



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS,
DEFENCE AND TRADE FOREIGN AFFAIRS SUBCOMMITTEE

Reference: Australia's relations with Indonesia

MONDAY, 23 JUNE 2003

CANBERRA

BY AUTHORITY OF THE PARLIAMENT

INTERNET

The Proof and Official Hansard transcripts of Senate committee hearings, some House of Representatives committee hearings and some joint committee hearings are available on the Internet. Some House of Representatives committees and some joint committees make available only Official Hansard transcripts.

The Internet address is: **<http://www.aph.gov.au/hansard>**

To search the parliamentary database, go to: **<http://search.aph.gov.au>**

JOINT COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE

Foreign Affairs Subcommittee

Monday, 23 June 2003

Members: Senator Ferguson (*Chair*), Mr Brereton (*Deputy Chair*), Senators Bolkus, Cook, Eggleston, Chris Evans, Harradine, Hutchins, Johnston, Sandy Macdonald, O'Brien, Payne and Stott Despoja and Mr Baird, Mr Baldwin, Mr Beazley, Mr Bevis, Mr Byrne, Mr Edwards, Mr Laurie Ferguson, Mrs Gash, Mr Hawker, Mr Jull, Mr Lindsay, Mrs Moylan, Mr Nairn, Mr Price, Mr Prosser, Mr Scott, Mr Snowdon, Mr Somlyay and Mr Cameron Thompson

Subcommittee members: Mr Jull (*Chair*), Mr Laurie Ferguson (*Deputy Chair*) Senators Bolkus Cook, Chris Evans, Ferguson (*ex officio*), Hutchins, Sandy Macdonald, Payne and Stott Despoja and Mr Baldwin, Mr Beazley, Mr Bevis, Mr Brereton (*ex officio*), Mr Byrne, Mr Edwards, Mrs Gash, Mr Hawker, Mr Lindsay, Mr Nairn, Mr Price, Mr Prosser, Mr Snowdon and Mr Somlyay

Senators and members in attendance: Senator Sandy Macdonald and Mr Edwards, Mr Jull and Mr Snowdon

Terms of reference for the inquiry:

To inquire into and report on:

Australia's relationship with the Republic of Indonesia, focusing in particular on building a relationship that is positive and mutually beneficial.

The committee shall review the political, strategic, economic (including trade and investment), social and cultural aspects of the bilateral relationship, considering both the current nature of our relationship and opportunities for it to develop.

WITNESSES

**HILL, Professor David Tom, Consortium Director, Australian Consortium for 'In-Country'
Indonesian Studies 343**

Subcommittee met at 5.38 p.m.**HILL, Professor David Tom, Consortium Director, Australian Consortium for 'In-Country' Indonesian Studies**

CHAIR—I declare open this public hearing on Australia's relationship with Indonesia. I welcome our witness from Perth, who is appearing via teleconference, Professor David Hill, the director of the Australian Consortium for 'In-Country' Indonesian Studies. Our focus in this inquiry is on building relationships that are positive and mutually beneficial. Many submissions have raised the role of Indonesian studies in building this relationship. We look forward to possibly discussing such matters first-hand with some of your students at a later stage.

Today we are very pleased to have this opportunity to discuss with you the work of ACICIS and the matters you have raised in your submission. On behalf of the subcommittee, may I bid you an official welcome. Although the subcommittee prefers that all evidence be given in public, should you at any stage wish to give any evidence in private, you may ask to do so and the subcommittee will give consideration to your request. Although the committee does not require you to give evidence on oath, I should remind you that these hearings are legal proceedings of the parliament and therefore have the same standing as proceedings of the House itself. I invite you to make a short opening statement, if you like, and then we will proceed to questions.

Prof. Hill—Thanks very much indeed for making the time available to me, and particularly for taking this by teleconference. I should explain initially that while I appear before you in my capacity as Consortium Director of ACICIS, I am actually employed by Murdoch University as Professor of South-East Asian Studies and have had a broad interest in Indonesian studies over many years. The main points that I suppose I would like to draw out are those listed in summary at the beginning of my written submission of November last year. I would like to update one or two points there. I would like to make corrections to that in terms of the update. I would also draw your attention to the background documents, particularly appendix 1, which outlines the background of the establishment of ACICIS and our operation in Indonesia. I am very happy, obviously, to provide any clarification of that.

By way of an opening statement, I draw your attention to the summary. I am addressing specifically educational aspects of the Australian-Indonesian relationship, particularly wanting to underscore what I see as the central importance of Indonesian language and Indonesian studies for the general wellbeing of the Australian community in terms of our political, economic, social and security concerns in coming decades. The points I make in that submission are, among other things, to recommend that Indonesian studies be recognised as a national strategic priority for those reasons. Before I go into those particular matters, I would like to, as I said, update some of the information in that submission.

The first thing I want to do is mention that our consortium now has 19 member universities in it, representing all states of Australia with the exception of the Northern Territory. On the list provided to you, the Sunshine Coast University was listed. They have now chosen to withdraw from the consortium for financial reasons. The main point, however, that I did want to update related to the level and type of government funding support for ACICIS. I am very pleased to announce that we have been successful in approaches to the Department of Education, Science and Training this year and have received some funding from them, for which we are most

grateful, which will enable ACICIS to operate securely for another 12 months. I wanted to acknowledge that as an important development since the original submission.

The fundamental point, I suppose, that I want to make is to contrast Indonesian students studying in Australia with Australian students studying in Indonesia. As I note in section 5 of my document, regarding the importance of in-country study in Indonesia, there are at any one time approximately 18,000 Indonesians studying in Australia. Of that number, my understanding is that there are now something in excess of 10,000 Indonesian students studying in Australian universities. I would like to focus our minds particularly on that by comparison with the paucity of Australian students studying in Indonesia. Last semester, from universities all around Australia, we had only, to the best of my knowledge, 14 Australian students studying in Indonesia. So it was less than 0.2 per cent by comparison with the number of Indonesians studying in Australia.

In my view and in the view of the consortium, this is a very sad reflection on the attitudes and encouragement provided to Australian students to undertake study in Indonesia. We would argue emphatically that for a whole variety of reasons this situation, if it continues, will lead to a significant diminution in Australia's expertise and the human resources that we have in Australia, which subsequently flow through to both government and private industry. We have seen in recent years a significant decline in the expertise in Australia in the field of Indonesian studies.

ACICIS is one of the most significant ventures in building up within the Australian community a level of skill amongst young and not so young Australian students through their familiarity with Indonesia. They spend a full semester, and in some cases a full year, studying in Indonesian universities alongside Indonesian nationals undertaking a raft of courses alongside Indonesian students. From that experience, they gain not just the academic expertise and linguistic fluency but also a real competence in being able to function in Indonesia in a wide variety of capacities. It is that tremendous benefit they derive both in the narrow academic sense and in the much broader sense of general competence that they then bring back to the Australian community. It is that which I believe warrants the ongoing and substantial support for the ACICIS program from the Australian government. Despite the fact that we have been successful in getting DEST funding for this current year, this does not in any way remove the recommendation that we put to the committee that specific and direct Commonwealth government funding be made available to the Australian Consortium for 'In-Country' Indonesian Studies. At that point, I am happy to pause for questions.

CHAIR—Thanks very much, Professor. On that last point you made, in terms of this year's funding, that is fine. However, there has been no indication at this stage of any funding for next financial year?

Prof. Hill—We signed a contract with the department of education only last week. That will run for 12 months. But it is my understanding that we would be very unlikely under current circumstances to receive any further funding from that source.

CHAIR—I was interested in your submission when you said that no nation in the world is more fundamental to Australia's long-term future than Indonesia. You recommend that Indonesian studies be a strategic national priority. Where do Indonesian studies sit in relation to

the priority currently placed on them? How do they compare with other Asian studies or European or American or African studies?

Prof. Hill—I will answer that in two ways. Within universities in Australia, Indonesian studies is declining or stagnant, I think it would be fair to say. Traditionally, there has been much more generous funding available for Japanese studies, which appears to be stronger. This is not uniform necessarily around the country. There are differences from state to state. Japanese studies would probably be the strongest subgrouping within Asia. Probably then there would be Indonesian, and China would probably come third. European studies, of course, has been strong for many, many years under a variety of names. The teaching of, say, French, German, Spanish and other languages has had a very secure position within universities, although it would be fair to say, I think, that the study of languages generally and the humanities more broadly has declined within the Australian university system in the last 10 to 20 years.

One point I would mention is that given this decline in language learning and in Indonesian studies more generally, we are still, according to some research—I am referring to some recently published statistics produced by a German scholar—producing as many Indonesianist publications as America. Given our population size by comparison, we still have a very active research output. But as a priority, Indonesian studies is not included, for example, in the for research priorities laid down by the Australian Research Council, which were announced a year or two ago. I will not get too specific unless you would like me to. On that point, these four research priorities include, first, safeguarding Australia. But despite that title and the concern within it for issues of terrorism and invasive diseases, pests and those sorts of perceived threats to Australia, there is really no recognition within that priority area that Australia's security wellbeing hinges on us having the knowledge within the Australian community to be able to work with and understand Indonesia as quite obviously the throughpoint or the exit point for a variety of influences that would come to Australia, such as boat people, smuggling and various kinds of issues. It would not be an extremely huge departure for those strategic areas to have included a recognition of regional knowledge—that is, knowledge of South-East Asia and Indonesia specifically—as a contributing part of the safeguarding of Australia to be included in that fourth research priority. I am not sure whether that answers your question.

CHAIR—Has the decline in universities also been as a result of what would seem to me, coming from Queensland anyway, to be a decline in the emphasis on teaching Indonesian as a second language in secondary schools?

Prof. Hill—Yes, absolutely. Again, this differs between the eastern states and Western Australia. In the eastern states, it is my understanding that Indonesian is declining through the school system on the eastern seaboard. In Western Australia it is still increasing, but we expect that it will begin to contract. One of the problems is the provision of well-qualified teachers. There is a great need to have teachers who are absolutely fluent in the language, not simply with a rough working knowledge but with an absolute fluency in Indonesian.

Mr SNOWDON—Last year a number of us, including the chairman, were in Indonesia. We visited Muhammadiyah University in Malang. We spoke to the Australian students there. I must say they were enthusiastic, as was the university, to have them there. How successful has that program been? Is there any unmet demand? You said there are 14 students in Indonesia this year.

Is there unmet demand? What is the limiting factor? Don't we have enough students wanting to go? What is the situation in relation to that particular program, for example?

Prof. Hill—The ACICIS program at Muhammadiyah University in Malang has been a resounding success. It involves students undertaking a field study project which is essentially an individualised research program. The students negotiate with a Muhammadiyah University supervisor and with the ACICIS resident director an individual topic that they then spend a semester researching. Obviously through that research they are honing their Indonesian language skills to a tremendous degree because that is the language they are using to undertake the field study research.

Let me just mention some of the topics that students have researched. We have had students working on issues to do with Indonesian fishermen coming into Australian territory and looking at the communities from which they come. We have had students looking at asylum seekers from the Middle East currently in Indonesia and trying to get a sense of their situation and their interests in moving to Australia potentially. We had one student last semester who was looking at anti-Western Islamic feeling in Indonesia, something which in the context of the Bali bombing was obviously extremely relevant. So the students are undertaking these tremendously valuable field study projects, which are very enriching both personally and in terms of our general understanding of Indonesia. All of the students that undertake that find it extremely rewarding. As you have mentioned, Muhammadiyah University is delighted to have them there and sees this as an important part of the internationalising of their campus.

Why do we have so few students coming? It is for a variety of reasons. One of them, obviously last semester, was that the general climate within the Australian community was one of concern and uncertainty about Indonesia. Obviously, the events in Bali contributed to that significantly. We foresee numbers increasing. We already have an enrolment for next semester of about 29 students, up from the 14 this semester. We foresee probably somewhere around half a dozen of those going through to Malang to undertake that project there. It is my view that if ACICIS were better funded, we would be able to much more energetically bring to the community's attention the opportunity to study in Indonesia. Essentially, we have had to operate on a very part-time basis. What I mean by that is that we employ a full-time Australian academic in Indonesia as our resident director to provide the infrastructure support to our students there. But here in Australia we have only a part-time staff member working in our secretariat. I spend about one day a week notionally working on ACICIS affairs.

We have an extremely limited advertising and promotional budget. We essentially depend on our universities drawing this option to the attention of their students and encouraging them to go to Indonesia. That is essentially the link. We need to have more energetic and buoyant Indonesian studies departments around the country. They would then encourage more students to go to Indonesia, and our numbers would increase.

I have had, for example, Indonesian staff or teachers of Indonesian language at some universities say to me, 'David, quite confidentially, I think it would be very good for my students to go and spend a semester with you with the ACICIS program in Indonesia. But my numbers are so low that for every student I send to Indonesia it means that my university scrutinises the survival of Indonesian studies here at my campus. I need to keep all the students I can here studying because for every one that goes out, my employment becomes increasingly in

jeopardy.' So it is a very complex situation. Fundamentally, it is to do with the lack of support for Indonesian studies in the universities and perhaps more generally in the community.

CHAIR—What sort of budget are you looking for for ACICIS?

Prof. Hill—We would need about \$100,000 to \$130,000 a year to cover our running costs and salary costs. I would put that in the context of information provided in a number of submissions to your committee. The one I recall is from the Department of Education, Science and Training where they indicated that Indonesian students coming to Australia generate export revenue or income of around \$400 million per annum for the Australian economy. So by comparison, our need for \$100,000 to \$130,000 per year is extremely modest. It is my view that there is no reason why we should not have in Indonesia not just dozens but hundreds of Australian students, building up to thousands. The Indonesian universities are extremely keen to have Australian students studying there. We have been very cautious in placing them in universities around Indonesia because obviously their safety is our primary concern. But in time, and if supported through this current period of difficulty, I have no doubt that ACICIS will be placing hundreds of Australian students in Indonesian universities.

CHAIR—What is the cost to an Australian student going there?

Prof. Hill—We have endeavoured to keep the cost as low as we possibly can. Essentially, our financing system works like this. A university which wishes to become a member of our consortium pays an annual membership levy. That is currently set at \$900 plus GST. An individual student wishing to study with the ACICIS program pays \$2,000, or our preferred arrangement is that the Australian university pays the \$2,000 on their behalf. So the Australian student would incur the normal HECS liability, the Higher Education Contribution Scheme liability, just as if they were studying physically in Australia. The Australian home university receives Commonwealth funding for that position. We believe that the home university should then transfer the \$2,000 from that funding to ACICIS on behalf of that student. Then obviously a portion of that we pass on to the Indonesian university and a portion of that we retain to assist us with our administrative costs.

CHAIR—None of your running costs come from Indonesia, I gather?

Prof. Hill—No, not at all. Sorry, I will clarify that. When you say none of our running costs come from Indonesia, what do you mean?

CHAIR—For the operation of ACICIS.

Prof. Hill—Perhaps I should for clarity say that we have, as I mentioned, a senior Australian academic who lives in Indonesia and manages our program there. We refer to them as our resident director. I think perhaps a previous parliamentary group met our resident director in Malang. I am not entirely sure. They are paid a salary by ACICIS. In addition, we pay the cost of their home, which doubles as an office, and we employ a casual office assistant, who is an Indonesian. So there are those costs there. We obviously have communications costs. But the Indonesian universities do not pay anything to ACICIS, if that is the thrust of your question.

Mr EDWARDS—Professor, firstly, I am sorry that we are doing this by phone and not in person, but that is just the way circumstances worked for the committee. I certainly appreciate your time. I also want to compliment you on the submission that you put in. I have two questions. Firstly, with respect to the figure you mentioned, was that \$400 million in terms of the dollar value that Indonesian students bring to Australia?

Prof. Hill—Yes, it is. I am quoting from submission No. 22 to your committee. The statement there reads:

Each year, over 18,000 Indonesian students study in Australian education institutions, generating export income of around \$400 million per annum to the Australian economy.

Mr EDWARDS—Having a dollar value is one thing. However, how could you value the goodwill, the harmony and the positive relationship which are established between Australia and Indonesia with the students that do study here? How could you possibly quantify that? Surely that is in itself a very valuable commodity, particularly at a time when relationships between both countries are strained?

Prof. Hill—Absolutely. I could not agree with you more. I would not want for an instant to be interpreted as suggesting that we should not have Indonesian students coming to Australia; quite the reverse. I think it enormously enriches the lives of Australian students to have international students from Indonesia or elsewhere studying here in Australia. I fully support that. I think that is a tremendous asset. The point I am making is that it is equally beneficial to have Australian students studying elsewhere, studying in Indonesia in this instance. It is extraordinarily beneficial—I can talk more about this anecdotally, if you like—to have Australian students in Indonesia over these past years when the bilateral relationship has been quite rocky. I suppose I am wanting to emphasise that it is a tremendous asset to Australia to have these students, albeit only several dozen of them, perhaps, in Indonesia, where they are effectively ambassadors for Australia at a very grassroots community level.

Let me give you some sort of anecdotal illustration of this. We have had students in Indonesia through the fall of President Suharto. We have had Australians in Indonesia with ACICIS through the Australian military engagement in East Timor. We have had Australians there just this last semester when Australian forces were involved in Iraq. Obviously, for a variety of reasons there have been tensions bilaterally through all of those years. Clearly, they have had an impact on the number of Australian students who have gone on the ACICIS program. But for those students who have chosen to go despite that background tension, it has been an opportunity for them to describe to Indonesian student friends—by and large, they live with Indonesians in group houses, in boarding houses or with families—the complex reactions in Australia to each of these events and to represent Australia's position in all its complexity and subtlety as a counterpoint to what we might describe as the kind of formal government to government diplomatic position.

It is for those reasons that I think we should be supporting educational connections of this kind and getting Australians into Indonesian universities in the same way that having Indonesians in Australian universities also provides texture to the bilateral relationship at a community level.

Mr EDWARDS—I guess you could say that was a dorothy dixer but an important one. Thanks, Professor.

Prof. Hill—Thank you.

CHAIR—There being no further questions, I thank you very much indeed for coming online today. If there are any matters on which we might need additional information, the secretary will be in contact with you and will also send you a copy of the transcript of your evidence to which you can make any necessary corrections to errors of transcription. But thank you very much indeed for not only the quality of your submission but cooperating with us today.

Prof. Hill—Thank you very much indeed. I appreciate the time and opportunity you have given to speak to the committee today. I extend to you and to the committee an invitation to meet with our ACICIS students in Indonesia at any time, should that be convenient for you.

CHAIR—I sincerely hope we may be going up there a little later in the year. If we possibly can, I am sure we will.

Prof. Hill—That would be excellent.

CHAIR—We will now adjourn.

Subcommittee adjourned at 6.09 p.m.