Future Immigration Policy Development in Australia and New Zealand

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Abstract

Australia and New Zealand have had shared values with respect to international migration and enjoyed a special bilateral international migration relationship for a long period although it has become more restrictive in the last few years. This paper examines developments in the relationship over the last few years together with some impacts. It speculates about some possible future scenarios of competition and collaboration between the two countries in the immigration area in the context of a rapidly changing global economic, political and security situation. One scenario given particular attention is that of greater harmonization of policy and joint co-operative efforts in recognition of Australia and New Zealand in many respects constituting a single labour market and having many similar immigration goals. Such groupings of nations are emerging over the world, albeit slowly and with difficulty. There is a trend toward development of free trade areas (NAFTA), common labour markets (EU) and groups of countries with special migration arrangements. It may be that national goals of both New Zealand and Australia may be best met through a co-operative rather than the competitive model.

Migration between New Zealand and Australia

While in recent years the main discussion of Trans-Tasman migration has been on the exodus of New Zealanders to Australia (Carmichael 1993; Birrell and Rapson 2001) it is interesting to note that the New Zealand-born counted at the 2001 census in Australia (355,765) represent a similar proportion (1.9 per cent) of the national population as do Australia-born residents (56,259 persons) in New Zealand (1.5 per cent). This reflects the high degree of integration of the Australian and New Zealand labour markets and the lack of restrictions on the flow of people between the two countries.

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Considering, first of all, the flow from New Zealand to Australia, Figures 1a and 1b show the permanent movement of the New Zealand-born into Australia both in numerical and proportional terms. There are three peaks of in-movement around 1980, 1990 and 2000. However, it will be noted that there has been a decline in recent years.

**Figure 1a: New Zealand-born immigrants in Australia, 1960-2002**

![Graph showing New Zealand-born immigrants in Australia, 1960-2002](image)


**Figure 1b: New Zealand-born immigrants as a percentage of total immigrants, 1960-2002**

![Graph showing New Zealand-born immigrants as a percentage of total immigrants, 1960-2002](image)

Source: DIMIA, *Australian Immigration Consolidated Statistics and Immigration Update*, various issues; ABS *Migration Australia*, various issues
It has been suggested (Hugo 2003) that this may be associated with a change of regulations in Australia relating to New Zealand immigration in 2001. There were a series of restrictions introduced beginning in the 1980s to limit New Zealander access to services (Birrell and Rapson 2001). This culminated in the February 2001 announcement of new arrangements whereby New Zealand citizens are required to obtain permanent Australian residence if they wish to access certain social security payments (subject to a two year eligibility waiting period for most payments), obtain Australian citizenship or sponsor their family members for permanent residence. Nevertheless, there is still no limit on the number of New Zealanders who are able to come to Australia or on their ability to come to Australia and to work in Australia.

### Table 1: Settler arrivals in Australia of the New Zealand-born and New Zealand citizens

<table>
<thead>
<tr>
<th>Year</th>
<th>New Zealand-Born</th>
<th>New Zealand Citizens</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Per cent</td>
</tr>
<tr>
<td>2001-02</td>
<td>15,663</td>
<td>72.4</td>
</tr>
<tr>
<td>2000-01</td>
<td>25,137</td>
<td>59.5</td>
</tr>
<tr>
<td>1999-2000</td>
<td>21,889</td>
<td>69.2</td>
</tr>
<tr>
<td>1998-99</td>
<td>15,667</td>
<td>63.5</td>
</tr>
<tr>
<td>1997-98</td>
<td>14,723</td>
<td>75.9</td>
</tr>
<tr>
<td>1996-97</td>
<td>13,072</td>
<td>74.7</td>
</tr>
<tr>
<td>1995-96</td>
<td>12,265</td>
<td>75.5</td>
</tr>
</tbody>
</table>

Source: DIMIA; Birrell and Rapson 2001:63.

However, it is important to point out that the inflow of the New Zealand-born is only part of the Trans-Tasman inflow of settlers into Australia. Table 1 shows that a substantial element in the Trans-Tasman flow is non-New Zealand-born former settlers to New Zealand. This type of relay migration is not a new phenomenon in Trans-Tasman movement. For example, in the 1960s and 1970s there was some evidence of government sponsored immigrants from the United Kingdom to Australia moving on to New Zealand soon after arrival in Australia (Price 1979).

The fact that Australia has had a substantial indirect gain of other immigrants through New Zealand is evident in Table 2 which presents estimates of the number of New Zealand citizens in Australia between 1999
and 2002. It will be noticed that there was virtually no increase in the number of New Zealand citizens between 2001 and 2002, while they increased by 30,000 between 1995 and 2000, and 26,000 between 2000 and 2001. Clearly, the restrictions on New Zealanders introduced in February 2001 seem to have had an impact. Indeed, the number of non-New Zealand-born New Zealand citizens in Australia decreased between 2001 and 2002. Birrell and Rapson (2001:61) argue that while the Australian government’s stated motivation was to reduce Australia’s responsibilities for paying social security benefits, they also desired to limit the influx of people who would not meet the standards set by the Australian official immigration program which applied to non-New Zealanders.

Table 2: New Zealand citizens in Australia by country of birth, 1999-2002

<table>
<thead>
<tr>
<th>Year</th>
<th>New Zealand Citizens</th>
<th>New Zealand-Born</th>
<th>Other Country of Birth</th>
</tr>
</thead>
<tbody>
<tr>
<td>30/6/2002</td>
<td>460,788</td>
<td>341,783</td>
<td>119,005</td>
</tr>
<tr>
<td>30/6/2001</td>
<td>460,142</td>
<td>340,355</td>
<td>119,787</td>
</tr>
<tr>
<td>30/6/2000</td>
<td>434,679</td>
<td>324,559</td>
<td>110,120</td>
</tr>
<tr>
<td>30/6/1999</td>
<td>404,750</td>
<td>303,695</td>
<td>101,055</td>
</tr>
<tr>
<td>Percent Change 1999-2002</td>
<td>13.9</td>
<td>12.5</td>
<td>17.8</td>
</tr>
</tbody>
</table>

Source: DIMA (2000); DIMIA (2002).

The birthplace of the non-New Zealand-born New Zealand citizens in Australia in mid-2002 are depicted in Figure 2. Of the 119,005 non-New Zealand-born, New Zealand citizens, the largest group, are the 18,382 Australia-born who are the children born to New Zealand-born parents in Australia whose parents decided to get them New Zealand citizenship. However, there were almost as many born in the United Kingdom (17,746). There are also a substantial number from other parts of the Pacific, especially Western Samoa (12,791), Cook Islands (3,696), Tonga (3,556), Fiji (2,919) and Niue (678).
Figure 2: New Zealand Citizens Present in Australia by Country of Birth, 2002

Source: DIMIA (2002).
Only 16,405 (3.6 per cent of all New Zealand citizens in Australia) were born in Asia with the largest group being from Northern Asia, especially China (3,561), Taiwan (1,457) and Hong Kong (951). Also important were India (2,218), Philippines (1,059) and Vietnam (1,716). Other significant groups were from South Africa (2,120) and the Netherlands (1,120) (Figure 2).

Australia has long had an emphasis on attracting permanent settlers to the country and a strongly expressed opposition to programs of innovement of temporary and contract workers. During the labour shortage years of the 1950s and 1960s Australia’s migration solution to the problem contrasted sharply with that of European nations like Germany and France when it explicitly opted to concentrate on attracting permanent migrants to meet worker shortages rather than contract workers. This thinking has changed dramatically since the mid 1990s with the introduction of new visa types involving temporary migration for work (Birrell and Healy 1997). These often cut across the DIMIA long-term and short-term categories of movement in and out of the country. Hence there has been a shift in worker migration to Australia which has seen an increase in non-permanent moves. There has been a recognition that in the context of globalised labour markets it is essential to have mechanisms to allow non-permanent entry of workers at least in certain groups. Nevertheless, this form of entry has not been extended to unskilled and low-skilled areas and has been open to people with particular skills and entrepreneurs. Hence there has been an increase in people coming to Australia as short-term or long-term entrants and being able to work in the country. Since New Zealand citizens are not required to obtain a visa to gain entry to Australia, these categories are not relevant to them, however it is interesting to look at the trends in the numbers entering Australia on a long-term basis. Figure 3 shows that these flows have increased in recent years, although again the possible effect of the 2001 changes to the welfare eligibility criteria is in evidence.

Thus far, the data we have examined are flow information collected by Australia’s Department of Immigration, Multicultural and Indigenous Affairs (DIMIA). The Australian Bureau of Statistics takes the data on both permanent and long-term arrivals and departures to calculate net migration to Australia from New Zealand. Figure 4 shows the trends in net migration gain between 1993 and 2000 and indicates that the net gain increased from
2,205 to 25,156 over this period. The latter being made up of 44,838 permanent and long-term arrivals and 19,682 departures. Unfortunately, we do not have the data for the last two years due to data processing problems but it is almost sure that the most recent year will have shown a downturn.

**Figure 3: New Zealanders coming to Australia on a long-term basis, 1982-83 to 2001-02**


Note: Data prior to 1992-93 comprise long-term New Zealand-born arrivals. Data after this date comprise long-term arrivals of New Zealand citizens.

Bedford *et al.* (2003:11) have examined quarterly departure data from the New Zealand end and shown that “while the policy changes certainly reduced the influx of New Zealand citizens into Australia, especially those born in Asia, they may have had less overall impact on the volume of migration across the Tasman than the aggregated data might suggest”. They point out that the high levels in 2000 in fact represent a response to the advanced warning of the policy changes and a subsequent return to more normal levels, as well as the fact that there was a general decline in outmovement of New Zealanders to all countries and that to Australia, was no more than to other countries. However, Bedford *et al.* (2003:14) point out what clearly changed “… was the share of citizens born in reducing the influx of people born in countries other than Asia who might not have met the requirements of Australia’s immigration program”.

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Figure 4: Permanent and long-term movement to and from New Zealand, 1993-94 to 1999-2000

It is important to point out that New Zealanders in Australia are the overseas-born group which is most similar to the Australia-born population. Indeed, if one standardises for age, virtually all of the differences in economic, social and other demographic characteristics disappear (Hugo 2003; ABS 2002).

Migration between Australia and New Zealand

While Australia is generally seen as emphatically an immigration nation, it in fact has a substantial level of emigration (Hugo 1994; Hugo et al. 2001; Hugo et al. 2003). Moreover, New Zealand has been in recent years the largest single destination of these emigrants (Figures 5a and 5b). It will be noticed that the outflow reached its highest level around 1990-91 and in 2002 – one or two years after the peaks in the flow into Australia shown in Figure 1. There are two elements in this emigration (Hugo 1994):

- A substantial return flow of New Zealanders who formerly settled in Australia.
- Movement of Australia-born citizens to New Zealand. This is often migration within a single labour market.

In 2001-02 New Zealand was the largest single destination of permanent departures leaving Australia with 10,024 or 20.8 per cent of the total outflow. There is some evidence that the backflow of New Zealanders has
increased since the introduction of the new regulations but the increase is relatively small. Bedford et al. (2003) argue that, while there has been an increase in the volume of return migration to New Zealand since the new legislation, there has also been an increase in the backflow from other countries as well. Table 3 shows that in 2001-02 the emigration to New Zealand from Australia was larger than at any stage in the last decade. Moreover, the New Zealand-born part of that flow has increased substantially.

Focusing first on the New Zealanders returning home, Table 4 shows that a fifth had been in Australia less than two years, and four-fifths between two and nine years and their median length of residence was 5.1 years. An emigration rate of 13 per 1,000 applied in 1999-2000 and only Hong Kong among major origin countries had a greater level of settler loss. Using the same methodology, the emigration rate would be 17.3 per 1,000 indicating that the new legislation may not only have had an impact in preventing new New Zealand migration to Australia but increased the rate at which New Zealanders were returning home from Australia.

Turning to the emigration of the Australia-born, Table 3 shows that there has been an increase in the outflow up to 2000 but it has stabilised since then. In Table 5 the Australia-born emigration is combined with the long-term outflow of the Australia-born. It will be noted that in each year it has accounted for less than a tenth of all such out movement and there are slightly more females than males involved in the flow, although this has declined in recent years. In fact, some 28.2 per cent of this Australia-born outflow are aged 0-9 years, reflecting the fact that about a third of the flow are the Australia-born children of returning New Zealand-born parents. Some 59.7 per cent of those who are employed in this flow are in managerial, administrative, professional or para-professional occupations. Another piece of evidence that New Zealanders were adapting to the new regulations regarding restrictions of access to welfare and other benefits is found in Table 6 which shows that there has been a substantial increase in the number of New Zealanders taking out Australian citizenship since 2001 when the new legislation was introduced.
Figure 5a: Emigration to New Zealand from Australia, 1988-2002

Figure 5b: Emigrants to New Zealand from Australia as a percentage of total emigrants

Source: DIMIA, Immigration Update, various issues; ABS, Migration Australia, various issues
### Table 3: Permanent departures from Australia to New Zealand, 1991-2002

<table>
<thead>
<tr>
<th>Year</th>
<th>Australia-Born</th>
<th>New Zealand-Born*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>3,859</td>
<td>6,165</td>
<td>10,024</td>
</tr>
<tr>
<td>2000-01</td>
<td>3,979</td>
<td>4,256</td>
<td>8,235</td>
</tr>
<tr>
<td>1999-2000</td>
<td>3,852</td>
<td>5,109</td>
<td>8,961</td>
</tr>
<tr>
<td>1998-99</td>
<td>3,281</td>
<td>4,187</td>
<td>7,468</td>
</tr>
<tr>
<td>1997-98</td>
<td>2,945</td>
<td>6,262</td>
<td>9,207</td>
</tr>
<tr>
<td>1996-97</td>
<td>4,245</td>
<td>4,929</td>
<td>9,174</td>
</tr>
<tr>
<td>1995-96</td>
<td>5,352</td>
<td>4,462</td>
<td>9,814</td>
</tr>
<tr>
<td>1994-95</td>
<td>5,239</td>
<td>4,214</td>
<td>9,453</td>
</tr>
<tr>
<td>1993-94</td>
<td>5,062</td>
<td>4,442</td>
<td>9,504</td>
</tr>
<tr>
<td>1992-93</td>
<td></td>
<td></td>
<td>8,714</td>
</tr>
<tr>
<td>1991-92</td>
<td></td>
<td></td>
<td>8,828</td>
</tr>
</tbody>
</table>

Source: DIMIA, *Immigration Update*, various issues; ABS, *Migration Australia*, various issues

* In 1993-94, 1994-95, 1995-96 and 2001-02 this figure is all overseas-born and not just the New Zealand-born.

### Table 4: Length of Australian residency of overseas-born emigrants in 1999-2000

<table>
<thead>
<tr>
<th>Country of birth(a)</th>
<th>&lt;2</th>
<th>2-4</th>
<th>5-9</th>
<th>10+</th>
<th>Total</th>
<th>Total '000</th>
<th>Years</th>
<th>Rate(b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Zealand</td>
<td>19.0</td>
<td>23.4</td>
<td>57.3</td>
<td>0.3</td>
<td>100.0</td>
<td>4.5</td>
<td>5.1</td>
<td>13</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>21.1</td>
<td>24.6</td>
<td>53.5</td>
<td>0.8</td>
<td>100.0</td>
<td>4.0</td>
<td>4.6</td>
<td>3</td>
</tr>
<tr>
<td>China*</td>
<td>32.0</td>
<td>25.9</td>
<td>41.8</td>
<td>0.4</td>
<td>100.0</td>
<td>1.8</td>
<td>3.8</td>
<td>11</td>
</tr>
<tr>
<td>Hong Kong (SAR of China)</td>
<td>21.6</td>
<td>26.3</td>
<td>52.1</td>
<td>0.1</td>
<td>100.0</td>
<td>1.6</td>
<td>4.2</td>
<td>31</td>
</tr>
<tr>
<td>Taiwan</td>
<td>34.8</td>
<td>32.6</td>
<td>32.3</td>
<td>0.3</td>
<td>100.0</td>
<td>0.7</td>
<td>1.9</td>
<td>n.a.</td>
</tr>
<tr>
<td>United States of America</td>
<td>24.3</td>
<td>26.7</td>
<td>49.0</td>
<td>--</td>
<td>100.0</td>
<td>0.6</td>
<td>3.9</td>
<td>10</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>14.8</td>
<td>22.7</td>
<td>61.8</td>
<td>0.7</td>
<td>100.0</td>
<td>0.5</td>
<td>5.3</td>
<td>3</td>
</tr>
<tr>
<td>Indonesia</td>
<td>43.8</td>
<td>27.2</td>
<td>28.8</td>
<td>0.2</td>
<td>100.0</td>
<td>0.4</td>
<td>1.4</td>
<td>7</td>
</tr>
<tr>
<td>Total Overseas Born</td>
<td>22.5</td>
<td>23.5</td>
<td>53.5</td>
<td>0.5</td>
<td>100.0</td>
<td>20.8</td>
<td>4.6</td>
<td>5</td>
</tr>
</tbody>
</table>


* excludes SARs and Taiwan Province.

a Listed countries of birth are those with the most emigrants during 1999-2000.
b Permanent departures 1999-2000 per 1,000 preliminary estimated population of the same country of birth resident in Australia on 30 June 1999.
Table 5: Permanent and long-term out movement of the Australia-born who went to New Zealand, 1994–2002

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Sex Ratio</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994-95</td>
<td>4,838</td>
<td>86.3</td>
<td>9.3</td>
</tr>
<tr>
<td>1995-96</td>
<td>5,408</td>
<td>89.1</td>
<td>10.0</td>
</tr>
<tr>
<td>1996-97</td>
<td>5,159</td>
<td>98.5</td>
<td>8.9</td>
</tr>
<tr>
<td>1997-98</td>
<td>5,125</td>
<td>97.0</td>
<td>8.2</td>
</tr>
<tr>
<td>1998-99</td>
<td>6,072</td>
<td>90.3</td>
<td>8.3</td>
</tr>
<tr>
<td>1999-2000</td>
<td>7,074</td>
<td>93.8</td>
<td>8.8</td>
</tr>
<tr>
<td>2000-01</td>
<td>7,426</td>
<td>92.6</td>
<td>8.3</td>
</tr>
<tr>
<td>2001-02</td>
<td>7,317</td>
<td>94.0</td>
<td>8.1</td>
</tr>
</tbody>
</table>

Source: Hugo, Rudd and Harris (2001).

It is interesting to note that while the New Zealand population in Australia is similar in its characteristics to that of the Australia-born when age is standardised. However, this is not the case for the Australia-born in New Zealand. Ho and Muntz (2003) have demonstrated with respect to data from the 2001 New Zealand population census that the Australia-born are quite a selective group in terms of income, education and occupation. Hence the New Zealand to Australia migration has much less of a ‘brain drain’ character than the movement from Australia to New Zealand.

Table 6: New Zealanders confirmed with Australian citizenship, 1996–2002

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
<th>Rank</th>
<th>Per cent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>17,334</td>
<td>1</td>
<td>20.1</td>
</tr>
<tr>
<td>2000-01</td>
<td>11,007</td>
<td>2</td>
<td>15.0</td>
</tr>
<tr>
<td>1999-2000</td>
<td>6,676</td>
<td>3</td>
<td>9.4</td>
</tr>
<tr>
<td>1998-99</td>
<td>6,320</td>
<td>3</td>
<td>8.3</td>
</tr>
<tr>
<td>1997-98</td>
<td>8,764</td>
<td>3</td>
<td>7.8</td>
</tr>
<tr>
<td>1996-97</td>
<td>9,982</td>
<td>3</td>
<td>9.2</td>
</tr>
</tbody>
</table>

Source: DIMIA (2002).

Trans-Tasman Migration: A Special Relationship

It is apparent that Trans-Tasman migration looms very large in the international migration profiles of both Australia and New Zealand. It is important to point out, however, that in both countries the Trans-Tasman
flow is quite different to any of their other international movements either
country shares with any other origin or destination country. What are the
distinctive features of this migration? The first issue is that Trans-Tasman
migration, at least from an Australian perspective, in many respects is more
similar to internal migration within Australia than it is to other
international migrations which influence the country. This similarity relates
to the characteristics of the migrants (Hugo 2003a) but also to where New
Zealanders settle in Australia. New Zealanders tend to settle in places which
are also the main destinations of internal migrants within Australia (Bell
and Hugo 2000; Hugo 2003b). However, perhaps the most distinctive
characteristic of the Trans-Tasman movement is its circularity. While the
data which are available make it difficult to detect it there is, as is the case
with internal migration, a great deal of circular movement across the
Tasman. These circuits vary in periodicity from short periods to, a working
holiday of a year, to work assignments of a few years to workers spending
their working lives in the destination area and returning home upon
retirement.

The circularity involved in the Trans-Tasman flow has not been given
sufficient prominence in the overwhelming focus on the New Zealand to
Australia movement. It has been shown here that there is a very substantial
counterflow to the main movement and that flow is more selective of high
skill high income groups than the New Zealand to Australia movement.
Bedford et al. (2003:19) point out that ‘it will behove (New Zealand) policy
makers to be more conscious of flows of New Zealanders back into the
country, as well as the more frequently discussed flows of citizens overseas
and of new immigrants into the country’. The present paper strongly
supports this position and suggests that this perspective is important from
the Australian end of Trans-Tasman migration as well as at the New
Zealand end.

Hence Trans-Tasman migration is largely movement within, rather
than between, labour markets. This is partly the result of, and been a causal
factor in, the special migration relationship between the country. However,
recent developments in Australian migration policy have arguably been
directed at bringing Trans-Tasman migration more into line with other
immigration to the country. The changes made have predominately reduced
New Zealander access to social security rather than restricted the right of
entry to, or to work in, Australia. Australian immigration policy over the
period since 1996 has seen a sharpening of the focus on skilled movement and the selection of settlers on the basis of skills in demand in the Australian labour market. New Zealand citizens coming to Australia initially had immediate access to Australian social security but in 1986 a waiting period of 6 months was introduced and in 2000 this was increased to two years. However, the 2001 changes have meant New Zealanders need to qualify as permanent residents of Australia in order to be eligible for social security. As Birrell and Rapson (2002) point out, this will create two categories of New Zealanders in Australia:

• Those who qualify for permanent residency – i.e. meet the criteria that other economic migrants to Australia have to meet.
• Those who can’t meet those criteria and are hence ‘indefinite temporary residents’.

The motivations of the Australian government in introducing those initiatives have also been discussed by Birrell and Rapson (2002) who argue that it involves the following:

• An attempt to reduce the numbers of New Zealand citizens receiving social security.
• To prevent immigrants from Third countries who cannot meet Australian immigration criteria gaining a ‘back door’ entry through New Zealand because it is considered that entry to New Zealand may be easier than that to Australia.
• To bring the whole immigration system more under the control of government immigration policy.

Australia and New Zealand in the Changing Global International Migration Situation

Global international migration systems have undergone a profound change in recent years (Massey et al. 1998). Some of the major shifts include the following:

• An increase in the numbers of people moving between countries (United Nations 2002).
• An increase in the flows from so-called ‘south’ nations to ‘north’ countries.
• A transformation of much of Europe from being the world’s major region of emigration to being one of the world’s major immigration destinations. Hence, whereas for most of the postwar period the bulk of
global permanent international migration was directed to the ‘traditional’ immigration nations of North America and Oceania, all OECD nations are now countries of immigration.4

- In the immigration nations there has been a marked bifurcation in immigration policy. Firstly, these nations have become more welcoming to migrants with high levels of human capital in terms of skills and business resources and acumen. For these groups, it has become easier to enter OCED countries as permanent or temporary residents with the right to work. Secondly, however, increasing barriers have been erected by OECD nations to preclude potential immigrants without these characteristics.

- Increased migration, mainly from south to north countries, associated with an expansion of an immigration industry.

As part of the process of globalisation, there is an increasing realisation that to be competitive in the global economy, nations need a high quality labour force. Accordingly, competition for highly skilled workers, especially those associated with innovation and technology transfer, has greatly increased between countries, especially the high, and to some extent, middle income countries (OECD 2001). Whereas previously the competition for such workers as settlers was largely between the four traditional migration countries, the competition is now between more than 20 nations. Australia and New Zealand have been competitors in this market. However, one can ask the question as to whether there would be some advantages in cooperation in this area. In the increasingly strong global competition for skilled workers, there may be some advantages in joint activities to attract such workers and especially in harmonisation of regulations and processes relating to this movement. This is particularly the case since it is likely that there will be a substantial increase in competition for skilled workers (OECD 2001).

One implication of the fact that Australia and New Zealand in many respects constitute a single labour market is that there may be benefits to the two countries harmonising to some extent their labour market strategies. Both countries have experienced massive structural changes which have rendered some skills redundant and shortages of skills in other areas. There may be advantages to cooperating with respect to meeting shortages of skills which are constraints to economic growth. International
migration, permanent and temporary, as one of the strategies available to meet these shortages would be part of this collaboration both in terms of Trans-Tasman exchanges but also in recruitment of skilled workers from elsewhere.

There could also be some advantages in cooperation in the growing area of national relationships with the diaspora of citizens living abroad. New Zealand has perhaps a million citizens living in other nations (Bedford 2001) and Australia has a similar sized diaspora (Hugo, Rudd and Harris 2003). In both cases, the diasporas are highly skilled and can contribute significantly to development of their home country. Of course, the New Zealand diaspora is substantially larger in relation to its total population as Table 7 indicates. However, it could be argued that both countries confront a similar situation in that they are experiencing a substantial emigration of the brightest and the best among their young people. Certainly, in both cases they are being replaced by a skilled immigration intake. Nevertheless, both countries could benefit substantially from developing effective policies which:

- Encourage the diaspora to participate in the development activity in their home countries.
- Encourage return migration among the diaspora.

Table 7: National diasporas in relation to resident national populations

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<tbody>
<tr>
<td>USA</td>
<td>7 million – 2.5 per cent of national population</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>900,000 – 4.3 per cent of national population</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Zealand</td>
<td>850,000 – 21.9 per cent of national population</td>
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The first type of policies may include (Hugo, Rudd and Harris 2003) such issues as:

- Encouragement of the diaspora to invest in their home country either through remittances or through encouraging investment from citizens overseas or the companies for which they work in foreign countries.
- Utilising the presence of the diaspora in other countries to develop trade, business and other commercial opportunities for the home country.
- Utilising the presence of the diaspora to encourage rapid and effective technology transfers.

With respect to return migration, there is an increasing focus on “reverse brain drain” as a significant process which can contribute to the
economic development of origin nations (Lucas 2001). Research in Australia suggests that there is a high level of propensity among expatriates in the diaspora to return to their homeland, although there are a number of constraints which militate to prevent these desires to be operationalised in many cases (Hugo, Rudd and Harris 2003). In New Zealand it is already apparent that there has been a significant degree of return migration in the case of the Australian arm of the diaspora (Bedford et al. 2003). In both cases, the propensity to return seems to be greatest in the family formation stage of the life cycle so that they are still in the economically active ages.

Indeed, returnees can be doubly of value to the economy in that they not only cancel out the loss of human capital that their emigration caused but also they return with greater experience and skill and a network of international connections and networks which can be of value to the national economy.

However, there is a dearth of empirical knowledge and understanding with respect to return migration, especially as it relates to contemporary diasporas. Moreover, there are few examples available of policies developed by origin countries which have been successful in encouraging return migration. Most examples have been in Asian countries and have met with limited success (Hugo, Rudd and Harris 2003). There is considerable similarity between Australia and New Zealand in this respect and there could be considerable value in a joint initiative which is designed to develop a component of existing immigration policy which focuses on bringing back expatriates, especially those with skills and experience which are perceived to be of utility to national development. In the increasing global competition for such skills who better to recruit into the incoming flow of settlers than former citizens who are initially attracted to the home country and who can readily adapt to the situation in their home country? There is no competitive advantage of Australia or New Zealand because effective policies will attract back expatriates from their respective diasporas.

A final area of possible cooperation between Australia and New Zealand relates to the controversial area of border protection. There is a growing realisation from such initiatives as the 2003 ‘Bali Process’ that the whole issue of people smuggling and trafficking is best approached through bilateral and multilateral cooperation. There would seem to be potential for joint activity, harmonisation of regulations etc. in this area.
Conclusion

Australia and New Zealand have many shared values and interests in international migration. They have enjoyed a special bilateral international migration relationship for a long period and indeed movement between the two nations is in many ways more like internal, than international, migration. Globally, international migration policies of nations tend to be governed almost entirely by perceived national interests and national sovereignty issues, with the partial exception of the international refugee migration regime. However, development in NAFTA and the European Union have pointed toward the benefits of thinking more regionally in the development of migration policy. In such a context, one has to ask whether there would be advantages to both Australia and New Zealand through examining the possibility of working together in the development of some aspects of international migration policy. Undoubtedly, cooperation between states with respect to migration can be beneficial to both states. This paper has suggested that there are several areas where Australia and New Zealand face similar issues and problems in the changing global international migration situation. At least sharing research and experience will be of advantage to both countries and it is likely that both can benefit from some joint activities and harmonisation of policies in some of these areas.

Notes

1 Via a Special Category Visa entry system.

2 DIMIA definition of permanent, long-term and short-term movements:
   Permanent Movement – persons migrating to Australia and residents departing permanently.
   Long-Term Movement – temporary visa holders arriving and residents departing temporarily with the intention to stay in Australia or abroad for twelve months or more, and the departure of temporary visa holders and the return of residents who had stayed in Australia or abroad for twelve months or more.
   Short-Term Movement – travellers whose intended or actual stay in Australia or abroad is less than twelve months.

3 That is: Permanent departures during 1999-2000 per 1,000 New Zealanders in Australia in 1999.

4 Along with a number of fast growing economies such as Singapore, Taiwan, Hong Kong, South Korea, Malaysia and Thailand (Hugo 2003c).
References

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