



Australian Government  
Centre for Population

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# MIGRATION BETWEEN CITIES AND REGIONS:

A quick guide to  
COVID-19 impacts.

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*COVID-19 is expected to result in less migration to capital cities, at least in the short to medium-term.*

# Introduction

## COVID-19 and the impact on migration between cities and regions

The social, economic and technological impacts of COVID-19 have raised the possibility of a longer-term shift in migration patterns between capital cities and regional areas across Australia.

Recognising the longer-term importance and uncertainty surrounding this topic, the Centre for Population has:

- [Commissioned advice from expert demographers](#) at the University of Queensland on the impacts of past economic shocks and the anticipated impact of COVID-19 on internal migration in Australia. This work included a survey of experts to gauge their expectations of the impact of COVID-19 on internal migration.
- [Released the first annual Population Statement](#) which incorporated the University of Queensland work into a range of COVID-19 population projections.
- [Funded the ABS to release early data](#), the Provisional Regional Internal Migration Estimates (PRIME). This work is important as historical precedents may no longer hold true and the migration environment rapidly changes. Timely, on-the-ground reporting of trends is crucial for policy makers and businesses seeking to understand the impacts of COVID-19.

## Key findings

- Our central projection scenario sees a net shift in migration away from capital cities in favour of regional areas in 2020-21, before gradually returning towards the long-run average.
- Underscoring the uncertainty surrounding this topic, surveyed experts were split on the impact of COVID-19. Approximately half expect it to have no impact on migration patterns between cities and regions, with the other half expecting a slight shift in favour of migration from capital cities to regional areas.
- Early PRIME data indicates there has been a net shift in migration towards regional areas. The impact of the lockdown in Melbourne and Victoria is also evident in these data, with Melbourne experiencing its largest net migration loss on record.

The Centre for Population will continue to monitor emerging trends to refine projections and related policy analysis.

## Further work

This document is part of a series of quick guides published by the Centre that explore the impact of COVID-19 on the Australian population and internal migration. One of these quick guides, '[Why do people move?](#)', sets the foundation for understanding internal migration by identifying the factors that influence people's decisions to move.

All reports, along with the latest internal migration data can be found at [www.population.gov.au](http://www.population.gov.au).

# Migration between cities and regions

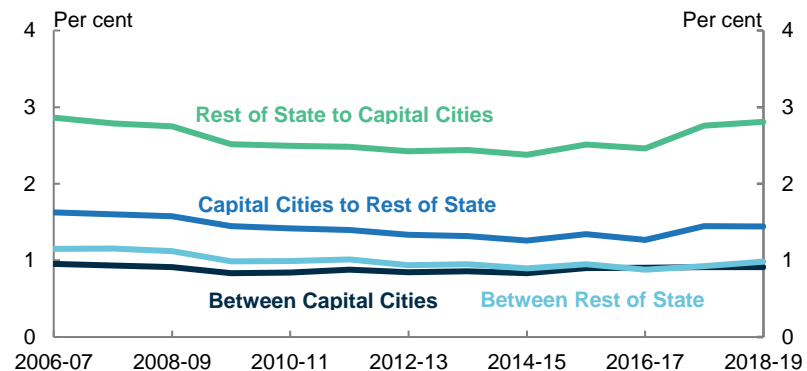
*Movements of people between capital cities and regional areas usually occur within the state or territory.*

Relocating is closely correlated to age and key life events. The Centre explored this in '[Why do people move?](#)'. Educational opportunities, entry into the labour market, and forming of relationships all drive young adults to be the segment of the population most likely to move. These life events typically favour moving from regional areas to capital cities.

Older adults are less likely to move, however, when they do, this is more likely to be away from capital cities into regional areas.

In addition to family and lifestyle considerations, relative access to jobs and house prices also influence decisions to move within a state or territory.

**Figure 1: Intensity of migration flows between cities and regions**

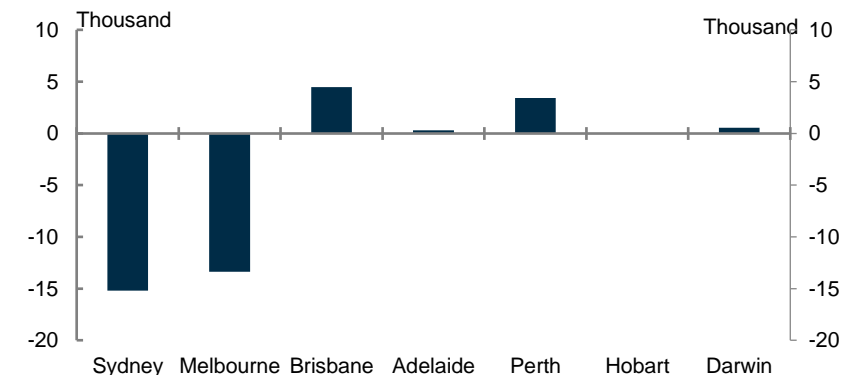


Source: Bernard, A et. al. [Anticipating the impact of COVID-19 on internal migration](#), Centre for Population Research Paper, December 2020.

Movements between cities and regions are often contained within a given state or territory. The direction of these intrastate flows differ between locations. Sydney and Melbourne have consistently had a net loss as residents move out to other parts of the state (Figure 2). However, these losses are more than offset by new overseas and interstate residents moving into Sydney and Melbourne. This has meant population growth in these cities has historically been strong.

Brisbane and Perth generally see greater flows of people relocating from regional areas into the capital cities. In Adelaide, Hobart and Darwin the arrivals of people from regional areas is generally offset by similar levels of people departing these capital cities.

**Figure 2: Net intrastate migration of capital cities, 2018-19**



Source: ABS, [Regional Internal Migration Estimates, Provisional](#), June 2020. Note: Capital cities referred to in this paper relate to the Greater Capital City Statistical Area boundaries (GCCSA).

# COVID-19 factors influencing migration

*Prior to COVID-19, 21.5 per cent of people reported working from home.*

*In September 2020, 40 per cent of people reported working from home.*

**Working from home has been a defining theme of COVID-19**

There are four key drivers that may influence the impact of COVID-19 on migration between capital cities and regional areas.

**Working from home.** The flexibility to work remotely could be a major disrupter to internal migration, giving people the opportunity to live in more affordable, or lifestyle driven locations. Early studies indicate that prior to COVID-19, 21.5 per cent of people reported working from home at least one day per week.<sup>1</sup> During September 2020, 40.0 per cent of people reported working from home at least once in the last week. A second study, also conducted in September 2020, indicated that 75 per cent of workers think their employers will support their future work from home plans.<sup>2</sup>

Major urban employers have signalled that enhanced working from home arrangements will stay in place post-COVID-19. The flexibility of these arrangements may lead to staff relocating and a surge in more people moving to regional areas. Careful analysis and monitoring of this trend will be required over the coming years to understand its full impact on internal migration and our cities and regions.



**Economic uncertainty and market conditions.** People are generally less mobile during times of economic uncertainty. People are more likely to move when they can secure a new job and somewhere to live in their desired location. This trend is partly countered by favourable labour and housing market conditions in regional areas, which can attract people from capital cities.<sup>3</sup>

**Restrictions on international borders.** The impact of fewer new overseas migrants entering Australia means Australian population growth has slowed and there are fewer people making decisions to move within Australia. The slowing of population growth is mainly experienced in cities, where the bulk of new migrants settle. This rapid slowing of population growth in cities driven by fewer overseas migrants (a mobile segment of the population) may influence labour and housing market conditions in cities, which in turn, influences individual decisions to move.

**The impact on young adults.** Young adults are the most mobile segment of the population, responsible for the bulk of internal migration.<sup>4</sup> As a result, the impact of COVID-19 on this cohort will be important in understanding migration between cities and regions.

In the short-term, an increase in the trend of young adults returning to their parental home may occur. Fewer young adults moving from regional areas to major cities is also expected given many of the key life events that would usually lead to moving, such as going to university, have been disrupted. Young adults also generally receive lower economic returns from migration for work opportunities during economic downturns than older workers.

<sup>1</sup> ABS, Household Impacts of COVID-19 Survey, September 2020.

<sup>2</sup> Institute of Transport and Logistics Studies, Sydney University, September 2020.

<sup>3</sup> Source: Bernard, A et. al. [Anticipating the impact of COVID-19 on internal migration](#), Centre for Population Research Paper, December 2020.

<sup>4</sup> See for example Centre for Population quick guide, [Why do people move?](#)

# COVID-19 intrastate migration scenarios

Expert opinions are mixed on the impact that COVID-19 will have on migration between regional areas and capital cities.

The Centre for Population has taken the COVID-19 factors influencing migration between capital cities and regional areas and translated these into a central forecast scenario. This scenario is detailed in Australia's first annual [Population Statement](#), released in December 2020.

The central scenario estimates the level of migration within a states remains broadly stable, but net flows shift away from capital cities in favour of regional areas. However, it is expected this shift will diminish over time and return to the long-term average during 2023-24.

This central scenario assumes no further periods of prolonged lockdowns occur within cities or states and territories. Were this to occur, the net shift in favour of rest of state would likely be higher, and the time taken to return towards the long-term average would likely be longer.

Given the unique and complex nature of COVID-19, and the uncertainty around the longer term impact on the nature of work, the Centre for Population will continue to monitor the impacts and update this scenario to inform policy analysis as required.

Net migration has shifted in favour of regional areas during COVID-19.

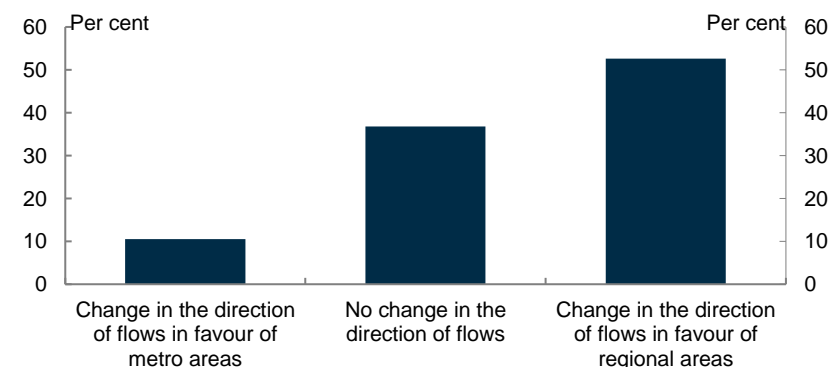
Source: Centre for Population, [Population Statement](#), December 2020.

<sup>1</sup> 19 experts from academia and government were asked for their views on the impact of COVID-19 on internal migration. These results provide very valuable contextual insight but should also be treated with appropriate caution given the small sample size.

The longer-term uncertainty surrounding the impact COVID-19 will have on intrastate migration is underscored by the differing views of experts in the field.<sup>1</sup> When asked, the share of respondents expecting the *direction* of migration to shift in favour of regional areas was broadly on par with those who anticipated that the historical patterns of migration towards urban areas would stay the same.

When discussing the overall *level* of people moving, the expert views were equally mixed, with the most common scenarios identified as stable levels or a slight increase in the levels of migration within states and territories. The expectations behind the slight increase in migration levels is motivated by the anticipation that remote working arrangements and favourable economic conditions may slightly stimulate migration in favour of regional areas.

**Figure 3: Expert survey responses on the most likely 12 month scenario**



Bernard, A et. al. [Anticipating the impact of COVID-19 on internal migration](#), Centre for Population Research Paper, December 2020.

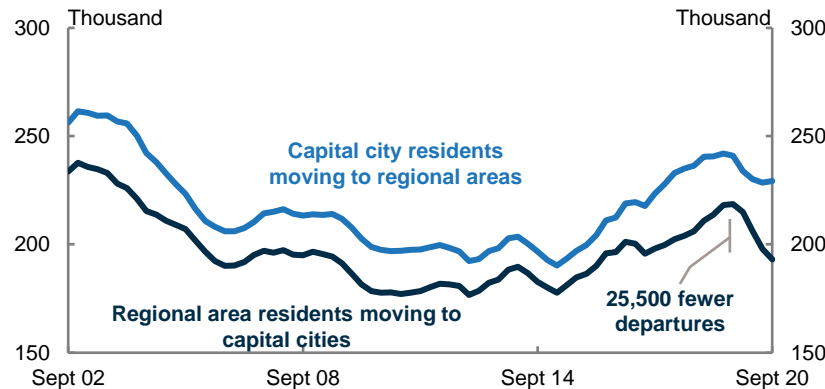
# The early impacts of COVID-19

*During COVID-19, more people are staying in regional areas and not moving to capital cities.*

The first releases of the new PRIME data confirm that COVID-19 is affecting people's decisions about where to live. PRIME data also confirm that there has been a net shift in favour of regional areas.

In the year to September 2020, PRIME data shows that regional areas outside the capital cities had a net gain of 36,200 people, the highest net gain on record. Importantly, this net gain of people in regional areas was driven by an increase in the number of people choosing to stay in regional areas, rather than a spike in the numbers of people leaving capital cities. Around 193,000 residents moved from regional areas to capital cities in the year to September 2020, 25,500 fewer than the 218,600 that moved in the year to September 2019.

**Figure 4: Movements between capital cities and regional areas**

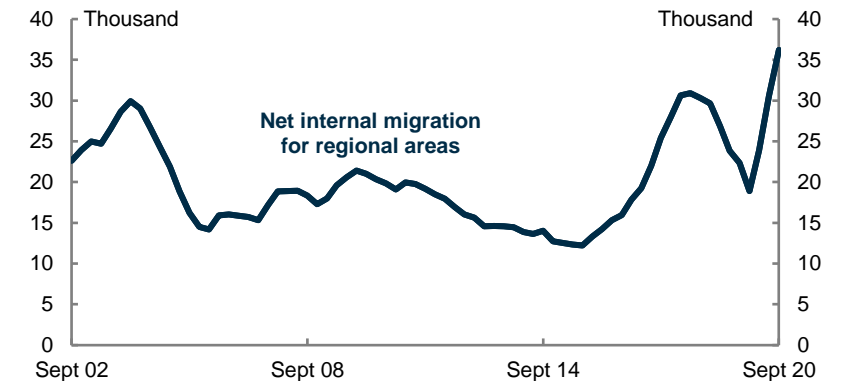


*ABS, Regional Internal Migration Estimates, Provisional, September 2020.*

The 15-24 year age group saw the largest drop in the number of people moving from regional areas to capital cities. This likely corresponds to younger adults either postponing or changing plans to move to capital cities for education, work or relationships.

The Melbourne lockdown and closure of Victorian borders from July to November 2020, also had a wider influence on migration patterns across Australia. The total number of departures across all regions of Australia fell during the six months to September 2020, which may have been driven by potential migrants to Victoria postponing their plans to move. This particularly affected regional areas that normally have a large outflow of people to Melbourne, such as regional Victoria (explored overleaf).

**Figure 5: Net internal migration for regional areas**



*ABS, Regional Internal Migration Estimates, Provisional, September 2020.*

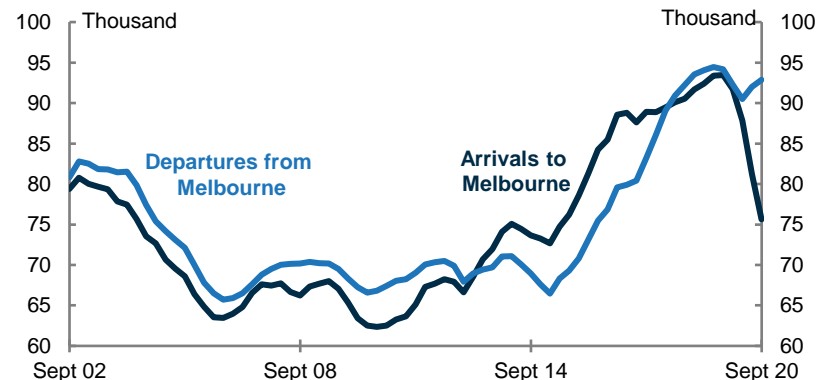
# Spotlight: Melbourne and Victoria during lockdown

*Melbourne had a net outflow of 17,200 residents in the year to September 2020, 25 times larger than the outflow observed the previous year.*

Effects from the second wave of COVID-19 cases in Melbourne are evident in the PRIME data. Melbourne had a net outflow of 17,200 residents from the city in the 12 months to September 2020. This compares to a loss of 700 residents in the year to September 2019. This outflow marks the largest net migration loss for Melbourne on record, with the majority of the outflow, 15,400 of the 17,200, occurring in the six months to September 2020.

Driving this historic net outflow of residents is a **sharp drop in the number of people arriving in Melbourne**. Arrivals fell to 14,400 in the September quarter 2020, a drop of 28 per cent from 20,000 in the September quarter 2019. In contrast, the number of residents leaving Melbourne has been relatively steady, with a fall in departures of 4 per cent.

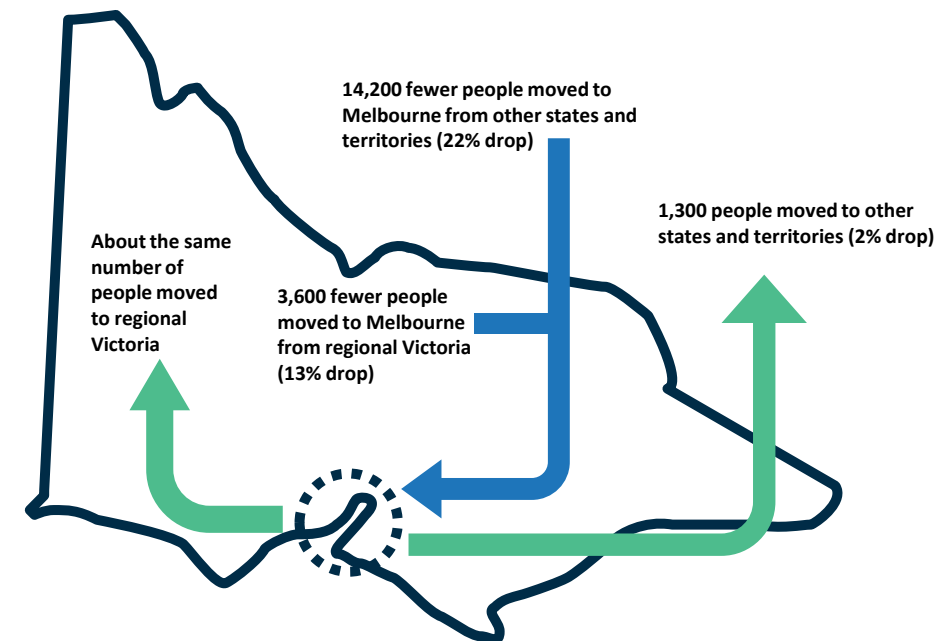
**Figure 6: Melbourne arrivals and departures, 2002 to 2020.**



ABS, *Regional Internal Migration Estimates, Provisional, September 2020.*

The largest fall in people moving to Melbourne came from regional Victoria, which had a 13 per cent drop in departures in the six months to September 2020. This drop in departures drove the record largest six monthly net gain of people regional Victoria has experienced (8,600 people). Other capital cities around Australia were also affected, with Sydney and Perth just behind regional Victoria in the decline of people moving to Melbourne.

**Figure 7: Melbourne migration flows, year to September 2020.**



ABS, *Regional Internal Migration Estimates, Provisional, September 2020.*  
Note: Melbourne relate to the Melbourne GCCSA.



# More information on internal migration

[www.population.gov.au](http://www.population.gov.au)

**Net internal migration**

**What is internal migration?**

Internal migration is the movement of people across a specified boundary within Australia (involving a change in their place of usual residence. This can be within a state or territory, or even within a city).

Interstate migration specifically refers to the movement of people over a state or territory boundary involving a change in their place of usual residence.

$Net\ internal\ Migration\ (NIM) = Arrivals - Departures\ within\ a\ specified\ boundary.$

**Internal migration has three main dimensions**

**Intensity: how many people move**  
The intensity of internal migration is the overall rate or level of movement within Australia, which provides an insight of how mobile a population is, and whether population mobility has changed over time or in reaction to social and economic events.

**Patterns: where people move to and from**  
The patterns of internal migration look at the spatial redistribution of the population, which provides insights into which areas are gaining people and which areas are losing people and informs population policy and planning.

**Composition: who is moving**  
The composition of internal migration gives an insight into the characteristics of people who are moving, and includes characteristics such as age, sex, employment status, and life events such as family formation.

**Net Internal Migration, 2018–19**

Sydney -25,600	Rest of NSW +3,500	Melbourne +2,300	Rest of Vic +9,900
Brisbane +15,900	Rest of Qld +6,900	Adelaide -3,900	Rest of SA -40

The following resources provide more information on migration within Australia.

## The Centre for Population

Population change affects every aspect of Australians' lives. It is important to understand how Australia's population is changing and the implications of these changes. The Centre for Population strives to understand and communicate the nuances of population change.

The latest data, research and analysis on internal migration can be found at [www.population.gov.au](http://www.population.gov.au).

## Primary migration data sources

Primary sources of migration data include:

- ABS, *Census*.
- ABS, *Australian Census Longitudinal Dataset, (ACL)*.
- ABS, *Survey of Income and Housing*. Note that the collection of housing mobility data occurs in every second survey.
- ABS, *National, state and territory population*.
- ABS, *Regional population growth, Australia*.
- ABS, *Regional internal migration estimates, provisional*.
- Melbourne Institute, *Household, Income and Labour Dynamics in Australia (HILDA)*.



Population Statement 2020



Anticipating the impact of COVID-19 on internal migration



Why do people move? Understanding internal migration in Australia





*Strong evidence. Deep insights. Collaborative approach.*

[www.population.gov.au](http://www.population.gov.au)

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