

strategy. It is only when each separate level of decision making—national, state, metropolitan and local—is given a clear context in terms of the level above it, that the resolution of conflicting claims at each level will be consistent one with another. It was pointed out above that many instruments would impinge upon the metropolitan situation. For example, both the Commonwealth Government's taxation policies and the Board's planning policies can influence metropolitan employment, so there is a need to ensure consistency between these policies or else they can be self defeating. There is a strong case here for the development of a reasonably detailed development strategy for Victoria, which will offer an unambiguous context within which urban and regional planning and investment decisions can be co-ordinated. Canadian experience suggests that the state level of government can be both an effective and sensitive level at which to co-ordinate land use and economic instruments.

Given the State Government's present policy of grouping activities under authorities according to function, there is an increasing need to ensure that decisions of such authorities are co-ordinated in a consistent manner, confirming the need for a State strategy to be prepared and implemented by government. Whilst both the State Planning Council and the Town and Country Planning Board perform functions which relate to this, their remoteness from government, and lack of involvement in economic and social planning issues has limited their effectiveness. At the same time, investment decisions of authorities are coordinated through an entirely different structure. It follows that there is a need for a more effective means of directly advising government, perhaps through the creation of a body competent to determine the economic and social, as well as the environmental and physical implications of any strategy proposed by it to government.

The final political implication of this approach is that the Government will need to operate with regard to a longer term context. The present cycle of three year elections is inimical to the development of this long term viewpoint. It implies that the politician must either preoccupy himself with those objectives that are capable of being influenced within the three year period (e.g. the short run management of the national economy rather than the long term problems

of urban management), or that policies are introduced with little regard to the lag in their impact and thus the changes likely to occur in the situation, quite regardless of those policies being implemented.

If this new approach to policy formulation is adopted, decision makers would need to attach less significance to current problems—in much the same way as senior management needs to soft pedal immediate issues—while the longer term strategies are being prepared and implemented. Of course, the final strategy selected would at least to some extent reflect present priorities and problems. Thus the present pressures against freeway construction would obviously be taken into account in considering any strategy which required such construction, although this would be only one of the elements to be considered. However, it should be recognised that a decision not to pursue construction of freeways, would entail a decision on a strategy as a whole, and not merely the individual element directly concerned.

## **2. Population and Economic Growth**

### **Global Implications**

Increasing concern is being expressed regarding the social and environmental consequences of global population growth and economic growth. Issues which are influencing a change in value systems include rapid growth of population and technological development, and increasing consumption of resources and products enabled by economic growth, with their impacts in terms of ecological disruption, resource depletion, and threatened life styles. The Board's 1971 report (pages 35–38) drew attention to these issues.

Increasing community awareness is resulting in a questioning of the apparent virtues of rapid economic growth.



E. J. Mishan, a prominent English economist, has stated—

*"the chief sources of social welfare are not to be found in economic growth per se, but in a far more selective form of development which must include a radical reshaping of our physical environment, with the needs of pleasant living, and not the needs of traffic or industry, foremost in mind."*<sup>2</sup>

It is apparent that in meeting the challenges of the future, it is necessary to have regard to the implications of population and economic growth and resource management, in a world as well as a national context. It is within such a context that strategies for Melbourne should be developed.

### Implications for Melbourne

Obviously one of the central issues of any strategy for the development of Melbourne is the population growth which the planning scheme caters for. The issue of a more limited population growth has been raised by parties who tend to argue that irrespective of the particular distribution patterns of future metropolitan population, our social, economic and environmental problems would be easier to manage with a reduced population. For example, it has been claimed by the Town and Country Planning Association and others, that Melbourne's population should be stabilized at a level of 3 million. Such a policy could be carried out either by measures arrived at directly influencing the level of Melbourne's population through the natural growth rate or immigration or by the effective implementation of national and/or state measures aimed at decentralising population and activity surplus to that 3 million. The implications of the latter strategy are discussed in Strategy 1, Alternative Strategies, later in this report. What will be considered here is the relationship of population measures to a strategy for limiting the population growth of Melbourne.

Control of the level of Melbourne's population cannot be considered separately from a population policy for Australia as a whole. In the absence of an existing national population policy it would be inappropriate for the Board to merely advocate viewpoints based on a desire to seek the easing of certain local urban problems which arise from existing population growth whilst in the overall context this could well have some undesirable effects on the

national economy with all the corresponding repercussions within the Melbourne Metropolitan Area.

However the realization that a particular rate of national population growth and its distributional pattern entails varying advantages as well as disadvantages has grown over a number of years and has culminated in the National Population Inquiry.<sup>3</sup> The recommendations of the Inquiry are not yet available but it must be presumed that they will eventually influence both the Federal and State Governments in the formulation of future population policies, to whose respective domains these issues belong.

A goal of population stabilization is not synonymous with immediate zero growth. One of the legacies of the postwar baby boom is a population where a disproportionate number of women are in the peak reproductive age groups. Consequently, immediate zero population growth could not be achieved unless fertility fell considerably below the replacement level of about 2 children per woman. Such an eventuality would have considerable disruptive effects on society.

The possibility of a decline in the rate of natural increase was pointed out in the Board's 1971 Report when it was noted that the decline in birth rates apparent in the United States and Western Europe could also occur in Australia.<sup>4</sup> Recent figures suggest that Australia and Melbourne may be following this pattern.<sup>5</sup>

However, it is still too early to assume that these short term fluctuations reflect a significant change in the long term trend in fertility.

2. E. J. Mishan, *The Costs of Economic Growth*. (UK, Penguin Books Ltd., 1969), page 32.

3. An independent non-parliamentary study into the growth of the population of Australia, established by the Commonwealth Government and being directed by Professor W. D. Borrie of the Australian National University. The Inquiry is to make recommendations on the best possible size, composition and distribution for Australia's population at various stages up to the year 2000. The Board also has made submissions to the Inquiry.

4. MMBW, *Planning Policies for the Melbourne Metropolitan Region* (1971), page 22.

5. *Summary of Vital and Population Statistics*, June Quarter 1973. Commonwealth Bureau of Census and Statistics, Canberra.



Even with a sharp decline in fertility and migration levels, the momentum of growth ensures that Melbourne's population will continue to increase for the next several decades unless diverted through decentralisation measures. According to the Cities Commission, a continuation of past trends leads to a projected population of about 4.5 million persons by the end of the century. Research done at Monash University indicates that Melbourne would reach a total of only 3.6 million if we assume no further net migration and a continuation of past fertility levels. Melbourne's population could be reduced by an additional  $\frac{1}{2}$  million to a total of 3.1 million in the year 2000 if one assumes both no further net migration and an immediate drop to replacement level fertility of roughly 2 children per woman.<sup>6</sup> However, it is important to establish the extent to which any such major changes may occur in the future.

Whilst reduced natural growth may occur within Australia in accordance with emerging trends elsewhere, it appears that acceptance by the community of a concept of significantly reduced natural growth, would be dependent on complementary reductions in migrant intake.

In assessing the implications of altering Australia's present immigration policies it must be recognised that the Australian economy, and indeed the whole lifestyle, has to a considerable extent become dependent on the inflow of migrants. Although immigration has caused considerable costs to the community, it has been argued that the corresponding benefits have outweighed these costs—as was stressed by the former Minister for Immigration:

*"It (immigration) has not been without some costs, both economic and social, to set against its more obvious and certainly substantial gains. But no responsible person has ever sought to deny this; what is important is that, on balance, immigration has been greatly to our advantage."*<sup>7</sup>

The positive contribution to Australia's economic growth is highlighted by the significant proportion of immigrant employees in such diverse activities as building, mining, health and higher education. Also such direct benefits ignore the indirect benefits achieved through a more mobile workforce, lower dependant-worker ratios and

the larger-scale operations which can be facilitated by immigration. Thus a significant reduction in immigration could have an impact on our total national life.

Given that in the post war period, Australia has been geared to a high economic growth rate, it is evident that it cannot be assumed that marked reductions in future immigration will occur, unless there is a complete reversal of national economic policies. Further, both major political parties appear to be agreed on the need to maintain the immigration intake, at the present time.

Obviously Australia must become increasingly aware of world trends and the need to take its decision in the light of international conditions and objectives. If in the light of world concern over the ecological consequences of economic growth, Australia were to attach less importance to this objective in the future, implications for immigration policy are still by no means clear. For example, given Australia's current contribution to the world's population (i.e. 0.3%) and its share of world resources, the question must be asked whether future policies for Australia's development should be directed towards accommodating a higher or lower proportion of the world's future population. In arriving at the appropriate decision, it would be necessary to consider whether a permanent arrangement for the export of resources to dependent countries was more desirable than encouraging large numbers of people to emigrate from these countries to Australia.

To sum up, a population policy for Melbourne can only be meaningfully developed within the context of a national immigration policy and at present there is no evidence that immigration intakes will be significantly reduced within the foreseeable future. Therefore in analysing the implications of alternative strategies for the development of Melbourne it has been assumed that present trends in population migration will continue. Nevertheless should national policies change as a result, for example, of the National Population Inquiry, then it may be necessary to

6. Robert Birrell, *The Social and Environmental Costs of Rapid Population Growth in Melbourne*, Environmental Research and Information Centre, Monash University.

7. "Population and National Policies". An address to the Committee for Economic Development of Australia by the Hon. P. Lynch, MHR, Minister for Immigration, 22 March 1971.—Figures quoted are based on 1966 Census.