



Sustainable Population Australia

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Toward a skilled and ecologically sustainable Australia

Submission to the Jobs and Skills Summit by Sustainable Population Australia

The Hon. Anthony Albanese, MP, Prime Minister of Australia

The Hon. Jim Chalmers, Treasurer of Australia

The Hon. Andrew Giles, Minister for Immigration, Citizenship and Multicultural Affairs

The Hon. Tanya Plibersek, Minister for the Environment and Water

Dear Ministers,

The 2022 Jobs and Skills Summit can lead to a bigger, better-trained and more productive workforce; boost incomes and living standards; and create more opportunities for more Australians to get ahead and to reach their aspirations.

However, these goals will become all the more difficult if Australia reverts to the pre-pandemic normal of very high population growth rates, fed by high immigration. A skilled, well-paid and sustainable Australia requires lower levels of net overseas migration (NOM) in order to maintain a stable population size below 30 million, with benefits for the [environment](#), [carbon emissions](#), [housing affordability](#), [infrastructure congestion](#) and [wages growth](#).

Sustainable Population Australia (SPA) is an independent not-for-profit organisation seeking to protect the environment and quality of life by ending population growth in Australia and globally, while rejecting racism and involuntary population control. We would like to draw the attention of summit attendees to the following.

1. **A sustainable net immigration for Australia must be between 60,000 and 80,000 people per year.** At this level, the numbers of migrants would fully offset Australia's below-replacement fertility but not lead to long-term population growth. (In the short run over the next few decades, population growth would continue due to demographic momentum.)
2. **High immigration is not a solution to skills shortages.** Prior to the Covid-19 pandemic, fifteen years of exceedingly high immigration levels did not reduce the business lobby's claims of skills shortages, and saw slower productivity growth and stagnant wages for Australian workers. *A tight labour market is good for productivity and for maintaining low unemployment levels.* Government should aim to create conditions in which businesses compete for workers more than workers compete for jobs. The world's healthiest economies have low or no population growth.

Patrons: Dr Katharine Betts, Hon. Bob Carr, Dr Paul Collins, Prof Tim Flannery, Em Prof Ian Lowe

3. **The permanent migration quota is irrelevant for filling workforce vacancies – contrary to the claims of the business lobby.** The temporary skilled migration program is already uncapped and is the appropriate channel to ensure migrants have jobs to go to. To assist in filling genuine skills shortages, you only need to fix the visa processing system to expedite employer-sponsored applications
4. **The Temporary Skilled Migration Income Threshold (TSMIT) is far too low** to ensure imported workers are filling genuine gaps, not undercutting Australian job-seekers. It should be at least 10% greater than the median full-time wage, which implies the current TSMIT should be no less than \$90,000 instead of the current level of \$53,900, which is ridiculously low.
5. **Migrants who are not employer-sponsored have a poor record for finding jobs that fully utilise their skills.** The pressure by the business lobby for higher permanent migration quotas is a ruse to suppress wages by generating more competition for entry-level jobs. In this they are abetted by property developers wanting escalation in housing costs. Neither serve the public interest.
6. **Business profits are up.** Now is not the time to sacrifice workers' bargaining power to mollify the business lobby's claimed hardship case.
7. **Importing workers is a case of privatising the profits and socialising the costs.** Each additional Australian resident requires more than \$100,000 in public infrastructure, mostly provided by state and local governments. Returning to high population growth will mean working Australians face higher housing costs and lower bargaining power.
8. **Some current workforce shortages are due to crackdowns on exploitation.** Such crackdowns are to be commended, but industries should be allowed time to adjust to new recruiting and pricing regimes before knee-jerk resort to labour imports. Backpackers and students will return in good time.
9. **Most Australian citizens do not want Australia's population to grow** – as shown repeatedly in opinion polls ([here](#), [here](#) and [here](#)). This includes most settled migrants. They want a healthy environment, affordable housing and lifestyles that are not further eroded by overcrowded infrastructure and services.

Recommendations

We recommend that the summit resolve to allocate skilled migration places in a way that lifts wages and minimises population growth. Specifically, we recommend:

1. Raise the TSMIT to 10% above median full-time income and raise the contribution to the Skilling Australians Fund, while expediting visa processing times. This will ensure that employers can recruit internationally, but not to the detriment of Australian job-seekers. The TSMIT should be indexed to growth in median weekly earnings.
2. Limit permanent skills-stream visas to on-shore applicants who have a proven employment record in their skill area. End off-shore recruitment under self-

sponsorship and state/regional sponsorship schemes, which serve more to suppress wages than fill genuine gaps.

3. Taper permanent visa quotas toward a sustainable limit between 60,000 and 80,000 per year including all streams (humanitarian, family and skilled). Temporary visa programs should also be capped to limit on-going growth in the temporary resident population.
4. Address barriers to Australians undertaking and completing training in needed skill areas, and in finding entry-level jobs to acquire the level of experience employers are seeking. It is simplistic to blame neglect of the TAFE sector alone: a more holistic approach is needed.
5. Address reasons for high turn-over in critical jobs such as teaching, nursing and aged care. Importing nurses and teachers is not a sustainable solution to increasingly stressful and under-rewarded working conditions.

We commend to you our Policy Brief "[Is there a shortage of skilled workers?](#)" by Macroeconomics Chief Economist, Leith van Onselen, which collates considerable evidence that skills shortages are exaggerated.

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