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SENATE

LEGAL AND CONSTITUTIONAL REFERENCES COMMITTEE

Reference: Australian expatriates

THURSDAY, 29 JULY 2004

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SENATE
LEGAL AND CONSTITUTIONAL REFERENCES COMMITTEE

Thursday, 29 July 2004

Members: Senator Bolkus (*Chair*), Senator Payne (*Deputy Chair*), Senators Buckland, Greig, Kirk and Scullion

Participating members: Senators Abetz, Barnett, Bartlett, Mark Bishop, Brandis, Brown, Carr, Chapman, Crossin, Eggleston, Chris Evans, Faulkner, Ferguson, Ferris, Harradine, Harris, Humphries, Knowles, Lees, Lightfoot, Mackay, Mason, McGauran, Murphy, Nettle, Sherry, Stephens, Stott Despoja, Tchen, Tierney and Watson

Senators in attendance: Senators Bolkus and Scullion

Terms of reference for the inquiry:

To inquire into and report on:

- a) the extent of the Australian diaspora;
- b) the variety of factors driving more Australians to live overseas;
- c) the costs, benefits and opportunities presented by the phenomenon;
- d) the needs and concerns of overseas Australians;
- e) the measures taken by other comparable countries to respond to the needs of their expatriates; and
- f) ways in which Australia could better use its expatriates to promote our economic, social and cultural interests.

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Committee met at 1.03 p.m.

CHAIR—This is the third hearing of the Senate Legal and Constitutional References Committee inquiry into Australian expatriates. The inquiry was referred by the Senate to the committee on 16 October 2003. It has been conducted in accordance with terms of reference determined by the Senate. The committee has received some 670 submissions for this inquiry. The terms of reference for the committee to consider include the extent of the diaspora, its needs and concerns, and the ways in which Australia could better use the resource of our expatriates. Witnesses are reminded of the notes that they have received relating to parliamentary privilege and the protection of official witnesses. Witnesses are also reminded that the giving of false or misleading evidence to the committee may constitute a contempt of the Senate.

[1.05 p.m.]

MacGREGOR, Mr Ernest Donald John, Australian Coordinator, Southern Cross Group

CHAIR—Welcome. You have lodged submission No. 665 and some supplementary submissions with the committee. Do you wish to make any amendments or alterations or add anything further in a written sense to your submissions so far?

Mr MacGregor—Yes. I have three papers here, including two ‘What you need to know’ brochures which we prepared. The first is ‘About the Southern Cross Group’, and it updates what we had in our original submission. The second is one we have just produced, called ‘About Voting in Australia While You Live Overseas’, which reflects the very latest changes in the overseas arrangements. The third paper is an amended appendix F for our initial submission, which updates the groups that we see as constituting the diaspora to reflect our latest submission.

CHAIR—We accept those and will have a look at them before we circulate them. I now invite you to make an opening statement.

Mr MacGregor—My opening statement has been circulated to members. I will just touch on some of the key issues in it. As a result of my attendance at the meeting on Tuesday, there are a couple of points I would like to make. There was a suggestion that we were a Eurocentric organisation, but we believe we are an international organisation. We have addressees in 84 countries on our email list. Eighteen per cent of those are in North America. We have a volunteer committee of over 100 people in some 30-odd countries, and the ‘contact us’ page on our web site covers 26 countries. I made some comments in my opening statement about Senator Payne’s use of the term ‘minor paranoia’, which Senator Payne might like to look at later on.

I would like to bring out the difference between inclusion and exclusion in terms of the diaspora. A large part of our submissions has been directed at creating that sense of inclusion, and perhaps the most often quoted sense of exclusion relates to the citizenship issues and the time it took from the time it was first raised with this parliament, several decades ago, to amend section 17. Even in the debates in the House a sense of exclusion was still there, in that, despite many opposition speakers bidding for further issues to be covered by the amending act, they are only now starting to be addressed by the Minister for Citizenship and Multicultural Affairs.

Of particular concern to us after Tuesday’s hearing is that we believe that the underlying equation in recognising and developing the diaspora is one of give and take. Much of the evidence that was put forward on Tuesday could be seen as bearing on the mining of the commercial value of the best and brightest of our expatriates. This is an approach which we would place on the take side of the equation, albeit a very important element in selling the diaspora. The submissions you have received from most of the organised groups have this mining, or exploitation of the resource, approach. We urge you to look at the submissions from individuals to find the majority of issues we would place on the give side of the equation. We believe that, basically, only the parliament and the government are in a position to address those issues which fall on the give side of the equation.

I will give a brief example. On Tuesday there was some discussion about the trailing spouse issue in the US. It is obvious that only a government-to-government negotiation in relation to trailing spouses would be capable of changing the current situation. Yet we have not seen anything in the proposed US-Australia free trade agreement that addresses that particular issue. We think that is an opportunity lost.

The question of an information portal was also raised on Tuesday. We believe that is symptomatic of the fact that there is no one agency within the administration that is responsible for considering, promoting, advertising and otherwise coordinating matters that specifically relate to issues, policies and legislation directly affecting the diaspora. It is that fact which led us to recommend, at pages 151 to 156 of our initial submission, the establishment of an umbrella organisation, which we have labelled the Australian Diaspora Council. Associated with that, we see the need for the establishment of a research facility within one of our universities.

We accept that any changes on the voting issues are unlikely to occur for some time. We would like to make it clear that what we are seeking to achieve is the right for overseas Australians to enrol to vote—not actually to vote but to be enrolled to vote. We see the significance of that distinction as that those who want to opt out and not be a part of the democratic process do not have to enrol. Compulsory voting for overseas electors was discussed on Tuesday. From my personal experience at the last election, the administrative arrangements for the conduct of overseas voting would have to change considerably before you could think about compulsory voting for overseas electors.

There have been some changes since we made our earlier submission which we would like to recognise. There have been changes to the taxation law relating to the repatriation of overseas superannuation contributions in the recently passed Tax Laws Amendment (2004 Measures No. 2) Bill 2004. While we applaud that, we are not aware that the ATO has made any effort to publicise that to overseas Australians.

Changes to the Commonwealth Electoral Act go a little way towards meeting our wishes, but we believe there is a long way to go. We do acknowledge that the AEC was very quick to change its web site information, but again it has made no overt moves to bring that to the attention of people overseas. Generally, there has been an improvement in many of the web sites of the key agencies, in particular the DIMIA citizenship site.

Lastly, there have been changes announced recently by the Minister for Citizenship and Multicultural Affairs regarding citizenship law. As you know from our submission last Friday, we still have some concerns about that, particularly in relation to children born to former Australian citizens both before and after their loss of citizenship.

CHAIR—I will start with a broader question. We are essentially talking about Australians who have gone abroad, who have taken a life decision to set up camp somewhere else. It is not a one-way flow; people are doing this all over the world. There is probably more mobility now than there ever has been. Why should the country of origin of these people continue to take an interest along the extensive grounds that you recommend?

Mr MacGregor—I suppose it relates to what view you have of the diaspora, what use you want to make of the diaspora and, on a philosophical ground, how you make sure that those

people remain part of the Australian nation. There are all sorts of economic reasons that you can advance for retaining contact with those people—which we would put on the taking side—in terms of the commercial advantages that come from plugging into that resource. There are migration possibilities and investment flows that can be generated. Many Australians overseas are quite wealthy by Australian standards and would like to establish investment arrangements in Australia, particularly buying a home to return to. There are taxation issues.

CHAIR—Why cannot they just do that? What is the role of government in helping people buy a home if they want to relocate somewhere?

Mr MacGregor—Do you want to encourage overseas investment in Australia? Is that a government issue? If you do then you should remove some of the perceived barriers that are there—for instance, the tax threshold probably imposes an unfair tax on the people who have had a home here which they have retained.

CHAIR—Can you explain why it is unfair?

Mr MacGregor—It goes to the question of whether you think they are fully fledged Australian citizens or not. They may be away for an unspecified period of time but clearly intend to return to Australia because they have retained this house, or would like to buy a house. In taxation terms this is seen as an investment but to them is just keeping a useful asset available to them in Australia. An Australian resident who has investment property can take advantage of the \$6,000 or thereabouts threshold in paying their income tax. But people who are overseas do not benefit from that, because once you are determined to be an overseas resident you do not have the advantage of the tax threshold.

It comes back again to whether you want to encourage that overseas investment or not. I cannot advance a hard and fast rule or argument which says that any Australian overseas should have the same advantages as people in Australia, but that is the position we take—and that is the position that most overseas Australians would subscribe to. It comes down to a similar argument about voting, I suppose.

CHAIR—In terms of that taxation argument, you have also raised the change to tax laws in respect of overseas superannuation contributions. Are you satisfied with the current proposals?

Mr MacGregor—The change did affect taxation because prior to 1 July if you brought back superannuation contributions to lodge them in an Australian fund you were subject to taxation on the earnings side of that, and you only had six months to do that. In fact many people could not afford to pay the tax. The changes are that the six-month limitation has been raised and that taxation is levied on the receiving fund at the same rate as for contributions by resident Australians. That will encourage more people to bring back their superannuation contributions. It will not necessarily apply to all people overseas because the superannuation rules are different in various countries. But from the point of view of bringing back people in retirement or to resettle in Australia that is a very strong argument. It means that the money will come back to Australia rather than be retained overseas.

CHAIR—You referred to a point made on Monday that maybe you were an Anglo-Eurocentric organisation. One of the problems that comes to me quite often in terms of overseas

Australians is the question of social security agreements with Greece, Italy and so on. Those concerns are not reflected in your submissions.

Mr MacGregor—We did address that in the first submission. There is also a table in the appendices which lists the countries with which we have social security agreements. We think that it is to Australia's advantage to have more of those agreements. In fact, the Department of Family and Community Services at one stage asked us which countries we thought they should be making efforts in.

CHAIR—Which countries did you think they should be?

Mr MacGregor—I would have to take that on notice.

CHAIR—Take it on notice.

Mr MacGregor—I know Belgium was one, because it was very close to our founding members' hearts. There has been an agreement signed with Belgium. It has been ratified here. I think it has been through the Belgian parliament but it is still to come into force, if I remember rightly.

CHAIR—Could you explain why you think it is in Australia's interest to enter those agreements when, for instance, the one with Greece could cost quite a few million dollars.

Mr MacGregor—Going on the Foreign Affairs figures that we have, we see that there is something like 130,000 Australian citizens living in Greece. From my own experience I would think that probably at least 100,000 of those are naturalised Australians who have returned to their homeland. Yes, the cost to Australia is probably quite disproportionate in that case. I think Greece and Italy are particularly noteworthy as home countries to which naturalised Australians have returned. From my own experience in the Australian Treasury office in Geneva, where we paid many of those pensions in the seventies, an Australian pension was a very significant income in Greece. I do not know what it is now, but back then it was very significant.

I had an acquaintance who was in Belgium, who worked there right throughout her working life and paid Belgian social security contributions. She came back to Australia and was not able to claim under Belgian law to have the money paid to her here in Australia and then became dependent on the Australian welfare system. I think that is it. I have not seen a balance sheet anywhere, but in many overseas countries the salary levels are significantly higher than in Australia. I would venture the view that the pensions brought back are significantly more than the pensions we pay here. That is only a gut feeling. I think more research would need to be done on that to answer your question.

CHAIR—You mention research as a priority. We have had evidence that some other countries are setting up international networks or frameworks, whether they are based in industry or broader community type networks. They are developing an international framework for their expatriates, but they do not seem to be doing that with any lengthy extensive research. They are responding to what they would see as being an obvious resource, an obvious responsibility. Why do you think we need the research?

Mr MacGregor—I think Professor Hugo's initial research published last year was the first study of emigrants from Australia of any significance. He got some responses through our organisation. He acknowledges that there is a dearth of information. The government statistics appear to be based on the departure and arrival cards collected by Immigration, which have very few questions on them and give us very little information about it.

We think it is a subject worthy of pursuing. In the long haul it will be necessary to make the best use of our diaspora and to get it fully recognised as the diaspora is recognised by so many other countries. That is one of the objectives we would like to see fulfilled by this committee—to start us on the long haul of getting the Australian public generally to see the diaspora for what it should be rather than there being this attitude that if you leave Australia and become a Germaine Greer type of person then you are a traitor to Australia and Australian values. The Australian public has a long way to go before it fully recognises the diaspora as part of Australia.

CHAIR—We are talking about a change from those early days of Germaine Greer. In the old days you had two categories: those that would go away for a short period and come back after a few months and those that would decide to leave permanently. Now we are getting a bigger group of more mobile and probably younger people who are coming and going, who are leaving but maintaining links whether they are financial or cultural and they are always linked into Australia. It is a two-way flow. Professor Hugo tells us that we probably have a brain gain rather than a brain drain given the benefits we get from the mobility that is around the world these days. Why do we need government to monitor it? Why do we not just let it bloom the way it has been going?

Mr MacGregor—On the brain gain issue, Hugo touches on the question of whether the brain loss that we have is balanced by the brain gain. Certainly, a lot of the skilled migration that we have to Australia is here only for a couple of years and then goes.

CHAIR—Why do you say that? An enormous proportion of our migration program is skills based whether it is the family program or the independent skills program.

Mr MacGregor—I have kept tabs on skilled migrants in the computer and information area and it seems from what I have read that there is a return from Australia in that field. It depends where the people have come from. If you recall what was reported in the Indian report, those from India certainly go away to earn money and to come home for family or financial reasons or to provide capital into India and their businesses and things like that.

The Australian skilled immigrant, particularly, gets to a point where they probably go away with the view that they are only going to be away for a few years but then career opportunities and salaries and then family tie them overseas and the incentive to come back to Australia is lengthened or extended for those sorts of people. Even the backpacker group that has traditionally gone overseas, many of them through the working holiday program, particularly the UK one where once you have been on the two-year working holiday program you can become a permanent resident of the UK, go away with the idea that it is a gap year experience and suddenly find that things are so good over there in terms of experience and income that they do not come back. The people who are joining the current diaspora are quite significantly different from the people who are coming to Australia as migrants. I think there is a social, cultural and skill difference. We are losing compared with the ones who are coming in.

CHAIR—Are you suggesting that we are losing our more skilled people?

Mr MacGregor—I think so. I am not saying that we are losing all of our own most skilled people, but certainly a very high proportion of those whom we are losing are skilled, university trained people. A large part of our inwards migration program does not match up to that sort of profile, I believe.

CHAIR—You may not have given much thought to this, but you may want to. There is a provision in our citizenship laws that allow recognition of time taken overseas by an applicant for citizenship to be counted as time living in Australia for the purposes of the time residency requirement, if that person can be seen to be acting in Australia's interests. What we are talking about with a lot of the expatriates is that, in some instances, they are continuing to act in Australia's interests. Even though they are living away, they might be part of an international company, a network or bridges for trade and so on. Are there any other areas where that concept can be utilised to recognise rights?

Mr MacGregor—Is that a current or an intended provision?

CHAIR—It is a current provision.

Mr MacGregor—I am not personally aware of that provision.

CHAIR—You might have a look at it.

Mr MacGregor—Certainly there are many people overseas who are not currently Australian citizens who are still working very actively in Australia's interests. I think the latest announcement by the minister probably addresses some of those issues.

CHAIR—Is that the citizenship one?

Mr MacGregor—Yes.

CHAIR—Do you have any outstanding problems from that announcement? Are there any other issues that have not been resolved?

Mr MacGregor—We have listed quite a few in our supplementary submission last Friday that go largely to the children of former Australian citizens who were born both before and after the parent's loss of citizenship. One of the difficulties with the past changes to the citizenship act is that there have been time limits on people to take up the resumption provisions. They have been fairly specific in their nature and, over time, they have operated to actually exclude some people whom we perhaps would not want excluded—for example, the Papuan situation. People who were born to Australian parents in Papua before the independence of Papua New Guinea were Australian citizens. But, as we understand it, under the independence legislation those people lost that right. We had—I am not too sure how many are left now—a number of people who were former Australian citizens and cannot become Australian citizens because they were not born to overseas Australian citizens et cetera. It is a rather complicated issue.

CHAIR—There is an explicit reference in the minister's statement that the act would be amended to provide for the granting of citizenship to a person of good character and over the age of 18 years who was born overseas after their parents lost citizenship under the former section 17.

Mr MacGregor—That will bring in a large group of people. But in fact there are a number of children of people who have lost their citizenship under section 18, which is the Maltese experience. That is not covered by that statement—or seemingly not covered.

CHAIR—There is a further part that provides more generally for recognition of citizenship by descent. Are you saying that that does not cover the Maltese situation?

Mr MacGregor—There are a number of Maltese, as you are aware, who renounced their citizenship under section 18. Their Australian-born children at that stage were then required, once they turned 18 and before they turned 19, to renounce their Australian citizenship or suffer significant cultural and economic penalties. But there were also a number of children born to former Australian citizens who renounced their citizenship after that renunciation, and while the parents can come back in under the proposed changes it would seem that the minister's statement is a little short on the post-renunciation children. That may well be an omission or a failure to fully comprehend in the drafting of the statement.

CHAIR—I think we are putting Immigration on notice that we might ask about that.

Senator SCULLION—Mr MacGregor, thank you for your comprehensive submission and thank you especially for the summaries, which I really appreciate. I am interested in your organisation and perhaps in any similar organisations that represent different nationalities and their relationship to the government of those nations. I understand you kicked off in Brussels in January 2000. Do you know of any other organisations that are similar to the Southern Cross Group in that they are just a volunteer advocacy group for diaspora?

Mr MacGregor—Off hand, no. I would have to take that on notice, I am afraid. The Americans have an overseas group, but I think that is tied to the two main political parties. There are a lot of Australian expatriate groups which are largely 'meet and greet' and social groups, some fostered under the local mission and others that have just grown up through Australians wanting to get together. The reason we formed was that the existing expat organisations that were in Europe at the time did not want to take up advocacy on citizenship. Another issue was the rights of third country nationals in the European Union. Those groups were all rather scared of taking an advocacy role because, to some extent, they were beholden to government agencies for support.

We have not found that difficulty. We get quite significant support from the overseas missions, and I am not aware that we have been hung out to dry because we perhaps have a criticism of the government or of the existing law. I think we criticise the existing law rather than government, for that matter. If you wish, I can try to find some more information. As one of our appendices to the original submission indicates, we searched the Internet for other diaspora type organisations. We found information about some 200 countries, but none of them really came up with anything that was like ours. I think there was one in Scandinavia somewhere not unlike ours which had

made some submissions to the United Kingdom government on several issues. I could let you have more information on that if you like.

Senator SCULLION—I notice, as part of your process of keeping people together, this ExpatriateConnect—and that was with the Australian Institute for Commercialisation only four months ago, I think. How long has that been operating?

Mr MacGregor—ExpatriateConnect was actually launched jointly in London on 9 June this year at a function we arranged at Australia House. We are a founding partner with ExpatriateConnect. The Australian Institute for Commercialisation is seeking to find expat organisations with a mailing list that they can tap into to generate registrations into their system. That is basically our connection. We were reimbursed for the expenses that we incurred in the process, but we have had no financial contributions from the institute in that regard. But it is early days. I think you had the executive director of the institute as a witness on Tuesday. At this stage they have something like 1,600 profiles registered for expatriates.

Senator SCULLION—You informed me in part of your opening statement about one of these need-to-know brochures about voting in Australia while you live overseas. Who provided the funding and the organisation for that?

Mr MacGregor—We fund ourselves by contributions by volunteers—largely time—and we run on a shoestring really. We get a little bit of sponsorship sometimes when we run functions. We have people who pick up the cost of mailing—some of the Australia related organisations in London. We charge a small fee for those attending, to cover function costs.

Senator SCULLION—Getting information about the laws that you effectively come under that may change in your own country is a pretty reasonable service. Why would the Australian government not pay for and organise that?

Mr MacGregor—That is a good question.

Senator SCULLION—I will be asking them, but I just thought you might have some views.

Mr MacGregor—I think it is probably because nobody really thought about it. It is an issue that has come to the fore in the last 3½ to four years. The significant thing about that question is that there is no agency in Australia, in the Commonwealth government or the state governments, that is responsible for coordinating all this information, even for putting up a web site which acts as a portal to the information in all the related agencies. I have a long Public Service career behind me, and no doubt, through your work on the committees and in the Senate, you are aware that most agencies are fairly jealous of their territory. They are particularly jealous about sharing information. I think that unless you get some independent group with a bit of clout to require this sort of coordination, even just of the information or to put forward issues that the expatriate community is concerned about, it is going to be ever thus. We have not sought government funding because at the moment we are still an unincorporated body. From my own experience, it is unlikely that we would qualify for a grant on that basis.

Senator SCULLION—Have you approached the government about some assistance in regard to those things?

Mr MacGregor—No.

Senator SCULLION—You were talking about the fact that there is no dedicated body within government. That is self-evident, and we have discussed that with other witnesses to this committee. I understand that they do have a dedicated unit in a number of countries. France was one that has been cited. Do you know anything of that unit and how it operates?

Mr MacGregor—Only what we have put forward in our submission. Both in our submissions and in other material that we have given to the secretariat—reports of other organisations and so on—there is a lot of material that we have already put before the committee on how those things work. Obviously in Greece, France, Finland and Italy there is government contribution. There is actually government support, and a lot of things are either directly operated out of a government ministry or in a body that is government funded, with government representation. In France, for instance, overseas French citizens elect people to a representative council—I forget the name of it—and that council then nominates 10 people into the French Senate. I would imagine there is a considerable sum of government money budgeted into those organisations—those arrangements, we might say—in a number of countries.

Senator SCULLION—Do you think Greek and French expatriates and those expatriates who enjoy a unit within government are as dedicated to dealing with expatriate issues? Do you think they get a better deal than Australian expatriates? Is it associated with having recognition at governance level?

Mr MacGregor—I would think so. If we had, say, five representatives in the Senate to represent one million Australians living overseas, those senators would be a fairly significant group. If you have that input, or if you have government ministers who as part of their role are involved in those organisations, then I think overseas citizens of other countries would certainly recognise that they were getting a better go than the Australian diaspora.

Senator SCULLION—It is interesting that in places like Greece and France, where those people have a unit, apparently—or I can assume—they do not have an advocacy group similar to the Southern Cross Group. Should Australia move to saying, ‘We need to have a dedicated unit somewhere in government’? What sort of relationship should organisations like the Southern Cross Group have with that unit? What sort of role do you think you would play?

Mr MacGregor—If over time the government organisation were successful at its job, the need for an expatriate organisation of the nature of the Southern Cross Group would drift away, because, presumably, the concerns of individual expatriates and other meet-and-greet type expatriate groups would be conveyed to that body. You would then have a form of direct representation—albeit it might be somewhat removed—to bring forward those problems that we are bringing forward now. Our existence is totally based on the fact that there is nobody to do that sort of thing. One of the difficulties we face with various inquiries and issues is that it is very hard to hit the moving target. We have raised the need for a portal in several situations, but it has always slipped under the guard because it is not in the relevant terms of reference.

The question of registering children born overseas to Australian citizens at the moment—we have made a submission to Foreign Affairs on the new passports bill—is typical in that before you can apply for a passport you must demonstrate that the child is an Australian citizen. For

that, you have to come to DIMIA to get a certificate of citizenship based on birth certificates et cetera which takes three months or thereabouts to get, give or take a bit. Then, when you have got that, you can go back to the embassy and say: 'Here I am. Here's the child. Give me the passport.' A couple of embassies we looked at, using their web sites—Tokyo is one that comes to mind—say: 'Bring both applications to us. When the citizenship certificate comes back to us, we will then process your passport application.' But in most locations, there is probably considerable travel involved for the parent to come to the embassy, there is loss of time, there are travel costs and accommodation costs. You would think there could be a single process which covers both departments' needs. But there is not. They are the sorts of things that irritate people.

Senator SCULLION—Mr MacGregor, a general thrust through the submissions is that I have not read anywhere about anyone who was delighted with their experience of working overseas—a wonderful, enriching experience—and who came back to Australia thinking, 'Great to be back, making a contribution.' I have not seen that anywhere. Perhaps that is just the nature of Senate committees: it is only those people who are perhaps unhappy who report. It is hard to get a value judgment. Do you know a lot of happy repatriates?

Mr MacGregor—This brings up another issue—that most repatriates get quite a shock when they come back to Australia. I think one of the groups that was before you yesterday probably touched on this. There is a tall poppy syndrome in employment. We have countless people telling us that, when they submitted their CV with all this wide overseas experience, they were told it was not relevant to Australia. This is what ExpatriateConnect and Advance are trying to overcome. If you have come back to Australia from a well-paid position overseas and if you come back with a substantial part of your working life in front of you, I think that it is probably going to be quite a shock to come back to Australian standards of income. But most people express the view that they want to come back to Australia for family reasons, for lifestyle reasons or for retirement.

On balance there would be more people worried about coming back than people who were overjoyed about coming back. I think most of them, when they come back and get out on a beach somewhere, think, 'This is pretty marvellous,' compared with being somewhere else. But, yes, I would think if you go to the brief that we put up on our web site about what people might consider in their submissions to you we probably highlighted all the adverse things that people had been complaining to us about over a couple of years. I am a bit surprised that you did not get submissions from a number of people who have returned to explain their views. I think there are a number of them, but a fairly small number.

Senator SCULLION—We had evidence yesterday in response to, I think, a question from the chair about how we maximise values, how we translate values and where they are most valuable—I think it was that sort of a question. The response was that expatriates are most valuable where they are, and that is overseas, not Australia. What do you say to that?

Mr MacGregor—In our submission we have said it is about time Australia bit the bullet about the brain gain and recognised that we cannot attract people back here unless we are prepared to give them a Federation Fellowship—\$1 million over four or five years—or one of the University of Sydney fellowships. We are better off saying, 'These people are over there; they will come back of their own volition if they are going to, but we are not going to be able to bring back the ordinary, average professional.' We are not going to be able to attract them back

here because of the benefits in both experience and income that they have there, and the longer they are there the more family ties bind them to another country.

CHAIR—Are you suggesting that we should try to get them back?

Mr MacGregor—I think that side of it will come naturally, from non-government sources. Apart from perhaps a bit of seed money, like the Federation Fellowships, I do not really think that the government needs to play a role in that. It is the business sector, the private sector, through organisations like ExpatriateConnect, that can facilitate the return of those that want to return by getting them good placements or getting them known to Australian companies as support people overseas—that will ease them back. But I am not so sure that apart from some of the ‘give’ things, like repatriation of superannuation and things of that nature that the government can arrange, we need to be overly concerned about bringing people back.

CHAIR—It occurs to me that we are talking about one aspect of the problem, the research-scientific aspect. But where the problem is probably more in the minds of Australians is on the sporting field. We have close to 100 top soccer players in Europe. We have 40 or 50 top-ranking baseballers in the States. Those people are deciding to make a career for themselves overseas. If you look at the sports fields here, they are full of people who have migrated to Australia. There are costs and benefits and I think the perception in Australia over the years has been that we have actually benefited from the flow of people and that we continue to do so.

Mr MacGregor—Going back to my youth, soccer was a namby-pamby game. If you did not play Rugby League or Rugby or Australian Rules, then you were not a red-blooded Australian male. Soccer has got a very significant foothold in Australia, largely because of migration.

CHAIR—I mentioned that as a sort of representation of the broader problem. I want to address two quick areas before we wind up. In relation to voting rights, you have always maintained a need for a physical connection. What seems to be happening worldwide now is that the capacity to maintain cultural and personal links is enhanced and, quite often, people know what is happening in Australia long before Australians do, because they can pick up the paper on the Net overnight. They maintain that interest. How important is that physical connection now? It has been seen to be important in most other countries, if not all around the world. Do you advocate a continuing right to vote or a right to vote based on some physical connection?

Mr MacGregor—Let me say that we believe there should be a right to be enrolled, not necessarily a right to vote; that is a distinction I made earlier. I think that it is a question that needs a lot of research and I think that there are arguments that you can go one way or another. George Williams on Tuesday favoured the New Zealand approach—return within the parliamentary period, even if it seems to be for a day. I am not sure that that is the right solution. I think the current six-year period is probably far too short. I would favour something like the UK experience, with the possibility of demonstrating further that you do have a continuing economic interest in Australia or other ties or that you are regularly returning to Australia. Frankly, I do not have a hard and fast solution. I think that we will evolve the solution over a considerable period of time with incremental steps which change various things in relation to overseas voting. I think at the moment probably the Australian population and—from my experience in appearing before the electoral matters committee—perhaps the parliament is not ready to move too far on that at the moment.

CHAIR—The final question I had was with respect to the census. It seems like the US is finding problems in trying to organise an international census of their expats. Professor Hugo said yesterday that he was having a rethink about it. From the Foreign Affairs registration system, we are finding that people have all sorts of different reasons for not wanting to be part of an official record around the world. Do you still think the international census is a good idea and can it really work?

Mr MacGregor—The real difficulty that you have pointed out is that if you do not want to be included and you are overseas, nobody is going to be able to knock on your door and say, ‘Here is the form; fill it out.’ There are a number of reasons why people do not want to be on the database. On my last advice Foreign Affairs had well under 100,000 people on their database. A lot of people probably do not know about the database. I think we need something that gives us a better fix on the number of Australians overseas and particularly the number of Australians overseas that do have a continuing interest and are interested in Australia before we can address a lot of these other issues about direct representation and so on. The census is probably the only way we are going to go, but I do not think the first census—or even the second or third census—is going to produce startling numbers in that regard. At the moment, there is no mechanism that gives us a feel for how many people are overseas—apart from the estimates from Foreign Affairs, and they do not give us a feel for how related to Australia they feel.

CHAIR—Is there a precedent in any other country?

Mr MacGregor—No, and the US are only experimenting, as I understand it, with their expats in Kuwait and a couple of other countries. Whether they will feel it is successful I do not know. The US probably has a better feel for it in that, if you want to vote from overseas, you have to register with one of the parties. That probably gives them a better feel for the people who are overseas and feel significantly connected to the United States. I do not know how you can actually find all these expats scattered around the world, give them a form and say, ‘Fill this in.’ You are only going to make contact with a limited number of people through the various group mailing lists et cetera. At best, we think we reach about 20,000 expatriates. That would be the flow-on effect from our mailing list, and that is a very small proportion of the estimated total of people overseas. So it is a question of how you gather that information, but I do not think that means we should not think about how to do it.

CHAIR—Thank you for all the work that you and your organisation have put into this inquiry, for your submission and for your evidence this morning. I know that you have followed us around a bit this week. I thank you and the Southern Cross Group for your contribution.

[2.03 p.m.]

FREEMAN, Mr Chris, Director, Images of Australia Branch, Department of Foreign Affairs and Trade

SMITH, Mr Rod, Assistant Secretary, Consular Branch, Department of Foreign Affairs and Trade

CHAIR—Welcome. You have lodged a submission with the committee, which we have numbered 646. Does your submission need to be amended or altered in any way?

Mr Smith—The submission needs no amendment.

CHAIR—Would you like to make an opening statement?

Mr Smith—We have no opening statement, other than to make the general point that we very much welcome this inquiry. We set out in our submission, I hope succinctly, the key points that we thought were relevant, and we are obviously happy to take any questions.

CHAIR—Can you give us a bit more information about how long the online register has been operating, how it has been promoted and what plans you might have to further promote it? Essentially, at the end of the day, I would like you to give some thought to whether this or a separate web site might be more convenient to work from for the range of international organisations with connections to expats in Australia.

Mr Smith—On the overseas register, for us this is a critically important tool for the management of our consular services principally. It was designed as a register to give us information about Australians living or travelling overseas, with the principal purpose that we would then be able to contact them in the event of an emergency or a consular incident of some kind or in the event that their families in Australia were seeking our assistance to contact them. It has, if you like, a secondary purpose—that is, to enable us to more broadly disseminate our consular information, in particular the travel advice that we provide to the Australian community overseas, as well as in Australia. We have done a lot of work on the register over the years, and the system that we have in place now is, of course, as you know, an online register. We encourage all Australians who travel overseas to register, particularly those who are going to be resident overseas for a longer period of time or those who are travelling overseas for short periods of time but are going to parts of the world where we may have some security concerns. They are, in a sense, our principal targets for the register.

We promote the register in a number of ways. We promote it in each and every one of our country specific travel advisories; we promote it clearly on our web site; we promote it through our relationship with the Australian travel industry; and we promote it through the various brochures and other forms of consular information that we publish. Australian embassies and high commissions overseas also have an important role to play in promoting and encouraging registration on the database by Australians. They do that in a number of ways. They do it by promoting it on their own web sites; they do it from time to time, maybe not in all countries but

in a number of countries, by taking advertisements out in local media, encouraging Australians to register; and they do it through their links with the Australian community—business groups, chambers of commerce and the like—in their countries of accreditation.

On the second part of your question—the question of a web site—the DFAT web site has obviously a number of components. In some respects, the one that is probably the most relevant to this committee is the consular part of the web site, which is the vehicle through which we provide consular information. It is where the registration database is. It is where people find our travel advice and a number of our other consular information products—brochures and so on. All of that is important to expatriate Australians, just as it is important to Australians who travel overseas for short-term business trips and holidays. In a sense, we do not distinguish between those two groups when we develop the consular information that is on that web site.

The rest of the DFAT web site, of course, has a vast range of other information that is relevant to Australians living overseas. We provide country information and a lot of information about the department's trade promotional activities. We provide information about cultural, public diplomacy activities and so on. Importantly, we also provide a range of links to other web sites which would be of interest to Australians living overseas, again both longer term expatriates and Australians who are travelling for short periods of time. It is not comprehensive; it does not try to be comprehensive. What it tries to be is practical and useful within the bounds of the resources that we have to develop and maintain it. It is a useful portal through which Australians living overseas can access a whole range of government information databases of other agencies. I should also mention that most, if not all, Australian overseas posts maintain their own web sites, which are obviously linked to the main DFAT web site. They provide some additional information which is directly relevant to the communities that they service overseas.

CHAIR—It has been put to us on a number of occasions that the portal that you refer to has some failings. There has been some criticism of it. Have you had a chance to assess how individuals accessing it see the portal—whether they find it easy to navigate through or whether they find gaps in it? Is there any review going on of the success or otherwise of the portal?

Mr Freeman—It is very much ongoing on our part. We regard the web site as a dynamic medium. If we got any feedback through our feedback mechanism on the web site, we would certainly look at it very quickly and take on board any suggestions we got. I am not clear whether, when you say portal, you mean our web site per se—

CHAIR—The one you were just talking about.

Mr Freeman—or the portals through which we link.

CHAIR—The link to other government services.

Mr Freeman—The government has just recently developed a revamped version of an Australia.gov.au portal, which is in fact the gateway to all government agencies and departments. We have no responsibility for that, but clearly that is one we link to. The short answer is that, if there are any problems or complaints, we will take them on board very happily.

Senator SCULLION—I do not want you to make an assessment about usability and friendliness and all those sorts of things you do normally with feedback, but would you be able to tell me, for example, how many expatriates, rather than travellers, access the site?

Mr Freeman—No. We get hits and page views and that kind of detailed information, but we do not break it up. We cannot break it up in terms of category of visitor.

CHAIR—I think there might also be a parallel agenda here. People may be thinking of a portal which is based around the expat community and can provide interlinks either within a country or around the world and also, in the context of that sort of portal, provide a capacity for people to register as specialists in certain areas and as working in certain areas, be they professions or geographic regions. It would seem from what you are saying that official government portals are probably not the appropriate ones to use as a vehicle for this. It may need to be a separate portal.

Mr Freeman—The official government portals are really meant to disseminate information on what Australian government policies are in a range of areas. When I say a government portal, that is what I mean in terms of the seeking and the getting of relevant information, whether you are an expat or a short-term traveller.

Senator SCULLION—If you want to get the information out there, do you use ExpatConnect.com? Do you use that portal now it is there, or do you intend to use it?

Mr Freeman—We do. As a matter of fact, we had a meeting just a few weeks ago with ExpatriateConnect. They called to see the head of our branch that handles the web site. We had a good discussion with them. At their request, we are looking at ways of them linking to us and having that kind of exchange.

CHAIR—I will move to another area before Senator Scullion has a go as well. I think it is perennial—you will always find criticisms of government, whether it is within Australia or overseas. We get criticisms of how missions respond differently to the presence of expats, the needs of expats and so on. I must say that, in the last few years, when I have been overseas, the programs organised around expats at the places I have been to have been really good. But it is a diverse world and there are diverse needs in different countries. Is there a mission statement that talks about how missions should relate to the expat community or is it left to individual posts to work out their own agendas?

Mr Smith—I think it is probably the latter. Australian embassies' operation with Australian communities in their country of accreditation is obviously critical. There is a very rich and important dialogue, coordination and cooperation with expat communities. Sometimes that is informal; sometimes it is much more organised and structured. The way it operates differs from country to country and from post to post. It depends on a range of factors. It depends on the size of the community. In some cases it depends on the size of the embassy. It depends on the kinds of skill sets and interests the Australian community has. It depends on how organised the community itself is.

In some countries, for example, you will see Australian communities organise themselves into a business group, a chamber of commerce or something of that nature. Indeed, sometimes there

are if not competing groups then groups that sit side by side—a number of different groups representing different parts of the community, particularly in countries where the Australian community is very large, and in those circumstances the interaction often operates through those business groups. In some cases it is more informal. I do not think you can be too prescriptive about this. Often these relationships develop organically. They develop over time and they develop depending on how the common interests of the Australian government representatives and the Australian communities themselves develop over time and on how they define themselves separately and together.

CHAIR—Sure, though sometimes you do get a sense of ‘clubbiness’ around a post. I have found sometimes, in the past, that there may be a resource like a vast array of Australian aid workers who are working on the ground, in the field, who actually have closer access to information than otherwise official sources can get, and they can be left out. Is there any way that posts are encouraged to be more inclusive?

Mr Smith—They are always encouraged to be as inclusive as they possibly can. What we find sometimes is that the parts of the Australian community that are most closely involved with the embassy are those that choose to be. Other parts of the community do not want a lot to do with the government; they do not see a lot of benefit for themselves in that relationship. So the relationships, the dialogue and the interchange that develop are often based on a process of self-selection, if you like. The heads of embassies and missions are always active in engaging and including as many people as possible, but some businesspeople—some expats—choose not to be involved or as involved in that exercise. But the objective is always to harness the skills of the community as much as possible and to be as inclusive as possible in doing that.

CHAIR—When we talk about that objective, are we talking about something that is in writing or something that is an expectation?

Mr Smith—Certainly, it is an expectation—a very clear expectation. It is an expectation that is articulated frequently by the minister and by the department. It would certainly be reflected in various forms of the dialogue and instruction and directives that go to embassies. I do not know if there is a single place where it is set down as an instruction, but there may well be.

CHAIR—I wonder if you would take that on notice and see if there is any documentation on that.

Mr Freeman—Could I add to that. In a broader sense, when we tell posts to be as effective as they possibly can in terms of their public diplomacy activities, which is the advocacy of our Australian interests and the advocacy of an image of Australia that is accurate and positive and so on, we are not prescriptive in that sense either. We say to them, ‘Look, here are the broad tools and the broad support we can provide to you, but you are on the spot; we look to you to choose the most effective means of transmitting the messages.’ Giving posts a very detailed, prescriptive set of guidelines would in a sense make them less effective sometimes than giving them the opportunity to use their own local expertise and knowledge. I have been on four postings over the last 20 years and I can tell you that the expat communities in each of those postings have been quite different, as have the local public diplomacy conditions at every one of those posts.

CHAIR—Thanks.

Senator SCULLION—In response to a question I asked Mr MacGregor, about why he felt that the Southern Cross Group should be disseminating information about voting in Australia and the changes that have been made, he said he did not really know why he was doing it; basically, it was in the absence of any other activity. It seemed fairly reasonable to me. Would you see that issue as one for the Electoral Commission or another department, which is why it does not come to you, or would you see yourselves, the department of foreign affairs, as a one-stop shop? You say, ‘If an expat comes to us, we give them information,’ but do you see yourselves as being responsible for providing information of that nature?

Mr Smith—I think the answer is a bit of both. We have a very close role with the Australian Electoral Commission in the provision of voting facilities overseas for elections and in doing that we act in effect as an agent of the AEC. When we fulfil that role at the time of elections—and I am talking about federal and in some cases state elections—we provide a lot of information about policy, voting procedures and so on. We do that, as I said, as an agent of the AEC.

When it comes to information about ongoing changes to legislation in relation to elections that impact on the rights and interests of Australians overseas, I think that is principally an issue for the AEC. We are certainly always happy to provide that information and to use our networks overseas to disseminate that information, but I do not think we would be the initiators of that process. If the AEC judged it as important information that had to be disseminated, we would be happy to help them do that.

Senator SCULLION—In the future do you think people will be looking to, say, the ExpatriateConnect web site and those sorts of web sites because they feel part of a community rather than because they need something? Would you look at funding those sorts of things, community groups or advocacy groups, to assist in providing information to their constituents?

Mr Smith—I guess it depends on where the information comes from.

Senator SCULLION—I am specifically talking about government information—for example, information on changes to section 17 or information on the announcement made by Mr Hardgrave on July 9 in relation to some changes that may impact on citizenship and other issues. I was talking specifically about issues that would directly affect them.

Mr Smith—I think that the DFAT web site and the links that it provides would be one of the vehicles, one of the mechanisms, through which that information would be disseminated. You can ask this of the DIMIA representatives, but I would imagine that, when those changes to the Citizenship Act were made, they themselves had a process of dissemination of that information, including to constituents overseas. Again, we are happy to work with other government agencies to look at ways in which we can use not just our web site but also our links to the Australian expatriate community through business groups and through all of those other links that the heads of missions and embassies have to try and disseminate and promote and build understanding of the importance of that information.

Senator SCULLION—My question probably related more to my lack of understanding about how foreign affairs missions work. There have been some suggestions that perhaps within

government we are not maximising the opportunities that the expatriate community may give to Australia and that may be because there is a spread of government agencies who are responsible or who are not responsible. If we had a dedicated unit, we could facilitate that better. What is your view about that? If we decided to have one, irrespective of your view, where do you think it would go?

Mr Smith—I think there are two issues here. One is whether we are doing enough to, if you like, harness the advantages that the expatriate communities offer—because it is obviously a very diverse community. The second is whether some sort of dedicated bureaucracy would facilitate that. On the first of those, I think we do it pretty well. We do it with great determination and, I think, pretty effectively overseas. That is not to say that we cannot do it better. As we were talking about before, our embassies work very closely with Australian communities. They are an essential part of the trade and investment promotion role that embassies engage in. It is something that we try and develop, maintain and harness as best we can.

The question of whether a case can be made for some part of the bureaucracy here to manage the interests of the expatriate community is not something that DFAT has given any particular thought to, but I think it would depend very much on how you defined the role of that kind of body. I have looked at the Southern Cross Group's submission and it seems to me that they are talking about a couple of different kinds of activities.

Senator SCULLION—Perhaps I should clarify the role that I am thinking of. My understanding is that in both France and Greece the role of such a unit is basically one of advocacy for the expatriates and to be responsible for maximising those benefits and for communication. That is the role as I understand it from the some of the submissions and witnesses. It would be a similar model. You may be aware of those models.

Mr Smith—I am not familiar with the French, Italian and other models. As I understand it, the proposal is that it would be a body that would do a number of things. Part of it would be an information dissemination role of the kind that I think is being performed already by a number of government agencies, not obviously one and one alone, pretty effectively. Part of the calculation here has to be whether the kind of communication tools that we have available today, principally the Internet, obviate the need to have a bureaucracy to manage that information dissemination function. If you are looking at a role beyond that, if you are looking at a role that would involve, for example, the protection or advocacy of the interests of Australian expatriates, that is quite a different question. It is certainly well beyond the competency of DFAT. It would not be something that we can comment on. My basic point is that you would have to look very closely at how you would try to define the objectives and the role of that kind of body. The information dissemination function can be improved, although I think it is working pretty well already. The other issue is really quite a separate one.

Senator SCULLION—There is a thread throughout the submissions that the relationship between DFAT and the expat community could be better. In response to that I know you have made a number of sensible dot points that say what you are doing. Do you think you can do that better? We now have an opportunity to look at that. The next submission we will see is submission No. 656. We have really got a comprehensive range of views from the expat community. As a consequence of this do you think we can do it better? In what sorts of areas do

you think we can do better in terms of the relationship and how we communicate with the expat community?

Mr Smith—I think we can always do things better. I would be the last one to say that we do things perfectly. For us in DFAT it is always our objective to look at ways in which we can improve our operations overseas. Part of the dialogue we have every day with Australian communities overseas is about how we can work better with them to advance not just their interests but our collective interests, recognising that a lot of those interests are shared. It is a dynamic relationship and it is one that changes all the time. It changes very much in response to the kind of feedback we get day to day from the communities. The way in which that dynamism evolves differs from country to country.

I have read in some of the submissions that some expatriate Australians feel that we can provide better consular services to expatriate Australians. As head of the consular branch in DFAT that is something I am always interested in trying to do better. We have to understand, of course, that we perform a role not just for expatriate Australians but for all Australians. If we look, for example, at consular services our experience shows that the kinds of problems that Australians face overseas often are a result of unfamiliarity with the local environment. That usually means they are problems faced by short-term travellers rather than expatriates—that is, rather than people who do know the country and are familiar with the laws, the way business is done and so on. Although we do not distinguish or discriminate between holiday travellers, for example, and expatriates, a lot of our focus is on dealing with the sorts of problems that Australians who are there for a short period of time face. If there is more that we can do to facilitate and assist expatriates we are very happy to do that. I have had some contact, though not very much, with the Southern Cross Group in the time I have been in this job and we are always keen to hear ideas about how we can do more.

The same applies to other parts of the work of this department, where we engage with the business communities overseas—our trade investment activities, our trade promotion activities, our public diplomacy activities and so on. In all those areas we are always keen to try to do things better and we think we are very responsive to suggestions from those groups about how we can work better with them.

Senator SCULLION—On that matter again, some submissions indicated the need for consistency of effectiveness. There was some mention of individual heads of missions who obviously worked very hard in areas and did very well. There were also suggestions from which I deduced that some missions are so busy with other things that the first thing to fall off the tray, though it is most important in a priority sense, would perhaps be the expatriates. I am not sure how the missions are funded or how we work out budgets in that area. Do you think it is a resource issue in some instances and that has to be a consideration in terms of part of the answer?

Mr Smith—Resources are always tight. I honestly do not think it is a resource issue. Dealing with the expatriates would never be the first thing to drop off the priority list because it is a too important part of the work of an embassy. There may be occasions when time or other resource pressures might mean that a particular function may not be able to go ahead, but that is not to say that the embassies do not take that responsibility of dealing with the expatriates very seriously. As I said, we can always do more; we can always do things better. There are inevitably going to

be resource constraints. Priorities have to be juggled, but I guess the general point to emphasise is that we would never consider that relationship with the Australian communities to be a low priority activity. It is always a very high priority activity for missions.

CHAIR—Thank you both very much. Thank you for your submission as well. Can you come back to us with respect to the documentation—that would be useful as well.

Mr Smith—Thanks, Chair.

[2.37 p.m.]

DRAFFIN, Mr Garry, Chief Executive Officer, Invest Australia

CHAIR—Welcome. You have lodged submission No. 641 with the committee. Do you wish to alter or amend it?

Mr Draffin—I am happy to let that submission stand.

CHAIR—I now invite you to make a brief opening statement.

Mr Draffin—Thank you for inviting us here today. It is a great opportunity for us to contribute to this inquiry. Invest Australia is the Australian government's inward investment agency. Our mission is to attract productive foreign direct investment into Australia to support sustainable industry growth and development. We have offices in 11 locations around the globe, covering North America, Asia and Europe. In the last two years alone, Invest Australia has had a verified role in attracting into Australia 105 new investment projects which, if they proceed as planned, will result in some \$15 billion worth of investment, create or safeguard over 9,000 jobs and generate over \$1 billion in export earnings. We are currently working with companies on projects for the potential investment in Australia of more than \$80 billion.

The Australian economy has undergone a dramatic transformation over the past two decades. We now have a diverse economic base, and that has helped us to ensure that the economy remains robust and resilient to global economic cycles. We have been ranked by the *World Competitiveness Yearbook* as having the world's most resilient economy for the third year in succession. However, competition for foreign direct investment in the global economy is hot, and Australia must remain competitive if multinational companies are to continue being attracted to our natural resources, capabilities, emerging technology sectors and human capital. Significantly, there remains a significant information failure about Australia's comparative advantages, strengths and capabilities as an investment destination. It seems that in most markets around the world, where we are known at all we are known as an iconic tourist destination, perhaps for our sporting prowess but not as a contemporary business hub in the Asia-Pacific.

Last year, Invest Australia launched the country's first comprehensive national investment marketing plan, Partnerships for Investment, and that was attached to our submission. This is a collaborative venture with the states, territories and industry and delivers a highly integrated strategy aimed at increasing awareness of Australia as a competitive investment destination. This is the first time that Australia has undertaken a national approach towards investment attraction and promotion, and this will deliver a clear and confident message that the future of investment success is here in Australia.

As an extension of that, we are also running testimonial advertising overseas. If the senators are interested, I have examples of that. This is the current advertisement in *Forbes Magazine*. The relationship to what we are talking about today is that we are using testimonial advertisements from Australians overseas who can speak to their experiences investing in Australia, and that peer endorsement in markets like the United States is very important. In the

advertisement that I am showing you, which features in *Forbes Magazine* worldwide, an eminent Australian, Bob Bishop—who runs Silicon Graphics, a Fortune 500 company, in the United States—talks about his involvement with Australia. It underlies what we want to do with the Australians abroad network on which we have made our submission to this committee.

Our aim with the Australians abroad network is to tap into both the significant pride in and the significant loyalty to Australia that they have, to use them as ambassadors, not always—very seldom, I would suppose—in such a high-profile role as we have used Bob Bishop but linking them into a network overseas to support what we are doing in trying to grow knowledge of Australia and build a network of people working to support Australia's inward investment efforts.

We do already work with existing networks overseas. I am sure submissions have been made that refer to networks such as Advance Australia in the United States—and we work with them particularly in financial services in New York—and ANZATech in Europe, which we have also worked with. The skill sets of those organisations vary. They vary from pretty much social gatherings of Australia to dedicated networks that are working very closely in particular sectors. Our approach with the Australians abroad network is to develop a mutual database, that works both ways, off our existing web site—which has been relaunched and has a comprehensive overview of Australia's capability and opportunities in regard to investment—and to have a password-protected sector off that web site which enables us to liaise with and link into networks overseas.

We do not intend to reinvent the wheel, which is why we have put the development of the Australians abroad network to one side until such time as this committee finishes its deliberations. Clearly, the outcomes of this inquiry would very much influence the way that we choose to go ahead. However, whatever the outcomes, I think it would be fair to say that what we aim to do will always be a collaborative effort. Invest Australia does work closely with the states and territories. We would seek to do so with the Australians abroad network. We also work very closely with our colleagues in DFAT and Austrade—that would continue—and also with industry.

CHAIR—There are a few issues there. Can I start off with the one that you went to first of all—that is, the issue of Australia's image and the nonrecognition of the new economy. Why do you think there is that communications failure that you talk about? Is it consistent around the world or is it more prevalent in some parts of the world, not so much Asia maybe?

Mr Draffin—I think it is fair to say that the perception of Australia as a contemporary business destination, or the failure of Australia as a contemporary business destination, is fairly consistent around the world. The degree certainly differs from market to market. There are many countries around the world where Australia is still a relative unknown, whereas in somewhere like the United States there are patches where we are well known and patches where we are not. But I think it is an inevitable outcome of the amount of time, money and effort put in and indeed the historical skill sets of Australia that have created this perception.

We have currently allocated an additional \$340-odd million to the promotion of tourism. Naturally those tourism images are going to be around what is going to attract people to Australia. There is nothing particularly sexy about being a contemporary business hub, so they

are inevitably going to focus on the wonderful things you can see and do and the experiential nature of Australia—it being a great adventure and an exciting place to go at the bottom of the earth. None of that speaks to our current business success, and there is no way that we can really combat that. Invest Australia is probably the only agency promoting Australia actively through that sort of advertisement. We would spend less than \$2 million a year globally. That is a very small amount of money. The value of Steve Irwin's coverage in the United States on cable television would be hundreds of millions of dollars.

CHAIR—We used to have parallel investment type programs. There was a concerted campaign to bring global or regional headquarters to Australia. Are those campaigns still running?

Mr Draffin—The RHQ program no longer runs. We felt it had run its course. You could say it was very successful. More than 900 regional headquarters have been established in Australia. We have launched another program that to a certain extent builds on the RHQ program—our supported skills program, which is essentially an assisted visa program for establishing RHQs here in Australia. That has only been in operation for about nine months. There have already been six or seven successful applications under that program.

CHAIR—Are there any other migration related initiatives that would be helpful in this area?

Mr Draffin—That is the only one that we operate. I am not aware of any others that may be operated by any other government agencies.

CHAIR—I am trying to get some idea of what sort of people would be included in the Australians abroad network. You refer to membership, and I would like some idea as to how that would be programmed and processed. Are we talking about the extent of the talented diaspora abroad? Are we talking, for instance, of a web site that allows self-identification in the research, minerals or biotech areas and geographically? Does it have the capacity to allow self-nomination of resource and talent, of investment potential or of both?

Mr Draffin—Certainly we would see it as having the ability to have that self-nomination to areas of interest. It is important that I say that we will not have developed our thought process on this to the end until we see the outcome of this inquiry. Clearly we do not want to invest an enormous amount of time and money in building something that is stand-alone. We would far rather be complementary to what is around us. That is the way we currently work. The thought process behind the development of this network is to tap into the willingness that is already out there. It would be an opt-in network; people would have to want to be involved. We would promote it to groups of expatriates and we would see it operating at a couple of levels. We would certainly have a senior area within the web site which would enable us to have the Bob Bishops of this world—the very senior people who are running major companies overseas, or perhaps running companies here in Australia who are frequent travellers overseas—provided with the sorts of things that they would find interesting and current so that they could act as logical ambassadors for Australia when they were overseas.

The challenge we are trying to meet is that, even amongst our own community, there is a certain lack of awareness as to the size and the currency of Australia's current economic performance and ability, and we want to, if we can, have an avenue where we can get that out to

senior businesspeople. At a secondary level, some of the benefits that might flow from it and cause people to become involved would be very much the social and networking aspects. To a certain extent, that might replicate some of the activities that are done by groups like Advance in New York, in particular, where they have regular networking events amongst the financial community. We would seek to tap into that rather than try to reinvent it.

CHAIR—I think we are all working this through at the same time. I can see that your primary focus would be investment, and there are hard cash flows and things to worry about in that respect. At the same time, there is a large Australian expat community abroad who may be in the arts area. They might make films, write books or whatever. I am just wondering whether it would be best for your organisation to have your investment primary focus and maybe as part of a broader Australian portal for there to be a link to an artists network or whatever we have now in terms of ExpatriateConnect or other self-supporting networks.

Mr Draffin—It is fair to say that we would be very happy to be a part of a broader thrust in this regard. We already recognise that investment is not a sector on its own. The line between trade and investment is often very grey. So we have a very close and collegial arrangement with our friends at Austrade. We would see this network as having, at the very least, parallels with some of the things that Austrade might want to do. I take your point that, if there was a broader thrust happening, that would be a very logical place for us to put our investment site.

Senator SCULLION—Mr Draffin, I am very impressed—it is a great ad.

Mr Draffin—I hope there will be quite a few more.

CHAIR—He is going to invest now!

Mr Draffin—Wrong audience.

Senator SCULLION—Always in Australia. I do not think I have ever read a *Forbes* magazine. Bob Bishop is an Australian?

Mr Draffin—Yes, he is.

Senator SCULLION—Would a lot of people who read *Forbes* magazine know that?

Mr Draffin—They possibly might. The primary audience for that ad is the 900,000 circulation in the United States. *Forbes* is published globally, but the bulk of its readership is in the United States and the design for that ad was for the United States. In putting that ad together, we were less interested in the fact that he was Australian and more interested in the fact that he is a very highly regarded CEO in the United States, running a very impressive contemporary company. It was his American credentials that we were seeking rather than his Australian ones. The fact that he is an Australian gives us our existing relationship and meant that we were easily in a position to be able to ask him.

Senator SCULLION—I could not really see Steve Irwin grasping a python and saying something like: ‘Crikey, isn’t Australia a great place to integrate across multi disciplines!’ I felt that you were telling me that the connection with the Australians Abroad Network was going to

be a place under which you could recruit Australians to do this sort of work. You indicated that whether or not they are Australians is not really the principal issue; it is whether or not they are recognised as important people to that community and therefore their third-party endorsement is an important selling point. I am still trying to get a better understanding about the network.

Mr Draffin—The point I was trying to make with that ad is that a network like AAN gives us the ability to tap into Australians overseas and leverage off that to get them to do things that are helpful to Australia. That was how we were able to get Bob Bishop to do that ad. We are using him in that ad as a successful American CEO endorsing Australia. The fact that he is an Australian is how we happened to get him.

Senator SCULLION—You mentioned there are some 105 investments that have been made as a consequence of your organisation. How do you tie that in? Is it because they have come directly through your organisation? How do you say, ‘This is one of ours; it has got a brand on it’? How do you measure that?

Mr Draffin—They have to sign a verified success report that we have made a significant contribution to their investment decision. Over the last two years something like \$40 billion of foreign direct investment has flowed into Australia, and it is not Invest Australia’s remit to try to get its hands on all of that—in fact quite the opposite. If the private sector is working well, we should stay well out of the way. Often our role is in those countries where there is perhaps more of an expectation that government will get involved. We have two offices and nine people in China, for instance, where there is a high expectation of government involvement; whereas in a market like the United States, where you have a very strong private sector with an understanding of what it takes to invest abroad, and in a market like Australia, where investment is actually very easy and there is often a lesser need for us to have a facilitation role, we primarily have to have a promotion role.

Senator SCULLION—As part of this process where you can identify because you have been clearly associated with this investment, do you have any process to work out, for example, what role expatriates or Foreign Affairs played in that? Does it go that fine?

Mr Draffin—It is not that fine, no. We just do not have the resources to be able to track back. We do have a database that records every project that we are involved in. The detail of our involvement is very detailed indeed, but it does not necessarily lead to whether they have responded to an advertisement, whether they have been recommended by an ambassador overseas, whether they have found us through our web site or whether, indeed, they have been referred to us by some other arm of government.

Senator SCULLION—I think the chairman has touched on most of the issues I am concerned with but I want to move to the relationship between your web site and other web sites that appear to be targeting not exactly the same thing but similar issues, and you have mentioned ExpatriateConnect. What moves do you think you will make to ensure that we do not get just so many of these things that none of them matter, that it will just be a plethora? They almost do not exist at the moment, yet quite a few are starting up. I think it is great that you are awaiting the outcome of the report from the committee, and I respect that, but do you have some ideas about how you would ensure there are links and those sorts of things so we are not reinventing the wheel? In terms of the target people you want on your site, I think you can be a bonehead and

get on the ExpatriateConnect yet I do not think your one allows for boneheads, but apart from the profiling of them so there is no social aspect to it, if you like, there does not seem to be a tremendous difference about how you recruit people. So I would have thought because of that wider common interest there could be some synergies in having a direct link or at least having discussions along that line. I understand Foreign Affairs have had some discussions with the Southern Cross Group.

Mr Draffin—Perhaps I can step back a bit. What we have done over the last year is to develop the Invest Australia web site. We have put a lot of time into developing it so that it acts as a front door, if you like, for Australia. In no way does it pretend to try to be everything to everybody. Our web site provides immediate links to our partners in the states and territories if required, it provides links to other federal agencies and it provides links straight through to private sector providers. I know we have many private sector providers in legal and financial consultancies who link into the Invest Australia web site.

At the present point in time we do not provide direct links to any expatriate networks. We work with people like Advance Australia and ANZATech but we do not have direct linkages off our site. We are waiting until we have got a finished model before we go down that path. As you have indicated, we are waiting on that until it is done. But I do think it is important that, whatever model does come up, it allows people to be able to register and identify with a group of people with whom they have a common interest and a common value. Registering with an Australian dotcom web site that tried to be everything to all people I think would probably be a turn-off for what has to be a voluntary activity by these people overseas. So it has got to have those areas of specialisation. I make that qualification only because Senator Bolkus talked about us perhaps being part of a bigger site. I agree absolutely; that would be a wonderful thing. But we need to be able to identify that so that if people are coming in as business people they can see the clear benefit for coming in there, and perhaps have linkages through to other areas.

CHAIR—Thank you very much and all the best with it. I think you have actually helped us a bit this afternoon. I hope we have given you some idea as to where we are going, but I do not think either of us is settled.

[3.01 p.m.]

ELLIS, Ms Mary-Anne, Assistant Secretary, Citizenship and Language Services Branch, Department of Immigration and Multicultural and Indigenous Affairs

MULLENGER, Mr Neil, Director, Research and Statistics Section, Department of Immigration and Multicultural and Indigenous Affairs

TEMPLETON, Mr Peter, Assistant Secretary, Migration Branch, Department of Immigration and Multicultural and Indigenous Affairs

VARDOS, Mr Peter, First Assistant Secretary, Citizenship and Multicultural Affairs Division, Department of Immigration and Multicultural and Indigenous Affairs

CHAIR—Welcome, and thank you all for coming. I am not sure that we are going to need all of you. I think the primary focus of what we want to get on top of is the Australian Citizenship Act reforms that were recently announced, particularly as they relate to those who were born at the wrong time—the Maltese community, for instance—and any other problems that have been raised. I think your submission identifies four or five areas of concern. You could start off with a state of play report to us. When do we see the legislation? What steps have been taken, for instance, to try to focus on some of the outstanding issues?

Mr Vardos—I have a brief two-page statement to read which supplements our submission. It may well answer some of your questions. Then my colleagues can answer the more specific questions that you have. Since the department provided its submission to the inquiry, the Minister for Citizenship and Multicultural Affairs, the Hon. Gary Hardgrave, has announced a number of proposed changes to improve the overall integrity and consistency of the Australian Citizenship Act 1948. The changes are outlined in the minister's media release of 7 July and the fact sheet attached thereto. We understand the committee has access to those documents. The minister, when announcing the proposed changes, noted that the repeal of section 17 of the act had been very well received. He also noted further that it had become evident that further changes to the act would be desirable as a consequence of the repeal of section 17 and to address some anomalies which in themselves are minor but for the individuals concerned are of great importance. He also noted that the planned tidy-up and restructure of the act provides an ideal vehicle to effect these changes.

The need for the changes arose largely from written and personal representations to the minister and from ongoing departmental review of Australian citizenship policy and law. Over the past 18 months or so, for example, the minister has received some 340 representations from people who had lost their Australian citizenship under the now repealed section 17. Another group of former Australian citizens who had written about the resumption provisions were people who had renounced their Australian citizenship, either to retain another citizenship or because their employment in another country required citizenship of that country only. Among those making representations on the resumption provisions were members of the Southern Cross Group.

The proposed changes to the resumption provisions are intended to reflect the policy rationale behind the repeal of section 17. They are also intended to apply to those who renounce their Australian citizenship, regardless of why they renounce it and the age at which they apply for resumption. Some of the representations to the minister acknowledged the existing resumption provisions but highlighted the plight of children born to former Australian citizens who had unwittingly lost their citizenship under section 17. These children were therefore unable to be registered as Australian citizens by descent. A solution for children born to former citizens and still under 18 years of age was possible through the introduction of a change to policy, and this was announced in October 2003. One of the proposed changes to the act will provide for the grant of citizenship to people over the age of 18 years who are of good character and were born to former citizens.

The current provisions for the registration of citizenship by descent were also the subject of representations, many of which were from people who did not realise there was a time limit for such registrations. Others were from people whose family circumstances drew attention to the practical consequences of incremental change to these provisions over a number of years.

The proposed changes announced by the minister will remove the age limits for application for registration by descent and require an applicant over 18 years of age to be of good character. A related change will provide ongoing access to registration of citizenship by descent for people born overseas before 26 January 1949 to a mother who became an Australian citizen on commencement of the act on 26 January 1949. To our knowledge, there are only two people who will benefit from this change.

With one exception, the proposed changes to the legislative provisions for the grant of citizenship to the spouse of an Australian citizen reflect longstanding policy guidelines. The exception will provide an exemption from the residence requirements for those who have a close and continuing association with Australia but spend much of their time overseas with their immediate family, most or all of whom are Australian citizens. The exception will be extended to include a de facto spouse of an Australian citizen where the applicant was granted permanent residence as a de facto spouse of their current partner.

The proposed increase in the age at which people are exempt from the requirement to have a basic knowledge of the English language reflects the changes in settlement programs over the years. All newly arrived migrants and refugees with less than functional English have a legal entitlement to free English language tuition, and the policy limit of five years for access to that entitlement was recently removed. The age exemption from the requirement to have an adequate knowledge of the responsibilities and privileges of Australian citizenship is 60 years.

The underpinning policy objective for the residence discretions is the recognition of the development and maintenance of close and continuing ties with Australia. The proposed changes to the residence discretions are aimed at improving the equity and integrity of the current provisions. They reflect the changes over a number of years in the migration process for spouses and the structure of the temporary visa categories under the Migration Act 1958.

Finally, the next significant body of work for the department to give effect to the changes announced by the minister involves the drafting of the proposed changes for consideration by

parliament. It is planned to have the legislation available for introduction into the parliament in 2005.

CHAIR—Thank you for that. It is good to see that we are finally getting this law sorted out, even though I could not get the prime minister's department to agree to it 11 years ago. If you use as a benchmark, or as your objective, allowing a person who either had citizenship or had a right to citizenship to be able to resume it now under these proposals, who would miss out? For instance, would children under the age of 18 miss out, or are they covered by another provision?

Ms Ellis—Children under the age of 18 who had citizenship will have the right to resume that citizenship.

CHAIR—So now you are extending it to those over the age of 18.

Ms Ellis—The way the act currently works, because there is that broad discretion under section 13(9) to grant citizenship to children, it was possible with a change to policy to provide for what we refer to as 'gap children'—those who were born between loss of citizenship and resumption—but to provide for acquisition of citizenship for those over 18 requires an amendment to the act.

CHAIR—And that provision will cover, for instance, all the children, or the former children, who may have missed out in Malta?

Ms Ellis—The announcement is specific to those children born to people who lost their Australian citizenship under section 17. I know that correspondence to the minister and submissions to this inquiry clearly mentioned that there were many people who did not know that they had lost their citizenship under section 17. So the provision is specific to those who lost their citizenship under section 17.

CHAIR—Does that include all those who renounced their citizenship?

Ms Ellis—At this stage there had not been correspondence about children who did not have access to citizenship because their parents had renounced citizenship prior to their birth.

CHAIR—There has not been correspondence?

Ms Ellis—Only recently, since the minister's announcement on 7 July, because of the specific provision for people who renounced their citizenship to resume their citizenship without any age limits, the issue of their children has now arisen.

CHAIR—So that is still being considered, is it?

Ms Ellis—There is correspondence and it is issue that will be considered.

CHAIR—Is that the section 18 problem that was raised earlier on?

Ms Ellis—Yes, it is.

CHAIR—Is there any other aspect of section 18 that presents a problem for the resumption of citizenship?

Ms Ellis—Not that I am aware of.

Mr Vardos—Could I add that the body of work we have now launched into is not the end of it. There may well be further changes down the track, but that is the minister's prerogative. At the moment we have the body of work on our agenda that the minister announced on 7 July.

CHAIR—Sure, and in asking these questions let me add that I quite expect the bill to come back to one of these two legal and constitutional affairs committees before it gets through the parliament, so I am sure we will all have another bite of the cherry. I know that we do not like amnesties in Australia, but would providing one have been an easier way to do it?

Mr Vardos—There has not been any consideration of an amnesty by the government.

CHAIR—It is a dirty word, I know. But what about if, instead of having time limit requirements and so on, we just had a blanket provision to allow those who had a right to citizenship to acquire it.

Ms Ellis—Are you suggesting retrospective legislation?

CHAIR—I am suggesting legislation that would allow people to reinvoke a right they had.

Ms Ellis—I am not aware of whether there was any consideration given to retrospectivity of the repeal of section 17, but certainly there could be some problems for people, given that some people may well have knowingly acquired another citizenship, knowing that they would lose their Australian citizenship. For example, there are some people who took out citizenship of another country for employment purposes and that employment, because of its security nature, required them to have only the citizenship of that country. So retrospective repeal of section 17 could have had an adverse impact on people in those circumstances. This allows people, if they would like to resume their citizenship to make the application and—provided they are of good character—resume their citizenship.

Senator SCULLION—I have a follow-on question. There has been some criticism for the perceived failure to tell people what was going to happen up until 2002 with regard to citizenship. Whose responsibility is it? Do you think it is the expatriates' responsibility to know what is going on—it is your life and you have to keep yourself informed—or do you think there is a wider responsibility for DIMIA or some other agency to keep the expatriate community well informed about changes to what I suppose is a fundamental right—that is, citizenship?

Mr Vardos—We clearly accept responsibility for citizenship issues. I am aware from representations made by expatriates that they are concerned by more than just citizenship, but certainly citizenship is our responsibility. If the Internet had not been invented, we would have had to invent it for the purpose of conveying mass information on a global basis in the most efficient way possible. We have become better at it. I cannot recall the state of play in 2002, but we certainly enhance the web site on a regular basis. It is something that we will increasingly

focus on because it is the most efficient way for mass communications on a global basis. We could have done it better in the past, and we will endeavour to do it better in the future.

Senator SCULLION—My next question probably again relates more to my ignorance. There is clearly a trigger for that—that is, when someone applies for dual citizenship. It may be difficult to disseminate information to all and sundry about dual citizenship issues. I can understand that, but there would be a point at which somebody says: ‘I’m going to now gain dual citizenship. I’m going to do something about it.’ Is there some mechanism under which information can come back through Foreign Affairs? Is there any mechanism under which you would understand, for example, that someone has now gained dual citizenship, or is about to, so that you could perhaps inform them at that time or at about that time they are considering it?

Ms Ellis—Is this at the point when the person applies for citizenship of another country?

Senator SCULLION—Yes.

Ms Ellis—There is no connection. If an individual decides to apply for the citizenship of another country, they are dealing with the bureaucracy of that other country, and there is no connection. Indeed, there is no obligation on them to advise Australia. The way that section 17 operated, it was by operation of law. So even if they still had their Australian passport, for example, and still thought of themselves as Australian, the fact was that they were not citizens. Certainly the correspondence that has come to the minister—and this has been reflected even in stories in submissions to the inquiry—indicates that many people did not understand that they had lost it until they went either to renew their passport or, indeed, to register their children as citizens by descent.

Senator SCULLION—How do you find out the status of Australians who have Australian citizenship? How do you know if people have dual citizenship now? Do you have any way of finding out?

Mr Vardos—My colleagues will correct me if I am wrong, but some years ago—and this is going back quite a number of years—information was exchanged between certain countries. When nationals of one country were applying for citizenship, their former country would be advised. That no longer happens. Privacy considerations have entered into the equation, and there is no sharing, to my knowledge, of that type of information at the moment. But, even at that point, it would be too late because it is after the fact. At the end of the day, the onus is on the person who is taking a life decision to fully inform themselves from available sources as to the consequences of their potential decision.

Ms Ellis—I might add that in some ways it is not of concern to us if people have another citizenship. It becomes an issue of concern if they acquired that other citizenship prior to the repeal of section 17, and then that generally comes to notice when they come forward to answer questions when they are seeking to register children or renew a passport.

Senator SCULLION—I was just trying to explore our capacity to see if there had been any triggers, at any particular time, on which we could have acted better. You have cited Dr Birrell’s work that indicates that 45,000 more people have come to Australia so the brain drain is not really a brain drain. Is that a comparison of apples with apples? Do you have an understanding of

the sorts of skill suites, if you like, that leave and come in? It is okay to say that there are 45,000 extra people, but are we losing out in a particular area? Do we have some knowledge of those issues?

Mr Mullenger—Firstly, the information about occupation which is then measured against a particular set of skills comes from what people put on their passenger cards when either Australians leave or people come here to live. That is the source of the information. It is self declared.

In terms of whether we are losing more mathematicians than we are gaining and things like that, that is all set out pretty comprehensively in the Birrell paper. I should add that I do not think there is any substantive category of skilled or professional worker in which we are in deficit. In fact, there is one—I think that is agricultural scientists or earth scientists. The other issue that is often raised is whether we are losing the best and brightest and gaining people who are not quite as good. To his great credit, I think, that is also an issue that Bob Birrell has attempted to tackle. It is terrifically difficult to do so but he has looked at that. His conclusion is that, if you take newly minted PhDs as your yardstick, we are not really losing a great number of those people.

Senator SCULLION—There is a common thread in the questions that I have asked of witnesses—that is, in our approach in terms of representing expatriates generally and the diaspora, whether it would be better to have their interests represented through governance through a single unit or body. You were listening to some of the submissions earlier today. I am speaking specifically about the examples of France and Greece. They have a unit within government that deals specifically with those issues. There have been some submissions which indicate that there is a fair bit of misunderstanding amongst expatriates about citizenship generally. I am not saying that we have failed appallingly, but it does seem to be a pretty common thread. I just wondered whether that is because so many different departments make an attempt to deal with the diaspora and communicate with it. I am talking generally about what you may know about these units in other governments and how they operate. Perhaps you could share that with me.

Mr Vardos—I will let my colleagues speak for themselves, but, from where I sit, we have not done any research on the way Greece, Italy or others handle their expatriates abroad situation, whether it is in a coordinated manner or not. From my own perspective, I can see that complex issues like citizenship need to be handled by people who are expert in the subject matter. If you had, in effect, a clearing house for every issue that was of interest to Australian expatriates, you would have an organisation that is expert in superannuation, taxation, investment, real estate purchase, citizenship and who knows how many other issues. So I do not feel that I am competent to actually respond in any expert way on that issue.

Mr Templeton—We agree with Mr Vardos. Depending on where you want to come from, the diverse range of issues makes it very hard to have a firm view on that.

Senator SCULLION—There are obviously countries—and certainly some of the witnesses have said this—which appear, anyway, to be doing it better than us because they do have a focus on this as a unit. If you do not know anymore about it, that is fair enough. With regard to this thread about misunderstanding that has come in, we have heard that we now have an advocacy group—the Southern Cross Group—which have been around since 2000. They now have an

online site. They are making an attempt to ensure that they can contact the diaspora and be in better touch. Is it your intention to sit down with them as a group and try to use their web site and network to ensure that the diaspora is better informed about those issues that you are responsible for?

Mr Vardos—Ms Ellis's branch already communicates with the Southern Cross Group on a regular basis. I will let her describe the extent of that engagement. I do not see that changing. Before I came over I did hear a comment by one of the witnesses—and I cannot remember which one—that I think the Southern Cross Group has 20,000 registered members, or a number of that magnitude. Foreign Affairs has 100,000 people registered as Australians overseas. Yet estimates suggest that there could be one million Australians overseas. The question is: how do you get to everybody? But the short answer to your question is that we already have a dialogue with the Southern Cross Group.

Ms Ellis—The wonders of the Internet mean that email communication is very easy and there is ongoing dialogue with the Southern Cross Group. As well, with all of the responses that we send out to people who write directly to the minister and to the department we make sure that they are aware of the citizenship web site and we encourage people to visit it frequently so that they can keep up with any changes that are announced. We have certainly had evidence of that working. There has been a very quick response from people, some of whom may be Southern Cross Group members and others have been in correspondence with the minister. There has been a very positive response to the announcement that was made on 7 July.

Senator SCULLION—So I can get a better understanding in terms of where they are, perhaps you can help me on the question of when an expatriate becomes an expatriate. I understand there are some specific points at which that would be evident, but do you track when they become permanently overseas, when a repatriate leaves again, when it is a really long-term holiday? Do you have any capacity to know when people become an expatriate?

Mr Vardos—That is a very difficult question to answer. Even for young backpackers who go on working holidaymaker programs and work in pubs in England for 12 months, it does not take long for them to regard themselves as Australian expatriates working overseas, whereas you have other people working in New York for 20 years. So you have one extreme to the other. I have served overseas with the Australian government and I felt like an expatriate even though I had very direct and regular connection with Australia. Your sense of Australianness is enhanced the minute you leave the country. It is very difficult to answer your question, and certainly there is no way for us to make judgments about when a person feels that they have become an expatriate.

Senator SCULLION—Perhaps, then, I could put it more specifically. Does the DIMIA movements database have the capacity to identify groups when they are leaving, either by their intent or their visa or whatever reason it may turn out to be? I just wondered whether you have put your minds to using that database to identify the differences.

Mr Mullenger—Going back to the passenger card, when people leave they will tell us what their intention is. That ranges from: 'Yes, I am going for good and I am never coming back,' to, 'I am going for less than a year.' The one in the middle is: 'I am going for more than a year, but not for good.' In a technical sense, we call those people who go for more than a year 'long-term

departures'. We now have the capacity to track people not only in a sort of a net aggregate sense—that is, counting the number out and counting them back—but to count individuals and to trace whether that person who said they were going to go for good actually did. We can only go back a short number of years to do that. That is about as far as it goes. So we do have a fairly good sense of how many people are overseas long term and permanently and we also have a pretty good sense of how many people who go and state they are going to do that actually come back within a fairly short time.

Mr Vardos—I would just like to add to my earlier comments in response to a question you put about a centrally coordinated approach to dealing with expatriates. Whether we go to a central coordination point or not, one thing that could be done is for government departments, or service delivery agencies—or however you would like to label them—to take seriously what they put on the Internet that could be of interest to Australians living abroad. We are often looked at because we have a lot of contact with Australians abroad one way or another. By default, people turn to us to see if we can provide information about things that we are not expert in. I do not know what their web sites are like, but other government departments that deliver programs or administer policies or legislation of interest to Australians living abroad certainly need to be apprised of the increasing importance of what they put on their web sites to an increasing number of Australians living overseas.

CHAIR—Thank you for all your evidence and your assistance. We will keep an ongoing interest in the Australian Citizenship Act. Thanks also to all the witnesses over the last few days. The deputy chair was saying that she has found it to be a stimulating inquiry in ways that she had not anticipated, and I think that is right for all of us.

Mr Vardos—Thank you. It is work that we have great passion for.

Committee adjourned at 3.29 p.m.