

# Australian population declines for first time since World War I

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The number of people in Australia declined in the September quarter last year, the first such occurrence since before 1916.

Estimates released last week by the Australia Bureau of Statistics revealed that the country's population dropped by 4,239 to 25,693,059 in the three months to September 2020. By comparison, in the 19 years to March 2020, Australia's population grew by an average of 84,165 each quarter.

Population growth is typically second-highest in the September quarter, so the year-on-year decline was actually higher, at 111,022.

The Centre for Population, established in 2019 under the treasury department, predicts that the nation's population will grow by just 0.2 percent in the year to July 2021, a dramatic reduction from the annual average of 1.7 percent over the last decade.

The immediate cause is the dramatic reduction in immigration as a result of COVID-19 border restrictions. But "natural increase," defined as the difference between the number of births and the number of deaths in a given period, also fell over the quarter, continuing a decline that has been underway since 2012.

Immigration has been the primary driver of Australia's increasing population for most of the last 20 years and was the source of 64 percent of the country's growth in the year to March 2020.

Net Overseas Migration (NOM) is expected to remain negative until at least 2022-2023, based on estimates released in December, when the federal government's vaccine roll out promised to allow a relaxation of international border restrictions by the end of October 2021. With the vaccine roll out in a shambles and far behind target, the forecast may not be met.

This presents a major problem for the Australian economy, which for decades has relied heavily on population growth as a driver of productivity. Since 1991, the country's population growth has exceeded the overall OECD figure in all but one year, and in 2019 the Australian figure of 1.52 percent was almost three times the OECD number of 0.54

percent.

Australia's rapid population growth has masked economic downturns. While the country had only five quarters of negative GDP growth between 1991 and 2018, per-capita GDP fell in 21 quarters over the same period.

International students are the largest cohort of migrants, making up more than 30 percent of net overseas migration. According to data from the Department of Home Affairs, 189,477 visas were granted to higher education students in the 12 months to June 2019.

Overall university operating revenues fell by \$1.8 billion last year, in part due to the lack of international students, and are set to plunge another \$2 billion in 2021. International students are forced to pay tens of thousands of dollars in up front fees, and have been treated as cash cows by governments and university managements for decades amid continuous cuts to funding for the sector.

With the sharp fall in international student numbers, university managements, with the backing of the unions, responded last year by slashing as many as 90,000 jobs and intensifying a protracted assault on staff wages and conditions.

The government's Higher Education Relief Package, announced in response to the COVID-19 pandemic, did nothing to replace the \$4.6 billion shortfall in international student tuition fees as students were either prohibited from entering the country or forced to leave by the Liberal-National government's refusal to provide them with any financial support.

Instead, the pandemic was exploited to bring forward a major restructuring of higher education aimed at further subordinating Australia's universities to the immediate vocational needs of big business and the state.

The overall economic impact is much larger than the fall in tuition fees, however. In 2018-19, international students were worth at least \$38 billion to the Australian economy, making education the country's fourth-largest export.

Over 500,000 temporary visa holders left Australia between March 2020 and February 2021 as a result of the

widespread destruction of jobs and the fact that they were denied the JobKeeper wage subsidy and JobSeeker welfare payments throughout the pandemic.

This exodus has created havoc in industries, such as horticulture, that have come to rely on a steady stream of backpackers, students, and other migrant workers who are at once desperate for funds and subject to draconian restrictions on where and how much they are allowed to work. These workers are frequently on sub-poverty level wages or are paid in kind with food and boarding, and have been subjected to brutal mistreatment.

According to horticulture peak body Growcom, a shortage of 26,000 seasonal workers has cost the industry \$45 million in unharvested crops over the last six months.

In a stark example of the irrationality of capitalist production, this supposed “labour shortage” comes in circumstances where almost two million Australian workers are unemployed, and hundreds of thousands more are likely to be thrown on the scrapheap as JobKeeper ends this week.

The ruling elite has argued that JobKeeper and the JobSeeker supplement must end in order to force unemployed city-dwellers to take up poorly-paid, short-term work in rural areas. The Morrison government has floated cutting welfare recipients off their benefits if they do not make the move. Other “solutions” it has advanced to the supposed labour shortage include quarantine exemptions for seasonal Pacific Islander workers.

The only solution not on the table is decent pay and long-term stable employment.

In recognition of the economic imperative to not only resume, but accelerate, the importation of migrants for super-exploitative, cheap labour, a federal Joint Standing Committee on Migration has issued an interim report insisting that the COVID-19 crisis must not be allowed to go to waste.

The report said: “Now is the time to attract highly talented individuals and businesses to Australia. This is an opportunity we will never get again and we need to ensure Australia gets those settings right.”

In other words, the unprecedented restructuring of the Australian workforce, carried out with the backing of Labor and the unions under the pretext of the pandemic, must be intensified.

The report called for the repeal of multiple restrictions on the recruitment of overseas workers, including requirements for jobs to be advertised locally and offered to the unemployed. Under the recommendations, employers would no longer be required to contribute to the Skilling Australia Fund, which supports trainees and apprentices. Places on repatriation flights and in quarantine hotels would be reserved for migrant workers while the international border

remains closed.

The Labor opposition, which supports the pro-business overhaul of the economy, has responded to the report with nationalist denunciations. Speaking on the Australian Broadcasting Corporation’s “Insiders” program on March 21, Shadow Home Affairs Minister Kristina Keneally objected to the “almost laughable” report on the grounds that accepting its recommendations would “leave Australian workers behind.”

Keneally declared that “this government has let temporary migration soar to historically high levels, and that has had an effect on the ability, particularly of young Australians, to get into the workforce.”

Workers and young people should reject this with the contempt that it deserves. Labor and the unions are promoting nationalism to divert attention for their own responsibility for the social crisis. Both have presided over the destruction of hundreds of thousands of jobs and the closure of entire industries, to boost the profits of the corporate elite. This has led to the casualisation of the workforce, and has created a situation where all workers, migrant and non-migrant, are compelled to compete for an ever-decreasing number of full-time jobs.

Labor’s nationalist rhetoric is aimed at preventing a unified struggle by the working class against the corporate offensive, which it fully supports. Its purpose is to divide workers along national lines, and to scapegoat foreign workers for the mounting social hardships confronting all sections of the working class.

The fight against inequality and the corporate onslaught on jobs, wages and conditions, can only go forward on the basis of an internationalist perspective, aimed at uniting every section of workers in a struggle for their common class interests.

This must include the demand that all workers, wherever they are from, have the right to live, work and study in Australia, or anywhere else, with full citizenship rights and with decent wages and conditions, as a fundamental democratic right.



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