



**Australian Government**  
**Productivity Commission**

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**PRODUCTIVITY COMMISSION**

**INQUIRY INTO MIGRANT INTAKE**

**MR P LINDWALL, Presiding Commissioner**  
**MS A McCLELLAND, Commissioner**

**TRANSCRIPT OF PROCEEDINGS**

**AT PRODUCTIVITY COMMISSION, MELBOURNE**  
**ON TUESDAY, 8 DECEMBER 2015 AT 12.59 PM**

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5 **MR LINDWALL:** Good afternoon. Welcome to the public hearings for the  
Productivity Commission Inquiry Migrant Intake into Australia. My name is  
Paul Lindwall, I'm the Presiding Commissioner on the inquiry and my fellow  
Commissioner here is Alison McClelland. The inquiry started with a  
reference from the Australian Government in March and covers the impacts of  
10 immigration on Australia and the scope to use alternative methods for  
determining the migrant intake, including through greater use of charging.

We released an issues paper in May and have talked to a wide range of  
organisations and individuals with an interest in the issues. In August we held  
15 a workshop on the economic modelling used to inform the inquiry. We  
released a draft report in November and have received about 80 submissions  
since the release of the issues paper. We're grateful to all the organisations  
and individuals who have taken time to meet with us, prepare submissions and  
appear at these hearings.

20 The purpose of these hearings is to provide an opportunity for interested  
parties to provide comments and feedback on the draft report. Following  
these hearings in Melbourne, hearings will also be held in Canberra and  
Sydney. We will then be working towards completing a final report provided  
to the Australian Government in March 2016. Participants and those who  
25 have registered their interest in the inquiry will automatically be advised of  
the final reports released by the government which may be up to 25  
parliamentary sittings day after completion.

30 We like to conduct all hearings in a reasonably informal manner, but I  
remind participants that a full transcript is being taken. For this reason,  
comments from the floor cannot be taken. But at the end of the day's  
proceedings I will provide the opportunity for anyone who wishes to do so to  
make a brief presentation. Participants are not required to take an oath but are  
35 required under the Productivity Commission Act to be truthful in their  
remarks. Participants are welcome to comment on the issues raised and other  
submissions. The transcript will be made available to participants and will be  
available on the Commission's website following the hearings.

40 For any media representatives attending today – and I don't think there  
are any, but who knows – please see one of our staff for a handout which  
explains the rules.

(Housekeeping matters)

45 Participants are invited to make some opening remarks of no more than  
five minutes. Keeping the opening remarks brief will allow us the opportunity  
to discuss matters in greater detail. I think we're welcoming Mary Drost. Is  
that correct?

**MS DROST:** Mary Drost, yes. I'm convenor of Planning Backlash.

**MR LINDWALL:** We might just say – straight to the – I usually ask for you to say your name and organisation. But could you repeat that, please?

5

**MS DROST:** Yes. I'm Mary Drost and I'm the convenor of Planning Backlash which is a coalition of about 250-plus resident groups from across Melbourne and city, coast and country. I didn't do a written submission because I didn't know about this until Friday.

10

**MR LINDWALL:** Really?

**MS DROST:** That's when I telephoned to see if I could come and speak, if that's what – put submissions in. However, in the meantime, I have received Denis McCormack's submission. I'd just like to point out that I totally support what he's been saying through it. Then I've got a lot of views that I'd like to express.

15

**MR LINDWALL:** Please.

20

**MS DROST:** This will go on for a lot longer than five minutes, I'll tell you, because I want to really spell out quite a few things. My interest in population growth started back in 1973 when I read the Limits to Growth, which you probably know. Have you read that?

25

**MR LINDWALL:** I have.

**MS DROST:** The Club of Rome. I've been watching ever since then what's been happening in the world. I'm in the UK quite a lot. They're very concerned about the migrants they're getting there. They're really getting strict. But with the new party that's getting a lot of support to stop the – get out of the EU and stop the migration from everywhere. I'm very interested in what's happening in other countries. My husband came from Holland and I spend time there. I said, "How is it you've got a stable population and you're doing very well financially?" They said, "Because we're going into super high tech," because nobody's doing manufacturing much anymore, so super high tech it is.

30

35

Then I picked up this thing from the Embassy of Switzerland in Jakarta. It talks about what they are doing. They've got a population of 8 million, they're rich and it's stable, but you can't go there to live. They talk about how they're getting along financially, which is very well, because they're also going into really high tech things. Then I look at the third world which is growing like mad and with masses of young ones and poverty. It looks like the rich countries are the ones with the ageing populations but the poor ones are the ones with the huge youth that are growing like mad.

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45

I lived for 21 years in Jakarta, Indonesia. My experience there has been interesting because when I first went there Jakarta was a city of 3 million and

it was completely manageable. I used to drive myself everywhere. When I went there the governor of Jakarta, Ali Sadikin, when he first became governor he called in a United Nations city planning expert. He said, “What do I do with the city?” and they said, “Close it. Don’t let it grow any bigger.”  
5 The bigger a city gets the harder it is to manage. The megacities are beyond human management. So he closed it.

When I met him recently I said, “Whatever has happened to Jakarta?” and he told me the story. I said, “What happened?” and he said, “Suharto would never agree to the plan, so I was forced to open it.” He said, “Look at it now; a nightmare.” It’s a polluted, gridlocked nightmare of about 10 million because they have not been able to keep up with the infrastructure that you need. That’s my experience of cities that grow fast. Face it, Boston in America maintain that the optimum size of a city is 4 million.  
10

Face it, how many cities in Europe – you think about this – are as big as Melbourne? Not many, not many at all. London, Paris, Berlin, I don’t know, Moscow perhaps, but there’s not many cities – the cities in Holland, nobody’s over a million. Okay, so we come to Melbourne. I’ve been watching it grow because of immigration. Back about 14 years ago, 12 years ago, they brought out Melbourne 2030. It was going to grow by a million by 2030. That was 3 million. Here we are 2015 and it’s already over 4 million. So they said just build around the stations and use the public transport, use the infrastructure that’s there.  
15

So we are now about 10, 12, 14 years behind the infrastructure that we need. Melbourne is growing faster than any other developed city in the world. Over 2 per cent, which means we double in 35 years. When Ted Baillieu first got in as Premier I went to see him and I said, “Put all these people on the table. We’re short of public transport, hospitals, schools, roads, sewerage, everything. It’s overloaded. What are you going to do about it?” He said, “I’ve got no money,” and that’s the fact. They keep talking about these great things they’re going to do with all the public transport. It’s all in the never-never.  
20

If you look at the data how it is; way down the track. Melbourne can’t be a London. London is 8 million. I spent time in London; I know London well. They have just recently finished tunnelling 42 kilometres from Heathrow out to Canary Wharf without disturbing what’s above and they’re increasing the underground system all the time. The first underground in London was 1863 Baker Street. You can see the steam on the ceilings there. And they’ve kept on increasing, increasing, increasing, so that millions can ride underground.  
25

Melbourne can never have that. We keep spreading. Even if you want to compact it, you do not have the infrastructure. I live near Camberwell Junction. After heavier rain you can smell the sewerage, all right. And I’ve got a letter from Yarra Valley Water saying that sewerage is at maximum capacity from Camberwell Junction towards the city. Every time in VCAT I produce this letter and say, “This is what they say,” and they keep – and I say,  
30

“You keep approving more and more toilets. It’s going to get worse and worse.”

5 Everything is behind. The schools are overloaded. I’ve had some  
connection to Armadale Primary School. There’s almost no playing fields  
left. It’s all temporary classrooms everywhere. The hospitals are overloaded.  
They haven’t got the money to do it. Now, this is Melbourne, which  
10 increased by 95,500 this year, which means we got an extra – how many –  
50,000 cars on the road. According to Bob Birrell, that’s how you work it  
out. This is going on in Sydney as well. Sydney and Melbourne are the two  
worst and people in the cities are sick to death of the increase because of the  
increase of migration.

15 I’ve had people say to me, “Oh, but Australia is a big country,” and I say,  
“Yes, but have you ever done what I have done? I have driven from Adelaide  
to Darwin, all right. It’s a big country of desert.” I didn’t see running water  
after I left Adelaide till I got almost up to Darwin. Katherine, that’s the first  
bit of water you see right up near Darwin. I’ve flown in a light aircraft from  
Mildura across to Broome; desert. I mean Australia is a strip of fertile country  
20 around the edge. And we are full.

I remember Bob Carr came out a few years ago when he was Premier of  
New South Wales saying Sydney is full. Well, I think Australia is full now  
and I think it’s high time we reduced the immigration substantially, back to  
25 where it used to be, around about 70,000. I believe it was about John Howard  
time that upped it, very foolishly upped it, unnecessarily. There’s the cost of  
the migrants to the country. I’ve read that it’s been estimated by I’m not sure  
which professor this was because I haven’t got the papers of that one, that  
every migrant costs the country \$200,000 in infrastructure.

30 **MR LINDWALL:** Could I ask you a question about that?

**MS DROST:** Sure.

35 **MR LINDWALL:** Because I’ve heard other people say that, but no one has  
provided any evidence to this inquiry about how that’s calculated.

40 **MS DROST:** Do you know what, I’ll find out for you and let you know,  
because I know it came from one – I’m not quite sure of the professor up at  
Brisbane – what’s her name, Jane, Janet O’Sullivan or something – but I know  
the figures have been quoted at 200,000, because of the cost of all the extra  
things they need. Why should we have to pay for that? Okay, they’re going  
to come into the country. Let them pay, all right.

45 **MR LINDWALL:** Don’t you think that a person who works pays through  
their taxes over his or her lifetime?

**MS DROST:** They’ll be paying for the next lot to come in, not for them.  
We’re way behind now. It takes a lot of work to pay taxes of \$200,000. And

a lot of them are not high earning anyway when they come. I think the cost is something that really has to be taken into account.

5 **MR LINDWALL:** I dispute the \$200,000.

**MS DROST:** You think it's not high enough?

10 **MR LINDWALL:** I think it's a lot less than that. I don't think that's a credible number.

**MS DROST:** I can't accept that. I really probably think it's more.

**MR LINDWALL:** Well, please provide evidence about that.

15 **MS DROST:** But most certainly it costs the country each person that comes in I think more than they can produce in many years.

20 **MS McCLELLAND:** Could I also ask a question too. Do you have any estimates of the infrastructure loss, you know, where the lack of infrastructure is and what would be needed to have the appropriate infrastructure? Given that is a key issue, the infrastructure not keeping up, so where are the critical infrastructure gaps and what would help to overcome those gaps?

25 **MS DROST:** I tell you go out on the roads now - - -

**MS McCLELLAND:** I mean quantifiable.

30 **MS DROST:** I don't have any figures of those. I haven't ever seen any figures of those. I don't know whether they've been made. But I do know that the government here do not have the money to catch up where we're behind now. I just have this horror of Melbourne doubling in 35 years and without the infrastructure we will end up like Jakarta. Do you know it's a polluted, gridlocked nightmare because they have not kept up with public transport or roads. The last year I spent in Jakarta I did not see the blue sky  
35 once. You go up in a building like this, you'd building there, it's just grey murk covering everywhere because you have so many cars.

40 **MR LINDWALL:** You're not suggesting Melbourne is like that though? Melbourne is not like that.

**MS DROST:** If you double the population and you put in all the - - -

45 **MR LINDWALL:** If we doubled the population of Melbourne, it wouldn't be like that?

**MS DROST:** Hopefully it won't be like that, but it'll certainly be gridlocked like they are.

**MR LINDWALL:** Not necessarily. It depends upon the provision of

infrastructure, ultimately.

**MS DROST:** But they're not doing it. They're not doing it.

5 **MR LINDWALL:** In cities of all varying sizes through the world – and some are much bigger than Melbourne and they have better infrastructure and they have nowhere near as much congestion. So you could argue, I guess, that there's been a failure with planning and provision of infrastructure.

10 **MS DROST:** I mean, London is ahead with the infrastructure. We are years behind, all right. I spent time in London and I know.

**MR LINDWALL:** Well, Paris is a much bigger city than Melbourne too.

15 **MS DROST:** And Paris has a wonderful metro.

**MR LINDWALL:** Then the question surely is - - -

**MS DROST:** I know Paris well.

20 **MR LINDWALL:** - - - why doesn't Melbourne have a wonderful metro?

**MS DROST:** Because they haven't got the money to put it in.

25 **MR LINDWALL:** But why not?

**MS DROST:** And they are talking about putting a little strip in somewhere under the ground that - - -

30 **MR LINDWALL:** But don't you think that if you have more people – and I'm not arguing for this, I'm just saying that – I'm trying to just ask you a question to defend yourself here. That if you have more people coming in, they themselves pay the taxes which then provides the money for the said infrastructure.

35 **MS DROST:** But it's not happening, is it? They've been coming in for 10 years.

40 **MR LINDWALL:** We don't charge for roads. We put out a public infrastructure report last year and we recommended road user charges which would then provide the revenue source for providing these particular roads.

45 **MS DROST:** But it's been getting further – they've been coming in and we're getting further and further behind with infrastructure. I mean, the schools are just overloaded. I'm talking about the state schools.

**MR LINDWALL:** But is there a policy where you can direct – can you think of a policy that you could recommend to us where many of the immigrants would be discouraged from going to Melbourne and Sydney and go



elsewhere, to regional cities, which have a - - -

5 **MS DROST:** I tell you what, I talked to Bendigo and Ballarat people and Geelong people, they don't want to grow either like that. What I said to the Minister was, "Start a new city. Start at Canberra, start a new city if you want all these people coming in, but don't crowd them into our cities because it just isn't working." Look at the some of the letters to the newspapers regularly now always criticising the population growth.

10 **MR LINDWALL:** If you look at our graph on page 61 of our report you'll see that, in fact, Switzerland – you just cited an example of Switzerland – has a higher percentage of people born overseas than Australia. I mean, immigration per se is not necessarily the problem there.

15 **MS DROST:** In fact, Switzerland – I know somebody who tried to go there to live. It's terribly hard to get in there. They don't want people anymore now, they're full.

20 **MR LINDWALL:** If you're a EU citizen you're entitled to - - -

**MS DROST:** They're not EU.

**MR LINDWALL:** - - - work in Switzerland.

25 **MS DROST:** Switzerland is not part of the EU.

**MR LINDWALL:** It's part of the Schengen zone actually and you do have full work rights or living rights in Switzerland.

30 **MS DROST:** Anyway, England, I tell you, was sick to death of people coming in from the EU as well as other places. I want to talk about - - -

35 **MR LINDWALL:** Could I ask another question, please, about – what you're talking about really is world population growth. Right?

40 **MS DROST:** I'm talking about Australian population growth. I want to see it stabilising at about 26, 28 million, no more. I don't think we have the water for it. Do you want to live on desalinated water? Go to Dubai. It's a nightmare. I mean, seriously, we haven't got the water for it.

**MR LINDWALL:** We're surrounded by water. It's a matter of desalinating - - -

45 **MS DROST:** And the cost of that? Why do we need it? We don't need it. We're not any better off because of it. Look, I'm going to leave just some of these things here with you. Australian immigration intake, how it's increased, the numbers keep increasing. This is a statement from the Boroondara Residents' Action Group, which I'm the vice president. Here we have from Callum Pickering The Big Australian Illusion, okay. Australia has the highest

population growth in the developed world. They're very interesting articles those. And here, The Tenuous growth Link Between Population and Prosperity by Katharine Betts from Swinburne.

5 **MS McCLELLAND:** Someone quoted her yesterday.

**MS DROST:** I'm going to leave these with you.

**MR LINDWALL:** Please, yes.

10

**MS DROST:** Because they're very well worth reading. She talks about the myth of the ageing population.

**MS McCLELLAND:** Yes, that was cited to us yesterday.

15

**MR LINDWALL:** Yes, it was.

**MS McCLELLAND:** We have that reference. Thank you.

20

**MS DROST:** You can read the whole thing. I want to also discuss something that's not PC. Because I'm sick of being PC.

**MR LINDWALL:** You've got five minutes. Yes.

25

**MS DROST:** Yes, I haven't got long. But I'm sick to death of multiculturalism. I think it was a mistake to start multiculturalism.

**MR LINDWALL:** What do you mean by "multiculturalism"?

30

**MS DROST:** By encouraging other people who come here to keep their own culture. My husband came from Holland. He wouldn't even speak Dutch anymore. He said, "I'm Australian." When it came in here he said, "This is the stupidest thing Australia can do." I believe that's absolutely true. In Europe they've decided it just doesn't work. Assimilate or go. That's the feeling there. Also, the cost of multiculturalism. I don't know whether you're aware of this book by Stephen Rimmer, "The Cost of Multiculturalism". He did these studies – this is back in '91 - - -

35

**MS McCLELLAND:** No, I don't think we have it.

40

**MS DROST:** He estimated that it was costing the Australian Government \$.2.1 billion to sustain the whole multiculturalism thing. I mean, it's just – what does it cost now? That was all those years ago.

45

**MR LINDWALL:** 1991.

**MS DROST:** Yes, there's probably much more money now involved to try and keep this whole multicultural thing going.

**MR LINDWALL:** That would be about 5 or 8 per cent of GDP in those days. So I don't find that a very credible number.

5 **MS DROST:** Well, it's been well received this idea. It's certainly a cost to the community and I think it's unnecessary. I think that if people come here – I mean, I went to live in Indonesia for 20 years and I became totally assimilated, all right, because I thought I'm living here, I've got to learn all the culture, I'm not going to offend anybody. I'm totally accepted there now when I go back. I think when people come here they should also become  
10 Australian and not bring their – some cultures are horrible, we don't want them here.

Also, I'm very concerned about where the migrants come from. I mean, are we going to end up – I had a – I've got Singaporean friends who sent me a  
15 thing on email that they'd seen, a leaked email from China calling Australia the great southern province of China currently occupied by those European colonials. I'm getting a little bit tired of this attitude and I think – often when I walk around the city I wonder what on earth country I'm in. I don't think- - -

20 **MS McCLELLAND:** Do you have any evidence about the harm caused by multiculturalism to provide us with?

**MS DROST:** Pardon?

25 **MS McCLELLAND:** We'll take that reference to make sure we have. But we are really interested in evidence rather than assertions about - - -

**MS DROST:** Yes, I can certainly take - - -

30 **MS McCLELLAND:** Just please leave us your evidence. Thank you.

**MR LINDWALL:** Maybe we could write the name down with the list of stuff you're giving us.

35 **MS DROST:** Yes, all right, I'll do that. But, to me, I think that people are welcome to come here, but I think they become Australian. But I'm also concerned about where they come from. I think we need people here who can contribute and not just take – think about the people who are here now. We're all starting to resent what we're seeing. It's becoming quite a thing, especially  
40 - - -

**MR LINDWALL:** But our skilled migrant intake, according to our own report and data, show that they have very high participation rates, very low unemployment rates and very high wages compared to locals - - -  
45

**MS DROST:** I just wonder what sort of skill we're talking about. You have them actually talking about building labourers and building people, because that's all we're doing here. All we're doing is building. My last point is where to from here? When I was in Holland I said, "How come you're doing

so well?" "Because we've gone into super high tech." Switzerland is doing much the same. Whereas all we do is build houses. That's seriously – bring in more people for building more houses. All we do is build, build, build. Do you want to build all the way to Mildura?

5

But I'm delighted that the papers I've been reading yesterday – this is the Herald Sun yesterday about industry slumping and they're talking about venture capital start-up things and so on and high tech, which they've got to start doing. Then today's paper there's a whole big story here about how they're going to start funding things in universities and to educate. Do you know, I've got a young friend who's just gone off to Silicon Valley, big job over there. We're losing our top brains to overseas. We've got to start doing – why don't we have a Yarra Valley here, do the same thing here. Keep our brains here.

15

You know what, another friend of mine in Sydney, he topped Sydney University in engineering. He was offered I don't know how many invitations to top American universities with scholarships. Of course, he went over there and did a PhD at their expense. They're getting the top brains going over there. We should be reversing that and having the top brains coming here. Additionally, my brother worked with Prof Graeme Clark who invented the bionic ear, okay. That is one of the few things that's been a great success for Australia because they developed it here. Whereas so much that's invented here goes overseas.

20

25

**MR LINDWALL:** I think, Mrs Drost, we might have to finish that. But your final point - - -

30

**MS DROST:** My final point is that we've got to start going that direction.

**MR LINDWALL:** Could I suggest that you also make a contribution to our other inquiry at the moment called Intellectual Property because what you just mentioned right at the end is very relevant to that inquiry.

35

**MS DROST:** Sure. I think if we work down that track and forget about having so many people coming in because we don't need them. We've got enough.

40

**MR LINDWALL:** Thank you for your contribution, Mrs Drost. Thank you for appearing.

**MS DROST:** I'm glad to hear about – I didn't know about it till Friday.

45

**MR LINDWALL:** We didn't advertise as well as we could, I suppose.

**MS DROST:** If I'd known about it earlier you would have a lot more people here.

**MR LINDWALL:** Thank you for coming. You're most welcome to sit and

listen to - - -

**MS DROST:** I will. I want to hear Julianne Bell.

5 **MR LINDWALL:** Julianne Bell, please come forward to the hot seat.

**MS BELL:** I might just ask you, Stewart asked me to write a list of 10 points.

10 **MS McCLELLAND:** We have those, thank you.

**MS BELL:** You have those.

**MR LINDWALL:** Yes.

15

**MS BELL:** The second attachment Victoria First changing environment report which was - - -

**MS McCLELLAND:** We don't have that.

20

**MS BELL:** May I give that to you?

**MS McCLELLAND:** Maybe if you give it to Stewart and he can - - -

25 **MS BELL:** Okay. I'll be referring to it.

**MS McCLELLAND:** That's fine, thank you. Is that all right with you?

30 **MR LINDWALL:** That's fine, that's perfect. Please, for the record, if you could say your name and who you represent if otherwise yourself.

35 **MS BELL:** Yes. It's Julianne Bell and I'm representing in the first instance I'm secretary of Protectors of Public Lands Victoria, which has got over 80 member groups dedicated to protecting and maintaining significant environmental and heritages sites. I have been for 18 months secretary of Victoria First, which was started at the beginning of last year to promote sustainable population in Victoria. The president was Kelvin Thomson, Member for Wills. The only reason really the group has decided to amalgamate with Sustainable Population Australia, because Kelvin, who was  
40 the leader, he had a heart attack and was ill.

**MS McCLELLAND:** You may be interested to know we heard from Michael Bayliss yesterday who was also associated with Victoria First.

45 **MS BELL:** Yes, Michael is now president of Sustainable Population - - -

**MS McCLELLAND:** So we have an extensive submission.

**MS BELL:** Yes, and also Victoria First.

**MR LINDWALL:** Would you like to give a brief introduction?

5 **MS BELL:** Yes. I'm saying that, but I also would like to say I had a career  
in the Department of Immigration. I had chiefly in settlement services but  
also I was at various times – and I disagree with Mary – I was ethnic affairs  
adviser to three Ministers for Immigration, Gerry Hand and Robert Ray. So I  
do disagree with Mary about her views on multiculturalism. Yes, so having a  
10 look at my effects, I outline the effects of rapid population growth due to  
record immigration intakes. We're looking at, firstly, this is Protectors of  
Public Lands looks at this particularly: alienation and pressure on urban land,  
including public open space and parks used for passive recreation and  
informal sport to build infrastructure and use for events.

15 Now, what is happening throughout the parks in Melbourne is that the  
schools have expanded and they are taking over parks for sport. Also, there's  
a pressure on for sport and there's a pressure, particularly the Greens party are  
preferring to run bicycle paths through parks, which virtually reduces their  
usefulness for passive recreation and for informal sport. One of our  
20 preoccupations has been with increasing traffic with car ownership. I might  
say that we have a paper that I might like to give you. Ernest Healy, who was  
a senior lecturer associate professor of the Centre for Population and Social  
Research in Monash, at one of our AGMs gave a paper on the cars that ate  
Melbourne. The figures I have here, which are general ones, but he is an  
25 expert and so, therefore has great detail.

There's approximately 50,000 more cars registered in Melbourne every  
year. For every adult, 6 out of 10 new arrivals will acquire a car. There were  
30 from 2012 to 2013 just over 100,000 new cars registered. We say, our chief  
point is, we fought this political battle and Protectors of Public Lands were  
involved in the battle over the east/west link toll road because, of course, we  
were promoting public transport, which is extremely important. Luckily, the  
government on its – this was a key election issue. Well, Tony Abbott said it  
was the election issue.

35 Of course, we were looking at the underground metro, Doncaster rail,  
extension of Rowville rail, a whole array of particularly train – train to the  
airport and so on. This was to get people off cars, out of cars and into public  
transport. This was not so much a criticism of the increased population but a  
40 means by which this could be achieved rather than the toll road which had  
very many complete – well, it was no cost-effectiveness, et cetera.

We did a paper on why the Liberals lost the previous election and one of  
the chief – and we analysed all the seats that they lost and one of the chief  
45 seats was the Bayside that went down like dominoes. The chief complaint by  
people said they voted it was because of the lack of provision of trains, the  
complete and absolutely disarray of the railway system down Bayside, down  
Bentleigh and Frankston and so on.

I touch on these. I assume this is an interest of yours about what we say affect rapid population growth. Reduction of greenhouse gas emissions is difficult. Kelvin says his famous comment. “You cannot reduce your carbon footprint if you keep adding more feet,” which is a bit sort of trifling, but still.

5

**MS McCLELLAND:** One of the things we’re interested in this is in relation to carbon footprint per person and is there going to be an increased carbon footprint through immigration or not. Because there are so many – immigration doesn’t increase the number of people in the world, it distributes it. So it’s not the number of feet, it’s whether the carbon footprint changes. Have you considered that?

10

**MS BELL:** Well, yes, because we see that the carbon emissions is the highest per capita for Australia than any other developed nation. Just very quickly the others, unwanted overdevelopment in established suburbs with loss of heritage houses and canopy tree cover. Now, that is very important. This densification of Melbourne which is happening which we’re fighting – in Boroondara fighting the loss of canopy trees which have an effect of carbon reduction but also the heat element effect, imposing that.

15

20

Rising house prices and rentals, unaffordable housing, homelessness, rising welfare and inequality. Well, that’s one of our views. I’d like to – it’s a pity that you didn’t get this summary of Victoria First State of the Environment Report. Our group made a submission to parliament in 2010 which was about the extension of the urban growth boundary and our opposition to it.

25

**MS McCLELLAND:** But it’s fine, you can leave it with us. We can still have it.

30

**MS BELL:** It covers – and I just might read out this – this is the report and it was a 2008 report of Victoria State of the Environment – 2012 report. But the 2008 report was particularly critical and it was also – the 2012 report, which I hope you might also look at, was no – the state of the environment was no better.

35

**MS McCLELLAND:** Can I just clarify. That’s not your report, that’s a report of the - - -

40

**MS BELL:** The state government. Yes. This was – it’s called State of the Environment Report 2008. The quote was:

*Our way of life continues to be maintained and enhanced through the gradual deterioration of our natural environment. Major changes are needed for a healthy, robust environment that can withstand and adapt to environmental shocks such as fire, drought, floods and climate change.*

45

They touch on climate change, water, the last assessment of river health.

Well, that was 2004. Only one in five major rivers and tributaries were in good condition. Biodiversity they touch on.

5 *Victoria is the most cleared and most densely-populated state. Biodiversity is a critical part of overall environmental health. Land clearing for cities, towns and farmland has contributed to a biodiversity crisis in Victoria.*

10 Coasts and the seas about urban development, air quality, they say that it has improved significantly since the '70s and '80s. But climate change is likely to increase the frequency and severity in bushfires, dust storms and smog. Anyway, perhaps you'd like to look at this. The recommendation says:

15 *Dozens of recommendations for each individual factor. However, an underlying acceptance of population will continue to grow and no recommendation to slow the growth.*

20 Our point of view, which you might have gathered, is that the government should be working on a sustainable population policy to work out and then – you seem to be doing it the other way around, to look at what immigration intake should be.

25 **MR LINDWALL:** What do you think the factors that derive what a sustainable population growth rate is? Or do you see sustainable population as an absolute figure?

30 **MS BELL:** No, we're only looking at it from the point of view of migration, that overseas migration that is the key factor that should be slowed. We look back at under, for instance – I'm trying to think whether it was Bob Hawke – 80,000 was the figure that Kelvin Thomson always gives to slow it. But, no, we haven't looked at – we consider this is the key factor in affecting what would be a sustainable population for the state. As I said, we did place great emphasis on the state of the environment reports.

35 Just a comment quickly, I don't want to go through most of the immigration comments that I had – Stewart sent me which was very useful – the key points, major points of the inquiry. I must say that we support you a hundred per cent where you say there should be no paid - - -

40 **MR LINDWALL:** Price-based system, yes.

45 **MS BELL:** Paid visas, yes, where there's quite a big emphasis in your report on this. We agree entirely with the comments that you've made about that. Just to have a look, we've called it a furphy, immigration furphy. Immigration reduces the impacts of population ageing. I've given it to Stewart. We have Katharine Betts' paper. I refer to her paper. I've given the link here.

**MS McCLELLAND:** And I think that was also the previous person referred



to that. So we're aware of that.

**MS BELL:** I've given Stewart to give to you a – it's a press release and it's a summary of her report which is quite useful.

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**MS McCLELLAND:** Could I just make a clarification?

**MS BELL:** Yes.

10 **MS McCLELLAND:** We don't say that immigration solves population ageing. We say it delays it. So it's quite important to understand what we're saying in our draft report. We are not saying that immigration is the solution to population ageing. We're saying it delays the impact.

15 **MS BELL:** But she even disagrees with that, I would think. It's a very lucid argument. She does say at the end:

*Attempts to make Australia younger by making it bigger are no more rational than a middle-aged person trying to look younger by gaining 40 kilos.*

20

Which is a bit trivial. I think that she is somebody of great standing.

25 **MR LINDWALL:** I don't mind that and certainly when people talk about an ageing population what they mean, generally speaking, is a larger age-dependency ratio. In other words, more people aged 65 and above compared to the people in the working age population.

**MS BELL:** Yes.

30

**MR LINDWALL:** Now, I would expect, of course, as people age that there'll be a stronger incentive for people who are above 65 to work as well by definition.

35 **MS BELL:** Yes, but the migrants themselves age.

**MR LINDWALL:** Yes, we note that very strongly.

40 **MS BELL:** So I'm not sure, because I'm not statistical expert, I'm not sure of what the cohorts are of Generation X, Generation Y and Generation Z. I mean, they're all – if they're all immigrants, whether in fact there is a greater proportion of the population are in fact aged. I don't know. I hope that you can - - -

45 **MR LINDWALL:** Yes, and because of these - - -

**MS McCLELLAND:** Well, they do age. They do age. We do bring in, on the whole, our immigration is a working-age population mainly who come in, but they do age. It was pointed out to us the other day and we have to follow

this up is that the temporary immigration tends to be a continuing younger immigration that goes to. So temporary immigration may offset that.

5 **MS BELL:** Can I finally, not to – I just want to comment on – beside the overseas skilled migration which we've always looked at in relation to population, but there is a most extraordinary – and I think it's it because in the John Howard years he removed the top third echelon of the immigration department. There's just not the public servants who are there to monitor. There is a huge number of over-stayers that are not sent back. We've got this  
10 huge student inflow. They come in – and I know people who have home stay and they see an immigration agent the first week they're here.

15 Their object is to get permanent residence often. We had experience with the 457 visas over this absolute scandal over the East/West Link. The week before the election they were still bringing in – one of the contractors was Spanish and they were still bringing in Spanish workers under the 457 visa and their families, which we had quite a lot of evidence because there were still people from the community who were blockading – they were still –  
20 they'd started work on building it already even though there was still three cases in the Supreme Court, which was illegal for them to do so. The workers, the surveyors and the engineers were Spanish. We found out because they were reading Spanish novels.

25 **MR LINDWALL:** But you don't have a problem with that per se.

**MS BELL:** No, I'm just saying - - -

30 **MR LINDWALL:** I mean, people who built the Snowy Mountain schemes were Italian and Greek.

**MS BELL:** No, I'm not at all, but I'm just saying shipping in people who are because it's an overseas contractor without properly doing the tests for – because that was one of the promises that the East/West Link would provide employment for permanent residents. Well, they set up an office specially to  
35 import overseas workers. No, not opposed to Spanish workers at all. But just that they had not done the work tests that we found out.

**MR LINDWALL:** Do you want us to ask some questions?

40 **MS BELL:** Yes, please.

**MR LINDWALL:** I'd like to – since we've had different views on multiculturalism and we've heard one side, I'd be interested to hear the other side of the argument. What does multiculturalism mean to you and what do  
45 you think its advantages have been or disadvantages to Australia?

**MS BELL:** I think it's enriched Australia. I actually had positions in – I was acting, thank goodness, director of the migrant reception centres with the huge – that was '89, '90, '91 – with the huge intakes of refugees and so on. I think

5 particularly the refugee and humanitarian programs are absolutely – Australia has had the reputation before we’ve had the border protection immigration turning to that – I think because I had such a lot of contact with the ethnic community groups because I used to write the Minister’s speeches and go to ethnic community organisations’ functions and so on – and the wealth of the talent and the wealth of immigrants is just totally amazing really.

10 I think that it can only enrich the country. One of the downsides is that in those days where we had migrant reception centres which were fantastic where they were set up with proper settlement services, bilingual information, language courses and so on. It appears to me that – and also I suppose you could call it induction into Australian way of life, you know. They used to – they had a full orientation program. I think that this is lacking now, especially language courses.

15 **MS McCLELLAND:** It’s interesting, we had someone else pointing out to us the importance of a general orientation yesterday.

20 **MS BELL:** I mean, I’ve met a Vietnamese just recently who had a sewing shop in Richmond. They recognised me actually from the days where I was at migrant centre. Their English was terrific, absolutely, whereas I’ve met people more recent arrivals and their English is not good at all. I think this is one of the key aspects why – of their acceptance.

25 **MS McCLELLAND:** Can I just follow up your question, Paul. So we’ve got views on either side. Given your background in immigration, is it possible to have clear evidence on the benefits or the costs? How can an organisation like us who likes to assess things on the basis of evidence look at this issue in a clear and dispassionate way to have some evidence about the value or the cost of multiculturalism?

30 **MS BELL:** I think Monash University used to be the leader - - -

35 **MS McCLELLAND:** The Scanlon Foundation’s research, you mean?

**MS BELL:** I’m not sure, I’m not up to date on that. But the centre for social and economic research with Bob Birrell and Ernest Healy that I have known very well – I’m trying to think of his name.

40 **MS McCLELLAND:** John Nieuwenhuysen was there?

**MS BELL:** Yes, and Bullivant(?). I’m trying to think. I used to know all those staff. La Trobe also was a leader. But they have a great deal of historical - - -

45 **MS McCLELLAND:** Research.

**MS BELL:** Yes. Now, unfortunately, the immigration department has taken a big turn to the right and this renaming of the Department of Border

Protection with this concentration on border protection is a bit unfortunate, because it used to be the Department of Immigration and Multicultural Affairs, of course. It was Department of Immigration and Citizenship. So it's taken a bit of a turn for the worse. But I do hope you can look, just as a  
5 concluding, at the general picture of who is in Australia, the over-stayed visitors, the 457 visas who are not being checked on, the student intakes, as well as – and, of course, the ludicrous thing is this beat-up about border protection of the poor refugees who can't get papers and so on arriving by boat, coming from Sri Lanka – of course, I dealt with – I was in charge of the  
10 refugees in the last three years of my time in immigration.

The plight of the Sri Lankan, the Tamil refugees, was considerable. And I think it's still the case. I was going to check on this. But if people can get proper visas, which you can, by applying to an immigration office, if you can  
15 get access to an immigration office, you can arrive at the airport and you go and you fill out a form and claim refugee status, onshore refugees. I don't even know how many there are and I think it's a good thing if people want to – under the world – under the UN definition of “refugees” that's terrific to climb refugee status.  
20

One of the things that the radio stations of 3AW and ABC is not so bad, they do not actually edit that the processing of refugees is an extremely methodical, lengthy task of – they seem to think that people are just freely admitted when they're not. The banks of interpreters that we had – so you  
25 interview a refugee for an hour, a refugee claimant for an hour and the interpreter who would be from the same ethnic background would be able to tell you what village they came from, what dialect they spoke and therefore fairly well – not that they were from some distant Asian subcontinent.

So the actual – the Minister for Immigration has pointed this out. But I just wanted to say that this is something of great bit of misinformation that's going around the community. We give the immigration department and their staff the credit of a thorough professional advice and also enormous resources that are required.  
30

**MR LINDWALL:** One final question from me was, do you have any idea how the quota for the humanitarian intake should be set?  
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**MS BELL:** Quota for?  
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**MR LINDWALL:** The humanitarian intake. Do you have any comments on the quota?  
45

**MS BELL:** We think it's too low, that it should be a higher intake, especially from - - -

**MR LINDWALL:** But still should be limited is what you're saying.

**MS BELL:** Especially from overseas, because Indonesia and Lebanon and

places have millions of – and particularly the boats are being turned back to Indonesia. I know the opinion in people who were – I know people in immigration is of course the –that there should be higher intakes of the people who've been waiting – who've been processed as refugees and who have been waiting in camps in Indonesia. I think it can only improve relations. Well, we've seen what happened to relations with Indonesia in the Tony Abbott era.

**MS McCLELLAND:** Thank you.

**MR LINDWALL:** Thank you very much for your contribution today, Ms Bell. I think we've got Dr David Ingram. But I don't think he's here at the moment.

**MS McCLELLAND:** Do we have him on telephone? It's a telephone thing. We have a five-minute break while – or do we get him on - - -

**MR LINDWALL:** Maybe we go and get a coffee for a second.

**ADJOURNED** [1.58 pm]

**RESUMED** [2.02 pm]

**MR LINDWALL:** David, hello, this is Paul Lindwall from the Productivity Commission. I've got Alison McClelland here too. Thank you very much for agreeing to appear at this hearing. Are you aware that it gets recorded and transcript is made?

**DR INGRAM:** Yes.

**MR LINDWALL:** Would you mind, just for our record, stating your name and the organisation, please?

**DR INGRAM:** Yes. My name is Dr David Ingram and I'm director of ISLPR Language Services Pty Ltd.

**MR LINDWALL:** If you don't mind – and I think we've got 20 minutes – 25 minutes, sorry. Would you mind, if you'd like to give a short introduction of about five minutes or so?

**DR INGRAM:** Yes, certainly happy to.

**MR LINDWALL:** Thank you.

**DR INGRAM:** This statement will be very short but I'll be happy to respond to questions later. I'll make 10 very short points. (1) The argument in both my original submission and my response was that most of the tests, especially

IELTS, are not designed to meet the needs of the diversity of people who take these tests for migration purposes. (2) As much I regret to see how IELTS has evolved since we first developed it in 1987/88, I do not advocate dropping it. However, I do recommend that another type of test, one designed to match more closely the language experience and future needs of individual candidates, be optionally available. In particular, the International Second Language Proficiency Ratings or ISLPR.

(3) I'd like to correct a misunderstanding from my first submission in the draft report. In my submission in my response to the draft report I'm referring to all candidates, not just international students. (4) It's important to realise that language is not unitary but a complex set of different forms, that is, varieties and registers. Hence, proficiency cannot be accurately measured in a single test with a particular content not necessarily related to the language of the candidate and experience or needs in the future. No one is proficient in all the varieties and registers of a language. When the test is content focusing on the language of a register that the candidate has not experienced, inevitably may fail to assess accurately that candidate's proficiency.

(5) For that reason, most of the test in the current (indistinct) has the advantage of being mass-administered. For candidates who find they cannot cope with tests that claim to be general but inevitably include content that is irrelevant to them, the option should be available of taking a test that could better reflect their real or any knowledge. The difference between ISLPR and most other tests is that it is an individual test. It's content is readily adjusted to match the experience and need of each candidate. I must emphasise, however, that I'm not saying that proficiency expectations would be lowered, only that the test be relevant to the candidates' real language.

(6) The draft report rightly speaks a lot about social cohesion. Testing is also a factor in this. If individuals believe that they have the appropriate skills and knowledge in their discipline and in English but are precluded from fitting into a society in their legitimate activity by the inappropriate nature of the language and the test they must take, there's serious risk of the test aggravating a sense of alienation or being discriminated against by that formal requirement. In fact, I have observed that feeling amongst many candidates that are tested who have been referred to me because they have failed numerous times to achieve what they need in IELTS.

(7) In the draft report information request 9.1 asks whether the concerns raised in my original submission are widespread. The only response I can give is from my own experience of tutoring and testing candidates from many areas, not only international students but also overseas-trained teachers, nurses and other workers. I have also had cases referred to me by migration lawyers with whom I've had discussions, in particular, with a group of such lawyers in Sydney who expressed grave concerns over the effects of the current testing regime.

(8) Information request 9.1 asks for information on the costs of including

ISLPR. I can't answer for other centres, but the test fees in ISLPR Language Services are much the same as IELTS and, if we were not obliged to charge the GST, it would be less. There would be no cost to immigration when candidates are required to pay for their own tests. ISLPR also has the advantage of being an Australian test with all the fees kept in Australia.

(9) On pages 298-299 the draft report asks whether the other tests listed address the issues in my submission. The answer to that is they don't. With the exception of an OET, a mass test, it's essentially of a one-size-fits-all design.

(10) Finally, the draft report asks what impediments there are to the inclusion of ISLPR. Briefly, I just mention two things. First, it's an individual test, it is not administered en masse. That is one reason why I see it as an additional option that might be made available to candidates who feel that the other tests unfairly discriminate against them. As such, it can be made available on a large scale only if there are many testing centres available. In fact, there are many centres around Australia that use the ISLPR.

That now raises my second point. I suspect that one reason why the ISLPR has not been accepted by immigration previously is exactly because it has been used by many centres with no regard to quality assurance, unlike the other tests where quality assurance is built into the test and its development process. However, the solution to that situation is now available with the establishment of the ISLPR International Accreditation Society which was established specifically to ensure the quality of tester training and the accuracy of the test results. Now only tests that carry the words "IIA accredited" should be accepted.

In my response to the draft report I have commented on many other issues in relation to testing. I'd be happy to respond to questions.

**MR LINDWALL:** Thank you very much. I might just start by asking with this new accreditation scheme that you have for ISLPR, has it been – what's been the reaction by the immigration department to that?

**DR INGRAM:** I can't say. I haven't had enough contact with immigration. In fact, I haven't spoken to immigration about it. I suppose its premise would be to bring attention of the current end users of the ISLPR to the fact that the accreditation authority is now available and reviews results. But I can't answer in relation to immigration.

**MR LINDWALL:** One other question before Alison asks a question is what do you mean by ISLPR being an adaptive test as opposed to the other tests?

**DR INGRAM:** Well, in a test like IELTS, for example, which I'm most familiar with in its original version, you develop a version of the test in all of skills with particular items with particular texts being selected and used. In the case of IELTS and other non-adaptive tests, you have one version in any

sitting and all candidates, no matter what their background is. The ISLPR, on the other hand, is an individual test. The language content can be readily adjusted to match the background and the needs of the individual candidate.

5 **MS McCLELLAND:** I suppose – you wanted to say more?

10 **DR INGRAM:** No, I was just going to give an example of that. In our day-to-day testing here, for example, we have students entering many different faculties and departments in the university. So their particular language background and their future language needs differ obviously according to the faculties that they're going into. So we seek to ensure that the language content that we expect them to listen to or read to talk about is relevant to their background and to their future needs.

15 **MS McCLELLAND:** Just to follow those points a little bit more – it's Alison here – so you have differential English language needs. So the value of the individual test is it helps you get them. But we all have similar English language needs. We need to be part of a community and have the basic literacy in that community and so on. Does your more individualised test give  
20 it some guarantee that you're covering those sort of basic English needs that people would need to be able to be part of the Australian society?

25 **DR INGRAM:** There are several aspects to that. One is the test can be adjusted to measure what we call general proficiency, which is what you were referring to there.

**MS McCLELLAND:** Yes, I think it is.

30 **DR INGRAM:** And also to whatever is the specific area of interest or need of the individual candidate. You're correct that we all have a common everyday general proficiency. But we also all have proficiency in other particular registers of language. If I give an example from testing of people that I've had a fair bit of involvement with, nurses. They have to survive in the society but they also need the language related to nursing in a hospital and  
35 so on.

40 **MS McCLELLAND:** Do you mind if I stop you there, because I don't think we're disputing that. I don't think we're disputing that you don't have those individual things and your tests might be good at that. I just want to get a bit more about this general proficiency thing. When you say it can be adapted, why is it not there? A test that we say is okay needs to have it there. So what do you mean it can be adapted?

45 **DR INGRAM:** Well, the first thing I would say is that all tests, whether it's IELTS or any of the others, make a selection of language. That language can be selected from within areas that are relevant to an individual or may not be. What I normally say to candidates is that there are three things that determine the content of the test. One is they live in an English-speaking society, they need English for everyday survival purposes. Secondly, they need English for



interaction in whatever vocation or academic context they're going into, so for everyday interaction in the university. Thirdly, they need English for whatever their particular area of the language is.

5           If they're going to a university to study engineering, the language forms is different from those if they're going in to study political science or history or education. The same applies if they're going in to different vocations. The problem arises with a one-size-fits-all approach when the content is selected, as it necessarily is, particularly in the academic version of IELTS, where it's  
10 selected in some discipline which the individual candidate is not familiar with. The same applies if it is a test for vocational purposes. So if the language is in a – if it aims to be a test of vocational skills, if the language is in a vocation that is not relevant to the individual, then that imposes unreasonable problems on the candidate.

15           **MS McCLELLAND:** I think we're accepting those points. I'm accepting those points. Are you?

**MR LINDWALL:** Yes.

20           **MS McCLELLAND:** So I don't think you need to convince us of that. I just need to be clear about that test will always have a clear general proficiency part of it as well as those other adaptive features that you're talking about that are more individualised.

25           **DR INGRAM:** That's correct. It ultimately depends on the purpose of the particular test. It can certainly be solely general but also it can go to the opposite extreme and be solely related to a particular discipline. But in reality, it needs to cover that range that I mentioned.

30           **MR LINDWALL:** Now, any test, of course, will have false positives. In other words, giving a pass mark to people who really should have failed. And false negatives, failing people who should pass. I guess what you're saying that in case of ISLPR compared to say IELTS that the ratio of false negatives and false positives might be better or did you say it's similar or something  
35 else?

**DR INGRAM:** In principle, it should be better if the test is being administered correctly. That is to say there should not be language say in a  
40 listening task or a reading task or a writing task which is totally unfamiliar to the individual candidate. But that can happen. Not only can happen, it does happen with a one-size-fits-all mass-administered test.

**MR LINDWALL:** I take it for ISLPR there are various levels of competency, for example, vocational or competent and things such as that.  
45

**DR INGRAM:** Yes, absolutely. The ISLPR also refers to a proficiency scale which describes how a second or foreign language develops from zero proficiency to native-like. There are actually 12 levels in that scale. What

immigration calls vocational proficiency more or less equates to what on the ISLPR is level 3. So immigration equates functional English to (indistinct) on IELTS. That's equivalent to – well, they equate it to 2 on ISLPR. Any two tests – it doesn't matter what test you like to select, the whole business of equating precisely across scales is obviously fraught with difficulty. In the case of IELTS and ISLPR, I developed both of those scales initially because I was the representative on the development project for IELTS. We had a number of scales in front of us. We developed that back in 1988. So from my point of view, I'm reasonably confident about equation across those. But to do it statistically is a complex process.

**MS McCLELLAND:** I just wanted to follow up the accreditation authority you said that you now had and ask a little bit about the background to that authority. Who's on that authority? Who sort of auspices it? What authority does it have?

**DR INGRAM:** The only authority it has is the same authority as any of the other tests have in terms of the validation and accreditation of their results. The owners of the test, the developers of the test determine the validation processes. But for each test the validation process must be relevant to the nature of the test. In the case of the ISLPR and the ISLPR Accreditation Society, the senior testers have who have long experience of using the ISLPR who have demonstrated their understanding both of the scale, the test, the testing process and have demonstrated their ability to assess candidates reliably in reviewing the tests that have been done. It provides feedback to the testers and their centres and determines whether the tests have been correctly – whether the candidates have been correctly assessed or not.

**MR LINDWALL:** Just to head off the idea that people might say that ISLPR is systematically an easier test given it's adaptive, I suppose – this is what some people might say – would you confirm your hypothetical example that – I mean, if you had an individual who fails the IELTS they could pass the ISLPR or they could fail the ISLPR but pass the IELTS. Both are likely or possible?

**DR INGRAM:** It's possible but for a different reason, not because the ISLPR is easier or more difficult, but because the language may be in one case less or in the other case more relevant to the candidate. That does not mean that the proficiency expectation is any less. But that the – in the one test they get assessed on language that is relevant to them. In the other test they have encountered language that they are not familiar with because it uses text or tasks that are not equivalent to their background or their future needs. But in terms of the difficulty level, I mean, we've had candidates, for example, who say in IELTS you can get what you want through trick, that is, in many IELTS preparation courses focus on test-taking techniques. In the ISLPR you can't do that. The focus is entirely on the real language the candidate uses.

**MS McCLELLAND:** I've got two quick questions. Apart from the views of the immigration department, are there any other obstacles to this being used

more frequently? Secondly, are you saying that – just going back to this cost issue. Would it cost a student more to have a test for an PR – I'm just going to with PR rather than IL. What are the relative costs for the student?

5 **DR INGRAM:** The answer to that is definitely not. I can't answer for other  
places. There are places that use the ISLPR over which we have no control.  
But so far as our tests here are concerned, the tests are approximately the  
same. The difference between our test and IELTS is that we are obliged to  
charge GST. Our basic fees are \$320 – 320, not 340. The test fees that IDP  
10 or IELTS Australia advertise are 330 and 353.

**MR LINDWALL:** Why does ISLPR have the GST applied but not IELTS?

15 **DR INGRAM:** I can't answer for IELTS. But in our case we – several years  
ago soon after we moved the test out of the university into this private  
company we got our accountant to go through the process with the Australian  
Tax Office. For whatever reason, they determined that we should be charging  
GST.

20 **MR LINDWALL:** And I've got one final question, and that's related to  
information request 11.2. Now, as it is currently posited or as it's currently  
structured, if you're going from – if you're a temporary immigrant and you're  
going as an employer-sponsored immigrant to permanent status you need to  
have an English language test at vocational level. But if you go as a direct  
25 entry to permanent you have to have a higher level of competence. Do you  
see any merit in having a difference there or should they be aligned?

**DR INGRAM:** I really don't understand why that difference is made. I  
mean, on the face of it, it would seem they're going to be using the language  
similarly. I don't really know why that difference. The more important  
question for me always would be is the content of the test that they are doing  
relevant to their needs? I suppose ideally I would say that if a test is  
genuinely for vocational purposes rather than just artificially naming a level of  
vocational, if it is genuinely for vocational purposes, then I would want to ask  
35 what the actual needs - - -

**MS McCLELLAND:** Hello? I think we've lost him.

40 **MR LINDWALL:** Hello?

**MS McCLELLAND:** I think he just went off – I think we've just lost him,  
which is unfortunate, because I had a couple of questions about the other  
information.

45 **MR LINDWALL:** Maybe we'll just dial again and see if it works.

(Attempt at telephone connection not successful)

**MS McCLELLAND:** Yes. All right. We've got a five minutes break and

we'll resume in five minutes, you think or not?

(Attempting telephone connection)

5 **MR LINDWALL:** Libby, hello, it's Paul Lindwall from the Productivity Commission. We're a few minutes early. Are you all right to speak now?

**MS HOGARTH:** Yes, that's fine.

10 **MR LINDWALL:** That would be great. Alison McClelland is my fellow Commissioner here.

**MS McCLELLAND:** Hello Libby.

15 **MS HOGARTH:** Hi Alison, how are you?

**MS McCLELLAND:** Good, thank you.

20 **MR LINDWALL:** You're aware that this is being – transcript is being made of this hearing?

**MS HOGARTH:** Yes, I am.

25 **MR LINDWALL:** Excellent. For the purpose of the record, would you mind stating your name and organisation that you're representing?

**MS HOGARTH:** Yes. My full name is Elizabeth Anne Hogarth, but I'm known as Libby Hogarth and I'm the director of Australian Migration Options based in Adelaide.

30 **MR LINDWALL:** Excellent. And how's Adelaide today?

**MS HOGARTH:** Hot.

35 **MR LINDWALL:** Libby, would you mind giving us a short introduction to what you'd like to say to us?

**MS HOGARTH:** Yes, okay. Well, I'm assuming you'd have my submission before you.

40 **MR LINDWALL:** Yes, we do.

45 **MS HOGARTH:** That was sent some time ago. At the outset I would like to acknowledge that the scope of the Productivity Commission report is very wide and that my submission was quite specifically based on the unprecedented and unexpected increase in immigration fees for family migration. So it's sort of – my submission and what I want to discuss is very much around the fees and the program for family reunification of people of a refugee background.

5 My concerns about the increase in fees is in particular in relation to  
people who've come to Australia from a refugee background but who've  
come by boat and then later tried to sponsor their immediate family members,  
that being their partner and/or their children, not the wider family definition.  
My concerns are also made against the current processing times within the  
Department of Immigration and Border Protection where are honestly  
experiencing some of the worst service provisions that I've experienced in the  
25 years I've been working in this industry.

10 We've got this scenario that whilst we're seeing fees increase  
dramatically, at the same time the value for service has decreased  
dramatically. My concerns and my submission was raised against my belief  
that family reunion is an integral part of good settlement. However, I believe  
15 over the past decade I've seen it more and more treated like an added extra or  
a generous provision of our governments rather than it being seen as a really  
integral part of settlement. I think everybody that works with settlement of  
refugees knows that the ability to settle well, to deal with past traumas and  
mental illness, the ability to get work and be a productive citizen of Australia  
20 is crucially linked to that person's ability to also being able to bring their  
family to safety.

I'm aware in writing my submission – I'm aware of and I've read the  
25 submission by the Refugee Council of Australia in regards to the impact on  
family separation on resettlement. I'm aware that they've made suggestions  
also about concessions for refugee humanitarian entrants sponsoring their  
relatives. I think they also made a suggestion introducing no-interest loans to  
cover such costs. I also read the Red Cross submissions and I've noted their  
30 comments re family reunion and the impact on prolonged separation and the  
need to introduce viable pathways for family reunion.

But my submission, as I said, was focused on the unprecedented increase  
of fees for this cohort of clients, especially those who've arrived in Australia  
since probably August 2009, the effect that it's had on them. So I'm in  
35 particular interested in concessions for those clients who arrived by boat  
between 2009 and up to August 2012 when the regulations were changed and  
they were not able to access the refugee split family program. I'm aware that  
post-August 2012 temporary protection visas don't have access to family  
reunion full stop. So that's a completely different issue. I'm concerned about  
40 those that have got the right to bring their family but have faced continued  
hurdles and blocks since 2010 because of repeated retrospective changes to  
laws that have deeply and adversely affected them.

Some of them have managed to get through, but others who perhaps are a  
45 bit slower because of not hearing about changes, older men that are  
uneducated and hadn't been advised of changes that really got caught in this.  
It's just been particularly unfair for them. My second concern is probably that  
this whole program of family reunion for refugee background people being  
moved out of the refugee program and into family migration but with a

completely different set of fees to what immigration have recently introduced. With that, with my submission, I think that it covers what my concerns are re the fees.

5 **MR LINDWALL:** I'll let Alison start off this time.

**MS McCLELLAND:** Just to be really clear, it's really the impact on humanitarian refugee family reunion. We are not talking at all about family reunion generally. Is this correct?

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**MS HOGARTH:** No, I'm not.

**MS McCLELLAND:** That's okay, just to be clear about that. In terms of – could you tell me a bit more about the increase in waiting times, what they've increased from to to and when they've increased? Could you give us a bit more detail about that?

15

**MS HOGARTH:** All right. Well, I could go back 25 years when I first started this work. We could walk up to immigration with our clients and take a full-loaded submission and application and the client would get their visa handed over the counter on that day. That definitely does not happen anymore. And I'm conscious of identity issues and things like that that arise and respect the fact that we do need to do more stringent identity checks. Having said that, when we started to work – in particular, our cohort of clients are with the Dubai embassy or the consulate general in Dubai – we were getting visa applications three to six months if we'd done a proper frontloaded application - - -

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**MS McCLELLAND:** When was that?

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**MS HOGARTH:** That would have been 2010, 2011. Now, we've got clients that lodged in early 2011 who still haven't got their wives and children here.

**MS McCLELLAND:** That's fairly common, is it, that length of time, that year?

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**MS HOGARTH:** It's common. It's not consistent. So we still do get the occasional clients that get through six to eight months. The average processing national time now is 12 months. But we see lots and lots of clients that are still way over that 12-month period.

40

**MS McCLELLAND:** Does that vary in term – the country that they come from or is that – what are the factors that increase the waiting times?

**MS HOGARTH:** The factors are mainly around identity. In particular, with the Afghan cohort, the issue of their identity documents when they are refugees is huge. But there seems to be inconsistency with the way – so even in Africa, for example, the clients that have been in refugee camps and these other refugee camps, they fled without documents but they don't seem to face

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5 the same intense identity checks as the ones in Afghanistan. So that is causing a lot of delays and how we get over that I'm not sure because I think it's probably – it's been – what's the word to use – impacted by the other organisations outside of immigration who are involved with the character checks.

10 But apart from that, there's things like insisting on DNA tests even when families have been declared by these clients since they've come to Australia. That stopped for a while and they weren't being so persistent about DNA tests, but recently we've noticed that a lot more families are again being asked to do DNA.

15 **MS McCLELLAND:** So it's more what people have been asked to show rather than say any reduction in resources being allocated to this? I'm just trying to get what might be the factors behind the - - -

20 **MS HOGARTH:** I don't think they've had a lessening of resources. They've probably had an increase of clients. I think they've just been given a lot more guidelines that they have to follow and they're a lot more stringent with certain cohorts of clients than others. So to get through all that work takes time, it takes time, it takes time, and there's this constant delay. Also, the other thing is that communication with the embassies now is becoming considerably difficult. We don't get responses. I preface that by saying I'm aware that if clients constantly ring us, which they do, that means you're answering emails rather than getting on with your work, and that's the same problem with the embassies.

30 But there's going to have to be some give somewhere because the clients need to know. If we haven't heard anything for four or five months I think it's pretty reasonable to ask and say, "Well, what's happening?" But you just get a response saying, "It's in progress." "Well, we know it's in progress because we lodged it a year and a half ago." It's not appropriate. There needs to be more transparency I think around what's happening with these applications.

35 **MS McCLELLAND:** What I would be interested in knowing, Libby, is the delays for this particular group in progressing family reunion as compared with the delays say a non-refugee humanitarian group would. So I'd be interested in some of the comparative – if we can get a handle on any of the comparative figures.

40 **MS HOGARTH:** I wrote to immigration at one stage about, for example, we've had clients that came out with this group of people but were not married, single men, who went back to a country like Pakistan, got married and then came out and sponsored their fiancée or, if they got married, sponsored the wife back. Those applications were being done in like five or six months and didn't seem to go through the same intensity of identity checks as someone who'd come here in 2010, declared his wife and children and then tried to sponsor them and just repeatedly facing all these issues,

having to have DNA tests, urgently having to get these Tazkiras, which means they have to go – that’s their birth certificate.

5 They’ve been told they have to go back to Kabul even though they’re refugees in Quetta. They’ve got to back to Kabul, it’s the only place that issues and attests for these documents. We’ve had arguments with immigration saying how can you ask a refugee to return to their country of persecution just to get a document from an office that’s probably as corrupt as the offices in Pakistan anyway. But it was just interesting that for quite some time the people that were bringing out a fiancée or a partner who hadn’t been initially declared in their application, that process was a lot quicker.

15 It slowed down recently because, again, these same people now have to get these Tazkiras from Kabul and that’s been – that’s causing an enormous problem. I don’t know if that’s within the Productivity Commission because that’s a bit of a different issue than productivity; it’s identity issues here.

20 **MR LINDWALL:** I’ve heard a few things about that. Now, in attachment A of your submission you’ve outlined the fee changes over time. For example, in 2012 the main applicant had no fee and there was no fee for the other dependants. Then post-August 2012 it was \$2680 for the main applicant and no fees for the dependants. Then from July 2013 it went up to 3085 and then 1545 for dependants over 18 and 770 for dependants under 18 and so on up to the most recent one which is \$6865, plus dependants over 18 being 3435 and 25 dependants under 18 being 1720. That’s some fairly substantial rises. Were you given – have you found out the justification for the increases or has there been communicated any background to why they’re increased or is it just an arbitrary decision?

30 **MS HOGARTH:** The only thing immigration has ever told us is that it is to cover the costs of increase in processing and the cost of actually processing these applications for the embassies, which I find extraordinary because if we charge those sort of fees the OMARA would come down on us like a ton of bricks. But it is taking us a substantial amount of time to prepare an application for a family one partner and six children. It does take a 35 considerable amount of time and the amount of follow-up, especially with this cohort of clients, is incredible with all this identity stuff.

40 But I still think that those fees and the time period in which they increased – I mean, I’ve never heard of any commodity increase like that. To increase and then be told, “Well, we’re not going to process it anyway because you’re not an Australian citizen yet,” so then they’ve either got to wait till they get their citizenship. That process has now been stopped. So nobody is getting their citizenship. It just goes on and on and on and it just 45 seems to be completely unjust that they’re charging such fees and they’re not providing a service or providing a very slow service.

**MR LINDWALL:** Do you have any idea of how many of the applicants source the funds for these fees?



**MS HOGARTH:** How many of them or how they - - -

**MR LINDWALL:** How - - -

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**MS McCLELLAND:** Where they get the money from you mean?

**MR LINDWALL:** Yes, basically.

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**MS HOGARTH:** That's where I – funny, because I have probably two agreements with other people in the advocacy circle. We're a commercial agency that came from a community-based background. But we're commercial now. We found that the majority of our clients are Afghans and they tend to have a very good sort of loan system amongst themselves and they'll just go out and borrow the money amongst themselves. I think they're sort of interest-free loans. Occasionally we'll find someone that some kind friend has charged them exorbitant interest. And that's a bit of a shock if we hear that. But normally they've just borrowed it, they work and they pay it back.

20

The African cohort are different. They don't seem to be able to borrow the money as easily and since this huge fee increase I think we've had a few clients that have gone out and got bank loans. But I'm not aware of a wide number of people doing that, although I presume that would have to increase if they've got the capacity even to get a bank loan to do that. So most of these refugee families they're going to at least three or four children. So we're looking around 15 – the clients I had that I gave the example in attachment B, if they hadn't lodged before July they would have been up to around \$22,000 to bring their family. And these guys are pensioners.

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**MR LINDWALL:** Have you seen a change in – well, a normal economic response would be if the price goes up you'd see slower demand for it. Have you seen a drop-off – I know we're talking about a selective period which has changed since the reintroduction of TPVs.

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**MS HOGARTH:** We've seen a drop-off in our clientele for a couple of reasons. (1) We were very proactive right from when the first fee rise happened in July 2013. We actually wrote to community workers and people like Red Cross working with the TPV clients warning them that there was going to be a fee increase because we had a few months before that July 2013 increase. So we warned them that it was going up and to get clients ready to lodge whatever services. It wasn't advertising for us, it was just telling them what was going to happen.

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But before each fee rise we noticed that we got a dramatic increase of people trying to get in before the fees went up. Then it always goes down immediately after. So we're still in that sort of post-July 2015 – we haven't had any of the TPV clients come in to us. It could be (a) because we had an increase just before, but also – I don't know how many are actually left with

the TPV, the 2010 to 2012 arrivals. In Adelaide the majority have got the message that they could lodge it before they got their citizenship but nothing was going to happen with the processing. Whereas in Sydney and Melbourne the feedback I've had is that a lot of the clients were told they couldn't even lodge the application until they got their citizenship.

If that's the case, I don't know how many are still affected by that. That could mean that there's still quite a large group of people that actually haven't lodged applications that are going to be up for this large July 2015 increase. Did that make sense?

**MR LINDWALL:** Yes, it did. Do applicants tend to apply only for say Australia or do they apply for multiple countries simultaneously?

**MS HOGARTH:** If it's a family visa, no, they'll be applying - - -

**MR LINDWALL:** Just for the one country. They pay the money upfront obviously in that case.

**MS HOGARTH:** They have to pay the money to lodge the application, yes.

**MS McCLELLAND:** We do have a chapter on fees and charges and in that chapter we are concerned that there's lack of clarity about what fees and charges could cover. Do you have a view about what a fee and charge for should cover, what would be a reasonable way to think about it, Libby?

**MS HOGARTH:** Well, I guess it would be adding – I mean, the way we would charge it is looking at how many hours is this taking us, what's our hourly fee and working it out that way.

**MS McCLELLAND:** So the cost of processing really, that sort of thing.

**MS HOGARTH:** Yes. Whether immigration has worked it out on that basis, how many hours is it actually taking them to do whatever they have to do, do they pay – I mean, we have no idea whether they pay ASIO or the other organisation, whatever they like to call it. I know the other organisation does some of these security clearances. But whether they're paid out of immigration money, that sort of thing we don't know. So I'd be looking at it must be covering the cost of the processing staff in the embassy in Dubai. Reasonably we could expect it to be covering the costs of rent, utilities and all of that thing. That's fair enough if they were looking at it being like a commercial business. It's a government service, but obviously they're wanting that government service to be fully funded, the services to be covered.

I think it's reasonable looking at that but for the fees to have gone – it just doesn't make sense for the fees to have gone up. What have they been doing beforehand to actually increase them a hundred per cent over 12 months? It's just – and if any other commodity in Australia had that sort of increase,

Consumer Affairs and everybody else would be looking at it very, very closely to see if services improved, has the processing improved, et cetera. I don't think that's happened with immigration. But it may be because they've not been transparent about what it actually covers.

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**MS McCLELLAND:** I've got a note that you made in your introduction about concession – what happened between 2009 and 2012 and concessions and no-interest loans. So you're wanting access to no-interest loans. Is that right? Just remind me of that point.

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**MS HOGARTH:** Okay, yes. The Refugee Council in their submission to you has mentioned something about low-interest loans being – or no-interest loans being available to people to pay for their fees. I thought that was pretty bold of them to put that there. I certainly couldn't see – yes, that wasn't my suggestion. My suggestion is a bit different. And the Refugee Council, I've had talks with them. I'm aware that I have a different view to a lot of the advocates who are still in the community background in that two things. (1) I think looking outside of the TPV caseload, if we're looking at the whole refugee caseload of people that come from overseas on a 200, 202 visa and then need to sponsor their families, I personally would like to see that completely moved out of the refugee program because I think it takes up valuable – we haven't got enough refugee visas anyway. I think it should be moved into the family program.

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The majority of the clients I've come across are not fussed about paying a fee, as long as they know the family is going to get here. The example I gave was that the child visas are like \$2600, for example, for one child. But an orphan visa is \$1640. So why can't under the partner visa program or under the dependent child program, why can't there be introduced a similar sort of fee structure so that if you meet the requirements of the immediate family regulation – that's regulation 1.12AA – then the application fees are considerably much, much less, quite big concessions for them.

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**MR LINDWALL:** Fair enough, yes, all right. I don't have any more questions. Do you have anything?

**MS McCLELLAND:** Not about the fees and charges, but seeing we've got Libby here and we've got a bit more time I think - - -

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**MR LINDWALL:** You could ask more generally, yes.

**MS McCLELLAND:** Yes, more generally, about just your knowledge of settlement services and any comments you want to make about that whole area, Libby, you know. We're interested in how they may be improved, if they need to be improved, in particular improving access to the labour market, given the importance of a labour market helping someone settle in Australia, being able to get a job.

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**MR LINDWALL:** And how English language is taught.

**MS McCLELLAND:** Yes, so any comments you've got about that would be helpful.

5 **MS HOGARTH:** I'll start with English language.

**MS McCLELLAND:** Yes, please.

10 **MS HOGARTH:** From the clients that we speak to, the older men in particular find the TAFE level sort of entry English – the ones that they have access to for the 560 hours, they find it goes too fast for them. These would be people that come from a non-education background. They've been asking us a lot, "Can you set up conversation classes like you do for the women?" So it seems around Australia there's a lot of conversation informal classes for women. But then the same availability is not available for the men and particularly from a non-education background. So it would be good to see either that 560 hours targeted to different groups of people from an education background and people who aren't educated, because they seem to all get thrown into the one group. If you don't keep up, then bad luck.

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25 So the men really suffer and in the end they stop going. That, of course, in turn then affects their citizenship because if they attend a certain number of hours of their English classes it helps, apparently, to move on with their English language with the citizenship test. So it does have other sort of a roll-on impact. From what I understand but I'm not fully aware of it, the funding for the English language – I don't know if it was cut or whether it just isn't enough. But I hear people say we just don't have enough resources. I'm not fully engaged in that area to be able to comment on that.

30 The actual settlement program, that would be opening a can of worms for me because I think we waste a huge amount of money in settlement and I know I will get absolutely slammed by settlement service providers for saying that. But, sadly, my close experience with quite a number of the families is that as long as the checklist is ticked off, nobody is really looking a quality assurance with it. I would really like to see it looked at a lot more closely. It's absolutely imperative that we have good settlement services, but it's a pity to waste millions of dollars on things that perhaps aren't suitable.

40 I can give one little example. We had one family that came in and they were provided with the normal beds that are provided in settlement. Within two days the beds were all sitting out in the backyard. I said, "What's happened?" because I noticed the beds were sort of more like those little tubular beds that we get perhaps for children of about five or six years or age. They just said, "They're not suitable because two of us have got back problems and it's better for us just to lie on the floor." So I said to the settlement provider at the time – this is a couple of years ago – I said, "Why don't you just buy futons or something? Do you have a list for African families, a list for Middle East families, a list for" – so that there's different things that different background people would have. "No, we've got the same

list.” I said, “Look, could you put the money into futons because it would seem that you’ve probably spent at least a thousand, if not more, dollars on these beds and now they’re all sitting in the backyard.” “Well, that’s what we get them.” I said, “Yes, but can’t you change it?” “No, because that’s what we give them.”

It’s just like in the end I gave up and said, “Well, we’re wasting money.” You can’t be buying new furniture and having it sitting on the backyard. I mean they’re not even giving it back to you to give to someone else. So there’s just that sort of quality follow-up of what’s happening. Is the furniture they’re getting appropriate? Is it culturally appropriate? Is it appropriate for age, weight, people with back injuries or what sort of things are they looking at when they provide that sort of material.

The other thing is that I noticed with settlement is that they have a certain time where they’ve got to go through initiation things, getting them to doctors and medicals and that. I’ve seen families brought off the plane and then in about three hours’ time sort of given an introduction and it’s all ticked off on the checklist. I’m sitting there thinking these families haven’t taken any of this in.

**MS McCLELLAND:** Yes, too soon.

**MS HOGARTH:** They’re too excited to see the friend or the relative they’ve just joined up with and somebody’s trying to tell them about how to get their gas bills linked up and where to go to the doctor and tomorrow you’re going to do this and the next day you’re doing that. It’s crazy. But because it’s ticked off on the checklist that goes back to immigration, I presume, and yes, that’s done because the checklist is ticked off. If I was more heavily involved in the settlement area I would like to see some pretty strong reviews done of it, but with families that would be willing perhaps to talk about their experiences.

**MS McCLELLAND:** I think there has just been a review that someone has mentioned. We need to follow that up, Libby. I thought someone mentioned it the other day.

**MR LINDWALL:** What you’re saying is effectively that the way in which settlement services are funded provides an incentive for providers to focus on a checklist rather than necessarily providing the best-quality service appropriate for the type of client.

**MS HOGARTH:** Well, that’s what I feel, yes.

**MS McCLELLAND:** I’m done now, thanks, Paul.

**MR LINDWALL:** That’s great. Thank you, Libby.

**MS HOGARTH:** All right. Thank you so much.

**MR LINDWALL:** Thank you. Take care. Bye.

**MS HOGARTH:** Okay, thanks. Bye.

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**MS McCLELLAND:** All right.

**MR LINDWALL:** Now, I've got Robert Grace, but again, this is a phone call, isn't it?

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**MS McCLELLAND:** Have we got five minutes? Can I have five minutes? I won't be a minute.

**MR LINDWALL:** Go and have some nice cake or biscuits or whatever else is out there, an instant coffee.

15

**ADJOURNED**

**[2.58 pm]**

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**RESUMED**

**[3.03 pm]**

**MR LINDWALL:** Is that Robert Grace?

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**MR GRACE:** Yes, speaking.

**MR LINDWALL:** Paul Lindwall here, from the Productivity Commission, Robert.

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**MR GRACE:** Hi. How are you?

**MR LINDWALL:** Very well. We've got Alison McClelland here too.

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**MS McCLELLAND:** Hello, Robert.

**MR GRACE:** Hello, Alison. How are you?

**MS McCLELLAND:** Well, thank you.

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**MR LINDWALL:** You were informed that this is a hearing and there is a transcript made of your comments?

**MR GRACE:** Yes, I was.

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**MR LINDWALL:** If you wouldn't mind starting off by giving your name and organisation, if you have an organisation, and then perhaps give us a short discussion of what you want to tell us today.

**MR GRACE:** Sure. My name is Robert Frank Grace. I'm a private citizen, not representing any organisation. I guess I would just like to give my personal views on migration, particularly with respect to the impact on population growth.

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**MR LINDWALL:** Please. Go ahead.

**MR GRACE:** I'm not very much good on the phone, so I've got a little opening statement that goes for about, sort of, six or seven minutes, and then I thought maybe we would have a bit of a chat and then just a few minutes to close. Does that work with your - - -

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**MR LINDWALL:** That's fine, yes.

**MR GRACE:** First of all, thanks for the opportunity to speak today. By way of introduction, I'm neither an economist nor a sociologist; I'm just an ordinary citizen concerned about the Australia we're leaving for future generations. In my view, one of the most critical issues facing Australia is over-population. Migration is an important factor in the rate of population growth, hence my interest in this particular Commission. That is to say, my interest is less on the mechanics of migration and more so on the impact that an even larger population will have on the quality of life in Australia.

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This is my first appearance before a Commission such as this and I didn't know how to begin, so I thought I would start with just a couple of personal stories. When I was little, my father would take me to visit my grandparents, who lived in Ashfield in Sydney. He would walk me to the top of the hill at the end of the street and recall that when he was a boy all he could see from the top of the hill was market gardens, but, by the time I was with him, all you could see was red-tiled roofs stretching off as far as the eye could see. This is some 40 years ago and, since then Sydney has grown even further.

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Also when I was little, my parents owned a shack, which my father had built, about six hours' drive south of Sydney, at a place called Mooloolo Bay. Mooloolo Bay was fairly primitive; there was only a few houses and our shack had no electricity, a drop toilet and I used to be scared going out the back, in the dark, to go to the loo. It was a fabulous place; quiet, a wide beach, at night the sound of the surf and just a few twinkling lights in the distance - beautiful.

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Today, approximately 45 years later, we can get to Mooloolo Bay from Sydney in half the time, in about three hours, an hour from Canberra, but when you arrive there you find wall-to-wall brick-veneer homes, supermarkets and a beach where in summer you can hardly find a park.

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These stories are not meant to be overly-nostalgic; all things must change. What it is meant to illustrate is the rate and magnitude of the change that has occurred and the unrecorded and unmeasured loss associated with population growth.

5 The scope of the Commission is supposedly to identify future options for intake that improve the income, wealth and living standard of Australian citizens. Elsewhere this is stated as to improve the overall wellbeing of Australians.

The October 2015 OECD report - "How's Life in Australia?" - states:

10 *In general, Australia performs well across the different wellbeing dimensions. Average household disposable income per capita and average earnings are amongst the highest in the OECD.*

15 So, how much more do we need or can we achieve? Sometimes more is less and less is more. The marginal return from continuing a vigorous migration policy in pursuit of possible small positive gains in GDPs is highly questionable. The gains, in my view, will push the overall wellbeing of Australians beyond the peak of the curve and into a downward trend when it comes to overall quality of life, with increased congestion, less free space, less biodiversity, more pressure on public infrastructure, et cetera.

20 GDP is widely acknowledged to be a poor measure of overall wellbeing. Despite this, the draft report focuses heavily on GDP. GDP measures a nation's economic performance but it is far too narrow a gauge to judge the overall health of a nation and its people. That is to say that the pursuit of an increase in income does not necessarily make us individually or collectively better off.

30 Economic growth in rich countries such as Australia - which, in Australia's case, has been heavily fuelled by population growth - has largely finished its work. Above a certain average GDP per capita, growth ceases to improve areas such as life expectancy or sense of happiness. For example, life expectancy in New Zealand is higher than that in the US but NZ's GDP per capita is almost \$15,000 lower.

35 To improve the lives of citizens, increases in equity are far more likely to lead an improvement in various social measures, such as level of trust, life expectancy, teenage pregnancy, crime, low birth rate, babies, et cetera. Countries with better measures in equity perform better on these issues. To take one easy example, consideration of the great inequality amongst our indigenous population is a glaring example of where overall benefits could be improved. In the 500-plus pages of the draft report, I do not see any mention of our indigenous population and whether an even bigger Australia is likely to help them or perhaps marginalise them further.

45 I would like to ask the Commission: how does the report attempt to measure the overall wellbeing of Australian society? There are several potential indices but the draft report seems to make no attempt to critically examine any of these and the likely effect that increased migration and, therefore, population would have on these. Potential examples to use might



include the Social Progress Index or the index of Sustainable Economic Welfare. As mentioned, the OECD attempts to address this by using their own Better Life Index.

5 Even poorer countries, such as Mexico, advocate a shift from  
production-orientated measuring systems to one focused on the wellbeing of  
current and future generations. In Mexico's case, social progress is defined as  
"wellbeing over time that is sustainable". What actual measure are we  
10 looking at and what modelling has been done to, as far as possible, critically  
examine the impact on any such index resulting from a further rise in  
Australia's population?

15 In my view, the draft report overemphasises the potential for a small  
positive increase in GDP, while failing to acknowledge that such an increase  
is exceedingly unlikely to add to existing social capital, which, by OECD  
standards, is already amongst the highest in the world.

20 A commitment to continue the expansion of Australia's population is a  
decision that there is no going back from. My understanding of ABS  
projections is that, even if migration were to stop tomorrow, the population of  
Australia would continue to grow by natural means until approximately the  
mid-2040s; i.e. there are still another 30 years during which time we as a  
25 nation can afford to watch, wait and see. Migration is a rapid response to the  
requirement for additional population and alleged skills shortages. Let's take  
it slow. If needed, the option is always there. On the other side of the coin,  
though, once the population is here, you can't shrink it.

30 That was concluding remarks. I just thought, for discussion purposes for  
the next few minutes, I just sent a folder, which I've just called "Plain Speak".  
Are you there?

**MR LINDWALL:** Yes. We have your talking points, yes.

35 **MS McCLELLAND:** Yes. We have those in front of us, thank you.

**MR GRACE:** I wish to just mention a couple of them, if I may. The  
demographic dividend - it's my opinion that there is a popular belief and a  
fear of the aging population. The report itself quite clearly suggests that  
immigration cannot realistically prevent Australia transitioning from older  
40 populations, which also then leads to my second point on my "Plain Speak",  
which is that this is really intergenerational neglect. As the current  
community - to promote population growth to leave the next generation with  
an even bigger and aging population, is really unconscionable behaviour on  
the part of society today.

45 **MR LINDWALL:** Would you like us to ask some questions now, Robert?

**MR GRACE:** Yes, sure. That would be great.

**MR LINDWALL:** A couple of points you made there I just wanted to make some comments on. You said that we looked too much through an economic prism, although, I think, if you look fairly at the report, we did address social issues, environmental issues and economic issues. You're saying that there perhaps is an indicator that one could use to put the whole lot together, and you cited, for example, the OECD Better Life Index or the Social Progress Index. Having worked at the OECD, I am deeply sceptical of the Better Life Index, I don't think it really tells you much at all, and, moreover, I don't think it's actually something that you can calibrate to immigration levels.

There's a lot of things in economic, social and environmental - and, you're right, GDP is just a proxy for growth, economic growth, you shouldn't put your hat on it, but the point I'd make is that some things are measurable and some things are not measurable. If one focuses too much on the measurable, you can lose sight of things which can be far more important that are not measureable. Our discussion on all of this was to highlight the various aspects of social, environmental and economic problems and benefits and reach a conclusion overall.

On the other side, you were right about projections of population. We did that in the report and if we stopped immigration today it would reach to about 27 million, the population, by 2060, and start declining thereafter, actually, and, if we have immigration returning to its long-term growth rate at 0.6 per cent per annum, it would rise to about 40 million; so that's a difference of 13 million people between now and 2060.

I guess I'd like to ask, firstly, do you think there is - and we've said that there is no optimal population but we said that a sustainable growth rate, to paraphrase, to some extent, is consistent - depends upon things such as how efficient your infrastructure provision is and how efficient your labour market is. Would you disagree with that and is there an optimal growth rate of population and how would you assess it?

**MR GRACE:** As I mentioned in my opening remarks, I am not an economist or a sociologist but it would seem to me that, if there is ongoing growth, forever, you just can't - you can't grow forever, so there has to be a complete cultural shift, looking for, I guess, zero growth, because there's a finite resource. It may not have particularly answered your question but - - -

**MR LINDWALL:** I don't think we suggested that we could grow the population forever. When they arrive, people - I mean, it's not necessarily true that it goes - the population continues to rise anyway. Even with returning to long-term growth rates of immigration, which I suggested would go to 40 million in 2060, if you go much beyond that, the population of Australia would start shrinking, actually. You can see that in Japan, too; the population is projected to fall from 130 to 100 million. The aging of the population throughout the world would suggest that the world's population would start to fall at some point, too, later in the century.

**MR GRACE:** I guess this comes back to my concern about intergenerational neglect. We can do that but we're going to leave the next generation with an aging population even bigger than what we potentially face in the more near term. That would be my comment on that.

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I also pick up on - you used the phrase "We lose sight of things that are not measurable."

**MR LINDWALL:** Yes.

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**MR GRACE:** I think that is a really important aspect of this particular debate. I'm a refugee from Sydney. I now live in Cairns. The common sort of discussion here is, "Why does anyone want to live in Sydney," because it's so ghastly. There's a whole lot of intangibles there which are very difficult to measure but there has to be some sort of aggregate attempt to try and put all this together, otherwise we're just shooting at shadows. It's like saying, as you said, "What would be an optimal population for Australia?" Even if we had that number, should we try and get all the way up to the optimal population? Maybe we've even passed the optimal population. We're completely in the dark.

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It comes back to my earlier mention, the issue of water. I personally think it's quite staggering that we are manufacturing water all over this country and we are still trying to grow the population. In terms of, for example, taking it to the extreme, even national security, if, 10 or 15 years from now, you wanted to cripple Australia, you've just got to look at its water-manufacturing opportunities. I don't see how having that more-tenuous grasp on the land and the environment to sustain an ever-growing population can improve the overall wellbeing of Australians.

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**MS McCLELLAND:** Just picking up a couple of things in your Plain Speaking. Not the ones you've covered but the points about temporary migration and New Zealand, the backdoor to Australia.

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**MR GRACE:** Yes.

**MS McCLELLAND:** In relation to temporary migration, you seem to imply that because it can be a pathway - and I say "can be a pathway", it's not necessarily a pathway to permanent because - it can be - that's going to lead to an increase but we have a cap on permanent migration, so it's not necessarily leading to an increase in permanent migration. I was wondering answer you realised that that pathway to temporary to permanent has to be within the cap, because some say - - -

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**MR GRACE:** It has to be within the cap of the permanent migration.

**MS McCLELLAND:** Yes. That's right, because some say - - -

**MR GRACE:** No, I wasn't.

**MS McCLELLAND:** Some say that that's - - -

**MR GRACE:** I wasn't aware of that.

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**MS McCLELLAND:** Yes. I just thought maybe that was important to clarify because some say that that pathway is quite important because it allows people - both people coming in and also Australians - to say, "Well, you know, do I like living in Australia? Is it going to suit me," and, you know, Australia to say the same, so, you know, it can be quite useful as a pathway to migration. Do you have a sort of view about that, thinking about it that way?

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**MR GRACE:** Possibly, I may not have phrased that particularly well but if we expect that a certain percentage of temporary migrants are then going to become permanent migrants, then, presumably, when we take - - -

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**MS McCLELLAND:** No, we don't think that.

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**MR GRACE:** - - - permanent migrants, there has to be space left for those that are going to come through from the temporary migrant cohort.

**MS McCLELLAND:** We think that there may be but we don't change the quota, we don't change the permanent quota.

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**MR GRACE:** No.

**MS McCLELLAND:** Okay? It's just to be clear that that - I mean, the permanent quota is a fixed quota; the temporary one goes up and down but the permanent one doesn't. I also just wanted to check, in terms of your New Zealand is a backdoor to Australia, do you have evidence about the fact that there are people that go to New Zealand for a very short time and then come to Australia? What numbers do you have and can you give us those numbers, because you were saying that that's happening?

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**MR GRACE:** Clearly, I can't. I'm not an expert in the field but I do work in health and I can think of at least a couple of medical staff who have migrated to New Zealand from South Africa, with the sole intention of coming through to Australia, which is what they have done.

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**MS McCLELLAND:** We're just interested in how many and - - -

**MR GRACE:** I couldn't give you a figure like that.

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**MS McCLELLAND:** Thanks, Robert. They are my questions.

**MR LINDWALL:** Robert, we have only got two minutes to go, and you said you wanted to conclude with something, so perhaps you might like to use that time - - -

5 **MR GRACE:** Yes. If you wouldn't mind, that would be great. Thanks. In my view, an active migration policy has been a feature of Australian national life for so long that it's hard to imagine stopping migration. There exists an almost irrational fear amongst our politicians about easing migration. Governments use migration to prop up economic growth, neglecting the slow but steady drag on the overall wellbeing of the community, as evidenced by the loss of greenspace, greenhouse gas emissions, congestion and a chronic lag between population burn in public infrastructure.

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15 The social challenges in scaling back or indeed ceasing migration are not insurmountable and it is mostly the countries such as the Scandinavian nations have, really, very little population growth and amongst the highest living standards in the world. Surely this is something that quite a rich Australia can also aspire.

20 Australia does not have a requirement to continue growing its population. We are already a successful, rich, multicultural nation. Job done. We are the clever country and, as of yesterday, we are a country of immigration, so let's start to innovate and not populate. Let go of 1950 ideas and end this population growth and start getting smart and not overpopulate because, once we have 30, 40 or 50 million people, there will be no going back.

25 As an ordinary citizen going about my day-to-day business of residing and living in Australia, it is my opinion that, when the focus of this Commission is redirected to the overall wellbeing of Australians, it will become apparent that continuing to follow current migration policy, a conservative approach to population will need to decline overall wellbeing. Even if this proves not to be the case, there is always the option to increase migration again further down the track. Let's not commit to a bigger Australia until we know whether or not we need or want to. The risk to our children of getting it wrong is too great.

35 **MR LINDWALL:** Thank you very much, Robert.

**MS McCLELLAND:** Thank you, Robert.

**MR GRACE:** Thanks, Paul. Thanks, Alison. Bye.

40 **MR LINDWALL:** Our final appearance today is Michael van Leeuwen, I understand. Is that correct?

**MR VAN LEEUWEN:** Yes.

45 **MR LINDWALL:** Would you like to state your name for the record and an organisation, if you have one, otherwise you're in private capacity?

**MR VAN LEEUWEN:** Okay. Thank you very much. My name is Michael van Leeuwen. Thank you for giving me the opportunity to give my views on

this very important topic. I'm a private citizen but I worked in immigration for seven years in the 1990s, in the areas of refugee decision-making, refugee internal policy and, perhaps most relevant for today, regional migration.

5 Permanent and temporary immigration, in my view, are at far too high levels, at least 50 per cent too high. This is having a wide range of deleterious effects. We're seeing at the moment the destruction of much of the historic fabric and beautiful homes of Melbourne and Sydney, and the frantic rush to build apartments. Many of them are a very low-quality amenity. Parts of  
10 Melbourne in particular have distances between the apartments that wouldn't be tolerated in New York or even Shanghai; in fact, we're coming - on the way to the poor man's Shanghai. The increase of traffic that I see everywhere, especially Melbourne, means there's more and more pressure on the 19th century streets, probably resulting in their destruction in time as well.

15 Where the migrants are going in Melbourne and Sydney and elsewhere is also a major problem. They don't go all over Australia. Overwhelmingly, they end up going to their communities in apartments and particularly areas in the outer west of Sydney and Melbourne. At the same time, many regional  
20 cities are losing population and are crying out for skilled people, especially in the trades area.

The excessive migrant intakes are driving up the cost of housing in Melbourne and Sydney to completely unaffordable levels for the majority.  
25 This is leading to great inequality between owners and renters, which will play out at stronger and stronger levels over the next decades.

Temporary migration, often disguised as skilled migration to address temporary skill shortages, are often, not always, used to bring in cheap labour  
30 to undercut local workers. It has been observed by The Economist magazine that there is nothing so permanent as temporary migration, with many of them going on to live in Australia for the rest of their lives.

Given, commissioners, the deleterious effect of mass immigration, why is  
35 it so little discussed in the media, except at the margins? The growth rate of Melbourne and Sydney, where there's an inevitable degradation of living conditions to accommodate the growing numbers, is always referred to like the rise and fall of the tide, like the changing of the seasons, as something that is inevitable, about which nothing can be done except to make arrangement  
40 for it to happen. The reason for this is that debate has been effectively suppressed.

Support for high migration levels is a bipartisan policy, so there is no  
45 debate in Parliament about it. The media is also totally on board with a high migration policy, and that will underplay the massive disruption in the major capital cities, and always on the ready to call people racist if they speak up on the issue, except in the most guarded and qualified of terms.

I call for robust debate on the issue of excessive migration, especially to the major capital cities. The major parties should end their bipartisan silence and the media should allow people to express their concerns without having their character attacked.

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As the government frequently trumpets, we have control over our own borders, which is completely true. Cutting migration by 50 per cent will ensure that we still get the young skilled people we need, while not flooding the housing market into too few areas.

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With the inexorable increase in house price as a result of excessive migration, there is a danger this will lead, over time, to a grossly unequal society, which may well have real issues for societal cohesion. It is not too late to change.

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Thank you.

**MR LINDWALL:** Thank you, Michael. We've got a few minutes before we have to conclude at 25 to, on the dot, basically. When you say that you think the permanent migration rate should be cut by 50 per cent, is that just what you think would be a sustainable level or is that something - you just think that we're too high at the moment?

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**MR VAN LEEUWEN:** It's too high at the moment, yes, it's actually what we are - first of all, what is the actual migration rate? The refugee rate is taken out of the normal migration rate. The temporary migration rate, which can have - as I've said, can go on forever, that's, you know - so the figures are sort of a little bit grey. Yes, it should be greatly reduced, whether it's 50 per cent, 60 per cent, 40 per cent.

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My great concern about the current migration rate is that it's just focused on too few areas. It's the western suburbs of Sydney and Melbourne, it's buying up around the harbour for the richer Chinese. You go to places like Tamworth, you go to places like Armidale in New South Wales, who have the same population, or less than they were, in 1950. So, the population is not going to these areas.

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**MR LINDWALL:** The immigration department - or policy has tried to encourage people to move to regional areas - - -

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**MR VAN LEEUWEN:** I was the first one on that area and I know how difficult it is.

**MR LINDWALL:** Is there any policy you could suggest that might improve that outcome?

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**MR VAN LEEUWEN:** Yes. They had a regional sponsored migration scheme. They had an employer nomination scheme, in fact, they had to be out there for two years. That could work. I think they could have a far more -

look at the kinds of migrants who might want to work in regional areas, looking at their skill set, their culture. I think so many of them just come out here and wouldn't go anywhere else except the western suburbs of Sydney and Melbourne - it's what they're used to.

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There should be policies in place and it should be far more rigidly enforced because we are - you know, Melbourne is just being - under pressure. What upsets me is the tricky use of language, the - it just happens, it's just - the population is going to go to 40 million, or whatever it is. Like what? Like, as if it's got nothing to do with government policy, whereas, in fact, it's got 100 per cent to do with government policy. I think there ought to be a little bit more honesty in the debate and people could express their concerns about - for instance, in Hawthorn and places like that, the beautiful old houses that are being destroyed for flats and so forth. You get, sort of - people are very, very - a little bit nervous to complain too much about it because the debate has been shut down.

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**MS McCLELLAND:** I think the issues you raised have been covered, so I've asked questions. I think I don't have any other questions.

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**MR LINDWALL:** The only questions, then, I should ask about - I don't know if you've seen in the report the part about a price-based system, where - since you've had long experience in the immigration area, do you have any comment about moving away from the current mix of criteria to more a price-based system?

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**MR VAN LEEUWEN:** I think that your recommendations are correct, that we shouldn't be going down the price-based - it just encourages people who've got money, but we don't really know where from, to, basically, buy a visa. What commitment they have to Australia, who knows? They come here, they get their visa. It's - a startling percentage of flats in Docklands are empty by - they worked that out. A lot of them have just been purchased and they've gone back and only if things really go back over there are they thinking of coming back here.

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**MR LINDWALL:** A bolt hole, in other words.

**MR VAN LEEUWEN:** I think, basically, the recommendations are good on that but there's not enough sort of first principles of just how many people do we want in the country and where are they going?

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**MR LINDWALL:** On that price-based system, do you have any comments on the investor visas at all, the significant investor visa and the premium investor visa?

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**MR VAN LEEUWEN:** It could work but - I wouldn't say I'm dead against it; I just think it could be that - it needs to be carefully monitored so it's not abused.



**MS McCLELLAND:** Anything else about our recommendations in the report that you want to make a brief comment, as we close - - -

5 **MR VAN LEEUWEN:** I have only come across them late yesterday.

**MS McCLELLAND:** Right. Okay.

10 **MR VAN LEEUWEN:** I really have to have more of a look at it but I was pleased to see that it wasn't just a rave at - you know, a cheer squad for (indistinct) migration process.

**MR LINDWALL:** We don't argue for any particular level.

15 **MR VAN LEEUWEN:** Yes. That's right.

**MR LINDWALL:** You're most welcome to put a submission in, of course.

**MR VAN LEEUWEN:** Okay. Sure.

20 **MS McCLELLAND:** Yes. Submissions can be put in until 18 December, so there's still - - -

**MR LINDWALL:** They're welcome submissions.

25 **MR VAN LEEUWEN:** All right.

**MR LINDWALL:** Any final comment before we close?

30 **MR VAN LEEUWEN:** That's all I have to say.

**MR LINDWALL:** Thank you very much.

**MS McCLELLAND:** Thank you.

35 **MR VAN LEEUWEN:** Thank you very much.

40 **MR LINDWALL:** Ladies and gentlemen, I would like to thank you all for being here. I adjourn these proceedings. The Commission will resume in Canberra on Tuesday, 15 December. Thank you, everyone, for coming.

**MATTER ADJOURNED AT 3.34 PM UNTIL  
TUESDAY, 15 DECEMBER 2015**