

# Migrant Intake into Australia

## Productivity Commission

### Draft Paper

December 2015

Below please accept my comments on a number of key points in the Overview of your Draft paper.

#### **Australia's Carrying Capacity:**

Missing from your Draft paper is any reference to the environmental impact of immigration, in other words: the carrying capacity of the land.

I therefore re-submit a section on this topic from my contribution to the Issues paper:

The core point to be addressed is the question of how big a population Australia can absorb without unduly stressing its environment, causing major damage and possible collapse.

Australia may look a big continent, but it is also the oldest and driest continent. Less than 10% of its surface area is suitable for human habitation, almost all of it along the seaboard. Water shortages, poor soil conditions, extreme climates, catastrophes, species extinctions on land and in the sea are all major reasons why Australia is not suitable to accommodate a large human population.

Yet, with an ever increasing population we enlarge the residential and commercial areas of our cities, build more physical infrastructure, all at the expense of agricultural and recreational land.

Such scenario would lead in the not too distant future to a situation where we would have to become dependent upon food imports instead of being exporters.

Esteemed environmental scientists, such as Tim Flannery, calculated long ago that Australia's carrying capacity is more like ten million, and not the almost 24 million we currently have, and definitely not a possible 50 million or more by mid to late 21<sup>st</sup> century.

We must listen to our scientists, and we must stabilize our population over time.

**I propose to reduce our annual net intake of permanent immigrants to not more than our annual permanent departures from Australia, which approximates 70,000, resulting in zero net immigration.**

The current demographic pattern of the Australian population – with many women still in their childbearing years - will not immediately stop population growth. However, under this scenario it is estimated that Australia's population would stabilize at around 26 - 27 million, with a gradual decline to a level that the land is able to absorb comfortably.

When population growth proponents do their calculations of the possible size of the Australian population by the end of the 21<sup>st</sup> century, they tend to ignore the environmental impact of such immigration. Australia needs an Inquiry into the carrying capacity of the land.

We should also consider changes to the accounting system and accounting standards through the inclusion of environmental cost accounting in the financial statements. In 2010 the then CFO of Germany's Puma company did just that as a hypothetical exercise. He calculated that if environmental costs were factored into the equation the company's net profit would reduce by 2/3. Just a thought!

### **The Aging Population:**

The 'aging population' is a furphy, used as a point of scaremongering.

Most people age gracefully and exit life without fanfare or a great financial burden on the younger generation.

On the contrary, older people are a great source of wisdom and stability as well as unpaid labour in all walks of life.

Importing younger people from developing countries to support the older generation in developed countries, is nothing but a Ponzi scheme, and not the demographic dividend that is stated in the Draft paper. Young people age, and then an ever larger number of young people need to be imported to support those who once were young.

Quite clearly, we have to move away from this age-old concept of the working population supporting the retired population.

We need to change the key areas of the social security system, including superannuation. Third Agers have a whole working life to 'defer' and accumulate part of their regular income, and then to access it in retirement. It must be pooled in order to spread and lower the risk.

If the government were to reform social security/superannuation now, then those who are currently in the spring of their lives would live financially independent lives in the autumn/winter of their lives, without any need for taxpayer support.

Importing younger people and especially skilled people from developing countries is in my view unethical, if not immoral. These people are needed in their own countries to advance their homelands to a standard of living that can compete with modern societies. Modern societies, and that includes Australia, are quite capable of training their own. We have a large pool of unemployed and under-employed people. Tap into those before 'stealing' someone else's labour.

We can also aim for greater per-capita productivity through smarter work, more streamlining, better organization/administration, and use of robot technology.

Basically, Australia's aim must be to embrace quality growth not quantity growth in whatever we are doing.

**Composed and sent: 22 November 2015**