



Reference period: December 2020

4 May 2021

Regional Internal Migration Estimates, Provisional (PRIME)

In the calendar year 2020, around 354,000 residents moved interstate, down by 10.6 per cent compared to 2019. The drop in the annual number of people moving interstate has had a major impact on regional areas, with areas outside of the capital cities experiencing their highest net internal migration gain on record. This was driven by less people leaving the regions for the capital cities, rather than a pickup in people moving from capitals to the regions.

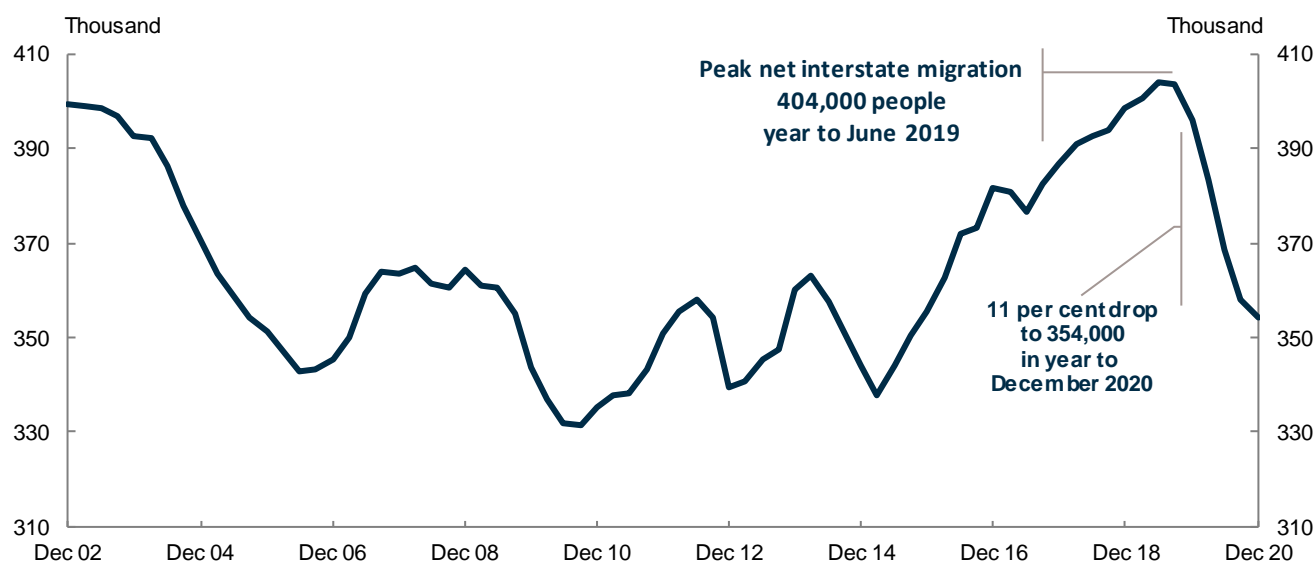
Melbourne had a steep decline in net internal migration due to the prolonged lockdown to curb a COVID-19 outbreak, which only lifted in late November. Melbourne had a net loss of 26,100 residents in 2020, compared to a net loss of around 500 residents in 2019. This was driven by a large reduction in arrivals to Melbourne.

COVID-19 restrictions and the Melbourne lockdown have seen the rate of internal migration fall across Australia. States which traditionally record departures of people to Melbourne have seen departures drop (particularly SA and WA). In many states and territories, the pattern of increasing NIM driven by declining departures is present both in their capital cities and in their regional areas (for example WA, SA). However, in NSW the distribution between the capital city and the regional areas was more mixed.

As COVID-19 restrictions started to ease, net internal migration (NIM) started to recover, although remains down across the year.

In the three months to December 2020, 105,000 people moved interstate in Australia, an increase of 28,500 from the three months to September 2020. Despite this increase, interstate migration over the past 12 months is 10.6 per cent lower than a year earlier. The recent peak of NIM was 404,000 in the year to June 2019.

Chart 1. Level of interstate migration, year ending, 2002 to 2020

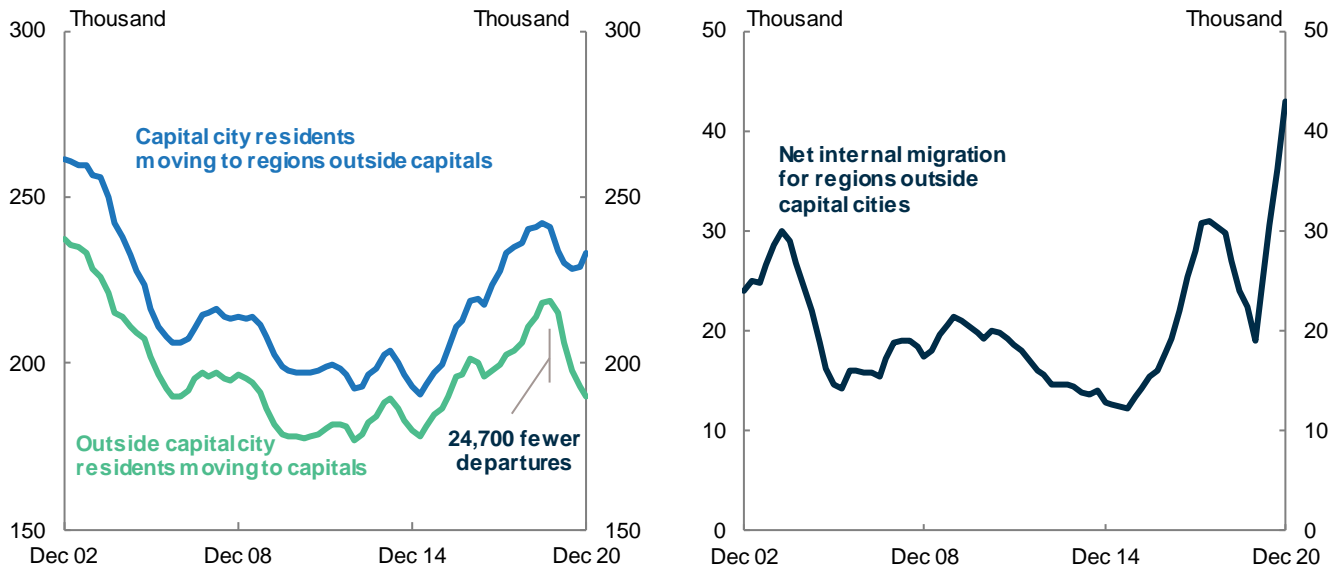


Lower NIM is driven by fewer people leaving the regions for cities.

Areas outside of capital cities have continued to experience increased NIM, gaining 43,000 people in the year to December 2020. This is the highest net gain on record, improving on the previous record, set in the year to September 2020, by 6,800 people.

The net gain for areas outside capital cities was driven by a drop in the number of people leaving regional areas for capital cities. Around 190,000 residents moved from regions to capital cities in the year to December 2020, 24,700 fewer than the 215,000 that moved in the year to December 2019 (Chart 2).

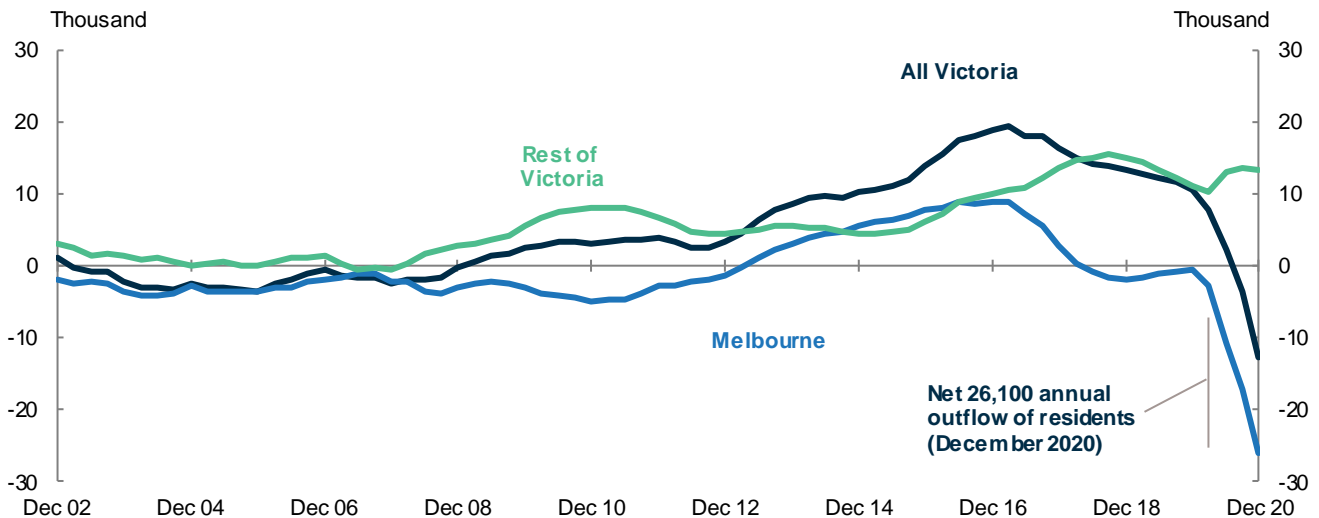
Chart 2. Intrastate and interstate migration, regions outside capital cities, year ending, 2002 to 2020



Melbourne’s COVID-19 lockdown has seen a large net outflow from Melbourne ...

This release also shows the full impact of the second Victorian lockdown following the outbreak that started in Melbourne in late June. Melbourne went into stage 4 restrictions in early August, with the lockdown lifting in late November. These restrictions exacerbated the steep fall in internal migration to Melbourne recorded in the year to September 2020, with a net outflow of 26,100 people in the year to December 2020.

Chart 3. Net internal migration, Victoria, 2002 to 2020



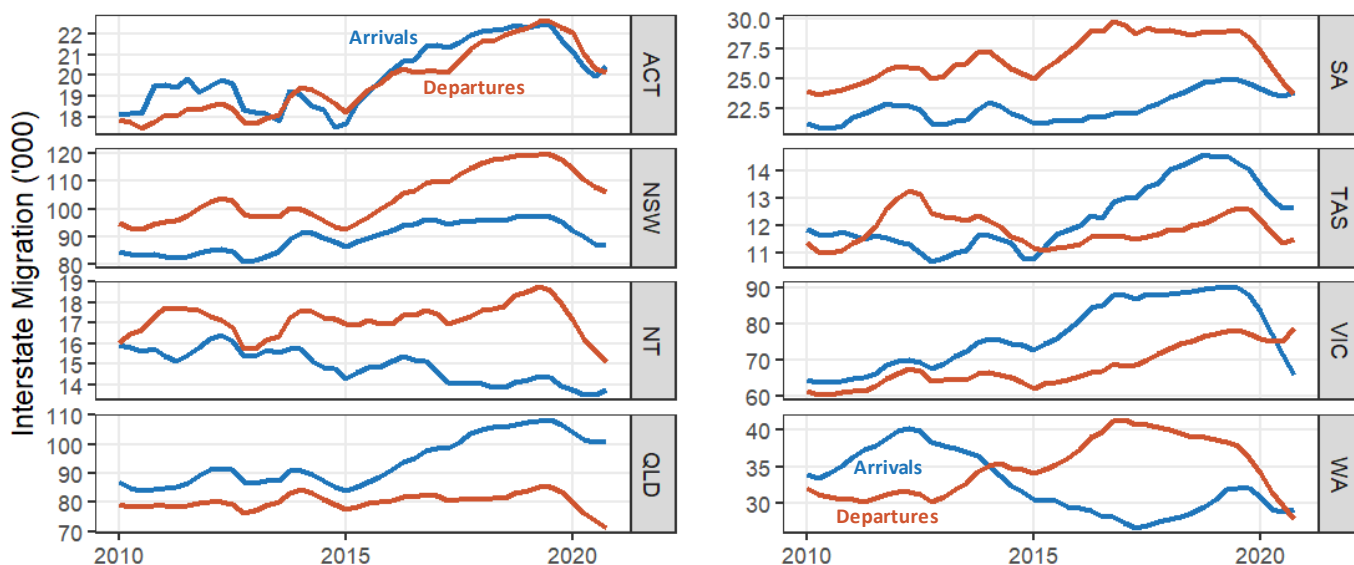
A drop in arrivals to Melbourne was the main driver of this decline. While in the year to December 2020, Melbourne also had 4,400 additional departures when compared to a year earlier, it had 21,100 fewer arrivals.

Given Melbourne has recently been a strong net gainer of internal migrants, drawing people from all over Australia, this changing pattern of arrivals to Melbourne has had a flow-on effect to all other state and territories.

... and this is having an effect on internal migration patterns across Australia.

There have been falls in the rate of migration across Australia (Chart 4). Some other states and territories have seen both arrivals and departures fall at similar rates (e.g. the Australian Capital Territory (ACT), Tasmania (TAS), New South Wales (NSW)), while the effect of a large decline in net internal migration to Melbourne has likely affected regions that normally have a large outflow of people to Melbourne (especially South Australia (SA) and Western Australia (WA)). These states have seen a sharp drop in departures. Queensland has also seen departures fall, but arrivals have largely held up, leading to high NIM to Queensland (QLD).

Chart 4: Arrivals and Departures by state and territory, year ending, 2010-2020



Aggregate state and territory movements mask different patterns between cities and regions.

In many states and territories, the pattern of increasing NIM driven by declining departures is present both in their capital cities and in their regional areas (for example WA, SA). However, in NSW the distribution between the capital city and the regional areas was more mixed (Chart 5).

For example, **Western Australia** recorded a net inflow of 1,400 people in the year to December 2020, the first time the state recorded a net inflow since 2013. This was driven by the same pattern in both Perth and regional WA of lower departures, with 8,100 fewer people leaving Perth in December 2020 compared to a year earlier, and 5,100 fewer people leaving regional WA.

Similarly, **South Australia** had a third quarter of positive net interstate migration in the December quarter, seeing the state record an annual net inflow of people in 2020, the first time SA has recorded a positive annual interstate migration figure since 1992. Departures again drove this improvement, with departures from Adelaide declining by 4,100 from a year earlier, and departures from regional SA declining by 2,100.

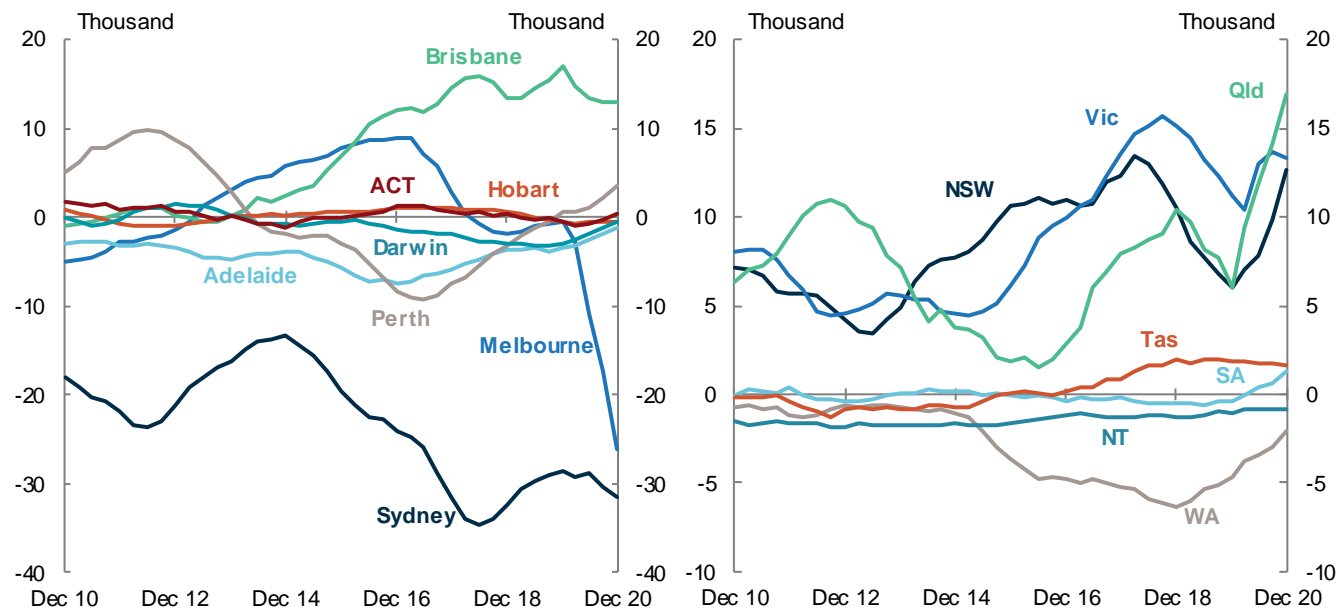
Queensland continued to have the largest net gain of people compared to all other states and territories. However, this was also largely due to drop in departures, particularly in regional Queensland. Departures from Brisbane also decreased by 5,500, but the departures from regional Queensland decreased by 11,600 between December 2019 and December 2020.

By contrast, in **New South Wales**, a state which also increased its NIM (losing 3,600 fewer people than the year to December 2019), there are diverging patterns between Sydney and regional NSW.

In regional New South Wales, the NIM improvement was driven by a large decrease in the number of departures from a year earlier, where 6,700 fewer people moved out of regional NSW compared to the year before. However, in

Sydney, while there were still 4,200 fewer people leaving Sydney than in the previous year, there was an even larger drop in arrivals (7,300), offsetting the gains in NIM that New South Wales otherwise would have experienced.

Chart 5. Net interstate migration, capital cities and rest of state areas, year ending, 2010 to 2020



Timeliness of this data

Interstate migration estimates are based on Medicare change of address data. When calculating migration estimates based on Medicare data, the ABS assumes a three month lag between the actual change of address and the update of the Medicare address. In reality, there may be variations in the timeliness with which internal migrants update their Medicare address. As such, movements which occurred during the March 2021 quarter may appear in the December 2020 release.

New detailed data, commissioned by the Centre for Population, Treasury

This is the third release of PRIME data by the ABS, a release funded by the Centre for Population. PRIME data provides quarterly estimates of interstate migration and internal migration between capital cities and areas outside the capital cities. Prior to this release, sub-state data was only available annually. This new data provides insight into the impact of COVID-19 restrictions throughout 2020. The final release in this series will be published on 3 August 2021.