

Expats a rich asset we need to exploit

George Megalogenis

ALMOST half of Australia's one million expatriates are enjoying six-figure salaries in their jobs overseas, but many of this elite group do not own properties back home and are disappointed with the nation's current direction.

A benchmark survey shows our expats tend to be higher-income earners, patriotic and eager to return home one day, but a sizeable minority feels

alienated. Almost two out of three — 63 per cent — still call Australia home, although 29 per cent said they had “more than one home”.

Their asset base in Australia is heavy on cash and super, but light on for shares or property.

Almost three in four (72 per cent) had cheque and savings accounts in Australia and 61 per cent had superannuation, presumably from their previous employment in Australia.

But only 33 per cent had shares, and only 28 per cent owned real estate.

The survey of more than 8500 households from Britain and the US to Afghanistan and the United Arab Emirates is being released ahead of next week's meeting of expats in Sydney, to be hosted by John Howard.

The chair of the Advance 100 Global Australians Summit, Elena Douglas, said the study was a first step in understanding our human capital exports.

“We have 5-10 per cent of our workforce overseas,” she said.

“They can be our eyes and ears, open doors, tell our story and return bringing global best practice to Australia. But to do this, one of the first steps is to have a better handle on where they are and what they are doing, and their motivations.”

OFFSHORE

- Expats who still have affection for Australia **20.6%**
- Who are disappointed with the country's direction **23.1%**
- Expats who would like to feel more connected to the country **7.6%**
- Who have no desire to become more connected **1.4%**

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Advance 100

Special liftout previewing the meeting of Australia's most distinguished expats

Ms Douglas said the reasons people left Australia usually differed from the reasons they stayed overseas.

Most expats began by chasing experience or better job opportunities. Only 28 per cent moved to follow their partners overseas, while an even smaller proportion — 19 per cent — already had overseas jobs lined up.

But once they established themselves, the expats found an income ladder they could climb faster than in Australia.

Almost half (42 per cent) earned more than \$104,000 a year. Almost one in five (17 per cent) earned more than \$200,000 and a super elite of 7 per cent were on more than \$300,000 a year.

“When asked what they were earning when they left Australia, only 10 per cent were earning more than \$104,000,” the report says.

Most still view themselves as Australians.

More than half (58.5 per cent) saw themselves as “ambassadors” who “promote Australia at every opportunity”.

The engaged outnumbered the disengaged by about two to one — only 20.6 per cent said “I still have an affection for Australia but I don’t actively promote it”.

The dark side of the survey was the one in four expats who felt some degree of alienation from their homeland.

The results showed 23.1 per cent were “disappointed with Australia’s current direction” and 25.3 per cent felt “that Australia isn’t doing enough to involve its expatriates in the life and future of the nation”.

The survey zeroed in on Australians living abroad and sought out respondents through professional networks. Backpackers were excluded. But non-working spouses were included, the researchers said.

Tuesday’s conference in Sydney will include Professor Peter Doherty, Nobel Laureate for Medicine 1996, and political expats from both sides — Labor’s former foreign minister Gareth Evans and the Coalition’s former defence minister Robert Hill. Mr Evans is president of the International Crisis Group, while Mr Hill is Australia’s permanent representative to the UN.

Peter Costello will give the opening address to the conference, while the Prime Minister will host the evening reception.

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Talent will out when opportunity knocks

MANY talented Australians working overseas confide they would love to come home but find there are no opportunities for them here, even if they are prepared to accept a lower wage.

That said, the recognition of the talent base offshore, the promotion of networking among Australians offshore and maybe even constructive feedback from Aussies working offshore about what can be done to improve our international competitiveness can only be a good thing.

Some of Australia's international talent will gather at the Sydney Opera House next week for what has been grandly titled the Advance 100 Global Australians Summit. Speakers will include London-based human rights lawyer Geoffrey Robertson, the ubiquitous Clive James, former foreign affairs minister Gareth Evans, who is now based in Europe, and Australia's NASA astronaut from Adelaide, Andy Thomas.

Among Australian-based speakers will be Future Fund chairman David Murray, Treasurer Peter Costello and former expats such as Brad Orgill, chairman and chief executive of investment bank UBS, and Ken Allen, a former Australian consul-general in New York and now senior adviser to UBS. Allen helped found Advance Global Professionals, the group behind this week's conference. John Howard is a patron.

Exactly what the gathering of diverse Australians — who work in fields from science to the arts, academe to finance — will achieve is not clear. Some attendees (as opposed to the speakers) I have spoken with are not quite sure what to expect but are glad for a chance to catch up with friends and family at Christmas time.

Some other expatriates are a little cool about the Advance group, seeing it focused on the big end of town. They wonder if it's little more than a sophisticated networking operation led by a small group of people with links in New York on the one side and into Howard's office on the other.

But, if anything, the high-powered gathering will draw attention to just how many talented Australians are working in top positions overseas.

Department of Foreign Affairs and Trade data cited by the European-based Southern Cross Group of expat Australians has shown that there are more than one million Australians living overseas: more than 850,000 living as permanent residents, with another 270,000 travellers offshore. Given that the information was compiled from a detailed survey of Australians living abroad as at December 2001, the real figure by now could be considerably higher. The old figures are equivalent to about 4.3 per cent of the total Australian population.

The figures add up to a population equivalent of the size of Adelaide and a bit smaller than the size of Perth.

London has by far the biggest cluster of Australians offshore (400,000 according to the DFAT 2001 survey) but the figures also show significant clusters of Australians in cities such as Hong Kong, Los Angeles, New York, Auckland, Wellington, Athens, Singapore and San Francisco.

Both Advance and the Brussels-based Southern Cross have been working on a survey of expat Australians to be presented at the Sydney meeting to throw up more information about the Aussie diaspora.

It may be tempting to decry the situation as a brain drain of top-end Aussie talent and to some extent it is. But the push for talented Australians to work offshore is an

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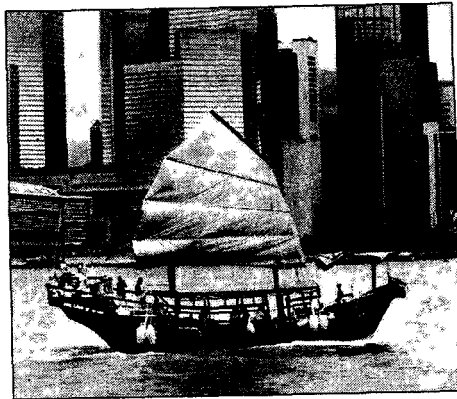


inevitable function of the globalisation of world markets — whether it be culture or finance or academe — and the lack of opportunities in Australia's small, low-growth market.

Years ago there was the inevitable trail of Aussie expats who went to London and ostensibly proved their internationalism and sophistication by loudly decrying the lack of culture or whatever back home, a la Germaine Greer. But the Australians who will be at this conference are a new breed who quietly conduct successful lives overseas but still maintain an interest in the success of their home country.

Many still harbour a desire to return to Australia at some point, often weighing up the issues of a successful career offshore with a better lifestyle for themselves and their children in Australia. For many Aussie expats, the pressure comes when their children reach high school age.

The reality is that Australia throws up many more talented people — flexible, hardworking people who are comfortable in a multicultural environment — than there are opportunities for them at home. Just as Australia's country towns have seen a migration to the big cities as the young, talented and energetic look for work,



Hong Kong: Asia still attracts expats

Australia's big cities now see a regular exodus of talent leaving for even bigger cities or more accurately, bigger opportunities offshore.

It's not just Australia's high income tax rates. These don't send Australians offshore but it can become a factor in expats deciding to stay away for longer. (Five more years working in Asia and perhaps one can make the same amount as 10 years in Australia.) It is also the sheer opportunities. One reason many get paid higher wages is that they take on better jobs than are available back home. Some Australians working in, say, Hong Kong or Singapore have regional jobs that cover most of Asia, a population reach many times that of Australia. Australia's unemployment rate is at a 30-year low of 4.6 per cent but many new jobs are lower paid. The statistics do not discriminate between the top finance executive and the security guard outside the pub. There also has been labour-shedding in many industries and the job opportunities shrink as one goes up the age scale.



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