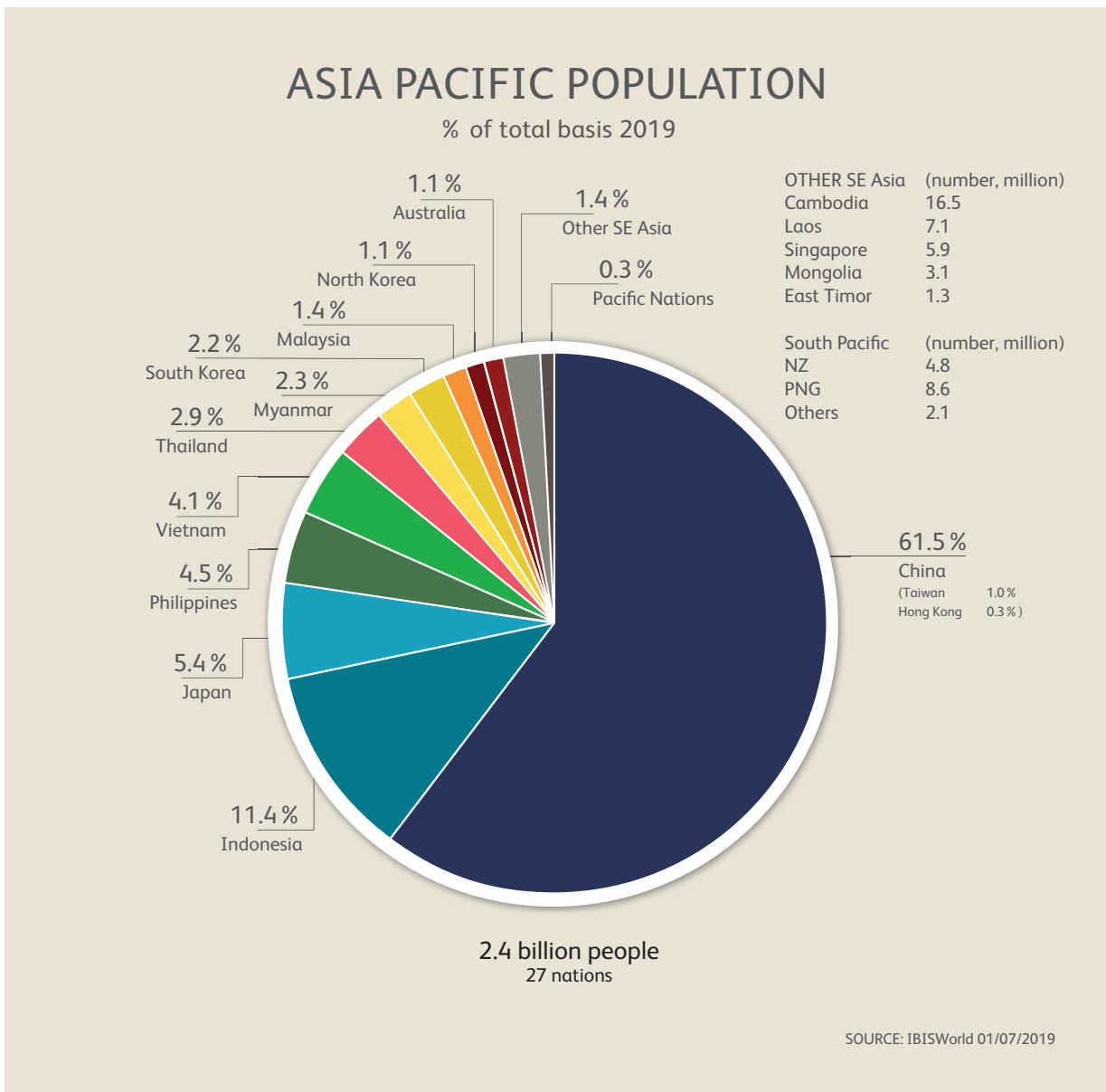


Australia's big demographic shifts

By Phil Ruthven AM, Founder IBISWorld

Australia accounts for a large percentage of land mass in the Asia Pacific region at 28%, but a negligible 1.1% of its population, as we see in the first exhibit.

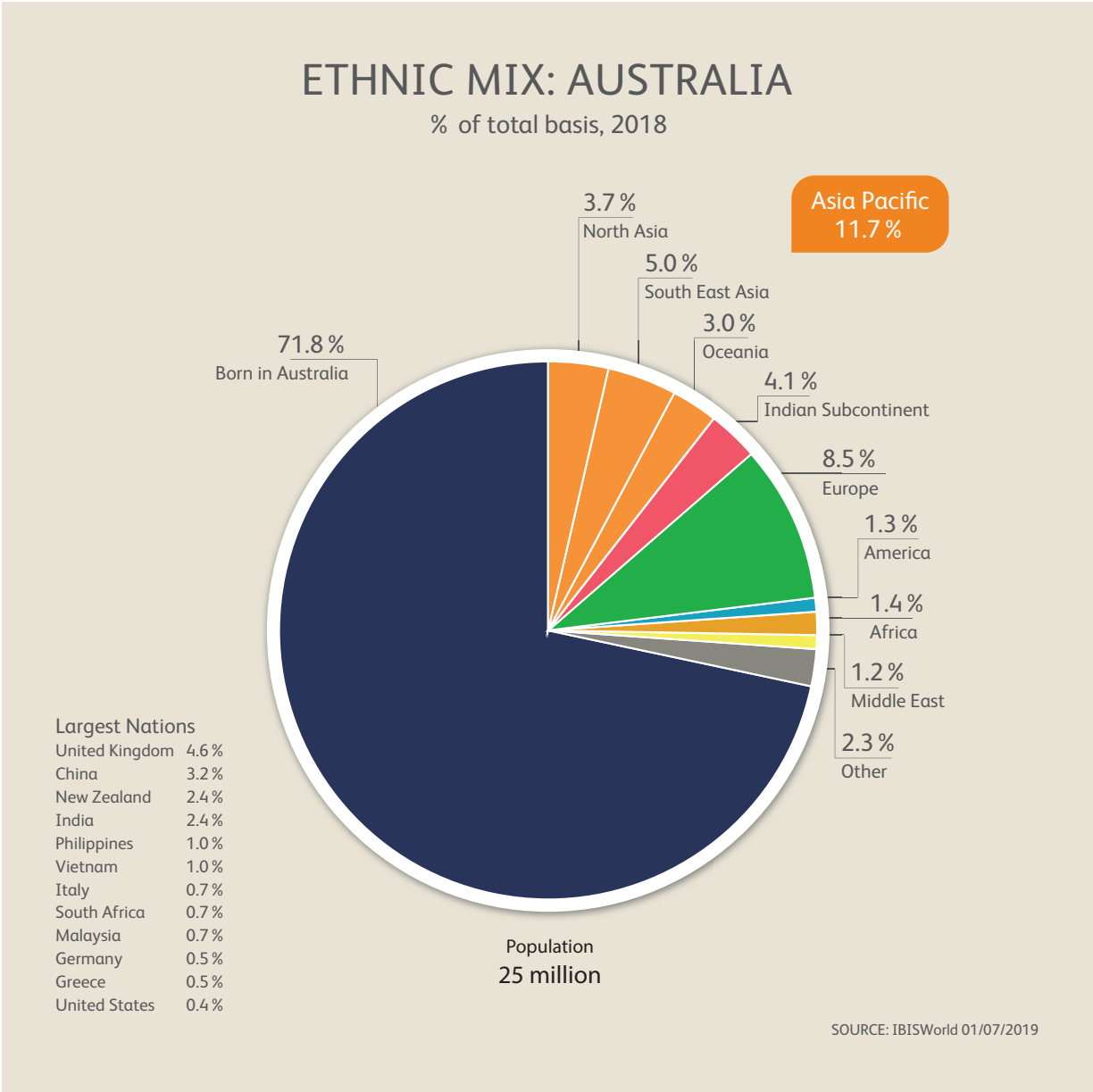


China has over 58 times our population, with 7 times our annual water supply on land that is only 1.2 times bigger than our 7.8 million square kilometres. Our nearest neighbour, Indonesia, has 11 times our population on a third of our land mass and, similarly to China, 7 times our water supply. Meanwhile, India, while not in our region but part of Greater Asia, has 55 times our population on less than half our land mass and 9 times our water supply.

These facts put things in modern perspective as we move through the 21st Century as part of the Asia Pacific region, and in turn part of Greater Asia, along with the Indian subcontinent, in what is already now termed the Asian century. The Eastern economy overtook the West in GDP (PPP) terms in 2016.

The current Trump-initiated trade-war with China (among other countries) makes diplomacy tricky for Australia, as we are allied to the United States in technology and defence, yet already integrated into Asia in terms of our immigration (67%), our tourism (67%) and trade (over 80%).

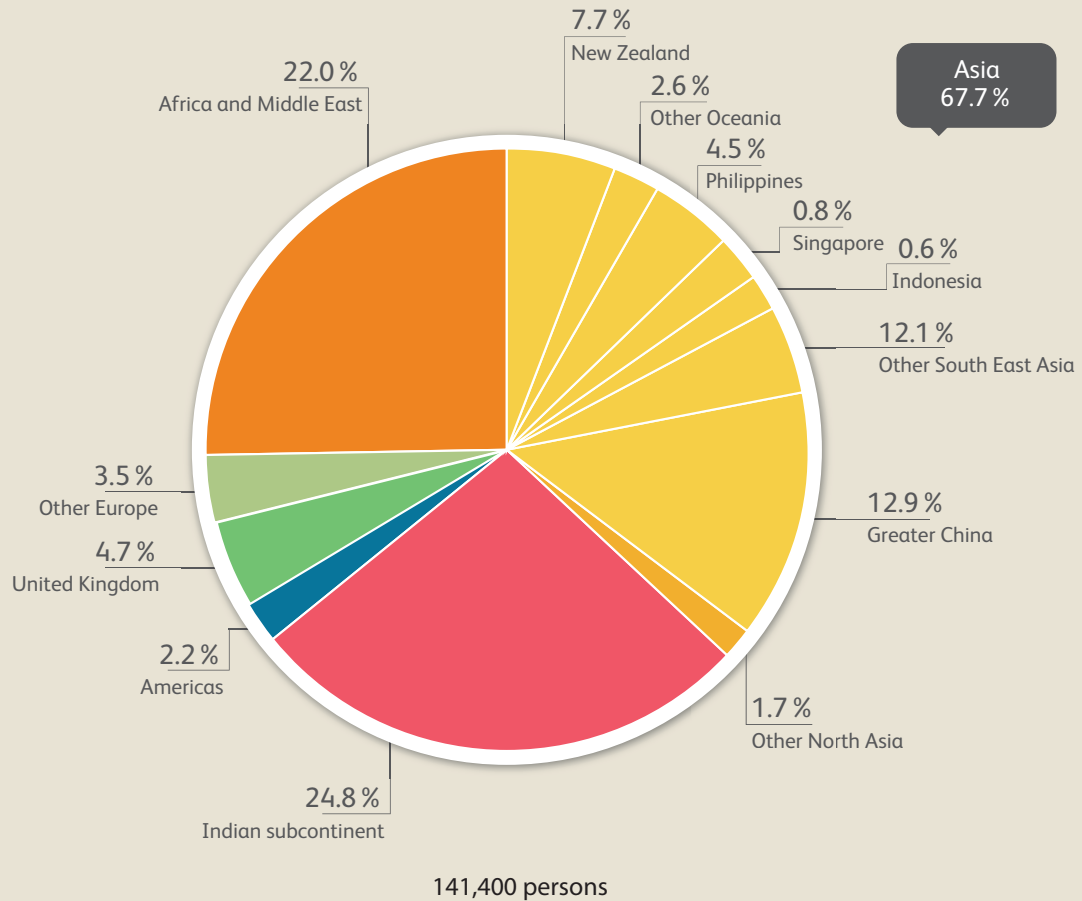
The following two exhibits show our current ethnicity and immigration profile.



IMMIGRATION BY ORIGIN

Permanent settlers, 2017 (12 months to January)

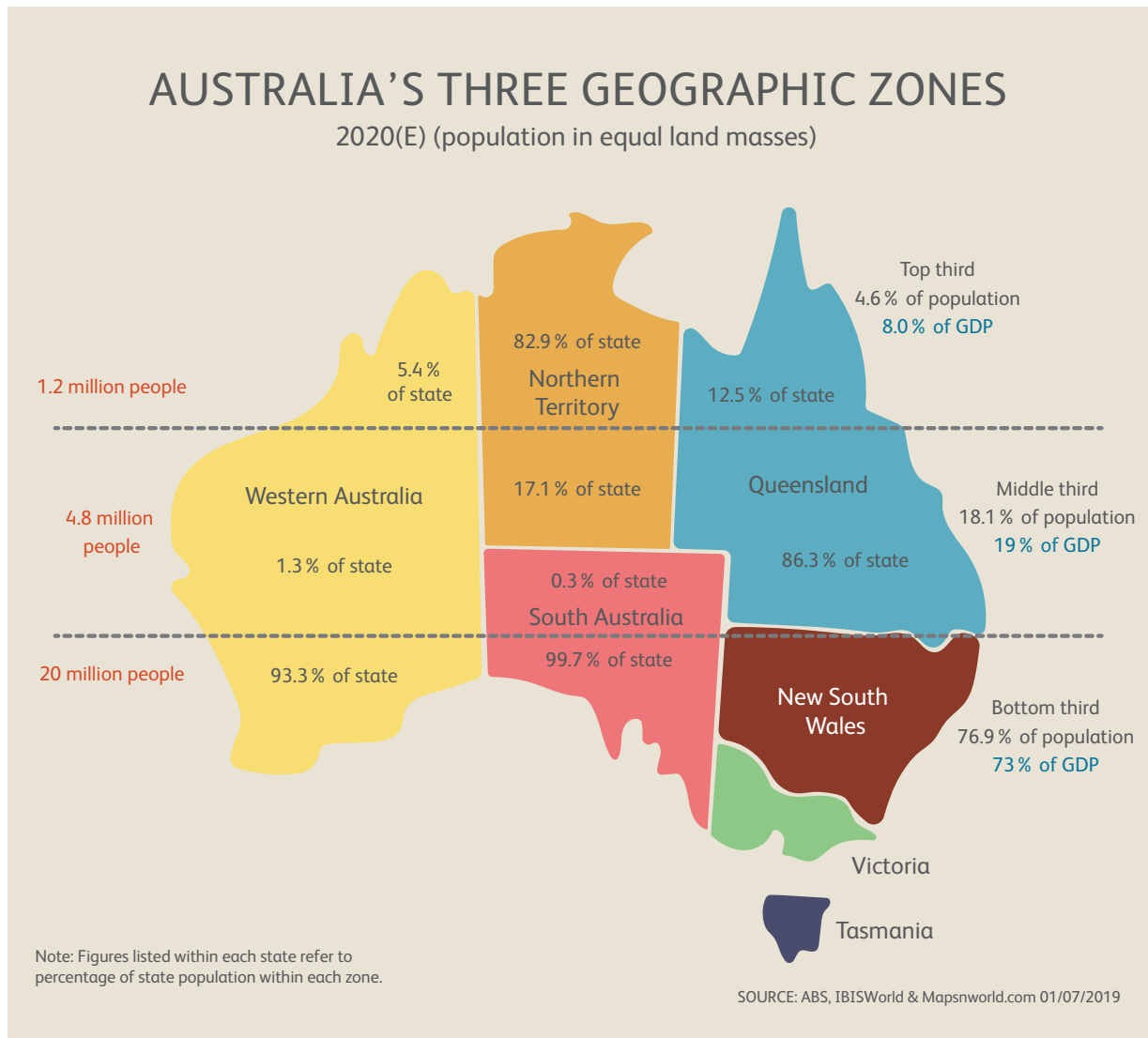
Share of total basis



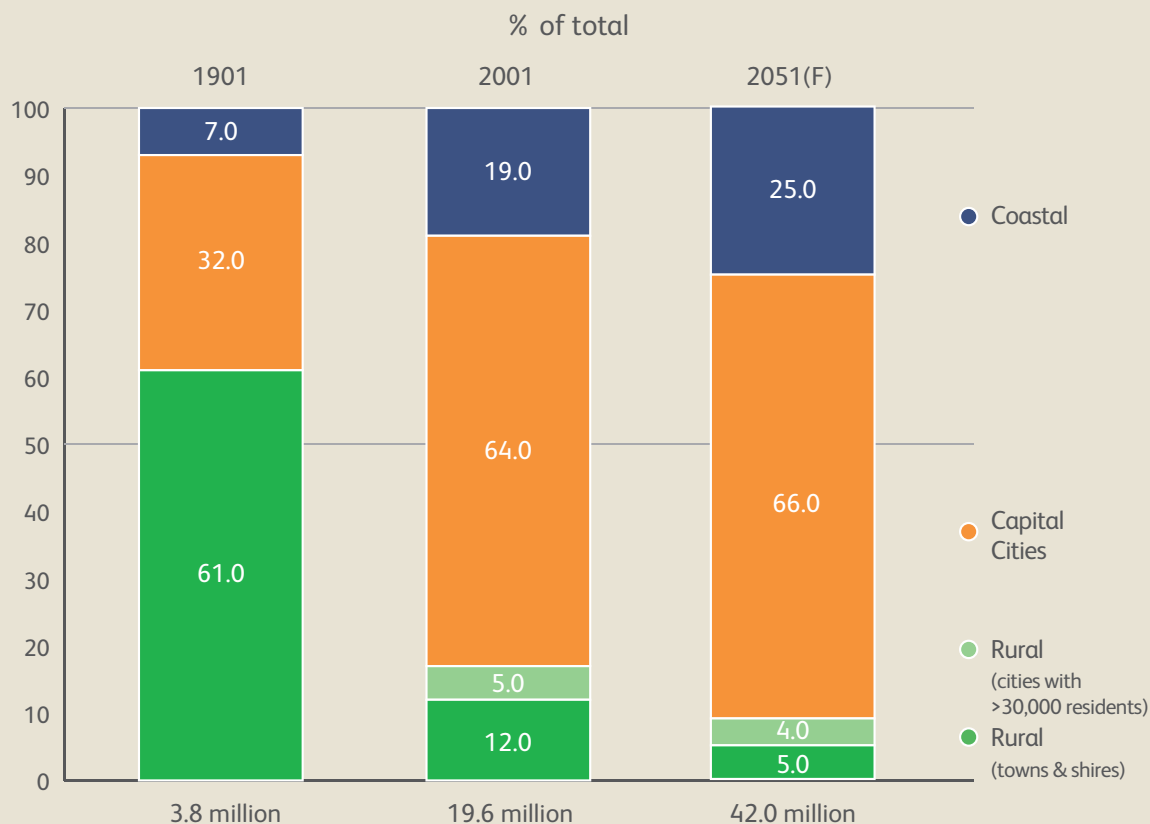
SOURCE: ABS 3401-12 & IBISWorld 01/07/2019

Can there be any doubt that Asia is strongly influencing Australia in this century? By the end of this century in just over four more generations, we will be at least an Eurasian society and almost certainly 4 or 5 times wealthier in real GDP per capita terms as we have been in past centuries. This change will hopefully be a slow osmotic process, enriching our society ethnically, culturally and financially.

We have a lot of Australia still to settle over this period, and (eventually) resettle as is the case with inland or rural Australia, as the following two exhibits suggest.



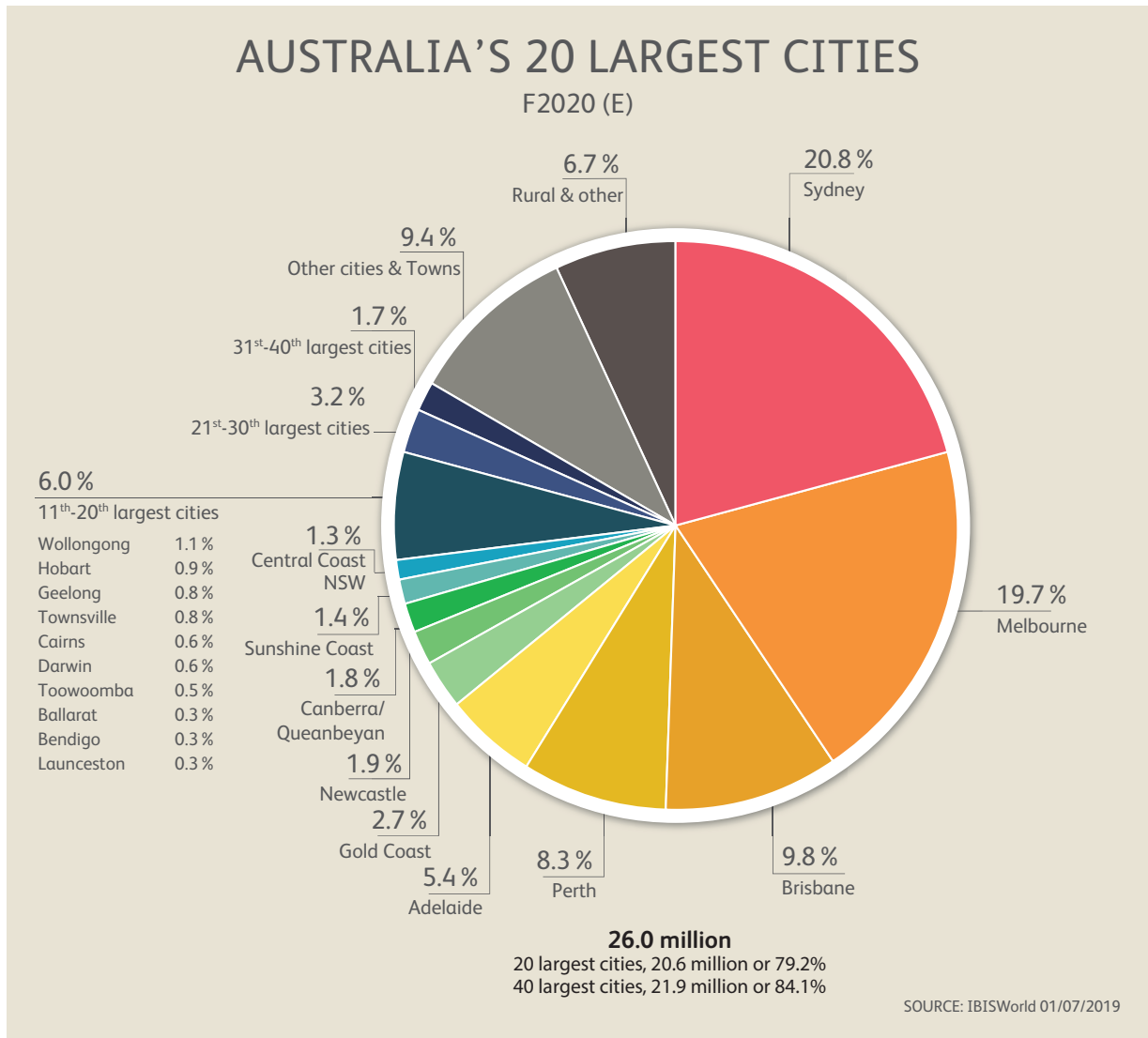
AUSTRALIA'S BROAD GEOGRAPHIC SHIFT



SOURCE: ABS & IBISWorld 01/07/2019

Australia has remained a very thinly populated continent since European Settlement in 1788, with today's 3.2 persons per square kilometre, albeit denser than the estimated 0.1 persons per square kilometre during the 60,000 or so years of aboriginal settlement at the time of the First Fleet. But the current density is unacceptable when considering the freer, more regional and more neighbourly world of the interconnected societies in our part of the world as this century unfolds.

However, we are one of the most urbanised and cosmopolitan population among the world's 230 nations, principalities and protectorates, as the final chart shows.



Additionally, to have 4 or 5 of our cities ranked in the 10 most liveable cities on the planet, and being termed so often, the lucky country, suggests we have done a lot of things right.

But we are going to need to think much bigger and more regionally in the future. We are no longer an unknown land with unknown people in a disconnected world. The Digital Era is accelerating interconnectivity and accompanying knowledge. Planet Earth is no longer just a catchphrase of environmental awareness; it is a pointer to a more interconnected world, despite current outbursts of nationalism and populism that will not last indefinitely.

And like so many people in Asia do, the time has come for us to think in terms of the generations ahead of us, not just years or seasons as did our Stone Age forebears.

It is, in fact, a fascinating, challenging yet prospective future we have ahead of us demographically and culturally.



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