** 85% of new dwellings are detached, although Sydney, Brisbane and Canberra lead the way with higher density formats

**Stronger demand for housing is on the way,** with overseas migration at all time highs

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# Thank you

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