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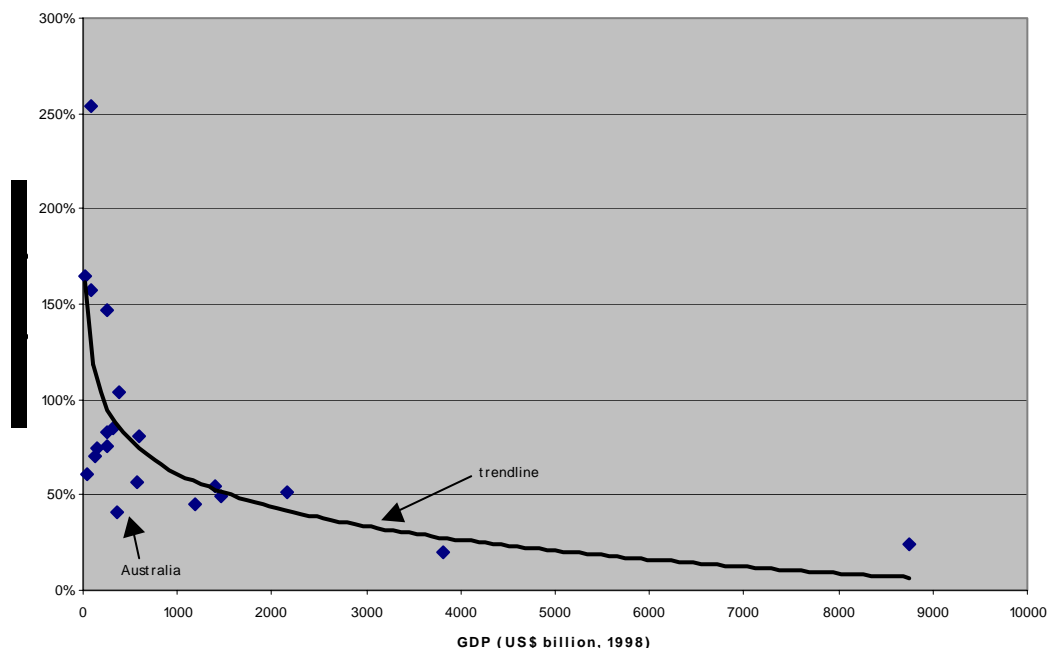
Submission to Senate Inquiry into 2005 Citizenship Bills

This submission focuses on the proposed changes to the length of time taken to gain citizenship under these bills. In particular it argues that the increase from two to three years is highly undesirable from an economic viewpoint and would have negligible benefits from any security perspective.

Economic Isolation

Australia is an isolated economy by reason of distance from the rest of the world.¹ This makes it harder for Australia to gain the benefits of economic integration that other economies can take for granted and means that Australia has to apply more effort than other economies to achieve the same kind of productivity (except for those more isolated, such as New Zealand). The graph below shows for its size, Australia's trade to GDP ratio is significantly below what would normally be expected.

Relationship between size of economy and importance of trade to GDP



¹ The effects of Australia's physical isolation have been highlighted in a recent Treasury article, "[International Trade Performance: The gravity of Australia's remoteness](#)", and "[Why has Australia done better than New Zealand: Good Luck or Good Management?](#)".

One policy implication of this is that Australia should ensure that its policies do not unnecessarily further isolate the economy. This is probably not true on a range of fronts including quarantine, immigration and other border control measures, where economic efficiency has not been a prime consideration. Having strong person-to-person links with other countries is known to boost trade, and making gaining Australian citizenship harder is likely to reduce these links.

Security

The proposal to lengthen the period required to gain Australian citizenship was initially justified on the basis of being a security measure. The only cases where this might have made a difference was in those cases where someone had intentionally migrated to Australia with a view to later do harm: in these cases the existing security checks before granting permanent residency and the stipulations against providing false information when applying for permanent residence should be enough to achieve the same aim.

The proposal will effect the over one million residents of Australia without citizenship, while only some very tiny fraction of them – and these could be easily targeted more specifically – could plausibly be interested in the security behaviours of interest. Overall the security benefits are miniscule and the costs are spread over an enormous group of Australians.

Freedom to Choose

Further the proposal builds on flaws in the Australian migration system. This system treats only those migrating with business visas as having any economic benefit to Australia. It ignores the large contribution that is made by those migrating under the family system. Essentially the system has been treated as needing to help business migration by the right and refugee migration by the left, but has ignored the rights of existing Australian citizens to marry whomever they choose. In this way the existing system can legitimately be called anti-family and infringes on the freedom to make rational choices by Australians.

It does this because in Australia, spouses (with marriages of any length of duration, including those over more than a decade and with Australian citizen children) of Australian citizens have no automatic right to live in Australia – they must apply and be accepted by DIMIA (after a substantial fee). Further if they do not receive citizenship within the initial period of permanent residence, they must reapply, and their lack of citizenship is held against them by DIMIA, even though in the mean time they have been married to an Australian citizen for a further substantial length of time.

This system means that Australian migration is skewed toward marriages between Australians and those from developing countries. This is because, while most Australians marrying non-Australians are likely to marry those from developed countries, it will be those people from developing countries who find it most economically rational to stay in Australia permanently. Australians who marry those from other developed countries are just as likely to find that they can build their skills and economic life in the country of their spouse, as living permanently in Australia.

In other developed countries it is taken for granted that once one spouse is granted the right to live in another country the other will also automatically be the case. This has been the case for the author – who has been able to live in two EU countries and the US on the basis of his wife’s migration status there, while she has no automatic right to live in Australia at all.

A system that made citizenship easier for those having long-term relationships with Australians (and the current rules are interpreted by DIMIA here to be that the only long-term relationships of benefit to Australia are those where the Australian has been posted overseas by the Australian government or perhaps a corporation) would encourage those with relationships with others from developed countries, i.e. those most likely to have skills needed in Australia, to spend more of their lives in Australia.²

Retrospectivity

The proposed changes have a strong element of retrospectivity to them: Australian families will have made arrangements on where to live for the next few years on the basis of the past rules. Only if the change is phased in – either only applying to new migrants or coming into effect after two years after the passage of legislation – will this negative implication not be severe.

Conclusion

Overall I argue that the proposal, will reduce Australia’s ability to link with the rest of the world, have negligible security benefits, take Australia further out of line with rights granted in other developed countries, and have a strong element of retrospectivity. If on reflection the Senate still considers the change worthwhile, I would urge it to change the phase-in provisions so as not to unfairly affect those who have made choices based on the existing rules.

² Some of these issues were raised in the inquiry into the needs of expatriate Australians but not really considered adequately.