

MEDIA RELEASE

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ROBUST POPULATION PLAN NEEDED TO SUSTAIN RECOVERY

Official new data underscores the need for Australia to develop and implement a robust plan to restore immigration and population growth to aid our economic recovery, according to the Urban Development Institute of Australia (UDIA).

The Australian Bureau of Statistics has today released new data showing Australia recorded a net loss of 88,800 people in 2020-21 from the national population due to the impact of COVID-19 on overseas migration.

This compares to a net gain of 241,300 people in 2018-19.

UDIA National – the nation’s peak body representing the property development industry – said the ABS data shows the need for a swift recovery in our migration and population growth.

“Population growth powers our economy, improves our global competitiveness, balances our demographic profile and sustains the tax base,” said UDIA National President, Maxwell Shifman.

“We are already witnessing labour shortages across critical sectors of the economy and if the downturn entrenches itself, there will be a long-term drag on the economy, business and future investment.

“Immigration is a crucial fuel for the economy, with Net Overseas Migration (NOM) historically accounting for approximately 60 percent of the population growth needed to sustain a vibrant economy.

“The Centre for Population estimates that Australia’s population will be 1.1 million people lower by 2031 than pre-COVID forecasts – shrinking the base of economic activity.

“This translates to approximately 400,000 fewer homes being built, which will cost jobs and wages up and down supply chains and add to the housing supply drought already facing the nation.

“UDIA is urging the Commonwealth to set a bold new target for NOM well above the pre-pandemic goal of 160,000 per annum – and seek to double NOM until Australia has closed the gap caused by the pandemic.

“This should incorporate dedicated streams of work to fill workforce shortages, attract skilled migrants and bring foreign students back at scale.”

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