

MELBOURNE'S POPULATION
Speech by Kelvin Thomson to Malvern East Group Annual
General Meeting
7 September 2011

Residents like you who love and value the community in which they live and who don't want to see it destroyed by developments in their street, neighbourhood or suburb get told, we have no choice- people have to be allowed to live somewhere. We have to accommodate Melbourne's growing population. And it is certainly true that Melbourne's population is growing- 200 people a day, 1500 a week, 75,000 each year. But it is wrong to think that growth is inevitable, that there is nothing we can do about it. That growth is almost entirely a product of Australia's net overseas migration, which in recent years has ratcheted up to 200,000. This is not boat people, by the way- in the first six months this year Australia had less than 1700 boat people- it would take 30 years at that rate to fill the MCG, whereas the overall migration program is filling 2 MCGs every year.

In August 2009 I gave a speech to the Parliament which advanced two propositions. First, that the world needed to stabilize its population. Second, that Australia needed to stabilize its population.

In that speech I said that there were plenty of problems in the world – global warming, food shortages, water shortages, housing affordability, overcrowded cities, transport congestion, fisheries collapse, species extinctions, increasing prices, waste and terrorism. And I said that every one of those problems is either caused by, or exacerbated by, the global population explosion.

You are never going to successfully tackle those problems unless you're prepared to face up to the real cause of them – skyrocketing population growth.

In September 2009 the Federal Government released new Treasury figures showing that our population would be 35 million by 2049. This was a big jump from the previous projection of 28 million by 2049, made only a couple of years earlier. The Government is now referring to 36 million by 2050.

My response to this announcement was to say that this was a recipe for environmental disaster, and to express four key objections to a 36 million population for Australia.

First, the impact of a 60% increase in Australia's population on our native wildlife will be catastrophic. Already over 200 species of Australia's birds are under threat – 30% of our 760 species.

Secondly, what about carbon emissions? The Government has promised to cut carbon emissions by 80% over the next 40 years. How are we supposed to do that if our population is going up by 60% at the same time? It's pretty hard to reduce your carbon footprint when you keep adding more feet.

Third, there's the impact on the availability of food, water, energy and land. These things are already stretched and a 60% population increase will only drive up the prices of these essentials, and lower our living standards.

And fourth, what about the impact on our major cities like Sydney, Melbourne, and Brisbane. Declining housing affordability, traffic congestion, overcrowded concrete jungles. I don't want Melbourne to become Mexico City, or Karachi, or Shanghai.

Another 14 million people will not give us a richer country, it will spread our mineral wealth more thinly and give us a poorer one. It will make a mockery of our obligation to pass on to our children a world in as good a condition as the one our grandparents gave to us.

A lot of people agreed with me that a population of 36 million is not a good thing for Australia – opinion polls show 2 out of 3 think it's a bad idea. People don't want it.

But a lot of people think it's inevitable, that there's nothing we can do about it. This is simply not true. As I said earlier, the population number we end up with depends on our net overseas migration number.

So to show that there is an alternative, in November 2009 I released a 14 point plan for population reform, a plan to stabilize 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 - 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 restricted to the number of departures from Australia over and above 25,000.
7. Reduce temporary migration to Australia by restricting sub-class 457 temporary entry visas to medical and 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 stabilize global population.

Point 12: Increase Australia's aid to meet the United Nations target of 0.7% 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.

Point 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.

Point 14: Put overpopulation on the Agenda for International Climate Change talks.

Now, migration is a hugely emotive subject, and it's a debate too often in the past shaped by assertions rather than substantive arguments. We've all heard them. The assertion that mass migration is all good and that controlling it is economic madness, and the view that Australia is a soft touch and migrants are out to take whatever they can get. Politicians need to cut through the extremes of this debate and approach the subject sensibly and reasonably.

Some, unfortunately, inflame the debate. Some try to close down discussion by claiming that to have a concern about migration makes you racist. On the other hand there are politicians keen to display their hard-line credentials by talking tough, but never doing anything to bring the numbers down.

Both these approaches have damaging consequences in terms of the public debate. In Europe they have created the space for extremist parties to flourish, as they could tell people that mainstream politicians weren't listening to their concerns or doing anything about them. I see a Liberal Senator is supporting a Dutch anti-Muslim politicians intention to come to Australia. It would be better to starve extremists of the oxygen of public anxiety they thrive on.

We do this by getting the policy right- balanced migration, not mass migration. That's why I believe it's time for a new approach- one which opens up debate, not closes it down; where politicians don't just talk, but actually act.

I believe the Australian people are fair minded. I don't think there's any doubt that Australia has benefited immeasurably from immigration. Migrants make a huge contribution to Australia. We recognise that- and we welcome it.

It is also the case that over the last decade migration has taken off and is too high. We've seen the largest influx of people we've ever had. It has placed real pressures on communities up and down the country.

The principal area where we need to change our migration intake is what is known as the "skilled migration" program, which has grown from just 24,000 in 1996 to 125,000 now. I would return it to 25,000. We have become addicted to skilled migration, and we need to put much more effort into educating and training our own young people.

The other objection I have to skilled migration is this. It is sometimes said that Australia has a moral obligation to take large numbers of migrants from poor countries. Indeed I support increasing the refugee program, but skilled migration is not a moral duty.

It is not about Australia being unselfish. It is about being utterly selfish, taking the best and brightest from poor countries and denuding them of the people most likely to lift them from conditions of poverty. When we take a poor country's doctors or nurses, we damage their health system. When we take a poor country's engineers, we damage their capacity to build infrastructure. It is a moral question alright, but there is nothing moral about what we are doing.

I've been asked to talk a bit tonight about the population ageing scare. You all know how it goes- Australia is getting older, we're going to end up with a massive number of old sickly Australians supported by a small overstretched workforce; we're going to have unsustainable expenditure on pensions, health care and aged care. It featured prominently in the Third Intergenerational Report, where the ageing population is treated as a looming disaster. It is nothing of the kind. My message to you tonight about population and workforce ageing is simple- don't worry, be happy!

Why do I say that? First, because ageing is a sign of success, both individually and collectively. It beats the hell out of that alternative. Those societies which are the oldest are also the richest, healthiest and have the greatest life expectancy. Those societies which are the youngest are also the poorest, sickest, and have the lowest life expectancy.

Secondly, worrying about getting older devalues older people and the significant contributions older people make to our society. Research constantly shows that older people make a great contribution to our society providing child care and acting as mentors and role models. I barrack for Geelong AFL team, my parents barrack for Carlton. Guess who my son barracks for- Carlton, because his grandparents got to him in his formative years. Employers who whinge about not having enough workers to choose from forget to mention there has been a massive increase in womens' participation in the workforce in the past few decades and that having grandparents to look after the kids is often an important foundation of that. Older people have also been found to make more financial contributions to their children and grandchildren than the other way around. Far from being a burden on us, they help us out.

The third reason we should be happy about the population and workforce ageing is that it will help us solve some of the most deep-rooted and serious problems we have in our society. In the first place, it will solve unemployment. I repeat it will solve unemployment. The whole ageing workforce is a scare based around the idea that the ageing of the workforce will lead to labour shortages. So what will happen then? Employers will take on employees and give them on the job training, and so they should. They have been trying to get out of putting any effort into training for years, but the rest of the community shouldn't aid and abet this. And Universities and TAFEs should focus on training young Australians, and should be given the funding necessary to do this.

I know that it will be objected that as unemployment falls wages and salaries will rise, and this will be inflationary. Now I think wages and salaries **will** rise, but where I part company with the objectors is that I don't accept that this is a bad thing. It is highly revealing that the Treasury Economic Roundup of December 2000, 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 workforce. 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."

So there you have it, folks. That 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!

I think that the role of workforce ageing in reducing unemployment is to be welcomed. I think rising incomes is a good thing. I know there will be economists who think that lower unemployment will be inflationary, and who like to talk about a natural rate of unemployment as if we shouldn't try to achieve full employment.

I think that economists who talk like this do the community and the nation a disservice. And I cannot for the life of me understand why there is agitation about rising incomes, as a consequence of population ageing, when there is not agitation about rising food prices, water bills, land prices, petrol, electricity and just about everything else you can think of, as a consequence of population growth.

Recently I received a much increased gas bill which was explained by the gas company as needed by the requirement to expand the network to meet rising demand.

So price rises caused by population growth are apparently **alright**, but price rises caused by population ageing are apparently **not** alright! It is nonsense and no one should be fooled by it.

So to return to the topic of Melbourne and its population growth. I am strongly opposed to the Baillieu Government's review of the Green Wedge Boundaries. This threatens to erode the great legacy of the former Liberal Premier Dick Hamer. I am even more worried when I hear reports linking possible boundary changes with campaign donations made to Liberal Party candidates. Melbourne is at risk of becoming an obese, hardened-artery parody of its former self. Expanding into our green wedges is like a man with a weight problem who thinks he's solved it by loosening the belt on his trousers.

But if urban sprawl isn't the answer, nor is high rise and multi-unit developments and the killing off of the suburban backyard. I know it is claimed that high-density living is better for the environment. The data does not bear this out.

Citizens in Australia's major cities are becoming increasingly unhappy about what they perceive as the escalating deterioration in their quality of life- traffic congestion, overloaded public transport, unaffordable housing for young people, increases in the costs of basic services and overcrowding.

The Australian Conservation Association's Consumption Atlas shows greenhouse pollution per person in each postal code. The underlying research shows that the actual *travel energy* used by dwellers in inner Sydney suburbs is more than those in the outer suburbs, even when air travel is excluded. When domestic energy is added to travel energy, the energy total for people in the inner suburbs is 22 per cent more than those living in the outer suburbs. This is because of energy needed in high-rise buildings for communal lifts, scores of individual clothes dryers and ever-present security lighting in foyers and garage spaces.

Furthermore, a study of Melbourne areas shows that the people squeezed into newly converted dense areas did not use public transport to any greater extent and there was little or no change in their percentage of car use compared to living in the previous low-density.

In fact, traffic congestion increases whenever high-density policies are imposed wherever you are in the world. Any slight increase that may occur in the proportion of people using public transport is overwhelmed by the greater number of people squeezed into that area. Many people still require their cars to get to the many workplaces, sporting facilities, and relatives and friends homes not easily reached by public transport and for transporting items that are impractical or illegal aboard public transport such as weekend recreation equipment and the family pet.

Nor does high-density save money. We have seen a dramatic rise in the price of housing and an entire generation of young people struggling to enter the housing market. We have also seen substantial rises in the cost of services such as electricity, water and sewerage due to the modifications required to increase capacity in areas originally designed for lower densities.

We also need to be aware of the health impacts of high rise. An article published in June in the prestigious scientific journal, *Nature*, states that the incidence of schizophrenia in city dwellers is *double* that of people living in less crowded conditions. Dick Smith says "what do you call a kid with a backyard?" Answer: A free range kid. I think free range kids have a better time of it than battery kids.

So while I've no problem with people who want to live in a high rise being able to do so, as policy makers our objective should be to enable the over 80 per cent of people who want to live in a free standing home to do that. And, if both alternatives- urban sprawl and high-rise- are policy lemons, how did we get to this point? Computer programmers say if you put garbage in you get garbage out, and the problem here is the assumption that Melbourne has to grow by 75,000 people every year. We should challenge and reject that assumption.

For groups like yours, I think that has two consequences. First, that you are entitled to fight against the decline in local democracy and local community say in planning issues which accompanies rapid population growth. It is OK to say, Not In My Backyard! We do have rights and should have rights, concerning the kind of neighbourhood, the kind of community we live in. Do not be conned into giving up those rights by appeals to unselfishness made with all the sincerity of a Mississippi riverboat gambler.

And the second consequence is that you need to be aware of the underlying problem-Australia's rapidly growing population- and support the cause of population reform.

Don't believe we need population growth, we don't. Don't believe it's inevitable, it isn't. More than 2 out of 3 million don't want 36 million for Australia. It is a battle which can be won. I believe there is scarcely any cause more important in discharging our obligation to pass on a world, and an Australian way of life, in as good condition as the one our parents and grandparents gave to us.

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