

# MICHAEL HICKINBOTHAM

## POPULATE AND PROSPER

AT THE DAWN OF THE NEW MILLENNIUM, Michael Hickinbotham saw that South Australia was quietly, unobtrusively sliding into old age. The State's population was in decline, with the percentage of senior citizens disproportionately high against taxpaying workers, and rising. He saw an economy straining to gain traction, and young talent leaving the State to look for major employment challenges elsewhere. As managing director of the Hickinbotham Homes group, he saw a crisis looming and, even worse, found that other business leaders and politicians had resigned themselves to a worsening situation. Hickinbotham, however, had other ideas.

"If South Australia is to remain prosperous, it requires a strong population base," says the 43-year-old. "I love this State and I want this place to blossom, for my children and for all the people here to have greater opportunities. But to simply say that market forces were working against us and that South Australia had to accept a looming period of decline was just nonsense. There is only one answer to that: population growth."

After returning to the family construction business in 1996 from Melbourne, where he practised commercial law with Blake Dawson Waldron, Hickinbotham started analysing forecasts of the State's economic and social trends before committing the Hickinbotham Group to a set path – and the scenario looked far from bright. He figured that if shrinking population trends continued, Hickinbotham's future would rely on constructing aged care facilities, or divesting into other States where growth continued. Neither option appealed; he wanted the company to remain a staple of business in SA, and be part of a flourishing society.

"The trends showed that because of a shrinking workforce, South Australia would be in sharp decline after 2020. I believe this represents the most precarious challenge facing this State, so I wanted to try to influence policy at a State and Federal level to try and turn the situation around."

The situation has changed significantly, with South Australia's population of 1.54 million steadily growing during the past three years, incrementally working towards a target outlined in South Australia's Strategic Plan of two million people living in the State by 2050. And Hickinbotham has proved to be a pivotal figure in steering this change.

To initially examine options for manageable and environmentally sustainable population growth, Hickinbotham was a foundation member in 2000 of the Australian Population Institute. Commonly known as APop, this Adelaide-based group of business leaders aimed to generate national debate about Australia's population targets across broad sections of the community, to shape policy that would bolster the population and stimulate further economic and social growth as a consequence. The great challenge they faced was steering the debate to arrive at their desired outcome of support for significant population growth in South Australia.

Hickinbotham's position as the president and public figurehead of the Australian Population Institute carried an element of risk for the group, as his position as a land developer and house builder carried a

bias that could have derailed the debate. "It was always the first question I got asked: 'If a developer wants to increase the population, isn't that simply a case of promoting self-interest?' It attracted quite a lot of scrutiny from critics opposed to population growth, and it could have become a distraction to the media and undermined the credibility of the institute, but I've always answered that charge truthfully; yes, of course I have self-

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interest because I want my business to prosper, but I recognise that to achieve this the whole State has to enjoy prosperity and all business has to be thriving. It transcends my interests. It's in the interest of all South Australians."

APop's message soon began to find support within the business community, even among rival developers and builders. "Once I presented the merits of the argument for population growth in the context of what it would mean for our children and grandchildren, then it immediately took shape in people's minds," says Hickinbotham, the father of four-year-old Teddy, two-year-old Henry and one-year-old Alexandra. "It's about doing something now for tomorrow."

The slick presentation and focused pitch of APop's argument for population growth also resonated clearly within media circles – a reflection of Hickinbotham being a keen student of the media and how it works. He has long professed a fascination with print media (he publishes a raft of attractive client-based magazines for the Hickinbotham Group) and is friends with Javier Moll, the Spanish media magnate who owns *The Adelaide Review*. Hickinbotham was



*Growing awareness ... Michael Hickinbotham's concern for his own company's future led to the generation of a national debate about population targets for Australia which benefits a much wider business community.*

also painted as a likely investor in *The Independent Weekly* newspaper when it was launched in Adelaide in 2004. He isn't financially involved, he insists, though that's not to say there aren't dreams of one day having the Hickinbotham name involved in publishing.

"I suppose my curiosity with the media stems from my interest in public policy. Media plays a very strong role in our decision-making; we need a vigorous, questioning media to have good policy and good government. So it's what I see as part of a richer South Australia, to have diversity of opinion from a variety of different media voices. The more voices, the better."

Mindful that more voices engaged in healthy debate leads to clearer policy outcomes, APop stepped into the national spotlight by staging the National Population Summit in South Australia's Parliament House in November, 2003. Present was a cross-section of more than 100 business, political and social leaders, to raise their varying views on population in the hope of identifying a way forward on this contentious issue.

Speakers at the conference – including the then Federal Immigration Minister Amanda Vanstone, Malcolm Turnbull, Robert Champion de Crespigny, business commentator Bernard Salt, economist Dr Craig Shepherd, the Australian Conservation Foundation's Michael Krockenberger and South Australian Premier Mike Rann – covered a spread of issues: slowing population rates, a need for increased skills migration programmes, national fertility rates, environmental sustainability and economic effects.

human skills with envy; West Australian Premier Alan Carpenter has stated that he wants the same benefits that South Australia now enjoys – even though Western Australia is already enjoying five per cent growth in a boom period of mining-induced prosperity.

Hickinbotham says the fragile nature of the population issue and its associated policy is why APop remains an active group, with about 100 businesses as financial members and bi-monthly newsletters continuing a flow of information about statistics and policy announcements. "The policy needs to be monitored, and South Australia's position needs to be lobbied if we hope to keep improving. If we thought our work was done, we would have shut the institute down. The amount of time that people volunteer is phenomenal, and all of these people already have great professional obligations. But we know that it's important because there is still more work to be done."

Part of that work is tempering criticism of population growth, especially the heated issue of whether the State can afford to support more people with limited water resources. "I see that as a sidetrack to the main issue. It's not water usage but water management that has been our flaw," says Hickinbotham. "I've been studying figures from countries where they have less water available than we do in South Australia, and they are managing to promote sustainable growth. It's not impossible, but we do have to get smarter and more efficient with reclaiming and reusing water. And we have to put a realistic cost on water. We can still get a tonne of water delivered for a dollar; people

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ABC national broadcasters Peter Thompson and Phillip Adams also played crucial roles, moderating the summit and broadcasting their radio programmes from Adelaide, on which they demanded answers from conference speakers about what would be done to counter problems associated with a declining and ageing population. In response, the summit delivered a communiqué with six recommendations to the Prime Minister and State premiers. The speeches were assembled as a book that was published and has sold about 4000 copies through bookshops around the nation. As a consequence, the forum succeeded in placing rational population debate on the national agenda, superseding the polemic and racially charged immigration arguments that had previously muddied the issue.

It also provided a trigger for APop's lobbying clout to take effect at a federal level. As an apolitical group, the institute presents a voice that reaches beyond the squabbles of party political lines to voice united concerns and consensus of opinion. Specifically, APop helped convince the Federal Government that the immediate dilemma facing South Australia due to a declining and ageing population would also affect other States in the future; by addressing the SA situation, remedies could be found to apply elsewhere. "We were the canary in the coalmine," says Hickinbotham, "but it at least provided an opportunity to introduce change."

The immediate solution was that South Australia was given regional status for migrant allocation. It meant that foreigners who applied for a work visa in Australia and did not qualify for 120 points to gain entry to capital cities could still apply for regional placement through the Regional Sponsored Migration Scheme – which now includes all places within South Australia. "It has become an immediate asset for this State," says Hickinbotham. "We are getting more skilled migrants and students, and they are bringing new energies, new opportunities and growth into our community."

South Australia now attracts 23 per cent of all business migrants coming to Australia; in 2005, the figure was only one per cent. This State used to attract 4000 international students a year; it now welcomes 20,000 a year. As a consequence, the State's population picture is significantly different to the estimates published in five-year-old trend charts. Population growth has risen from 0.4 per cent to one per cent since 2003. The other States are now looking at this rise of imported

in Europe pay seven to 10 times that amount. I know we have to look at social equity issues about water costs but if we keep giving water away without placing an appropriate value on it, then inappropriate use of it will never be curbed."

The Hickinbotham family has identified water management as a key focus of its housing development projects since the 1960s. Their company devised an economical wastewater recycling plant at Renmark, and created innovative stormwater storage before pumping water back into the aquifer at its Andrews Farm housing development north of Adelaide. It also sponsored the Water Down Under conference in Adelaide in 1994, which brought 400 experts from around the world to a landmark discussion forum on improving water management. "I've inherited this interest from my father, Alan," admits Hickinbotham, acknowledging the man who built more than 20,000 homes with the company he established in 1954.

Hickinbotham's interests and experience have resonated strongly with the State Government. He is now a member of the Population Advisory Group, and sits on the South Australian Economic Development Board. With access to data that tracks the State's progress, he's delighted and somewhat taken aback by promising changes within a few short years. Partly, this has stemmed from attracting new people to South Australia; another key is not losing our educated youth interstate or overseas. Figures show the brain drain is slowing; South Australia was losing 3700 residents a month, and this figure has dipped to 2700. "The whole situation is changing far more quickly than any of us could have hoped to expect – but it's still far from ideal."

Despite his guarded optimism, Hickinbotham recognises discernable change on the streets of Adelaide. Five years ago, he saw overwhelming numbers of elderly citizens, though he admits they were foremost in his consciousness due to the statistics he was reading. Now he feels age demographics have been tempered by the influx of international students, migrant families and business people from other cultures. "There's a dynamic mix of people and a new sense of energy on the city streets," he says with a broad smile. "That's a symbol of optimism, right there. I sense a feeling that South Australia can offer fresh opportunities again. The economy is strong, we're moving forward. It's proof that people are our greatest asset in this State. People are what make the difference."