



Australia's Diaspora: Its Size, Nature and Policy Implications

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Foreword

Australians have always had strong overseas ties, and many who were born here have spent some part of their lives in other countries. Conventionally, young Australians see the world as a prelude to returning home to settle down. However, there has also always been a relatively small number of Australians who for various reasons, never return to live.

New forces, in particular globalisation, may now be affecting this traditional pattern. Until relatively recently, travel and communications were slow and expensive and opportunities to engage in international enterprises were limited. Australia's rapidly increasing engagement in the world economy has, however, brought with it greater opportunities for Australians to live and work around the globe. Their work and travel patterns may mean that they are potentially more loosely tied to Australia than ever before.

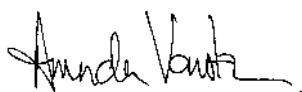
Some within this new group become global commuters. They work in multinational enterprises, live in global cities and form part of a global pool of labour. Today, it would be hard to find a major company or organisation or branch of the arts around the world in which Australians are not strongly represented.

This is by no means a one-way phenomenon. Australia still has a significant net gain in permanent and temporary entrants from all around the world. This international exchange of people has been characterised by Professor Hugo as a 'brain circulation', a term which suggests significant benefits for Australia.

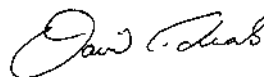
In this new report, Professor Hugo goes further, to suggest that these new conditions have created an Australian 'diaspora', a proposition that will no doubt stimulate a significant new debate in the field of Australian migration studies.

If the concept is correct, we may need to re-think our attitudes and policies towards those who are Australian but who do not live permanently in Australia. For those who stay away, what are their rights and responsibilities? Can we continue to rely on the Australian lifestyle and climate to lure many of them home, or do we need, as Professor Hugo suggests, concerted policies to assist those who wish to return, and to derive greater benefits from those who do not?

These are questions new to the Australian migration debate and they challenge us to think about what it is to be an Australian. This report is timely as it examines the human aspect of Australia's new engagement in the global economy. This is an area which needs significantly more study and debate, and Professor Hugo is to be commended for providing such a stimulating starting point.



The Hon Senator Amanda Vanstone
Minister for Immigration and
Multicultural and Indigenous Affairs



David Edwards AM
Chief Executive Officer
CEDA

Preface

This study is the second product of an Australian Research Council linkage grant carried out with involvement from the Committee for Economic Development of Australia (CEDA), the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), and the Department of Education, Science and Training. The first report appeared in 2001 (Hugo, Rudd and Harris) and focused on the analysis of secondary data on emigration from Australia. This study updates the trends examined in the first report and presents results from a survey of more than 2000 Australian expatriates. Because of space considerations, this publication is a considerably abridged version of a longer report which includes much more tabular information from the survey. This version is available from the authors on request.

The authors wish to thank a number of people for their assistance in the preparation of the report. Firstly, the four groups who provided the funding for the project are acknowledged. We would especially like to thank Dr John Niewenhuysen and Ms Margaret Mead from CEDA, the Minister for Immigration and Multicultural and Indigenous Affairs, Senator the Hon Amanda Vanstone, and Mr Neil Mullenger from DIMIA. They have all provided a great deal of support and encouragement to the authors in undertaking research in an area where there is limited relevant and comprehensive information available. We are also grateful to the alumni officers of several Australian universities who assisted greatly in the selection of the sample for the survey. Without their professional and enthusiastic co-operation, it would not have been possible to undertake the survey on which much of this report is based.

There are several colleagues in the National Centre for Social Applications of Geographic Information Systems and Department of Geographical and Environmental Studies at the University of Adelaide who have been involved in various stages of the project. We would especially like to acknowledge the help of Mr Michael Hugo, Mrs Margaret Young, Mrs Christine Crothers, Mrs Joanna Rillo, Mrs Maria Fugaro, Mr Simon Jacobs and especially Mrs Janet Wall. They have all made significant and important contributions to the study.

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About the Authors

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He is the author of over 200 books, articles in scholarly journals and chapters in books, as well as a large number of conference papers and reports. His books include *Australia's Changing Population* (Oxford University Press), *The Demographic Dimension in Indonesian Development* (with T. H. Hull, V. J. Hull and G. W. Jones, Oxford University Press), *International Migration Statistics: Guidelines for Improving Data Collection Systems* (with A.S. Oberai, H. Zlotnik and R. Bilsborrow, International Labour Office), *Worlds in Motion: Understanding International Migration at Century's End* (with D. S. Massey, J. Arango, A. Kouaouci, A. Pellegrino and J. E. Taylor, Oxford University Press), several of the 1986, 1991 and 1996 census-based *Atlas of the Australian People Series* (AGPS) and *Australian Immigration: A Survey of the Issues* (with Mark Wooden, Robert Holton and Judith Sloan, AGPS).

In 1987 Professor Hugo was elected a fellow of the Academy of Social Sciences in Australia and has been president of the Australian Population Association and a member of the National Population Council. He was a member of the International Union for the Scientific Study of Population Committee on South–North Migration and is currently on the IUSSP Committee on Urbanization. He is Chair of the Australian Research Council's Expert Advisory Committee on the Social, Behavioural and Economic Sciences. In 2002 he secured a \$1.125 million ARC Federation Fellowship over five years for his research project, 'The new paradigm of international migration to and from Australia: Dimensions, causes and implications'.

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Kevin HARRIS taught geography, specialising in social and urban geography, at the University of South Australia for 25 years until 1996. He completed a PhD in 1997 which investigated the relationship between residential mobility and capital accumulation in Adelaide. Between 1998 and 1999 he was a writer for the *Social Health Atlas of Australia* series, with particular responsibility for the Victoria, Western Australia and National volumes. He is presently Manager of the National Centre for Social Applications of GIS.

Executive Summary

The increased mobility of Australians raises some fundamental questions about who should be counted as being among Australia's population.

In the 1990s, there was an upsurge in the permanent and long-term emigration of the Australia-born.

This report aims to update recent trends in emigration from Australia, present findings of a survey of a sub-group of Australians residing overseas, and to discuss a number of policy implications relating to emigration from Australia. Since publication of the first report, the concepts of *transnationalism and diaspora* have developed a global significance. This prompted a rethinking among researchers of the role and impacts of international migration, and especially emigration, which is a crucial element in both transnationalism and diaspora.

The increased mobility of Australians raises some fundamental questions about who should be counted as being among Australia's population. The census counts those persons temporarily overseas, but what of Australian citizens living on a long-term or permanent basis in other countries? In 2001, the Department of Foreign Affairs and Trade estimated their number to be around 860 000, along with an additional 265 000 'visiting citizens' or persons overseas on a shorter term basis. This is a significant number of Australians, and a quite selective group in terms of age, education, income and skill.

In a globalising world it may be that we should be seeking alternative conceptualisations of what constitutes the national population. Should the census seek to include Australians who are living and working overseas on a permanent or long-term basis? Should we be attempting to count the population who identify themselves as Australians, regardless of their global location on the night of the census? Can the sociology of a nation be assessed without considering its diaspora? The evidence that the diaspora is expanding is compelling – the numbers of persons reported by their households to be temporarily overseas on the night of the census has increased substantially with each census. At each federal and state election during the last decade, there have been substantial increases in the number of Australians voting overseas. During the 1990s the proportion of Australian graduates who were overseas at the time of the annual Graduate Destination Survey has increased significantly.

Almost half the Australian diaspora resides in European Union (EU) nations and nearly half of these are resident in the United Kingdom. The second largest group of Australian citizens overseas resides in Greece, and the third largest Australian expatriate community is based in the United States. Smaller expatriate communities are located in New Zealand and Hong Kong. Hong Kong is the largest of a number of expatriate communities in Asia, based in Indonesia, Japan, Singapore and Malaysia.

A key distinction in permanent emigration from Australia is between former settlers leaving Australia to return to their home country or moving to a third country, and Australia-born persons. In the 1990s, there was an upsurge in the permanent and long-term emigration of the Australia-born. During that decade, permanent departures increased by 146 per cent and long-term

departures by 41 per cent. However, this underestimates the outflow to the extent that some Australians are effectively working and living overseas but return to Australia at least once a year and still regard Australia as a permanent place of residence but are regarded by DIMIA statistics as 'short-term' departures.

The UK accounts for a third of Australians leaving on a permanent and long-term basis. The numbers have more than doubled in the last decade. Other important destinations are the US and New Zealand. Although the number of Australians moving to Continental Europe is only around a quarter the size of those moving to the UK, it is increasing.

In recent years, numbers of Australians emigrating to Asia have increased by more than 50 per cent. Moreover, it is not just the fast-developing, labour-short economies of Japan, South Korea, Taiwan, Hong Kong and Singapore that have been attracting expatriates. Other Asian countries, such as Indonesia and Malaysia, are attracting skills needed for their fast-developing economies which are presently characterised by mismatches between the training and education systems and the skilled labour demands of rapidly restructuring economies.

There is a preponderance of young adults in their 20s, typically comprised of young singles and couples. Returning migrants are generally in their 30s or within retirement age. Age selectivity of emigration varies with destination – the UK is dominated by the 20–34 age group, those choosing residence in the US are older, and emigrants moving to Asia are even older. Emigration from Australia is unquestionably selective of the more highly educated, more skilled sections of the population. Over two-thirds of all Australia-born permanent departures and Australian resident long-term departures are managers, administrators, professionals and para-professionals.

Surveying the Australian expatriate community is extremely difficult because there is no comprehensive listing available of the group. This study, in facing this problem, examined a number of possibilities involving incomplete sampling frames and adopted a dual strategy of surveying recent graduates from Australian universities and contacting a number relevant organisations and expatriate groups who were prepared to publicise the survey on their websites or in their newsletters.

Some two-thirds of respondents were living in the US (34.6 per cent) or in the UK and Ireland (31.9 per cent). Almost two-thirds of respondents had left Australia between 1990 and 2002. The survey group demonstrated exceptionally high labour force participation, with 89.2 per cent of respondents working. Nearly 90 per cent of employed respondents were in professional occupations in all destinations and a high percentage had postgraduate degrees. Home ownership was higher for respondents in the US and Canada and lowest for those in Asia. Incomes above A\$200 000 per year were over-represented in the US and Canada (29.6 per cent), as well as in Asia (24.4 per cent). Thirty per cent of males earned in excess of A\$200 000 annually, compared with only 10 per cent of females. By contrast, over one-third of females earned less than A\$50,000 compared with 13 per cent of males.

Globalisation of labour markets is now an important element in the increasing international flow of workers. Accordingly, most emigrants leave Australia for 'better



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Virtually all emigrants aged 20–24 years considered Australia ‘home’. However, as age increased, the percentage steadily declined.

Nearly 80 per cent of respondents believed their overseas residency had benefits for Australia.

While work-related factors dominate among the reasons for emigration, lifestyle and family become overwhelming reasons for returning to Australia.

employment opportunities’ and career aspirations believed to exist in overseas destinations, particularly in the US, Canada and Asia. Virtually all emigrants aged 20–24 years considered Australia ‘home’. However, as age increased, the percentage steadily declined with only 53 per cent of respondents aged 65 years or more regarding Australia as ‘home’.

Nearly 80 per cent of respondents believed their overseas residency had benefits for Australia, by ‘*creating goodwill towards Australia*’ and through ‘*skills transferable back to Australia*’. Over 50 per cent of respondents thought that contacts they had made would be useful for other Australians, while others saw benefits arising from linkages between Australia and the countries in which they were currently living.

A key question in considering a diaspora is the extent to which expatriates remain in a foreign country. Fifty per cent of the 2072 respondents intended to return with a third of the remainder being undecided. The age of expatriates is a major determinant of intentions to return – as age increases, the number intending to return to Australia decreases. Expatriates in the US and Canada are less inclined to return, and those living in Asia are generally more likely to return. High proportions of expatriates living in the UK and Ireland are positive about returning. A barrier to returning is created when expatriates partner with a non-Australian after emigrating. Respondents with spouses born overseas were not as likely to return to Australia as those with Australia-born spouses.

While work-related factors dominate among the reasons for emigration, lifestyle and family become overwhelming reasons for returning to Australia. It is clear, though, that the longer the period overseas and the older the emigrant, the more likely it is that they will not return to Australia. Further, those who do intend to return plan to do so in the longer term rather than in the short term.

Respondents intending not to return, or who were undecided, were asked about what would attract them back to Australia to live. Most indicated a better job or higher salary than that which they currently had overseas. This response was typical of expatriates resident in the US and Canada. The importance of jobs and salary as incentives to return decreased markedly with age. Finally, Australian expatriates with no firm plans to return to Australia were also not likely to consider emigration to another country.

Australia’s substantial net gain of skilled people through international migration might suggest that the increasing emigration of young, highly skilled Australians is not a matter of concern and need not be subjected to any policy intervention. However, in a highly competitive labour market why shouldn’t Australia seek to encourage the best immigrants, including expatriates, and seek to retain its homegrown talent? Australia’s highly skilled diaspora could play several important roles in promoting development in Australia, through enhancing information flows, lowering reputation barriers and encouraging trade links.



Significant attention has been given to emigration of Australia-born persons and its brain drain impacts. However, *Australia is not experiencing a net brain drain*, although the differences between incoming and outgoing flows in levels and types of expertise and training need to be distinguished. On balance, we are experiencing an overall net brain gain and a substantial 'brain circulation'.

Human resources are crucially important to the national economy and Australia needs to acknowledge the increasing amount of international competition for the best qualified people in the new economy, and that our labour market is competing with an increasing number of countries for a limited pool of talent. In this competitive context, Australia cannot afford to ignore its homegrown talent in the international pool of skilled labour.

Australia can gain much from young Australians experiencing work in other countries, provided that *many of them return to Australia eventually*. It is in Australia's interests to develop policies that encourage brain circulation rather than brain drain among Australia's young people. Policy areas relevant to this group include establishing and maintaining contact with the diaspora, encouraging expatriates to return, and designing initiatives to keep talented Australians in Australia.

Expatriates identify strongly with Australia, and this gives rise to a number of issues, including the extent to which they should be considered part of the nation and included in national activities, and the extent to which Australia should move to take advantage of the diaspora to advance national economic, social and cultural interests.

Australia needs to keep in touch with its diaspora, and the possibility of registers of expatriates being developed are a real and economic proposition. Registers of expatriates could provide the diaspora with information about opportunities in Australia; they could be used to invite Australians to periodic events to inform about developments in Australia, and they could facilitate the development of an expatriate newsletter. Such a register could contribute to expatriate protection and knowledge of their whereabouts in the context of any emergency situation, and facilitate reciprocal social security arrangements between Australia and other countries.

Perhaps we need a revised concept of what should be considered as the Australian population. Is the diaspora included? The US expects to include expatriate Americans in its 2010 population census. Should Australia be considering this approach and recognising that in the contemporary world any comprehensive consideration of a nation's people must include its diaspora?

Policies encouraging return migration

An enduring feature of all diaspora is return migration to the homeland. Significant dividends accrue if expatriates return, especially when they are highly skilled in areas of demand in the labour market, have extended their knowledge and experience while

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Policies and programs which identify constraints to return migration and develop initiatives to ameliorate them are also needed.

Australia should develop a national diaspora/expatriate policy, recognising that in a globalising world a nation's citizens and its human resources will not all be within its national borders.

overseas and return with a network of overseas contacts which can benefit their work at home. However, Australia needs to know the level of actual return to know the benefit of returning expatriates to the nation. This is, therefore, an important research policy priority. Matching the departure cards of Australia-born permanent departures with arrival cards would make this possible but it would need to be carried out over a lengthy period. Policies and programs which identify constraints to return migration and develop initiatives to ameliorate them are also needed.

There is a need to investigate in some detail the 'transaction costs' of a return to Australia, including how superannuation and accumulated wealth generated overseas would be treated for taxation purposes in Australia.

A crucial question relates to how such potential returnees can be identified. Should Australia establish registers of skilled workers overseas and maintain contact with expatriates through its embassies?

Competition for skills and intellectual resources is increasing, especially in OECD nations. Australia's talented workforce will be offered more money than they can earn in Australia. Those who emigrate are not only highly skilled and highly educated, but include many of the key researchers and innovators who are most likely to place Australia in a competitive position within the global economy. This is cause for concern and requires policies to accommodate the tendency.

Few countries have a fully developed emigration policy, but the potential of diasporas to contribute to a country's development is increasingly being realised. Some Australian states have initiated preliminary attempts to attract back highly skilled Australian expatriates, and New Zealand has created a New Zealand Talent Initiative aimed at attracting talented immigrants and retaining their talent-rich community.

Policy recommendations

- 1 Australia should develop a national diaspora/expatriate policy, recognising that in a globalising world a nation's citizens and its human resources will not all be within its national borders. Australia has the opportunity to be a world leader in this area, as well as to gain significant comparative advantage.

The elements to be included in an Australian diaspora/expatriate policy can be finalised only after more detailed research and wider community consultation and discussion. However, the following would seem to be relevant from the present study:

- the development of mechanisms for the greater inclusion of the diaspora into the national culture and the encouragement of the expatriate community to identify with and be involved in Australia;
- increasing the strength of linkages between the diaspora and Australia, especially business and research linkages;
- increasing the involvement of the diaspora in the national economy;
- the facilitation and encouragement of return migration.

- 2 That DIMIA consider the possibility of including an explicit expatriate component to the national immigration program.
- 3 That consideration be given to the extension of DFAT's Online Registration Service, which currently covers only 10 per cent of expatriate Australians, to become a more comprehensive register. Registration should remain totally voluntary but the existence of the service needs to be more widely known among the expatriate community.
- 4 A dialogue needs to be set up regarding possible ways in which the diaspora can be represented in Australian governance.
- 5 Schemes to foster linkages between Australian-based business people and researchers and expatriate counterparts need to be expanded.
- 6 The Australian Bureau of Statistics should mount an investigation similar to that occurring in the US into the possibility of including the Australian diaspora in census counts so that the national Census of Population and Housing becomes a true stocktake of Australians and not just of those who happen to be within the national boundaries on census night.
- 7 There needs to be an examination of the taxation regime to ensure that there are not peripheral elements which may be inhibiting expatriates from returning to Australia.

Recommendations for further research

This study has shed light on emigration from Australia and on some of the characteristics, attitudes and intentions of the extensive Australian expatriate community. However, in order to develop policy, the many gaps in our knowledge and understanding of these important problems need to be recognised and steps taken to fill them through a number of research initiatives, including the following:

- 1 Mounting a substantial study of the Australian expatriate community which is fully representative and covers a comprehensive range of concerns. Such a study would be the foundation for the development of a national diaspora/expatriate policy. This would need substantial co-operation from a number of government agencies.
- 2 A full investigation of the financial dimensions of expatriates maintaining linkages with, and returning to, Australia.
- 3 An investigation of expatriate groups – their needs, their numbers, their memberships, their goals – all over the world.
- 4 Australia experiences an overall 'brain gain' associated with a high degree of 'brain exchange' or 'brain circulation'. However, we need a more sophisticated labour market analysis which addresses the question as to what extent immigrants are good replacements for Australian emigrants in key strategic areas.



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- 5 A study of return migration among Australian expatriates to occur at two levels – a sophisticated analysis using the Movements Database maintained by DIMIA which matches the departure cards of Australian permanent and long-term departures with arrival cards, and a detailed study of both returned expatriates and a cross-section of expatriates still abroad.
- 6 There would seem to be value in making a focused study of Ireland's experience with respect to expatriate return migration.
- 7 There would seem merit in making some detailed study of successful networks between expatriate Australians and Australian-based counterparts, such as in the Australian mining industry, with a view to duplicating the success in other areas.

Conclusion

In the contemporary world, national prosperity depends on innovation and human resources. Further, there is unprecedented competition among nations to enhance their skilled human resource base through immigration policies. In Australia's case, attraction of skilled expatriates currently overseas should not be overlooked. It is glib to hold that because Australia has a net brain gain the outflow of skilled young Australians can be ignored. Rather, we should seek to achieve the double bonus of attracting foreign skilled people while also retaining and regaining the best of our own talent. In considering such a policy, we should not attempt to block the flow of young talent overseas. Indeed, the stock of skilled Australians overseas could be a major national asset and it may be possible to develop policies that nurture and maximise this asset. The possibility of Australia developing an emigration policy which is integrated with immigration policy and wider economic, social and human resources policies needs to be given consideration.

1 Introduction

This report is second in a series resulting from a Linkage Grant of the Australian Research Council, CEDA and DIMIA. The first report assessed the data sources available in Australia to study emigration, established trends in emigration from Australia in the 1990s, examined patterns of settler loss from Australia, as well as the emigration of recent Australian university graduates, and put forward some initial ideas on policy implications (Hugo, Rudd and Harris 2001).

This volume has three main objectives: It seeks to:

- update recent trends in emigration out of Australia;
- present findings of a survey of Australians residing overseas;
- discuss a number of policy implications relating to emigration from Australia.

Since the publication of the first report there have been a number of important changes. The concepts of *transnationalism* and diaspora have come to prominence globally and this has led to a rethinking among researchers of the role and impacts of international migration. Emigration is a crucial element in both transnationalism and diaspora. Globally, there has been an exponential increase in the volume of non-permanent international migration. In the US, for example, there were 4.6 million immigrants admitted between 1995 and 2000, while 142.8 million non-migrants were admitted, of whom 2.2 million were temporary workers, 2.8 million were students and 3.6 million others had the right to work (Kent and Mather 2002, 21). Indeed, in the international literature there have been calls for replacing the concept of 'international migration', which implies permanent settlement, with the term 'transnational migration'. As Glick Schiller et al. (1995, 48) point out:

Several generations of researchers have viewed immigrants as persons who uproot themselves, leave behind home and country, and face the painful process of incorporation into a different society and culture ... A new concept of transnational migration is emerging, however, that questions this long-held conceptualisation of immigrants, suggesting that in both the US and Europe increasing numbers of migrants are best understood as 'transmigrants'.

The new concept of transnational migration emphasises the two-way and circular nature of many flows between countries (Blanc et al. 1995; Basch et al. 1996). However, as in Australia, these temporary movements to more developed economies have attracted little research attention compared with permanent settlement. A partial exception is the transfer of highly skilled managerial and professional workers (e.g. OECD 2002; Salt 1997; Peixoto 2001; Koser and Salt 1997). Nevertheless, careful studies of the nature, causes and impact of temporary movement compared with settlement are lacking, especially in Australia. However, policy-makers in Australia and other more developed contexts are developing policies to encourage skilled temporary immigration (OECD 2002). The dearth of research is all the more surprising, given the high quality of Australian emigration data compared with that of other migration nations like Canada (Zhao et al. 2000; Michalowski 2000) and the US (Bratsberg and Terrel 1996; US Census Bureau 2002a).



Globally, there has been an exponential increase in the volume of non-permanent international migration.

The new concept of transnational migration emphasises the two-way and circular nature of many flows between countries.



There has therefore been a shift in the whole geography of labour markets, especially in relation to high skill occupations.

There are econometric studies which indicate that in some contexts emigrant skilled workers in certain cases contribute more to national development by migrating than they would have if they remained at home.

The shifts in the balance between permanent and temporary immigration of skilled workers to more developed countries, together with a more general transformation in the global context of international migration, have greatly reduced the contemporary relevance of much existing research on Australian international migration.

Roberts (2003, 3) points out that:

The international economic system is thus likely to affect the economies of towns and cities within a country more directly and more pervasively than in the past ... global production systems [promote] interurban networks that bypass national urban hierarchies.

Hence, whereas in the past, young Australians would have regarded the location of key decision-making and power in the organisation or industry for which they worked as being their state capital or Australia's two largest cities, for many this is now London, New York, Tokyo or another world city. There has therefore been a shift in the whole geography of labour markets, especially in relation to high skill occupations.

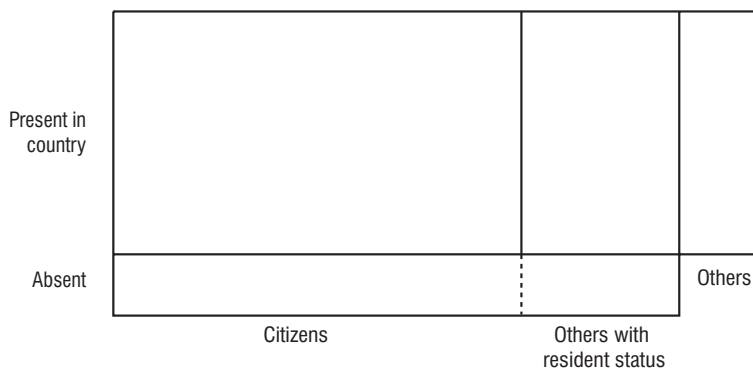
This process has been especially marked in less developed countries, where the issue of 'brain drain' has long been significant. Much of the literature on the impact of migration on development in these countries has centred around the issue of brain drain and there can be no doubt that there has been a substantial net flow of highly educated people from less developed to more developed areas and that this, in some cases, has had deleterious development consequences. Nevertheless, recent research has shown that the impact of the outflow of human capital for less developed countries is more complex. Several countries have been able to mobilise their diasporas to benefit development in the home country. Some of these policies include offering expatriates the opportunity to bank in origin country institutions with preferential interest and tax rates, encouraging them to invest in enterprises in the home country, using them as beachheads to gain access to foreign markets for origin country exports, using them as contacts for origin country business activities, helping them encourage their employers to invest in the home country, as well as assisting more generally in developing economic, political and cultural linkages with destination countries. Indeed, there are econometric studies which indicate that in some contexts emigrant skilled workers in certain cases contribute more to national development by migrating than they would have if they remained at home.

One of the major necessary elements in emigration having a net positive developmental impact in origin countries is the eventual return of a significant proportion of the emigrants. In short, the whole concept of diaspora is undergoing a significant rethink on a global basis and it is the contention of this study that Australia, too, needs to examine these issues.

2 Counting Australia's Population and the Stock of Australians Overseas

The increased mobility of Australians raises some fundamental questions about who should be counted as being among Australia's population. Traditionally, the national population has been counted as those resident on the night of the census, and there is provision for those who are temporarily overseas to be identified and included by members of their household remaining in Australia. But what of Australian citizens living on a long-term or permanent basis in other countries? These were estimated to be 858 886 on 31 December 2001 by the Department of Foreign Affairs and Trade, equivalent to 4.3 per cent of the 2001 resident population. In addition, they identified a further 264 955 shorter term 'visiting citizens'. Moreover, they are a selective group in terms of age, education, income and skill. In a globalising world, it may be that we should be seeking alternative conceptualisations of what constitutes the national population. In the past, the bulk of a nation's citizens and permanent residents were resident in that country (Figure 2.1).

Figure 2.1 Diagrammatic representation of a national population



However, with globalisation, an increasing proportion of nationals are likely to be absent for considerable periods (the bottom lefthand rectangle), while there will be larger numbers of foreign nationals present in the country (top righthand rectangles). This raises the question as to whether national censuses should seek to include nationals who are living and working overseas on a permanent or long-term basis. Should we be attempting to count the population who identify themselves as Australians, regardless of where they happen to be on the night of the census? Some commentators (e.g. Portes, forthcoming) suggest that it is now impossible to understand the sociology of a nation without considering its diaspora. Should we be looking to new conceptualisations of national populations?

Table 2.1 Australian residents reported to be temporarily overseas on the night of the census

Census	Number	% of national population
1986	189 207	1.18
1991	223 900	1.29
1996	296 900	1.62
2001	330 200	1.70

Source: ABS, *Australian Demographic Statistics* various issues



The increased mobility of Australians raises some fundamental questions about who should be counted as being among Australia's population.

Should national censuses seek to include nationals who are living and working overseas on a permanent or long-term basis?



The group of Australians who are missed altogether in census enumerations are those who have moved overseas on a permanent or long-term basis.

The US will hold a special census of its citizens based in foreign countries

While there are limited data on the stock of Australians living in foreign countries, Australian censuses have traditionally included people who have been resident within the national boundaries on the night of the census enumeration, a *de facto* enumeration. For the last 20 years, however, Australian enumerations have also identified persons who are usual residents of Australian households who happen to be overseas on the night of the census enumeration, despite their characteristics not being included in census data and their non-inclusion in the census population. It is indicative that Table 2.1 shows that the numbers of persons usually resident in Australia reported by households to be temporarily overseas on the night of the census has increased substantially with each census. This reflects the effects of globalisation and the associated increased Australian travel for business and travel, at least before the terrorist attacks of 2001 and 2002 and the SARS crisis of 2003 curtailed such travel.

However, the group of Australians who are missed altogether in census enumerations are those who have moved overseas on a permanent or long-term basis. The truth is that the bulk of these people have retained Australian citizenship, especially since dual citizenship was introduced in 2001. As is shown later, the majority have definite plans to return to Australia and the great majority (even of those who intend to remain overseas) still consider Australia home and have very strong commitments and feelings toward Australia.

Another indication of the numbers of Australians living overseas is the numbers of Australians voting in national elections at overseas embassies and consulates. Table 2.2 shows there has been a substantial increase in the number of Australians voting overseas. The increasing tendency for Australians to live overseas is also evident in the results of the annual Graduate Destination Survey which interviews a sample of the previous year's graduates from Australian universities. Table 2.3 shows that during the 1990s the proportion of the sample who were overseas at the time of the survey increased substantially.

Table 2.2 Australians voting overseas

Year	Number
1986	46 307
2001	63 016

Source: Southern Cross 2002.

Table 2.3 Recent graduates working overseas

	Number	% of total
1991	1 437	2.2
1996	3 136	4.6
1998	3 707	5.6

Sources: Graduate Destination Survey 1991, 1996, 1999.

The US will hold a special census of its citizens based in foreign countries and there are suggestions that the 2010 US census will not only include all people resident in the US, but all of its citizens abroad (US Census Bureau 2002b). It is interesting to note in Table 2.4, however, that the US diaspora is smaller than that of Australia when it is considered in relation to the resident national population. However, the Australian diaspora is significantly smaller than that of New Zealand. Table 2.5



**Almost half of
Australians residing in
foreign countries were
in European Union (EU)
nations and nearly half
of these were in the UK.**

indicates the numbers of New Zealanders enumerated in the censuses of a range of nations in the 2000 round of censuses. One estimate of the number of New Zealanders overseas puts it at around 850 000 – around the same size as the Australian diaspora (Bedford 2001).

Table 2.4 National diasporas in relation to resident national populations

US:	7 million – 2.5 per cent of national population
Australia:	900 000 – 4.3 per cent of national population
New Zealand:	850 000 – 21.9 per cent of national population

Sources: US Census Bureau 2002a and b; Southern Cross 2002; Bedford 2001.

Table 2.5 Numbers of New Zealand-born enumerated overseas around 2000

Country of enumeration	Number	Year	Source
Australia*	355 765	2001	ABS 2001 Census
United States	13 000	2001	US Census Bureau, Current Population Survey, March 2001
Canada	8 960	1996	Statistics Canada, 1996 Census
England and Wales	54 425	2001	UK 2001 Census Statistics
Netherlands	1 902	2002	Statistics Netherlands
Sweden	687	2001	Statistics Sweden
Other**	415 261		
Total	850 000***	2001	Bedford, 2001

* In Australia the number of New Zealand citizens is estimated to be 460 788 since a substantial number of trans-Tasman migrants are former immigrants to New Zealand (Hugo 2003a).

** Calculated as a residual.

*** Recent estimates are of 700 000 to 1 million New Zealanders living overseas (Bedford 2001).

DFAT estimates of the number of Australians residing in foreign countries provide an opportunity to examine their distribution between different countries. The 31 December estimates are shown in Figure 2.2 which indicates that almost half (48.4 per cent) were in European Union (EU) nations and nearly half of these (200 000) were in the UK.

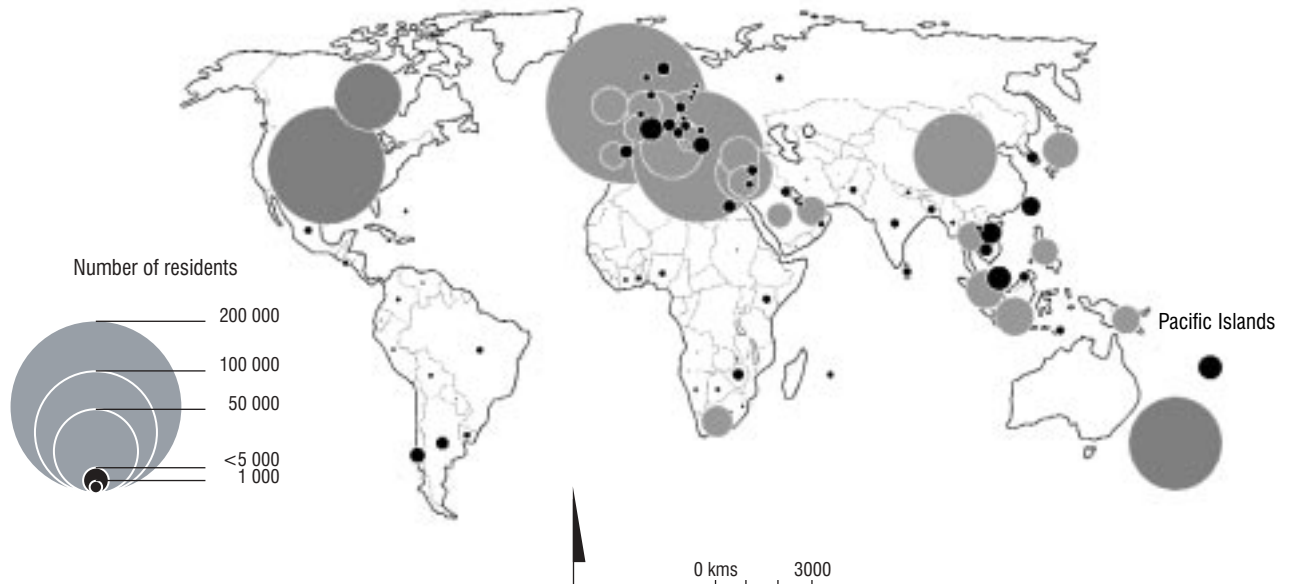
The UK is clearly a major destination of Australians going overseas on a long-term or permanent basis, partly reflecting the strong Australia–UK linkages forged during colonial times and in the era of the British Commonwealth, as well as the role of London as a global city (Sassen 1991), which has meant that the head offices of a wide array of multinational companies and organisations are located there.

There are a number of groups in this movement:

- A large number of young Australians who are on working holidays.
- Workers, mainly in managerial and professional areas, on transfer with their employer.
- High skill workers who have sought employment in the UK.
- Returned former settlers.



Figure 2.2 Australian citizens living abroad, 31 December 2001



Source: Southern Cross 2002.

The second largest community of Australian citizens overseas evident in Figure 2.2 is Greece, with 135 000. This group of Australian citizens is quite different from those in the UK. Undoubtedly, many of these are Greece-born return migrants rather than Australia-born citizens. For example, Table 2.6 shows that there are 8742 persons in Greece who receive Australian income transfers. Hence, there has been a significant amount of return migration to Greece. There also is some evidence that young second-generation Australians of Greek heritage are part of this flow.

The third largest Australian expatriate community is in the US (106 410). It is clear that whereas the UK is a traditional destination of emigrants from Australia, the US has been increasing in importance over the last decade. The fourth largest expatriate community is in New Zealand (68 000). This is interesting in the context of the large trans-Tasman migration in the direction of Australia (Rapson 1996, 1998; Birrell and Rapson 2001; Catley 2001). Some of the flow involves the Australia-born children of New Zealand return migrants from Australia. There is a significant flow of skilled Australians across the Tasman, perhaps indicating that for many jobs, Australians and New Zealanders form a single labour market. At the 2001 New Zealand census, 56 259 persons were enumerated who indicated they were born in Australia (Ho and Muntz 2003). The fifth largest community of Australian citizens overseas is in Hong Kong (46 000). This is the largest of a number of expatriate communities in Asia based in Indonesia (12 000), Japan (10 651), Singapore (12 000) and Malaysia (4700).



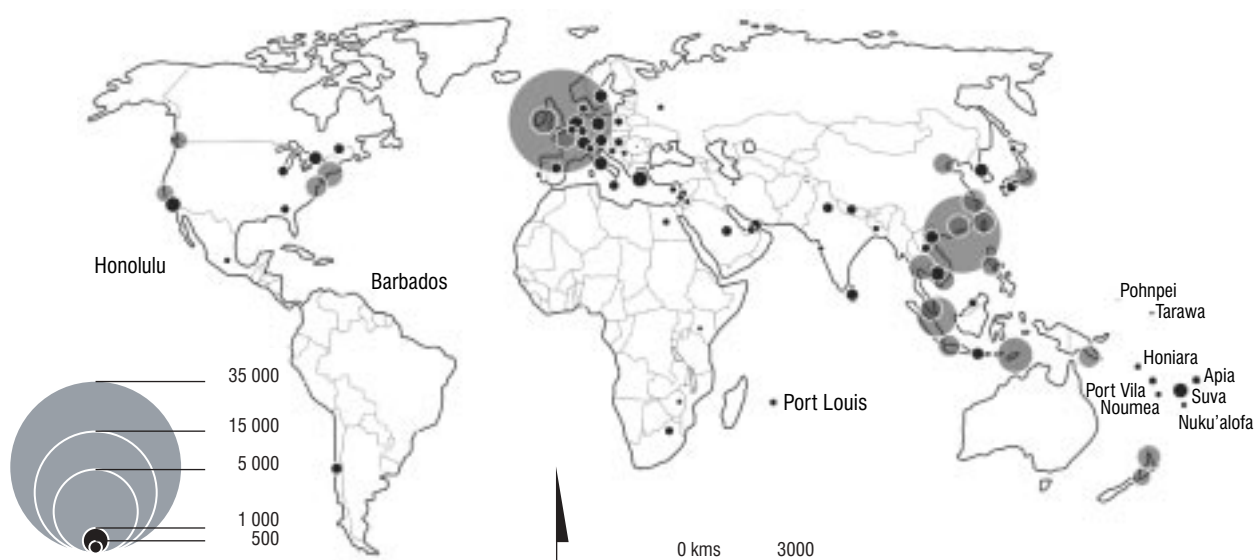
Table 2.6 Australia: Overseas pensions paid in fortnight ending 15 June 1992 and 26 June 2001

Country	Recipients		Amount \$A	
	1992	2001	1992	2001
Greece	7 555	8 742	2 023 062	2 783 318
Italy	10 661	24 638	1 623 884	3 176 345
United Kingdom	3 678	3 314	821 948	822 721
Turkey	1 294	1 869	332 256	591 811
Yugoslavia	1 166	1 070	320 513	354 186
Malta	1 214	n.a.	270 512	n.a.
Croatia	695	1 303	196 680	432 407
New Zealand	685	14	192 257	3 283
Spain	783	4 074	188 405	605 419
Portugal	512	1 141	137 325	284 008
Others	6 249	20 476	1 664 705	3 802 685

Source: Centrelink.

The distribution of Australians voting at overseas embassies and consulates in 2001 is depicted in Figure 2.3. The distribution is quite different to that depicted in Figure 2.2 because it represents only Australian residents who are overseas on a short-term basis and able to retain their right to vote. Two countries stand out – the United Kingdom and China. This reflects the large number of holiday-makers, business people and working holiday people in those two destinations.

Figure 2.3 Australians overseas voting in 2001 federal election



Source: Southern Cross 2002.



It is clear that 'onshore' settlement in Australia is increasing whereby people coming to the country as temporary residents of one kind or another apply to settle in the country.

With the increasing focus on economic criteria for selection in the Australian immigration program, it is likely that the extent of settler loss will increase.

3 Recent Developments In Australian Emigration

Australia recognises the following categories of international population movement for statistical purposes:

- Permanent movement – persons migrating to Australia and residents departing permanently.
- Long-term movement – visitors arriving and residents departing temporarily with the intention to stay in Australia or abroad for 12 months or more, and the departure of visitors and the return of residents who had stayed in Australia or abroad for 12 months or more.
- Short-term movement – travellers whose intended or actual stay in Australia or abroad is less than 12 months.

However:

- this depends upon the intentions of movers and these intentions may change over time so that there is significant 'category jumping'. It is clear, for example, that 'onshore' settlement in Australia is increasing whereby people coming to the country as temporary residents of one kind or another apply to settle in the country;
- there are, in fact, visa categories for entry into Australia which overlap these categories. For example, holders of Temporary Business Entrants visas may stay in Australia for periods of up to four years and hence overlap the short-term and long-term movement categories.

Trends in permanent emigration from Australia are depicted in Table 3.1 and Figure 3.1. A key distinction is made between former settlers who subsequently leave Australia, returning to their home country or moving to a third country, and Australia-born persons. This group has been discussed in some detail in the earlier monograph in this series (Hugo, Rudd and Harris 2001) and the focus here will be on the Australia-born component of the outflow. However, a couple of points need to be made here. The first is that with the increasing focus on economic criteria for selection in the Australian immigration program, it is likely that the extent of settler loss will increase because previous research has indicated that it is the highest skilled component of the immigration intake that is most prone to emigration from Australia (Hugo 1994). A second point relates to the fact that it is often suggested the return migration effect may have been understated in the data, since a significant number of the Australia-born are the children born in Australia to overseas-born returnees.

However, since the bulk of return migration occurs within the first five years of settlement, the numbers of such people are limited. Moreover, the return migration element is exaggerated to the extent that overseas-born persons who migrated to Australia as child dependents with parents decide to move out of Australia independently after they reach adulthood. Indeed, the numbers of this group are likely to be more substantial than the former so that at present the emigration of longstanding Australians is underestimated by the data on the outflow of Australia-born persons.

The important point for the present study is that there is a striking trend in Table 3.1 in the upsurge in the more or less permanent emigration of the Australia-born. The last year for which data are available showed a record number of Australia-born permanent departures (24 146) and in the ratio of departures to arrivals. It is apparent from Figure 3.2 that there was an upward trend in the numbers of Australia-born



There is a striking trend in the upsurge in the more or less permanent emigration of the Australia-born.

permanent departures in the 1990s and this is indicative of a greater tendency for Australia-born adults deciding to move overseas on a permanent basis. As was pointed out earlier, however, we need also to examine long-term as well as permanent outmovement of Australians to get a comprehensive picture, since there is considerable category jumping between the two categories.

Table 3.1 Australia: Permanent movement, financial years, 1968–2002

Financial year	Settler arrivals	Permanent departures					Departures as % of arrivals
		Former settlers*		Australia-born**		Total	
		No	% of departures	No.	% of departures		
1968–69	175 657	23 537	74.3	8 141	25.7	31 678	18.0
1969–70	185 099	26 082	72.3	10 000	27.7	36 082	19.5
1970–71	170 011	28 244	71.8	11 072	28.2	39 316	23.1
1971–72	132 719	32 280	72.8	12 439	27.8	44 719	33.7
1972–73	107 401	31 961	71.2	12 945	28.8	44 906	41.8
1973–74	112 712	26 741	67.8	12 699	32.2	39 413	35.0
1974–75	89 147	20 184	64.0	11 361	36.0	31 545	35.4
1975–76	52 748	17 150	62.5	10 277	37.5	27 427	52.0
1976–77	70 916	15 447	62.8	9 141	37.2	24 588	34.7
1977–78	73 171	13 972	60.5	9 124	39.5	23 096	31.6
1978–79	67 192	13 797	54.3	11 632	45.7	25 429	37.8
1979–80	80 748	12 044	54.7	9 973	45.3	22 017	27.3
1980–81	110 689	10 888	55.8	8 608	44.2	19 496	17.6
1981–82	118 030	11 940	57.2	8 940	42.8	20 890	17.7
1982–83	93 010	15 390	62.0	9 440	38.0	24 830	26.7
1983–84	68 810	14 270	58.7	10 040	41.3	24 300	35.3
1984–85	77 510	11 040	54.2	9 340	45.8	20 380	26.3
1985–86	92 590	9 560	52.8	8 540	47.2	18 100	19.5
1986–87	113 540	10 800	54.2	9 130	45.8	19 930	17.6
1987–88	143 470	10 716	52.3	9 755	47.7	20 471	14.3
1988–89	145 320	15 087	69.7	6 560	30.3	21 647	14.9
1989–90	121 230	19 458	69.8	8 399	30.2	27 857	23.0
1990–91	121 688	21 640	69.5	9 490	30.5	31 130	25.6
1991–92	107 391	19 944	68.5	9 178	31.5	29 122	27.1
1992–93	76 330	18 102	64.9	9 803	35.1	27 905	36.6
1993–94	69 768	17 353	63.6	9 927	36.4	27 280	39.1
1994–95	87 428	16 856	62.6	10 092	37.4	26 948	30.8
1995–96	99 139	17 665	61.6	11 005	38.4	28 670	28.9
1996–97	85 752	18 159	60.8	11 698	39.2	29 857	34.8
1997–98	77 327	19 214	60.1	12 771	39.9	31 985	41.4
1998–99	84 143	17 931	50.1	17 250	49.0	35 181	41.8
1999–2000	92 272	20 844	50.7	20 234	49.3	41 078	44.5
2000–01	107 366	23 440	50.4	23 081	40.8	46 521	43.3
2001–02	88 900	24 095	49.9	24 146	50.1	48 241	54.3

* Data 1988–89 to 2001–02 constitute permanent overseas-born departures due to a change in definition by DIMIA. Data prior to this constitute former settler departures.

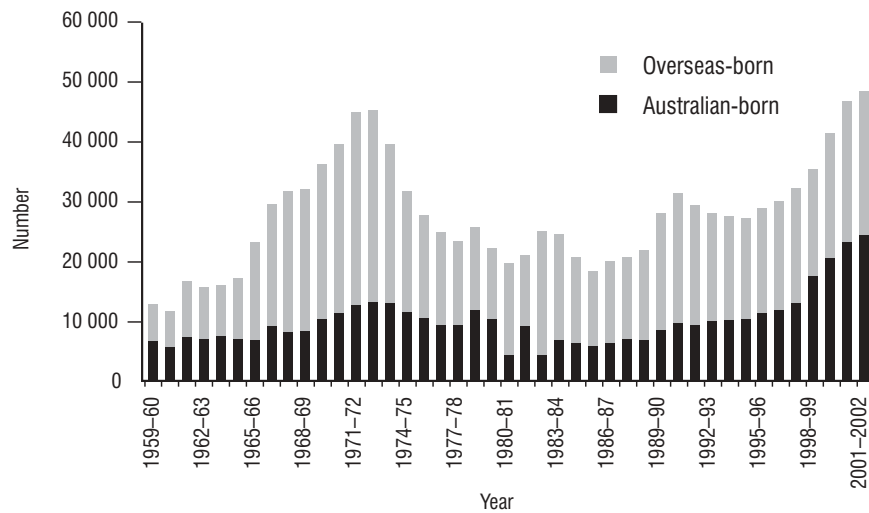
** Data prior to 1988–89 constitute permanent departures other than former settlers.

Sources: DIMIA, *Australian Immigration Consolidated Statistics and Immigration Update*, various issues.



Between 1998–99 and 2001–02 there was an increase in the number of long-term departures from Australia from 140 281 to 171 446 persons.

Figure 3.1 Permanent departures of Australia-born and overseas-born persons from Australia, 1959–60 to 2001–02

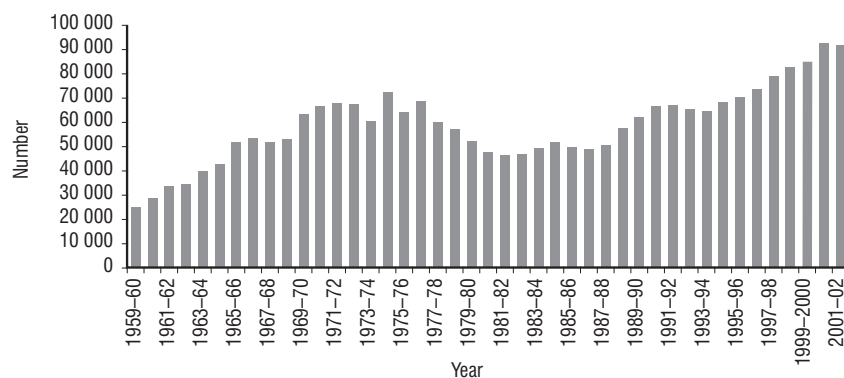


Sources: DIMIA, *Australian Immigration Consolidated Statistics and Immigration Update*, various issues.

In the pattern of long-term outmovement from Australia a similar pattern emerges. If we break the long-term departures into Australia-born and overseas-born in Table 3.2, this provides evidence of greater Australia-born movement out of Australia on a long-term basis.

Figure 3.2 shows that between 1998–99 and 2001–02 there was an increase in the number of long-term departures from Australia from 140 281 to 171 446 persons. The number who were Australian residents increased from 82 861 to 92 071 persons. In 2001–02 there was a net migration loss of 3 473 through ‘long-term’ movement among the Australia-born, compared with a net gain of 61 348 among the overseas-born. An upturn in the numbers of Australians leaving the country on a long-term basis is apparent in Figure 3.3.

Figure 3.2 Australian resident long-term departures from Australia, 1959–60 to 2001–02



Sources: DIMIA, *Australian Immigration Consolidated Statistics and Immigration Update*, various issues.



Table 3.2 Australia: Long-term movement, 1959–60 to 2001–02

	Arrivals			Departures			Net overseas movement		
	Australian residents	Overseas visitors	Total	Australian residents	Overseas visitors	Total	Australian residents	Overseas visitors	Total
1959–60	16 049	11 748	27 797	24 730	7 838	32 568	-8 681	3 910	-4 771
1960–61	16 870	13 320	30 190	28 542	11 823	40 365	-11 672	1 497	-10 175
1961–62	19 301	13 423	32 724	33 370	12 591	45 961	-14 069	832	-13 237
1962–63	21 376	13 971	35 347	34 324	13 219	47 543	-12 948	752	-12 196
1963–64	23 066	14 170	37 236	39 931	12 325	52 256	-16 865	1 845	-15 020
1964–65	24 065	16 484	40 549	42 702	13 640	56 342	-18 637	2 844	-15 793
1965–66	27 279	18 461	45 740	51 785	11 808	63 593	-24 506	6 653	-17 853
1966–67	31 161	20 078	51 239	53 750	12 707	66 457	-22 589	7 371	-15 218
1967–68	37 032	23 341	60 373	51 847	12 516	64 363	-14 815	10 825	-3 990
1968–69	37 376	24 442	61 818	53 296	13 817	67 113	-15 920	10 625	-5 295
1969–70	38 711	29 842	68 553	63 454	17 414	80 868	-24 743	12 428	-12 315
1970–71	43 554	31 225	74 779	66 463	19 928	86 391	-22 909	11 297	-11 612
1971–72	51 356	27 713	79 069	68 069	23 328	91 397	-16 713	4 385	-12 328
1972–73	58 292	26 733	85 025	67 379	23 579	90 958	-9 087	3 154	-5 933
1973–74	64 297	27 212	91 509	60 636	21 246	81 882	3 661	5 966	9 627
1974–75	60 239	23 615	83 854	72 397	24 386	96 783	-12 158	-771	-12 929
1975–76	60 224	21 687	81 911	64 475	21 528	86 003	-4 251	159	-4 092
1976–77	59 193	26 133	85 326	68 792	19 724	88 516	-9 599	6 409	-3 190
1977–78	57 311	28 043	85 354	60 099	19 194	79 293	-2 788	8 849	6 061
1978–79	60 947	34 064	95 011	57 255	21 216	78 471	3 692	12 848	16 540
1979–80	59 963	29 586	89 549	52 114	19 228	71 342	7 849	10 358	18 207
1980–81	59 871	34 220	94 091	47 848	18 778	66 626	12 023	15 442	27 465
1981–82	57 860	34 760	92 620	46 500	20 310	66 810	11 360	14 450	25 810
1982–83	48 990	30 740	79 730	47 020	25 440	72 460	1 970	5 300	7 270
1983–84	49 190	27 280	76 470	49 490	24 950	74 440	-300	2 330	2 030
1984–85	53 770	31 980	85 750	51 710	23 160	74 870	2 060	8 820	10 880
1985–86	56 560	37 250	93 810	49 690	24 670	74 360	6 870	12 580	19 450
1986–87	53 597	67 325	120 922	48 854	26 538	75 392	4 743	40 787	45 530
1987–88	54 804	43 978	98 782	50 499	28 054	78 553	4 305	15 924	20 229
1988–89	53 798	50 766	104 564	57 733	33 258	90 991	-3 935	17 508	13 573
1989–90	53 967	56 728	110 695	62 300	37 899	100 199	-8 333	18 829	10 496
1990–91	59 062	55 649	114 711	66 883	43 629	110 512	-7 821	12 020	4 199
1991–92	62 920	63 861	126 781	67 191	47 971	115 162	-4 271	15 890	11 619
1992–93	69 594	57 842	127 436	65 446	47 744	113 190	4 148	10 098	14 246
1993–94	75 600	62 000	137 600	64 786	47 921	112 707	10 814	14 079	24 893
1994–95	79 063	72 032	151 095	68 377	50 156	118 533	10 686	21 876	32 562
1995–96	79 206	84 372	163 578	70 253	54 133	124 386	8 953	30 239	39 192
1996–97	80 170	95 079	175 249	73 777	62 971	136 748	6 393	32 108	38 501
1997–98	84 358	103 756	188 114	79 422	74 872	154 294	4 936	28 884	33 820
1998–99	67 910	119 892	187 802	82 861	57 420	140 281	-14 951	62 472	47 521
1999–2000	79 651	133 198	212 849	84 918	71 850	156 768	-5 267	61 348	56 081
2000–01	82 893	158 311	241 204	92 945	73 431	166 376	-10 052	84 880	74 828
2001–02	88 598	175 873	264 471	92 071	79 375	171 446	-3 473	96 498	93 025

Source: DIMIA, *Australian Immigration Consolidated Statistics and Immigration Update*, various issues.



The last decade has shown a progressive annual increase in the numbers of Australians departing Australia.

The UK accounts for a third of Australians leaving on a permanent and long-term basis.

The second most important destination is the US.

Putting together the permanent departures of Australia-born and long-term departures of Australian residents, Table 3.3 shows that the last decade has shown a progressive annual increase in the numbers of Australians departing Australia. Over the decade the number of permanent departures increased by 146 per cent and long-term departures by 41 per cent. However, this underestimates the outflow to the extent that some Australians are effectively working and living overseas but return to Australia at least once a year and still regard Australia as a permanent place of residence but are regarded by DIMIA statistics as 'short-term' departures. Anecdotal evidence would suggest that this phenomenon is increasing, especially in the US and Asia.

Table 3.3 Permanent and long-term emigration of Australians, 1992–2002

Year	Australia-born permanent departures	Australian residents departing on a long-term basis	Total
1992–93	9 803	65 446	75 249
1993–94	9 927	64 786	74 713
1994–95	10 092	68 377	78 469
1995–96	11 005	70 253	81 258
1996–97	11 698	73 777	85 475
1997–98	12 771	79 422	92 193
1998–99	17 250	82 861	100 111
1999–2000	20 234	84 918	105 152
2000–01	23 081	92 945	116 026
2001–02	24 146	92 071	116 217

Source: DIMIA, unpublished data.

Turning to moves from Australia to particular countries, Table 3.4 shows that the UK accounts for a third of Australians leaving on a permanent and long-term basis. This, in fact, represents 17.1 per cent of permanent Australian emigration and 35.3 per cent of long-term outmovement. The numbers have more than doubled in the last decade. Females outnumber males but the gap appears to have closed in recent years. The second most important destination is the US, and Table 3.5 shows that the numbers increased between 1994 and 2001 but decreased in 2001–02, perhaps due to the impact of the September 11 terrorist attacks in New York and Washington. There is more of a balance between men and women in the movement to the US than is the case with the UK. There is estimated to be 7500 Australians working in Silicon Valley (*Asian Migration News*, 1–15 July 2001).

The third largest destination of Australians moving overseas on a permanent or long-term basis is New Zealand. In many respects, trans-Tasman migration has more in common with internal migration within Australia than with other international migrations influencing Australia (Hugo 2003a). In any respect, it is clear that for many, Australia and New Zealand constitute a single labour market.

The numbers of Australians moving to continental Europe are only around a quarter the size of that to the UK. However, Table 3.7 indicates that the numbers are increasing. It is interesting to speculate the extent to which this movement involves second-generation children of postwar immigrants from Europe who are able to utilise their language skills in the parent's birthplace.



One of the interesting developments in emigration in recent years relates to Asia ... the numbers have increased by 54 per cent since 1997.

Table 3.4 Permanent and long-term outmovement of the Australia-born who went to the United Kingdom, 1994–2002

Year	Total	Sex ratio (m/100f)	%
1994–95	14 657	71.5	28.3
1995–96	15 873	70.2	29.2
1996–97	17 812	74.5	30.9
1997–98	21 209	80.1	33.7
1998–99	25 210	79.3	33.9
1999–2000	26 493	79.0	33.1
2000–01	29 931	82.1	35.5
2001–02	30 739	81.9	36.5

Source: DIMIA Movements Data Base.

Table 3.5 Australia: Permanent and long-term outmovement of the Australia-born who went to the United States, 1994–2002

Year	Total	Sex ratio (m/100f)	%
1994–95	6 495	96.3	12.5
1995–96	6 821	97.9	12.6
1996–97	7 526	105.9	13.1
1997–98	8 236	102.8	13.1
1998–99	10 164	101.7	13.7
1999–2000	11 472	96.6	14.3
2000–01	11 739	95.9	13.9
2001–02	10 766	99.6	12.8

Source: DIMIA Movements Data Base.

One of the interesting developments in emigration in recent years relates to Asia. Table 3.8 shows that the numbers have increased by 54 per cent since 1997. It is clear that the Asian financial crisis of 1997–98 had a substantial impact on the numbers of Australian expatriates working in some countries. For example, Table 3.9 shows how

Table 3.6 Australia: Permanent and long-term outmovement of the Australia-born who went to New Zealand, 1994–2002

Year	Total	Sex ratio	%
1994–95	4 838	86.3	9.3
1995–96	5 408	89.1	10.0
1996–97	5 159	98.5	8.9
1997–98	5 125	97.0	8.2
1998–99	6 072	90.3	8.3
1999–2000	7 074	93.8	8.8
2000–01	6 175	91.7	7.3
2001–02	6 019	95.2	7.1

Source: DIMIA Movements Data Base.



The number of Australians moving to China on a permanent or long-term basis has more than doubled in the last five years.

Table 3.7 Australia: Permanent and long-term outmovement of the Australia-born to continental Europe, 1994–2002

Year	Germany	France	Other Europe
1994–95	738	473	3 963
1995–96	664	457	3 961
1996–97	713	457	4 057
1997–98	672	557	4 532
1998–99	845	630	4 985
1999–2000	904	684	5 401
2000–01	1 003	713	4 880
2001–02	622	406	4 986

Source: DIMIA Movements Data Base.

in Indonesia the numbers of Australian and New Zealand expatriate workers peaked in 1996 at 4120 but under the impact of the crisis fell dramatically to 1220 in 1998. It has subsequently recovered to 2670. It is interesting in the Asian context that it is not just the fast-developing, labour-short economies of Japan, South Korea, Taiwan, Hong Kong and Singapore that have been attracting expatriates. It is clear that many other Asian countries, such as Indonesia and Malaysia, have not been able to produce sufficient numbers of people with some skills needed for their fast-developing economies and there are substantial mismatches between the training and education systems and the skilled labour demands of a fast restructuring economy. Hence they have had to resort to the immigration of expatriates (Hugo 2000; Azizah 2000, 2001).

There is also evidence of Australians working in Asia without going through official channels in destination countries (*Asian Migration News*, 31 July 2001).

It is interesting to examine the trends in the flow of Australians to the main Asian destinations over recent years. Table 3.10 indicates that there are significant variations between countries. The impact of the crisis on the downturn is most strongly evident in Indonesia, but also in Malaysia and Hong Kong. Hong Kong and Singapore are the main Asian destinations of Australian expatriates, but Japan is also significant. Perhaps the dominant economic trend in Asia in recent years has been the increasing significance of the economy of China, which is not only growing rapidly but is also absorbing an increasing proportion of Asia's foreign direct investment (Buckman 2003). Accordingly, it is interesting to note that the number of Australians moving to China on a permanent or long-term basis has more than doubled in the last five

Table 3.8 Australia-born persons departing permanently and Australian citizens that have departed on a long-term basis to Asian countries, 1997–2002

	Permanent departures	Long-term departures	Total
1997–98	2 725	17 717	20 442
1998–99	6 899	17 779	24 678
1999–2000	8 738	17 744	26 482
2000–01	10 566	19 899	30 465
2001–02	11 314	20 103	31 417

Source: DIMIA, unpublished statistics.



The opening up of the Vietnamese economy in recent years is reflected in a doubling of the number of Australian expatriates moving to that country.

Table 3.9 Number of registered expatriate workers from Australia and New Zealand in Indonesia, 1993–2002

Year	Expatriate workers	
	Total	From Australia/ New Zealand
1993	37 817	2 809
1994	41 422	3 210
1995	57 159	3 564
1996	48 658	4 120
1997	35 213	3 854
1998	33 295	1 220
1999	21 276	2 294
2000	14 780	1 786
2001	19 890	2 191
2002	23 850	2 670

Source: Soeprobo 2003.

years. The numbers going to Vietnam are still small but the opening up of the Vietnamese economy in recent years is reflected in a doubling of the number of Australian expatriates moving to that country.

Table 3.10 Permanent and long-term departures of Australia-born Australian residents to major Asian destinations, 1998–2002

Year	Indonesia	Thailand	China	Malaysia	Singapore	Hong Kong	Japan	Vietnam
1997–98	2 050	1 066	1 365	1 630	3 271	7 210	2 246	594
1998–99	1 575	1 433	1 898	1 502	3 893	8 421	2 653	820
1999–2000	1 642	1 513	2 363	1 447	4 230	4 847	3 015	805
2000–01	1 807	1 626	2 519	1 382	5 363	6 859	3 645	978
2001–02	1 806	1 714	2 970	1 503	5 753	8 011	3 744	1 121

Source: DIMIA Movements Data Base.



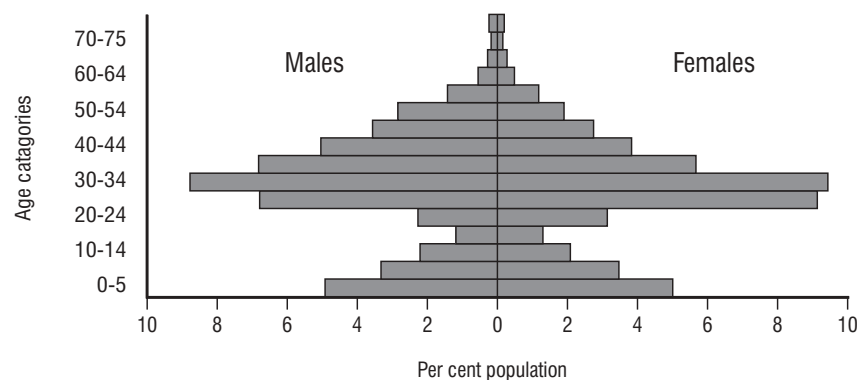
Young adults are predominant, especially among the long-term Australian departures.

4 Characteristics of Australian Emigrants

All migration is selective in that migrants are never a representative cross-section of the populations they leave or move to. Emigrants from Australia are no different. Like all migration, the movement is selective by age (Hugo 1994, 67–73). This is evident in Figure 4.1 and Figure 4.2 which show the age–sex distribution of the Australia-born permanent emigrants and the Australian resident long-term departures. It is clear that in both cases there is a preponderance of young adults. The main differences are compared with the Australian resident population in Table 4.1, which indicates that young adults are predominant, especially among the long-term Australian departures. The very low representation of dependent children among the latter reflects the fact that many long-term departures are young singles and couples, especially those who are intending to take extended working holidays.

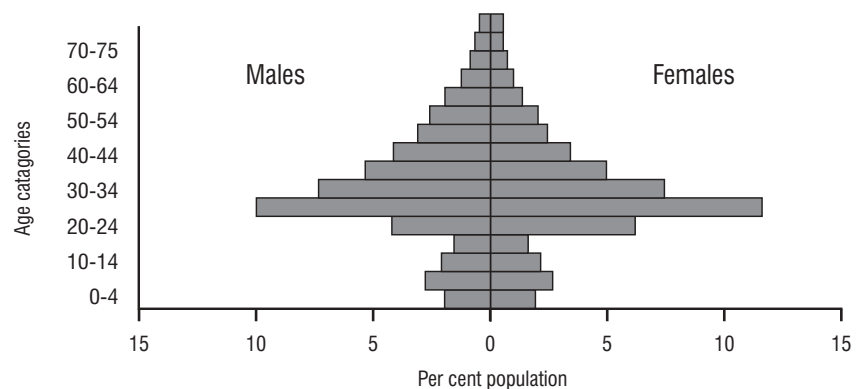
Table 4.2 presents the age-specific net migration of Australians leaving on a permanent or long-term basis. It will be noticed that the net losses are again strongly concentrated in the young adult age groups. In the long-term movement, the pattern of Australian residents leaving in their 20s and returning in their 30s is apparent. There is also some evidence of people returning in their retirement age.

Figure 4.1 Australia: Permanent departures of the Australia-born, 2001–02



Source: DIMIA Movements Data Base.

Figure 4.2 Australian resident long-term departures, 2001–02



Source: DIMIA Movements Data Base.



Table 4.1 Australia: Age distribution of total population, settlers, permanent departures of the Australia-born and long-term departures of Australian residents, 2001–02

Age	Total Australia %	Permanent arrivals %	Long-term Australian resident departures %	Permanent Australia-born departures %
0–4	6.6	8.9	5.4	9.9
5–19	21.3	22.7	10.3	13.5
20–34	21.1	38.7	51.6	39.4
35–59	34.1	27.1	29.5	35.0
60+	16.8	2.6	3.2	2.2
Total	100.0	100.0	100.0	100.0

Source: DIMIA Movements Data Base

Table 4.2 Australia: Net migration of Australian residents by long-term migration and of Australia-born by permanent migration by age, 2001–02

	Long-term (residents)			Permanent (Australia-born)		
	In	Out	Net	In	Out	Net
0–4	3 385	4 964	–1 579	171	2 385	–2 214
5–9	4 740	3 810	+930	69	1 637	–1 568
10–14	3 693	2 572	+1 121	76	1 033	–957
15–19	2 834	3 111	–277	46	597	–551
20–24	9 111	14 348	–5 237	30	1 293	–1 263
25–29	19 072	20 543	–1 471	22	3 841	–3 819
30–34	13 008	12 641	+367	12	4 389	–4 377
35–39	9 112	8 616	+496	3	3 012	–3 009
40–44	6 694	6 667	+27	2	2 183	–2 181
45–49	4 925	4 979	–54	2	1 515	–1 513
50–54	4 029	4 229	–200	2	1 132	–1 130
55–59	2 914	2 654	+260	2	639	–637
60–64	1 900	1 291	+609	1	255	–254
65–69	1 349	782	+567	–	121	–121
70–74	988	515	+473	2	73	–71
75+	844	409	+435	3	92	–88
Total	88 598	92 071	–3 473	443	24 146	–23 703

Source: DIMIA Movements Data Base.

There are some variations in the age selectivity of emigration to various destinations as Table 4.3 shows. The UK is dominated by the 20–34 age group, reflecting the strong involvement of young Australians on extended working holidays based in the UK. More of those travelling to the US are older, reflecting the fact that many move there as part of the career cycle and to gain upward mobility in their profession. It is interesting that workers moving to Asia are older than those moving on a long-term basis to other areas. This indicates that a lot of the Australians go there after several decades of work experience. Table 4.4 shows that more Australia-born persons leaving Australia permanently are concentrated in the dependent child age groups and this

The UK is dominated by the 20–34 age group, reflecting the strong involvement of young Australians on extended working holidays based in the UK. More of those travelling to the US are older, reflecting the fact that many move there as part of the career cycle.



The balance of males and females in emigration shows that among permanent departures of the Australia-born, males outnumbered females in 2001–02 but among Australian resident long-term departures, females slightly outnumber males.

Table 4.3 Australian resident long-term departures by age, 2001–02

Destination	Age					Total
	0–4	5–19	20–34	35–64	65+	
UK	2.7	6.0	76.4	14.2	0.7	31 628
US	5.9	13.4	46.2	33.7	0.7	9 606
New Zealand	5.0	11.9	31.3	51.4	1.2	4 808
Canada	3.7	8.0	45.3	42.5	0.5	3 424
Singapore	7.6	10.1	25.4	56.2	0.7	5 381
Hong Kong	5.4	9.1	24.4	59.5	1.7	6 392
Indonesia	6.9	11.4	21.2	59.5	1.0	1 921
Philippines	5.9	13.0	16.3	58.7	6.1	820
China	8.2	9.1	22.5	57.4	2.9	2 551
Japan	3.8	5.2	44.8	46.1	0.2	4 815

Source: DIMIA Movements Data Base

reflects the fact that many are the Australia-born children of former immigrants who were now leaving the country (e.g. in the case of New Zealand). However, some also move as part of young families emigrating as in the case of China. Again, the older age of Australians going to Asia is in evidence. Similarly, the younger age of adult Australians going to the UK is apparent among the permanent emigrants.

Table 4.4 Australia-born permanent departures by age, 2001–02

Destination	Age					Total
	0–4	5–19	20–34	35–64	65+	
UK	3.9	5.9	37.9	51.6	0.6	7 389
US	4.2	7.9	29.8	57.4	0.7	5 370
New Zealand	15.7	18.7	32.4	31.0	2.3	3 859
Canada	7.9	8.7	28.8	52.4	2.3	970
Singapore	7.1	11.5	25.7	55.6	0.2	2 187
Hong Kong	8.7	9.8	26.4	54.7	0.3	1 763
Indonesia	12.2	12.2	15.3	59.9	0.4	524
Philippines	15.2	14.6	9.9	56.7	2.9	171
China	22.8	19.7	16.0	41.4	–	618
Japan	5.3	5.4	36.7	52.3	0.3	772

Source: DIMIA Movements Data Base

The balance of males and females in emigration shows that among permanent departures of the Australia-born, males (12 176) outnumbered females (11 970) in 2001–02 but among Australian resident long-term departures females (30 392) slightly outnumber males (29 767). However, Table 4.5 indicates that there are significant variations between flows to particular destinations. In the flows to the UK, females are significantly more numerous than males. This partly reflects the fact that women outnumber men in the working-holiday scheme, which is significant in this flow. However, it is also apparent that women outnumber men in the flow to other European countries, especially to Southern Europe. In New Zealand there is a difference between permanent departures, where women are more numerous, and males in the long-term departures. This is also the pattern in the US and Canada. For



One of the most prominent issues relating to emigration from Australia is the fact that it is undoubtedly selective of the more highly educated, more skilled parts of the population.

Asian and Middle Eastern destinations, males are in the majority, reflecting the dominance of people moving to work on contracts for fixed periods of time. There is a female dominance in the flow to the United Arab Emirates where the flow of Australian nurses and teachers is significant.

Table 4.5 Permanent emigration of Australia-born and long-term resident departures, sex ratios 2001–02

Country of destination	Permanent departures of Australia-born		Long-term departures Australian residents	
	Number	Sex ratio	Number	Sex ratio
UK	5 098	81.5	25 641	81.1
Ireland	294	98.6	1 331	97.5
Germany	308	93.7	722	104.5
France	238	87.4	545	89.2
Italy	184	50.8	365	90.7
Greece	115	55.4	309	63.7
Netherlands	281	114.5	525	100.4
Switzerland	279	87.2	447	103.2
New Zealand	3 859	90.1	2 160	104.9
US	3 974	90.9	6 792	105.0
Canada	736	87.8	1 950	107.4
Singapore	1 651	115.5	2 137	122.1
Hong Kong	1 320	148.1	1 624	118.0
Japan	523	171.0	2 422	119.6
Papua New Guinea	331	221.4	1 288	165.6
China	527	148.6	946	132.4
Indonesia	450	164.7	933	143.0
Thailand	298	192.2	881	148.9
Malaysia	284	147.0	771	126.1
Saudi Arabia	127	130.9	382	81.0
UAR	431	86.6	524	68.5
Total	24 146	101.7	60 159	97.9

Source: DIMIA Movements Data Base.

One of the most prominent issues relating to emigration from Australia is the fact that it is undoubtedly selective of the more highly educated, more skilled parts of the population. Firstly, we can examine the workforce participation rates of emigrants in Table 4.6, and it is apparent that both among permanent departures of the Australia-born and long-term departures of Australian residents, the levels of workforce participation are higher than both for the total Australian population and permanent settler arrivals. This holds for males and especially for females. Table 4.7 also indicates that emigrants have very low levels of unemployment as well.



Table 4.6 Workforce participation rates, 2002: Australia-born permanent departures, Australian resident long-term arrivals and departures, permanent settler arrivals and total population

	Male					Female				
	Permanent departures %	Long-term departures %	Permanent arrivals %	Long-term arrivals %	Total population %	Permanent departures %	Long-term departures %	Permanent arrivals %	Long-term arrivals %	Total population %
15–19	19.0	25.7	14.7	9.6	50.3	21.8	29.9	15.1	10.9	52.7
20–24	81.2	80.3	73.9	70.4	83.5	75.7	82.8	55.3	72.7	76.1
24–29	95.1	93.6	94.7	94.0	89.8	87.1	92.1	73.8	91.2	73.4
30–34	95.3	95.6	97.5	97.4	90.9	81.6	86.6	73.9	85.3	67.5
35–39	95.6	95.7	97.6	98.1	90.4	73.6	75.7	69.7	77.2	68.9
40–44	98.8	96.3	98.0	98.5	89.8	72.5	76.9	66.7	72.7	74.5
45–49	94.7	96.5	98.1	98.3	88.5	73.0	78.1	65.9	72.2	75.6
50–54	92.9	91.0	95.8	95.3	84.3	68.2	72.3	62.8	64.4	67.8
55–59	88.6	90.7	89.4	87.3	72.6	62.9	60.8	52.5	53.4	50.0
60–64	83.2	78.0	72.4	69.5	49.6	30.2	55.2	28.5	31.3	24.6
65+	32.0	52.3	23.1	27.5	11.7	17.0	29.3	10.0	11.1	4.7

Source: DIMIA Movements Data Base and ABS 2001 Census.

It is clear that the bulk of emigrants out of Australia are from high skill occupation areas.

Table 4.7 Per cent of workforce unemployed, 2002: Australia-born permanent departures, Australian resident long-term arrivals and departures, permanent settler arrivals and total population

	Males %	Females %
Permanent departures (Australia-born)	0.5	1.1
Long-term departures (Australian resident)	0.5	0.6
Permanent arrivals	6.4	7.6
Long-term arrivals (Total)	0.9	1.2
Total population	8.0	6.6

Source: DIMIA Movements Data Base and ABS 2001 Census.

It is clear that the bulk of emigrants out of Australia are from high skill occupation areas. Table 4.8 shows that over two-thirds of all Australia-born permanent departures and Australian resident long-term departures are managers, administrators, professionals and para-professionals. This is clearly much higher than among the Australian resident workforce, indicating a high degree of selectivity. Table 4.8 also indicates that the Australian emigration is more selective of some high level occupations than is the inmovement of settlers to Australia. In fact, there has been a substantial convergence in the occupational profile of immigrants and emigrants since a study undertaken a decade ago (Hugo 1994). This is a function of the increasing economic focus being placed on immigrant selection in Australia over recent years (Richardson, Robertson and Ilsley 2001). It should be noted, however, that this process is likely to lead to an increase in the rate of settler loss since it is these highly skilled immigrant groups who in the past have tended to leave Australia at a higher rate than those with lower level skills (Hugo 1994). It is interesting that in New Zealand immigrants are more skilled than emigrants (Glass and Choy 2001), perhaps partly reflecting the lack of a workforce or points test being applied to trans-Tasman immigrants to Australia (Hugo 2003).



Overall, Australia undoubtedly experiences a brain gain. However, in 2001–02 more managers and administrators left Australia permanently than came to live here.

Table 4.8 Per cent of workforce in managerial, administrative, professional and associate professional occupations, 2002

	Males %	Females %
Permanent departures (Australia-born)	77.0	66.3
Long-term departures (Australian resident)	71.0	68.3
Permanent arrivals	69.5	67.8
Long-term arrivals (total)	73.3	66.6
Total population	40.8	39.1

Source: DIMIA Movements Data Base and ABS 2001 Census.

Table 4.9 makes a direct comparison between the occupations of permanent settler arrivals and those of permanent departures from Australia. It indicates clearly that, overall, Australia undoubtedly experiences a brain gain. However, it will be noted that in 2001–02 there were in fact more managers and administrators who left Australia permanently than came to live here. It must be borne in mind, of course, that many managers/administrators and other service executives now come to Australia under the visa category 457 Temporary Business Migrant.

In tables such as Table 4.9, it is important not to make a simple ‘one for one’ comparison. In the past, many immigrants faced difficulties in adjusting to the labour market and society generally in Australia, so that their ability to use their skills may be less than is the case for Australians. There has been analysis, for example, of immigrant engineers (Hawthorne 1994; Smith 1996) which has shown the barriers imposed by language problems, lack of local knowledge, different training systems etc. The amendments to the immigration program have considerably reduced such problems.

Table 4.9 Australia: Per cent arrivals and departures 2001–02 by occupation

Occupation	Settler arrivals		Permanent departures		Difference
	Number	%	Number	%	
Managers and Administrators	5 269	12.4	5 609	18.4	-340
Professionals	19 589	46.2	12 174	40.0	+7 415
Associate professionals	4 316	10.2	3 260	10.7	+1 056
Tradespersons	4 667	11.0	2 052	6.7	+2 615
Advanced clerical and service	1 130	2.7	1 076	3.5	+54
Intermediate clerical and service	3 887	9.2	3 701	12.1	+186
Intermediate production and transport	1 038	2.4	625	2.1	+413
Elementary clerical, sales, service	1 786	4.2	1 437	4.7	+349
Labourer and related workers	737	1.7	535	1.8	+202
Total workforce	42 419		30 469		
Total in employment		47.7		63.2	
Not in employment	3 370	3.8	378	0.8	+2 992
Not in labour force	38 169	42.9	15 734	32.6	+22 435
Not stated	4 942	5.6	1 660	3.4	+32 82
Total	88 900	100.0	48 241	100.0	+40 659

Source: DIMIA, 2002.



There has been a continuous increase in the outflow of Australians with medical skills.

One occupational area with substantial shortages in contemporary Australia relates to health care, especially nurses. Table 4.10 shows that there has been a continuous increase in the outflow of Australians with medical skills. In fact, there was an expansion in 1998–99 in the areas included in this category, as are indicated in Appendix 1. Despite these changes, it is clear that the numbers are increasing. This applies to registered nurses.

Table 4.10 Australia: Permanent and long-term departures of health care professionals 1991–92 to 2001–02

Year	Total permanent departures with health care skills	Permanent departures of registered nurses	Total long-term departures with health care skills	Long-term departures of registered nurses
1991–92	523	345	3 455	1 825
1992–93	539	349	3 524	1 777
1993–94	527	333	3 463	1 709
1994–95	505	316	3 418	1 640
1995–96	538	314	3 786	1 767
1996–97	553	321	3 903	1 881
1997–98	566	299	4 122	1 836
1998–99	1 253	613	4 080	1 804
1999–2000	1 443	689	4 192	1 878
2000–01	1 484	702	4 334	1 881
2001–02	1 574	773	4 474	1 977

Note: Between 1996 and 1997 the grouping of health care skills changed.
Source: DIMIA Movements Data Base.

5 The Australian Emigration Survey 2002

Investigation into the Australian expatriate community is quite difficult because there is no comprehensive listing available of the group. Indeed, we know little of their characteristics because, unlike the population resident in Australia, they are not at present included in the Australian population census. Research into the group is made difficult by the lack of a sampling frame from which a random sample could be selected to provide a representative profile of expatriates.

This study, in facing this problem, examined a number of possibilities involving incomplete sampling frames and adopted a dual strategy. In doing this it was decided at the outset that it would concentrate on highly skilled expatriates. This was done for the following reasons:

- Much of the concern about emigration from Australia relates to 'brain drain' issues and the loss of skills and human resources which are important for economic, social and cultural development of the nation.
- The previous section has demonstrated the fact that almost three-quarters of Australia-born emigrants are in managerial, administrative and professional occupations.

The first part of the research strategy was to attempt to sample a cross-section of recent graduates from Australian universities. Australian universities are increasingly improving their records of alumni and it was decided to ask a group of universities to send questionnaires to recent graduates whose current address in alumni records was not in Australia. Of course, with the recent rapid increase in the number of foreign students studying in Australian universities it was necessary only to include Australian residents in the sample. While in general this worked well, some questionnaires were sent to foreign students and had to be excluded from the study. Accordingly, a number of universities were approached to be involved. They were selected to represent states, regional and capital city and older and more recently developed universities. The participating universities are presented in Table 5.1. Arrangements were made to distribute the questionnaires with a covering letter to a sample of their members who could be identified as both Australia-born/citizens and living overseas.

Table 5.1 Australian universities alumni associations distributing the emigration questionnaire

	Number of questionnaires dispatched
Charles Sturt	250
Edith Cowan	310
Monash	500
QUT	350
Southern Cross	20
University of Adelaide	320
Tasmania	200
University of South Australia	125
UNSW	350
Flinders University	350
New England	791
UWA	401
Total	3 967

Where such an identification was not possible, questionnaires were sent to a sample



This study concentrates on highly skilled expatriates.

The first part of the research strategy was to attempt to sample a cross-section of recent graduates from Australian universities.



One of the striking findings of the study was the proliferation and growing strength of expatriate Australian organisations, most of them using the Internet in effective ways.

of their overseas resident membership. Recipients of these questionnaires were given the option of returning completed questionnaires either by reply paid envelope, fax or going online and completing the questionnaire electronically.

The process of sending out the questionnaires began in February 2002. The final cut-off date for receiving questionnaires was December 2002. It extended over a considerable period because it was necessary to rely upon the co-operation of the participating universities in sending out the questionnaires to protect the privacy of their alumni. The researchers then necessarily had to wait until the universities had the time to send out the questionnaires.

A second part of the strategy involved a snowball technique, whereby a number of relevant groups agreed to publicise the survey on their websites and in their newsletters. This included a brief statement of the project and an invitation for Australia-born emigrants, or Australian citizens currently resident overseas, to complete the questionnaire. A link was provided for interested persons to access the online questionnaire, complete it and submit it. This form of assistance was provided by the following alumni associations:

- Melbourne University
- Edith Cowan
- Charles Sturt
- QUT

We also negotiated assistance in contacting the target group with a number of expatriate organisations who agreed to advise their membership about the project through their electronic newsletters, and urged them to complete the online questionnaire through the link provided. One of the striking findings of the study was the proliferation and growing strength of expatriate Australian organisations, most of them using the Internet in effective ways. It would be highly useful for a separate study of these organisations be made to see the extent to which they are representative of all Australian expatriates.

Overall, 2072 useable questionnaires were returned. There were several hundred others returned which were completed by people who were not Australian expatriates or were incomplete. Of these, 1327 were returned from alumni. This represents a response rate of 33.5 per cent, which was considered to be a relatively high response, especially considering the fact that many questionnaires were returned because the address was not correct. There were 745 useable questionnaires achieved by the second strategy of soliciting responses from advertising the survey. In total, the number of useable postal questionnaires returned was 1056 and the number of online returns was 1016. One result of the study was the success of the online questionnaire. These were generally well completed and often contained lengthy informative narratives about the expatriate experience, which proved highly useful in the study.

A copy of the questionnaire is included in Appendix 2. The aim of the survey was to more fully understand the emigration process and to assess the economic and social consequences of the increasing number of young and educated Australians seeking to live overseas. The survey was designed to identify the characteristics of emigrants, 'their reasons for leaving and their intentions to return to live in Australia', their current employment and family situations and how they may have changed since leaving Australia. Moreover, the survey included questions on the perceptions of respondents about the benefits for Australia of them being overseas and whether they



The survey sheds considerable light on the nature of the Australian expatriate community and the issues and problems which they consider important.

still call Australia home. The questionnaire was necessarily limited in size and contained a number of closed questions as well as some open questions. The final question gave respondents the opportunity to comment on their expatriate experience. These were extensively utilised by many respondents and contained a great deal of valuable information.

In addition to the survey, a substantial number of in-depth interviews were undertaken by the chief researcher with Australian expatriates in several locations in Asia (Jakarta, Singapore, Bangkok), the UK and the US. Presentations were made to meetings of expatriates in London and New York, and this provided a substantial opportunity to talk in detail with expatriates about issues which concern them. These face-to-face detailed discussions were most useful in adding detail to the survey findings. Like the survey, they did not provide representations of the total expatriate community but they did include a range of people including some groups not well represented in the survey, especially expatriates of longer standing.

Surveying the Australian expatriate community is extremely difficult. It would be extremely useful if DFAT records could be used for surveying but privacy restrictions prevent this.

The present survey is biased in a number of ways:

- It represents predominantly relatively recent departures from Australia. It would be useful to include a range of expatriates, including those who have spent long periods overseas. Many such people were interviewed in-depth during the fieldwork phase of the study and it would be important in future surveys to include this group.
- The study is biased towards expatriates who are linked in to organisations like alumni groups and expatriate organisations. Expatriates who are not involved in these organisations are underrepresented.
- The study is biased towards people who are computer literate and on the Web.
- The study over-represents professional workers and under-represents managerial and administrative workers.

Despite these limitations, it is considered that the survey sheds considerable light on the nature of the Australian expatriate community and the issues and problems which they consider important. This has been evident from:

- a number of talks and discussions with Australian expatriates by the lead researcher. The researchers have maintained contact with expatriate groups and given talks to groups of expatriates and written in their magazines;
- a regular flow of emails from expatriates that has been received over the life of the project.

Table 5.2 shows the distribution of respondents by where they were living at the time of the survey. Some two-thirds were living in the US (34.6 per cent) or in the UK and Ireland (31.9 per cent); about 20 per cent were in Asia (9.8 per cent) and in other European countries (9.9 per cent), with roughly 10 per cent in Canada and New Zealand, leaving only a small representation of less than 5 per cent in the rest of the world. Comparisons with the DFAT numbers shown earlier would indicate that the survey is over-representative of expatriates in the UK and the US. This is to be expected, given the fact that there is a bias in the sample towards highly skilled emigrants and these clearly are the main destinations of such Australian emigrants.



The UK and the US are clearly the main destinations of highly skilled Australian emigrants.

There is under-representation of Greece, reflecting the fact that returned emigrants were a group of expatriate Australians not targeted in the study.

Table 5.2 Male and female respondents by country of residence overseas

Country/region currently living	Number	Per cent	Sex ratios
US	717	34.6	139.0
UK and Ireland	661	31.9	104.0
Other Europe	206	9.9	131.5
Northeast Asia	110	5.3	175.0
Canada	102	4.9	183.3
Southeast and South Asia	94	4.5	161.1
New Zealand	83	4.0	88.4
Other overseas	56	2.7	80.6
Other Oceania	43	2.1	163.6
Total	2 072	100.0	125.5

Source: Emigration Survey 2002.

Table 5.3 Selected characteristics of respondents by major destination countries

	USA and Canada %	UK and Ireland %	Asia %	Other Overseas %	Total %
Born in Australia	82.8	79.1	78.9	79.1	80.6
Has Australian citizenship	81.2	72.9	86.8	78.0	78.5
Left Australia 1990-2002	57.0	72.9	71.3	61.5	64.5
Aged <35 years	33.8	53.0	28.4	30.7	38.8
Male	59.0	51.0	62.7	52.8	55.6
Married (including defacto)	74.6	62.0	72.0	70.9	69.6
Families with children	36.0	25.9	37.3	35.9	32.9
In the labour force	86.6	92.1	91.6	88.1	89.2
In labour force full-time	90.7	89.5	90.3	88.3	89.8
Employed on contracts	16.2	23.6	40.8	28.9	23.5
Employed as professionals	86.5	90.9	90.8	89.1	88.9
Has postgraduate degree	47.2	34.0	42.6	42.9	41.7
Home owners	51.4	39.3	24.5	40.5	42.9
Incomes >AUS\$200,000+	29.6	16.0	24.4	12.1	21.5

Source: Emigration Survey 2002.

The particular characteristics of the sampled expatriates and their variation between some of the main destination areas are shown in Table 5.3. Like the total population, around 80 per cent were Australia-born with a similar percentage holding Australian citizenship. Almost two-thirds of respondents had left Australia between 1990 and 2002, although a higher percentage of those now living in the UK and Ireland, and also in Asia, had left in that period than was the case for respondents in the US and Canada. This is reflected in the younger age structure of the UK respondents, with 53 per cent aged under 35 years and a more even balance in the number of males and females. Moreover, proportionately there were more married respondents in the US



and Canada (74.6 per cent) compared with the UK and Ireland (62 per cent), where there was a larger unmarried population. This clearly impacts on family structure and only a quarter of the respondents in the UK and Ireland lived in family households with children compared with 36–37 per cent in the other destination countries.

Table 5.3 also shows the exceptionally high labour force participation of respondents (89.2 per cent), with slightly higher rates in the UK and Ireland, and also in Asia due primarily to a lower percentage of older respondents. Virtually all of the respondents were employed on a full-time basis, but it is interesting to note that almost a quarter (23.5 per cent) were on fixed-term contracts, indicating perhaps a high degree of future potential mobility among the group.

Many of the Australians moving to Asia do so on fixed-term contracts (40.8 per cent), but the proportion in the US and Canada (16.2 per cent) was lower. As expected, most (88.9 per cent) employed respondents were in professional occupations in all destinations and a high percentage have postgraduate degrees (42 per cent). This was most notable for respondents living in the US and Canada, with 47.2 per cent to 34 per cent in the UK and Ireland. Home ownership was also notably higher for respondents in the US and Canada and lowest for those in Asia. However, respondents earning income in excess of \$A200 000 per year were over-represented in the US and Canada (29.6 per cent), as well as in Asia (24.4 per cent). There was a much lower representation of high income earners among respondents in the UK and Ireland (16 per cent), and also the other group of overseas destinations (12.1 per cent).

The data collection exercise undertaken for this study cannot be seen as presenting a representative cross-section of all Australian expatriates. This will be taken by some as a reason for ignoring the findings of the study. This would be a mistake. There is no representative sampling frame of Australians living and working overseas. This does not mean that the diaspora is not important and that it does not have rights, does not experience a number of problems and that there is no need for the Australian government to consider the issues which are of special significance to the more than 4 per cent of Australians who live in foreign nations. Data availability should not dictate what is important. This study does provide important insights into an area which is regarded globally as being of increasing significance since it does represent the views of a substantial number of Australians currently living overseas.

Virtually all of the respondents were employed on a full-time basis, but it is interesting to note that almost a quarter were on fixed-term contracts, indicating perhaps a high degree of future potential mobility among the group.



6 Reasons for Emigration from Australia

The most favoured response of both males and females for leaving Australia was 'better employment opportunities'.

The four most popular responses given by males were all related to better employment aspirations in respect to professional development, promotion and higher income. This was similar for females but not to the same extent.

Examination of the causes for any form of migration is difficult. The responses given to question such as 'Why Did You Move?' often tell only part of the story. They may reflect, to some extent, the thing that triggered the movement rather than the underlying causes. *Post hoc* rationalisation of the reasons for movement can also occur. Survey respondents were asked to respond to a list of specified reasons and were given the opportunity of responding to several reasons. In Table 6.1 the responses to each of the reasons are ranked by popularity of the total response and clear differences are evident in the ranking of male and female responses. However, the most favoured response of both males and females for leaving Australia was 'better employment opportunities', although it was somewhat higher for males (49.3 per cent) than for females (34.2 per cent). Indeed the four most popular responses given by males were all related to better employment aspirations in respect to professional development, promotion and higher income. This was similar for females but not to the same extent as for males, with a much higher response to both 'marriage/partnership' and also 'partner's employment'. The responses to 'lifestyle' were very similar for males and females at about 23 per cent, and as such, the only major response not showing a significant difference between them. The lowest responses were for 'to be close to friends/family', 'to establish a business' and 'separation/divorce'. Education was also not shown to be a major factor in the decision of males and females to emigrate.

Table 6.1 Reasons given by male and female respondents for emigration (percentage indicating 'yes' to a list of specified reasons)

Reasons ranked by popularity of total response	Males	Females	Persons
	(n=1153) %	(n=919) %	(n=2070) %
Better employment opportunities	49.3	34.2	42.6
Professional development	42.9	27.4	36.1
Higher income	38.2	25.1	32.4
Promotion/career advancement	28.9	17.2	23.7
Lifestyle	22.2	23.8	22.9
Marriage/partnership	17.0	29.1	22.3
Overseas job transfer	23.1	14.7	19.4
Education/study	16.0	12.5	14.5
Partner's employment	4.6	21.4	12.1
To be close to family/friends	4.4	7.0	5.6
To establish/expand business	4.3	.8	2.8
Separation/divorce	1.2	2.1	1.6

Source: Emigration Survey 2002.

Table 6.1 highlights the importance of considering the responses of males and females separately, as the total response conceals differences between them. Females were much more likely to give reasons relating to marriage or partner's employment, and males were more inclined to state employment and career opportunities, as well as higher income. However, overall it is clear that employment and career aspirations are the major attractions of overseas destinations for both males and females, with females more likely than males to follow partners in respect to their employment but still clearly drawn to employment opportunities on offer overseas.

There are some variations between destination areas. 'Better employment opportunities' had the highest response among respondents living in the US and Canada, and in



Asia, which was also the case for those indicating 'higher income'. It was interesting that 23 per cent of respondents in the US and Canada gave 'overseas job transfer' as a reason for emigrating, compared with only 11.6 per cent of emigrants now living in the UK and Ireland, and 20.5 per cent in Asia. The other major discrepancy was in the response to 'lifestyle', with respondents in the UK and Ireland much more likely to give this as a reason for going overseas than those living in the US and Canada. Of particular note, a higher percentage of respondents in the US and Canada (27 per cent), indicated that 'marriage/partnership' was important in their decision to emigrate, compared with only 16.3 per cent in the UK and Ireland and 12.7 per cent in Asia.

The dominance of work-related reasons for emigration reflects the fact that the globalisation of labour markets is an important element in the increasing flow of workers between nations. More intra-company transfers are now international, while more Australians than ever before work for companies and organisations which have a head office outside Australia and/or have branches outside Australia. In addition, in considering their options for the future, more Australians than ever before are looking at work opportunities in other countries and this is facilitated by web-based advertising of jobs, increased leisure travel, more Australians than ever before having overseas-born parents and overseas based families. This is overlaid by widespread rite of passage working holiday emigration after completing education or in the early years of employment. While this is a long-established pattern for young Australians, its scale has increased due to relative cheapening of overseas travel, the development of working holiday visas in many countries, higher levels of education and so on.

It is important to realise that in the early postwar era, almost all Australians operated within labour markets bounded by a state so that they would see the capital city of the state as the centre of gravity of that labour market. Increasingly, those labour markets were extended to encompass the nation, with the centre being in Sydney and, to a lesser extent, Melbourne. However, in the globalising world of the last decade the boundaries of labour markets have extended further, so that many look to global cities such as London and New York as the centre of gravity of their labour market.

There is a strong element of the 'pull' of overseas countries influencing the decision to emigrate. However, in detailed responses and in discussions with expatriates, a minority also expressed a 'push' factor in their decision to leave Australia. This was expressed as an aversion to the so-called 'tall poppy syndrome' in Australia. This related to a perception that there was a failure for Australia to fully acknowledge and reward high achievement.

The dominance of work-related reasons for emigration reflects the fact that the globalisation of labour markets is an important element in the increasing flow of workers between nations. More intra-company transfers are now international, while more Australians than ever before work for companies and organisations which have a head office outside Australia and/or have branches outside Australia.



7 Links with Australia

Virtually all of the very young emigrants (aged 20–24 years) considered Australia ‘home’, but as age increased the percentage steadily declined, with only 53 per cent of respondents aged 65 years or more answering likewise.

The strength with which many expatriate Australians continue to identify with Australia is evident, even among those who have lived away from Australia for an extended period.

Some emigration countries have programs to encourage their expatriates to retain their identity with their homeland. Italy and The Philippines present some examples.

In the reawakening of global interest in diaspora, one of the main issues relates to the extent to which expatriates identify with, relate to and keep links with their homeland. These issues were addressed in the Australian survey and one of the striking findings in the survey and in discussions with expatriates was the depth of feeling experienced by many expatriates about Australia. In order to establish the extent to which expatriates continued to identify with Australia they were asked whether they still called Australia home. There was an extremely positive response, with some 79 per cent of respondents claiming it to be ‘home’. There was a notable difference between males and females, with 85 per cent of females saying Australia was still ‘home’ compared with 75 per cent of males (Table 7.1). Virtually all of the very young emigrants (aged 20–24 years) considered Australia ‘home’, but as age increased the percentage steadily declined, with only 53 per cent of respondents aged 65 years or more answering likewise. This response was clearly related to the amount of time spent overseas, with only 67 per cent of those respondents who left before 1990 considering Australia to be ‘home’ compared with 85.4 per cent of respondents who left after 1990.

It was interesting that the country in which residents were currently living had only a marginal influence on the response to still considering Australia ‘home’. The main determinant was the citizenship of the respondent. Respondents holding Australian citizenship and, to a lesser extent, those with dual citizenship, were far more likely to indicate Australia to be ‘home’. By contrast, only a little more than a third of respondents with sole citizenship of other countries perceived Australia to be ‘home’.

Table 7.1 Response given by male and female respondents to ‘still call Australia home’

Still call Australia home	Males %	Females %	Persons %
Yes	75.1	84.7	79.3
No	20.2	12.3	16.7
Undecided	4.7	3.0	4.0
Total	100.0 n=1153	100.0 n=919	100.0 n=2072

Source: Emigration Survey 2002.

Some 93.6 per cent of respondents planning to return still considered Australia to be ‘home’ which compared with 43.5 per cent of those not returning and 76 per cent of those who stated that they were undecided at the time of the survey. Moreover, the actual birthplace of respondents also showed a considerable difference in response, with those born in Australia much more likely to call Australia ‘home’ (83 per cent) compared with 64.3 per cent of respondents who were born overseas and were residents who had left Australia.

The strength with which many expatriate Australians continue to identify with Australia is evident, even among those who have lived away from Australia for an extended period, have a spouse from their new country and children who identify with that country and no intentions of returning to live in Australia. However, those people have little chance of being involved in any aspect of Australian life. Some emigration countries have programs to encourage their expatriates to retain their identity with their homeland. Italy and The Philippines present some examples. Some countries have introduced representation of their diaspora in their national parliaments and indeed in the public meetings held in this study, a small number of expatriate



Australians expressed frustration at not being able to vote in Australian national elections. The strength of identity among expatriate Australians was expressed in the large numbers of submissions made to the Australian government from expatriates regarding the issue of dual citizenship. This was understandably a factor in the government move in 2002 to allow dual citizenship for Australians for the first time.

Respondents were asked a set of questions relating to what they thought were the benefits to Australia of them living overseas. There was a very high positive response, with 79.6 per cent of respondents perceiving that their presence overseas had benefits for Australia. It was interesting that there were few differences between respondents, whether male or female, or based on their current country of residence.

When asked specifically about the benefits, the most popular responses given by about two-thirds of respondents were '*creating goodwill towards Australia*' and '*skills transferable back to Australia*', which was similar for males and females. Over 50 per cent of respondents thought that the contacts they had made would be useful for other Australians, while others saw benefits arising from linkages between Australia and the countries in which they were currently living. The lowest ranked response related to the creation of business and trade links with Australian companies, with 26 per cent of males and only 13 per cent of females indicating this as a benefit. Moreover, when providing other reasons than those listed it is interesting that 43 per cent of respondents claimed that they were being 'good ambassadors for Australia', while a further 26 per cent indicated that they invested and spent money in Australia that they earned overseas.

While the proportion indicating they have created business and trade linkages for Australian companies only included a fifth of respondents, it must be recalled that many of the respondents are not in jobs where there is opportunity to create such linkages. These results would suggest there is considerable potential to utilise the Australian diaspora as beachheads to embed Australian business in international markets.

In examining the perceived benefits for Australia by destination country of respondent, respondents in the UK and Ireland were more likely to perceive that their skills were transferable back to Australia and slightly less likely to see themselves as creating goodwill towards Australia. Those living in Asia were far more likely to view their presence overseas as being useful in providing contacts for other Australians, and although there was a lower response to the idea of linking the two countries together, there was a higher response given to creating business and trade links.

There were also questions included in the survey that asked emigrants whether they had returned at any stage to live in Australia since moving overseas. It was found that one-fifth of respondents had moved back to Australia to live and almost two-thirds of them were males. Some 29.4 per cent of respondents currently living in Asia had returned to Australia to live, while only 14.5 per cent of respondents in the UK and Ireland and 18.6 per cent in the US and Canada had done so. Moreover, it was found that only 13.6 per cent of respondents aged less than 35 years had come back to live, compared with 22.1 per cent of those aged between 35 and 49 years and 25.5 per cent aged 50 years or more.

Of particular note, those respondents currently living in Asia and in the other group of overseas countries, including Africa, New Zealand, and the other European countries outside the UK and Ireland, had higher rates of return. The higher incidence of contract employment evident among respondents in these countries no doubt leads to greater mobility and the likelihood of spending time back in Australia.

Respondents were asked a set of questions relating to what they thought were the benefits to Australia of them living overseas. There was a very high positive response, with 79.6 per cent of respondents perceiving that their presence overseas had benefits for Australia.

These results would suggest there is considerable potential to utilise the Australian diaspora as beachheads to embed Australian business in international markets.



Work was by far the most predominant reason for returning to Australia.

Regular visits home were considered to be important in retaining linkages with Australia, and respondents were asked about the frequency of trips to Australia. Only a small percentage of respondents had not returned for a visit.

In examining the reasons given by respondents who returned to live, work was by far the most predominant reason for returning to Australia. This was especially the case for males, with 72 per cent returning to work compared with 55.7 per cent of females. Females were more likely to return for family, almost 25 per cent, and also for study (17.1 per cent).

Regular visits home were considered to be important in retaining linkages with Australia, and respondents were asked about the frequency of trips to Australia. Only a small percentage of respondents (13.6 per cent) had not returned for a visit. Males were found to be more frequent visitors than females, with 23.8 per cent claiming that they had made ten or more visits compared with 16.4 per cent of females. As the age of respondents increased, there was a corresponding increase in the number of visits back to Australia. It was found that some 43 per cent of the older population (aged 50+ years) had made at least ten visits compared with 4.6 per cent of those aged less than 35 years. This matched closely with when emigrants had left Australia, with almost three-quarters of respondents who had left before 1990 having made five or more visits compared with only a quarter of those who had left since 1990.

As expected, the frequency of visits to Australia varied significantly by country of residence, with those respondents currently living in Asia making the most visits and only 8 per cent not visiting at all. Indeed, some 60.8 per cent visited Australia five or more times compared with only 30.3 per cent of those living in the UK and Ireland and 44 per cent of respondents in the US and Canada. Clearly the closeness of Asia and the quite distinctive differences in employment, as well as business linkages, are largely responsible for the higher frequency of visits to Australia.

It was interesting to find that 50.7 per cent of respondents currently employed in the education sector had made at least five or more visits since locating overseas. By contrast, only 35.7 per cent of those in business and finance had visited Australia at least five times. Employed respondents who had not visited Australia were relatively evenly spread across all industry categories at 12–14 per cent.

A major determinant of visits to Australia by respondents living overseas was income. As income levels (in Australian dollars) increased, there was a marked increase in the frequency of visits, with 57.9 per cent of those 439 respondents with income greater than \$200 000 having visited five times or more since locating overseas. Some 20 per cent of those respondents earning under \$100 000 had not made any visits since leaving and only about one-third had made five or more visits. This clear relationship between visits and income is closely related to the fact that most of the more established respondents overseas were older and had left Australia some years ago, allowing time for several visits. They were also the most likely to have good jobs overseas. Many of the young emigrants, who were less well established, may not only have had less expendable income, but as yet have not had sufficient time to return very regularly to Australia.

About 90 per cent of respondents primarily came back to visit family. The next popular response was to have a holiday, with a response of 58 per cent. Moreover, these two dominant reasons tended to show a similar level of response for males and females. However, the responses to business and work were much lower and were more popular among male respondents. Some 26.2 per cent of males indicated that business was a reason for visiting compared with only 9.9 per cent of females.

It is interesting that the reasons for visits to Australia tended to differ for respondents in Asia, although the overall ranking of responses remained the same for the major destination countries. Some two-thirds of respondents currently living in Asia indicated that they visited for a holiday, compared with 53 per cent of those living in the US and Canada. They also gave a higher response to work and study compared with respondents residing in the US and Canada, as well as the UK and Ireland. Indeed, respondents in the UK and Ireland gave the lowest response to business as their reasons for visiting – only 12.8 per cent compared with 23 per cent in the US and Canada, with similar levels in Asia and the other countries. The closeness of Asia obviously not only generates a higher frequency of visits to Australia but also many of those visits are taken as breaks for holidays, as well as business, work and study. It was interesting that of the 53 respondents who gave additional reasons for visits, some 87 per cent indicated that research and conferences were important reasons for visiting Australia.



Respondents in the UK and Ireland gave the lowest response to business as their reasons for visiting Australia.



8 Do Australian Emigrants Return?

Respondents were asked in the survey about their intentions to return to Australia to live and 50 per cent of the respondents definitely intended to return.

Respondents in the US and Canada were the least likely to come back ... Those in Asia were the most likely to return.

Clearly, one barrier to return is partnering with a non-Australian after emigrating.

A key question in considering a diaspora is the extent to which expatriates remain in a foreign country. From a policy perspective, of course, the rate of return is crucial. Superficially, it would appear that the DIMIA classification of departures into permanent and long-term separates Australian expatriates into those who do not and those who do intend to return. However, the intentions stated on departure cards at the time of departure can be modified by experience and there is significant category jumping. An analysis of DIMIA data to establish the extent of category jumping between long-term and permanent departures would be possible if permission could be obtained to match names on departure and arrival cards. In the absence of such data, however, it is interesting to examine the responses to the survey relating to intentions to return to Australia.

Respondents were asked in the survey about their intentions to return to Australia to live and Table 8.1 shows that 50 per cent of the 2072 respondents definitely intended to return, with a third of the remainder being undecided. There was only a small difference between males and females in response, with a higher proportion of females undecided about returning to Australia at this stage. Some 19.3 per cent of males indicated that they would not return compared with 14.6 per cent of females. Of particular note, the age of respondent appeared to be a major determinant of intentions to return. As age increased, the number of 'yes' responses decreased and the 'no' responses increased significantly. Those respondents indicating that they were undecided remained relatively consistent at around 30 per cent or so, showing that both young and old emigrants were leaving their options open and not committing to a firm decision.

Table 8.1 Intentions of male and female respondents to return to Australia to live

Intention to return	Males %	Females %	Persons %
Yes	50.0	51.6	50.7
No	19.3	14.6	17.2
Undecided	30.8	33.8	32.1
Total	100.0 n=1153	100.0 n=919	100.0 n=2072

Source: Emigration Survey 2002

Respondents in the US and Canada were the least likely to come back, with 44.8 per cent indicating return intentions. Those in Asia (60.8 per cent) were the most likely to return again, indicating the large number of fixed-term contract workers in Asia. A relatively high 55.2 per cent of respondents in the UK and Ireland were positive about returning and those in other overseas destinations shared the overall response of 50 per cent. Although there are significant differences in the respective destinations, it can be assumed that the much younger age structure of emigrants to the UK and Ireland tended to generate a higher response to returning, as younger emigrants were much more likely to indicate that they would return.

Clearly, one barrier to return is partnering with a non-Australian after emigrating. Hence in the survey, questions were included on the birthplace and citizenship of the spouse of respondents, as well as any changes that may have occurred in marital status since they first moved overseas. It was found that 67.3 per cent of male respondents and 72.3 per cent of females had spouses born overseas. In total, of the 1416 respondents with a spouse or partner, only 30.6 per cent were Australia-born.



While work-related factors were dominant among the reasons for emigration, lifestyle and family were overwhelming in the reasons given for returning to Australia.

There was little difference in the popularity of reasons for returning to Australia to live by destination country.

Respondents with spouses born overseas were not as likely to return to Australia as those with Australia-born spouses. In fact, 38.4 per cent of male respondents and 42 per cent of females had experienced a change in marital status since going overseas. The majority of them had married since going away (76 per cent of males and 79 per cent of females), while the remainder had divorced, with only a few widowed. Of those 673 respondents who had married or met partners overseas, only 12.8 per cent of males and 10.5 per cent of females had married Australia-born spouses and were more likely to remain overseas.

Married respondents were also asked about the citizenship of their spouse, and it was found that only a third had Australian citizenship and a further 7.9 per cent had dual citizenship, 20 per cent US and 14 per cent British, while about one-quarter held citizenship of other overseas countries. Respondents with spouses who also held Australian citizenship were the most likely to have plans to return to Australia (68.6 per cent), as well as those with dual citizenship (55 per cent), compared with about 37 per cent of those with spouses who did not.

Survey respondents were also asked the reasons for intending to return to Australia and it is apparent from Table 8.2 that these are in sharp contrast to those reasons they gave for initially leaving Australia (Table 6.1). While work-related factors were dominant among the reasons for emigration, lifestyle and family were overwhelming in the reasons given for returning to Australia. Women were more likely to indicate 'family' as a reason for returning – 75 per cent of females compared with 68.4 per cent of males. However, there was not a similar difference in respect to work as one might expect between males and females, with only 16.8 per cent of males and 14.3 per cent of females indicating that it was a reason for returning. There was little difference in reasons given between different age groups, although young emigrants gave a higher response to lifestyle and family than was the case for the older population. It was also interesting that there was little difference in the popularity of reasons for returning to Australia to live by destination country. Nevertheless, the attraction of Australia in relation to lifestyle was greatest among emigrants living in the UK and Ireland (89.6 per cent), and also Asia (87.9 per cent), and the least favoured by those living in the 'other' group of destination countries (72.2 per cent). Some 80 per cent of respondents living in the US and Canada gave lifestyle as a reason for intending to return to Australia. Family was an important factor for some 75 per cent of respondents in the US and Canada, and in the UK and Ireland, but slightly less so for those in Asia and elsewhere overseas. It was interesting that 'work' as a reason for returning was highest (20 per cent) among emigrants living in the grouped other overseas locations and lowest for respondents living in Asia.

Table 8.2 Reasons given by male and female respondents who stated that they intended to return to Australia to live (percentage indicating 'yes' to a list of specified reasons)

Reasons for intending to return (Ranked by popularity of total response)	Males (n=576) %	Females (n=474) %	Persons (n=1050) %
Lifestyle	82.6	83.1	82.9
Family	68.4	75.3	71.5
Work	16.8	14.3	15.7
Education	8.9	10.3	9.5

Source: Emigration Survey 2002.



Almost two-thirds of respondents intending to return to Australia were going to remain overseas for two years or longer.

A higher percentage of those emigrants unemployed or in part-time work indicated that they would return within two years compared with those in full-time employment.

Employment, career and income-related factors were deterrents to returning to Australia.

Almost two-thirds of respondents intending to return to Australia were going to remain overseas for two years or longer, with more females intending to return to Australia sooner than was the case for males. Emigrants living in the UK and Ireland were the most likely to return within the two-year period. Respondents in Asia were the least likely to do so, followed closely by those living the US and Canada, with some 70 per cent indicating two or more years before returning.

Respondents who had left Australia before 1990 were more likely to indicate that it would be two or more years before they would return to Australia, some 72.5 per cent compared with 60.5 per cent of those who left after 1990. Clearly, this is associated with the age distribution of persons intending to return within two years. Almost 50 per cent of respondents aged in their 20s and early 30s who intended to return had intentions of doing so within two years. This contrasted markedly with respondents in their late 30s through to late 50s, where only about 30 per cent intended to return within two years. For those over 60 years of age, about 45 per cent had intentions of returning within a year or two.

From the analysis, it is clear that the longer the period overseas and the older the emigrant, it is not only more likely that they do not intend to return but those who do have intentions of returning plan to do so in the longer term rather than in the short term. Another interesting dimension relates to their employment status, with a higher percentage of those emigrants unemployed or in part-time work indicating that they would return within two years compared with those in full-time employment. Some 51 per cent of those respondents employed on contracts stated that they would return within two years compared with one-third of those in permanent employment. This corresponds with the higher percentage of contract workers (61.6 per cent) compared with permanent workers (49.7 per cent) who said that they intended to return to Australia to live.

In examining return migration, it is also important to examine the reasons given by emigrants for intending not to come back to Australia. Table 8.3 shows that employment, career and income-related factors were deterrents to returning to Australia. The fact that many were established in their current location was also a major reason for not intending to return, as was having a non-Australian partner. This was especially the case for females, with 37.3 per cent of females indicating this as a reason for not returning compared with 18 per cent of males. By contrast, males were much more likely to indicate personal tax and business opportunities than was the case for females. Other reasons such as *'children grown up here'* and *'family and friends here'* showed very little difference between males and females. It is interesting that the *'cost of relocating back to Australia'* and also the response to *'no equivalent jobs in Australia'* had a relatively low response as factors in the decision not to return.

It is apparent that the attraction of employment and the associated benefits, opportunities to earn higher income and perceived better career development feature strongly in the decision to stay overseas. There appears to be little negativity expressed specifically about Australia in respect to jobs. The responses also show that education and training/skill development supplied by employers were not popular reasons for staying overseas. Of particular note, there is a close correspondence between the most predominant reasons given for emigration from Australia and the reasons given by the bulk of the respondents for not intending to return to Australia.



Table 8.3 Reasons given by male and female respondents who stated that they were undecided or not intending to return to Australia to live (n=1022) (percentage indicating 'yes' to a list of specified reasons)

Reasons ranked by popularity of total response	Males %	Females %	Persons %
Better employment opportunities here	51.5	37.5	45.4
Established in current location	44.5	36.2	40.9
Career and promotional opportunities here	45.9	34.2	40.8
Higher income here	46.3	32.8	40.4
Marriage/partnership keeps me here	34.0	43.1	38.6
Lifestyle more attractive here	32.4	28.3	30.6
Partner's employment here	18.0	37.3	26.4
Family/friends here	25.0	24.7	24.9
More favourable personal income tax regime here	28.6	15.7	23.0
Children grown up here	22.7	22.9	22.8
No equivalent jobs in Australia	19.8	14.2	17.3
Cost of relocating back to Australia	15.1	19.1	16.8
Business opportunities here	22.0	9.2	16.4
Better educational institutions for training here	6.6	8.5	7.4
Better employer and work based training here	6.6	6.5	6.6
More favourable business tax regime here	8.7	2.5	6.0
Custody of children	2.4	3.1	2.7

Source: Emigration Survey 2002.

Respondents in the US and Canada not intending to return mentioned employment and income benefits as reasons. The UK and Ireland appear to be more favoured in respect to lifestyle as well as family and friends; however, employment opportunities and the fact that they are established in their current location remain the dominant reasons for not returning. Respondents residing in Asia gave a strong response to higher income but a lower response to better employment opportunities and career prospects, and were not as likely to say that they were permanently established in their current location.

Lifestyle was also favoured by 47.5 per cent of respondents living in Asia, which was higher than for those respondents in the US and Canada (24.3 per cent) and the UK and Ireland (32.4 per cent). Another major difference was the more favourable personal tax regime favoured by 51.3 per cent of those respondents living in Asia compared with 25.7 per cent in the US and Canada and 16.2 per cent in the UK and Ireland. Moreover, the costs associated with relocation back to Australia were perceived to be less of a deterrent for those emigrants in the UK and Ireland, as well as Asia, than was the case in the US and Canada, and those living in other overseas locations. Respondents in the US and Canada were also more likely to indicate that their children had grown up there (30 per cent) than elsewhere, indeed this was cited by only 6 per cent of respondents living in Asia. This is no doubt related to the older age structure of those respondents living in the US and Canada, who were also more likely to be married and living in family households with children and therefore more likely to encounter difficulties in returning to Australia.

Respondents in the US and Canada not intending to return mentioned employment and income benefits as reasons. The UK and Ireland appear to be more favoured in respect to lifestyle as well as family and friends; however, employment opportunities and the fact that they are established in their current location remain the dominant reasons for not returning.



Respondents who indicated that they would not return or were undecided were also asked a question about what was required to attract them back to Australia.

Over forty per cent wanted a better job or higher salary, or at least one equivalent to what they currently had overseas.

Table 8.4 Events or incentives required to bring respondents back to Australia by sex (Respondents who were undecided or not returning)

Events/incentives to return	Males %	Females %	Persons %
Better job/salary	41.0	41.5	41.2
Children/family reasons	18.8	30.2	23.9
Not an option/Not likely	9.1	8.2	8.7
Change in personal situation/finances	8.9	3.9	6.7
Changes to tax/retire benefits/stronger \$A	7.5	3.6	5.7
Citizenship/Visa issues	6.2	4.1	5.3
Changed conditions in Australia	5.0	4.9	4.9
Global war/terrorism	3.5	3.6	3.6
Total	100.0 (n=483)	100.0 (n=388)	100.0 (n=871)

Source: Emigration Survey 2002

Respondents who indicated that they would not return or were undecided were also asked an open question about what was required to attract them back to Australia to live. Table 8.4 shows that 41.2 per cent of the 817 respondents offering some suggestions wanted a better job or higher salary, or at least one equivalent to what they currently had overseas. It is interesting that males and females gave proportionately the same response to job/salary incentives but differed markedly in respect to children/family reasons relating to children who had grown up overseas, and indicating that all the family would have to be enticed to move back to Australia. Males were also more likely to say that changes had to be made to personal finances, and to tax and retirement benefits and a stronger Australian dollar, although the overall response was low. Similarly, only 3.6 per cent of respondents indicated that the idea of global war and terrorism would bring them home. In this respect it is worth mentioning that the survey was undertaken after the 11 September 2001 incident in New York and Washington. It is also interesting that about 9 per cent of respondents took the opportunity to reiterate that returning was either not an option or not likely.

A better job or higher salary were the most prominent responses among respondents in the US and Canada (43.7 per cent) and also in the 'other' destination countries, and lowest among those living in Asia (34.3 per cent). Changes in personal income tax and a stronger Australian dollar were given a higher response from respondents in Asia, as was the case with the response to global war and terrorism. Children and family factors were most important to respondents living in the UK and Ireland (28.7 per cent), with only 20 per cent in the US and 18.6 per cent in Asia providing this answer as an incentive to return.

9 Policy Considerations

This study has included a major but selective survey of more than 2000 Australians living in foreign countries, as well as a number of in-depth interviews with several expatriates. This in no way can be considered representative of the full Australian diaspora, so in some ways it is premature to make definitive policy recommendations regarding emigration and diaspora in Australia. Taking a survey of a representative profile of Australians living overseas would be a substantial undertaking, as is being found in the US where an attempt is being made to undertake a census of US citizens abroad in 2004 (US Bureau of Census 2002a, 2002b). It would require both much larger resources than were available to this study, as well as access to Commonwealth of Australia data sets which were not made available to the present researchers.

Nevertheless, the findings of this study cannot be dismissed, since in fact they are quite representative of a substantial group among the diaspora – graduates of Australian universities in recent years. Moreover, there has been substantial input from other parts of the diaspora. It must be reiterated that there are important sub-groups in the diaspora who were under-represented among those spoken to, such as expatriates of long-standing, returned immigrants from Australia and people without Australian university qualifications. However, it is argued here that it would be irresponsible not to heed the directions for policy which the results of the survey and in-depth interviews have indicated.

What follows has been distilled from the detailed work undertaken here. In the absence of sampling frames that would have allowed a totally representative sample of the diaspora to be interviewed, it is suggested that they be given some consideration.

It also needs to be said at the outset that while the discussion here is about the Australian ‘diaspora’ it must be understood that the diaspora is by no means a homogeneous group. They must not be considered as undifferentiated. It is clear that there are several distinct sub-groups among them, including highly skilled groups, returned former settlers to Australia, sojourning young people, and so on. They are highly differentiated by age, background, occupation, and a large number of characteristics. Accordingly, in considerations of policy it is likely that all issues will not be of equal significance to all groups in the diaspora and this needs to be borne in mind in the discussion of policy issues.

An emigration policy?

Australia experiences a substantial net gain of skilled people through international migration. This has been interpreted by some as indicating that the increasing flow of young Australians – most of them with high levels of skills that are in demand in the national labour force, as has been demonstrated here – is not a matter of concern, nor should it be the subject of any policy intervention. This report takes an alternative position for the following reasons:

- While there is a net gain of skilled people, the evidence is largely in terms of the paper qualifications of immigrants and emigrants. Could it be that emigration is selective of the ‘best of the best’? Could it be that it is the top flight researchers, innovators, business people and so on, that go, while those who come are, while highly qualified and significant assets to the labour force, not the ‘highest flyers’ in their areas of expertise? In a world where innovation, being at the leading edge of technological development and application, and so on, are crucial, there may be concerns. We do not have definitive evidence of this, and it would be useful to undertake some detailed case studies of emigration in particular strategic areas to make an analysis of the ‘quality’ of immigrants and emigrants to investigate this issue.



The diaspora is by no means a homogeneous group. There are several distinct sub-groups, including highly skilled groups, returned former settlers to Australia, sojourning young people, and so on. In considerations of policy it is likely that all issues will not be of equal significance to all groups in the diaspora.

While there is a net gain of skilled people, the evidence is largely in terms of the paper qualifications of immigrants and emigrants. Could it be that emigration is selective of the ‘best of the best’?



Australia has been successful in its ability to attract highly skilled people, both as permanent settlers and temporary residents.

However, all OECD nations are now active in recruiting such people and the competition is becoming even fiercer.

Globally, there is an emerging awareness and appreciation 'that a highly skilled diaspora may play several important roles in promoting development at home'.

Several nations, especially the fast-growing economies of Asia, have developed policies to encourage the return of skilled expatriates.

- Similarly, in a highly competitive market for skilled people, why shouldn't Australia both have the advantages of immigrant, as well as homegrown talent? Moreover, if the Australians have the added advantage of having spent time in foreign countries enhancing their skills and making useful connections, then they can contribute even more to Australia.
- Australia has been highly successful in its ability to attract highly skilled people to Australia, both as permanent settlers (Richardson, Robertson and Ilesley 2001) and temporary residents (Khoo, Voight-Graf and Hugo 2003). However, all OECD nations are now active in recruiting such people and the competition is becoming even fiercer. Why, then, shouldn't part of Australia's immigration program be to attract Australia's expatriates with the types of skills being recruited in the immigration program to return to their homeland? They have the experience, knowledge and networks to successfully settle in Australia.
- Globally, there is an emerging awareness and appreciation 'that a highly skilled diaspora may play several important roles in promoting development at home' (Lucas 2001, i). This has been achieved through remittances and providing a source of foreign investment, especially investments which generate employment. Moreover, they can 'act as middlemen, enhancing information flows, lowering reputation barriers and enforcing contractual arrangements, resulting in an expansion of capital inflows from foreigners, as well as from the diaspora and of trade links too' (Lucas 2001, i).
- Several nations, especially the fast-growing economies of Asia, have developed policies to encourage the return of skilled expatriates. Return migration has always been important, but there may be policies which can facilitate and enhance this type of flow.

Much of the attention here has been focused on the increased outmovement of Australia-born persons on a long-term or permanent basis. It needs to be reiterated that *Australia is not experiencing a net brain drain*. As previous studies (e.g. Hugo 1994; Smith 1996; Lewis and Stromback 1996; Birrell et al. 2001) have shown, immigrants to Australia in all skill groups outnumber those leaving the country. Indeed, net gains of skilled persons have increased in recent years. Certainly, one has to be careful of differences between the incoming and outgoing flows in levels and types of expertise, training and so on. Undoubtedly at present there is occurring a net outmigration of Australia-born in particular skill areas. It was shown (Hugo, Rudd and Harris 2001), for example, that while Australia is reaching a net gain of people with IT skills, a net loss of Australia-born with these skills was reached. Smith (1996) has shown that this pattern has long existed for engineers. There has been considerable research documenting the difficulties of skilled immigrants from non-English-speaking backgrounds in adjusting to the Australian context. Hawthorne (1994), for example, identifies the following barriers to engineers from such backgrounds gaining jobs in their areas of expertise:

- Lack of experience in the Australian context, which is often required by employers.
- Inadequate English language ability.
- Lack of knowledge of networks and appropriate strategies for job-seeking.
- Different technological requirements in the Australian context.
- Cross-cultural issues.



It is clear that in the period since Hawthorne's work was undertaken many of these elements have been reduced in effect through changes in immigration policy (Richardson et al. 2001). Quite clearly, Australia cannot be portrayed as experiencing a brain drain. Indeed, it is experiencing an overall net brain gain and a substantial 'brain circulation' in line with many other countries.

Does this mean that there should be no policy concern whatsoever about the emigration of the Australia-born? It is the argument here that this is not the case, although there is a need for more detailed investigation into the behaviour and intentions of the Australia-born emigrants. In a world where national prosperity is increasingly shaped by innovation and the timely and appropriate application of innovation, human resources are crucially important to the national economy. There is an increasing amount of international competition for the best qualified people in the new economy. All OECD nations and many countries outside them have specific policies to attract international talent in areas such as information technology, management, engineering, research and so on. Figure 9.1, for example, indicates some recent policy initiatives by OECD nations in this area. Hence, Australia is competing with an increasingly large number of countries for a limited pool of talent. Even countries which have long had strong anti-immigration policies, like several European nations and Japan, now are striving to attract such migrants.

Figure 9.1 Recent policy initiatives in OECD countries to attract foreign talent

Canada (Quebec Province): The provincial government of Quebec is offering 5 year Income tax holidays (credits) to attract foreign academics in IT, engineering, health science and finance to take employment in the provinces universities.

European Union: As a follow up to the Bologna Charter on education, efforts are underway to harmonise educational certification and qualification systems among member countries in order to foster greater student mobility within the EU.

Finland: The government has taken steps to encourage the enrolment of foreign students in Finland, including from Asia.

France: Several recent measures seek to facilitate the temporary migration of foreign scientists and researchers. In 1998, the government established an agency EduFrance with a budget of FF100 million to recruit a greater number of students to France in particular from Asia and Latin America.

Germany: The government seeks to increase foreign student inflows through grants and fellowship schemes. In addition, the government launched a programme to issue 20 000 immigration visas to fill shortages of IT job vacancies. In the second quarter only 1/3 of the visas had been granted, mainly to people from India and Eastern Europe who were hired by small firms.

Ireland: The shortage of skilled workers, especially in IT, has led to government campaigns in 2000 and 2001 to attract foreign workers as well as former Irish immigrants. Government sponsored job fairs have been held in Canada, the Czech Republic, India, South Africa and the United States. In addition, work visas were introduced in 2000 to specifically allow the entry of high skilled workers in areas where shortages in Ireland exist. (MacEinri, 2001).

Japan: The government seeks to double the number of foreign students through the use of scholarships.

United States: The US Congress has temporarily increased the annual cap on the number of temporary visas granted to professional immigrants under the H-1B visa programme whose statutory limit in 2000 is presently set at 195 000 visas per year until 2003.

United Kingdom: In 1999, the UK government launched a major campaign to increase the number of international students in higher education from 198 000 by another 50000. The strategy is based on 1): promotion/marketing campaign; 2): streamlining of visa procedures and rules on employment for foreign students, 3): special scholarships for top achievers.

Source: OECD, 2001, 15.

In such a competitive context, Australia simply cannot afford to ignore its homegrown talent in the international pool of skilled labour. This does not mean restricting them from taking up jobs in countries other than Australia. By all means, we need to provide high quality opportunities within Australia for skilled new graduates who wish to stay in the country. On the other hand, there is much to be gained from young, Australian, recent graduates in particular getting experience working in other nations, provided that the *majority of them return to Australia eventually*. In the face of internationalisation of skilled labour markets it is futile and does not make economic sense for Australia to fight against its young people who wish to participate in those markets. Indeed, it is becoming part of the *rites of passage* of skilled young people to spend a period of time working overseas.

There is an increasing amount of international competition for the best qualified people in the new economy. All OECD nations and many countries outside them have specific policies to attract international talent.

In such a competitive context, Australia simply cannot afford to ignore its homegrown talent in the international pool of skilled labour. This does not mean restricting them from taking up jobs in countries other than Australia. There is much to be gained from young, Australian, graduates getting experience working in other nations, provided that the majority of them return to Australia eventually.



It is definitely in Australia's interests, both in terms of its duty to its national citizens and its economic, social and cultural development, to have policies which encourage brain circulation rather than brain drain among Australia's young people.

To what extent should the diaspora be considered part of the nation and included in national activities? Should there be efforts to enhance their identification with Australia?

To what extent should Australia have policies which take advantage of the diaspora to advance national economic, social and cultural interests?

For these reasons, this section of the report argues that Australia has a substantial diaspora in comparative global terms and that its position in the world economy would suggest that this diaspora will grow rapidly. It is definitely in Australia's interests, both in terms of its duty to its national citizens and its economic, social and cultural development, to have policies which encourage brain circulation rather than brain drain among Australia's young people.

Policies relating to emigration and the diaspora can take the following forms:

- Policies relating to expatriates living abroad on a permanent or long-term basis,
- Policies designed to encourage expatriates to return,
- Policies designed to keep talented Australians in Australia.

Clearly, there are relationships between the three areas, but it is useful to distinguish between the three broad areas of policy.

Policies relating to expatriates living abroad

One striking finding of the survey was the widespread strong identification of expatriates to their homeland, even when there was no intention to return permanently to Australia. This raises a number of issues:

- To what extent should the diaspora be considered part of the nation and included in national activities? Should there be efforts to enhance their identification with Australia?
- To what extent should Australia have policies which take advantage of the diaspora to advance national economic, social and cultural interests?

While some traditional emigration nations like Italy have long had policies and programs for Italians living overseas, it is only in relatively recent years that major consideration has been given to the possibility that these activities can be more than the maintenance of culture and a significant part of the economic development strategy of the origin country. Indeed, the World Bank is now examining in a substantial way how emigration can be beneficial to the development of poorer, less developed nations (Lucas 2003).

The issue of cultural maintenance among the diaspora, of course, is especially pressing when there is a distinctive national language involved and long-held traditions, beliefs, distinctive arts, and so on. In Australia's case, with the important exception of indigenous culture, there has been little time for such a distinctive culture to develop. Nevertheless, with perhaps 900 000 citizens living outside Australia and the evidence being that they overwhelmingly still identify with, and feel part of, Australia, the issue of maintenance of identification with Australia in its diaspora is a real one. Indeed, in fieldwork discussions we often sensed some resentment among the diaspora as being a 'forgotten' and overlooked part of the nation, especially when they compared the efforts made by some other nations to include their diasporas in the national mainstream.

One of the ways in which both the strong sense of identity and this frustration are being expressed is through the proliferation of a range of expatriate organisations. In some cases, these are strongly economically motivated as in the various Australia–Country X Chambers of Commerce in several nations. In others, they have a strong social function to meet the needs of expatriates and their families living in a



different cultural situation. However, in other cases they genuinely reflect the homesickness and needs of expatriates to identify with Australia.

All of these institutions and the motivations behind them are, of course, very valid, but one of the most interesting developments has been in the growth of organisations which in effect lobby for, and aim to represent the interests of Australian expatriates. These organisations make heavy use of the Internet to network among expatriates all over the world, act as a vehicle for them to express concerns and importantly to lobby for the interests of expatriates.

All of the types of organisations mentioned here tend to get support in various ways from Australian embassies, consulates and high commissions. One of the strongest and most international of these is the Southern Cross organisation.¹

The galvanising concern of the lobby groups, until recently, related to Australian citizenship. Section 17 of the *Australian Citizenship Act 1948* required Australian citizens to give up Australian citizenship once they acquired another citizenship. This rankled with many Australians abroad and they have lobbied strongly to get it changed, with many expatriates making submissions, most of them strongly recommending a move to allow Australians to have dual nationality. Indeed, organisations like Southern Cross were instrumental in encouraging many expatriates to make submissions.

In February 2002 a bill was introduced into the House of Representatives which meant that Australians would no longer have to forfeit their Australian citizenship on the acquisition of another citizenship. This was subsequently passed in March 2002 and has been a highly positive development. Nevertheless, the issue retains some heat among a small number of expatriates because Australians who had previously renounced their Australian citizenship to take up another citizenship feel they cannot have their citizenship reinstated, although this appears not to be the case.

Another issue in the diaspora relates to voting, especially as it relates to federal elections. Some countries allow their overseas citizens to vote in national elections. In some cases there are representatives of the diaspora in the national parliament. Currently, Australians are obliged to inform the Australian Electoral Commission (AEC) when they go overseas for anything more than a few months that they wish to be noted as an 'Eligible Overseas Elector'. If this is not done, and especially if an expatriate fails to vote in an election, they run the risk of being removed from the electoral roll. Expatriates can apply to be an 'Eligible Overseas Voter' only within two years of leaving Australia for an initial period of six years and it is thereafter renewable annually.

In 2002, the Joint Standing Committee on Electoral Matters (JCESM) in the Australian government received more than 100 submissions from individual Australian expatriates, as well as from expatriate organisations. One of the latter, the Southern Cross Group, stressed two particular points (Southern Cross Group 12 August 2002):

First, a number of overseas Australians have removed themselves from the Electoral Roll on the advice of their accountants. Inclusion on the Electoral Roll is one factor that the Australian Taxation Office considers when assessing whether a person is resident or non-resident for Australian tax purposes. If you are one of these people, we would like to hear from you. We are concerned that people may be removing themselves from the Electoral

One of the most interesting developments has been the growth of organisations which lobby for, and aim to represent the interests of Australian expatriates.

Some countries allow their overseas citizens to vote in national elections. In some cases there are representatives of the diaspora in the national parliament.



The possibility of registers of expatriates being developed is a real and economic proposition.

The register could become the basis for including expatriates more in national Australian activity.

Roll without a clear understanding that it will be difficult, if not impossible as the law currently stands, to re-enrol from overseas and vote later on while they are still overseas. We believe that there are enough other indicators that the ATO can base its non-residency assessment on, and that it should not be necessary to remove oneself from the Electoral Roll for tax purposes, as this interfered with the fundamental right to vote attached to citizenship.

Second, we would like to make some practical suggestions to the JSCEM as to what the Australian Electoral Commission (AEC) could do to better facilitate overseas voting, for those who still have the right to vote from overseas. We believe that many Australian citizens departing Australia have no knowledge of the formalities they need to comply with to register as an Eligible Overseas Elector, for example.

Modern forms of communication and information technology greatly facilitate networking, so the possibility of registers of expatriates being developed are a real and economic proposition. The privacy factor is very important and registration should be voluntary. Presently, DFAT maintains an Online Registration Service (ORS) for Australians living overseas and Australians travelling overseas. The Southern Cross Group estimates that currently only 10 per cent of Australian citizens overseas are on the data base. This issue gained prominence after the Bali bombing in 2002. In addition to this, valid security use for the existing registers would be made more comprehensive and could be used for a number of policy-related purposes:

- It could be a vehicle for providing Australians who have specific skills with relevant information about opportunities in Australia.
- It could be used to invite Australians to periodic events to inform them about developments in Australia, and so on.
- An expatriate newsletter could be developed.

Clearly, Australians' aversion to such registers is well documented and involvement can be voluntary. Nevertheless, it would seem that many Australians overseas are favourably disposed towards such a system. A survey of 450 expatriates from Victoria found that 67 per cent were keen to be part of such a network (Gome, n.d., 7). The large numbers who are becoming involved in expatriate organisations bears testament to this. Certainly, the register could become the basis for including expatriates more in national Australian activity.

Another issue relating to a register of expatriates relates to their protection. Following the events of 11 September 2001 and the Bali bombing of 2002, there has been criticism of governments because of their failure to contact expatriates and inform them of impending threats. The Japanese consulate in New York, for example, 'was widely condemned for taking too long to determine how many Japanese nationals were killed or injured in the attack and for failing to supply emergency information and help to some of the Japanese citizens living in and around New York' (*Far Eastern Economic Review*, 10 April 2003). Accordingly, in 2004 Japan is setting up a new consular affairs agency which will help keep track of Japanese living abroad and keep them informed during crises. Pakistan has a computerised National Identity Card for Overseas Pakistanis (NICOP), which is mandatory for all Pakistanis living abroad for more than six months (*Asian Migration News*, 16–30 April 2003). A recent government White Paper entitled *Advancing the National Interest* identified protecting Australians abroad as being a major priority (DFAT 2003).



Another area of protection of expatriates relates to social security. The Australian government has treaties with a number of countries (Austria, Belgium, Canada, Cyprus, Denmark, Germany, Ireland, Italy, Malta, the Netherlands, New Zealand, Portugal, Slovenia, Spain and the US) to provide coverage to people who move between the countries concerned during their working lives. The lack of such a treaty with the UK is of concern, given the scale of movements between the two nations.

The development of data bases of expatriates and their skills has been attempted by several nations, most notably Ireland. Developing the registers would need to adapt a range of strategies and caution must be exercised so as there is no invasion of the privacy of expatriates and no access to sensitive information.

Some of the possible sources for such a register would be as follows:

- Advertising on the fast-developing expatriate websites.
- Using the DFAT ORS.
- Using the fast-improving data bases of the alumni institutions of Australian universities.
- Advertising in Australia. A recent study which sought to interview South Australians living outside the state was advertised in local media and asked relatives to provide information about expatriate relatives. This was most successful with grandparents who were especially eager to facilitate the return of their children and grandchildren (Hugo et al. 2001).

Another question relates to the issue raised at the outset of this report as to what we should consider to be the Australian population. The US, whose diaspora is smaller in relation to its resident population than that of Australia, is planning to include expatriate citizens in its 2010 population census, and is now working on methodologies to incorporate this. At the very least, such a consideration should be made in Australia. In a globalising world, national populations are increasingly going to be less well captured in population counts undertaken at a single point in time within national boundaries. Modern census methodology allows for a number of 'national' populations to be defined. Perhaps we should attempt for one to include the diaspora. A forthcoming edition of the *International Migration Review* (Fall 2003), which contains a number of papers on transnationalism, argues that for many nations in the contemporary world any comprehensive consideration of its people *must* include their diasporas. Certainly, this would seem to be an opinion of many of the almost 1 million Australians living in foreign countries.

The whole issue of the extent to which the diaspora can contribute to national development is one that is gaining increasing attention from development economists. It cannot be questioned that the diaspora can make an important contribution to the economy of the home country in at least the following ways:

- Remittances are now a more reliable and larger source of development funds to less developed countries than other foreign direct investment or foreign development assistance, and are estimated to amount now to be over US\$100 billion annually (*Migration News*, April 2001). For some countries (e.g. Philippines, Sri Lanka), remittances are larger than any export of goods or services. Several countries are looking at ways to capture more foreign exchange from their diaspora by offering preferential banking advantages, high interest rates etc. (Hugo 2003b).

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The diaspora can be both a direct source of FDI and effective 'middlemen' to channel FDI towards the home country. The cases par excellence here are China and Taiwan.

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- The diaspora can be both a direct source of FDI and effective 'middlemen' to channel FDI towards the home country.² The cases *par excellence* here are China and Taiwan, where the spectacular economic growth of recent years has been heavily influenced by investment from a diaspora of perhaps 30 million Chinese (Lucas 2003). There has been considerable discussion of how Chinese business and social networks have overcome barriers to international trade. Rauch and Trindade (2002) found that ethnic Chinese nationals have a quantitatively important impact on bilateral trade. The Indian diaspora, second in size only to that of China, is of around 20 million people with an income of US\$160 billion – more than a third of India's GDP (Sharma 2003, 29). However, it has not been mobilised as effectively as the Chinese diaspora, contributing only 9.15 per cent of \$4 billion FDI compared with half of China's \$48 billion. The Indian government is now developing a program to (Sharma 2003, 32):
 - attract back expatriates;
 - heighten their cultural attachment through events;
 - attract their investment and remittances;
 - develop new markets for Indian goods;
 - equip Indian companies with management expertise.

In 1992 an expatriate Indian set up The Indus Entrepreneurs, a non-profit support network to provide advice, contacts and funding for entrepreneurs from India, Pakistan, Bangladesh and Sri Lanka in the US. In 1998 it was extended to India (Burns 2000, 56).

- The diaspora can be a bridgehead into expansion of the economic linkages of the home nation. Korean Americans were the bridgeheads for the successful penetration of the US market by Korean car, electronics and white good manufacturers. Australians in Asian countries can be an effective way of embedding the Australian economy in Asia. Canadian-based studies have shown that a doubling of skilled migration from Asia saw a 74 per cent increase in Asian imports to Canada (Head and Reis 1998; Lucas 2001).
- Diaspora networks have become important in transmitting information, both in formal and informal ways. Lucas (2001, 22) has shown how professionals in origin and destination countries have maintained strong linkages so that ideas flow freely in both directions. In Taiwan, meetings of local and diasporic scientists are held. In the scientific world, flows of information are of utmost significance and it may also be that diaspora can play a role in technology transfers. To what extent do Australian scientists and engineers in the diaspora interact with their counterparts back in Australia? Certainly, the potential for such interaction to accelerate diffusion of new ideas, products, processes and so on, is there. Undoubtedly, the ethnic linkages between Taiwan and India with Silicon Valley has had a major impact on the development of the information technology in the home countries (Saxenian 1999).

One interesting pilot program has come from the University of Sydney of 'Foundation Return Fellowships' which offers to expatriate Australian academics the chance to return to an Australian university for short recurring visits (e.g. two to three months per year for five years). This allows them to maintain full professional connections with Australia, it keeps the door open to an eventual return, and allows Australia to benefit from their expertise. The pilot program in early 2003 attracted a large number of applicants.³



Even if one accepts the above, the issue remains as to whether such processes can be assisted by government policy or whether they will simply occur as a matter of course. The survey would suggest that the diaspora is already active in many of these areas and the government's role may be more of facilitation, co-ordination and encouragement, rather than taking a lead. One important case is the global mining industry which definitely 'punches above its weight'. Australian mining engineers are working all over the world and create a substantial demand for Australian produced mining technology and services. The Australian mining industry and Australian engineers are especially active in the Southeast Asian region. This is built upon successful mining activity in Australia. Australians are strategically placed in some of the largest mining undertakings in the region. This includes not only Australian companies but also Australian engineers working for foreign companies. They are strongly disposed towards using other Australian companies for services since they are often strongly networked with them. The role of policy here is to identify strategic areas where such bridgeheading is possible and to develop ways in which the networking between Australians in key positions overseas and relevant Australian connections can be enhanced. Perhaps these types of development should not be left for chance and ways considered to facilitate them through policy.

It would seem that the main policy lessons in this area would relate to focusing on strengthening the networks between Australian expatriates and Australia and Australia-based Australians. In some ways these are an extension of the types of things being done by AUSTRADE, but there may also be scope for programs which link Australian expatriates with the groups in Australia that can benefit from linkages.

The potential for expatriate Australians to work in Asia seems certain to continue due not only to the demands of rapidly expanding economies (Vatikiotis, Clifford and Macbeth 1994), but also to structural mismatches in education/training systems that are not producing enough workers with the skills needed by restructuring economies⁴. Currently, the Asian migration issue in Australia is being discussed almost exclusively in terms of Asian movement to Australia, but it is clear that the flow in the other direction is of major significance. One dimension of globalisation has been the substantial penetration of multinational companies into cheap labour, less-developed nations. In doing so, they have created a rapid increase in demand for business, managerial, accounting and engineering skills which cannot be met immediately by the local education and training systems (e.g. Padget and Lee 1994). The Australian diaspora in Asia is playing an important role in linking the Australian economy into the dynamic economies of Asia but it may be that there are initiatives which will facilitate and enhance this process. In some cases, foreign companies in Asian countries are targeting Australians of Asian origin in their recruiting (*Far Eastern Economic Review*, 6 February 2003).

In an earlier report, Hugo (1994) argued that migration from Australia to Asian nations possibly had a number of beneficial aspects, especially if Australia was to continue to seek to embed its economy in Asia. In 1957, 51 per cent of Australia's exports were to Europe and 21 per cent to Asia. By 1995 the proportion had shifted to 12 and 65 per cent respectively, and in 1999 to 12 and 57 per cent (McGurn 1996, 63). Over the same period the proportion of Australia's permanent immigrants coming from Asia increased from 2.6 per cent in 1959-60 to 33.7 per cent in 1999-2000, while those from Europe fell from 91.7 per cent to 20.4 per cent.

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The Australian diaspora in Asia is playing an important role in linking the Australian economy into the dynamic economies of Asia but there may be initiatives that will facilitate and enhance this process.



One of the enduring features of all diaspora is return migration to the homeland, although its incidence varies greatly.

There are constraints which can intervene to result in the amount of return migration being lower than the number who indicate a desire to return.

There is very limited global experience of government policies and programs to encourage return migration. Most attempts to encourage return migration have come from Asian countries. Not all have been successful.

However, Australia cannot expect to be a full participant in the Asian economy if it only sees Asia as a source of skilled migrants and a massive export market. Movement of people, both nationals of Asian countries and Australians, in both directions is also required. Lewis and Stromback (1996, 53) also argue that Australia should encourage skilled migration to Asia. They argue that there is the need for an emigration policy which encourages more Australians to engage with Asia at a personal level.

Policies encouraging return migration

One of the enduring features of all diaspora is return migration to the homeland, although its incidence varies greatly. It is apparent that there can be significant dividends to the home country if expatriates return, especially when they are highly skilled in areas in demand in the labour market, they have extended their knowledge and experience while overseas, and return with a network of overseas contacts which can benefit their work at home. It is clear from the survey that a majority of Australians currently overseas have the desire to come back to Australia to live and that many wish to come back when they enter the family formation stage of the life cycle, although retirement is also important. The research remains to be done on the level of actual return and this is an important research priority in this area. Matching the departure cards of Australia-born permanent departures with arrival cards would make this possible but it would need to be carried out over a lengthy period. Nevertheless, it would seem from interviews that there are constraints which potentially can intervene to result in the amount of return migration being lower than the number who indicate a desire to return. To the extent that this is the case, it would seem there is scope for policies and programs which identify these constraints and introduce initiatives to ameliorate them.

There is very limited global experience of government policies and programs to encourage return migration (Hugo 1996). Most attempts to encourage return migration have come from Asian countries. Not all have been successful. Malaysia is a rapidly growing economy which has a diaspora of 250 000 skilled workers overseas (Ogus 2003, 58). The government in 2001 initiated a substantial scheme offering tax exemptions on income remitted to Malaysia and all personal items brought into the country and the granting of permanent resident status to spouses and children. They targeted six key fields – information and communications technology, manufacturing industries, science and technology, arts, finance and medicine, especially in the UK, US, Singapore, Brunei, Hong Kong and Australia (*Asian Migration News*, 16–30 November 2002). In the first two years of the program, only 104 returned home (*Asian Migration News*, 1–15 January 2003).

In China it is estimated around 400 000 have travelled abroad for graduate studies since 1979 but less than a quarter have returned. While there is a national policy to attract back skilled expatriates, individual Chinese provinces, companies and development parks also offer a range of incentives to return, including equivalent salary packages that take into account purchasing power and expenses paid trips to China, and so on (*Asian Migration News*, 16–30 November 2002). The Chinese government program offers high salaries, multiple entry–exit visas and access to strictly controlled foreign exchange (*Asian Migration News*, 16 August 2001). Some countries have invited home particular expatriates who are seen as being critical to home development; for example, key former officials of the IMF/World Bank have been lured back to their homelands in Pakistan, India, Philippines, Indonesia, Cambodia, Hong Kong, Singapore and South Korea (*Far Eastern Economic Review*, 5 December 1996, 61).



One of the most instructive examples of a successful return migration program is that of Ireland, although clearly the rapid growth of the Irish economy is a significant factor. In the 1980s, Ireland's economy was one of the most depressed in Europe, with one in three graduates leaving the country upon graduation (Barrett 2001). However, the economic upturn of the last decade has seen a major and unprecedented immigration to Ireland, of whom more than half are Irish people who left in the 1980s (Barrett 2001). This did not happen by chance. Ireland made a concerted effort to contact people in its diaspora with the skills required by the industries expanding in Ireland. The outflow of new graduates from Australia is much smaller than occurred in Ireland. Indeed, some 5.6 per cent of 1998 of Australian university graduates were overseas a year later (Hugo, Rudd and Harris 2001).

Korea, Taiwan, and to some extent, China (Engesberg 1995), have initiated programs to encourage a reverse brain drain (Chang 1992; Hugo 1996). In the former two countries there was a subsequent increase in the extent of return (Yoon 1992), although it is not clear the extent to which this was due to the programs and how much was a result of rapid economic development in Korea and Taiwan (Lucas 2001, 41). Saxenian (1999, 59) points out that some of the advantages flowing from these activities included an increase in interaction between Taiwanese and Korean scientists and engineers with expatriate colleagues in the US, which facilitated knowledge transfer, investment and business cooperation (Lucas 2001, 42).

It may be that policies should be as much interested in encouraging 'brain circulation' between Australia and the diaspora as encouraging permanent return. Indeed, too, such encouragement of interaction could in itself help promote the return of expatriates.

There would seem to be scope to introduce programs that facilitate and encourage the return migration of Australian expatriates, those with skills and experience considered to be of national importance. The results from the survey reported on here give some clues as to such a program:

- It is clearly lifestyle, cost of living, family factors and so on, which are instrumental in drawing Australians home. Hence states may wish to develop data bases that match Australians overseas with relevant job, housing and living opportunities in Australia. This would seem to be one of the ways in which the pre-existing desire to return could be encouraged.
- There may be scope for a government program to provide some assistance to institutions and businesses which can make a strong case for the 'bringing home' of absolutely outstanding Australian scientists, innovators, and so on. This should not be subsidisation of normal headhunting activity, but be reserved for truly outstanding individuals who will make a major contribution to the economy and society.
- There is a need to investigate in some detail the 'transaction costs' of a return to Australia. Some respondents were concerned that on return to Australia their superannuation and accumulated wealth would attract taxation as income. This was raised by a small but very vocal number of respondents. Dixon (2002, 4) points out that the increased transfer of superannuation assets is also an issue for other immigrants to Australia.
- Australia has advanced systems which provide detailed and relevant information

One of the most instructive examples of a successful return migration program is that of Ireland, although clearly the rapid growth of the Irish economy is a significant factor.

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In considering return migration, it is useful to bear in mind that much of Ireland's economic boom of the 1990s was built by Irish returnees who emigrated in the 1980s.

Targeting young skilled people with around ten years overseas work experience as candidates for return would appear to be a feasible strategy to attract back people with particular needed skills.

It could be argued that Australia should investigate maintaining registers of skilled workers overseas to facilitate programs targeted at bringing back people with particular skills and expertise.

to potential and intending settlers to Australia. It would seem appropriate to expand this to include relevant information to potential Australian returnees.

- Indeed, the development of part of the national immigration program to involve attracting back Australian expatriates would also send important psychological messages to Australians residing overseas that their experience and skills are greatly valued by the Australian community.

In considering return migration, it is useful to bear in mind that much of Ireland's economic boom of the 1990s was built by Irish returnees who emigrated in the 1980s. Returnees bring with them the greater breadth and depth of experience that working overseas gives them. Moreover, they return with extensive international networks which can assist in their Australian employers developing contacts with overseas markets. Indeed, in many cases they will be more valuable as Australian employees who are returnees than would have been the case if they had remained for their entire careers in Australia.

The question then arises as to how such skilled Australians can be lured back. Of course, the availability of appropriate, well-remunerated jobs are a crucial element, so the economic situation is going to play a role. This can, of course, be assisted by governments and a number of Asian nations have had successful programs to lure back highly skilled nationals with specific skills. In recent times, Taiwan has been most successful in this (Luo and Wang 2001) developing a special technology park to accommodate handpicked returnees to kick-start the development of new industries, especially in information technology. Such policies would seem to have a role to play in particular strategic areas of needed skilled human resources.

In attracting back skilled people who originally left Australia as young recent graduates or people with only limited years of work experience, there are a number of things to bear in mind. There is little point in attempting to lure back young people in the earliest stages of their careers who are at a stage in the lifecycle where they wish to travel and experience life in another country. However, once they begin to 'settle down' and form families there are some major attractions which Australia offers to them. These include the presence of family and friends – the 'grandparents' factor is an important attraction. These can be built upon by states wishing to attract Australians with particular skills. In addition, there is often a desire for them to ensure that their children are brought up as Australians in Australia. These ideas need detailed empirical testing with controlled surveys of Australians overseas before policies and programs can be developed, but the idea of targeting young skilled people with around ten years overseas work experience as candidates for return would appear to be a feasible strategy to attract back people with particular needed skills.

A crucial question here relates to how such potential returnees can be identified. Increasingly, it could be argued that Australia should investigate maintaining registers of skilled workers overseas to facilitate programs targeted at bringing back people with particular skills and expertise. Indeed, many Asian countries have kept such registers of their graduates working overseas and worked through their embassies to maintain contact with them. This involves newsletters and organising social occasions.

With the current levels of information technology available, however, a number of possibilities suggest themselves. One with a great deal of potential is the alumni lists maintained by Australia's tertiary institutions. While in the past many of these have been poorly organised and maintained, this has changed with the realisation in universities that alumni can be the source of future students and funds. Accordingly,

most universities now maintain well-constructed electronic data bases on their alumni. These could be used to set up networks, perhaps even using the Internet. The development of attractive and informative websites, regular networking among Australians in particular overseas cities, and so on, are all possibilities which can be investigated. It is clear that other nations are contemplating doing this. As indicated elsewhere, the US plans a special census of its overseas citizens in 2003 and by 2010 it intends for its regular census to include not only all of the residents in the US but also all of its citizens abroad. This reflects an attitude of wishing the census to capture the total national human resources, and Australia should be contemplating a similar system.

Other systems include the registration of Australians overseas with their nearest consulate or embassy and the development of a central system for such registers using state-of-the-art information technology. It needs to be made clear that being on such lists should be voluntary and it must be made worthwhile for the Australians overseas to be on the list. The regular dissemination of a magazine, invitations to social events overseas, regular circulars about job and housing opportunities, and so on could be included.

The point is that these skilled labour markets are becoming increasingly competitive (Cobb-Clark and Connolly 1996), and Australia needs to have a range of policies to ensure constraints are not placed on development by a lack of skilled workers and places itself as strategically as it possibly can to foster the innovation which drives the new economy. International migration must never be seen as a substitute for having the highest quality education and training systems, flexible enough to meet the labour demands of a rapidly changing economy, as well as fostering the innovation and research excellence critical to maintaining national prosperity.

Policies relating to the brain drain

Total factor productivity growth in OECD countries has been shown to be related to the stock of scientists and engineers available and to the rate of expenditure on research and development (Lucas 2001, 29). Hence competition for the skills and intellectual resources needed for nations to compete in the global economy, especially the OECD nations, is increasing (Hamlin 2000). Australia's most talented young people will increasingly be offered the opportunity to earn more than they can in Australia by emigrating. As the last two sections have indicated, this is not necessarily a bad thing for Australia if they can maintain strong linkages with Australia and eventually return. However, there needs to be concern if it is true that the people who are leaving are not just selectively more highly skilled and highly educated but include many of the key researchers and innovators who are most likely to place Australia in a competitive position in the global economy.

The solution to this problem is partly financial and partly cultural. As indicated earlier, some respondents in the country indicated that Australia is not as good at recognising talent and high achievement among its scientists and innovators as it has been in other areas, such as sport. In Canada, which experiences heavy emigration to the US and heavy immigration from elsewhere in the world, a study concludes that there are issues of concern in Canada with respect to brain drain despite the huge net gain of skilled persons (Zhao et al. 2000). The study points out that Canada suffers a net loss in a variety of knowledge-based occupations to the US and although the numbers are small, they are in areas which are thought to be important to the economy and society. A study by DeVoretz and Laryea (1998) estimated that in



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One group of emigrants to which particular attention needs to be addressed are the researchers, scientists and engineers. There is discussion in the Australian science community about the loss of the highest quality Australian researchers and teachers to emigration, especially to the US and Europe.

Canada the net value of the movement of Canadian managers and professionals to the US over the 1982–96 period was \$6.7 billion (in 1993/94 dollars), more than half of which is publicly funded post-secondary education. They also make the important point that

it is not appropriate to assume that the emigration of skilled and professional people to the US can be replaced one for one without cost by immigrants to Canada from other countries. New immigrants impose administrative and settlement costs for themselves and their families. In addition, these are more subtle ‘churning costs’ for Canada, since there is at least an initial quality of difference between Canadian emigrants to the US and US immigrants to Canada, as reflected by the difference in earnings (Glass and Choy 2001, 43).

One group of emigrants to which particular attention needs to be addressed are the researchers, scientists and engineers who are necessary for technological innovation and progress, and quick and effective technology transfers and application (Eaton and Kortum 2000; Lucas 2001 15). There is discussion in the Australian science community about the loss of the highest quality Australian researchers and teachers to emigration, especially to the US and Europe. Indeed, the introduction of Federation Fellowships through the Australian Research Council was expressly to dissuade such people from emigrating and to attract back top scientists who had emigrated.

The Federation of Australian Scientific and Technological Societies (FASTS) has been vocal in this area. For example, an investigation into mathematical sciences in Australia (Thomas 2000, 2002) found that it was in decline, which is a matter of substantial concern, partly because so many areas of science and technology are dependent on advanced level mathematics (e.g. biostatistics, advanced computing, security systems, financial services). While there are several reasons for the decline, one particular area identified related to brain drain issues. Thomas (2002 1) found, from an analysis of data collected from the mathematics and statistics departments of Australian universities, that:

- a brain drain of experienced researchers continues;
- a trickle of experienced researchers into Australia continues;
- there is an unfavourable balance between those coming in and out;
- new researchers from overseas are showing less of a tendency to stay in Australia.

Another study of 173 senior university researchers for the Chifley Research Centre (Boyd 2001) concluded that there was an overall attitude of gloom and despair in the academic research community regarding the recruitment and retention of talented research staff. Respondents identified low salaries, increased administrative loads, limited research funding and facilities, increased teaching loads, lack of strong research teams, lack of career opportunities and lack of tenure track positions as key problems in universities.

There would be considerable value in undertaking comprehensive and systematic studies of the migration in and out of Australia’s universities to establish the extent to which the pattern identified in the mathematics case is evident elsewhere. Such an analysis should not only be of numbers but also an assessment of the ‘quality’ of those moving in and out. Such a study would not be difficult or expensive to undertake and is needed to support the arguments being made in the Australian scientific and research communities that low funding levels have resulted in a substantial brain



drain out of Australian universities, especially in areas crucial to the national economy.

It is apparent that the development of research networks have an important role in providing for Australian-based scientists to have regular contact and enable them to work with counterparts in the larger overseas scientific communities. A study commissioned by the Australian Academy of Science (AAS) and the Australian Academy of Technological Sciences and Engineering (ATSE) in 1997 presents a number of recommendations regarding international co-operation in science, technology and engineering in public and private sector research. These inexpensive recommendations would seem to have a role not only in enabling Australian research to claw back some of its international competitiveness but also to provide realistic alternatives to emigration for Australia's top researchers (Wood and Boardman 1999). There is also concern in Australia of an insufficient number of postgraduate students entering areas critical to economic progress and technology transfer, such as science and engineering (Thomas 2000, 2002). In some countries, such as Korea, such problems have led to schemes to attract more students into such areas and retain them (Min 2002).

Attempts to develop emigration policy

It is interesting that while there are few examples internationally of fully developed emigration policies, the potential of diasporas to contribute towards the development of the home country is increasingly being realised. Indeed, this is the case within Australasia. Among the Australian states there have been some preliminary attempts to attract back highly skilled Australian expatriates in Queensland and Victoria. In particular, Victoria in 2001 launched the VESKI⁵ (Victorian Endowment for Science, Knowledge and Innovation) initiative. The objective of VESKI is to attract members of the expatriate community back to Australia to contribute their skills in the development of innovation/commercialisation projects. They have set up a data base of expatriates who will be linked with mentors and business partners and receive monthly information bulletins about key industries and potential growth areas. A 2001 report in New Zealand (LEK Consulting 2001) recommended a New Zealand Talent Initiative, the main points of which are listed below:

- Intensify the talent hunt for immigrants.
- Develop Auckland as New Zealand's global lifestyle city.
- Halt the loss of talent-rich activities to Australia.
- Celebrate talent.
- Communicate a national and personal wealth creation framework.
- Leverage brand New Zealand.
- Build a powerful global community of New Zealanders.
- Bring talent-rich branded organisation to New Zealand.
- Connect New Zealand talent to the world.
- Provide all New Zealanders with globally competitive skills.

It will be noted that several of these initiatives relate to the extensive New Zealand diaspora.

One of the most substantial attempts to tap the benefits of a diaspora for the home

A 1997 study presents a number of recommendations regarding international co-operation in science, technology and engineering in public and private sector research. These inexpensive recommendations have a role in enabling Australian research to claw back some of its international competitiveness and in providing realistic alternatives to migration for Australia's top researchers.

Among the Australian states there have been some preliminary attempts to attract back highly skilled Australian expatriates in Queensland and Victoria.



One of the most substantial attempts to tap the benefits of a diaspora for the home country has occurred in Taiwan. For several decades, Taiwan has been a case par excellence of brain drain. The government subsequently has undertaken a number of initiatives to use the talents of Taiwanese overseas (predominantly in the US) and to encourage return migration.

The 'reverse brain drain' is a common term in Taiwan.

country has occurred in Taiwan (O'Neil, forthcoming; Luo and Wang 2001). For several decades, Taiwan has been a case *par excellence* of brain drain. It is estimated that in the two decades beginning in the mid-1960s, 20 per cent of Chinese Taipei (Taiwan) undergraduates in the field of science and technology went abroad for higher education, but that fewer than a fifth returned (Luo and Wang 2001, 5). The government subsequently has undertaken a number of initiatives to use the talents of Taiwanese overseas (predominantly in the US) and to encourage return migration. These include:

- utilising formal and informal connections to draw on the expertise and business connections of Taiwanese overseas to encourage their visits to Taiwan and interaction with Taiwan-based colleagues;
- tracking migrants on a data base;
- advertising jobs overseas where it is known Taiwanese with relevant skills live, and providing travel subsidies and temporary job placements to returnees;
- having a program to recruit expatriates to Taiwan's growing universities;
- the development of the Hinschu Science-Based Industrial Park (HSIP) in 1980 to duplicate a Silicon Valley type situation. The government provided financial incentives and planned infrastructure to companies relocating to, or forming in, the area. Subsidised Western-style housing and commercial services were provided to attract Taiwanese living overseas. The government sponsored international conferences on science and technology to give workers of the HSIP access to the international scientific community;
- An explicit attempt to build a 'transnational community' with expatriate scientists and engineers deliberately brought back to attend meetings and conferences sponsored by the government.

While it is difficult to assess the role of these initiatives in the massive economic growth of Taiwan in the last two decades, it has undoubtedly played a role. The 'reverse brain drain' is a common term in Taiwan and the 1990 census indicated that around 50 000 highly skilled Taiwanese returned during the 1985–90 period (Tsay and Lim 2001). Another important group is made up of

'temporary returnees' or 'transnational workers' ... who work on both sides of the Pacific ... play the role as the middlemen linking businesses in the two regions together with their personal networks, technological and market know-how (Luo and Wang 2001, 6).

In South Africa, a network (The South African Network of Skills Abroad – SASA) has been established to connect expatriates with local experts and projects (OECD 2001, 25). The network is built on a data base containing information on the location, qualifications and other characteristics of highly qualified South Africans living abroad. Participants can take part in the network by:

- receiving South African graduate students in laboratories or training programs;
- participating in training or research with South African counterparts;
- transferring technology to South African institutions;
- transmitting information and results of research which are not available locally;



- disseminating cultural and artistic creation;
- facilitating business contacts;
- initiating research and commercial projects.

In the last decade Ireland has been most successful in attracting back many of the highly skilled expatriates who left Ireland in the 1980s (Maceinri 2001). Returnees made up half of the immigration attracted to Ireland by the rapid economic growth. Research has shown that their positive contribution to the Irish economy is greater than Irish people with equivalent qualifications who remained behind (Barrett 2001).

1 Its website is <http://www.southern-cross-group.org>.

2 Biers and Dhume (2000, 38) report that '... several overseas Indians who had reached upper management positions in Western Multinationals helped convince their companies to set up operations in India. Hewlett Packard, being a prime example'. Rubin (1996) shows how Chinese entrepreneurs in the US are taking their businesses into China.

3 Information supplied by Professor Bryan Gaenslerat, Harvard University, Department of Astronomy.

4 Hong Kong, for example, is offering A\$200,000 a year for qualified Australian teachers to boost English teaching in schools (*Asian Migration News*, 1–15 December 2002).

5 Website address: www.innovation.vic.gov.au.



10 Policy Recommendations

Australia should develop a national diaspora/expatriate policy.

DIMIA should consider the possibility of including an explicit expatriate component to the national immigration program.

Consideration be given to the extension of DFAT's Online Registration Service, which currently covers only 10 per cent of expatriate Australians, to become a more comprehensive register.

- 1 Australia should develop a national diaspora/expatriate policy. The recognition that in a globalising world a nation's citizens and its human resources will not all be within national borders is only slowly gaining recognition. However, it is clear that in the twenty-first century a rethinking of these issues has begun. This is reflected in the fact that the World Bank is now focusing on emigration, diaspora and remittances as being perhaps the most effective mechanism of north-south technology transfer and wealth distribution. Australia's peripheral position in the emerging global economy has meant that it has experienced high levels of emigration in relation to its population size and, as a result, it has a substantial and dispersed diaspora (as was shown in Table 2.4). While the potential of the diaspora to be a positive factor in national economic and social development is being realised by the World Bank and a handful of less developed countries, no OECD nations, with the exception of Ireland, have developed policies and programs to harness this potential. Australia has the opportunity to be a world leader in this area, as well as gain significant comparative advantage.

The elements to be included in an Australian diaspora/expatriate policy can be finalised only after wider community consultation and discussion, but the following would seem to be relevant from the present study:

- the development of mechanisms for the greater inclusion of the diaspora into the national culture and the encouragement of the expatriate community to identify with and be involved in Australia;
- the protection of the security and the rights of Australians while they are living outside the national boundaries;
- increasing the strength of linkages between the diaspora and Australia, especially business and research linkages;
- increasing the involvement of the diaspora in the national economy;
- the facilitation and encouragement of return migration.

An initial stage in the development of a diaspora/expatriate policy may be the setting up of a Parliamentary Committee of Inquiry into the Australian diaspora. This has recently been called for by some of the expatriate lobby groups. For example, on Australia Day 2003 the Southern Cross Group released a media statement calling for such an inquiry.

- 2 That DIMIA consider the possibility of including an explicit expatriate component to the national immigration program. This could involve development of a number of mechanisms to firstly match expatriate Australians with skills to relevant opportunities in Australia and secondly to facilitate the return migration process.
- 3 That consideration be given to the extension of DFAT's Online Registration Service, which currently covers only 10 per cent of expatriate Australians, to become a more comprehensive register. There are now highly developed and inexpensive systems which can facilitate this process while ensuring the privacy and rights of expatriates.

The latter is an important consideration in this process. The register needs to be made useful to allow those on the list to:

- readily obtain security-related information and access the protection of the Australian government while overseas;

- gain information which will facilitate their return to Australia;
- maintain their links, identity with, and knowledge of Australia.

On the other hand, the register should also:

- be a source of potential skilled Australian expatriate return migrants who can be matched with opportunities in Australia;
- be a way of informing expatriate Australians of security problems and facilitate their protection;
- inform expatriates of relevant developments and issues, and involve them in events and activities.

- 4 It would be beneficial to discuss ways in which the diaspora can be represented in Australian governance.
- 5 Schemes to foster linkages between Australian-based business people and researchers and expatriate counterparts need to be expanded. This may mean a modification or extension of existing AUSTRADE activities, as well as the consideration of a national extension of schemes such as the Foundation Return Scholarships.
- 6 The Australian Bureau of Statistics should examine the process undertaken in the US where data sets of expatriates are developed, and perhaps at some stage include the diaspora in census counts so that the national Census of Population and Housing becomes a true stocktake of Australians and not just of those who happen to be within the national boundaries on census night.
- 7 There needs to be an examination of the taxation regime to ensure that there are no barriers to expatriates:
 - investing in Australian based activity;
 - saving their foreign exchange in Australian institutions;
 - transferring their superannuation back to Australia on return;
 - transferring their assets to Australia upon return.

There may be ways to offer positive incentives to expatriates to undertake these activities.



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11 Recommendations for Further Research

There would seem to be a case to mount a substantial study of the Australian expatriate community which is more representative and which covers a greater range of concerns than this study.

There is a need to fully investigate the financial dimensions of expatriates maintaining linkages with, and returning to, Australia.

The emergence and proliferation of Australian expatriate groups all over the world needs a separate study.

We need more sophisticated labour market analysis that addresses the question of the extent to which immigrants are good replacements for Australian emigrants.

There is a need for a study of return migration among Australian expatriates.

This study has shed light on emigration from Australia and on some of the characteristics, attitudes and intentions of the extensive Australian expatriate community. However, in order to develop appropriate policy and build on the recommendations in the previous chapter we must recognise that there remain many gaps in our knowledge and understanding of these important problems. To fill them, the following research initiatives are necessary:

- 1 The sample in the current study is highly selective of a particular group of expatriate Australians — those with university-level education and those who have emigrated relatively recently. There would seem to be a case to mount a *substantial study* of the Australian expatriate community which is more representative and which covers a greater range of concerns than this study. The study should include a major survey of expatriates, as well as detailed case studies of small numbers of expatriates of particular types in a range of locations which probe more deeply into the expatriate experience, linkages with Australia, future intentions, and so on. Such a study would be the foundation for the development of a national diaspora/expatriate policy.
- 2 There is a need to fully investigate the *financial dimensions* of expatriates maintaining linkages with, and returning to, Australia. First of all, there needs to be an examination of what barriers currently exist to discourage expatriates from investing and saving in Australia, and in transferring their superannuation and assets to Australia without suffering a substantial loss through taxation of them as income. These need to be identified and removed. Moreover, the possibility of making a positive out of what is often a negative should be the subject of research. Are there incentives which can be offered that positively encourage investment and saving in Australia, and which facilitate and encourage return migration.
- 3 The emergence and proliferation of Australian expatriate groups all over the world needs a separate study. They are clearly meeting a number of needs in the expatriate group, yet we know little of their numbers, their memberships, their functions, and so on. There may well be ways in which such groups can be supported and facilitated without losing their independence.
- 4 There can be no doubt that Australia experiences an overall 'brain gain'. Rather than a 'brain drain', there is a high degree of 'brain exchange' or 'brain circulation' occurring. In this context, however, we need more sophisticated labour market analysis that addresses the question of the extent to which immigrants are good replacements for Australian emigrants (Glass and Choy 2001, 4). This research needs to examine the extent to which emigration involves a loss of the 'best of the best' — the Australians who are the most innovative, the most entrepreneurial, and so on. This particularly relates to the impacts of immigration and emigration on the research community in Australia. Such research should identify a number of key areas in the labour market to examine incoming and outgoing workers in some depth.
- 5 There is a need for a study of *return migration* among Australian expatriates. This needs to be at two levels. First, there needs to be a sophisticated analysis using the Movements Database (DIMIA) which matches the departure cards of Australian permanent and long-term departures with arrival cards. This would need to be undertaken over at least a decade, since in most cases there will be a considerable gap between departure and return. This needs to be an ongoing study since a key group of interest is the large number of people who have left Australia in the last five years. Secondly, there needs to be a detailed study of both returned expatriates

and a cross-section of expatriates still abroad. This would involve both survey and detailed in-depth case studies. It would be useful if a sample of returnees could be drawn from passenger arrival cards which allowed identification of expatriate returnees. They could be interviewed in airports, as was done with working holiday makers in a 2000 survey (Harding and Webster 2002), or their addresses could be used to interview them in their own home. Of course, there are significant privacy issues, but it would be important to get a representative cross-section of returnees.

- 6 There would seem to be value in making a focused study of Ireland's experience with respect to expatriate return migration. This would involve an assessment of the role of return migration in its economic renaissance and especially of the policies and programs which facilitated the return migration and the types of registers and data bases that were developed in order to identify Irish expatriates with precisely the skills required in the home economy.
- 7 There would seem merit in making some detailed study of successful networks between expatriate Australians and Australian-based counterparts, such as in the Australian mining industry, with a view to duplicating the success in other areas.



There would be value in a focused study of Ireland's experience with respect to expatriate return migration.

There would be merit in making a detailed study of successful networks between expatriate Australians and Australian-based counterparts.



12 Conclusion

There is now unprecedented competition among nations in attracting highly skilled workers as permanent or temporary settlers.

The possibility of Australia developing an emigration policy which is integrated with immigration policy and wider economic, social and human resources policies needs to be given consideration.

The most important priority for Australia is not to initiate programs to stem the outflow of young skilled Australians but rather fine tune its immigrant selection system to facilitate the return of expatriate Australians and develop innovative approaches to better incorporate the diaspora into the mainstream of Australian life.

In the contemporary global situation, national prosperity is highly dependent on innovation and the quality of a country's human resources. Accordingly, there is now unprecedented competition among nations in attracting highly skilled workers as permanent or temporary settlers. All of the OECD nations and many outside the organisation now have active immigration policies to attract highly skilled workers. However, in the rush to attract immigrants the issue of attracting skilled nationals overseas must not be totally overlooked. It is glib to simply state that Australia has a net brain gain so that one can ignore the outflow of skilled young Australians as a simple function of globalisation. Why can't the nation achieve the double bonus of attracting foreign skilled people while also retaining and regaining the best of our own talent?

In considering such a policy, we should not attempt to block the flow of young talent overseas. Indeed, the stock of skilled Australians overseas could be a major national asset and it may be possible to develop policies to develop and maximise this asset. Yet it is clear from our work that many highly skilled Australians overseas are keen to eventually return to their home country and there may also be policies which can facilitate this process. The possibility of Australia developing an emigration policy which is integrated with immigration policy and wider economic, social and human resources policies needs to be given consideration.

Public debate about emigration unfortunately seems to be polarised between exaggerated and often hysterical fears of 'brain drain' and oversimplified macro-presentations of aggregate immigration and emigration statistics which demonstrate a 'brain gain'. The emigration story is much more complex and nuanced than either of these pictures. This report has opened up some of these complexities and demonstrated that in the contemporary globalising world diasporas are not only growing substantially in size but their potential impacts on their homeland go far beyond the usual depiction of being unambiguously economically harmful (Glass and Choy 2001). Indeed, the analysis presented here would suggest that the most important priority for Australia is not to initiate programs to stem the outflow of young skilled Australians but rather:

- fine tuning its immigrant selection system so we ensure that in the increasing global brain exchange, Australia selects the best and most relevant skills for its labour market to counterbalance the outflow. Implicit in this too is that national systems which facilitate the effective absorption of immigrants into the labour market and into society more generally are also of the greatest importance;
- facilitating the return of expatriate Australians to bring back their enhanced skills and experience so that expatriates become a significant part of the immigrant stream;
- developing innovative approaches to better incorporate the diaspora into the mainstream of Australian life, as well as to develop their potential, economic, social, political and cultural contribution to Australia.

As is the case with public debate relating to international migration in Australia more generally, discussion on emigration needs to be more informed by objective reality and less by emotion, bigotry and self-interest. We need a more sophisticated knowledge of emigration and its impacts. It is hoped this report is a step in this direction.

Appendix 1



DIMIA Movements Data Base Medical Occupation Classifications Changes Between 1991–97 And 1998–2002

1991–1997	1998–2002
Health Diagnosis/Treatment Practitioners	Health Professionals
General Medical Practitioners	Medical Practitioners
Specialist Medical Practitioners	Generalist Medical Practitioners
Dental Practitioners	Specialist Medical Practitioners
Pharmacists	Nursing Professionals
Occupational Therapists	Nurse Managers
Optometrists	Nurse Educators & Researchers
Physiotherapists	Registered Nurses
Speech Pathologists	Registered Midwives
Chiropractors & Osteopaths	Registered Mental Health Nurses
Podiatrists	Registered Developmental Disability Nurses
Radiographers	Miscellaneous Health Professionals
Veterinarians	Dental Practitioners
Other Health Practitioners	Pharmacists
and	Occupational Therapists
Registered Nurses	Optometrists
are separated	Physiotherapists
	Speech Pathologists
	Chiropractors & Osteopaths
	Podiatrists
	Medical Imaging Professionals
	Veterinarians
	Dietitians
	Natural Therapy Professionals
	Other Health Professionals



H.1. Please indicate the main reasons for your decision to leave Australia and live overseas? (You may tick more than one)

- Overseas job transfer/exchange
- Better employment opportunities
- To establish, relocate or expand a business
- Partner's employment
- Promotional/career advancement
- Marriage/partnership
- Separation/divorce
- To be close to family/friends
- Education/study
- Lifestyle
- Higher income
- Professional development
- Other, please specify _____
- _____
- _____

I.1 What is your current employment status?

- Employed full-time Go to I.2
- Employed part-time Go to I.2
- Unemployed Go to J.1
- Not in the workforce Go to J.1
- Student Go to J.1

I.2 If you are currently employed, is your job

- Permanent Go to I.3
- Contract Go to I.3
- Other (Please specify) _____ Go to I.3

I.3 What is your main occupation?

I.4 What industry are you currently employed in?

I.5 In this occupation, are you:

- Working for wages, salary or commission?
- In your own business and employing others?
- In your own business but not employing others?
- Other (please specify) _____



J.1 What is your current annual income? (estimated in \$A)

Less than \$25,000 per annum

\$25,000 - \$49,999 per annum

\$50,000 - \$74,999 per annum

\$75,000 - \$99,999 per annum

\$100,000- \$124,999 per annum

\$125,000 - \$149,999 per annum

\$150,000 - \$174,999 per annum

\$175,000 - \$199,999 per annum

\$200,000 or more per annum

**If unsure of the conversion to Australian dollars,
please provide amount and specify currency** _____

J.2 Please indicate any salary package entitlements that make your current job attractive?

K.1 What is your highest completed educational qualification?

Postgraduate degree

Postgraduate diploma

Honours degree

Bachelor degree

Undergraduate diploma

Other (please specify) _____

K.2 What is the award title? (PhD, MA, BSc, BA, Dip Education, etc.) _____

K.3 In what field? _____

K.4 Which University? _____

K.5 Year of Award? _____



Appendix 2

L.1 What was your employment status, before you left to go overseas?

Employed (Full-time)

Employed (Part-time)

Unemployed

Student

Other/Not in workforce

L.2 If you were employed, what was your main occupation? _____

L.3 Since going overseas has your financial situation: Improved

Got worse

Stayed about the same

L.4 Please give reasons for your changed financial situation _____

M.1 Do you plan to return to Australia to live? Yes **Go to Question M.2**

No **Go to Question N.1**

Undecided **Go to Question N.1**

M.2 When do you plan to return to Australia to live?

Within 6 months

Within 12 months

Within 2 years

Longer period (please specify) _____

M.3 What are your main reasons for intending to return to Australia?
(You may tick more than one)

Work

Family

Lifestyle

Education

Other (please specify) _____

M.4 In which State/Territory do you intend to live? _____

M.5 What type of work would you be seeking? _____

Now go to Question O.1



N.1 What are the main reasons why you do not plan to return to Australia?
(You may tick more than one)

Employment opportunities better here	<input type="checkbox"/>
Career and promotion opportunities better here	<input type="checkbox"/>
Business opportunities are better here	<input type="checkbox"/>
Partner's employment is located here	<input type="checkbox"/>
No equivalent jobs in Australia	<input type="checkbox"/>
Marriage/partnership keeps me here	<input type="checkbox"/>
Custody of children keeps me here	<input type="checkbox"/>
Children grown up here	<input type="checkbox"/>
Family/friends here	<input type="checkbox"/>
Lifestyle more attractive here	<input type="checkbox"/>
Established in current location	<input type="checkbox"/>
Cost of re-locating back to Australia	<input type="checkbox"/>
Higher income	<input type="checkbox"/>
More favourable personal income tax regime	<input type="checkbox"/>
More favourable business tax regime	<input type="checkbox"/>
Better employer-supported or work-based training	<input type="checkbox"/>
Better education institutions for skill training and upgrading	<input type="checkbox"/>

Other, please specify _____

N.2 What would you need to happen for you to return to Australia?

N.3 Do you plan to emigrate to another country to live?

Yes	<input type="checkbox"/>	Go to N.4
No	<input type="checkbox"/>	Go to Question O.1
Undecided	<input type="checkbox"/>	Go to Question O.1

N.4 Which Country? _____

N.5 For what reason? _____



O.1 What is your current marital status?

- Never married
Separated or divorced
Widowed
Married (including defacto)

for your current spouse/partner what is their

- birthplace? _____

- citizenship? _____

O.2 Has your marital status changed since you left Australia?

Yes Go to O.3

No Go to Question P.1

O.3 How has your marital status changed? _____

P.1 What is your present family/household situation?

- Single person household
Couple only household
Couple with children only under 5 years
Couple with children (all ages)
One parent with children under 5 years only
One parent with children (all ages)
Some other group of related individuals
Two or more unrelated individuals

Other, please state _____

Q.1 What is your current housing tenure?

- Home owner
Purchasing home
Renting

Other, please specify _____



R.1 Do you feel your presence overseas has any benefits for Australia?
Yes Go to R.2
No Go to Question S.1

R.2 If yes, what? (You may tick more than one)

Existing contacts useful for other Australians	<input type="checkbox"/>
Learning skills transferable back to Australia	<input type="checkbox"/>
Creating goodwill towards Australia	<input type="checkbox"/>
Linking two countries together by establishing roots/ family in both	<input type="checkbox"/>
Creating business/ trading links with Australian companies	<input type="checkbox"/>

Other, please specify _____

S.1 Could you please provide the following details: Male
Female

S.2 Your year of birth? _____

T.1 Do you still consider Australia to be your home? Yes
No

Please provide comments or suggestions that you feel may be of use to this study.

Thank you, for participating in this survey. We are most grateful for the time you have taken to provide the information.

Please forward the questionnaire to us in the reply paid envelope provided or by fax (+ + 61 8 8303 3772). If you require further information we can be contacted by email. dianne.rudd@adelaide.edu.au or graeme.hugo@adelaide.edu.au



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