

Should Australia shift to a 'stocks'- rather than 'flows'-based approach to migration policy?

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Is Immigration Too High - Or Is It Falling Too Much?

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Acknowledgements

- This paper is based on joint research with Prof Alan Gamlen, Head, ANU Migration Hub: [Welcome to The Migration Hub | The Migration Hub](#). Paper published 13 April 2026.
- We have also benefitted from comments by Emeritus Prof Daniel Hiebert, University of British Columbia.
- Data sources are in the published paper.

Not a guest-worker country

- ‘The fundamental premise of Australian immigration policy until the 1990s was that those admitted to Australia came as permanent residents, enjoying the same rights and privileges and with the same obligations as the Australian-born’ (*Australia’s Immigration Revolution*, Markus, Jupp and McDonald 2009; 9, Allen and Unwin).
- ‘Australia has never been a guest-worker country. We’ve never been a country where we bring you in and ship you out. I don’t think Australia will be a guest-worker country and I don’t think Australians want to see that’ (Peter Costello: Gordon M. (2006) **Costello rules out importing Islanders**. *The Age*, 5 July, p. 6.).
- 2025: 32,000 Pacific seasonal workers.

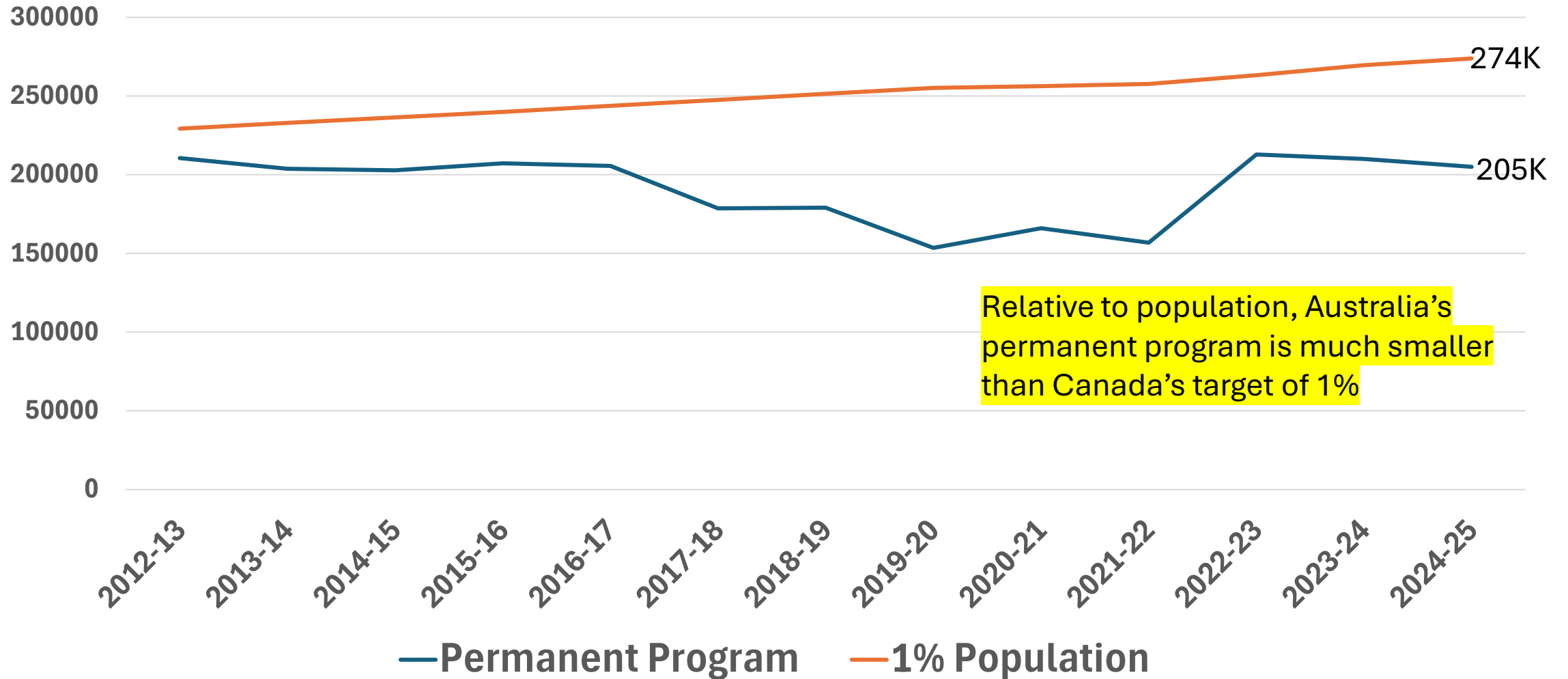
Temporary migrants and the labour force

- Australia's temporary resident population now numbers around 1.7 million.
- They have become a vital component of several sectors of employment (e.g. aged care, hospitality, horticulture, convenience services).
- McDonald and Gamlen have estimated that there are close to 500,000 temporary residents working in skilled jobs at present.
- Since COVID ended, temporary migration has provided vastly more skilled workers to the Australian labour force than has permanent migration.
- Not just labour force, almost every area of planning is related to the stock of people.

New Canadian Migration Policy Is Based on Stocks

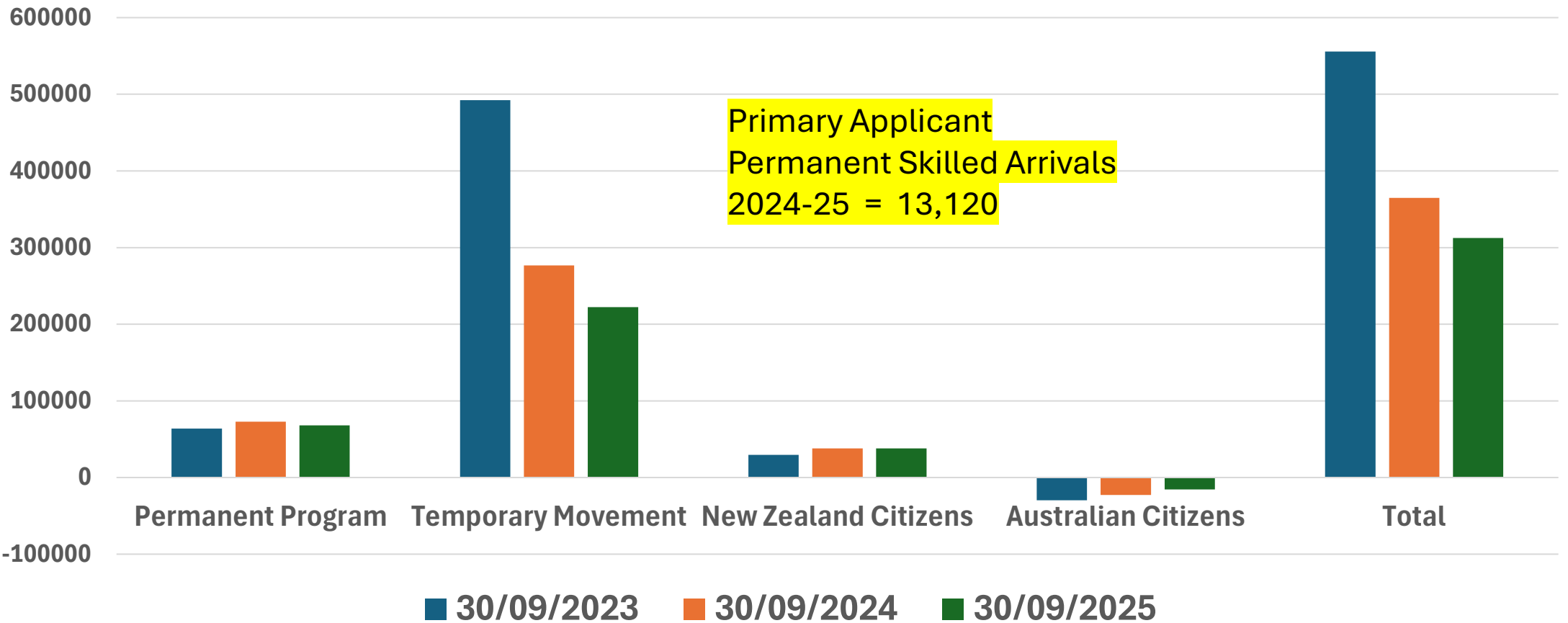
- Permanent Program = 1% of the Total Population
- Temporary Population = 5% of the Total Population
- Flows are then adjusted to comply with these stock targets, not the reverse as is current Australian policy.
- This acknowledges that Canada will have a slowly growing temporary population **indefinitely**: effectively, 5% of the population will be 'guest workers'.
- Why 1% and 5%? For Canada, these seem to be knee-jerk, political compromises. Equivalent targets for Australia should be research-based.

Flows: Permanent Program Outcome, Australia

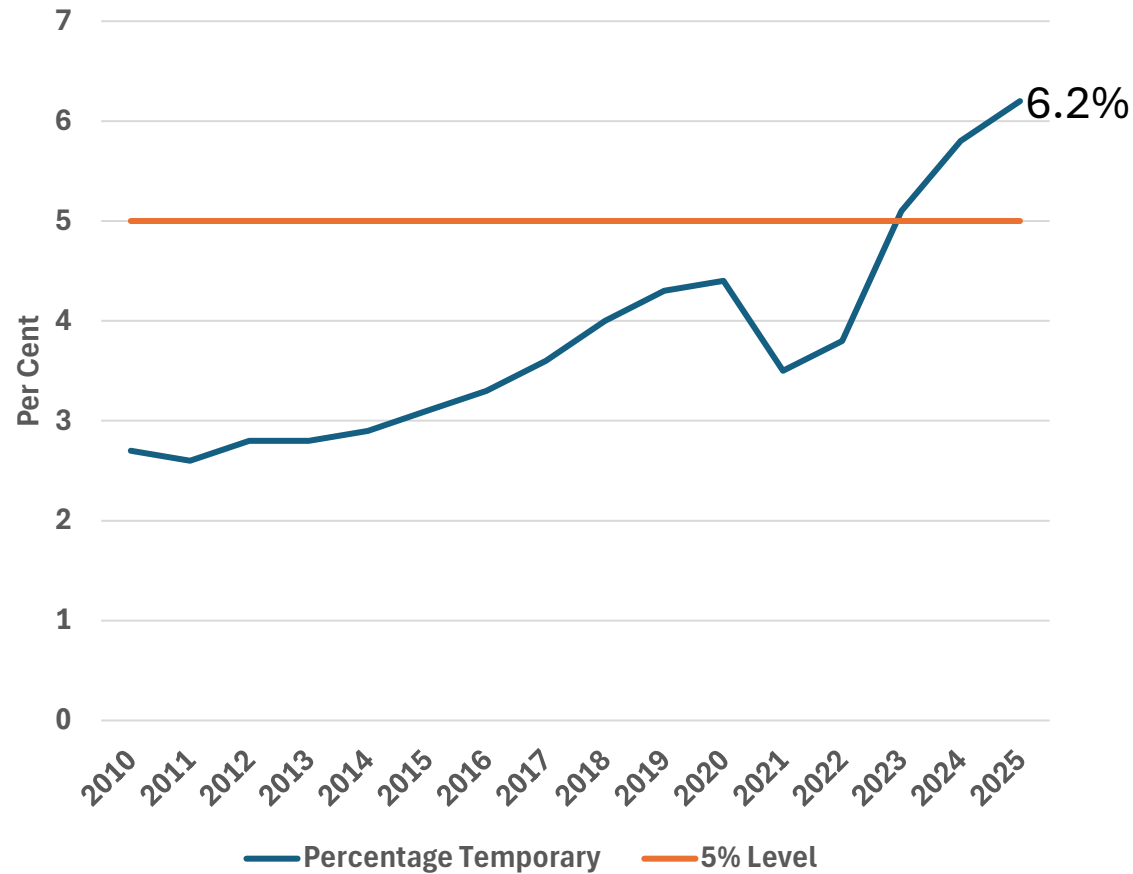


Note: Includes Humanitarian, but not movements of Australian and NZ citizens

Flows: Net Overseas Migration, Australia, by Main Categories, Years Ending 30 September



Temporary Residents As a Percentage of the Total Population, Australia, 2010 – 2025, 30 June



Trend is very similar to Canada but Canada peaked at 7.6% in 2024

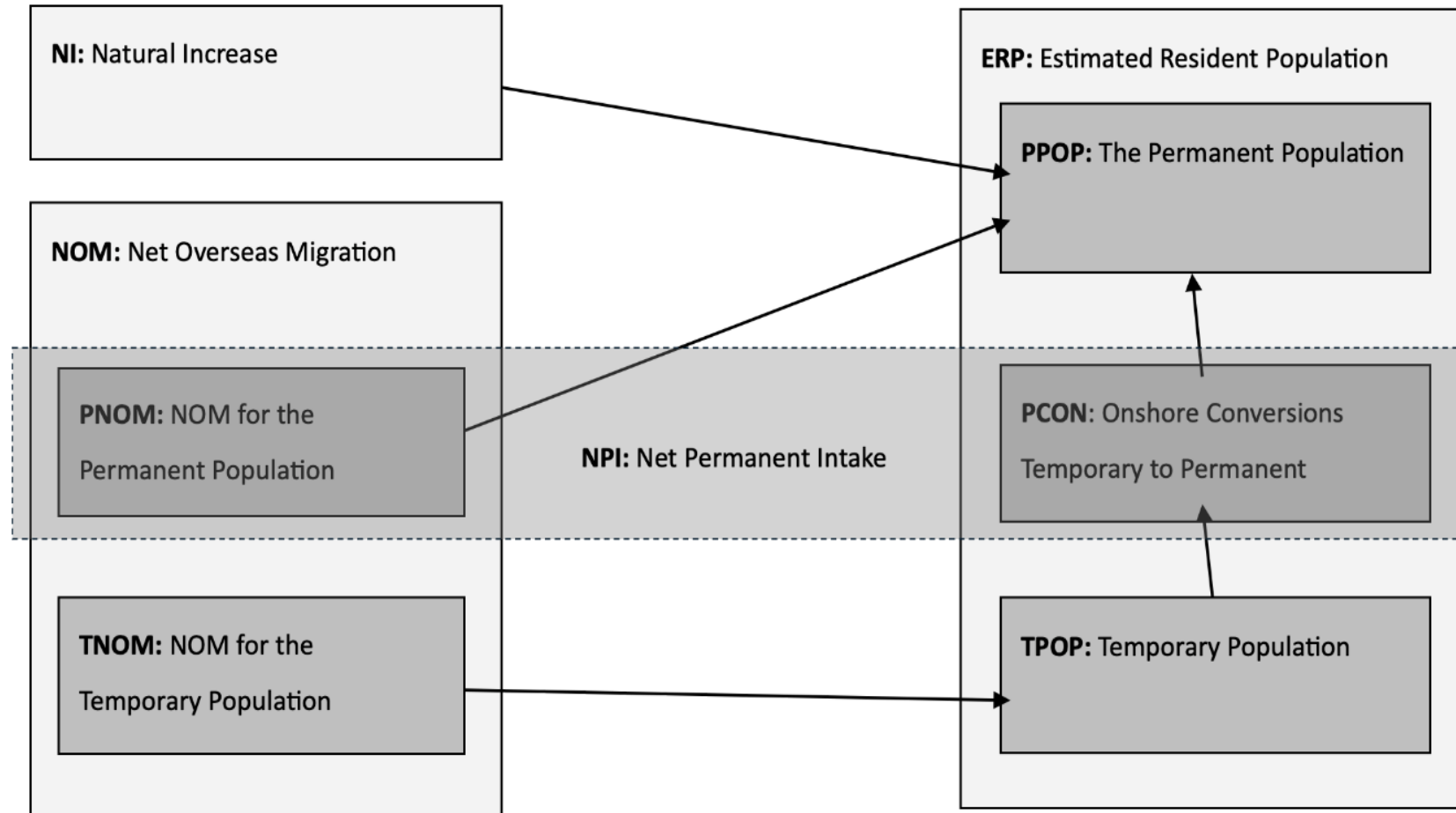
A Permanent and Temporary Population Model

The Permanent population of Australia is defined as Australian citizens and permanent residents and all New Zealand citizens who have satisfied the ABS net migration criterion in that they spend 12 out of 16 months in Australia. New Zealand citizens are not temporary residents because they are able to remain in Australia indefinitely.

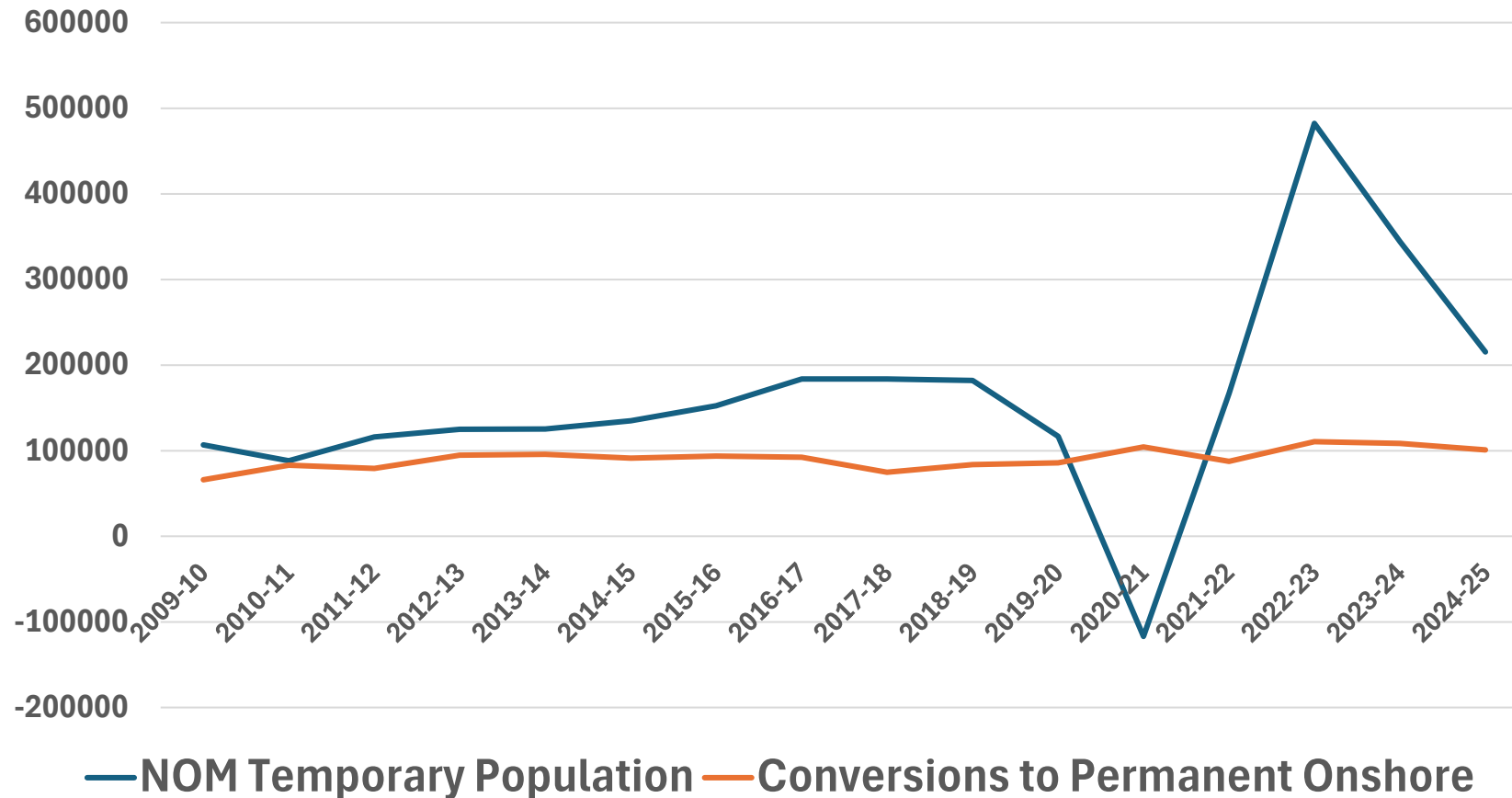
The temporary population is defined as all those on a temporary resident visa who satisfy the 12 out of 16 months criterion.

Natural Increase is attributed entirely to the Permanent Population on the basis that the numbers of births and deaths to the Temporary Population are tiny and their numbers are unknown.

Model of the Relation Between Stocks and Flows



Growth of Temporary Population = NOM Temporary Population – Onshore Conversions



No relation between the two lines = no attention to the size of the temporary population.

Policy to which all parties agree: increase departures of temporary visa holders

Manage so that the two lines remain close together

Increase onshore conversions? Canada is doing this

Permanent Visa Category	% Onshore, 2023-25	Applications on hand, 30 June 2025
Family Stream	43.2	
Partner	51.9	96,800
Parent	6.3	157,100
Child	32.1	9,600
Skill Stream	60.8	
Employer-Sponsored	68.0	58,800
State and Territory Nominated	65.2	34,900
Regional	49.2	34,100
Skilled Independent	68.4	7,000
Other Skill	23.5	5,800
Humanitarian Stream	16.3	
TOTAL	52.1	

Partners and children of Australian citizens have a **legal right** to permanent residence, but that right is delayed for years.

Onshore conversions make no difference to the population size.

Pros and cons

- A stocks approach is a population policy.
- A stocks approach better aligns migration planning with all other planning.
- Recognition of the temporary population would enhance the accuracy of the IGR.
- The two-step approach to permanency has advantages. Increase the proportion of onshore conversions as Canada is doing.
- But a significant proportion will want permanent residence but will not be successful. Is the 'carrot' exploitative?
- Removal of experienced workers when their visas expire can be inefficient.
- Australia exploits temporary workers – they do not get a 'fair go'.
- A large temporary population presents challenges for democratic resilience.
- The lower sense of belonging of a temporary resident challenges social cohesion.

Conclusion

Australia needs a migration debate that reflects the system it actually has, not the one it once imagined. That means shifting attention away from headline net migration figures and toward the size, dynamics, and governance of the temporary population and closer alignment with the permanent population.

If temporariness has become structural, then it must be governed structurally. What percentage is 'right' for Australia?

A new approach should be driven by research, not politics. The 2026 Census results will provide the basis for research. Slow but sure.

ABS needs to divide the National ERP into temporary and permanent residents.