

Population Research Report Summary

Synthesising Northern Territory Population Research: A report to the Northern Territory Department of the Chief Minister

A report on twelve years of population research, the causes and consequences of population change in the Territory, and evidence based policy options to address these changes

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1 Overview

In order to better understand the Territory's changing population and the reasons behind these changes, the Northern Territory Government commissioned researchers at Charles Darwin University (CDU) to analyse past population research. Dr Andrew Taylor and Professor Dean Carson from the Northern Institute prepared their report on the trends, causes and consequences of population change in the Territory. They also recommended strategies for improving the Territory's population growth.

This Summary Report provides an overview of the full report, its findings and recommendations.

1.1 The population challenge

Sustained population growth is critical to the economic and social development of the Northern Territory. A growing, skilled and diverse population and labour force are essential to achieving a healthy and sustainable economy and society. A growing population lifts demand for housing, goods and services; increases the tax and revenue base; builds and diversifies the pool of skilled Territorians; enhances economic growth; builds resilience; and underpins diversity and community well-being.

1.2 Influencing population growth

The changing population is in part a reflection of international and national conditions and policies and therefore difficult for the Northern Territory to influence. There are some factors the Northern Territory Government has capacity to exert some leverage over, while others also have roles to play. In order to inform strategies, both for influencing 'levers' and managing the inevitable changes, detailed analysis of recent Northern Territory, interstate and international population trends is needed.

Population challenges are not unique to the Territory. Many other jurisdictions have faced similar issues. Looking to Australian and overseas case studies with relevant parallels allows the collection of insights and lessons that can be applied to Territory population strategies.

There are also unique 'push and pull' factors of Territory migration. Identifying and understanding the most significant motivators for people coming to and leaving the Territory is critical in developing sound policy responses that positively influence population.

1.3 Recommendations

The research from CDU has highlighted that, although the Territory is currently experiencing a low population growth era, this translates into relatively small 'on the ground' numbers. A return to the thirty-year average annual growth rate requires only a net improvement of around 2600 people per year. Australian and international experience suggests, however, there is no single 'silver bullet' strategy to achieve this population growth. Rather, a suite of tailored initiatives aimed at influencing migration behaviours of specific population groups could provide the best chance of success. Research suggests that the most promising key markets and strategies include:

- attracting early career women;
- attracting, and particularly retaining, people moving into mid-career and late career to broaden the population base;
- identifying Territory 'alumni' and attracting them to return to the Territory or promote the Territory to friends and colleagues elsewhere;
- implementing strategies to attract migrants from specific international source markets based on research into the factors that encourage them to move to and stay in the Territory;
- making the Territory more 'retiree friendly'; and

- encouraging new arrivals to update their address with Medicare (in order to be counted for the purposes of calculating GST distribution).

2 Understanding recent population trends

The Northern Territory is currently in its third low growth era since the 1980s. It is important to acknowledge that the current era is distinguishable on a number of levels. The existence of eras in interstate migration indicates longer term cyclical dynamics may be influencing the Territory's population trends. In the Northern Territory and other Australian jurisdictions, long periods (seven to nine years) of low growth as a result of negative net interstate migration (NIM) are often followed by shorter periods (three to five years) of positive interstate migration contributing to better growth rates. Ascertaining cyclical effects and the likelihood of an upswing is a complex task, however. Research has explored some of the interstate economic and social indicators.

Findings include:

- Lower housing costs in Sydney and Australian capital cities as a whole are associated with positive NIM to the Territory. Lower housing costs outside of the Territory may make it easier for migrants to 'take the risk' of moving here, confident they can re-enter the housing market if the move to the Territory turns out to be short term.
- Falling youth unemployment and increasing job availability in many states, especially the 'peripheral' states of Queensland, Western Australia and Tasmania, are linked to positive Territory NIM. This suggests the presence of a national 'peripheral migration system' of which the Territory is part.
- The Territory tends to have positive NIM when its employment conditions are similarly strong to those in other peripheral states, suggesting some people might be enticed to migrate when they perceive there is a relatively low risk to leaving employment or the jobs market in their home state – as with housing, it suggests confidence in re-entering the jobs market if needed.
- Relatively high cost of living elsewhere in Australia may make people more likely to consider a move to, or to stay in, the Territory because the Territory is then not so 'disadvantaged' by its generally higher cost of living.

Many of these indicators do not exist right now, which means the current low population growth era is concerning, as the trends that usually contribute to positive NIM are no longer present. This means the Territory cannot rely on NIM cyclical dynamics to reverse the current population situation.

Negative NIM is not unusual during low growth periods in the Northern Territory. It is the size of the current deficit and the fact that negative NIM is the strongest contributor to low population growth that are concerning. During the past four years, 2000-3000 more people have migrated out of the Territory than was projected, which exceeds all prior records of NIM loss.

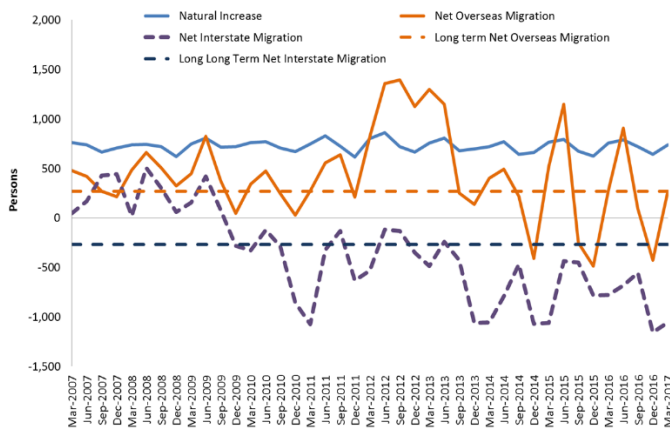
The Territory's current low growth population 'era' began in 2010. Its key features are:

- A long period (29 consecutive quarters) of negative NIM;
- Lower proportions of interstate migrants from traditional key sources (notably South Australia, New South Wales and Victoria) coming to the Northern Territory;
- Increased seasonal volatility for both interstate and overseas migration;
- Reduced contributions to population growth from net overseas migration;
- Uneven growth within the wider Northern Territory, with Darwin growing and the remainder not;
- Large declines in the Territory's biggest in-migration group of early career workers, particularly women;

- Dramatic declines in children and teenagers migrating to the Northern Territory (linked largely to changing migration patterns of women); and
- Increased departures of key population groups like early career workers and self-funded retirees.

Improved understanding of these features, and others, will inform the development of effective policies to arrest an undesirable trend and in some cases reverse it. It is also important to recognise that while these traditional migration markets continue to decline, total interstate migration flows in Australia are larger than ever before and are increasing, especially for women. There may be opportunities for the Northern Territory to ‘tap into’ new and emerging groups of migrants as traditional ones continue to decline.

Figure1: Recent Northern Territory population trends



As shown in Figure 1, net interstate migration has been negative for 29 consecutive quarters. Net overseas migration has also steadily declined and become highly volatile, with quarters both well-above and well-below the long term average. Unlike migration, natural increase (the difference between births and deaths) continues to be very stable.

2.1 The importance of international migrants and their communities

As the Territory’s NIM position has declined, overseas migration has grown in importance. Overseas migrants have long played a prominent role in population growth in the Northern Territory. Although there is inevitable leakage of international migrants into the Southern states (especially once visa requirements are met), overseas migrants have the potential to significantly improve the Territory’s current population position. For example, the Indian community in Alice Springs grew considerably from 2006 to 2011 as a result of active recruiting for skilled job vacancies in the health sector. The community has continued to grow (by around 60%) from 2011 to 2016. This growth is important as it can encourage ‘chain migration’, where recent migrants encourage their friends and family to join them. Other benefits include growing cultural diversity, increasing supply and demand for a diverse range of businesses, increasing numbers of school and university students, and increased numbers of births from higher fertility rates common to many migrant groups.

2.2 Migration trends for Territory life stage segments

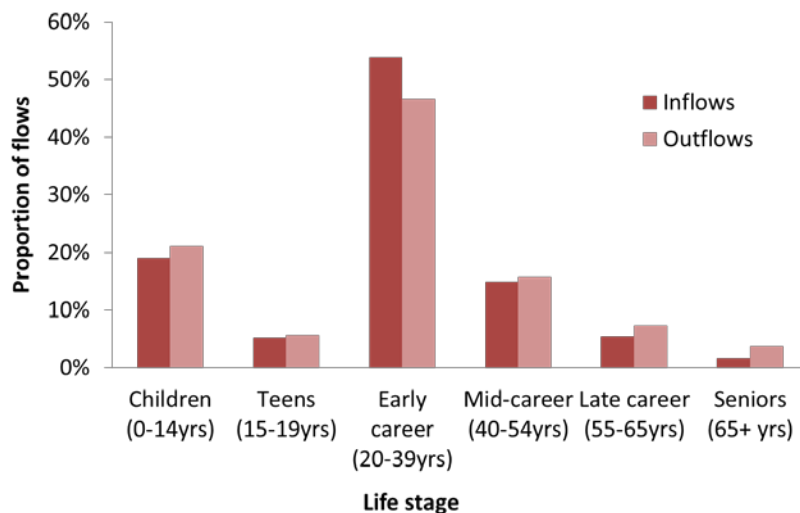
The Territory has always had distinctive age-related patterns of interstate migration. Relatively high numbers of young adults move to the Territory and relatively high numbers of adults in their late 30s and 40s move away.

In more recent times, the younger age in-migration ‘spike’ has reduced somewhat and there has been a small but important increase for in-migration of people in their late fifties and early sixties. These age-related trends correspond to particular life stages based around jobs/careers and family formation.

Young adult in-migrants have tended to be single and at the start of their careers (known internationally as ‘escalator migrants’ who are trying to advance their careers rapidly), while slightly older out-migrants are looking to begin or have just begun their own families or are continuing their careers elsewhere.

Some older people come to the Territory for short periods of work at the end of their working lives, and leave on retirement. Different strategies might be used to encourage more in-migration and less outmigration of people transitioning through these various life stages.

Figure 2: Proportional distribution of interstate migration flows to and from the Territory, 2015-16



3 Lessons from abroad

Sixteen overseas jurisdictions were reviewed by the researchers, who identified them as similar to the Northern Territory in terms of population characteristics and growth challenges. These international comparisons show most Northern regions in developed countries have experienced periods of low population growth or concerning trends (e.g. young female out-migration). Jurisdictions have employed various strategies to try and recover from such periods. In general these strategies have all emphasised population retention through lifestyle, investment, job opportunities, diversification of the economy and heavy investment in education. Summaries of the research findings include:

- Low population growth was often the result of less people moving to these regions rather than more people moving away;
- Most population growth initiatives were elements of broader economic development strategies (i.e. investment in jobs, transport, communications);
- Some strategies focused on retaining people while others focused on attracting new residents by promoting education and employment opportunities;
- Some jurisdictions implemented strategies to retrain late career workers in order to retain them in the region; and
- Establishing alumni networks of past residents and visitors, students and tourists was aimed at encouraging these people to return.

4 Population growth strategies in Australia

While Tasmania has implemented specific population growth policies, other Australian jurisdictions generally include population issues in broader strategic plans or economic development strategies.

Tasmania and South Australia are both useful case studies as they, along with the Northern Territory, are considered 'low growth states'. Low growth states typically have strategies to stimulate population growth to achieve aspirational population targets which are usually higher than figures in formal population projections.

Mechanisms to achieve those targets are generally similar to what is seen internationally, including stimulating economic development (job creation), improving access to education, improving transport and other infrastructure, and improving the liveability of cities and towns. Tasmania and South Australia also target increased international migration through skilled migrants, international students and humanitarian migrants.

Potential points of action formulated for the Territory from CDU's analysis of other Australian regions include:

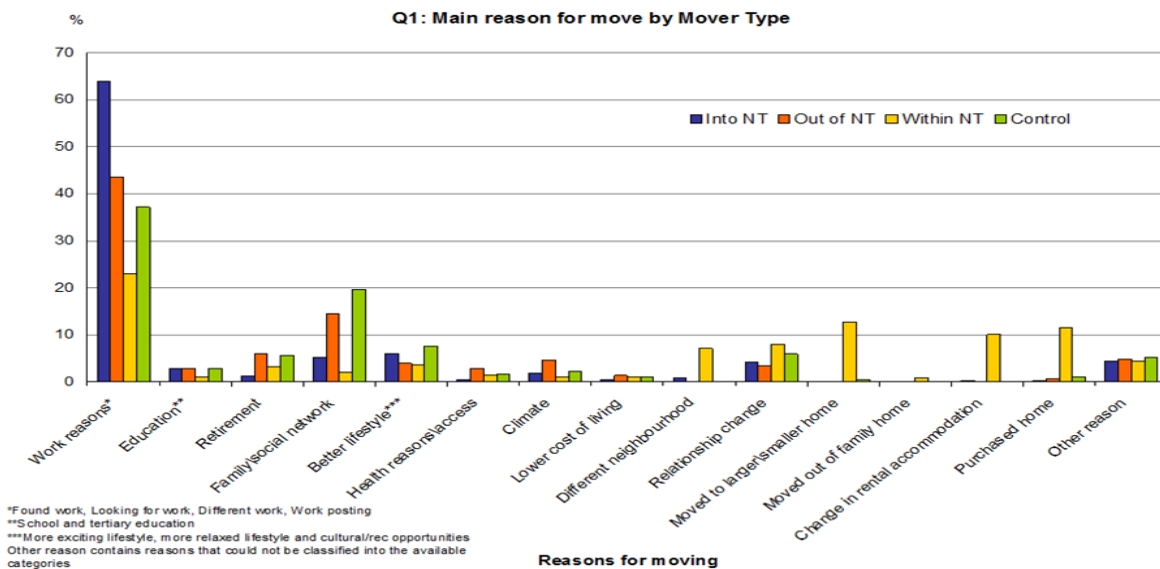
- Recognising there may be few policy levers to facilitate population growth during eras where conditions in key economic sectors are poor (currently mining and tourism, for example);
- Policies for promoting housing affordability, welcoming international migrants, improving tertiary and higher education facilities, and improving transport and communication technologies may 'soften the blow' and position the Territory for faster recoveries; and
- Investigating population implications from policies promoting economic diversification or 'smart specialisation' (for example, being an LNG hub) may be beneficial, and especially so given the relatively narrow economic focus of Australia's Developing Northern Australia agenda.

5 Push and pull factors for Territory migration

Understanding the unique aspects of the Territory's migration system and the factors that encourage people to move into and out of the Northern Territory are critical, as is understanding the characteristics of those who stay here long term (Territory survivors).

Research indicates the availability and quality of work is the most important factor for people moving to and away from the Northern Territory. People migrate to the Territory based on actual and perceived better employment opportunities in some sectors, including higher salary opportunities, to apply specialist skills and education and opportunities to engage with Aboriginal people. Migration based on career escalation helps explain why many people do and will continue to come to the Northern Territory for a limited or fixed period of time.

Figure 3 Territory Mobility Survey (2008), main reason for moving to the Territory by mover type



5.1 Migration within the Territory

Compared to other Australian jurisdictions, population re-distribution within the Territory through internal migration is small. However, the Northern Territory is experiencing an increased concentration of people in urban centres (primarily greater Darwin).

Steady and long-term urbanisation has a number of negative population effects as well as eroding the capacity for growing the economic and social base of the regions. For example, local governments may have diminishing rates bases that cannot keep up with costs, while the potential for innovative business start-ups may be limited by people and skills shortages.

5.2 What motivates people to leave?

Work and family dominate the reasons people leave the Territory. While work is the main driver in younger and middle ages, after the age of 55 the primary drivers are retirement, family or social reasons and cost of living. The Territory Mobility Survey revealed those leaving were most likely to be couples with children (37%). This may reflect young and early career couples' in-migration for work, starting a family while in the Territory and then out-migration to be close to family support networks.

A 2014 study carried out by the Council on the Aging and CDU found that cost of living was the most prominent reason seniors left the Territory, followed by being closer to family or friends. A significant number of people also identified the climate and access to health services in the Territory as reasons for leaving.

5.3 'Surviving' through life-stage transitions

Research from CDU has shown that getting people to stay for five years leads to higher retention of populations. In 2008, CDU studied almost 2000 older Territorians as part of the Territory Mobility Survey which evidenced a large decline in the intention to leave the Territory after five years of residence. This inverse relationship between number of years spent in the Territory and the likelihood of leaving applies across all ages, such that encouraging people to stay beyond the five year median is likely to assist with retention overall. The 'critical' period to encourage five year stays

is likely the first year or two as people consider moving from temporary to more permanent living or working arrangements.

Surveys also show that survivorship in the Territory is particularly vulnerable during key life stage transitions, for example:

- Going from school to university;
- Transitioning from not being part of a family to having children;
- Progressing from early-career through mid-career into late-career; and
- Transitioning from work to retirement.

Staying in the Northern Territory throughout life stage transitions requires certain expectations to be met and policies which facilitate this are likely to have a higher chance of success. Proposed actions to achieve this include:

- Strategies designed for workers transitioning from one career stage to another, in particular, training and professional support for workers who have spent their early career in the Territory and are now looking to progress; and
- Strategies to make people feel welcome and attached to the Territory within a year or two of arrival; for example, assistance in moving from temporary to permanent housing and with raising a family.

There has also been a recent increased outflow of Aboriginal people from the Territory. It will be important to understand what is driving this change, and what might be done to encourage more Aboriginal Territorians to stay or return.

5.4 Putting it together in the Northern Territory context

Surveys indicate that a large portion of people who arrive in the Territory do so with the intention of staying for a fixed period of time. Many of these, in particular those who come primarily for career escalation, will not be influenced by retention strategies. However, others such as pre-retirees transitioning to retirement, mid-career workers transitioning to late-career, overseas skilled migrants and career-driven movers with no fixed idea about their length of stay in the Territory may be readily influenced to stay.

The role of family is important in considering how to improve retention of identified groups. The loss of women and couples with new families is considerable, which points to the need for strategies to make the Territory more attractive to new parents, grandparents and other family support networks.

6 Population targets

Population targets can be beneficial because they signal action. They are also useful in setting expectations with stakeholders. However, targets may detract from the importance of sustainability and community well-being in the population discussion.

Population targets are rarely met; in the medium term populations never change precisely according to expectations or forecasts. Despite the methods and materials for population forecasting coming a long way in the last decade, projections and targets can quickly become obsolete due to changes in one or more of the assumptions the targets are based on. As well, external factors (such as those described on page three) are significant contributors to population growth trends and are outside the influence of the Northern Territory Government.

7 Strategies for growth

Population strategies should be focused on target population markets; that is, groups of people considered likely to respond to strategies and incentives to come or stay in the Territory. The researchers identified key 'green' 'orange' and 'red' target markets based on their likelihood of taking up attraction and retention initiatives. The identified markets for attraction and retention are:

ATTRACTION/ RECRUITMENT		RETENTION	
***	International migrants	●	*** Older people ●
***	Repeat dwellers	●	*** Children/ young families ●
***	Late career workers	●	*** Residents 'in transition'+ ●
***	Early career women	●	** Young professionals (especially women) ●
**	Seasonal and temporary workers (base here)	●	** Non-Darwin residents ●
*	Lifestyle migrants	●	* Indigenous residents ●
*	FIFO workers (convert or base here)	●	* Mid-career workers ●
			* International migrants ●
			* Out of work construction workers/ miners etc ●

+ For example, school to university, between career stages, making career changes etc

Key strategies recommended for attracting (and retaining) each of the 'green' markets include:

- Targeting international migrants for recruitment and retention;
- Leveraging existing residents who are part of growing overseas born communities in order to encourage chain migration (such as family migration) and/or encourage associated migration (for example, professionals encouraging others from their home communities to migrate by their social media posts);
- Ensuring the availability of high quality education services (both school and post-school), competitive cost of living and good transport connections to southern capitals to assist in reducing out-migration, particularly of professional early career women; and
- Establishing an 'alumni' database containing contact details of past residents and visitors; and providing information about opportunities to return to the Territory and promoting them to these alumni via social media, a web site, a newsletter or similar communication.

Targeting the 'orange' markets for attraction and retention was also considered important by the researchers. Seasonal and temporary workers have some potential for improved recruitment through strategic marketing. For domestic workers, there may be opportunities to convert their short term employment to longer term residence through promoting work or career pathways in the Territory.

The improved retention of Aboriginal Territorians might also be considered as an area for specific policy initiatives as the net loss to interstate is growing year on year. The likely reasons for out-migration from the Territory are not fully understood. However, like all populations, Aboriginal people are urbanising around the world. A range of other issues may be influencers including improving education outcomes, employment and health. Additional research is required to identify the causes of this outflow and how it might be stemmed, including how more Aboriginal people might be attracted back to the Territory.

8 Global trends and 'owning' the Territory's transience

Analysing and understanding global trends that influence the Territory's population is important. While they cannot be changed, new opportunities for the Territory may arise out of these drivers.

Understanding global technology and economic trends and their relationship to Territory population growth allows beneficial 'ownership' of the Territory's population transience.

There has been a strong focus in the Northern Territory on natural resource developments which are accompanied by periods of high labour demand, particularly in construction and expansion phases. Workers are attracted to these high paying jobs but tend to leave once the work has ended. Examining ways to keep these transient workers in the Territory for the long term will assist in the development of effective retention initiatives.

Another example of a global trend relevant to the Northern Territory is the substantial change in the organisation of defence forces in the Western world, the increase in attention towards internal security and the decrease in attention to border protection. Understanding these changes will assist in developing policies that are compatible with Territory defence sector changes.

9 Further research and communications

There are a range of further activities that could support the implementation of the actions suggested by CDU and other researchers. These include the following:

- A series of focus groups could be undertaken with the international migrant communities identified in the report (Filipino, Indian, New Zealand and Nepalese communities to begin with) to identify factors that could contribute to increased recruitment and retention of these population segments;
- Research could be done with retiring and newly retired Territorians who are considering leaving the Territory to identify what might make them decide to stay;
- An online survey of Territory 'alumni' could be conducted to identify when and why they may be interested in moving back to the Territory;
- A 'welcome pack' could be developed for newly arrived interstate migrants both to encourage them to update Medicare and other records, and to lead them to an online and ongoing survey to track their experience of embedding themselves in the Territory in the first five years of their stay;
- These activities could be coupled with a rolling survey of Territorians and annual focus groups to monitor how attitudes to living in the Territory change and to evaluate the impact of strategies implemented under the population policy; and
- Results of research projects would be distributed to the broader community through regular e-updates.