

Regional Movers Index

March 2023 Quarter Report

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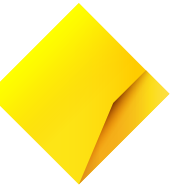


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What is Regional Movers Index?



The **Regional Movers Index** presents fresh analysis of movements between Australia's capital cities and regions.

The **Index** is a partnership between Commonwealth Bank of Australia (CBA) and the Regional Australia Institute (RAI), powered by analysis of proprietary data to create an up-to-date and granular picture of a large sample of relocations.

The **Index** updates the trends identified in the RAI's 2019 Big Movers report – that in recent decades more people have been moving from Australia's capital cities to regions than in the opposite direction.

Established at the height of the COVID-19 pandemic to track the movement of capital city people to the regions, the RMI publication has also highlighted that regional people were tending to stay in regions to avoid those severe capital-city lockdowns. Now that Australia is largely living with COVID and population flows from regions to capitals have resumed, the RMI publication is honing its focus on the **net** migration inflows that Australia's regions are continuing to experience. See pp17-19 in the Appendix for details on the various revision to the methodology that focuses on these net flows.

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- The **Index** is powered by CBA data from relocations amongst its 16 million customers.
 - Quarterly and annual changes are presented in the Index.
 - This **Index** is an invaluable resource for both the public and private sectors. By tracking people's movements it enables early identification of growth trends, and flags places emerging as hot spots needing fresh thinking on housing and infrastructure.

Regional Movers Index

Regional Movers Index hits third highest level in five years

The thirst for a tree or a sea change hasn't waned as city dwellers continue to move to the regions, pushing the Regional Movers Index (RMI) to its third highest level since 2018.

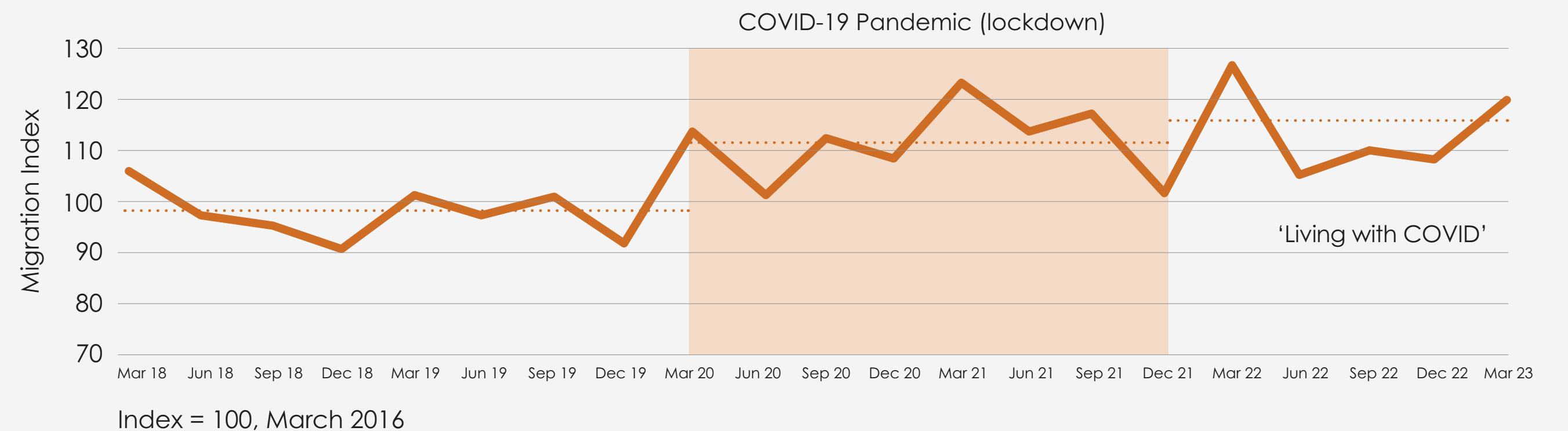
Tracking population flows from capital cities to regional areas, the RMI increased by 7.9 per cent in the March 2023 quarter. This lifted the average index slightly above the average reported during the height of the pandemic and 17.4 per cent above pre-COVID levels.

That said, the 7.9 per cent increase in the March quarter lagged the typical March quarter jump, which has averaged 14.8 per cent over the last five years.

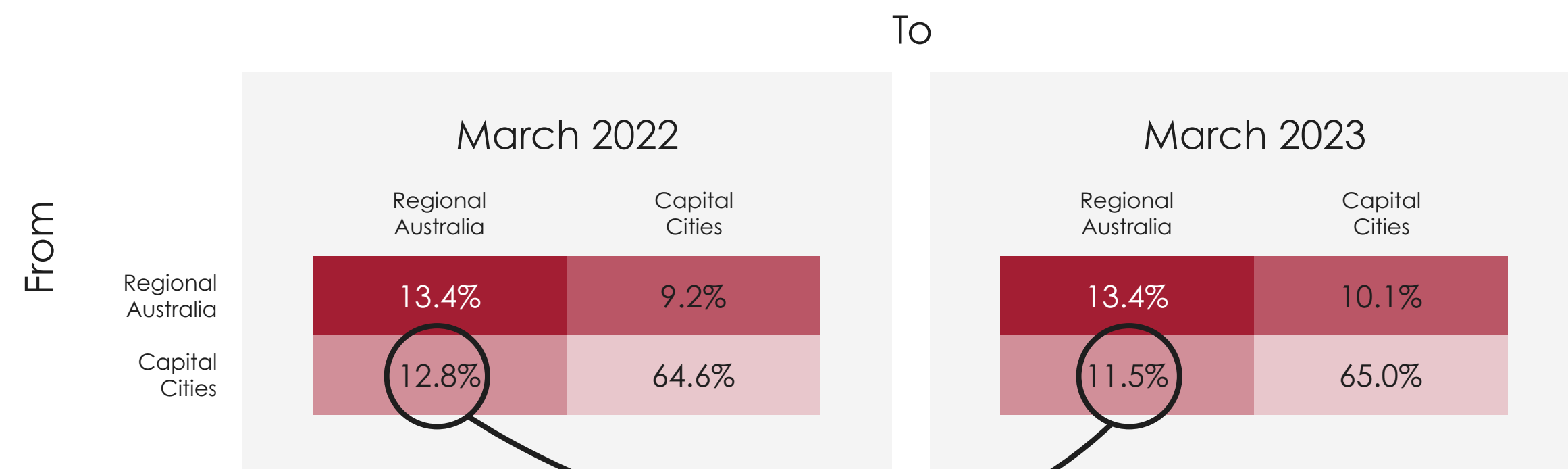
While population flows from cities to the regions increased in the March quarter, higher internal migration across the board (including city to regions and inter-regional), meant its share of relocations dipped by 1.3 per cent (year-on-year) to 11.5 per cent. Meanwhile, migration flows in the other direction – from regions back to capitals – rose by 0.9 per cent to account for a 10.1 per cent share.

See p19, Note on methodology: definitions of inter-regional, inter-capital, region-region and capital-region migration – discussing the shares under this breakdown of total major relocations.

Regional Movers Index: Population flows from Capital cities to Regional Australia



Breakdown of total relocations within Australia



Net Internal Migration to Regional Australia

Capital to regional migration remains elevated, and flows back to capitals continue rising

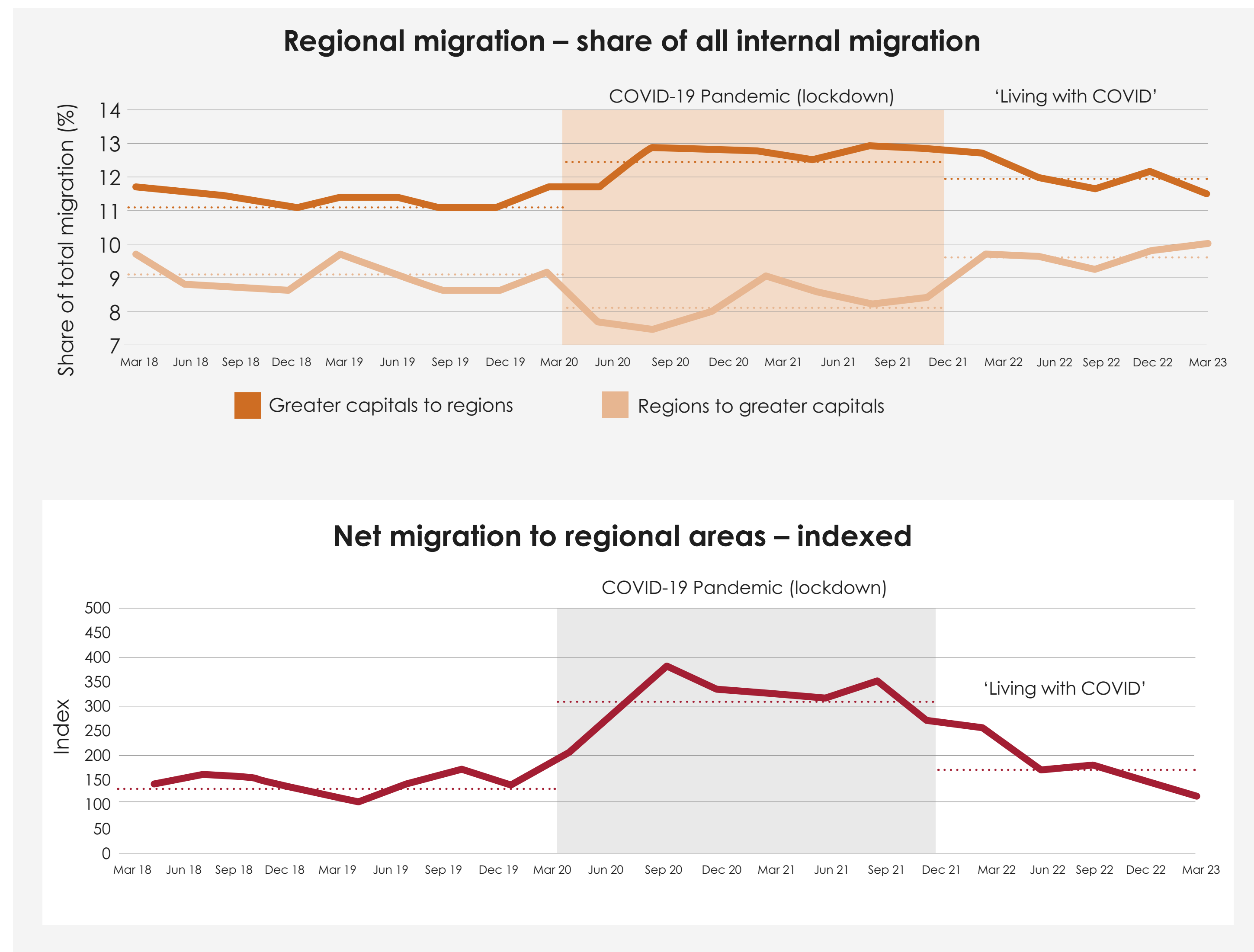
The Australian population are on the move and in bigger numbers than before the pandemic.

While the number of people moving from the cities to the regions remains elevated, and increased in the March 2023 quarter, its share of all internal migration flows has been edging down from the heights reported during lockdowns to average 12 per cent of total migration flows – up from an 11.1 per cent share pre-COVID.

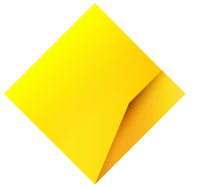
Conversely, migration from regions to capitals continues to recover from its slump during COVID and is now at its highest level in the series' history to account for a 10.1 per cent share of all movements in the latest quarter.

This narrowing in the spread has seen net migration to the regions fall back to its lowest level since March 2019. The level of net migration from capitals to regions is now 23.3 per cent down on the December quarter and 58.8 per cent lower than a year ago.

That said, net migration from capitals to regions is still averaging 33.1 per cent above pre-pandemic levels.



Migration Patterns By State



Regional Victoria and Queensland hold most appeal for city movers

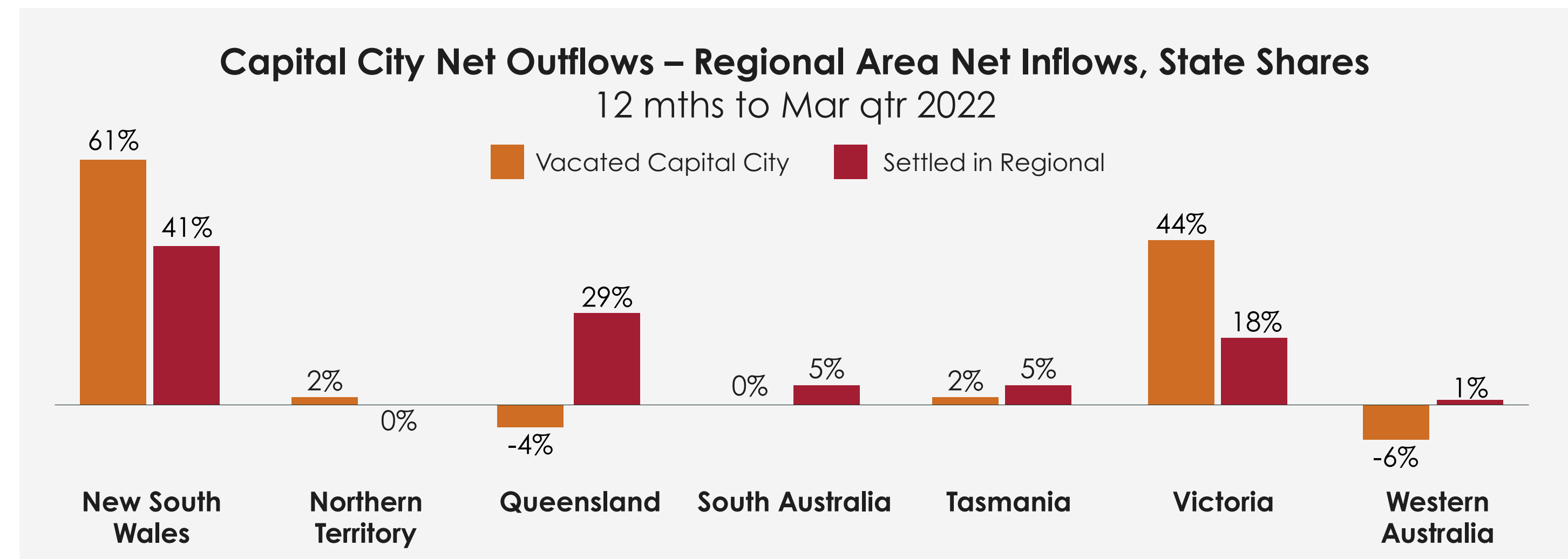
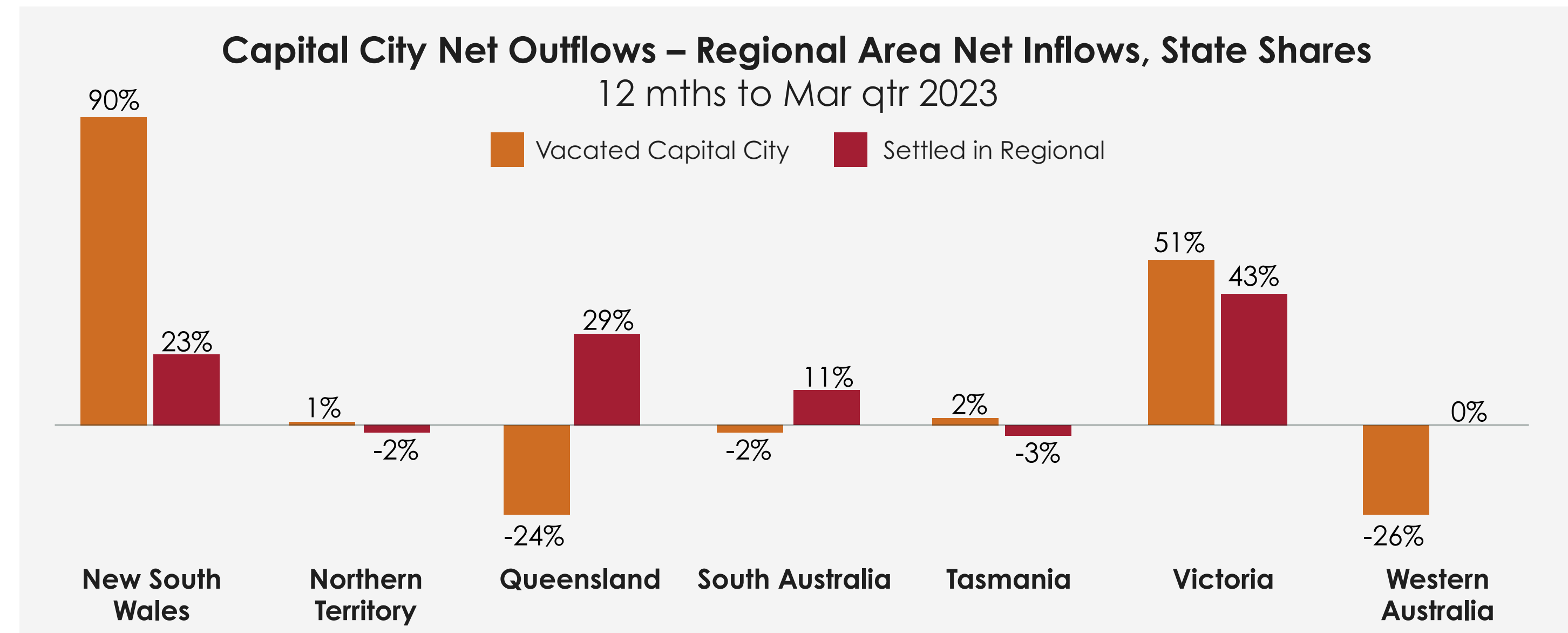
The charts opposite show the breakdown of net migration on a state by state basis in terms of the share of **net migration out of capital cities** and the **net migration into regional areas**.

Regional Victoria attracted the largest share of net outflows from cities to regions (on a year-on-year basis to March 2023) at 43 per cent, more than double its 18 per cent share 12 months ago. Regional Queensland remained popular with a 29 per cent share, unchanged from the previous 12 months, while South Australia accounted for 11 per cent of net capital outflows, up from 5 per cent.

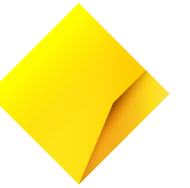
Meanwhile, regional New South Wales fell out of favour to account for 23 per cent of net capital outflows, down from 41 per cent in the 12 months to March 2022. The Northern Territory, Tasmania and Western Australia also recorded a decline, albeit small, in net capital outflows.

Sydneysiders accounted for the lion's share of those moving to the regions, accounting for 90 per cent of the net capital city outflows, up from 61 per cent year-on-year. While net outflows from Melbourne rose to 51 per cent, from 44 per cent in the 12 months to March 2022.

In contrast, Brisbane and Perth proved enticing for those moving from other capital cities and regions to record net migration inflow shares of 24 and 26 per cent, respectively.



Regional Hotspots



Top Five LGAs: the largest net internal migration inflows

The Top Five Local Government Areas (LGAs) recording the largest share of net internal migration flows in the 12 months to March 2023 remained very Queensland-centric, with the Sunshine Coast taking out top spot for the second consecutive quarter with a 14.9 per cent share. Of which, 12.3 per cent came from the capitals and the remaining 2.5 per cent, from regional areas.

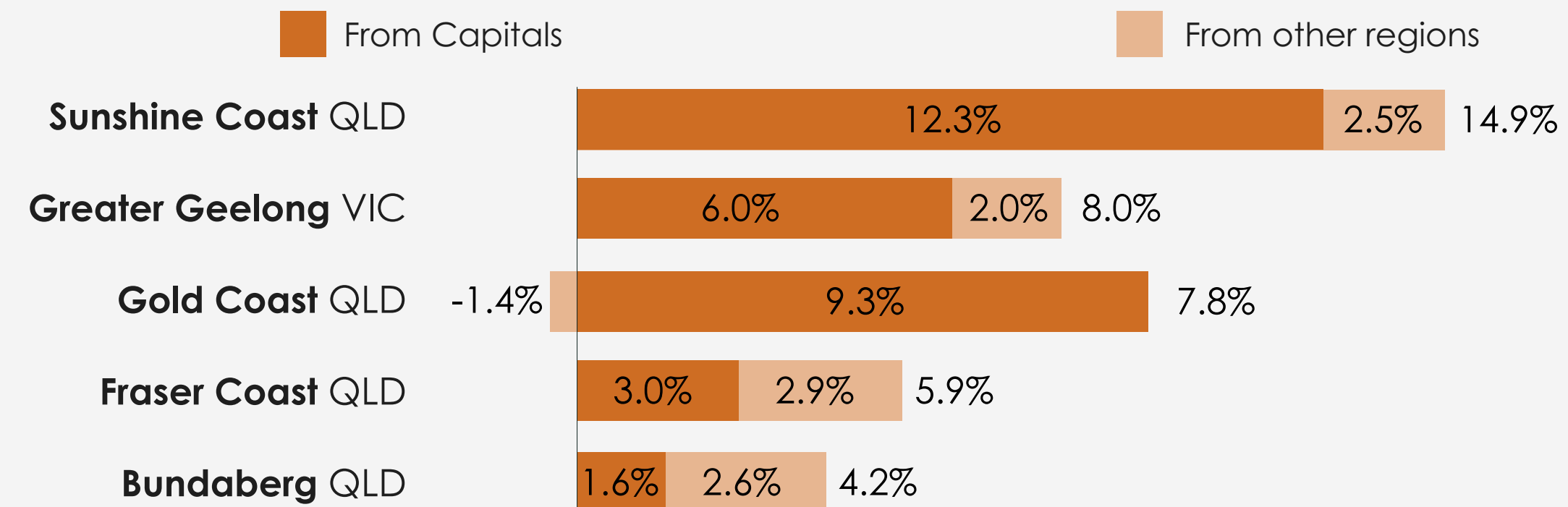
Greater Geelong, meanwhile, jumped up a spot to take out second position, as the only Top Five LGA outside the sunshine state, with an 8 per cent share of net internal migration. The Gold Coast was not far behind in third spot, at 7.8 per cent, despite a net outflow to other regions.

Queensland's Fraser Coast and Bundaberg retained their fourth and fifth positions in the Top Five, with their inflows more evenly sourced from both capitals and regions.

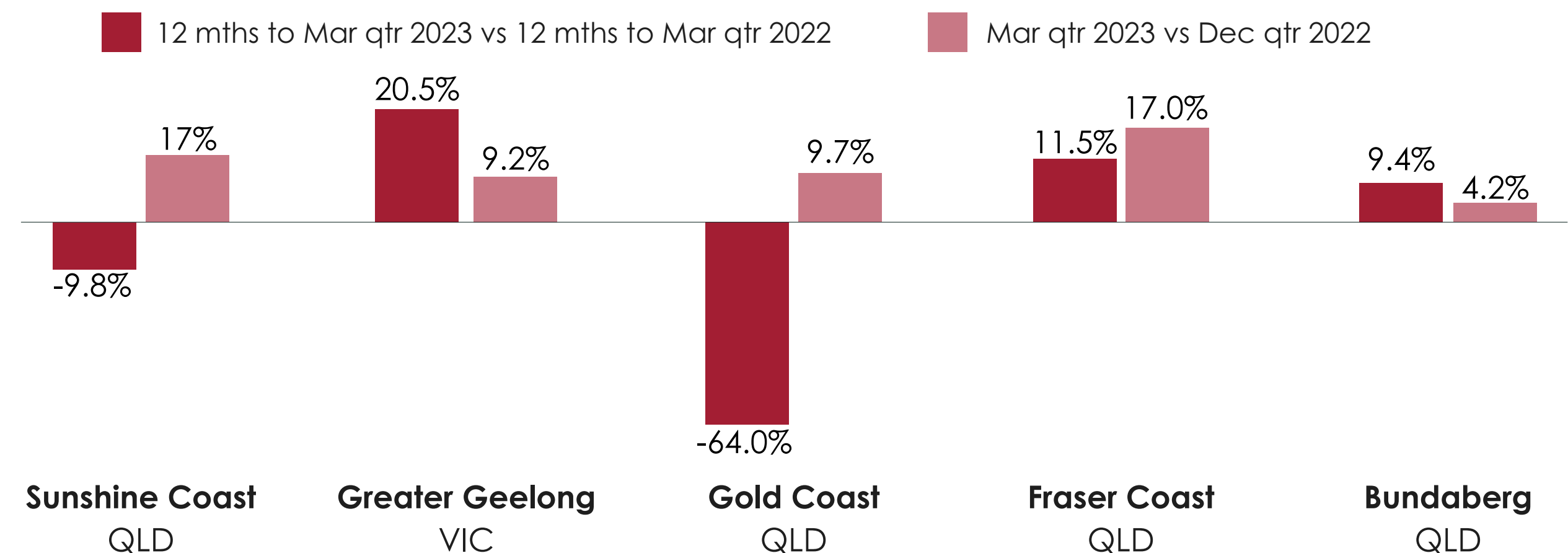
In the March 2023 quarter, the share of net internal migration in all the Top Five LGAs increased, with the Sunshine Coast and Fraser Coast posting the biggest quarterly rise of 17 per cent, respectively.

On a year-on-year basis, net internal migration was up in all the Top Five LGAs except the Gold Coast, which posted a 64 per cent decline and the Sunshine Coast which was down by a more modest 9.8 per cent.

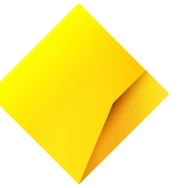
Top Five LGAs by share of total net internal migration to Regional Australia
12 mths to Mar qtr 2023



Changes in total net internal migration inflows to Top Five LGAs



Regional Hotspots



Top Five LGAs: greatest growth in net internal migration inflows

The regional LGAs experiencing the greatest growth in net internal migration inflows (over the year to March 2023), saw an entirely new Top Five created with Victoria dominating the list – taking out three of the Top Five positions.

Townsville in Queensland topped the list, with more than a 500 per cent annual increase in net internal migration inflows. Of which, nearly three quarters of net inflows came from other regional areas.

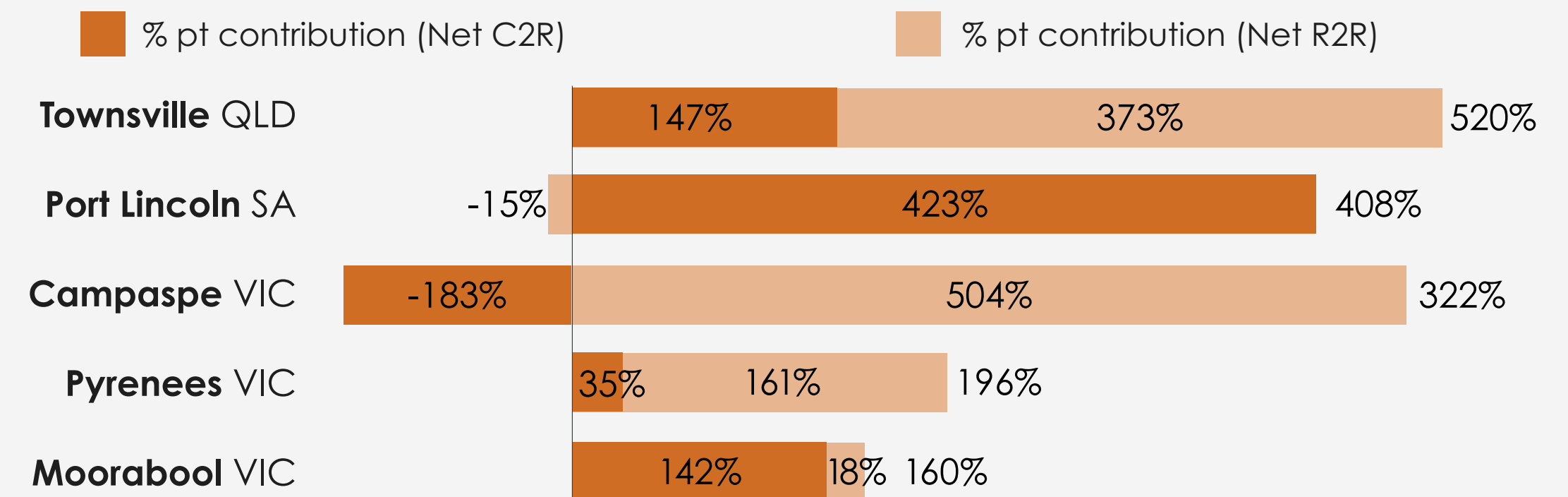
South Australia's Port Lincoln took out second place, with its growth driven overwhelmingly by net migration inflows from the capitals.

The Victorian LGAs of Campaspe, Pyrenees and Moorabool rounded out the Top Five. While Campaspe and Pyrenees experienced high inflows from other regions, Moorabool's inflows were predominately from capital cities.

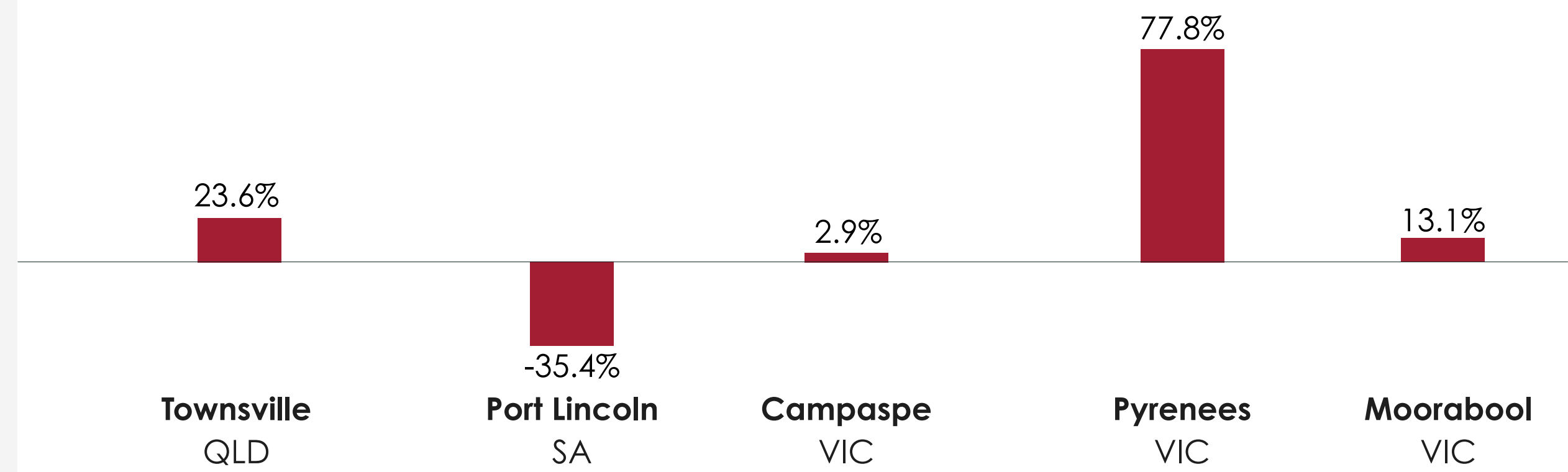
All of the Top Five reported a quarterly increase in total net internal migration except Port Lincoln, which reported a 35.4 per cent drop. The Pyrenees LGA experienced the highest growth at 77.8 per cent, followed by Townsville and Moorabool.

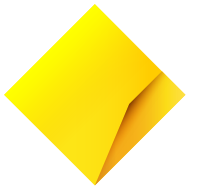
See p18, Note on methodology: ranking the Top 5s. Significant outlier LGAs have not been ranked. For an LGA to be included in the rankings it must have met key thresholds in net internal migration in both 2023 and 2022. These thresholds are designed to filter out significant outlier results typically associated with changes in small numbers. Whyalla for example, is absent from this list – it experienced a significantly larger net internal migration inflow in the 12 months to March 2023 (compared to the same period to March 2022), when it experienced a net outflow of internal migration, resulting in a significant outlier growth rate.

Top Five LGAs by annual growth in **total net internal migration** inflows 12 mths to Mar qtr 2023 vs 12 mths to Mar qtr 2022, % change



Quarterly change in **total net internal migration** to Top Five LGAs Mar qtr 2023 vs Dec qtr 2022, % change





Most attractive places for capital-city people

Top Five LGAs: largest net inflows from capitals

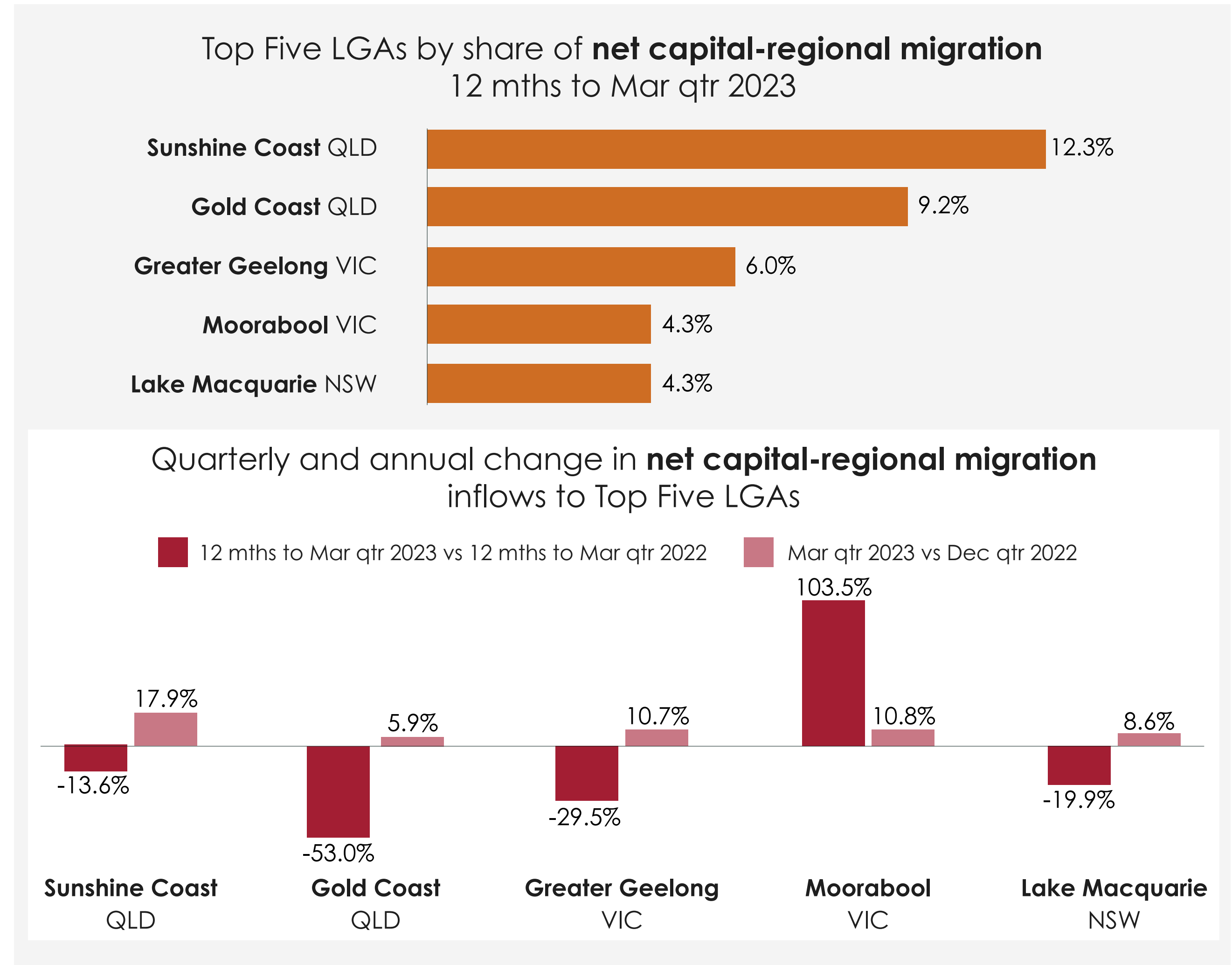
The most attractive places for city dwellers making the move to the regions were found to be those LGAs on the east coast and proximate to capitals.

In the 12 months to March 2023, the Sunshine Coast topped the list with a 12.3 per cent share, taking the mantle from the Gold Coast which slipped into second place at 9.2 per cent. Greater Geelong remained in third place while Moorabool and Lake Macquarie swapped positions to come in fourth and fifth, respectively.

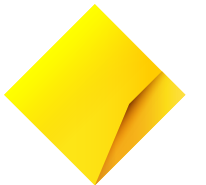
On a year-on-year basis, net inflows from capitals to these places were generally lower than the same period to March 2022. Moorabool, was the exception, however, with net migration inflows from capitals more than double those recorded in the 12 months to March 2022.

In the March quarter, however, all of the Top Five recorded a quarterly increase in net inflows in the vicinity of 5.9 to 17.9 per cent.

It should be noted that the net migration inflows from capitals are: inflows to capitals minus outflows from capitals.



Increasingly attractive places for capital-city people



Top Five LGAs: greatest growth in net inflows from capitals

The regional LGAs experiencing the greatest growth in net migration inflows from capitals were found to be in more remote LGAs in Queensland, South and Western Australia.

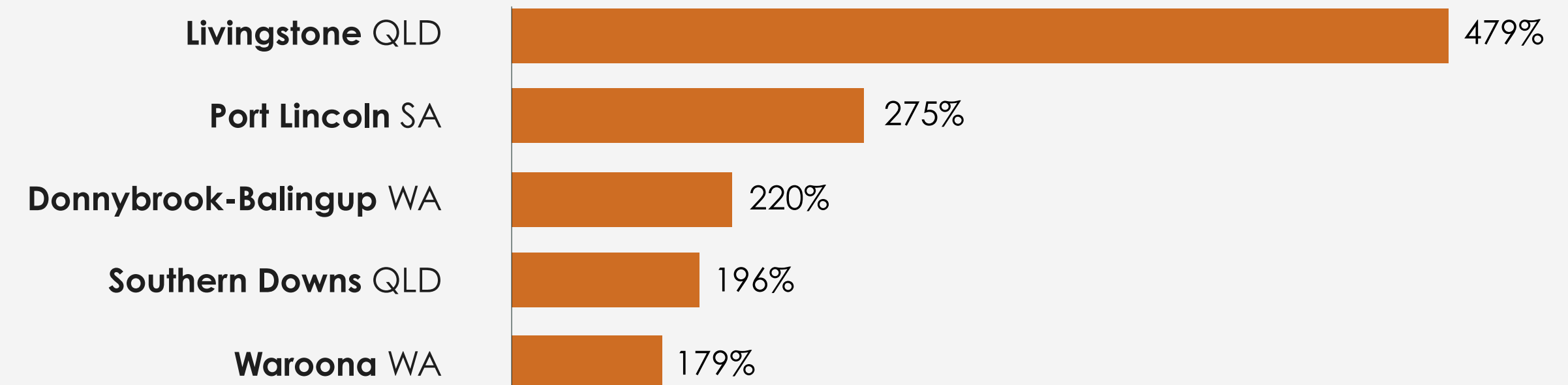
Livingstone in the Capricornia region of Central Queensland topped the list. From a low base, it saw a near six-fold increase in net migration inflows from the capitals in the 12 months to March 2023. Meanwhile, Port Lincoln in South Australia and Donnybrook-Balingup in Western Australia came in second and third spots, with a more than three-fold increase in net migration inflows from capitals.

Southern Downs in Queensland and Waroona in Western Australia rounded out the Top Five, with each of these LGAs recording net migration inflows from capitals almost three times higher than in the 12 months to March 2022.

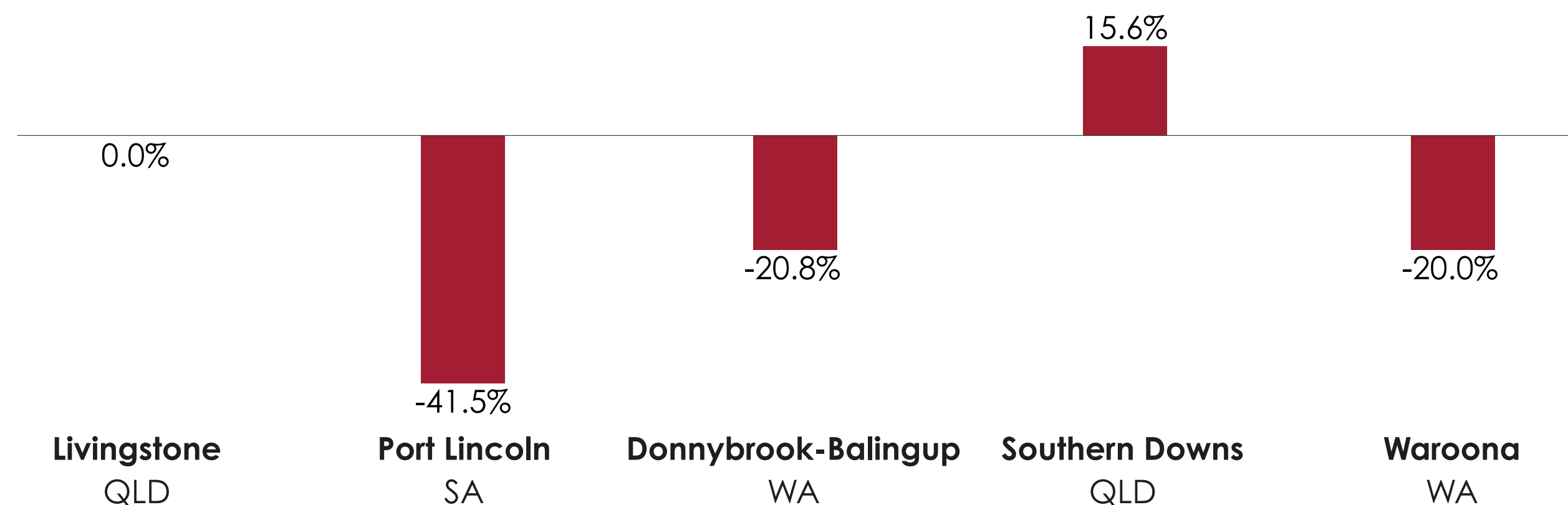
These high year-on-year growth rates were despite a quarterly drop-off in net inflows, with Southern Downs the exception, posting a 15.6 per cent increase in net migration inflows from the capitals in the March quarter.

See p18, Note on methodology: ranking the Top 5s. Significant outlier LGAs have not been ranked. For an LGA to be included in the rankings it must have met key thresholds in net internal migration 2023 and net migration from capitals in 2022. These thresholds are designed to filter out significant outlier results typically associated with changes in small numbers. Townsville for example, is absent from this list – it experienced large total net internal migration inflow from capitals. However, the net flows from capital to regional in the 12 months to March 2023 were less than 50 people and the net flows from capital to regional in the 12 months to March 2022 were less than 10 people resulting in a significant outlier growth rate.

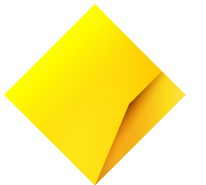
Top Five LGAs by annual growth in **net capital-regional migration** 12 mths to Mar qtr 2023 vs 12 mths to Mar qtr 2022 (%)



Quarterly change in **net capital-regional migration** inflows to Top Five LGAs Mar qtr 2023 vs Dec qtr 2022, % change



Most attractive places for regional people



Top Five LGAs: largest net inflows from regions

Regional Queensland proved not only attractive for city dwellers but for those moving from other regions, with LGAs in the Sunshine State taking out all Top Five positions by share of net region to region migration. This was also underpinned by Queensland's strong regional demographic, with it having the largest share of its population living regionally compared to the other states.

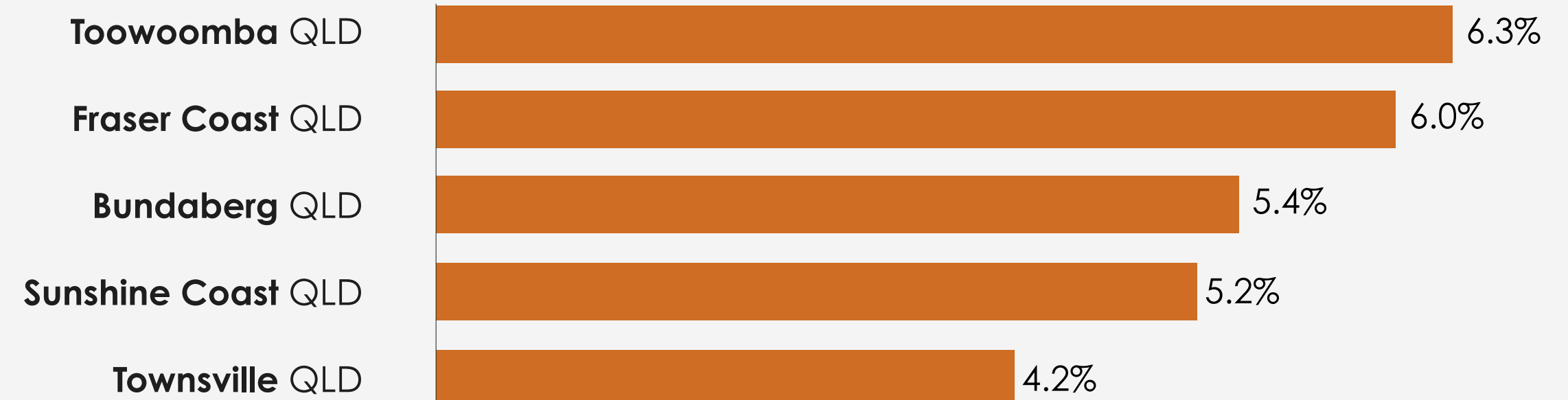
Toowoomba held the greatest appeal for regional movers in the 12 months to March 2023, edging up from third place to first in the March quarter, with a 6.3 per cent share. The Fraser Coast held its second place position, while Bundaberg slipped from first place into third.

The Sunshine Coast remained at fourth, while Townsville rounded out the Top Five edging out Maitland.

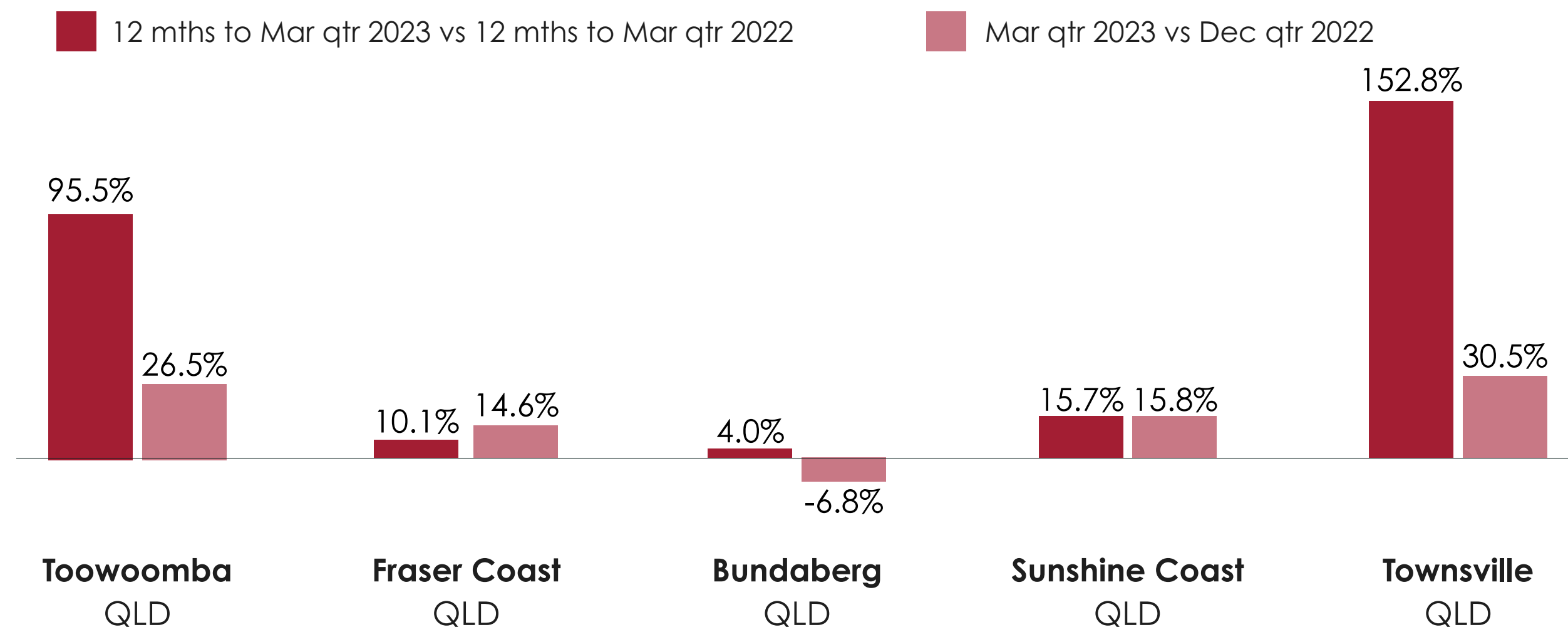
Townsville exhibited the greatest year-on-year growth in net regional inflows, up 152.8 per cent, while Toowoomba also had a high annual increase of 95.5 per cent. On a quarterly basis, regional inflows were up across the Top Five except Bundaberg, which posted a small decline in net inflows.

*Total net region-region migration across the country is considered as the sum of net regional migration inflows to **LGAs that experienced net inflows from other regions** (some LGAs experience net outflows to other regions).

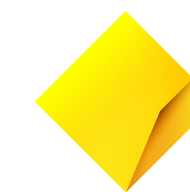
Top Five LGAs by share of **net regional-regional*** migration
12 mths to Mar qtr 2023



Quarterly and annual change in **net regional-regional migration**
inflows to Top Five LGAs



Increasingly attractive places for regional people



Top Five LGAs: greatest growth in net inflows from regions

The regional LGAs experiencing the greatest growth in net migration flows from other regions were in Victoria, Queensland and South Australia this quarter.

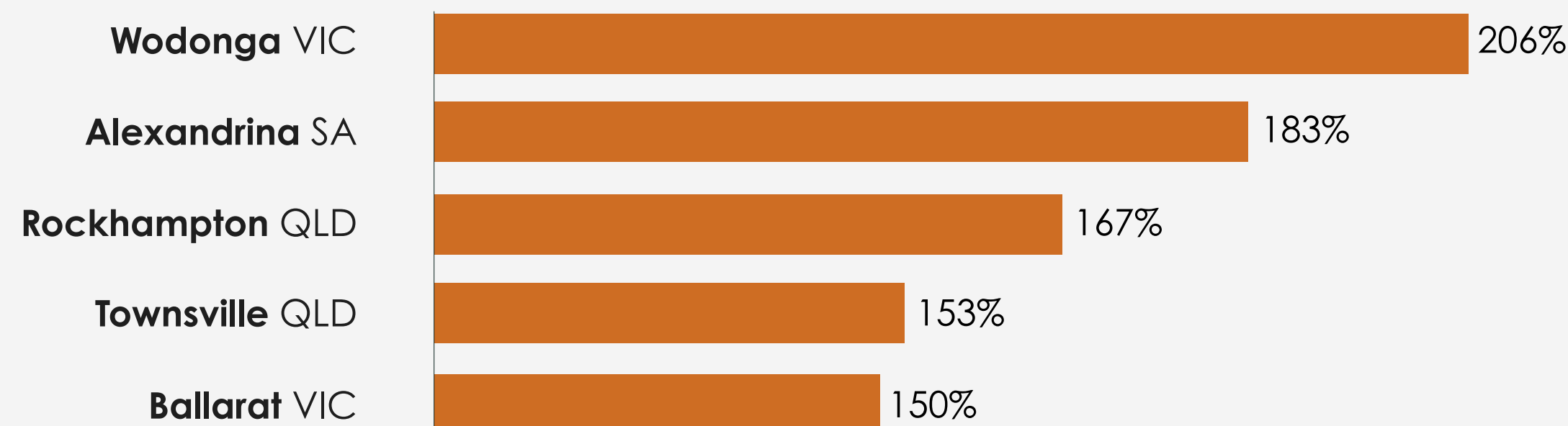
A new entrant to the Top Five, the Victorian LGA of Wodonga topped the list to record a more than three-fold year-on-year increase, while Alexandrina in South Australia also made its first appearance on the list.

Net regional inflows to the popular Queensland regional centres of Rockhampton and Townsville were around two and a half times higher in the 12 months to March 2023, which saw Rockhampton retain its third spot position and Townsville continue to make the Top Five – albeit going from second to fourth spot. Meanwhile Ballarat in Victoria dropped down the list from first to fifth, with a 150 per cent increase year-on-year.

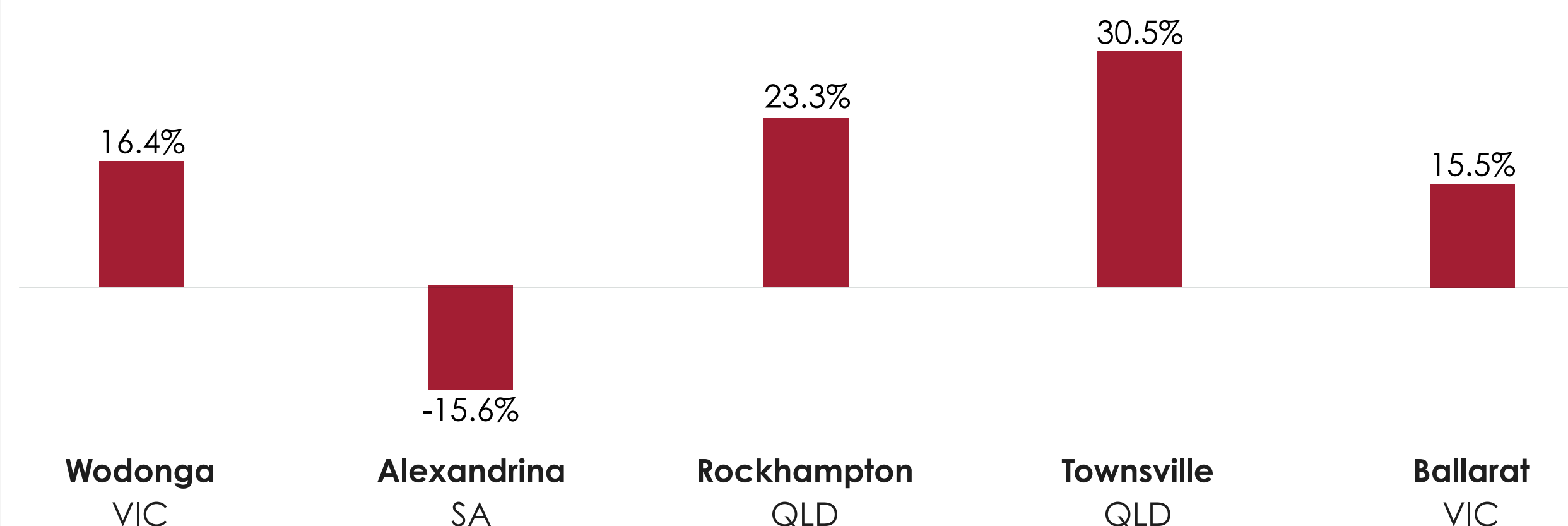
Quarterly net regional inflows were up across all LGAs in the Top Five, except Alexandrina, which recorded a small 15.6 per cent dip. Townsville reported the highest increase at 30.5 per cent in the March quarter, followed by Rockhampton at 23.3 per cent.

See p18, Note on methodology: ranking the Top 5s. Significant outlier LGAs have not been ranked. For an LGA to be included in the rankings it must have met key thresholds in net internal migration in 2023 and net migration from other regions 2022. These thresholds are designed to filter out significant outlier results typically associated with changes in small numbers. Greater Geelong, for example, is absent from this list - while it experienced a significantly larger net migration inflow from other regions in the 12 months to 2023 compared to the same period to March 2022, the net inflows to March 2022 were less than 10 people, resulting in a significant outlier growth rate.

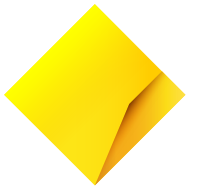
Top Five LGAs by annual growth in **net regional-regional migration** 12 mths to Mar qtr 2023 vs 12 mths to Mar qtr 2022 (%)



Quarterly change in **net regional-regional migration** inflows to Top Five LGAs Mar qtr 2023 vs Dec qtr 2022, % change



Inter-regional Migration



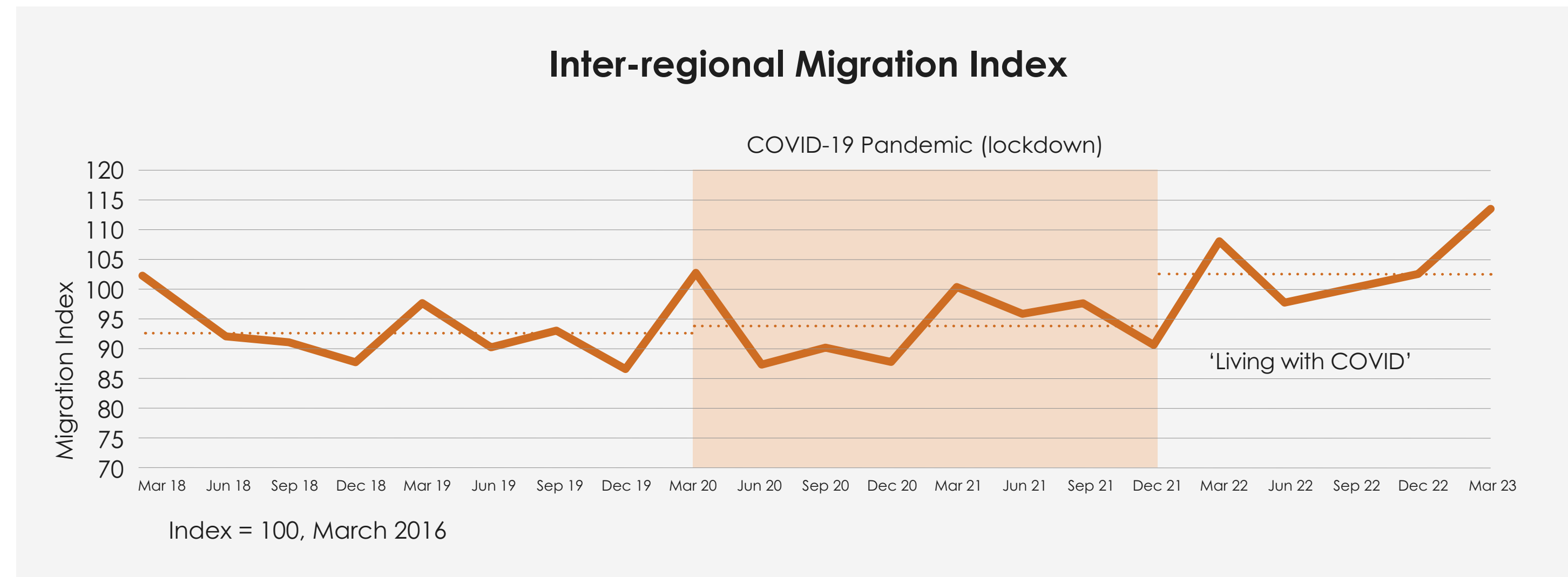
Inter-regional migration elevated with regional people also on the move

Regional people are also on the move with the Inter-Regional Migration Index – which looks at migration flows within and between regions – now at its highest level since the pandemic began.

The Index, which has been on an upwards trajectory since Australia entered the ‘living with COVID’ phase of the pandemic, rose by a further 9.2 per cent in the March 2023 quarter. This lift in regional mobility has seen inter-regional migration averaging 11.2 per cent above the levels reported during the height of the pandemic and 12.6 per cent above pre-pandemic levels.

As highlighted throughout this report, net migration inflows from regions often represent a significant source of population growth for many LGAs. In 2023, inter-regional migration accounted for the second largest share of migration (among the four elements of internal migration) at 13.4 per cent.

While inter-regional mobility has increased, there has also been an upswing in the number of regional people moving to the cities – to now account for a 10.1 per cent share of all migration. While the regional housing market remains tight, this increased flow from regions to capitals should start to see some properties released for sale or rent. That said, it is not expected to dampen inter-regional migration as regional movers continue to search for places where housing is more available and affordable – particularly given the current cost of living pressures.



Appendix

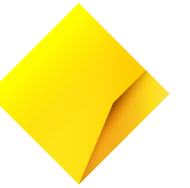


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A1: Regional Movers Index

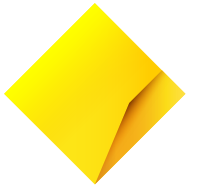
Methodology Notes



- (1) CBA-RAI Regional Movers Index is defined as movement of CBA personal customers from capital cities to regional areas (see A1.2). Index = 100, March 2016 quarter.
- (2) Customer movement or population flows refers to CBA personal customers changing their address as stored in CBA technological systems. Customers must have stayed at one address for 6 months (prior to moving) to be counted.
- (3) Capital cities/Regional areas defined through ABS 1270.0.55.001 GCCSA boundaries. Capital cities go by the GCCSA_NAMES of: Greater Sydney, Greater Melbourne, Greater Brisbane, Greater Adelaide, Greater Perth, Greater Hobart, Greater Darwin and Australian Capital Territory. Regional areas go by the GCCSA_NAMES of: Rest of NSW, Rest of Vic, Rest of QLD, Rest of SA, Rest of TAS, Rest of NT. Offshore and 'No usual address' GCCSA_NAMES excluded. ACT has no regional areas.
- (4) Relocations within capitals and within regions are those that are across different LGAs. That is, relocations WITHIN a given LGA are not considered or counted as a relocation. See p19, Note on methodology: definitions of inter-regional, inter-capital, region-capital and capital-region migration
- (5) The Net regional migration index is calculated as movement from capital areas to regional less movement from regional areas to capital cities. Index = 100, March 2016 quarter.
- (6) LGAs are defined through ABS 1270.0.55.003 ASGS Volume 3 – Non ABS Structures.
- (7) To be listed on the RMI appendix – and considered for the various Top 5 rankings – an LGA must:
 - Have had net internal migration inflows in 2023 of 50 or more people
 - Have had a base of net internal migration, net capital-region or net region-region inflows of more than 10 people. This is to filter out significant outlier results associated with changes in small numbers. Significant outlier growth rates are not published or ranked.
- (8) 14 LGAs have a percentage of their constituency defined as Capital and the other percentage defined as Regional. These LGAs include Scenic Rim (R), Light (RegC), Barossa (DC), Yarra Ranges (S), Lockyer Valley (R), Kingborough (M), Murrindindi (S), Derwent Valley (M), Murray (S), Mallala (DC), Moorabool (S), Mitchell (S), Macedon Ranges (S), Unincorporated NT.
- (9) The proportion of CBA customers in each state as percentage of total customers is representative of overall Australian population (ABS National, state and territory population released 18th March 2021 for September 2020 reference period).
- (10) Chief Data and Analytics Office (CDAO) has prepared this report. CDAO is a business unit of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945 (Bank). References to the "Group" are to the Bank and its subsidiaries (including Commonwealth Securities Limited ABN 60 067 254 300 AFSL 238814, Commonwealth Australia Securities LLC and CBA Europe Ltd) and includes the directors, employees and representatives of the Bank and its subsidiaries.

A2: All LGAs

Share of Migration, Changes in Total Net Internal Migration

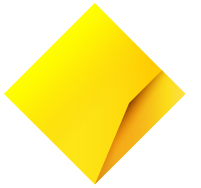


LGA	State	Share of TOTAL NIM (%)	Share of NET C2R Migration (%)	Share* of NET R2R Migration (%)	Growth in TOTAL NIM 12 mths to Mar 2023 vs 12 mths to Mar 2022 (%)
Sunshine Coast	QLD	15%	12%	5%	-10%
Greater Geelong	VIC	8%	6%	4%	21%
Gold Coast	QLD	8%	9%	-3%	-64%
Fraser Coast	QLD	6%	3%	6%	12%
Bundaberg	QLD	4%	2%	5%	9%
Moorabool	VIC	4%	4%	-1%	160%
Lake Macquarie	NSW	3%	4%	-2%	-26%
Toowoomba	QLD	3%	0%	6%	10%
Maitland	NSW	3%	1%	4%	-22%
Ballarat	VIC	3%	2%	2%	5%
Port Macquarie-Hastings	NSW	3%	2%	0%	-36%
Cessnock	NSW	3%	2%	2%	-13%
Baw Baw	VIC	2%	3%	-1%	-24%
Cairns	QLD	2%	1%	3%	-7%
Mackay	QLD	2%	1%	3%	122%
Mid-Coast	NSW	2%	2%	0%	-40%
Busselton	WA	2%	2%	1%	14%
Shellharbour	NSW	2%	1%	2%	-19%
Gympie	QLD	2%	1%	3%	-17%
Townsville	QLD	2%	0%	4%	520%
Bass Coast	VIC	2%	2%	-1%	-44%
Greater Bendigo	VIC	2%	1%	2%	-43%
Hindmarsh	VIC	2%	2%	-1%	-26%
Port Stephens	NSW	2%	1%	1%	-39%
Gladstone	QLD	2%	0%	3%	69%
Livingstone	QLD	2%	1%	2%	29%

LGA	State	Share of TOTAL NIM (%)	Share of NET C2R Migration (%)	Share* of NET R2R Migration (%)	Growth in TOTAL NIM 12 mths to Mar 2023 vs 12 mths to Mar 2022 (%)
Alexandrina	SA	1%	1%	1%	59%
Tweed	NSW	1%	2%	0%	-39%
Augusta-Margaret River	WA	1%	1%	1%	19%
Clarence Valley	NSW	1%	0%	2%	32%
East Gippsland	VIC	1%	1%	0%	-22%
South Burnett	QLD	1%	1%	0%	-2%
Southern Downs	QLD	1%	1%	1%	98%
Queanbeyan-Palerang Regional	NSW	1%	2%	-1%	-79%
Noosa	QLD	1%	2%	-3%	-41%
Wodonga	VIC	1%	0%	2%	-14%
Tablelands	QLD	1%	0%	2%	56%
Shoalhaven	NSW	1%	2%	-2%	-75%
Snowy Valleys	NSW	1%	1%	0%	33%
Golden Plains	VIC	1%	1%	1%	-8%
Kempsey	NSW	1%	1%	0%	67%
Copper Coast	SA	1%	1%	0%	29%
Dardanup	WA	1%	0%	1%	51%
Mount Gambier	SA	1%	1%	0%	-43%
Mount Alexander	VIC	1%	1%	0%	16%
Victor Harbor	SA	1%	0%	0%	17%
Wellington	VIC	1%	1%	0%	-21%
Scenic Rim	QLD	1%	0%	1%	-30%
Whitsunday	QLD	1%	0%	0%	-51%
Barossa	SA	1%	1%	0%	9%
Albany	WA	1%	0%	1%	-14%

A2: All LGAs

Share of Migration, Changes in Total Net Internal Migration



LGA	State	Share of TOTAL NIM (%)	Share of NET C2R Migration (%)	Share* of NET R2R Migration (%)	Growth in TOTAL NIM 12 mths to Mar 2023 vs 12 mths to Mar 2022 (%)
Rockhampton	QLD	1%	0%	2%	54%
West Tamar	TAS	1%	0%	1%	-37%
Murray River	NSW	1%	0%	0%	-30%
Ballina	NSW	1%	1%	0%	-65%
Goulburn Mulwaree	NSW	1%	0%	0%	-37%
Bunbury	WA	1%	0%	1%	19%
Nambucca Valley	NSW	1%	0%	0%	-53%
Yorke Peninsula	SA	1%	0%	0%	9%
Campaspe	VIC	0%	1%	0%	322%
Harvey	WA	0%	0%	1%	17%
Surf Coast	VIC	0%	2%	-2%	-79%
Waroona	WA	0%	0%	0%	137%
Denmark	WA	0%	0%	0%	47%
Indigo	VIC	0%	0%	0%	16%
Port Pirie City and Dists	SA	0%	0%	0%	70%
Chittering	WA	0%	0%	0%	-1%
Strathbogie	VIC	0%	0%	0%	42%
Yankalilla	SA	0%	0%	0%	-3%
Latrobe	VIC	0%	0%	0%	-52%
Wangaratta	VIC	0%	0%	0%	-33%
Kangaroo Island	SA	0%	0%	0%	60%
Mid Murray	SA	0%	0%	0%	-43%

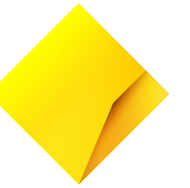
LGA	State	Share of TOTAL NIM (%)	Share of NET C2R Migration (%)	Share* of NET R2R Migration (%)	Growth in TOTAL NIM 12 mths to Mar 2023 vs 12 mths to Mar 2022 (%)
Central Goldfields	VIC	0%	0%	0%	56%
Bega Valley	NSW	0%	0%	0%	-70%
Exmouth	WA	0%	0%	0%	109%
Eurobodalla	NSW	0%	1%	-2%	-77%
Pyrenees	VIC	0%	0%	0%	196%
Mid-Western Regional	NSW	0%	1%	-1%	48%
Ceduna	SA	0%	0%	0%	-11%
Greater Hume Shire	NSW	0%	0%	0%	-49%
Port Lincoln	SA	0%	0%	0%	408%
Lithgow	NSW	0%	1%	-1%	-37%
Benalla	VIC	0%	0%	0%	-9%
Mansfield	VIC	0%	0%	0%	-49%
Queenscliffe	VIC	0%	0%	0%	-45%
Light	SA	0%	0%	0%	23%
Gingin	WA	0%	0%	0%	-16%
Grant	SA	0%	0%	1%	16%
Donnybrook-Balingup	WA	0%	0%	0%	2%
Toodyay	WA	0%	0%	0%	-5%
Western Downs	QLD	0%	0%	0%	-82%
York	WA	0%	0%	0%	86%
Northern Areas	SA	0%	0%	0%	138%
Murray Bridge	SA	0%	0%	0%	35%

*a negative share of Net Regional-Regional Migration indicates the LGA experienced a net outflow of people to other regions; the percentage listed is the percent this LGA's outflows represents out of the sum of outflows from all LGAs that experienced a net outflow of people to other regions

*a positive share of Net Regional-Regional Migration indicates the LGA experienced a net inflow of people from other regions; the percentage listed is the percent this LGA's outflows represents out of the sum of inflows to all LGAs that experienced a net inflow of people from other regions. See p18 on the Appendix A3 for definitions and methodology.

A3: Note on methodology

Net migration and population growth



The Regional Movers Index publication was established at the height of the COVID-19 pandemic to answer the pertinent question at the time: were capital city people fleeing to the regions? The RMI showed this to be well and truly the case. It also highlighted that regional people were tending to stay in regions and avoid those severe capital-city lockdowns.

Now that Australia is largely living with COVID and population flows from regions to capitals have resumed, the RMI publication is honing its focus to understand the **NET** migration inflows that Australia's regions are continuing to experience. That is, the RMI is now not only considering the one-way flow of population movements from capitals to regions, but it is also considering the population movements in the other direction, by focusing on net flows. The RMI publication is also now considering the breakdown of net migration flows into the various regional LGAs: net migration from capital cities and net migration from other regions. Together, this provides an invaluable source of information on a key driver of local population changes: net internal migration.

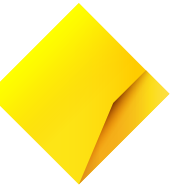
A region's population will change according to changes in:

- Its **natural increase** – local births minus deaths
- Its **net overseas migration** – overseas people moving in minus local people moving overseas
- Its **net internal migration** – people from other regions (within Australia) moving in minus local people moving to other regions (within Australia)

The RMI's reporting on net internal migration sheds much-needed light on this notorious swing variable underneath total population changes. It will also provide policymakers, industry and communities with the added understanding of local population dynamics driven by capital city versus regional migration patterns.

A3: Note on methodology

Ranking the Top Five LGAs



In considering net internal migration – and its constituent parts of net migration from capitals and net migration from other regions – this edition of the RMI ranks regions accordingly, i.e. based on:

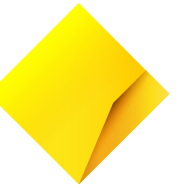
- (1) **Total Net Internal Migration** – the report identifies the top five regional local government areas receiving the largest net internal migration inflows (irrespective of whether these inflows are from capitals or other regions) during the 12 months to the March quarter 2023. It also identifies the top five regional LGAs that have experienced the most significant growth in net internal migration inflows (again, irrespective of whether these inflows are from capitals or other regions).
- (2) **Net Capital-to-Regional Migration** – the report identifies the top five regional LGAs receiving the largest net migration inflows **from capital cities**. It does so by identifying and ranking the regions that have received the greatest share of total net migration inflows from all capitals to all regional LGAs. It also identifies the top five regional LGAs that have experienced the most significant growth in net migration inflows from capital cities.
- (3) **Net Region-to-Region Migration** – the report identifies the top five regional LGAs receiving the largest net migration inflows from **regional areas**. It does so by identifying the regions that have experienced the greatest share of total net migration inflows **among the regional LGAs that have experienced net inflows**. The report also identifies the top five regional LGAs that have experienced the most significant growth in net migration inflows from regional areas.

Regarding the ranking of regions experiencing the most significant growth in net migration inflows, the RMI has sought to filter out – and not include in the rankings – significant outlier results due to changes in small numbers. There are many regional LGAs with small populations prone to experiencing small net internal migration flows and therefore large percentage changes in growth rates. These places are not included in the RMI rankings. Specifically, an LGA must meet two criteria to be considered and ranked in the RMI publication:

1. The LGA must have experienced total net internal migration inflows in the previous 12 months of 50 or more people
2. The LGA must have experienced net internal migration inflows from either capitals or other regions of more than 10 people in the base period. Specifically:
 - a) LGAs where the net migration **inflows from either capitals or regions were 10 people or less in the base period** were not ranked among the regions experiencing the most significant growth in total net migration inflows.
 - b) LGAs where the net migration **inflows from capitals were 10 people or less in the base period** were not ranked among the regions experiencing the most significant growth in net migration **inflows from capitals**.
 - c) And LGAs where the net **migration inflows from other regions were 10 people or less in the base period** were not ranked among the regions experiencing the most significant growth in net migration inflows **from regions**.

*In the 12 months to March quarter 2023 there were two LGAs that experienced total net internal migration inflows of 50 or more people (and so are included in Appendix A2) - but their net inflows in the 12 months to March quarter previous year (2022) were 10 people or less. The growth rates in their net internal migration have therefore not been assessed in the rankings of LGAs by total net internal migration. Those LGAs are: Whyalla (+200%) and Inverell (0%).

A3: Note on methodology



Definitions of inter-regional, inter-capital, region-to-capital and capital-to-region migration

The Regional Movers Index publication focuses on migration (as indicated by CBA customer relocations) from capital cities to regions. Specifically, the relocations from capital-city Local Government Areas to regional LGAs. Since December 2022 the publication also considers (but previously hadn't focused on) migration in the other direction – from regional LGAs to capital-city LGAs. These relocations are necessarily between different LGAs (with some exceptions noted in Appendix A1).

Other relocations that occur during any given quarter are those within and between capital-cities and also those within and between regions. In addition to relocations between different LGAs, a significant number of relocations in any given quarter are within a given LGA – households changing their homes, but remaining within their overall community. Until September 2022 the RMI publication **included** these relocations within its overall analytical framework. Including these gives a higher number of relocations than excluding and this influences the numbers in the RMI report up to that issue showing the shares that each type of relocation accounts for out of all relocations. These shares are highlighted typically at the beginning of each quarter's publication (see. Table, **Breakdown of total internal migration** on p3 of September 2022 edition). Under that analytical framework, of all relocations:

- those within regional Australia have accounted for roughly 22 per cent;
- those from regional Australia to capitals have accounted for around 4 per cent;
- those from capitals to regional Australia have accounted for around 6 per cent, and
- those within and between capitals have accounted for around 68 per cent each quarter.

From December 2022 the Regional Movers Index publication includes additional detailed analysis on inter-regional migration – migration within and between Australia's regions. This is to provide an indication of another key source of population growth at the LGA level (beyond the inflows from capital-city LGAs). Relocations within a given regional LGA will not affect that LGA's overall population, and excluding these moves does not affect the RMI analysis of capital to regional flows or regional to capital flows. To get more accurate results of relocations between regions, the RMI now uses a revised analytical framework to **exclude** relocations that occur within any given LGA. We have applied this framework across the relevant elements of the publication for internal consistency. Under this revised analytical framework, we are analysing fewer but what might be called major relocations (see Table, **Breakdown of total major relocations** of p3 of this edition). Reducing the base number of relocations has changed the relative shares:

- those within regional Australia account for roughly 13 per cent;
- those from regional Australia to capitals account for around 10 per cent;
- those from capitals to regional Australia account for around 12 per cent, and
- those within and between capitals account for around 65 per cent this latest quarter.

Rebasing the analysis does not change the historical pattern of **capital city to regional** flows or **regional to capital** flows that underpin the RMI net migration index.