

Welcome to Issue 90 of *Research Matters*, the Department of Environment, Land, Water & Planning's quarterly planning research bulletin, featuring DELWP research and analysis, news about recently released data, and research from other sources. If you have any questions or comments, you can contact us at:

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## In this issue...

Welcome to the June 2020 edition of *Research Matters* in which we present research and analysis from the Forward Policy and Research (FP&R) team.

During the coronavirus pandemic, the FP&R team has been busily working from home on existing projects as well as analysing the implications of COVID-19. This edition of the *Research Matters* reflects both types of work.

The first article, prepared by our demographics team, analyses how the pandemic, and the associated travel impacts, are affecting population growth. While there are many uncertainties around future implications, there is now data available that can indicate some of the short-term impacts in relation to net overseas migration.

For those of you wanting to explore the impacts of COVID-19 more fully, we have provided a list of web resources where you can find data, analysis and commentary on the pandemic in Australia

The final article presents the recently released report: the *Melbourne Industrial and Commercial Land Use Plan*. The land use team in FP&R contributed analysis to the project in partnership with our planning policy colleagues. The report aims to identify and retain significant industrial and commercial areas. These represent a critical economic resource through their provision of employment and urban services.

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## How is COVID-19 affecting population growth?

Population change has featured prominently in news headlines in recent years. Where previously the message was about record growth for Victoria, the stories now focus on the sharp decline in growth due to the COVID-19 pandemic and its economic and social impacts. Decreases in population growth will likely lead to lower economic growth, compounding the effects of the lockdown on Victoria. To understand what this might mean for the future, it is important to understand the nature of previous growth and how global and national responses to the pandemic have interrupted that growth.

Australia has not suffered the devastating numbers of deaths from COVID-19 seen in some parts of the world. As a result, the statistical impact on mortality rates is not large enough to affect demographic projections. The effect of the pandemic on the numbers of births is uncertain. While media reports suggest a 'lockdown baby bump' and a generation of 'Coronials', history suggests fertility rates decrease during times of economic uncertainty.

The major demographic impact of the pandemic has been, and will continue to be, through reductions in migration from overseas. Net Overseas Migration (NOM) has driven over 60 per cent of Victoria's record growth in recent years. When it is reduced dramatically by movement restrictions, Victoria's growth must slow down.

Before examining the most recent movement data from the Australian Bureau of Statistics (ABS), it is worth taking note of the level and the composition of NOM to Victoria and Australia over the last five years. Table 1 shows the large contribution of NOM by visa categories. Over the five-year period, Victoria received a net migration gain of 395,590, an average of around 80,000 per year.

The largest contribution was through Student visas, with over 240,000 arrivals and a net impact of almost 170,000 over the five years from 2014/15 to 2018/19. The other large contributor in temporary visas is through Temporary Work (Skilled) visas – formerly known as the 457 visa. Temporary visas contributed twice as much as permanent visas to Victoria's NOM. Permanent migration is almost equally split between the Skills stream and the Family and Humanitarian streams.

Student migrants are the youngest cohort, with 62 per cent of arrivals over this period aged 18 to 24. In comparison the key working visas are dominated by those aged 25 to 39: Temporary Work (skilled) at 56 per cent and Permanent (Skill) at 50 per cent. While there were many more arrivals and departures amongst Australian citizens than New Zealand Citizens (neither of whom require a visa to enter Australia) the net impact of their travel on the population was similar.

**Figure 1: Net Overseas Migration, Victoria 2014/15 to 2018/19 (five years combined)**

Visa Group	Arrivals	Departures	Net Migration
<b>Temporary visas</b>			
Student	241,690	73,550	168,140
Temporary work (skilled)	40,920	18,970	21,950
Visitor	107,000	24,980	82,020
Working holiday	61,910	29,320	32,590
Other temporary	16,270	38,650	-22,380
Temporary visas – Total	467,800	185,460	282,340
<b>Permanent visas</b>			
Family	44,680	7,530	37,150
Skill	68,400	11,350	57,050
Special eligibility and humanitarian	21,720	190	21,530
Other permanent visas	9,040	9,350	-310
Permanent visas – Total	143,850	28,430	115,420
<b>Other categories</b>			
New Zealand citizen (subclass 444)	43,710	25,060	18,650
Australian citizen	95,930	114,080	-18,150
Other visas	2,940	5,590	-2,650
All visas – Total	754,220	358,630	395,590

Source: ABS *Migration Australia*, cat. 3412.0

There is far less detailed information available for the most recent movements, and it is only available for the whole of Australia. Nevertheless, the impact of the COVID-19 pandemic is clear. Table 2 shows that arrivals in all visa categories for April 2020 fell by at least 95 per cent compared with April 2019. The largest numerical decrease by far was in Temporary Visitor visas.

The duration of the COVID-19 pandemic is uncertain, as are its longer-term impacts on population change. The ABS is committed to providing as much data as possible, publishing more regular updates to some datasets and creating a new portal specific to current conditions. The portal can be accessed via the following link:

<https://www.abs.gov.au/covid19>

**Figure 2: All arrivals by visa group, Australia April 2019 and April 2020**

Visa group	Arrivals April 2019	Arrivals April 2020	Reduction
Permanent Family	24,330	990	95.9%
Permanent Other	57,560	1,450	97.5%
Permanent Skilled	49,170	1,380	97.2%
Temporary Other	33,860	570	98.3%
Temporary Skilled	22,890	160	99.3%
Temporary Student	46,480	30	99.9%
Temporary Visitor	490,810	850	99.8%
Temporary Work	19,300	40	99.8%

Source: ABS *Overseas Travel Statistics, Provisional*, cat. 3401.0.55.004

## Looking for information on COVID-19 impacts?

The coronavirus pandemic has changed many aspects of our day-to-day life. Many individuals, businesses and organisations have shown great adaptability in responding to this challenge, in terms of working from home, changing business operations and adjusting to travel restrictions and social distancing constraints.

Inevitably there has been a growing interest from researchers, policy makers and others as to how these changes are affecting our population and economy. New data collections and surveys which aim to address these types of questions have rapidly appeared. Here are some key sources of information to help you understand the impacts and implications of this pandemic.

### ABS – Measuring the impacts of COVID-19

<https://www.abs.gov.au/covid19>

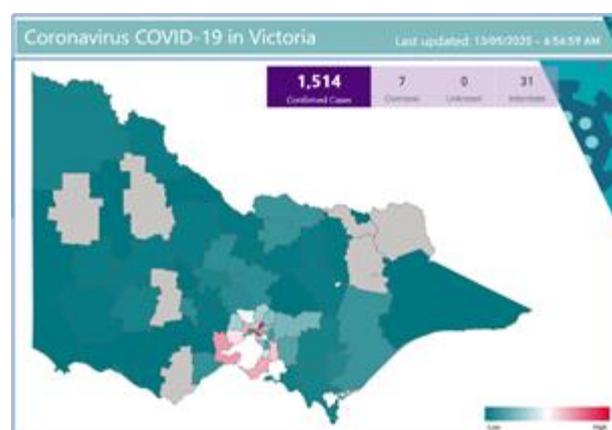
The ABS have developed a wide array of statistical products related to COVID-19. These include:

- Analysis of short-term overseas visitors and international students
- At risk populations
- Business impacts such as cash flow and turnover
- Labour force statistics including hours worked
- Retail turnover and trade
- COVID-related employment and health implications for households

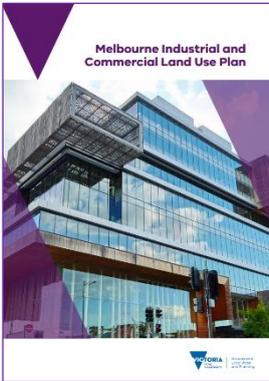
### DHHS – Coronavirus COVID-19 in Victoria

[DHHS Coronavirus statistics](#)

The Victorian Department of Health and Human Services (DHHS) is the State Government agency responsible for surveillance of COVID-19 cases. It provides a daily update on cumulative cases, and a breakdown by age, sex, mode of acquisition and residential location. The slides on the website provide LGA-level data in map and tabular format for both cumulative and active cases.



# Release of the Melbourne Industrial and Commercial Land Use Plan (MICALUP)



MICALUP also introduces a classification system for industrial and commercial land. This comprises the categories of state, regional or local significance. This will assist with identifying land that should be retained or considered primarily for industrial or other business or employment-focused purposes, and land that could be considered for alternative uses.

MICALUP documents, maps and data are available at <https://www.planning.vic.gov.au/policy-and-strategy/metropolitan-industrial-and-commercial-land-use-plan#documents>

Victoria’s competitive advantage in attracting investment is supported by an adequate supply of industrial and commercial land. This enables future demand to be met for economic activity and employment purposes.

To ensure industrial and commercial areas are able to operate efficiently and effectively and remain viable, there is a need for clarity and certainty around how these areas are planned. The Melbourne Industrial and Commercial Land Use Plan (MICALUP) builds on the relevant policies of [Plan Melbourne 2017-2050](#) and actions 8 and 12 of the [Plan Melbourne 2017-2050 Five-Year Implementation Plan](#) to provide clarity and certainty in the planning of industrial and commercial land.

To support planning for industrial and commercial land, a number of principles have been developed. These principles are supported by strategies and guide future planning for industrial and commercial areas across metropolitan Melbourne. These principles are:

Adequate long-term commercial and industrial land supply will be identified and set aside to support future industry and business growth.

Industrial and commercial areas that provide an ongoing economic, urban servicing or employment contribution to local communities, regions and the state will be recognised and retained as a critical economic resource.

Planning for industrial and commercial land will provide clarity and certainty about how and where industry and business can grow over time to support and guide long term investment and locational decisions.

Planning will support industry and business to innovate and grow in areas identified for these purposes.

