

# Expats flock back to a better life

Gloom and doom in Europe is reversing the brain drain

**TIM BOREHAM**  
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CALL it market karma: after Australia endured the loss of executive talent for decades, a flock of up-and-coming Australian high-flyers are winging their way home amid the economic strife afflicting Europe and the US.

Few of our corporate migratory swallows are re-nesting here directly because of the woes, especially in the banking sector.

But the reverse brain drain shows that, if only by default, Australia has shed any vestige of a career dead-end or hardship post for these "have passport, will travel" executives.

"Anecdotally, we are definitely seeing an upturn in resumes and applications from the diaspora wanting to head home, or out of the UK to Asia," says John Rawlinson, chief executive of white-collar recruiter Talent2.

"Not only has it got tougher in the UK but (the country) has instituted a caps on bonuses that has led a number of successful bankers to say they might as well be in Hong Kong or Singapore."

National Australia Bank head of fixed income, currencies and commodities Drew Bradford, a returned expat, sums up the mood in the Old Dart, once the dream locale for Aussie bankers on the up.

"Right now it's a gloomy place," he says. "You know that tax rates are going up. It's very politically acceptable to bag bankers and tax them. All of these things are very negative for the banking industry."

"There's a lot of incentive to go to Asia or back to Australia where

things aren't in such a bad state."

In truth, the motivations for returning are more nuanced. "Most of them want to get home at some point in time and it revolves around family and kids," Rawlinson notes.

Bradford quips he "lost the vote four-one" in that his wife and three children wanted to return after nine years in London and Tokyo. There is always a limit to a diet of warm beer and toad in the hole.

Still, the decision has been made easier because of improving local salaries, which are still relatively low but less so in the past, especially in the financial services sector.

James Nicholson, the local head of global recruitment house Robert Walters, says the situation differs from 2008-09, when there were an "awful lot" of involuntary returnees.

"Sometimes people are surprised how well their external experience stands them in good stead on their return," he says.

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**DREW BRADFORD**  
NATIONAL AUSTRALIA BANK

Among the most prominent boomerangs, former ANZ senior banker Brian Hartzler has returned from Royal Bank of Scot-

land to become head of Australian financial services at Westpac, in effect as 2IC to Gail Kelly and automatic bearer of the chief executive "heir apparent" label.

In the retail sector, Kalgoorlie boy Dene Rogers has taken the top job at Wesfarmers' Target chain after a two-decade interlude in Japan and North America. Most recently, Rogers was head of US retail giant Sears' Canadian operation.

Kevin Roberts returned from the US, where he was Adidas' global senior vice-president, to head up the ailing retail chain Colorado Group (he will step down this month for family reasons).

In the regulatory sphere, Australian Securities & Investments chief Greg Medcraft spent years abroad in investment banking, including a contentious stint as securitisation head at French bank Societe Generale.

In adland, Saatchi & Saatchi's Mike Rebelo has returned to Sydney to head up the agency's local branch after holding a similar role in London.

Rebelo, who has also run Saatchi & Saatchi's offices in London, Vietnam and New Zealand, says his latest appointment just happens to be in his home town.

"To be honest, it had little to do with the gloom in London," he says.

The British vibe was still confident when he left, but people were starting to be concerned.

"The London riots showed

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Drew Bradford - *National Australia Bank*  
head of fixed income, currencies and commodities



Brian Hartzer - *Westpac*  
head of financial services



Dene Rogers - *Target*  
managing director



Greg Medcraft - *ASIC*  
chairman



Kevin Roberts - *Colorado*  
CEO (stepping down)



Michael Rebelo - *Saatchi & Saatchi Australia*  
CEO

# Expats flee Europe, US for a better life

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tension in society was bubbling away . . . and since I left more companies have been collapsing through debt," Rebelo says.

He says the agency thrived on the corporate angst of 2008 and 2009, producing creative gems such as a flash-mob of 350 dancing commuters at Liverpool Street Station, which attracted 35 million YouTube hits.

Still, it's a case of what doesn't kill you makes you stronger for the adman, who landed at Heathrow just in time for the 2008 downturn. "Once you've done that, you're match fit for everything else," Rebelo says.

"It was very much about career opportunities. I made a decision on where I could make the biggest impact and play to my strengths."

Bradford was among a group of expats who flocked to London in the 1990s, most of whom have decided their strengths can be tapped better elsewhere.

"Of a large group I can only think of one that's still there. There's definitely been an exodus," Bradford says.

"All of a sudden it got a lot tougher. A lot of people were concerned about losing their jobs and if you lose your visa you've got three months to leave."

Bradford notes that many expat acquaintances have relocated to the still vibrant markets of Hong Kong and Singapore.

Rogers also returned for family reasons and for compelling opportunity, though Canada (which has similar traits to Australia) has fared much better than its southern neighbour. Before his Sears role, Rogers held senior roles with Kmart in the US, Starwood Hotels (which owns the Westin and Sheraton chains) and GE Capital. Rogers, who trained as an engineer, also had a stint in Tokyo re-designing oilfields.

"The banking system in Canada came through the banking problems in the same way Australia's did," he says. "Unemployment is better than in the US and the Canadian dollar is strong.

"But I had been away for 20

years and wanted to come back for a lot of reasons.

"I wasn't actively looking for a role but if one came along I was definitely going to look at it."

Nicholson believes that, failing a dramatic accord on the part of Europe's politicians, it won't be just humpback whales migrating south this year.

"We will probably see more mid to senior-level executives wanting to return from the uncertainty of the UK as this eurozone saga unfolds," Nicholson says.

"But it depends on the level of person and their motivation . . . When they work in the US and the UK, their ability to go up the corporate ladder (is stronger)."

He says Hartzel's return stood out as a savvy career step, because of Westpac's high standing. "If you work at Microsoft the corresponding entity will be smaller," he says. "Asia is probably the biggest competitor in terms of attracting returnees."

Rawlinson agrees the traditional, thriving Asian centres will still tempt many expat executives. After all, how can we compete with Singapore's 10-12 per cent tax rates? "But if you are not earning megabucks in London or Tokyo, Australia looks more attractive from a lifestyle perspective," he says.

Watermark Search managing partner Nick Waterworth says while "there are certainly some

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MIKEREBELO  
SAATCHI & SAATCHI

instances" of Aussies fleeing home, it hasn't been especially notable in the last quarter.

"But what's evident is that Australian employers have become very pragmatic about international experience," he says.

Ten years ago, they were lured

by the beaches and the sun, but now it's more likely to be the economic story.

"The tectonic plates are shifting and Australia is in the right spot," Waterworth says.

"In 2001, it would have been very much a lifestyle sell. If they are looking for skills in a particular area they will find them, wherever the place may be."

Waterworth says this is especially the case with technologies or markets that aren't well established here. "An example is in renewable energy and solar technology where we're a player, but there are bigger ones elsewhere," he says.

"Thanks to the offshore malaise, coming home hasn't meant the same sort of hip pocket pain. Waterworth says they'll still be paid more elsewhere — especially when financial-sector bonuses are taken into account — "but sometimes people say I would really like to go to Australia and take 10 per cent less."

Nicholson cautions that in Australia the cost of living is relatively high. "Returnees, especially from the UK are worth significantly less than four years ago. There's a double whammy in that salaries and bonuses are lower here in real terms," he says.

"Australia is still an attractive place for people to return to. But in pursuing the same career path the returnees have to be flexible."

Rebelo, for one, in no way feels he's been consigned to Siberia. "Australia is a leading market and is known to be creative and competes on a world scale," Rebelo says. "In advertising, our ambition is not just to dominate the Australian landscape, but the wide world and you can do that from Australia."

Bradford says: "The mindset of people in the market in the 1990s was that New York or London was where you wanted to be.

"They were a big pond, but these markets have lost their lustre in a number of ways."