

POPULATION REFORM—MEETING THE CHALLENGES

■ Kelvin Thomson

Recently Kelvin Thomson, Labor Party Federal Member for Wills, called for a change of direction in Australia's population trajectory, away from the hectic pursuit of higher numbers to a more moderate approach. Here he outlines the forces pushing for growth, exposes seven myths about population growth, and sets out his 14 point plan for an Australian population capped at 26 million together with more generous foreign aid.

Currently we have a public policy to increase Australia's population to 35 million by 2049 by means of large-scale migration. Changing this policy involves successfully confronting a series of political challenges.

THE PUSH FOR GROWTH

The first political challenge is to understand the problem. We have to understand where the push for higher population comes from. While some of it comes from migrant representatives, and some of it comes from particular religious leaders, who adhere to highly literal interpretations of religious texts written when the world's population was one twenty-fifth of what it is now, most of it comes from sections of business. Business enjoys close and regular access to political parties and political leaders courtesy of endless fundraising breakfasts, fundraising lunches, and fundraising dinners.

Regrettably some business entities, and property developers in particular, are in the ears of politicians, day in, day out, seeking higher population growth. They regard population growth as the yellow brick road to easy profit. For them it has two functions—creating a pool of surplus labour to put downward pressure on wages and salaries, and even more importantly building a bigger market to generate more sales. It seems easier than competing with rival businesses over market share.

One other group we need to be aware of who are fond of population growth is Treasury and other government bureaucrats, because population growth means a bigger GDP. It doesn't mean we're better off—if a country's wealth increases by 25 per cent, while its population increases by 60 per cent, on average each resident is actually poorer. But the media always report GDP, rather than GDP per person, and it always sounds good to be able to say the economy is growing, and hope that nobody looks at the fine print.

Upton Sinclair put it succinctly: 'It is difficult to get a man to understand something when his salary depends upon his not understanding it'.

SEVEN MYTHS ABOUT POPULATION GROWTH

The second political challenge is to expose the arguments in favour of rising population for the myths they are. Let me deal with seven of them. First, that we need a bigger population to drive economic growth and prosperity. The bigger is better myth. If this were true, the wealthiest per-person nations in the world would be those with the biggest populations. They're not. In fact eight of the top 10 nations in the world in terms of per-person GDP have populations of less than 10 million.

Sweden, for example, is entrenched in the world's top 10, with a growing economy but a population which has been stable for

many years. On the other hand, Argentina started the 20th Century far wealthier than Australia, but, having doubled our population growth, Argentina today has per-person GDP worth only 40 per cent of Australia's.

Some population boosters lament that Europe's population has stopped growing and say 'we don't want to follow that example', calling it stagnation and so on. Europe's population is indeed now about the same as it was in 1950. But of those ten wealthiest per-person countries, eight are in Europe.

Do the population boosters seriously prefer what has happened in Africa? Since 1950 Africa's population has more than quadrupled, growing from 221 million then to 973 million last year. Twenty-five years ago Ethiopia had a population of around 34 million. Now its population is 72 million.

According to the UN's Food and Agriculture Organisation the number of chronically hungry people in the world—people suffering from perpetual and severe hunger—has risen to one billion. In addition, as many as two billion more people live in perpetual food insecurity, missing meals and often not knowing where their next meal will come from.

No prizes for guessing where this increased misery is happening—it isn't Europe. World population growth is precisely the reason why world food prices have risen and why more people, not fewer, are starving and suffering from water-borne diseases.

And for Australia, runaway population means our mineral and resource wealth is spread more thinly, and there is greater competition for our available food, water, petrol and land. This pushes up food prices, pushes up the price of housing, pushes up the price of water, pushes up the price of petrol. We are not—repeat not—better off as a consequence of this.

The second myth is that a bigger popu-

lation will tackle population and workforce ageing, and that population and workforce ageing is a terrible problem.

The 14-point Population Reform Plan that I propose would not lead to an ageing population or workforce. But we should not fall for this idea that social ageing is a disaster and older people are a burden. Ageing is a sign of success, individually and as a society. The oldest societies are the healthiest and wealthiest, the youngest societies are those with the lowest life expectancy. We are not just ageing, we are ageing healthier, and are capable of working on for longer than we used to. And there is abundant scope to bring people into the workforce who are presently not in it—many young people are out of it, many aged between 45 and 65 are out of it, many indigenous Australians are out of it. Bringing them in would be good for them and good for the country.

And if you really think workforce ageing is a disaster, let me quote from the Department of Treasury *Economic Roundup* of December 2000, which said 'in response to the slowdown in the growth of the working age population, business may introduce incentives to retain existing workers, encourage them to increase the number of hours they work or defer their retirement, and to attract additional workers into the labour force. These incentives could take the form of higher real wages or other non-pecuniary benefits such as the opportunity to work from home, part-time hours for those full-time workers considering retirement, or more generous maternity leave arrangements'.

This is the catastrophe that awaits us if we don't act to increase the population—higher real wages, working from home, part-time options, more generous maternity leave arrangements! What a disaster!

The third argument for increasing population is that this will make Australia a bigger country, and that we should aspire

to a 'big' Australia. This argument is harder to understand than an episode of 'Lost'. Australia is already a big country. Bringing more people to Australia means there is less room for us as individuals, we lose our backyards and get cooped up in high rises. In my book that makes a place smaller.

A big country is one we can share with koalas and kookaburras and platypus and wombats and lyrebirds. A big country is one with wide-open spaces where you can drive for miles and hear yourself think. If you drive up or down Australia's eastern seaboard now it's all suburbs and traffic lights and retail franchises—that's not a bigger country, it's a shrinking one!

The fourth argument for increasing our population is that other countries have done so. Australia is not overcrowded compared to other countries, it is said, and our cities are not overcrowded compared to other cities around the world. Recently we were told to take a look at Bangladesh. But do we want to live like Bangladesh? With the greatest of respect, that's the whole bloody point!

The population of Bangladesh has doubled since 1971, from 75 million to 150 million. Needless to say its per-person GDP is miserable—just US\$421 for the whole year 2003–04, and it is one of the poorest countries in the world, with severe deficiencies in its health and nutrition services.

And yes, Australian cities are less crowded than many of those overseas. But what is this cultural cringe that causes us to believe that Australia and the Australian way of life are somehow inferior to those of other countries and other cities? If Australia is not as good a place to live as other countries, how come so many people are busting their backsides to live here?

When we start seeing boatloads of people leaving Australia, then it will be time to start thinking about where we're going wrong. In the meantime, why don't we celebrate Australia and its way of life and seek to protect it?

The fifth argument for increasing population, one I heard recently from a former Howard Government Minister, is that this will give us more weight in international forums. By this he means more power and influence. But power for its own sake is over-rated. The power and influence I want for Australia is the power and influence which comes from setting a good example—keeping open spaces for our unique native wildlife, keeping our food, water and housing affordable and our cities safe and liveable, having room for refugees and a generous overseas aid program, cutting our carbon footprint. These are the things that will provide leadership to the world and give us real weight.

The sixth argument for increasing population relates specifically to migration, and says that a high migration policy is evidence of our compassion, and is a duty we owe to peoples around the world less fortunate than ourselves. I am personally strongly in favour of Australia being a compassionate international citizen, and have proposed a 45 per cent increase in our refugee intake from 13,750 to 20,000 and that we maintain our family reunion intake at 50,000 per annum. But the skilled migration program cannot be defended as Australia's obligation to the world. Skilled migrants are claimed to be bringing to Australia skills we don't have; to the extent that they are skilled they are actually denuding the countries from which they come. This is not Australia being compassionate; this is us being selfish.

Moreover, I think we should be wary of appeals to our better nature when the outcome of those appeals is not a better Australia or a better world, and when those appealing to us to be unselfish are in fact being utterly selfish themselves, putting their corporate bottom line and personal financial interests ahead of everything else.

It is utterly insincere of business or political leaders or commentators to call on Australians to make sacrifices in the shape

of water restrictions, reducing our carbon emissions, paying more for food, housing, water and petrol, having less open space and more traffic congestion, less say in planning decisions about the neighbourhood in which we live, when the value of these various hardships is absolutely undone by increasing population.

I am not in favour of selfishness in the pursuit of ever greater material wealth, I am not in favour of greed, I am not in favour of ripping off and exploiting those less fortunate than ourselves, but I believe we are entitled to fight to protect our standard of living and the Australian way of life. Don't be conned into giving these things up by appeals to selflessness made with all the sincerity of a Mississippi river boat gambler.

The last myth coming from population boosters I want to mention is that it will all take care of itself. Yes population is rising now, they say, but soon it will level off and stabilise of its own accord. Extreme versions of this even claim that in future our population will fall. For a long time I thought there was something in this. The realisation that all the past projections of population numbers were gross underestimates and that this problem is not going to solve itself, is a key reason why I have started calling publicly for population reform.

Back in 1984 the World Bank's population projection for Australia for the year 2100 was 21 million. We reached that in 2007! A decade ago, forecasters were predicting we wouldn't hit the 22 million mark until 2040. We're there already! Two years ago Treasury's Intergenerational Report predicted Australia would be 28 million by 2049—within just two years, they'd revised that figure up by 25 per cent to 35 million.

So the idea that Australia's population growth is a problem that will one day solve itself is also a myth.

THE 14 POINT PLAN

Having refuted the arguments in favour of higher population, the next political challenge is to come up with an alternative. As well as addressing those who believe population growth is desirable, we have to address those who think that it's inevitable. They don't believe anything can be done about it, that it's out of control. It needs to be pointed out that some countries have controlled their growth, so we can too. And we need to have an alternative. Recently I set out a 14 point Plan for Population Reform.

The first 11 points go to how we can stabilise Australia's population.

1. Stabilise Australia's population at 26 million by cutting the net overseas migration program to 70,000 per annum.
2. Cut the skilled migration program to 25,000 per annum.
3. Hold the family reunion program at 50,000 per annum.
4. Increase the refugee program from 13,750 to 20,000 per annum.
5. Alter the refugee criteria to include provision for genuine climate refugees.
6. The revised number of annual permanent arrivals from these programs would be 95,000, comprising 50,000 family reunion plus 25,000 skilled plus 20,000 refugees. Two more factors need to be considered: the number of people departing permanently from Australia, and the number of people arriving permanently from New Zealand. To reach a net overseas annual migration target of 70,000, the number of automatic places available for New Zealanders needs to be limited to the number of departures from Australia over and above 25,000. The Trans Tasman Travel Arrangement would be renegotiated to achieve this, splitting available places for New Zealanders equally between skilled migrants and family reunion, and allowing New Zealanders to also apply and

compete with other applicants under these normal migration programs.

7. Reduce temporary migration to Australia by restricting sub-class 457 temporary entry visas to medical, health-related and professional engineering occupations.
8. Require overseas students to return to their country of origin and complete a two-year cooling off period before being eligible to apply for permanent residence.
9. Abolish the Baby Bonus.
10. Restrict Large Family Supplement and Family Tax Benefit A for third and subsequent children to those presently receiving them.
11. Dedicate the savings from abolishing the Baby Bonus and reduced expenditure on Family Payments for third and subsequent children towards increased investment in domestic skills and training through Universities and TAFEs.

The final three points go to how we can play a role in helping stabilise global population.

12. Increase Australia's aid to meet the United Nations target of 0.7 per cent of Gross National Income with money saved by abolishing Fringe Benefits Tax concessions for company cars, and greater use of off-the-shelf purchases in defence equipment purchases.
13. Use more of Australia's aid budget for educating girls and women, and for better access to family planning and maternal child health, and advocate in the United Nations and international fora for other countries to do likewise.
14. Put overpopulation on the agenda for the Copenhagen Climate Change talks.

The heart of this plan is a proposal to stabilise Australia's population at 26 million by 2050, by cutting net overseas migration to 70,000 per annum. While refugee num-

bers would increase, and family reunion numbers would be held constant, skilled migration would return to the 25,000 figure of the mid 1990s. Temporary entry sub-class 457 visa permits would be restricted. A renewed focus on educating, skilling and training young Australians at Universities, TAFEs and apprenticeships would receive a funding boost with money obtained from abolishing the baby bonus and limiting family payments for third and subsequent children to those already receiving them.

The policy I released generated a certain amount of controversy in New Zealand because it proposed a cap on the presently uncapped Trans-Tasman scheme. So I did some more work on this, and the formula I propose in fact would not have prevented any New Zealanders wishing to migrate to Australia from doing so in any of the years I looked at, which were the four years from 2004–05 to 2007–08.

You might ask why I put the cap in place, and why I have kept it, when it doesn't seem to have any practical impact. The reason is this. When I propose stabilising the population through 70,000 net annual migration, I can be asked—but you don't know how many people are going to leave Australia in any given year', and I would have to admit I don't. And I could be asked: 'you don't know how many people are going to come to Australia from New Zealand in any given year, do you?' And I would have to admit that I don't. So I could be challenged that, given this, I simply couldn't guarantee a net 70,000 or indeed any figure. So the point of having a cap, and linking Australian departures to New Zealand arrivals, is that it will give us control over our net migration figure, and this is an essential ingredient in delivering a population policy.

WORKING OUT A STRATEGY

The fourth political challenge is to have a strategy. This includes avoiding traps which

see people of goodwill who care about Australia's future being played off against each other.

Planning is a classic example. People who oppose the loss of open spaces and backyards in the inner city to high rise and multi-unit developments get told they are contributing to urban sprawl. People who oppose the extension of the urban growth boundary get told they are contributing to high rise and contributing to the blight of 'veni, vidi, verdi', which I am told is 'I came, I saw, I concreted'. By pitting people in the inner city areas against people in the outer suburbs, planners and developers get to have their cake and eat it too. Our cities grow both upwards and outwards. It is OK to say: Not In My Backyard! We do have rights, and should have rights, concerning the kind of neighbourhood we live in. But when we seek to exercise those rights, it should not be at someone else's expense, and that is what population stabilisation is all about. It means no-one has to lose their neighbourhood character, no-one has to lose their open space.

I was pleased to see the public transport campaigner Paul Mees recently come out and say we don't all have to surrender our backyards and live in high rise in order to have a decent public transport system. I have always supported public transport, but it should not be used as a justification for increasing population density. People who don't like increasing population density should not be played off against public transport advocates.

We also need to draw the link between the myriad problems we see daily in our community, and runaway population growth. Interest rate rises are a classic example. The Reserve Bank regularly cites rising house prices as a reason for lifting interest rates. And the principal factor driving house prices ever higher is population growth. Rising interest rates are a bad thing for both business and home-owners with

mortgages. And we should not fall for the idea that rising house prices is a good thing. It might feel good if the price of your house goes up, but it doesn't feel so good when your mortgage and rate bills follow it. And yes you could sell your house, but you will still need somewhere to live, and you will find that the price of houses everywhere, and rents for that matter, have gone up as well. It is a zero sum game. And yes, some people own more than one house, and use property as an investment. But they will find this doesn't make it any easier for their children to afford to purchase a house.

Housing affordability in cities like Melbourne, Sydney and Brisbane is among the worst in the world. When I was 25 I put down a deposit and took out a loan to purchase a house. Today a 25-year-old doing that is as rare as rocking horse manure. It is a shame. Home buying encourages personal financial responsibility, as opposed to binge drinking and endless expenditure on mobile phones and computer games.

Similarly, the link needs to be drawn between rising prices for essentials like food, water, petrol and electricity and population growth. The reason these prices keep rising is simple—demand is outstripping supply. People need to understand that the reason their trips to the supermarket keep costing more is population growth.

When unemployment is discussed, or casualisation of the workforce, it needs to be pointed out that if we reduced skilled migration and temporary entry 457 work visas, there would be more jobs available for our young, for our mature-aged workers, for people with disabilities, for Aboriginal Australians.

When climate change is discussed it needs to be pointed out that it's pretty hard to reduce your carbon footprint when you keep adding more feet. This is true right around the globe—the world is on the road to increase its population by 50 per cent by 2050, at the same time as scientists are

saying we have to cut carbon emissions by 60 per cent. This needs to be on the Copenhagen Agenda.

And when business leaders say, government should be spending more on infrastructure, or when levels of government impose taxes and levies to fund new transport or electricity infrastructure, or when people complain about traffic congestion or the monstrosity being built next door to them or down the street, it should be pointed out—these things wouldn't be needed if we stabilised our population. These are the daily consequences of runaway population growth. A man who drives like hell is bound to get there.

THE POPULATION DEBATE

The final political challenge is to settle in for a long battle, and be patient. I said back in August that we needed to have a debate about population reform, and it is happening. Newspapers are regularly carrying articles and opinion pieces about it. Radios and TV stations have carried stories and interviews about it. Two opinion polls have showed that 60 per cent of Australians believe that Australia at 35 million is too many.

The Australian Conservation Foundation is supporting population stabilisation, and I sense that other environmental and non-government organisations are starting to find their voice concerning an issue about which they have long been timid.

For environmentalists for years population growth has been like Voldemort in the Harry Potter books—the evil which can't be named. I hope that this is changing.

But these particular Walls of Jericho are not going to fall down after a couple of days or months of trumpet blowing. It will take a sustained effort. Sometimes political victories come swiftly, but other times it requires a long hard slog, and the patience to see it through.

I know this is intensely frustrating to people who see this beautiful country and its precious native wildlife being exposed to new pressures and stresses every day. I share that frustration. But I am totally convinced that this patience, and this issue, is worth it.

It is absolutely central to the core obligation of stewardship that we have as human beings to pass on to our children, and to our grandchildren, a world, and an Australian way of life, in as good a condition as the one our parents and grandparents gave to us.