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THE IMPACT OF INTERNATIONAL MIGRATION ON ECONOMIC GROWTH IN AUSTRALIA

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Abstract. *This study examines the role of migration in the growth of the Australian economy, using annual data from 1990 to 2021. The study aims to determine whether migration has a positive or negative impact on economic growth in Australia, as the country continues to open its economy to immigrants. The impact of immigration on host economies has been associated with conflicting results when subjected to empirical testing. Australia is among the developed countries that have opened its economy to immigrants in pre-determined sectors and quotas tailored to meet the country's skills needs. The study would play a key role in guiding policy makers in Australia on migration policies that complement economic growth agenda in the country. The study employs the ARDL to investigate the nature of this relationship. The findings of the study confirm that migration positively influences economic growth only in the short run. The findings of the study suggest that the Australian government's support of immigration indeed positively influences growth in the short run; however, other policies are required to support growth in the long run.*

Key words: *immigration, migration, economic growth, ARDL; Australia*

JEL Classification: F22, F43, C22

1. INTRODUCTION

According to the World Migration Report 2024, there are 281 million international migrants in the world, which translates to 3.6% of the global population (IOM UN Migration, 2024). The number of people living outside of their home country has continued to increase, with the scale tilting towards more males than females. Europe and Asia hosted between 87 and 86 million, respectively, roughly representing 61% of the global stock of international migrants (IOM UN Migration, 2024). Some of the factors that have contributed to migration include demographic and economic, social and political reasons,

and environmental and climate factors (European Parliament, 2025). Migrants bring benefits to the host countries and the home countries with well-developed policies to support channels that result in the productive employment of migrants and the use of remittances, respectively (The Organisation of Cooperation and Development 'OECD', 2022). Migrants bring economic benefits to host countries, especially those countries that are struggling with an aging population. Migrants play a significant role in advancing innovation, technology, and economic goals of host countries, with most benefits associated with highly skilled immigrants (OECD 2022; 2014). On the other hand, Koczan et al. (2021) also captured the negative impact of immigrants in the host countries, such as an increase in crime, competition over available job opportunities between the locals and the immigrants, and pressure on government financial resources to provide public goods to the growing population. Australia recognises the contribution of immigrants through boosting productivity, supporting the country in achieving the transition to net-zero emission and building resilience in the economy (Department of Home Affairs, 2023). Empirical results on the impact of migrants in host countries are inconclusive, with some asserting a negative impact and other studies confirming a positive impact. The objective of this study, therefore, is to empirically investigate the nature of the relationship between migrants and economic growth in Australia. The findings from this study will assist in the formulation of policies that support Australia's economic growth through the formulation of appropriate migration policies and restrictions.

According to the International Monetary Fund 'IMF' (2020), migrants in advanced economies lead to an increase in output and contribute positively to economic growth. In 2019, 270 million people around the world were migrants. The number more than doubled when compared to 1990, when 120 million were registered (IMF, 2020). This shows the mobility across the globe that has taken place over time. The share of immigrants from the total population in advanced economies has increased from 7% to 12% compared to developing and emerging economies, which remained at 2% (IMF, 2020). This shows the number of immigrants looking for greener pastures in advanced economies has increased over the years. In contrast, refugee migration tends to be localised from emerging and developing countries, making these countries the origin and destination of refugees. A plethora of reasons have been proposed for migration. These include differences in incomes between the source and destination country, wars and geographical proximity in the case of refugees. IMF (2020) projects future migration pressure from Africa and the Middle East to Europe to increase between 2020 and 2050. Given these projections, should advanced economies welcome the move with open arms, or should they put measures to protect their economies from the impact of immigrants in the future economic growth aspirations?

Although migration has grown to be popular with researchers because of the remittances associated with the move, there is a dearth of literature on the impact of migration on the host country's economic growth. Among the few studies that have been done, some studies found migrants to positively impact economic growth (Borjas, 2019; Youngho and Byung-Yeon, 2018), while some studies found migrants to negatively affect economic growth (Akanbi 2017). The inconclusive result from the extant literature makes another study on Australia important, given the country is becoming a destination for many migrants through varied visa categories availed by the country.

Unlike some previous studies, this study uses the ARDL approach to examine the impact of migrants on economic growth in Australia. This approach allows the results to be interpreted in both the short and long run, which is crucial for developing effective short-

and long-term policies. This provides more insight to policy makers in Australia when designing the country's migration policies. Australia has been selected for this study based on the immigration policies that are in place in the country. The country has consistently released places available for immigrants and highlighted the benefits of migrants on its economic agenda. Further, Australia is one of the countries that releases the number of places for immigrants' skills required after a wide consultation with different economic agents on the skills gap in the country.

The rest of the paper is divided as follows: Section 2 dwells on the literature review, Section 3 outlines the estimation technique, and section 4 discusses the findings of the study. The final section, Section 5, concludes the study.

2. INTERNATIONAL MIGRATION AND ECONOMIC GROWTH DYNAMICS IN AUSTRALIA

Australia has a well-structured migration policy that aims to attract immigrants that help to increase productivity and solve old age challenges. Each year, the Australian government comes up with the total number of immigrants that would be admitted into Australia, providing the country with a window to determine the number of immigrants at any point in time (Department of Home Affairs, 2023). The immigration policy aims to increase productivity, build resilience and help the country to transition to net-zero emissions (Department of Home Affairs, 2023). Australia also recognises the importance of immigrants in minimising the challenge of ageing population by reducing the average age of the population, given that migrants are usually younger than the Australian population (Department of Home Affairs, 2023). The immigration policy also considers strengthening family community bonds; hence, some visas are tailored to cater for this objective, for example, Partner Visa. Family reunion is also part of the immigration policy objectives (Department of Home Affairs, 2023).

In 2023-24, Australia has scheduled to accept a total of 190 000 places, divided across several visa options (Department of Home Affairs, 2023). Some of the visa categories include the Business Innovation and Investment Program, Global Talent visa, skilled independent visa and the family stream. The government has set aside funding for some of the visa categories to facilitate the securing of talented immigrants to Australia. Thus, the Migration Program is set together with the government budget process, and a wide consultation is done with unions, community organisations, industry, and representatives from the academia and state and territory governments. Economic labour force forecast, public submission, economic and fiscal modelling, demand for permanent visa programs and international research plays an important role in the decision and support for immigrant places.

Migration in Australia is guided by the Commonwealth Constitution with several Commonwealth laws, such as the Australia Citizenship Act of 2007, Migration Act of 1958, Migration Regulation of 1994, and Judiciary Act 1903 (s.39B).

Australia has registered an increase in net migrants settling in the country from 1990, where only a net of 95 996 was recorded, to 117 929 in 2021(World Bank, 2023). Although a remarkable increase was recorded in 2000, net migration in Australia has waxed, with some years like 2007 and 2008 recording net migration above 250,000 (World Bank, 2023). This indicates that the Australian economy is embracing more immigrants through the placement system.

On the growth front, the Government of Australia has pursued a public-private sector partnership to support its economic activities. The Australian government is the custodian of the fiscal policy, and the Reserve Bank of Australia is responsible for the monetary policy. Australia has a 2030 vision of bringing prosperity through innovation and science. The country has set to thrive in the global innovation race among other countries to position the country on the top tier of innovation nations (Australian Government, 2023). The vision covers major imperatives like education, industry, Government, culture and ambition, and research and development (Australian Government, 2023).

Recently, the Australian government developed a Digital Transformation Strategy 2025, where the country continues to embrace emerging technologies like data analytics and artificial intelligence in the delivery of excellent outcomes (Digital Transformation Agency, 2023). The Digital Transformation Strategy rests on three pillars: i) a government that is easy to deal with, ii) a government that is informed, and iii) a government that is fit for digital edge (Digital Transformation Agency, 2023). Thus, the Digital Transformation Strategy focuses on the transformation of government service provision is a step toward Vision 2030 (Digital Transformation Agency, 2023).

Economic growth in Australia has maintained a positive trajectory during the study period except for 1991 and 2020 (World Bank. 2023). However, the growth rates throughout the study period never broke the 5% mark (World Bank. 2023). The country registered high economic growth rates from 1990 to 2008, with an average of 3.3% compared to an average of 2.3% from 2009 to 2021(World Bank. 2023). Real GDP growth for Australia is projected to be 1.8% in 2023 and a slight decline in 2024 to 1.4% (OECD, 2023). Figure 1 reports Australia's igration and economic growth trends from 1990 to 2021.
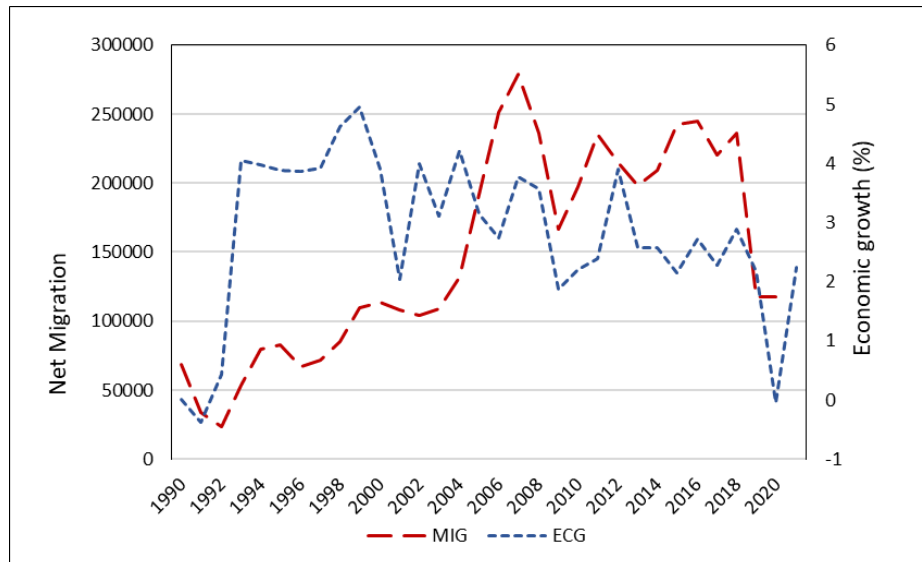
Fig. 1 Migration and Economic Growth Dynamics for Australia 1990-2021
Source: World Bank (2023)

Figure 1 reports the trends in net migration and economic growth in Australia. Migration peaked in 2009, and Australia also enjoyed high economic growth until 2001 (World Bank,

2023). The economy experienced fluctuations in economic growth between 2009 and 2021; this was also mimicked by net migration in Australia (World Bank, 2023). Migration and economic growth seem to trend together from 2018, when both variables dropped (World Bank, 2023). Although Australia supports immigration and regards immigrants as positive contributors to economic growth in varied ways, this relationship is not distinct from the data presented in Figure 1.

3. REVIEW OF RELATED LITERATURE

3.1. Impact of immigration on economic growth in Australia

The link between migration and growth can be traced from economic growth theories, where labour is one of the factors of production; hence, increasing labour is expected to lead to an increase in general output. Thus, immigration is a special type of labour and the contribution of immigrant labour to economic growth is determined by the skills shortage in the host country. Some allege that migrants worsen economic conditions in the host country by putting pressure on social services and competing for locally available job opportunities. This has been an outcry in some developing countries as they struggle to absorb all the domestic labour. However, for Australia, the release of places for immigrants absorbed using different visa routes ensures the migrants that the country receives address the skills shortage that the country has in different sectors. Even though these benefits have been documented for Australia, there is limited empirical evidence to ascertain the dynamic linkage between migration and economic development. Previous studies on the impact of immigration on economic growth in various countries have yielded mixed results. Some have found a positive impact of immigration on economic growth (see Oliinyk et al., 2021; Borjas, 2019; Akbari and Haider, 2017), while others, like Akanbi (2017), have found migrants to have a negative impact on economic growth.

Oliinyk et al. (2021) examined the relationship between the migration of highly skilled workers and economic growth and competitiveness in 25 OECD countries. The study found immigration of educated workers to have a positive impact on economic development and competitiveness. Tipayalai (2020), in a study on the impact of migrants on economic growth in Thailand, using data from 2003 to 2015, found a positive impact of migrants on economic growth and labour productivity. In the same spirit, Borjas (2019) surveyed the link between immigration and growth. The study concluded that despite the methodological debate on measuring the effects, immigration has a positive effect on growth when high-skilled workers are involved. In the same spirit, Youngho and Byung-Yeon (2018) examined the growth-enhancing impact of immigration from developed and developing countries. Using panel system – GMM estimation, the study found that immigrants from developed to developing countries contribute more to growth than immigrants from developing to developed countries. The same study found immigration without tracing the origin country has an insignificant impact on growth. Akanbi (2017) investigated the impact of migration on human development and economic growth for 19 SSA countries using data from 1990 – 2013. Using the two-stage least squares method, the study found that migration had a negative impact on human development and economic growth.

Akbari and Haider (2017) evaluated the impact of education levels of Canadian-born and immigrants on growth using data from 2006 to 2013. Using the feasible Generalised Least Square (FGLS), the study found that immigrants at all educational levels have a

positive effect on economic growth. Canadian-born and immigrants were also found to have the same effect on growth in smaller provinces. Brunow, Nijkamp, and Poot (2015), in a study on the impact of international migration on the global growth rate, found evidence that net migration benefits growth in the long run in developing and rich countries.

Muysken and Ziesemer (2013) investigated the impact of immigration on economic growth in the Netherlands using data from 1973 to 2009. Employing the Vector Error Model (VECM), the study found that even temporary immigration contributes to the Netherlands' employment and GDP per capita. Grodon (2012) traced the importance of immigration in boosting innovation and productivity in the United States. He further exposed the importance of less skilled workers as the grease that makes the wheels of the United States labour market. These arguments are corroborated by several authors theoretically but not empirically in several countries, Australia included. Apart from impact studies, Gomez and Giraldez (2011) investigated the relationship between immigration and economic growth in Germany and Switzerland using data spanning from 1970 to 2005. The study found a bidirectional causal relationship between immigration and per capita growth in the long run for Germany and unidirectional causality from growth to immigration for Switzerland only in the short run.

Overall, the impact of migration on economic growth, according to the findings of the studies reviewed, shows mixed results. Some studies found that migrants boost economic growth with some conditions like the level of skills of the migrants and whether the migrants are coming from developed or developing countries (Borjas, 2019; Youngho and Byung-Yeon, 2018; Muysken and Ziesemer, 2013). Others, on the other hand, found that migration negatively affects economic growth (see, for example, Akanbi 2017). The inconclusive results highlight the need for further study on the relationship between international migration and economic growth in Australia.

3.2. Estimation techniques

This study used the ARDL approach to examine the role of immigration in economic growth in Australia. The approach, based on Pesaran and Shin (1999) and Pesaran et al. (2001), offers several advantages over other methods. Unlike some previous techniques, the ARDL approach allows the variables to be I(0), I(1), or fractionally integrated.

3.3. Variables

Variables of interest in this study are migration (MG) captured by net migration and economic growth (ECOG) captured by the rate of change of GDP. Other variables that were used to fully specify the model include financial sector development (FDX), gross fixed capital formation (GFCF), education (EDU), inflation (INF) and trade openness (TOP). These variables were selected because they contribute to economic growth apart from migration. This ensures the model does not suffer from the omission of variables bias. The definitions of variables used in this study as well as the data sources are presented in Table 1.

Table 1 Variable Definition

Variable	Definition	Variable source
Economic growth (ECOG)	Rate of growth of GDP	WDI
Migration (MG)	Net migration	WDI
Gross fixed capital formation (GFC)	Gross capital formation as a % of GDP	WDI
Financial sector development index (FDX)	Financial Development Index	IMF
Education (EDU)	Primary school enrolment as a % of gross enrolment	WDI
Inflation (INF)	Rate of change of CPI	WDI
Trade Openness (TOP)	Exports and imports as a % of GDP	WDI

Note: WDI = Word Bank Development Indicators and IMF = IMF financial database.

3.4. Model Specification

The general model used in this study is given in Equation 1.

$$ECOG = \beta_0 + \beta_1 MG + \beta_2 GFC + \beta_3 FDX + \beta_4 EDU + \beta_5 INF + \beta_6 TOP + \varepsilon_t \quad (1)$$

Where ECOG = economic growth, MG = net migration; GFC = gross fixed capital formation; FDX = financial development index; EDU = primary school enrolment as a percentage of gross enrolment; INFL = rate of change of consumer price index (CPI); TOP = trade openness

β_0 – is a constant; $\beta_1 - \beta_6$ are coefficients; and ε_t is the error term.

The ARDL bounds specification for Equation 1 is given in Equation 2.

$$\Delta ECOG = \beta_0 + \sum_{i=1}^{p} \beta_{1i} \Delta ECOG_{t-i} + \sum_{i=0}^{q} \beta_{2i} \Delta MG_{t-i} + \sum_{i=0}^{q} \beta_{3i} \Delta GFC_{t-i} + \sum_{i=0}^{q} \beta_{4i} \Delta FDX_{t-i} + \sum_{i=0}^{q} \beta_{5i} \Delta EDU_{t-i} + \sum_{i=0}^{q} \beta_{6i} \Delta INF_{t-i} + \sum_{i=0}^{q} \beta_{7i} \Delta TOP_{t-i} + \pi_1 ECOG_{t-1} + \pi_2 MG_{t-1} + \pi_3 GFC_{t-1} + \pi_4 FDX_{t-1} + \pi_5 EDU_{t-1} + \pi_6 INF_{t-1} + \pi_7 TOP_{t-1} + \mu_{1t}$$
$$(2)$$

Where:
$\beta_1 - \beta_6$ = short run coefficients
$\pi_1 - \pi_6$ = long-run coefficients

Error correction model (ECM)-based Model

The ECM-based model specification for Equation 2 is given in Equation 3.

$$ECOG = \beta_0 + \sum_{i=1}^{p} \beta_{1i} \Delta ECOG_{t-i} + \sum_{i=0}^{q} \beta_{2i} \Delta MG_{t-i} + \sum_{i=0}^{q} \beta_{3i} \Delta GFC_{t-i} + \sum_{i=0}^{q} \beta_{4i} \Delta FDX_{t-i}$$
$$+ \sum_{i=0}^{q} \beta_{5i} \Delta EDU_{t-i} + \sum_{i=0}^{q} \beta_{6i} \Delta INF_{t-i} + \sum_{i=0}^{q} \beta_{7i} \Delta TOP_{t-i} + y_1 ECM_{t-1+}$$
$$+ \mu_{2t} \dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots.\dots (3)$$

Where ECM is the error correction and y_1 is the coefficient of the error correction term. Since the ECM measures the speed of adjustment, its coefficient is expected to be negative and less than one (1).

4. EMPIRICAL RESULTS

Unit root test

The stationarity of the variables included in the model was tested and is reported in Table 2. The study used the Dickey-Fuller Generalised Least Square (DF-GLS) and Phillips-Perron (PP) tests to assess the stationarity of the variables. According to Gujarati and Porter (2009), a variable is stationary if statistical properties such as the variance, mean, covariance and standard deviation remain constant over time. Regressing of non-stationary variables results in a spurious regression where misleading results are obtained. Unit root results are presented in Table 2.

Table 2 Unit Root Test Results

Panel A: Dickey-Fuller Generalised Least Squares (DF-GLS)				
Variable	Stationarity of all Variables in Levels		Stationarity of all Variables in First Difference	
	Without Trend	With Trend	Without Trend	With Trend
ECOG	-1.634	-1.906	-5.721***	-5.906***
MG	-1.337	-2.486	-4.257***	-4.483***
GFC	-3.538***	-3.859***	-	-
FDX	-1.169	-2.108	-4.424***	-5.265***
EDU	-0.843	-1.325	-4.750***	-4.751
INF	-2.526**	-3.991**	-	-
TOP	-1.622	-2.620	-5.271***	-5.735***
Panel B: Phillips-Perron (PP)				
Variable	Stationarity of all Variables in Levels		Stationarity of all Variables in First Difference	
	Without Trend	With Trend	Without Trend	With Trend
ECOG	-2.217	-2.184	-5.726***	-6.813***
MG	-1.369	-1.653	-4.356***	-5.172***
GFC	-1.908	-1.875	-5.609***	-8.366***
FDX	-2.411	-0.878	-4.627***	-5.812***
EDU	-1.493	-1.585	-4.689***	-4.609***
INF	-5.700***	-5.431***	-	-
TOP	-2.616	-2.597	-5.763***	-6.211***

Note: *,** and *** indicates significance of variables at 10%, 5% and 1% level of significance respectively.

The results presented in Table 2 confirm the stationarity of variables in levels or the first difference. This is consistent with the pre-requisites of the ARDL approach used in this study. In order for a cointegration relationship to exist between economic growth and its regressors, the computed F-statistic must be above the upper bound of Pesaran et al. (2001) critical values. If the calculated F-statistic is found to be between lower and upper bounds, the results are regarded as inconclusive. The cointegration results are presented in Table 3.

Table 3 Cointegration Test Results

Dependent variable	Function		F-statistic		Cointegration Status	
ECOG	F (ECOG|MG,GFC,FDX,EDU,INF, TOP)		6.950***		Cointegrated	
Critical Values	1%		5%		10%	
	I(0)	I(1)	I(0)	I(1)	I(0)	I(1)
	3.98	5.69	2.79	4.15	2.33	3.51

Note: *,** and *** indicates significance of variables at 10%, 5% and 1% level of significance, respectively.

Results reported in Table 3 confirm the existence of a cointegration relationship between economic growth and its regressors, i.e., migration investment, financial sector development, education, inflation and trade openness. Since cointegration relationship has been confirmed, we can now proceed to estimate the long-run ARDL model. The lag selection was based on the Schwarz-Bayesian criterion since it gives the most parsimonious equation. The lag selection (1, 0, 1, 1, 1, 1, 0) was obtained for economic growth (ECG), migration (MG), gross fixed capital formation (GFC), financial development (FDX), education (EDU), trade openness (TOP) and inflation (INFL), respectively. The short-run and long-run results are presented in Table 4.

Table 4 Long run and short run Results

Regressors	Coefficient	T-ratio [p-value]
Panel A – Long run Results		
C	10.990	1.351 [0.194]
MG	-0.004	-1.198 [0.247]
GFC	0.355**	2.199 [0.042]
FDX	-0.949***	-3.242 [0.005]
EDU	-0.115	-1.402 [0.179]
TOP	0.097	0.861 [0.401]
INF	-0.102	-0.925 [0.358]
Panel B – Short-Run Coefficients		
ΔMG	0.014***	3.286 [0.004]
ΔGFC	0.472***	3.011 [0.007]
ΔFDX	-0.936***	-2.901 [0.009]
ΔEDU	0.175	1.711 [0.102]
ΔTOP	-0.069	-0.805 [0.430]
ΔINF	-0.101	-0.937 [0.359]
ECM (-1)	-0.985***	-6.616 [0.000]
R-squared – 0.887		
S.E of Regression – 0.548		
Akaike Info Criterion – -27.988		
R-Bar Squared – 0.814		
F-Stat (7, 21) – 9.049[0.000]		
Schwarz Bayesian Criterion – -36.191		
DW-statistic – 1.834		

Note: *,** and *** indicates significance of variables at 10%, 5% and 1% level of significance

The results presented in Table 4 confirm that migration has a significant positive impact on economic growth in the Australian economy in the short run but not in the long run.

This is confirmed by the short-run coefficient of 0.014 at 1% level of significance. Thus, the well-calculated policy that the government adopted of opening places yearly and offering visas in critical areas where the country has insufficient skills may be working to support economic growth in Australia. The positive impact of immigrants on economic growth is not unique to Australia alone. Other studies that found the same results include Oliinyk et al. (2021); Borjas (2019) and Muysken and Ziesemer (2013), among others. The insignificant impact of immigration on economic growth in Australia was not expected in the long run. This could be the lapse of the benefits of immigration over time as the immigrants get fully integrated into the Australian economy. The insignificant impact of immigration on economic growth, in the long run, could be due to the diminishing contribution of immigrants over time and the burden imposed by immigrants on public finance and social services (see Koczan et al., 2021).
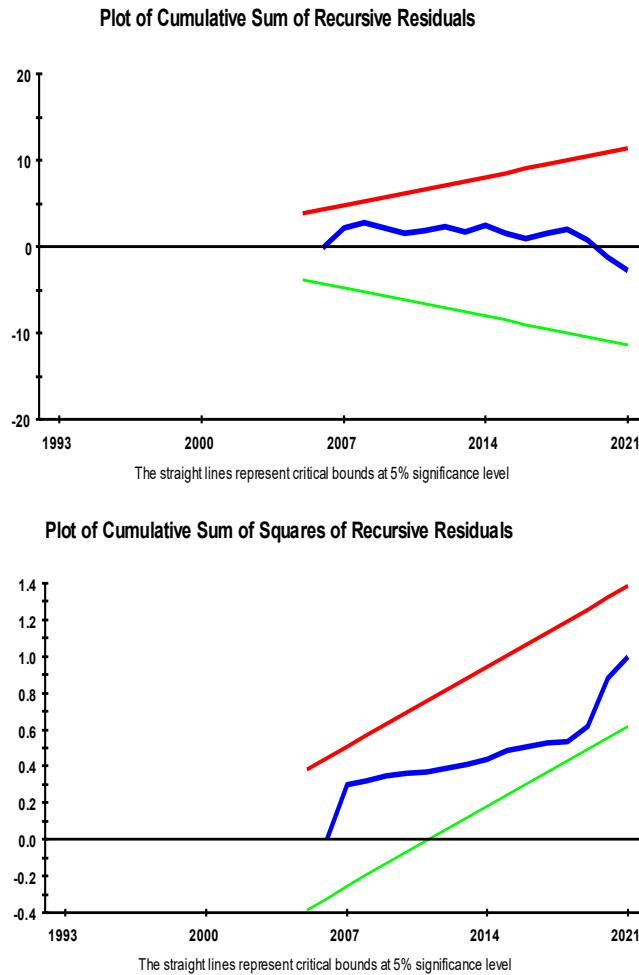
Other results presented in Table 3 show a negative relationship between financial development and economic growth in both the short run and the long run, although theory supports a positive impact of financial development on economic growth. This is premised on the financial sector being able to mobilise resources and channel them into productive sectors of the economy. However, financial development may be harmful to economic development if there is excessive risk and allocation of mobilized resources in less productive sectors, such as consumptive versus investment. This may have a negative effect on economic growth. Puatwoe and Piabuo (2017) found the same results in the short run. The study also found gross fixed capital formation to have a positive impact on economic growth irrespective of the time frame considered. Hence, Australians may continue to support policies that promote domestic savings, investment and foreign investment to boost economic growth. This is also supported by economic production theories, where labour and capital are important inputs in the production process. The higher the labour and capital, the higher the output. Education, trade openness and inflation have an insignificant impact on economic growth in the short run and in the long run.

The diagnostic results for the model under study are presented in Table 5 and Figure 2. Table 5 shows that, overall, the model passed tests for heteroscedasticity, serial correlation, normality, and functional form. The stability of the model was also confirmed by the Cumulative Sum of Recursive Residuals (CUSUM) and the Cumulative Sum of Squares of Recursive Residuals (CUSUMQ), as shown in Figure 2.

Table 5 Diagnostics Results

LM Test Statistic	Results
Serial Correlation	0.132 [0.716]
Normality	1.438 [0.487]
Functional Form	1.567 [0.109]
Heteroscedasticity	0.021 [0.885]

Figure 2 reports stability test for the model. The model passed the stability test at 5% level of significance.

Plot of Cumulative Sum of Recursive Residuals

The straight lines represent critical bounds at 5% significance level

Plot of Cumulative Sum of Squares of Recursive Residuals

The straight lines represent critical bounds at 5% significance level

Fig. 2 Stability tests
Note: Stability test at 5% level of significant

5. CONCLUSION

This study investigated the impact of migration on economic growth in Australia using time series data from 1990 to 2021. The study was motivated by the need to confirm empirically the impact of immigration in Australia, given the country's policy of opening visas in specific categories with the objective of augmenting domestic skills. Using net migration as a measure of migration, the study employed the ARDL framework to investigate the relationship between migration and economic growth. The study found migration contributed to economic growth only in the short run. Thus, the notion that immigration positively affects economic growth is true, although this finding prevails only in the short run. It can be concluded that Australia benefits from migration in relation to economic

growth. However, policy makers need to come up with other strategies to ensure the country enjoys long-term economic growth.

Based on the findings of this study, it is recommended that Australia continues to support policies that open the economy to immigrants to offset the aging population and skills shortage. However, other supporting policies are necessary when the country focuses on long-term economic growth. Thus, county by country needs to be considered when formulating policies that take immigration as one of the pillars of economic growth. The results also point out the importance of linking immigration policies to timeframes, allowing host countries to consider immigration at a time that brings a positive impact on economic growth and complement such policies with other macroeconomic variables to achieve growth in the short and long run. The study was limited to the impact of migration on the aggregate economy; however, future studies may wish to explore the impact of migration on specific sectors in Australia. Although the sample size used in the current study was sufficient for a rigorous and robust scientific investigation of the impact of migration on economic growth in Australia, a larger sample may provide a different insight into the nature of the relationship between the two variables. Hence, future studies may expand the sample size to establish whether their findings will differ fundamentally from the present findings.

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UTICAJ MEĐUNARODNE MIGRACIJE NA EKONOMSKI RAST AUSTRALIJE

Ovaj rad ispituje ulogu migracije u rastu australijske ekonomije, koristeći godišnje podatke od 1990 do 2021. Rad ima za cilj da odredi da li migracija ima pozitivan ili negativan uticaj na ekonomski rast u Australiji, s obzirom na to da zemlja nastavlja da otvara svoju ekonomiju ka imigrantima. Uticaj imigracije na ekonomije domaćina daje protivrečne rezultate kada se podvrgne empirijskom testiranju. Australija je među razvijenim zemljama koje su otvorile svoju ekonomiju za imigrante u unapred određenim sektorima i kvotama prilagođenim potrebama zemlje za veštinama. Studija bi mogla da igra ključnu ulogu u vođenju kreatora politike u Australiji o migracionim politikama koje dopunjuju agendu ekonomskog rasta u zemlji. Studija koristi ARDL da bi istražila prirodu ovog odnosa. Rezultati studije potvrđuju da migracije pozitivno utiču na ekonomski rast samo na kraći rok. Rezultati studije sugerišu da podrška australijske vlade imigraciji zaista pozitivno utiče na rast na kraći rok; međutim, potrebne su druge politike da bi se podržao rast na duži rok.

Ključne reči: *imigracija, migracija, ekonomski razvoj, ARDL, Australija*