

Submission to:

Parliamentary Inquiry Into Australian Expatriates

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Summary

My wife and I moved to Germany in late 2001, initially for 5 months, but further work opportunities will likely extend our stay. I believe that the lessons we have learnt from our experiences in Germany are worth sharing in an effort to improve the recognition of expatriate Australians.

My submission is best summarised by a series of personal wishes that I believe reflect important points of consideration for any discussion of Australian expatriates. I wish that:

- All Australians have the chance, sometime in their lives, to be immersed among different cultures, thereby helping to promote global understanding and encouraging the idea that despite surface differences, all people are really the same.
- The reasons for expensive and limited-duration tourist visas required for Australians to visit some countries be reviewed. By making it difficult for citizens of particular countries to visit our own, we also restrict exchanges of culture, education and good will by Australians.
- Reciprocal driving agreements between Australia and other countries are arranged or modified so that they are fair, sensible and easy to implement.
- Australians not intending to reside permanently overseas have access to a simple and portable pension/superannuation scheme whereby contributions can be maintained in Australia.
- Consideration is given to comprehensive joint health insurance agreements in much the same way that Australia has joint pension agreements with other countries.
- The benefits of overseas experience will not be forgotten by government and industry. When I decide to return home, I hope that incentives to do so will be available and I will receive encouragement to bring back my new knowledge, skills and contacts for the benefit of Australia.
- The high costs associated with moving to Australia after a period of work overseas be allowed as a tax deduction in Australia.
- There be a central and comprehensive source of information for expatriate Australians. This centralised source would provide information regarding pensions, superannuation and taxation, but also other information relevant to expatriate Australians (e.g. tax agents, published information, links to local web sites, transferring drivers licences, etc.).
- Australian authorities collaborate with foreign authorities to provide assistance translating important web sites of foreign governments to English.
- The Australian diaspora is recognised for its true worth as Australian and international ambassadors both overseas and within Australia after their return.

The reasons for these wishes are detailed in the following pages.

Introduction

In this submission I have provided information relevant to my experience of living and working in Germany. I have attempted to highlight some factors that have affected my wife and I during our time away from Australia. I have identified a series of personal wishes that I believe encompass factors that would improve the situation for Australian expatriates or are central to understanding the important role played by the Australian diaspora.

Reasons for Leaving Australia

Relevant to Terms of Reference (a) and (b).

My wife and I, both Australian citizens by birth and in our early 30s, left Australia for Germany in late 2001 after I had completed my PhD in Earth Sciences at the University of Western Australia. The initial reasons for leaving were largely personal – I wanted to spend some time living in Germany because of family connections (I have a German-born mother). I was also keen to gain valuable overseas experience to enhance my scientific career. My wife was willing to give up her position as a Research Scientist with CSIRO to join me, largely because she was also interested to experience life amongst a different culture and also because she too would have the chance to explore family connections in Ireland (she has Irish-born grandparents).

Initially we left for 5 months because I received a Short-term Research Scholarship from the German Academic Exchange Service to undertake research at Freie Universität in Berlin. This was a low-paid award, but it provided an important opportunity to apply my knowledge, to learn and to meet and interact with others in my field. This temporary position led to the offer of a Postdoctoral Research position for 2½ years at the same university, ending 31st December 2004.

Other opportunities have arisen during our time here and our original plan to stay for two or three years may be extended by another 5 years. However, we certainly do not envisage spending all our lives outside Australia. This is simply because Australia is where we grew up, it is where our immediate family lives and it is still our home.

Costs, Benefits and Opportunities

Relevant to Terms of Reference (c).

The costs associated with our move to Germany are generally only material when compared to the benefits and opportunities that have arisen. The financial outlay for moving to Germany was significant, although we were fortunate to receive partial reimbursement of our costs from my employer. My wife giving up her job with CSIRO also meant significant financial and career disadvantages.

The benefits associated with our move and the opportunities presented are numerous.

On a personal level, we have been able to forge strong connections to our European families, connections that are strong enough to last our lifetime and hopefully into future generations. Such connections would probably not have been established during irregular and short holiday visits.

Our time in Germany has also enhanced our appreciation of global culture. Not only have we learned a lot of European culture and language, but through our colleagues and friends from Chile, Ethiopia, Germany, India, Iran, Italy, Kenya, Palestine and Slovakia (to name just a few) we are gaining a new appreciation of global culture. Given the present state of tensions in the world, it is my belief that such cross-cultural interactions should be strongly encouraged. If everyone were to share our experiences, then maybe there would be a lot more understanding in the world.

MY WISH: that all Australians have the chance, sometime in their lives, to be immersed among different cultures, thereby helping to promote global understanding and encouraging the idea that despite surface differences, all people are really the same.

In a professional sense, I have gained numerous benefits and opportunities. I have gained considerable new knowledge and have made valuable contacts with scientists not only from Germany, but also from many other countries that include, for example, Argentina, Chile,

Palestine, Romania, Slovakia and Ukraine. These links will last beyond my time in Germany and contribute to promotion and enhancement of interaction between Australia and the international community.

A significant benefit of my time in Berlin is the offer of a "Junior Professorship" (similar to assistant professor in the United States) at the University of Kiel from 2005. At the present stage of my career, this job is far better than I could hope to receive in Australia. Without the time I have spent in Germany, I don't think that this offer would have arisen. The cost associated with this opportunity is more time away from Australia, away from our immediate family and friends. However, I am confident that it will increase my chances of later securing a position in Australia, and the added experience and responsibility can only enhance the contribution that I will make to Australian education and research in the future.

Despite these opportunities, the long-term professional benefits of our decision to leave Australia for a period of time remain to be seen. Will the experience gained in Europe lead to a better and more secure job in Australia? Or will time away disadvantage me due to weakening contacts in Australia? Financial benefits also remain to be seen. Will splitting our old-age savings between Australia and Germany weaken our future financial standing? Irrespective of the success or otherwise of these professional and financial aspects, we will always have the personal benefits associated with our experience of foreign culture, our international circle of friends and, as a result of that, our ability to make our contribution to breaking down cross-cultural barriers.

Suggestions based on Personal Experiences

In this section, I have provided information on my experiences as an Australian expatriate that could be enhanced or improved in acknowledgement of the important role of the Australian diaspora.

Visa procedures

Relevant to Terms of Reference (d) and (f).

As Australians arriving in Germany, we experienced no problems receiving a residence permit *after* we had arrived in the country. We had to wait several hours on two separate occasions in the Foreigners Office (where they didn't speak English) and pay 50 Euros (~\$85) each in order to receive a one year residence permit. All that was required was confirmation of a registered address, a copy of my contract and evidence of health cover for both my wife and I.

When our stay was extended, we had no troubles obtaining residence permits, cost free, for a further 5 years. But this was only because the repeal of Section 17 of the Australian Citizenship Act 1948 (related to dual citizenship) allowed my wife to take up the Irish Citizenship to which the Irish have always considered her entitled. *I cannot emphasise enough the advantages associated with Australians now being allowed to take up dual citizenship.* In our case, it was not only advantageous for my wife (she is now also allowed to work in Europe), but her residency rights were also extended to me.

One particular area regarding visas that frustrates us is the requirement for us to obtain tourist visas to visit many countries near Germany. European Union countries are no problem, but as an Australian passport holder, it is not possible for me to visit most Eastern European countries for any purpose without first obtaining an entry visa and paying a significant amount of money. My wife, with her Irish passport, has no problems. We feel that because visiting countries such as Poland and the Czech Republic is costly and complicated, Australia is missing an opportunity for self-promotion. We know of other Australians who have not visited these countries for the same reasons. In contrast, I understand that countries like New Zealand have less restriction on such cultural interaction.

MY WISH: that the reasons for expensive and limited-duration tourist visas required for Australians to visit some countries be reviewed. By making it difficult for citizens of particular countries to visit our own, we also restrict exchanges of culture, education and good will by Australians.

Driving licences

Relevant to Terms of Reference (d).

One of the biggest annoyances that we encountered after arriving in Germany is the procedure required to transfer our driving licences. After arrival, our Australian driving licence is only valid in Germany for 6 months. Beyond that, driving is only allowed after the Australian licence is transferred to a German one. This is an involved and expensive process. In my case it cost about 400 Euros (~\$650). Australians must sit a theoretical *and* practical test, and must register to do these tests through an official driving school. On the advice of this driving school, I took four lessons, none of which taught me anything new about driving. They were only beneficial in the sense that I received tips on what to expect during the practical test.

Given the different road rules in Europe, I can understand the requirement for a theoretical test. However, I can't understand why a practical test is also necessary for Australians. Initially I assumed that the reason for the practical test was because we drive on the left in Australia. However, drivers from some countries that drive on the left (e.g. Japan) are not required to undertake the practical driving test! Therefore, I can only assume that Australians are required to sit this test because Germans must sit the equivalent test in Australia (i.e. is it simply a reciprocal arrangement?).

I believe the fact that Australians in Germany (and likewise Germans in Australia) are allowed to drive using their domestic licences for short periods (6 months) is acknowledgement that we are capable drivers. Why then should long-term residents be subject to a test of their driving abilities when short-term visitors are deemed to have sufficient abilities?

MY WISH: that reciprocal driving agreements between Australia and other countries are arranged or modified so that they are fair, sensible and easy to implement.

Other problems relate to driving history. My new German licence indicates that I have only had a licence since November 2002, whereas in reality I have had one since 1989. I still have all my old driving licences, but most of them do not indicate the date on which they were first issued, so I cannot prove how long I have been licenced to drive. While I have not yet purchased a car in Germany, I am concerned about the implications for car insurance if I do decide to make such a purchase. Perhaps uniform driving licences in Australia, indicating the time when *any* Australian driving licence was first obtained (not just the first from a particular state), would make it easier for authorities and insurance companies in foreign countries to understand the true extent of our driving history?

Pensions/Superannuation

Relevant to Terms of Reference (c) and (d).

In this area I have the feeling that I may be disadvantaged compared to people who work solely in one country their entire lives. We are fortunate that as of January 2003 Australia and Germany enacted a joint pension agreement. This means that even though I will probably contribute to the German pension system for less than the minimum contribution time required in order to receive a pension (5 years), ultimately I will receive a portion of my pension from Germany. However, I doubt that this pension will be at the level of superannuation in Australia.

Additional superannuation arrangements seem more complicated. Given that we do not intend to stay permanently in Germany, it makes little sense to initiate a superannuation account in Germany. Similarly, maintaining superannuation contributions in Australia is complicated by the need to regularly transfer money to Australia. Also, in my case, where my German pension contributions are high and compulsory, little money is left over for additional contributions in Australia.

MY WISH: that Australians not intending to reside permanently overseas have access to a simple and portable pension/superannuation scheme whereby contributions can be maintained in Australia.

Having made the above comments, I admit that my knowledge in this area is probably limited. International superannuation systems that can be maintained both overseas and in Australia probably do exist. If I am uneducated here, then this is an indication of the complicated nature of saving for retirement. Educating myself would be greatly facilitated by the availability of a centralised source of appropriate information for expatriates.

MY WISH: that there be a central and comprehensive source of information for expatriate Australians regarding pensions and superannuation.

Health Insurance

Relevant to Terms of Reference (d).

Because I don't intend to stay overseas forever, the simplest health insurance scenario for me would be one in which I could make contributions in Australia, but as part of that receive health cover in Germany (or in whichever country I choose to live). I am not aware of any Australian private health policy that gives indefinite overseas coverage (though I have not searched extensively). Also, because my German salary falls below a certain cut-off, I must make compulsory contributions to the German health system. The cover I receive is adequate and, though I have not investigated the possibility, I think that additional private health cover would add significant strain to our monthly budget.

MY WISH: that consideration is given to comprehensive joint health insurance agreements in much the same way that Australia has joint pension agreements with other countries.

Taxation

Germany and Australia have a joint taxation agreement that has obvious advantages. In general, I have no major issues with the taxation system of both countries. It seems that taxation of my German and (relatively minor) Australian income is fairly apportioned between the two countries. At the moment my tax situation is relatively simple, but if it becomes more complicated in the future, then some central source of taxation information relevant to Australians in specific countries would also be extremely useful.

MY WISH: that there be a central and comprehensive source of information for expatriate Australians regarding taxation.

It would be useful for such an information source to maintain a list of tax agents that are familiar with both the Australian tax system and the system of the foreign country in question.

Assistance for those wishing to return

Relevant to Terms of Reference (c) and (d).

We have not yet made the decision to return to Australia, so I am not familiar with what assistance is available. Fortunately, in my current profession (academia), there is a recognition of the benefits associated with assisting, even encouraging, academics and scientists with overseas experience to return to Australia. Such encouragement and assistance is well-founded. My peers have always spoken of the benefits associated with overseas experience, and now that I have some of this experience, I certainly feel that I have a lot more to offer to Australian education and research than I would have had if I had remained in Australia.

The contacts that I have made in Europe will provide ongoing benefits to my own career. More importantly, it will encourage the importation of knowledge and expertise for the benefit of Australia. The return flow of knowledge and information overseas is also good for Australia because it raises awareness of the contributions that Australia is capable of. This knowledge export must have substantial economic benefits, but it also contributes to breaking down cross-cultural barriers.

MY WISH: that the benefits of overseas experience will not be forgotten by government and industry. When I decide to return home, I hope that incentives to do so will be available and that I will receive encouragement to bring back my new knowledge, skills and contacts for the benefit of Australia.

Cost of returning to Australia

Relevant to Terms of Reference (d) and (e)

In Germany, the personal costs associated with moving for the purposes of work, whether nationally or internationally, are allowed as a tax deduction. Making such a provision in the Australian taxation system would be one simple way in which the government could facilitate the repatriation of Australians.

MY WISH: that the high costs associated with moving to Australia after a period of work overseas be allowed as a tax deduction in Australia (where the expenses are not covered by some other source).

Sources of Information

Relevant to Terms of Reference (d).

Given the complicated nature of taxation, pension systems, superannuation, health insurance etc., a centralised and detailed source of information related to these topics supported by the Australian government would be extremely beneficial to expatriates. Support of such an information source would also act as an indication of the degree to which the government values their expatriates.

A centralised source of information is a large undertaking. To overcome this, perhaps each Australian embassy should be provided with funds to prepare, publish and maintain detailed information relevant to Australians resident in that country. Alternatively, independent organisations which provide information tailored to Australians (e.g. the Southern Cross Group) could be funded by the government to provide such information.

From my experience, information is available, but this information is generally limited or difficult to find. For example, I often refer to a website designed for expatriates living in Germany (other links exist for countries like Belgium, France, Holland and Spain – see

<http://www.expatica.com/>). This website provides useful information on living in Germany, as well as German news in English. However, this website is not very detailed and generally aimed at citizens of EU countries, the UK or the US. These limitations are common to many other sources of information that I have found.

Often I have found that the best source of information on specific topics (e.g. transfer of drivers licence) is in personal internet pages maintained by individuals who have chosen to share their own experiences via the internet. If a central source of information became available and ultimately well-known, then such difficult-to-locate information may instead end up as part of this central information source. In other words, the role of a central information source should also be to collate or provide links to existing information from other sources and to encourage Australian expatriates to share their experiences via a well known and easy to access source.

MY WISH: that there be a central and comprehensive source of information for expatriate Australians, established either through embassies in individual countries or by funding provided to independent organisations. This centralised source would provide information regarding pensions, superannuation and taxation, but also other information relevant to expatriate Australians (e.g. tax agents, published information, links to local web sites, transferring drivers licences, voting from overseas, etc.).

Government websites in the country of residence generally provide useful information necessary for that country. However, this information is often provided in a foreign language which is further complicated by the intricacies of bureaucratic language. If translations are provided, they are often abridged and lack the complete detail available in the local language. Perhaps a useful contribution that could be made by the Australian authorities is to cooperate with foreign governments to provide full translations of important websites that deal with taxation, health insurance, driving licences etc.?

MY WISH: that the Australian authorities collaborate with foreign authorities to provide assistance translating important internet sites of foreign governments to English.

Importance of the Australian Diaspora

Relevant to Terms of Reference (f).

It is my impression that nations are often judged by their governments. This can lead to a very negative general impression of a nation when unpopular decisions are made. Expatriates from all nations make a significant contribution to breaking down negative images, cross-cultural barriers and misconceptions. In this sense, expatriates are valuable and should be encouraged and supported by their government, certainly not ignored. Expatriates make an important, but underestimated contribution, not only to promoting their own culture, but also to developing greater understanding between cultures. I never really appreciated the contributions that I am making in this regard until I started thinking about my submission to this inquiry.

Below I have listed some of the ways in which I am promoting Australia and enhancing cross-cultural understanding. These are small but significant examples of the importance of the Australian diaspora.

- It seems everybody knows of Australia, and most people would like to go there. As a result, my wife and I are regularly asked about Australia: where and when to go, what to see, what to do, what are the people like, is it easy to enter Australia, how to avoid snakes and spiders, etc. Our answers are providing a valuable resource to both the people we have met and to Australia in general. Sometimes our efforts have repaired misconceptions of Australia and Australians (like providing an Australian perspective on sometimes under-reported controversial news stories, or the fact that we don't step on snakes every day).

- We regularly interact with people from many different nations. Whether they are from Germany or Iran, Chile or the UK, Palestine or Slovakia, we find that all these people really aren't much different to us. If everyone could experience this kind of cultural interaction, maybe the world would be a better place? Government would do well to recognise this important international expatriate role and to value their contribution to international cooperation and understanding.
- I regularly contribute to building scientific and educational links between Australia and other countries. Building such links from Australia alone is not easy, but now that I am overseas building such links is greatly facilitated. I have encouraged colleagues to attend meetings in Australia, encouraged students to seek study opportunities in Australia, made colleagues aware of, and then put them in contact with Australians working in their field. Similarly, I have coordinated visits by Australian scientists to Germany. These efforts promote scientific interaction and progress, and build international cooperation.
- Being native English speakers we are often called upon to assist colleagues and friends with their English. This assistance is beneficial to these people and enhances the generous reputation of Australians. Given that Australians are fortunate to speak today's main international language, I feel that we should do everything we can to assist and encourage those not so familiar with English.

To summarise:

MY WISH: that the Australian diaspora is recognised for its true worth as Australian and international ambassadors both while overseas and within Australia after their return.