

# The PM has signalled the end of an era of openness

**Canberra observed**  
This week's proposals on work visas and citizenship have revived old questions about how much we want to be part of the world.



Laura Tingle

A week ago, people would stop you in the street and ask "is there going to be a nuclear war?" But that was so last week.

US Vice-President Pence may be arriving in Australia any moment, on the back of some rather colourful rhetoric delivered on board the USS Ronald Reagan ("The shield stands guard and the sword stands ready").

The USS Carl Vinson may or may not be heading towards North Korea. The North Koreans may be threatening to blow us all up. For the moment, it has stopped us worrying quite so much about China, though as Hugh White points out in the Review lift-out today, we should really be thinking about China a bit more than we do.

But in Australia we are back to playing more mundane domestic politics.

Even, it seems, when things look a bit hairy in the world, we leave foreign policy to the "experts" and chat amongst ourselves about other things.

Except this week's "other things" are actually related to the rest of the world and foreign policy.

While government ministers tottered around the country pre-preparing the ground for a budget built around the reassuring concrete of visible infrastructure, the Prime Minister and the Immigration Minister made a series of announcements about who can come to Australia and the method by which they come.

There was an announcement on temporary work visas—the 457s. Then, yesterday, a tightened-up citizenship test.

Underneath the disputed first-round impact of both measures, there are some very significant but largely overlooked changes.

Whether or not goat herders are able to get a 457 visa in future, the more important point is that people who do get 457 visas will no longer be so sure that they can get permanent residency.

Just think for a moment about how that might change your big investment decisions in life—such as whether you are going to buy a house. Or all the things that go in it.

The largest contribution to net overseas migration in recent years has been from people on temporary visas.

Similarly, if you tighten the citizenship test, you are setting up the ground to restrict citizenship to English speakers and



Malcolm Turnbull has framed visa changes alongside asylum seekers. PHOTO: ANDREW MEARES

2) to be able to throw a lot of people out of the country if they can be found to have fibbed in some way about matters, from their view of women or the role of welfare.

The politics of this is all pretty obvious when the government is under pressure from both the left and right on immigration.

Politics of course is a confidence game. In the days when John Howard ventured into turf about borders and citizenship it may have often been portrayed as a dog whistle, but it was also spoken of as a political masterstroke in the great pragmatic tradition.

With voters and the media alike perceiving Malcolm Turnbull as a prime minister in trouble, his efforts this week have been seen as something else all together: a panicked move to head off trouble.

Yet his rationale for the citizenship move was exactly the same one as Howard—and others—have used in the past: that there must be confidence in the migration program if it is to have community support. And that community support is a crucial factor in Australia's multicultural success.

But this week's moves should be understood as something very different from the Howard moves on boat people,

even if the language employed was not just very similar but linked people-smuggling to 457 visas.

"Now, whether it is on border protection and Labor's shameful record on people-smuggling—recall 50,000 unauthorised arrivals, over 1200 deaths at sea—that was Labor's record on the borders," Turnbull said on Tuesday.

"They failed to keep our borders secure, and they failed to manage a 457 system—a temporary migration system—in the national interest. We are changing that." His Immigration Minister, Peter Dutton, linked the changes to 457s and the citizenship test to national security, especially Islamic terrorism.

"We've seen what's happening in North Korea, we've seen what's happened in Syria, Iraq, in parts of Europe", he told Sky News on Wednesday.

"We need to make sure that we have the right people coming into our country."

The term "Team Australia" has been popping up in the rhetoric. In his new book on Australian foreign policy since 1942, *Fear of Abandonment*, Allan Gyngell reflects on what he describes as "a fragmenting world" for Australian foreign policy between 2008 and 2016 and

the quite profound role asylum seeker policy played in it.

The issue of asylum seekers arriving in Australia by boat "was framed in many different contexts: as an immigration matter, a national security threat, a humanitarian obligation, a question of regional order building, and an effort to counter international criminal enterprises", the former head of the Office of National Assessments notes. "Each of these elements had implications for Australia's foreign policy in the Middle East, South Asia, south-east Asia and the Pacific."

The Prime Minister himself has framed this week's developments in the same space as asylum seekers but it actually represents something closer to home. It is, as one long-time observer notes, "a hunkering down around the economy".

We are not just being frightened of, or hostile to, people who aren't like us. We are being frightened about our jobs, and about our sense of ourselves, even as the Prime Minister argues that the citizenship test is the very antithesis of this.

"Are you proud of our Australian values? Are you a proud Australian?", he asked a journalist at a press conference yesterday. "You should stand up for it. You should stand up for those values and that's what we're doing."

No matter how much other countries may be moving in similar directions on policy, such statements once again move Australia somewhere different in terms of the messages to the rest of the world.

This time, it might not be so much about xenophobia and racism—though those take-outs might be there too. It is about how much we want to be part of the world.

For 30 years our message has been one of engagement and opening up in an economic sense to competitive pressures and free trade. This week's developments reflect one of the most tangible signs for the community at large that we are not so sure about that any more.

*Laura Tingle is The Australian Financial Review's political editor. Fear of Abandonment: Australia in the World since 1942, by Allan Gyngell, La Trobe University Press in conjunction with Back Inc*

► Review Hugh White: China or USA

## Turnbull's work visa policy is more populist than Trump's

**Immigration**  
A crackdown on foreign actors, deer farmers, and turf growers is a disaster for the academic marketplace of ideas.



Richard Holden

If it's true that "the first revolution happens when you change your mind", then Malcolm Turnbull is quite the insurrectionist. His latest in a string of "I never said that" moments is to reverse course on skilled migration. Having previously accused Julia Gillard of an "attack on 457s [that] strikes at the heart of [our] skilled migration system" he decided to deliver the coup de grace to it.

Since the announcement on Tuesday that the current 457 visa system would be replaced there has been much praise—from many quarters—for the Prime Minister mixing good politics and good policy. Indeed, the only significant political figure who seems dissatisfied is Opposition Leader Bill Shorten, who thinks the changes too soft on policy grounds, and too cunning on political ones.

Yet important sectors of the economy quickly pointed out the potentially huge negative impact the changes will have. Atlasian co-CEO Mike Cannon-Brooks highlighted the need for overseas talent, noting that: "We've got about 1000 people in Sydney, and about 25 per cent of the Australian staff are on 457s." Anything that hurts the technology sector flies in the face of the government's own purported stance on innovation, and will damage one of the key growth sectors for the Australian economy of the coming decades.

The university sector should be even more terrified. Although it seems to have

escaped the government's attention, Australian universities operate in a global labour market for academics.

This is true in almost every field. University of Sydney vice-chancellor Michael Spence pointed to the more than 300 academics at his institution on 457s, including stars such as professor Michael Biercuk—a leader of their quantum computing unit—who came from the US on a 457 visa in 2010.

*Australian universities operate in a global labour market for academics. That's true in almost every field.*

For a detailed case study, take my field: economics. In the last five plus years, the School of Economics at UNSW has hired numerous newly minted PhDs as lecturers in response to strong demand for our degree offerings. A hundred per cent of those new hires got their PhD at overseas universities and were not Australian citizens or permanent residents when hired. They were hired after receiving PhDs from universities including Harvard, Massachusetts Institute of Technology

(MIT), Boston University, Princeton, Northwestern, Wisconsin, Rochester and Toulouse.

Why? Because universities like these produce the best PhD graduates in economics, and we have been fortunate enough to attract them.

That's not a knock on home-grown PhDs—but for what we make those Australian PhD students internationally competitive is for them to be trained by people who already are.

As I read it, the proposed two-year "experience" requirement would stop Australian universities hiring such folks. That would be an unmitigated disaster for most academic departments at the top universities in Australia. Having to go through some charade of labour market testing would be bad enough, but the current proposal looks calamitous.

Ironically, despite President Trump's populist banter, the US is moving in the opposite direction. The US currently places great value on highly skilled immigrant labour through its H1B visa program. I ought to know, I was lucky enough to be hired as an assistant professor at MIT on such a visa after getting my PhD at Harvard.

The Trump administration recently announced an overhaul of the H1B program. But what does it entail? Nationalist, border-closing, expulsion of foreign talent? Actually, no. Trump wants there to be less of a "lottery" aspect to H1Bs,

and to tilt the playing field in favour of top employers hiring PhDs and other highly qualified foreign nationals.

Score one for Trump the internationalist; zero for Turnbull the nativist.

We should remember that the US policy also benefits Australian academia, with US-trained Australians often returning home. I know of faculty members at Australian university economics departments who have studied in the US and then been on the faculty at the very top departments: NYU, Yale, Columbia, MIT and the University of Chicago. And it is, of course, not just the field of economics—this is true across the spectrum.

The government's populist ploy to outflank Labor and undercut One Nation may be crafty politics, but it's lousy policy. A crackdown on foreign actors, deer farmers, golfers and turf growers looks set to turn into a devastating blow to the technology and university sectors.

I think—like the Prime Minister used to—that cracking down on 457s in general is a bad idea.

But doing so in a way that crushes the backbone of Australia's knowledge and innovation economy is a truly terrible idea.

Or, to quote a BBC classic: "Prime Minister, if you are going to do this damn silly thing, don't do it in this damn silly way."

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