



Australia's Demographic Challenges
Social Policy Division
The Treasury
Langton Cres
Parkes ACT 2600
Email: demographics@treasury.gov.au

FECCA welcomes the opportunity to provide a submission in response to the discussion paper, *Australia's Demographic Challenges*.

FECCA is the national peak body representing Australians from culturally and linguistically diverse backgrounds. Our role is to advocate, lobby and promote issues on behalf of our constituency to government, business and to all Australian communities. FECCA promotes community harmony and human rights and believes that all Australian citizens should have the equal right to access services and information about government and non-government services that do not exclude on the grounds of language, culture, gender, religion, disability, geographic proximity and age.

FECCA believes that our ageing population is a critical issue for Australia's future. We commend the Federal Government for developing a discussion paper and providing opportunities for public consultations about strategies to address the ageing of Australia.

We do however have some real concerns about the Government's focus on economic growth understood in terms of existing growth models, to meet the costs of our ageing population. We argue that it is simplistic, and socially and environmentally unsustainable, to believe that an economy with finite physical resources can continue to grow at an ever-increasing rate. While FECCA supports the concept of "growth" we question what this means. Economic growth can be delivered through non-polluting services, or services that have low resource utilisation. Knowledge based economies are moving in this direction. Developed world high polluting economies that use non-renewable energy resources or recklessly exploit physical resources today, will be impoverished third world economies by 2050 - this is NOT the future we want for Australia.

Alternative actions to compensate for our aging population must incorporate a sensitivity to social well-being, human rights, sustainable management of the natural environment and resources, and an understanding of Australia's

position in the world economy. Our response must be holistic, and not driven wholly by economics. FECCA supports the view of Richard Eskersley that:

".....we must acknowledge several formidable and growing costs (of material progress): the destruction of the natural environment; increasing inequalities in income and employment; pressures on public services such as health and education, and the geographic concentration of disadvantage; and psychic costs that relate to what might be called meaning in life - a sense of purpose, autonomy, identity, belonging and hope"
Richard Eckersley, "Our population, our future" conference papers, October 29 2003, Australian National University.

Proposed policy changes that encourage Australia's population to work more and for a longer period, and that are based on traditional patterns of consumption and lifestyle, are not sustainable over the long term. However, the sooner we make shifts in industrial, environmental, research and development, agricultural and urban planning policies and laws, the lower the impact will be on our economy and social fabric in the future.

Below are possible alternative solutions, together with specific concerns about issues raised in the discussion paper.

Increasing immigration rates

FECCA believes that increasing immigration rates should be one part of a holistic response to addressing Australia's ageing population. FECCA supports increases in the current levels of immigration.

A culturally and linguistically diverse workforce enhances economic growth. Indeed, a central plank of the Government's policy *A New Agenda for Multicultural Australia* is that of "productive diversity". This acknowledges, promotes and seeks to foster the vast economic benefit to Australia that is derived from cultural and linguistic pluralism in contemporary Australia and which provides us with a competitive edge to our engagement with the globalised marketplace. Indeed, productive diversity recognises the importance of capitalising on and enhancing Australia's wealth of both cultural and linguistic skills.

We believe that all Australians should have the right to have their families join them in Australia under the family reunion program. The Government must recognise that family reunion programs hasten the settlement period experienced by immigrants and contribute to Australia's economic wealth.

We believe that by exogenously increasing population, whether this be achieved through skilled migration or an expanded Humanitarian Entrant program, would be a positive way forward, as Australia does have a greater population carrying capacity. However this must be balanced with carefully planned environmental, industrial and immigration policies, all co-ordinated under a long-term, strategic, scientifically researched, economically

modelled, social policy framework that identifies realistic population targets.

Incentives to boost Australia's birth rate

FECCA believes that paid parental leave, and more affordable childcare, rather than one off maternity payments, are much more likely to encourage an increased birth rate. We encourage the development and (where they exist) the maintenance of flexible workplace practices such as paid maternity and/or paternity leave, and the recognition of worker's family, religious or cultural responsibilities.

Flexible working conditions that allow workers to balance their employment and family responsibilities are vital to meet the Government's aim of encouraging people currently on parenting payment to return to the workforce.

Industrial relations and employment issues

However, FECCA is concerned that the proposed changes to industrial relations legislation, designed to support more flexible work options do not act as a disincentive. Access to decently remunerated, satisfying and productive employment is fundamental to individuals' and families' material, health and psycho-social well being. However, this cannot be guaranteed by employment alone. Conditions, quality and payment for employment are also vitally important. Employees who are exploited, underpaid, work in unsafe environments or suffer abusive or discriminatory treatment are just as liable as the "working poor" to share the poor life outcomes of the unemployed or under-employed. People from culturally and linguistically diverse backgrounds (CLDB) are often vulnerable to falling into this disadvantaged category. Leaving aside the significant social justice implications, poverty, combined with good education, is not likely to engender increases in female fertility rates.

Increasing casualisation of the workforce is also a major issue for Australians from CLDB. FECCA can foresee further growth in casual employment should policy changes proposed in the discussion paper be accepted. Casual employees are, we believe, particularly vulnerable to exploitation by unscrupulous employees. Exploitation is particularly prevalent in poorly regulated industries which utilise out-workers, contract or seasonal workers. These industries often use a non-unionised labour force that is ignorant of basic worker rights, employer obligations and selective use of existing workplace legislative obligations. FECCA supports the rights of trade unions, unionists and other employee groups to take industrial action to protect and promote their legitimate industrial interests without legal impediment. We are concerned about proposals to link wages and conditions to productivity improvements, and to diminish the role of unions. Without effective safeguards, CLDB workers will be continue to be particularly vulnerable to exploitation. We are also concerned that recent reports that many male workers in Australia, working in the "dirty and dangerous"

sectors are doing so as virtual illegal “slaves”. This is also an area where greater compliance, scrutiny and regulation must be applied.

Many FECCA constituents, particularly new migrants, are unable to secure rewarding and purposeful employment. Their qualifications and experience gained overseas are not recognised in Australia by regulated and self-regulating professional and trade bodies. This constitutes a structural impediment to full participation in civil society. FECCA argues that the fair and prompt recognition of, or access to bridging training, to professional, trade or other qualifications of skilled migrants who are educated overseas, allows them to equitably access employment in their chosen vocation. This gives migrants a sense of self worth and the ability to contribute materially to the national good. The resulting increased labour force participation would impact positively on Australia’s ageing workforce.

If Australia is to have a “smarter”, more productive workforce, employees must have an obligation to invest in building the skills of their employees. Industrial relations policies at all levels of government must reinforce this obligation. This is particularly important when considering the needs of older workers from CLDB. There are many barriers to older workers finding suitable and fulfilling employment after 50 years of age. These barriers are often compounded for people from CLDB, who may have little or no opportunity to build their skills (for example, people who have worked in the clothing and footwear industry for many years and face redundancy). Funding for job placement programs must encourage a focus on the needs of older workers from CLDB.

Support for environmentally sustainable industry

Industry has a crucial role in advancing ecologically sustainable development by adopting technologies and practices that have less impact on the environment. As an economy that is incorporated into global industries, Australia has the potential to be a world leader in clean and efficient practices that will add to our economic prosperity and employment opportunities. FECCA believes that governments are critical to encourage this development. The government should support both the provision of information as well as legislative (eg: polluter-pays principles better reflected in law) and economic incentives to industries (eg: rebates and enhanced depreciation allowances on capital expenditure which will lead to a reduction in resource use, waste and pollution).

FECCA believes it is vital that the Government support innovation and research and development and “grow” industries that will be sustainable in the long term, for example, the solar energy industries. Better linkages between industry, the training sectors and research institutions (especially the tertiary sector) should not just focus on workforce training, but on investing in innovation and sustainable industries.

Consumers should be assisted to make environmentally conscious evaluations of goods and services through culturally and linguistically

accessible, practical, comparative information. FECCA supports preferential purchasing by governments and business of "green" products.

Investment in education

Australia's demographic challenges states that education and skills are the key to ensuring effective participation. FECCA believes that society has a fundamental obligation to ensure that all children and young people have an equal right to access a quality public education system regardless of socio-economic circumstances, cultural and linguistic background, religious belief, disability or geographic location. FECCA is concerned that there is a risk that higher education will become accessible to those who can afford it, rather than those who have talent and enthusiasm.

In order to build a more productive workforce, there must be investment in our higher education system. FECCA therefore calls on the Federal and State and Territory Governments to:

- significantly increase operating grants of universities and institutes of advanced learning;
- make higher education an obligation of government and a right of all Australians;
- increase the HECS repayment threshold to average adult male earnings;
- peg all forms of student income support including Austudy and New Start allowance to the age pension with a view to minimising student poverty;
- ensure Austudy recipients have access to rental assistance;
- lower the age of independence for students to 21 years and for the unemployed on the Common Youth Allowance to 18 years, and
- provide programs and facilities to enhance educational opportunities including, campus childcare, bridging and remedial courses, development of an inclusive curriculum, special English tuition, counselling, and appropriate student financing.

The higher education system should be funded through a progressive taxation system and the ability of a person to study must be based on merit not capacity to pay. FECCA is opposed to the introduction of upfront fees for undergraduate courses. We believe there is an urgent need for substantial re-investment in higher education but that there is no capacity for higher fees for students. We wish to see the level of investment in Australia's higher education system significantly increased.

Health

FECCA agrees with an ageing population, that the health system must be increasingly focused on preventative health. However, this must not be at the expense of other priorities for spending, including an effective public health system that provides equitable access to good quality health care. FECCA encourages, through reciprocity in learning and experience from the cultural and linguistic diversity in the community, better ways to provide health services, to promote good physical and mental health and to diagnose and treat medical conditions. Access and equity to good quality, culturally and linguistically appropriate health care (including preventative health programs) is vital to meet the needs of all Australians.

The health of young females (obesity, substance misuse, unsafe sex practices) is already building a new generation of sick, infertile women that will see women's fertility rates plummet unless urgent public health information and legislative changes are not introduced.

The environmental impact of increased economic growth

In the future, population growth and its impact on the natural environment must be recognised and managed as a policy and program priority for governments, business and the community. Put simply, to survive economically, socially and physically, we must as a nation and as a member of the developed world, move from a model of "economic growth" to "sustainable development."

In order to achieve a sustainable population for Australia, action must be taken to modify behaviour associated with the consumption of material goods and industrial and agricultural practices. As a nation we must generate less waste and implement technologies (such as those based on renewable energy) which impact less on the physical environment. The more we do so, the greater the capacity of Australia to carry a larger population.

Most of the Australian population lives on the eastern seaboard (from Melbourne to Brisbane). This environment is rapidly becoming congested. Resources (such as clean water) are increasingly under threat, it is straining physical resources (eg. development of river estuaries which maintain fish populations) and large cities (especially Sydney) are finding their urban infrastructure under strain. Decentralisation - the re-populating of large rural centres in areas where the environment can sustain increased numbers, is one way of supporting a larger total population.

However, FECCA believes that there must be improvements in the human services, transport and communication system, and private sector infrastructure in rural and regional Australia to better support the quality of life and opportunities, including employment opportunities, for people living

in rural or remote communities. If decentralisation is to be promoted, governments at all levels have a responsibility to actively develop and support regionally-based, local Australian industries and manufacturers.

Australia is not alone in having to develop policies to address an ageing population. We need to learn from other western nations, and build on their knowledge, and understanding gained through tackling similar problems.

FECCA would be very happy to discuss any of the issues raised in this submission. If you would like to do so, please contact either myself on 0417 489 066 or Conrad Gershevitch, the FECCA Director on (02)6282 5755.

Yours sincerely

A handwritten signature in black ink that reads "A MALAK". The letters are stylized and slanted to the right.

Abd-Elmasih Malak AM
FECCA Chairperson

14th May 2004