



The Coalition's Policy for Population and Immigration

**Stand up for Australia.
Stand up for real action.**

EXECUTIVE SUMMARY

The Coalition believes Australia needs a population that our services can satisfy, our infrastructure can support, our environment can sustain, our society can embrace and our economy can employ.

Australians living in our major urban areas today are experiencing growing pains. The impact on their quality of life caused by services and infrastructure failing to cope and an environment under stress, cannot be ignored.

The Coalition's record of strong economic management demonstrates we are committed to growing Australia's economy. However, prosperity should not be won at the cost of sacrificing our quality of life. As a result, we cannot allow population growth to become a lazy substitute for improving productivity and participation to achieve economic gains.

Fuelling population growth today must not rob future generations of the quality of life and opportunities we currently enjoy. That is what sustainability is all about.

The Coalition believes Australians are looking for up-front, sustained investment in infrastructure and services before they will support higher increases in population.

The Coalition will:

1. Establish 'Guard Rails' for Population Growth

The Coalition will set clear parameters for population growth by tasking a renamed Productivity and Sustainability Commission to advise on population growth bands considered sustainable. This advice will provide the framework for setting migration programmes.

2. Take Real Action on Immigration

The Coalition will reduce Australia's annual rate of population growth from more than 2 per cent under Labor, to our historical long-run average of 1.4 per cent within our first term. This will require reducing our annual rate of net overseas migration from 298,924 in 2008-09 to no more than 170,000 per year by the end of our first term.

3. Make a Clear Commitment to Skills Migration and Regional Australia.

The Coalition will ensure that two-thirds of our permanent migration programme will be for the purposes of skilled migration.

A Coalition Government will also quarantine the level of employer nominated skills migration and temporary business visas (457s) to at least the levels it inherits. In addition, the Coalition will seek to liberalise arrangements for temporary business visas (457s) subject to clear standards, to make them more accessible to business, especially small businesses, and business in regional areas with proven skills shortage needs.

To address the skills needs of regional areas and small business we will encourage the settlement on either a temporary or permanent basis of new arrivals in regional and rural areas. States such as Queensland and Western Australia will be afforded a high priority for permanent and temporary skilled visa applications.

A Coalition Government will also seek to resettle more entrants from our refugee and humanitarian programme in regional areas, where resettlement programmes have proven to be highly successful.

4. Establish A Clear and Consultative Process to Restore Control

The Coalition will commit to the production of a White Paper on immigration that will reframe the structure and composition of Australia's immigration programme to address the policy challenges of sustainable population growth.

It is anticipated that a Discussion Paper will be released by the end of 2010, with a final paper to be completed by the Coalition's first Budget in May 2011. This will help inform the composition of the 2011-12 migration programme.

BACKGROUND

Immigration has made the Australia we know today.

Australia's population growth since World War II has helped create the prosperity we now enjoy. Successive waves of post-war migration have expanded our capacity as a nation.

Today, 45 per cent of Australians were born overseas or have at least one parent who was born overseas.

While acknowledging our past successes, these do not justify a population 'blank cheque' for the future.

The Intergenerational Report (IGR) process initiated by the Coalition through former Treasurer Peter Costello was one of the most forward-thinking planning initiatives undertaken by an Australian Government. The IGR forced Australians to confront the realities of our changing demography.

The implications for our economy, national finances, environmental sustainability, food production, infrastructure, service needs, housing and overall quality of life have all now been put under the spotlight.

The release of the most recent IGR, projecting a two-thirds increase in our population to 36 million by 2050, caused many to stop and think about whether this level of growth was sustainable.

The long-term answer for sustainable population growth lies in:

- Investing in our capacity for growth – in our services, our infrastructure, the management of our environment and the like; and
- Improving the dispersal of our population to meet the needs of underpopulated areas that could benefit from higher levels of growth.

Until significant progress is made in these areas, however, continued escalation of our population at current growth rates will serve only to exacerbate the problems we seek to solve.

Easing population growth to more sustainable levels is necessary to support our broader efforts to enable our infrastructure, services and environment to catch up. This requires leadership and a Government willing to address Australia's current rate of immigration intake.

Australia's population is currently experiencing high levels of growth:

- At the end of 2009, Australia's population grew at the rate of one additional person every 73 seconds;
- A population growth rate of 2 per cent in 2009 makes Australia one of the fastest-growing countries in the developed world, higher than Canada, the United States, United Kingdom, as well as China, India, Indonesia and Malaysia; and
- Global population growth is 1.2 per cent, while the growth rate in OECD countries averages at around 0.7 per cent.

Our population growth rate has not always been so high. Over the last forty years Australia's population has grown at an average of 1.4 per cent. During the Coalition's eleven years in government from 1996 to 2007, Australia's rate of population growth was slightly below this long term trend.

To get our immigration programme under control we must appreciate what is driving our current population growth.

Net overseas migration now accounts for two-thirds of population growth, the highest on record.

HOW LABOR HAS FAILED

When the Coalition was last in government our immigration programme enjoyed support from a majority of Australians who were confident that the programme was fair, competently administered – and delivering benefits to the entire community. At the same time, our economy grew, interest rates were low, our standard of living improved and more than 2 million new jobs were created.

Today, migration-fuelled population growth has caused Australians to become increasingly concerned and to lose confidence in our broader immigration programme. The hopeless failure of Labor's border protection policies has compounded these concerns and further eroded community trust.

Under Labor, net overseas migration has risen to 300,000 people per year, against a long run average of around 140,000 per year. According to respected demographer, Professor Bob Birrell, Australia's current rate of net overseas migration will deliver a population of 42.3 million people by 2050, significantly above the IGR forecast of 36 million.

The Australian Bureau of Statistics also predicts a 'Big Australia' of more than 40 million people, based on similar assumptions of high net overseas migration. This includes a Sydney of 7.3 million – up 64 per cent, a Melbourne of 7.5 million – up 92 per cent, a Brisbane of 4.5 million – up 135 per cent, and a Perth of 3.9 million – up 141 per cent.

Continued growth at these levels will mean more congested cities, an even greater strain on resources, a marginalised environment, over-burdened services and unaffordable costs of living. This is the price of getting population policy wrong.

Now, on the eve of an election, Labor politicians have suddenly started to say they no longer believe in a 'Big Australia'.

While Labor may have changed its rhetoric with its Leader, Labor's policies on immigration and population have not changed. Labor has also cynically attempted to put off any decisions on these issues until after the election.

More recently, the Prime Minister even denied that achieving a sustainable population had anything to do with immigration. For the Prime Minister to suggest that achieving a sustainable population 'isn't about immigration' is a denial of reality and responsibility.

Australians cannot afford to pay the price for a Prime Minister who is faking it on sustainable population growth, any more than they can afford a government that pretends to be strong on protecting our borders while supporting policies that encourage people-smuggling.

Labor says they will solve the problem by boosting investment in infrastructure and services. Many Australians have heard the same empty rhetoric before from state Labor governments, particularly in NSW and Qld.

Labor is seeking to make these investments with funds they do not have for projects they have proved unable to deliver. As these promised projects fail to eventuate, Labor will continue to pile on the pressure by refusing to rein in population growth.

Labor has also talked about the need to improve the spread of our population across the country.

While this is a worthy objective, it is not a substitute for dealing with the level of immigration intake. Efforts to disperse our population over more than six decades have had only modest success. Even where dispersal strategies are successful, they need to be supported by clear overall population and immigration policies.

Research by the Parliamentary Library shows that, at its peak, the percentage of our overseas-born population located outside major urban areas was 38 per cent. The percentage in rural areas was less than 25 per cent. This dispersal occurred more than 60 years ago in 1947.

The 2001 Census data shows that the proportion of our overseas-born population living outside major urban areas fell to 18 per cent. More significantly, for those who had arrived since 1996, the proportion was just 11 per cent.

Immigrants will continue to settle predominantly in our major urban areas. To rely on dispersal initiatives to justify historically high levels of immigration runs the certain risk of piling even more people into our cities. This will place the quality of life of those already affected, our environment, our services and our infrastructure under even greater stress.

The rate of population growth currently being pursued by Labor, combined with Labor's comprehensive failure to manage our immigration programmes – and the failure of State Labor governments to provide infrastructure and services, has led to a crisis of confidence amongst the Australian people in our current population growth path.

Labor has no plan that admits the failures and properly addresses the issues. In contrast, the Coalition has a plan for real action to restore public confidence and consensus on the issue of population growth and Australia's immigration programme.

THE COALITION'S PLAN FOR REAL ACTION ON SUSTAINABLE POPULATION GROWTH

Australians want their government to take control of population and immigration policies to restore confidence and to ensure our immigration and population levels are sustainable and in the national interest.

The Coalition has already laid out clear and unequivocal policies to regain control of our borders and stop the unprecedented flow of illegal boat arrivals. These measures will restore the integrity and fairness of our refugee and humanitarian programme and give Australians the confidence that only those invited to come to our country will enjoy the safe haven of our nation.

The Coalition will apply this same resolve to the broader population challenges we face – and restore the confidence of Australians in our immigration programme.

Australia's immigration programme has not only been a primary driver of our economic growth and prosperity, but is also a source of great pride for all Australians.

The Coalition's Plan for Real Action on Sustainable Population Growth will restore confidence and re-establish the consensus on the benefits of our immigration programme.

The Coalition will:

1. Establish 'Guard Rails' for Population Growth

In April 2010, the Coalition announced that we will set clear parameters for population growth by tasking a renamed Productivity and Sustainability Commission to advise on population growth bands that it considers are sustainable, which will in turn provide the framework for setting migration programmes.

The Coalition's policy will be informed by independent advice from the Productivity and Sustainability Commission on what is a sustainable rate of population growth.

The growth bands, to be adopted by the Government, would be expressed in terms of an annual rate of growth deemed by the Commission to be sustainable. This assessment would be based on an ongoing review of Australia's capacity to accommodate growth through the delivery of improved infrastructure and services, the management of our environment and resources, and the needs of our economy.

Australia's immigration programme will be framed to ensure it keeps our population growth rate within the growth bands.

2. Take Real Action on Immigration

The Coalition recognises that Australians are looking for immediate and direct action to get our population growth under control.

A Coalition government will start the job by committing to reduce Australia's annual rate of population growth from more than 2 per cent under Labor, to our historical long-run average of 1.4 per cent within our first term.

The Coalition estimates that this will require a reduction in our annual rate of net overseas migration from 298,924 in 2008/09 to no more than 170,000 per year by the end of our first term.

In April the Coalition stated that 'until such time as a growth band can be established...the Coalition does not endorse the growth path...for a population of 36 million by 2050'.

Consistent with this position, the Coalition's commitment will place Australia on a longer term population growth path below that set out in the most recent IGR – which was on target to deliver a population of 36 million.

3. Make a Clear Commitment to Skills Migration and Regional Australia.

In April the Coalition acknowledged that the primary purpose of our immigration programme is economic. We committed to ensuring that two-thirds of our permanent migration programme would be for the purposes of skilled migration.

A Coalition Government will also quarantine the level of employer nominated skills migration and 457 temporary business visas to at least the levels it inherits. In addition, the Coalition will also seek to liberalise arrangements for temporary business visas (457s) subject to clear standards, to make them more accessible to business, especially small businesses, and business in regional areas, with proven skills shortage needs.

The Coalition will also give priority to addressing the skills needs of regional areas and small business, including encouraging the settlement on either a temporary or permanent basis of new arrivals in regional and rural areas. States such as Queensland and Western Australia will be afforded a high priority for permanent and temporary skilled visa applications.

A Coalition Government will also seek to resettle more entrants from our refugee and humanitarian programme in regional areas, where these resettlement programmes have proved to be highly successful.

4. Establish A Clear and Consultative Process to Restore Control

The Coalition will commit to the production of a White Paper on immigration that will reframe the structure and composition of Australia's immigration programme to address the policy challenges of sustainable population growth.

This process will work in parallel with the work undertaken by the Productivity and Sustainability Commission – and will adopt as its starting point the task of achieving the Coalition's first term population growth target of 1.4 per cent, taking into account advice on the current pipeline of applications.

The White Paper process will also implement the Coalition's commitment to ensure two-thirds of the permanent migration programme will be for skilled migration, together with the changes to the operation of the refugee and humanitarian programme, already outlined

by the Coalition in this area.

In particular, the White Paper process will:

- Examine the potential to move Australia's immigration programme to a more supply-dominated model that is driven not by demand for visas but by determinations on how many should be offered;
- Review the integrity of processing arrangements both offshore and onshore in all visa categories;
- Identify gaps in legislation which have the potential to blow out numbers in the future;
- Address rorts and abuses across all areas and tighten programme criteria to ensure that those who come to Australia are best placed to make a contribution to this country in the way that migrants have done in the past; and
- Review the visa capping provisions introduced in the last session of Parliament.

It is anticipated that a Discussion Paper will be released by the end of 2010, with a final paper to be completed by the Coalition's first Budget in May 2011. This will help inform the composition of the 2011-12 migration programme.

The White Paper will be the subject of a genuine consultation process, with the stated objective of determining how we meet our commitment to reduce the rate of population growth to 1.4 per cent in our first term.

COSTINGS

The Coalition will commit an additional \$16 million over the forward estimates to the proposed Productivity and Sustainability Commission so that it has the resources needed to undertake the work required.

This funding will be provided from the nearly \$24 billion in recurrent savings that have been identified by the Coalition over the forward estimates.

These savings are a result of cutting Labor's waste and mismanagement and redirecting funding from inefficient and poorly performing Labor Government programmes.

	2010-11	2011-12	2012-13	2013-14	TOTAL
	\$M	\$M	\$M	\$M	\$M
Increased funding for Productivity and Sustainability Commission	4	4	4	4	16

Authorised and printed by Brian Loughnane for the Liberal Party of Australia, Cnr Blackall and Macquarie Sts, BARTON ACT 2600.