

I wish to make a private submission into the Productivity Commission enquiry on Migrate Intake into Australia.

## **The Brief**

This Production Commission Enquiry will examine the following aspects of migration :-

- The scope to use alternative methods for determining the intake of permanent migrants and the effects these would have. This should include examination of a specific scenario in which entry charges for migrants are the primary basis for the selection of migrants.
- The benefits and costs of permanent migration.
- The benefits and costs of temporary migration with an examination of the use of charges as the primary basis for regulating the level and composition of this migration.
- Mechanisms for achieving an optimal interaction between temporary and permanent migration.

One would hope that a proper enquiry would also include quality of life and environmental factors, without which the full desirability and extent of migration cannot be evaluated. I therefore would like to take the opportunity to object to the limited and inadequate scope of the enquiry.

## **Introduction**

For a rational and fair analysis of immigration, and population growth in general, it needs to be made absolutely clear from the outset that the oxymoronic idea of 'sustainable growth' must be dispensed with on this finite planet and in this finite country. Until that is understood, short term self-interest will dominate the political process.

Any enquiry that looks at the cost of migration needs to be absolutely clear that negative aspects are not entirely economic. In fact, the consequences with which Australians must increasingly grapple are almost all non-economic and qualitative, or at least only vaguely quantitative. These issues include, but are not limited to, overcrowded public transport, public transport unable to be expanded, overcrowded roads, longer queues for hospital treatment and admission, longer commute times & distances, increasingly crowded open spaces and recreational facilities, increasing demand on water supplies, increasing pollution, urban sprawl over farmland, smaller blocks of housing land with negative effects on children play areas, increasing numbers of children raised in apartment blocks, increasing disengagement of children from natural areas, increasing social friction, overcrowded classrooms, strains on food supplies and more dilution of natural resources per capita.

Our modern society is based on capitalism, a system that has produced so much of what is good about this society and the technology that underpins it. But its failing is that it depends absolutely on growth, in fact growth without end. We can aspire to grow in quality, but not quantity. That same characteristic also pertains to cancer, and both ultimately destroy the host. But that endless growth became an impossible dream from about 1985, when we began to draw on renewable resources, and create waste, at a rate that could not be sustained. The result has been a drawdown

on natural capital, and an inability of the environment to absorb those wastes. Under such conditions, more of us means less resources per-capita, and an inexorable reduction in quality of life.

Of course there are those who persistently claim that technology will save us, by allowing us to do more with less. The Green Revolution is always cited as an example of this enablement. But even the father of the Green Revolution, Norman Borlaug, understood and declared that the Revolution merely gave us some breathing space to conquer the population monster.

Since WWII, a reasonable period of time to evaluate this issue, we have witnessed extraordinary technological developments, quite revolutionising how we live. Yet over that same time we have also witnessed massive environmental damage, progressively destroying our own life support systems. Indeed, if global warming results in methane release from melting tundra and ocean floor clathrates, then we face an existential threat to mankind and most other species. What is clear is that the technological developments have led to more per-capita consumption, with Australia being no different to the rest of the planet. So, as a result, population growth has stubbornly been associated with a concomitant environmental degradation. The link between population and greenhouse gas emissions is being increasingly exposed and discussed.

Australia's footprint is at the top of world rankings, per-capita, an odious distinction. If all the people on this planet lived like we do, then we would need in the order of four planets to sustain us.

Human impact on the environment, on our life support systems, is a function of both our per-capita impact and our population. This impact has risen for many decades in lockstep with population growth because in Australia, a consumer society, our per-capita consumption of resources has stubbornly refused to decline.

## **Relevant and Supporting Factors**

Population growth derives both from internal growth (births minus deaths) and migration (immigration minus emigration). Both these components have strong legislative support. Internally, factors like the baby bonus and the large family tax supplement, are effectively paying women to become baby factories. For external growth, the visa system, which has been exposed by the media on multiple occasions to be defective, is detrimental to the employment and education of resident Australians. It is not too extreme to use the term 'rort'. For example, a recent newspaper report highlights the deleterious impact on employment prospects for locally trained nurses due to the influx of foreign-trained immigrant equivalents.

It is said that 'money speaks'. More importantly, money buys influence, even at a time when newspapers and television are losing customer share to social media and other aspects of the internet. Corporations understand that an easy method of increasing turnover is to increase customers, and what better way than to have the government pursue a high immigration agenda. But that is a lazy and intellectually barren method of corporate growth. It does nothing for quality of life, and is purely driven by short term financial self-interest. It also capitalises the profits of growth while socialising the costs. And it does nothing for the skills base of the existing population.

Employers have a further incentive to chase immigrant employees, viz the opportunity to avoid any obligation to upskill their existing workforce or further local recruits. The education system and

employers both have a role to play in education and training. To rely on foreign training is passing that responsibility to others, and then to just pick up the benefits of that training.

One of the most insidious aspects of chasing workers via temporary visa schemes or via permanent immigration is the distress and financial damage that it causes when those people come from third world countries. To simply lure away some of their few professionals instead of training our own, having no regard for the dire consequences to the source country when such countries are already desperately short of professionals, is simply immoral, and no amount of rationalising about how it improves the lot of the immigrant reduces this culpability.

Another classic case of self-interest is the promotion of immigration by immigration agents. With such transparent self-interest, objective analysis is impossible, and their opinions should be viewed with extreme scepticism.

On occasion Australian companies have made the mistake of admitting that high immigration levels and visa schemes that the companies lobby for have the benefit of providing workers who are too insecure to make trouble, and are easy prey for those who want to underpay (compared to Australian working conditions). Australian trade unions have been able to locate instances of employers treating these foreign workers poorly, underpaying them and making sure that they are not able to, or do not want to, communicate such terrible conditions to the authorities. It might not be Dubai, but it is still appalling.

Too often we hear the refrain from the growthist lobby about how high immigration is good for the economy and hence to all Australians. Self-interested groups like the major developer mouthpiece Urban Taskforce regularly spout such nonsense, despite the publication of Government reports that have clearly demonstrated that high immigration does not make any significant improvement, if at all, in the financial circumstances of Australians; it is only of benefit to those migrants. Part of this charade is the use of GDP as a measure of well-being, when most informed and impartial commentators realise that it is a flawed metric. That is why countries around the world are working towards a metric that better reflects quality of life, like the GPI (Genuine Progress Indicator), and that doesn't consider such negatives as disasters, goal and wasted expenditure. In our case, the GDP might have risen inexorably over recent decades and longer, but the per-capita GDP has remained steady.

Since GDP is almost automatically introduced by those intent on large and endless immigration, I feel that the following quotation is as appropriate today as it was when delivered by US Senator Robert Kennedy at the University of Kansas in March 1968. *Plus ça change, plus c'est la même chose.*

*“And this is one of the great tasks of leadership for us, as individuals and citizens this year. But even if we act to erase material poverty, there is another greater task, it is to confront the poverty of satisfaction - purpose and dignity - that afflicts us all. Too much and for too long, we seemed to have surrendered personal excellence and community values in the mere accumulation of material things. Our Gross National Product, now, is over \$800 billion dollars a year, but that Gross National Product - if we judge the United States of America by that - that Gross National Product counts air pollution and cigarette advertising, and ambulances to clear our highways of carnage. It counts special locks for our doors and the jails for the people who break them. It counts the destruction of the redwood and the loss of our natural wonder in chaotic sprawl. It counts napalm and counts nuclear warheads and armored cars for the police to fight the riots in our cities. It counts Whitman's rifle and Speck's knife, and the television programs which glorify violence in order to sell toys to our*

*children. Yet the gross national product does not allow for the health of our children, the quality of their education or the joy of their play. It does not include the beauty of our poetry or the strength of our marriages, the intelligence of our public debate or the integrity of our public officials. It measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country, it measures everything in short, except that which makes life worthwhile”*

And quality of life is what is missing from most countries with high growth rates. It only takes a brief analysis of global demographics to realise that most countries with high living standards are those with low population growth rates, and typically small. Conversely, high growth rate countries present a range of unattractive metrics, including education, equality, health, environmental degradation, ecosystems health and life expectancy.

We also hear too often the pathetic justification that “a rising tide floats all boats”, to assuage the guilt of the elite making themselves as rich as possible. The thinking is that if the proletariat believe that nonsense, then the already obscene wealth gap can continue widening with no discontent or activism from below. I would suggest that history has demonstrated that the Russian and French nobility found, to their absolute grief, that such arrogance leads to unsavoury tipping points.

One of the great evils of capitalism in its current manifestation is that too often the system privatises profits while socialising losses. The GFC and subsequent events demonstrated that. According to published reports, Australia currently has an infrastructure shortfall of over \$750 billion. A growing population requires infrastructure in place, ready for that growth (hospitals, roads, railways, ports, police, schools, roads, housing, water, electricity, etc). That is, those currently paying taxes must fund the infrastructure requirements of those yet to contribute or even to exist. At our current growth rate of nearly 2%, a typical 50 years life for infrastructure (2% replacement per year) effectively doubles the infrastructure shortfall. Since we can't meet the current infrastructure requirements, we have even less ability to meet one twice as large.

We constantly hear the ill-informed bleatings of the pro-growth lobby that “Australia becoming the food bowl of Asia”. At this point one wonders if these proponents have lost control of their senses. We are no longer a net exporter of fruit, vegetables, intensively farmed produce and groceries (only having exportable surplus in broadacre output), so how are we going to feed much more than ourselves in a world stressed by global warming? Rather than being a food bowl for Asia, it is more realistic to reflect on the current situation in inland Qld and much of NSW where the descriptor ‘begging bowl’ or ‘dust bowl’ is more appropriate. But, despite the CSIRO report putting this fallacious dream to rest, it regularly resurfaces. Most of this target area has old, skeletal, leached, infertile, sandy soil, much degraded by over grazing and loss of the vital fines fraction by wind erosion. More intensively used areas suffer from increasing salinisation, acidification and water erosion. Good dam sites are few, evaporation from existing dams is extreme, and due to the greater part of the year being devoid of rain, limited irrigation from bore water would be the only possibility over most of the region. To repeat the assessment presented above, far from being a food bowl, a more accurate description of much of the inland north today, and during the frequent and increasingly frequent droughts, is one of a dust bowl and a begging bowl. Too often the area does not create usable resources, it consumes them.

We are not a wealthy country from a long term perspective. Undoubtedly we have great mineral wealth. Our modern industrial society is utterly dependent on mineral exploitation. These deposits were variously formed over the preceding 2½ billion years, and will by and large have been

exhausted over a couple of hundred years, dispersed mainly back to the hydrosphere, atmosphere and soils (not to mention our own bodies). Then what? There is no plan B. We are doing a thorough job of covering our small amount of quality arable land with urban sprawl and open cut coal mines, as well as giving fossil fuel companies the green light to degrade our precious and limited groundwater resources. So, by the century's end, we will have little mineral resources left to plunder (by largely foreign-owned corporations), and our farmland degraded. What will be left will be empty, barren and further exposed to global warming. In contrast, many Asian countries have far greater areas of quality farmland, plus reliable rainfall. Their only problem is not one of supply, but of demand. That is, too many people. And that is where are we heading at breakneck speed, down that same road, but without the underpinning agricultural potential.

A repeated justification of population growth, particularly applied to growth via immigration, is that it will solve a (non-existent) problem, that of an ageing society. Curiously this supposed crisis is the direct result of what we spend massive sums on money trying to achieve, ie a long and healthy life. Clearly, we ought to embrace this medical and social success, not treat as like a disease. Every society, once the land has reached its capacity to support that society, must eventually move to a parallel-sided demographic pyramid. There can be no long term youth bulge in a society with reasonable life expectancy. Furthermore, government reporting has demonstrated that immigration, unless in truly absurd numbers, has negligible effect on our supposed ageing population. It seems to escape the comprehension of the proponents of such growth that immigrants also grow old. The only sustainable future lies in one where we are internally sustainable, not dependent on growth. The planet is finite, this country is finite, and most resources on which we depend are either finite or depleting.

There is also a tendency, perhaps a plan, to only focus on the aged group of dependents. Old age dependency is invariably short, and our increasing life expectancy does not lengthen the dependency period, it just delays it. For that reason the 'grey army' is a massive contributor to the Australian economy through a broad array of volunteer activities over the interval between retirement and death. With this focus on the aged, those advocating seemingly endless growth wilfully ignore the dependency at the start of life. This is a far longer dependency period. With a balanced age structure, there would be far less community cost due to the needs of children.

A global solution would place intense focus on the source regions for migration and the reasons that so many people wish to emigrate. That is how effective medicine works; it looks at the causes rather than just treating the symptoms. In the worst case scenario, out of control population growth in the third world would lead to major people movement to the developed world, including Australia. When this happens, migration advocates disingenuously assert that this makes no difference to the global footprint. That, of course, is nonsense. They can't, or won't, acknowledge that migrants coming to Australia from the third world, in which places they have lived far simpler lives than we do, will naturally then develop environmental footprints the same as existing Australians. So, such massed migration doesn't resolve the problem of resource insufficiency, it doesn't even just shuffle it around, it makes it worse. Since humanity is already using the equivalent of 1½ planets to meet what we consume, the massed movement of people from the third world to the first world will clearly further upset the sustainable living balance.

A common response to suggestions of inadequate food to feed populations is that it is just a matter of distribution. Remove the waste and reverse the endemic obesity, and the problem is solved. That is undoubtedly true, but is it even remotely achievable? People can be educated in these

matters, but how do you stop people from leaving uneaten food on their plates, of finding that some food in the kitchen has gone off. We can reduce waste, but the suggestion that waste can be eliminated is absurd. Again, obesity can be reduced via education, but how much of it is not the amount of food eaten but the type. Regardless, to make inroads into waste and obesity is to pick the low hanging fruit. If population is allowed to keep growing during this time, we have achieved nothing, and the next food crisis will be even worse, with one less tool at our disposal.

We also need to be wary of those who benefit financially from, and lobby for, increased population and migration, in regard to supposed 'fertility crisis'. The TFR (total fertility rate) is currently about 1.9 births per woman, and this is used to justify a high and increasing net migration. Firstly this ignores the delay in population reduction; parents do not just have their children and then die. We are not insects. In fact a parent aged, say, 25, can expect to live a further 55 or 60 years. So we have many decades before the population levels off. Secondly, this fear of a reducing population presupposes that any population reduction, at any time, has deleterious effects on society. So, no matter how far we grow into an unsustainable society, any reduction is just bad. That is an inane stance. We should not forget that the Black Death has been credited with the end of feudalism; due to the shortage of workers, their individual values were enhanced and the landowners suddenly needed to treat them far better. In the wider community, the arts and sciences still flourished, despite the smaller population. Indeed, one has only to appreciate the contribution to mankind from the ancient Greeks, at a time of global population of a few hundred million. Thirdly, a reduction in population is regularly cited as an irreversible plunge into annihilation. The rebound in Europe after the Black Death puts paid to that absurdity.

## **The Enquiry**

This enquiry will examine the cost of migration. I have already mentioned the cost of infrastructure for future Australians. At recent growth rates we need to build a city the size of Adelaide every three years. It has been variously estimated that each new person requires an expenditure of \$100,000 - 200,000 upfront. Is it any wonder that we have such a dire shortfall in essential infrastructure after some decades of rampant growth?

This, then, refocusses on the failure of capitalism in its current form, that is, the absolute dependency on growth. More enlightened and less self-interested academics are starting to strongly point to the necessity of moving to a steady state economy. Implicit in that is a balanced migration, where immigration matches emigration.

The enquiry has also raised the matter of entry charges. Such a proposal reeks of selling citizenship. This is a mine field, and reminds me of the abused business migrant scheme first introduced, to the best of my knowledge, at the time of the Hong Kong handover. At that time wealthy Hong Kong residents simply bought Sydney residential property in order to be able to flee China just prior to the Hong Kong handover. Some even installed their children over here ahead of time. That, clearly, is not business investment. Investment would be the construction of a factory, say, and employing Australians to make goods that could be exported or were import replacement.

The monitoring of such a programme would need to be rigorous, far more rigorous than the FIRB has been. Not only has the Foreign Investment Rubberstamp Board seemingly approved everything in sight, there is little evidence that we know who is buying what, and the limits imposed are indicative of a system out of control. Few other democracies, if any, would tolerate the level of 'selling off the

farm' as Australia does. And yet apparently the current government wants an even higher level at which it needs to be advised.

The enquiry will examine temporary migration, as distinct from permanent migration. This seems to quite ignore the migrant perspective, that temporary migration, much like the various temporary visa and education schemes, is generally seen as a pathway to permanent migration.

I support a balanced migration, with emigration matching immigration. If we still have an unsustainable society, then future enquiries will need to assess what a sustainable population is. A good starting point would be to examine all existing scientific studies into Australia's carrying capacity (at an acceptable standard of living). We have already reached that level.