

I thank the Productivity Commission for tackling this core issue.

Background

I have noticed how those commercial interests that base their business model on an ever increasing stream of people, have been very successful in having their dreams come true.

The result has been a stagnant or a reducing price of labour. As relative scarcity decreases, then there is a downward pressure on wages and conditions.

In addition, generous public funding of universities, has collapsed. The demands of growth infrastructure mean there is a diminishing per capita investment in education.

The shortfall in growth infrastructure requirements, means that the GST will now increase.

Population growth has also caused housing to be so expensive, that a whole generation is being excluded from ownership and are faced by high rental prices.

Our structural balance of trade deficits are caused by population growth. On average, each Australian is consuming more than they are producing. Increase the population by one person and the deficit will increase. We are increasing these deficit "people units", by 1.2 million every 3 to 4 years.

The loss of farmland and native habitat is a given, with population growth .

Recommendation

The "Opportunity Cost " of investment means, that the hundreds of billions spent on population growth needs, can now be spent on research, education, productivity strategies and increasing high end exports. Similar to the success of Denmark with 5 million people.

I therefore recommend that we rapidly stabilise our population growth, by having a balanced migration program. That is if 80,000 leave permanently each year, then bring in 80,000. A rolling average would smooth the figures.

Conclusion

Stabilisation would encourage the growth of export orientated businesses, rather than those reliant on more people.

The environment would benefit .

The Opportunity Cost " transfer of capital " from growth infrastructure requirements and instead investing in productivity increases, would increase exports and ensure economic survival .

Traditional economic theories have served us well but are now needed to be modified, as a result of changing times.

I wish The Commission well in negotiating the efforts of banks, property speculators and related parties to push to expand their business model of a never ending growth in population; as opposed to those advocating a rational, logical and sustainable design.