# Strengthening Australia's Indonesia literacy – a roadmap

*Mengurai masalah ayam dan telur* (addressing the chicken and egg conundrum)

## Executive Summary

Indonesia is Australia's largest Asian neighbour. However, despite strong government-to-government ties, the many Indonesians who have studied in Australia and Australians' love for a Bali holiday, few neighbouring countries understand each other less. Being good neighbours should be sufficient motivation for our citizens to get to know each other better. Add to this the geostrategic and security imperative, Indonesia's economic growth and the opportunities to collaborate on big challenges like climate change, biodiversity loss and defending democracy. One would assume that leaders across Australian government, business, academia and civil society would make deepening our engagement with Indonesia a priority.

But as this report shows, on many measures Australians' Indonesia literacy is in decline.

As The Hon Tim Watts MP stated, on 18 October 2025:

> '*It is one of the great ironies that while we have lifted our engagement as a government with the region (development, defence, economic, diplomatic), within our borders our Asia literacy has been on a multi-decade decline. It has gone downhill since Keating's call for action in the 1990s, and funding for teaching of Asian languages in schools and universities was not met by a demand-side response. All of our strategic bilateral arrangements, including with Indonesia, require a base level of Asia capability to execute. Asia capability is the sovereign capability that underpins all other elements of statecraft, and language is vital to building relationships of trust between people'*.[1]

Through a grant from the Australia-Indonesia Institute, I set out to understand why levels of Indonesian language learning are dropping across the country, with the real possibility that Indonesian will no longer be taught in Australian schools or universities within a decade. I also explored how this trend is linked to low levels of Indonesia literacy in business and government departments and the outdated stereotypes of Indonesia embedded in the Australian psyche.

In this report, the term 'Indonesia literacy' is used in its broadest sense, to include not only Indonesian language fluency, but also an understanding of Indonesian culture, norms, business, economic and political systems (see section 1.3 What is Indonesia literacy?). While we need more Indonesian speakers, and strengthening Indonesian language teaching and learning is critical, it is also possible to be culturally competent without language fluency.

In compiling this report, I have drawn on interviews, personal experience, articles, reports and almost 100 responses to a detailed online questionnaire. The high response rate to my voluntary survey is consistent with the nearly 200 submissions to the Parliamentary Inquiry into 'Building Asia capability in Australia, through the education system and beyond' (Asia Capability Inquiry), which was launched after I had commenced this project. There is a small, but passionate group of people in Australia who believe strongly in the Australia-Indonesia relationship, but this enthusiasm has not yet translated into the system-level buy-in that is necessary to shift the dial.

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[1] https://www.abc.net.au/listen/programs/saturdayextra/building-asia-capability-asian-language-study/105900032

My conclusions are as follows:

- Indonesia is more important to Australia than ever, in an uncertain world where we need to diversify our economic and strategic relationships. We need to deepen and broaden our relationship with our biggest Asian neighbour.
- Key to this goal is strengthening all aspects of Australia's Indonesia literacy, including language fluency, intercultural understanding and knowing how to do business in Indonesia. Strengthening our Indonesia literacy means lifting the community's awareness of a modern, contemporary Indonesia and breaking down the many outdated stereotypes that are embedded in the Australian psyche.
- Improving Indonesia literacy among Australians is important for our national interest, but the associated intercultural capabilities are also beneficial for social cohesion in a multicultural Australia, with a growing Indonesia diaspora.
- Strengthening Australia's Indonesia literacy is complicated, because it requires multiple interventions running in parallel, in order to address both supply and demand failures. This will require coordinated action across all sectors with buy-in from senior levels of government, business, education and the community.
- We have many strengths to build on but in other areas we are lagging, particularly in business engagement, Indonesian language learning and ensuring that all Australians have the opportunity to learn about Indonesia through their education.
- Australians need to be convinced that deepening the Australia-Indonesia relationship and strengthening Australia's Indonesia literacy should be a national priority.

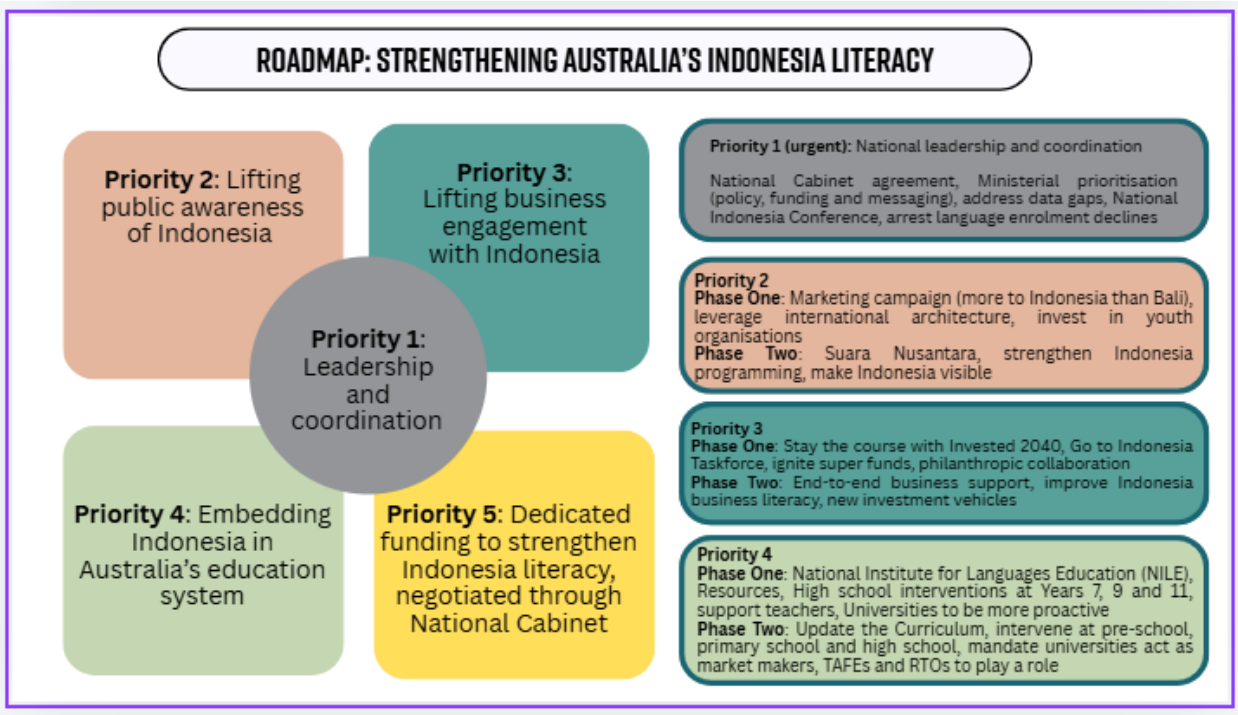
Having diagnosed the many root causes of the current state of play and building on the recommendations in *Invested: Australia's Southeast Asia Economic Strategy to 2040* (*Invested 2040*), I have developed the foundations of a national Roadmap for Strengthening Australia's Indonesia Literacy.

There are five underlying pillars for the Roadmap, which mutually reinforce each other and will help to address the root causes of Australia's relatively low levels of Indonesia literacy:

1. National leadership: Deliver a coordinated, cross-sectoral response through Cabinet-level prioritisation and the establishment of enduring institutions.
2. Lift public awareness: Give Indonesia an image boost and use multiple channels to increase awareness of modern Indonesia among all Australians.
3. Increase business engagement and knowledge: Incentivise and support businesses to explore opportunities and succeed in Indonesia, to value and hire people with Indonesia literacy and to help to promote the importance of Indonesia literacy.
4. Fix the way we teach and learn about Indonesia across our education system: fund teacher professional development and in-country experiences for students and educators, develop contemporary, engaging resources, embed Indonesian content across all subject areas and create a National Institute of Languages Education to coordinate policies, interventions and research at a national level.
5. Allocate dedicated funding, negotiated through National Cabinet, to deliver the necessary initiatives under the four pillars above.

The findings and recommendations in this report draw on the wisdom of many others but should not be taken as representing the views of any of those contributors or organisations, including

the Department of Foreign Affairs and Trade (DFAT) or the Australia-Indonesia Institute. All conclusions and inevitable errors are mine alone[2].




Many of the initiatives proposed in this Report across the 5 Priorities will take some time to develop. Priority 1 - National leadership and coordination - is critical to build the necessary momentum and create the conditions for the successful design and implementation of Priorities 2-5. This is consistent with the first recommendation in *Invested 2040*: National Cabinet must acknowledge the importance of strengthening Australia's Indonesia literacy as being critical to our national interest. Recommendations for immediate action are set out below, with the remaining recommendations detailed in Section 6. Roadmap for strengthening Australia's Indonesia literacy - recommendations.

| Recommendation | Details |
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| ***Recommendation 1.1***<br><br>***Elevate the importance of Indonesia literacy as a national priority*** | We need a clear, united message from the most senior levels of government to elevate the importance of Indonesia literacy as a national priority.<br><br>The Prime Minister, Foreign Minister and Minister for Education should give a joint statement about the importance of the Australia-Indonesia relationship, the criticality of Australia strengthening its Indonesia literacy, and recognising the important but often under-appreciated work of Indonesian educators.<br><br>The statement should: |

[2] Or as many Indonesians will stay at the start of any formal presentation, *Mohon maaf atas kesalahan* (I ask forgiveness for my mistakes and omissions).

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| | i. Be accompanied by a dedicated speech at the National Press Club and coordinated media interviews and articles.<br>ii. Be backed by the business sector and supported by peak bodies like the Business Council of Australia and the Australian Chamber of Commerce and Industry.<br>iii. Highlight the decline in Indonesian language learning and studies, with the Minister for Education stating their expectation that there will not be further closures of Indonesian language programs in public institutions (including universities and schools) while a national strategy is being developed for approval by National Cabinet. |
| ***Recommendation 1.2***<br><br>***Put Indonesia literacy on the National Cabinet agenda*** | Many of the levers for strengthening Australia's Indonesia literacy — especially in the education space — sit at State and Territory level, rather than with the Australian Government.<br><br>The Prime Minister and Minister for Education need to put Indonesia literacy on the National Cabinet agenda and use the Education Ministers Meeting to work with State and Territory Education Ministers to develop a cross-jurisdictional response and jointly design and implement the education-related interventions described in this Roadmap. |
| ***Recommendation 1.3***<br><br>***Make strengthening Indonesia literacy an explicit Ministerial priority*** | Increasing Australia's engagement with Indonesia must be made an explicit responsibility of Commonwealth Ministers and senior bureaucrats:<br><br>**1.3A**: Add Asia Literacy to the Portfolio responsibilities of the Minister for Education and appoint an Assistant Minister for Indonesia Engagement and Literacy to coordinate efforts across sectors to strengthen Australia's Indonesia literacy.<br><br>**1.3B**: Set up a dedicated Indonesia engagement and literacy team in the Department of Prime Minister and Cabinet. While the heavy lifting to date has been done by DFAT, centring this priority in the Prime Minister's Department will help to ensure other relevant departments – particularly the Department of Education – are also combining their efforts. This team would be responsible for developing a comprehensive Roadmap for Strengthening Australia's Indonesia literacy, drawing on the recommendations in this Report, *Invested 2040* and the outputs from the Asia Capability Inquiry.<br><br>**1.3C**: Direct all Secretaries to task one executive of SES2 level or above to be the point person for lifting Indonesia literacy within their department and among that department's stakeholders. |
| ***Recommendation 1.4***<br><br>***Get Cabinet Ministers more familiar with Indonesia*** | The Prime Minister should direct each Cabinet Minister to:<br><br>**1.4A**: Travel to Indonesia within this term of government or make plans to travel within the next term of government, should they retain government. The Victorian Government did this for China and it proved to be very successful in multiplying the connections at senior levels, with many of those Ministers taking with them a delegation of businesses and other leaders. |

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| | **1.4B**: Bring a submission to Cabinet within the next 12 months identifying opportunities in their portfolios to deepen the Indonesia-Australia relationship, strengthen Indonesia literacy and build collaboration around priority issues for both countries.<br><br>**1.4C**: Secure bipartisan support from their Opposition counterpart for the prioritisation of strengthening Australia's Indonesia literacy. |
| ***Recommendation 1.5***<br><br>***National Indonesia Conference*** | The Australia-Indonesia Institute, in partnership with the ASEAN-Australia Centre, should bring all key allies, experts and Indonesia-oriented organisations together for a national conference to join the dots and jointly develop solutions to strengthen Indonesia literacy, with a focus on cross-sectoral responses. This will achieve three objectives:<br>i. Send a clear message to the Australian community that Indonesia is critical to Australia's future, through the convening of a visible national conference.<br>ii. Demonstrate that the existing ecosystem isn't broken, and that there are many prevailing strengths, but that efforts are uncoordinated, and our combined voices and efforts will be more effective if joined up.<br>iii. Ensure the cross-pollination of interventions, for example businesspeople understanding the important role they need to play (as employers and parents on school boards) in supporting Indonesian studies and language learning in schools |
| ***Recommendation 1.6***<br><br>***Fill the many data and research gaps*** | **1.6A**: The Australian Government needs to establish a national Indonesia Literacy Data & Insights Program to systematically collect, coordinate and publish high-quality data on Indonesia literacy across the education sector, business community and broader public. This program would:<br>i. Work with State and Territory education departments and curriculum agencies to map and monitor national trends in Indonesian language learning, Indonesia-related curriculum content, teacher supply, university provision, business capability and public awareness.<br>ii. Integrate disparate datasets currently held by education departments, universities, business chambers, DFAT, Acicis, industry bodies, diaspora organisations and cultural institutions.<br>iii. Commission targeted research into priority gaps identified in **Appendix G** of this report.<br><br>This initiative could be housed within the ABS, or funded as an external partnership with a specialist organisation like the Australia-Indonesia Centre, Acicis or a newly created National Institute of Languages Education.<br><br>**1.6B**: Universities need to encourage postgraduate research on Indonesia literacy, including some of the areas outlined in **Appendix G**, with government to consider funding dedicated scholarships, research grants and supervision networks. |
| ***Recommendation 1.7*** | The Treasurer should direct Treasury to explore funding opportunities for initiatives to strengthen Indonesia literacy, including allocating new funding to the Education portfolio, redirecting funding from related programs in the trade, |

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| ***Identify funding sources for initiatives to strengthen Australia's Indonesia literacy*** | education or defence portfolios, and exploring new and innovative funding sources.<br><br>For example, Treasury could investigate the establishment of Indonesia Literacy Bonds (ILBs), as a novel mechanism for funding the initiatives that will be necessary to strengthen Australia's Indonesia literacy. The ILBs could be modelled on social impact bonds and education-linked outcome bonds, with an uplift to be paid to bondholders above a market bond rate, should stipulated KPIs be met within a set period (5 or 10 years), across the key priority areas of public awareness, business engagement and education. |
| ***Recommendation 1.8***<br><br>***Shore up the teaching of Indonesian language and culture in Australian schools*** | To help address the real risk that more schools will close their Indonesian language programs within the next 12 months, the Australian Government should:<br><br>**1.8A**: Allocate a modest amount of funding to all secondary schools across Australia currently teaching Indonesian (i.e. $20,000 per school), to help fund resources/excursions/incursions and maintain interest and engagement from existing students/teachers and prospective students. This will also help to send a clear message to the secondary education ecosystem (including students, parents, teachers and school leaders) that Indonesian is important.<br><br>**1.8B**: Work with the Indonesian Embassy to expand Indonesian language assistant exchange programs, to place more Indonesian teachers in Australian classrooms, both to supplement declining numbers of Indonesian teachers and to expose Australian students to contemporary Indonesia through the lived experience of those exchange teachers. |

I hope this report and roadmap can make a useful contribution to our shared national project to strengthen Australia's Indonesia literacy. For those not already thinking about this issue, I hope it will trigger your curiosity and ideally your contribution. For those already engaged in this space, I hope it can help you to see that you are not alone in your efforts but that we need to join the dots between the many pockets of activity if we are to build the necessary momentum.

Indonesia holds a special place in my heart, because learning about it opened my eyes to the world and opened doors that would have remained closed to me (see **Appendix L**). While this report is full of facts and figures and objective rationale for the importance of Indonesia literacy, I maintain that learning about another country, its language and its culture is first and foremost a personal and transformative experience, and one I hope all Australians can share.

"To have another language is to possess a second soul" – attributed to Charlemagne

Joel Backwell

April 2026

# Acknowledgement of Country

This report has been written from Naarm, Melbourne, on the unceded lands of the Wurundjeri People of the Kulin Nations. While this report focusses on the decline in Indonesian language learning across Australia and the implications of that decline for Australia's Indonesia literacy, it is important to note the rapid decline and extinction also of thousands of Indigenous Australian languages. Prior to colonisation, over 250 distinct languages and 800 dialects were spoken in Australia, whereas the number of Indigenous languages reported as spoken today is barely over 100, and many of these remaining languages are highly endangered.

There is increasing recognition of the importance of Indigenous languages, for both Indigenous and non-Indigenous Australians, with the introduction of some policy and funding support. However, many of the challenges are the same as for *Bahasa Indonesia*: workforce capacity and capability, a crowded curriculum, a dearth of engaging and high-quality teaching resources and the general lack of value for multilingualism in Australian society. The inability of our education system to embrace and embed the designated Cross-Curriculum Priorities[3] has similarly reduced opportunities for our young people to learn more about Aboriginal and Torres Strait Islander Histories and Cultures and Asia and Australia's Engagement with Asia.

In his 2025 book, *Snake Talk*, author and academic Tyson Yunkaporta wrote of 'the ancient relationships between Indonesia and Australian Aboriginal communities and the treaties that existed from the sixteenth century until the nineteenth century, when goods traded along the Silk Road from as far afield as Europe and China made their way into Java and Sumatra… Macassan traders had long established an embassy with Aboriginal Australia, under a tamarind tree that was planted on Yolngu land, whose tasty fruit was introduced in the continent and became a naturalised species over centuries of biotic and economic exchange'.

Yunkaporta also references the 'anti-Asian seeds, planted in response to the Yellow Peril moral panic of the day', which continue to permeate the Australian psyche and contribute to our stubbornly low levels of Indonesia literacy. 'The White Australia Policy escalated exclusionary borderwork practices and quarantine policies based on fear and hatred…Australian tourists continue to enjoy holidays that are cheaper than travelling in Australia, an experience of imperial nostalgia complete with non-white servants and universal deference'.

Interviewees for this report identified the challenge for Australia to fully and proudly engage with Indonesia, as a mature and confident nation, without first reconciling our own history. Doing so would allow us to authentically leverage the deep historical connections between Aboriginal Australia and Indonesia, for example between the trepang traders of Makassar in South Sulawesi and the Aboriginal and Tiwi Islander Peoples of Northern Australia[4].

Australia's national identity rests on three deep inheritances: the ancient Indigenous cultures of this continent, the British institutions that shaped its political and legal order, and the waves of migrants who transformed its society[5]. Strengthening our Asia literacy, like leveraging the ancient wisdom of Australia's First Peoples, will only make us stronger as a nation.

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[3] https://www.australiancurriculum.edu.au/help/cross-curriculum-priorities

[4] https://melbourneasiareview.edu.au/indigenous-australians-indonesians-beyond-the-trepang-trade/

[5] This concept was explored by Noel Pearson in his 2022 Boyer Lectures: https://www.abc.net.au/listen/programs/boyerlectures

# Contents

# 1.Introduction

## 1.1 The genesis of this report

This report was funded through a 2024-25 Australia-Indonesia Institute (AII) Grant[6], in response to the drastic decline in the number of students studying Indonesian and the number of schools and universities teaching the language. Efforts to advance Australia's Indonesia literacy form part of the AII's broader efforts to foster mutual understanding and strengthen people-to-people engagement between Australia and Indonesia.

The importance of strengthening our Southeast Asia literacy across business, government, the education system and the community was underscored by Nicholas Moore AO, as the first and most important recommendation in *Invested 2040*.

**Recommendation**

1. National Cabinet should consider developing a whole-of-nation plan to strengthen Southeast Asia literacy in Australian business, government, the education and training system, and the community.

We need to amplify those areas where our current two-way engagement is strong, like our government-to-government relationships, and address those areas where it remains weak, like Australia's declining levels of Indonesian language learning. Enhancing Australia's understanding of Indonesia is critical to our strategic, economic and political futures, which will be forever intertwined given our geographic proximity. Strengthening Australia's Indonesia literacy should be a much bigger priority for all of us.

## 1.2 Purpose of this report

While others are examining the specific challenges facing Indonesian language learning in Australia[7], my intention is to expand the analysis to explore the root causes of where Australia's Indonesia literacy levels are low, as well as identifying where things are going well.

Following significant investment into the teaching of *Bahasa Indonesia* in the 1990s and 2000s, why has demand for Indonesian language learning not grown? Why has that investment not translated into a more accurate understanding of, and positive sentiment towards, Indonesia in the general population? Is this ultimately a supply or a demand problem, or both? With challenges on both sides of the equation, this is the ultimate '*masalah ayam dan telur*' or chicken and egg problem[8].

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[6] The AII, through its many events and activities, and its annual Grant Program, makes an enormous contribution each year to Australia's engagement with Indonesia. With even a small amount of additional funding, the AII could make an even bigger contribution. Further details of all the 2024-25 Australia-Indonesia Institute Grant recipients can be found at Australia-Indonesia Institute grant recipients - 2024-25 | Australian Government Department of Foreign Affairs and Trade.

[7] Particularly leading institutions like The Australian Consortium for 'In-Country' Indonesian Studies (Acicis) and Asialink Education.

[8] As I referenced in my 2025 Acicis Bahasa Sesh contribution, one could also call this a *Lingkaran Setan* or vicious cycle, in that students aren't studying Indonesian because they don't see employment opportunities, businesses who might otherwise benefits from Indonesia-literate employees aren't going

After admiring the problem for far too long, we find ourselves at a tipping point in need of urgent, society-wide intervention. The purpose of this report is threefold:

1. To examine and articulate the case for why Australia must do more to deepen understanding of our neighbour of 280 million people and act urgently to strengthen Australia's Indonesia literacy, and to identify existing strengths – **Section 2 (p.18) and Section 3 (p.36)**
2. To diagnose why more is not being done to strengthen Australia's Indonesia literacy (supply side failure) and why there remains a stubborn lack of interest among Australians to learn more about Indonesia (demand side failure) - **Section 4 (p.47)**.
3. To present a policy roadmap to inform the AII's activities and provide advice to government, including a suite of interventions aimed at strengthening Australia's Indonesia literacy – **Sections 5 (p.73) and Section 6 (p.78)**.

It is hoped that the findings and recommendations in this report will be useful for politicians and policy makers who hold many, but not all, of the levers for strengthening Australia's Indonesia literacy. This report should also be of interest to businesses, industry chambers, education institutions, think tanks and other organisations with an interest in Indonesia and how we might do more to engage with our largest Asian neighbour, for our mutual benefit.

Pleasingly, after I had commenced this work, the House Standing Committee on Education adopted the Asia Capability Inquiry[9]. This inquiry has helped to elevate the discussion about the current state of Asian language learning and provided a much-needed platform for experts across all parts of the Asia capability ecosystem to contribute their diagnoses of the problem and their solutions.

This report, while contributing to the broader Asia literacy discussion, seeks to identify which factors are specifically contributing to the state of Australia's Indonesia literacy. Some of these factors are not necessarily applicable – or at least not to the same extent – to Australia's broader Asia literacy conundrum. A prime example is the Bali bombings, which had a devastating effect on the ability and willingness of Australians to study Indonesian, but had little impact on the study of other Asian languages.

## 1.3 What is Indonesia literacy?

In this report, the term 'Indonesia literacy' is used in its broadest sense, beyond just Indonesian language fluency. It also includes aspects such as intercultural understanding, knowing how to do business in Indonesia, and simply knowing that Bali is one Province of Indonesia and in many ways quite different to most other parts of the archipelago. Strengthening Indonesia literacy means lifting the community's awareness of a modern, contemporary Indonesia and breaking down the many outdated stereotypes that are embedded in the Australian psyche. This concept of literacy – both raising awareness and building capability – was identified in *Invested 2040* as a key enabler for greater trade and investment between Australia and Southeast Asia.

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into Indonesia, because they lack familiarity with the market, and so on and round we go: https://www.linkedin.com/posts/joel-backwell-b19b1328_bahasasesh-acicis-whylearnindo-activity-7376778055182311424-QcXU/

[9] https://www.aph.gov.au/Parliamentary_Business/Committees/House/Education/BuildingAsiacapability

When I refer to 'Indonesia literacy', I am referring to a pyramid of intersecting layers, with each reinforcing the layer above (see **Appendix B** for a more fulsome explanation of this definition)[10]. We don't need a million qualified translators of *Bahasa Indonesia*. But we do need to lift Australians' understanding of Indonesia across the board. And if the base isn't strong, then the peak will crumble, which is what we're currently seeing, despite the significant investments made in previous decades. It is important to distinguish Indonesian language fluency from the broader definition of Indonesia literacy. The former is a subset of the latter, and both are important for the future of our relationship with our near neighbour. It is critical that organisations like The Australian Consortium for 'In-Country' Indonesian Studies (Acicis) continue to advocate for more resources for Indonesian language teaching and learning, but without building up all the other aspects of our Indonesia literacy, these supply side interventions are unlikely to be effective or self-sustaining.


## 1.4 Methodology

The findings and recommendations in this report are drawn from approximately 100 questionnaire responses[11] totalling 198 pages, more than 50 interviews and webinars and roundtables that I conducted between July and November 2025[12], as well as a range of other sources (listed in **Appendix I**). I have also drawn on my own experiences, living in Indonesia and

[10] In its submission to the Asia Capability Inquiry, Asialink Education referred to 'Asia literacy' as including knowledge of Asian countries, skills to engage respectfully and collaboratively with Asian peers and attitudes and values of openness, curiosity, respect, compassion, empathy and collaboration - a recognition of our interconnectedness and a sense of responsibility for solving shared regional issues.

[11] A copy of the questions put to respondents through the online questionnaire is at **Appendix D**.

[12] See **Appendix E** for a full list of interviewees.

working with businesses, government, schools and universities. **Appendix C** gives a summary of the key themes emerging from the interviews and questionnaire.

As the issues being considered are complex and multi-faceted, this report is not intended to, and could never be, a comprehensive examination of every issue that is contributing to our relatively low and in many cases declining levels of Indonesia literacy.

With more time and funding, I would have liked to have interviewed another 100 people – there was no shortage of people willing to share their expertise and thoughts on this topic. I would also like to have incorporated insights and proposals from the 188 submissions to the Asia Capability Inquiry[13], but that inquiry only took place as I was in the process of finalising this report.

The biggest challenge in compiling this report was getting good data. Among my recommendations in the Roadmap is the need to strengthen the data and research that is essential to understanding and benchmarking the current state of our Indonesia literacy, so that we can effectively design and measure the impact of the necessary interventions. It is troubling that we do not have accurate, up-to-date, national information on which schools are currently teaching Indonesian and how many students are studying Indonesian (or learning about Indonesia through other subjects) across all year levels of schooling and at university and TAFE. Nor do we have an accurate understanding of the current Indonesian language teaching workforce or how many Australians with Indonesia literacy and language capabilities exist and how many of them are currently using those skills in their profession.

The proposed initiatives in the Roadmap are not costed. As someone who has spent a career writing budget bids and business cases, I know the costs of implementation will vary widely, depending on when and how and by whom they are delivered. Additional work would need to be done by government and other actors undertaking the proposed interventions, to cost and sequence them appropriately within the context of other Asia literacy initiatives.

This work would also benefit from deeper exploration into some of the areas I have identified for further research in **Appendix G** but have not had the capacity to delve into.

The Indonesia literacy conundrum is the textbook definition of a complex systems problem. In his recent interview with Darren Lim on the podcast *Australia in the World* (Episode 169), Tim Watts MP said:

> *'This is unfortunately a complex systems problem. It's one thing for me to be able to say that Australia needs these capabilities from the top, but students, schools, universities, private sector employers, all face their own sets of individual incentives, all shaped by the decision and incentives of others. In the past we've responded to this through a set of supply-side solutions - direct funding for increasing the supply of Asian language learning in schools and universities. But obviously there is a demand problem here. Too few private sector employers value these skills, which means there is little incentive for students to study them and as a result little incentive for schools and universities to offer it, and the death spiral continues'.*

Despite the complexity of the challenge, we simply cannot afford to admire the problem and do nothing about it. Without concerted action from all parts of the Australian community, our

[13] www.aph.gov.au/Parliamentary_Business/Committees/House/Education/BuildingAsiacapability

Indonesia literacy will continue to flounder, creating risks and lost opportunities that will multiply as the rules-based order deteriorates and Indonesia continues to grow in both population and economic and geopolitical importance.

## 1.5 My story

The AII grant has allowed me to explore a topic for which I have held a strong passion since the first time I travelled to Indonesia as a 15-year-old. In conducting the interviews for this report, it was remarkable how often interviewees pointed to an inspiring and passionate teacher or an early in-country experience as the catalysts for their interest in Indonesia. For me it was both. My interest in this topic is a deeply personal one. Growing up in a small, regional town and learning Indonesian opened my eyes to the world. I developed my Indonesia literacy through a combination of formal education and in-country experiences, as a student, traveller, lawyer and diplomat. **Appendix L** details my own Indonesia literacy journey, as a working example of what can be achieved by providing opportunities for people to engage with Indonesia from a young age, which is a focus on many of the recommendations in the Roadmap.

My Indonesia literacy has developed through a deep and prolonged engagement with Indonesia: living with my host family[14] on a student exchange as a 15-year-old; majoring in Indonesian as part of an Arts/Law degree, studying Islamic Law in Yogyakarta during the time of the Bali bombings; representing the Bali 9 in the Indonesian courts; launching the Victorian Young Leaders to Indonesia Program; serving as Trade Commissioner to Malaysia and Brunei; and working in the oil and gas and health and aged care sectors in Indonesia. My connection to Indonesia has ultimately enriched my life and led to a career that has focussed on Australia's engagement with Asia and harnessing the great asset that is the cultural diversity of our own communities, particularly across Greater Melbourne.

While strengthening Australia's Indonesia literacy is important for our national interest, it also provides countless opportunities for personal and career growth and for young Australians to better navigate their place in the world. I hope that by making Indonesia literacy a priority and creating more opportunities for Australians to engage with our near neighbour, that many others will be able to have the kinds of enriching experiences that I have had.

## 1.6 A few caveats

I am a practitioner, not an academic, and this is not an academic paper. I do not have a PhD in pedagogy or international relations or cross-cultural studies or many of the other topics covered in this report. Rather, this is a collection of insights and suggestions based on my own observations and interviews with many people who have deep expertise in Australia-Indonesia engagement, across government, business and education. My conclusions are based as much on informed opinion and anecdote as the data that is so hard to come by in this space. Being a Victorian, I will inevitably have weighted my cases studies towards that jurisdiction.

I have, at times, made assertions that can and should be challenged and which would benefit from further research and investigation. In other places I have drawn conclusions from incomplete data and evidence. While much of the education section of this report focusses on

[14] I am indebted to Henny and her family (Keluarga Bey) for taking me into their home and adopting me as an honorary family member all those years ago in Buahbatu, Bandung. It's only as I've gotten older how much I've come to realise what a special and unique experience that was.

the motivations and barriers for school students to learn about Indonesia, I have not directly interviewed students under 18, due to ethics considerations.

Where possible, I have tried to identify these gaps and compiled in **Appendix G** the opportunities for further research and study. Any corrections or differing views are most welcome and if this report does no more than catalyse much-needed debate and discussion then it has served a purpose.

I originally intended for this report to be a comprehensive roadmap, setting out exactly what government should do, step-by-step and fully costed, to strengthen Australia's Indonesia literacy. However, as the research progressed it became apparent that many of the factors contributing to both the supply and demand sides of this chicken and egg conundrum are connected to larger policy challenges, for example the corporatisation of universities, the rise of artificial intelligence, the over-reliance on the ATAR score as a proxy for learning aptitude, and a range of other factors that are far bigger than just our willingness to engage with Indonesia. In attempting to diagnose the problem(s), I have tried to be clear about where they are unique to Indonesia literacy, and where Indonesia literacy is the victim of a broader trend. The interventions I have identified would need to take place in the context of a concerted push to strengthen Australia's Asia literacy across the board, which pleasingly is the subject of the Asia Capability Inquiry being led by Tim Watts MP.

I am grateful for the initial support of the Business Council of Australia, the Australian Chamber of Commerce and Industry and the Southeast Asia Trade and Investment Commissioners who endorsed my original grant application, as well as the hundreds of people from across many sectors who have provided insights that I have drawn on in compiling this report.

# 2.The case for strengthening Australia's Indonesia literacy

## 2.1 Why should we care? Why does Australia need to know Indonesia better? Why do we need to boost our Indonesia literacy?

The case for improving Australia's Asia literacy has been well put by others, for example by Nicholas Moore AO in *Invested: Australia's Southeast Asia Economic Strategy 2040*, by Philipp Ivanov in his recent AP4D paper *The Renewed Case for Asia Literacy*, and by Tim Watts MP in his commentary around the Asia Capability Inquiry.

All those arguments for Asia and Southeast Asia literacy encapsulate why we need to deepen our engagement with our region at a government, business and people-to-people level. But there are some additional factors that make strengthening Indonesia literacy particularly important, as well as some unique factors that make doing so even more difficult. This report summarises both the general and specific reasons why we need a comprehensive, national strategy to strengthen Australia's Indonesia literacy.

With Indonesia's proximity to Australia, and its growing economic and strategic importance, one might expect to see a concerted and coordinated effort across government, business and the education sector to understand and engage with Indonesia. Unfortunately, this is not the case.

While the following arguments for strengthening Australia's Indonesia literacy are self-evident, they are worth repeating.

### Proximity

Indonesia is Australia's largest Asian neighbour. It is less than 4 hours from Perth to Denpasar and the closest point between our two territories is a mere 165 kilometres. While 7 ½ hours might seem a long flight from Sydney to Jakarta, it is nearly double that to San Francisco and triple that time to London; even Shanghai is 10 ½ hours away. While cultural and historical differences can make us feel further away than we really are, we are indeed living in the same neighbourhood. Our proximity should be enough motivation for all Australians to want to get to know Indonesia better.

Yet few neighbouring countries in the world understand each other less. We are like neighbours who have shared a fence for 30 years yet have shared barely more than a hello and a nod.

### Economy

For this country of 280 million, a significant middle class and youthful, tech-savvy population is propelling its economy forwards. Around one-half of Indonesians are under the age of 30, whereas for Australia that figure is closer to one-third. Many analysts expect Indonesia to be a top 10 global economy by the next decade, having averaged 5% growth for the last two decades[15].

[15] World Bank: https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=ID.
Joel Shen, a lawyer based in Asia who writes regularly about Indonesia, summarised many of Indonesia's other economic achievements in a recent post: https://www.linkedin.com/posts/joel-shen-64864948_indonesias-economy-grew-51-in-the-last-activity-7365614261676494848-

While we sometimes compete in global markets for resources and minerals exports, there is significant complementarity between Australia's strengths and the needs of Indonesia's economy. Ample opportunities for cooperation are being driven by Indonesia's rapid urbanisation, the need for high quality education and health and digital services and a commitment to transition to clean energy and net zero emissions.

With escalating trade wars across the globe, it is critical that Australian companies are diversifying the target markets for their products and services. By collaborating with a country with its own links to the rest of Asia (and the world), Australian companies can leverage economies of scale. For example, as the world's largest Muslim country, Indonesia can serve as a gateway for Australian companies to springboard into the Middle East, South Asia and other Muslim countries in Southeast Asia like Malaysia and Brunei. Further opportunities and pathways for Australian investors are set out in *Invested 2040*[16].

On this basis, we should expect to see our business community - from our banks to our superannuation funds to ASX200 companies to SMEs - flooding to Indonesia, seeking partnerships, new buyers and investment opportunities. Yet this is not the case. While our two-way trading figures are solid, boosted by the establishment first of AANZFTA and more recently the IA-CEPA, they should be much stronger. For the last few years, Australia has ranked around 10th or 11th as a two-way trading partner and investor in Indonesia[17]. While our economic relationship might not be categorised as terrible, or floundering, it could be so much better.

While Indonesia is the largest economy in Southeast Asia, with huge growth potential, GDP per capita hovers around US$5,000 and a large proportion of the population is still vulnerable to informal-sector work. Indonesia's Gini coefficient of 0.38 signals medium to high inequality in income distribution, higher than many of its neighbours, and just under 10 per cent of Indonesians live below the poverty line. Much will need to go right in the coming decades for Indonesia to reach its potential and its own aspirations, and while this creates opportunities for Australia to partner with our neighbour, it also creates a moral obligation for us to act. A thriving and prosperous Indonesia is good for both of our countries.

### Productivity

Australia's productivity and economic complexity have flatlined over the last two decades. Building our Indonesia literacy would make a positive contribution to Australia's productivity story by raising firms' capability to compete and collaborate in Asia. This would boost export participation, innovation and management quality[18] and in doing so lift labour productivity and the value-add of our goods and services. Addressing a lack of regional literacy and knowledge of non-traditional markets is a critical enabler to unlocking trade and investment with Southeast Asia. According to DFAT, Australian exporters are 64% more productive, generate 65% more value-add and pay higher wages than non-exporters, evidence that international engagement

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1zre?utm_source=share&utm_medium=member_desktop&rcm=ACoAAAXcL4UB6OxY55o2vU49_e7GNdc6De0LFp4

[16] https://www.dfat.gov.au/sites/default/files/invested-indonesia-to-2040.pdf

[17] How a golf resort near Singapore can grow Australian investment in Indonesia | Lowy Institute

[18] Australia's growing multiculturalism, particularly among those of Asian heritage, means Australian managers are increasingly overseeing culturally diverse teams. Building cohesion and psychological safety in this context requires a skill set that will be honed by more Australian companies operating in other countries and across other cultures.

(which Asia literacy enables) is a productivity engine[19]. Firms led by boards/executives with strong Asia capability materially outperform, with 80% of those companies deriving >40% of revenue from Asian markets, linking Asia-specific skills (language/culture/market know-how) to commercial performance[20]. Trade openness is also linked to higher productivity via competition, scale and knowledge spillovers.

We should also recognise the potential productivity benefits of galvanising our Asian diaspora and unlocking the latent potential that resides in Australia's Asian communities. By visibly valuing Indonesia literacy as a strength and an asset, we invite Asian Australians to proudly leverage their social and family ties and their cultural capabilities to create new economic opportunities for Australians of all backgrounds.

### Security

It is in Australia's national interest to lift our Indonesia literacy. With so much global uncertainty, and the breaking down of the rules-based order, it is unlikely Australia will be able to rely on the alliances that have carried it through recent decades. We will need as many friends as we can find. As James Curran said in his 2025 Boyer Lecture, 'to shore up our security we are going to need to explore our options beyond the put-all-the-eggs-in-the-US basket approach. What is the alternative to the American alliance? This is why we need to do a lot more with Indonesia'[21]. Australia and Indonesia are two of only five G20 countries in the Southern Hemisphere and we share a multitude of security interests, from open shipping lanes to support for a rules-based international order to combatting violent extremism. As a fellow, democratic, middle power[22], one would think Australia and Indonesia would be doubling down on our defence and security relationship.

Of course, in couching this as just an economic opportunity or national security imperative, we run the risk of shoehorning the Australia-Indonesia relationship as a purely transactional and utilitarian one. We can also then overlook the more intrinsic benefits for Australians of learning about Indonesia and strengthening our Indonesia literacy, ignoring the many other benefits of lifting Australia's Indonesia literacy across the board.

### Being a good neighbour

In the words of General Peter Cosgrove, 'Good neighbours learn to speak each other's languages…Good neighbours learn to respect each other's religious and cultural beliefs. Good neighbours learn to allow for differences and to be inclusive. Good neighbours spend time with each other. Good neighbours understand that contentious issues should be resolved through negotiation'[23].

The fact that Australia and Indonesia sit across a tiny body of water from each other should be reason enough for Australia and Indonesia to get to know each other. While announcing the

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[19] https://www.austrade.gov.au/en/news-and-analysis/publications-and-reports/australian-state-of-exporters-report-2022

[20] www.pwc.com.au/publications/assets/match-fit-asia-capable-leadership-aug17.pdf

[21] https://www.abc.net.au/listen/programs/boyerlectures/james-curran-trumps-gift/105872304

[22] According to the 2025 Lowy Institute Power Index, Australia has dropped one place to 6th, whereas Indonesia remains steady at 9th, with upward trends in resilience, diplomatic influence and economic capability.

[23] General Peter Cosgrove, 2006 National Statement for Engaging Young Australians with Asia in Australian Schools: https://files.eric.ed.gov/fulltext/ED534687.pdf

recent Australia-Indonesia defence security pact, Indonesian President Prabowo Subianto echoed this sentiment when he said, 'When we face an emergency, it is our neighbour that will help us. Our neighbours are the closest, and only good neighbours will help each other'.[24]

Mutual understanding will also act as a ballast when tensions inevitably arise between our two countries. Having worked closely on the Bali 9 case for 10 years, I witnessed firsthand how a lack of awareness saw political leaders on both sides backed into corners by the opposing sentiments of their general publics. It is my strong view that Myuran Sukumaran and Andrew Chan would have been spared execution and would still be alive today, if both countries had a much deeper understanding of each other's cultures and histories.

### Being a good global citizen and understanding our place in the world

"If education's core purpose is to build informed and active citizens, then being an informed Australian today necessarily includes understanding Australia's place in the world and recognising where our opportunities and responsibilities lie, particularly in our neighbourhood"[25].

Growing up in a globalised world can be discombobulating for young Australians, as they try to navigate their position in it. Learning about Indonesia provides a reference point against which to place ourselves and triangulate our own identity, especially for those of European descent - in Asia but not Asian. It is also key to building the Asia literacy that is essential for our prosperity in this, the Asian Century.

Growing up in a small town on the outskirts of Geelong, Victoria, I never really felt at ease until I had the fortune of going on exchange as a 15 year-old to Bandung for three months. I came back from that experience not only enamoured with Indonesia, but also much more certain in myself and who I was, as an Australian. As translator and teacher Chris Hughes said in a post that really resonates, 'I've always believed that learning a language is not just an academic subject or a workplace skill – it's an act of connection. It's a step towards empathy, curiosity and understanding. It's about choosing to engage with people on their terms and in their words'[26].

### Solving challenges together

Some of the biggest challenges of our time – like climate change, biodiversity loss, rapid technological change and mass migration – are not problems that Australia can solve alone. We will need to join with other countries around the world, to build partnerships and collaborations and combine our different skills, strengths and capabilities. There are so many areas of shared interest that Australia and Indonesia can collaborate on, but first we need to build the trust and understanding between our two nations.

The Australia-Indonesia Climate and Infrastructure Partnership (KINETIK), valued at AUD$200 million over 5 years, is a good example of Australia partnering with Indonesia to support its transition to clean energy and infrastructure that is climate resilient. We are also more likely to come up with the creative solutions that are needed in our rapidly changing world if we can incorporate a diversity of views into our thinking. Embedding the perspectives of our Indonesian

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[24] https://www.pm.gov.au/media/joint-media-statement-sydney

[25] https://asialink.unimelb.edu.au/diplomacy/insights/international-dividend-indo-pacific-literacy/

[26] https://www.linkedin.com/posts/chris-hughes-mbe-m-a-mcil-b1a01728_very-often-when-were-asked-to-promote-the-activity-7317287981873049600-417U/?utm_source=share&utm_medium=member_android&rcm=ACoAAADtKz8BalqOvSc-bvKaPJtQ5OP8pVtIf0E

neighbours into our strategic foresight and war gaming exercises will lead to more robust and holistic scenario planning and help us to avoid the blind spots of groupthink.

Another example is the Centre for Policy Development (CPD), an Australian not-for-profit policy institute, which is supporting Indonesia on the just transition to a green economy. Recognising that Australia and Indonesia are the world's two largest coal exporters, CPD has established a presence in Indonesia to provide recommendations to the Indonesian Government on issues including how to reform its costly fuel subsidies[27].

### Bolstering democracy

According to the *Economist Intelligence Unit (EIU) Democracy Index* (covering 167 countries) the global average score fell to 5.17/10 in 2024, and only 25 countries (out of 167) were classified as 'full democracies'. The V-Dem Institute (University of Gothenburg) reports that for the past eight consecutive years more countries are experiencing declines in democratic quality than improvements. While under the EIU grading Indonesia is classified as a 'flawed democracy' (along with countries like the United States, France and Israel), it remains the world's third largest democracy, with over 204 million registered voters taking part in the most recent and largely peaceful, free and fair 2024 elections.

In less than 30 years, Indonesia has transformed from authoritarianism to a stable, participatory, religiously pluralistic democracy. Indonesia also has thousands of NGOs, advocacy groups, social media activism and free media, with *Tempo*, *Kompas*, and independent outlets like *Project Multatuli* pushing boundaries that would be unthinkable in some of Indonesia's neighbouring countries. As the world sees a slide towards authoritarianism, it is critical that Australia looks to build greater ties with a fellow democracy like Indonesia.

### Engaging with Australia's Indonesian diaspora and building intercultural capabilities

While not yet a top 10 country of origin, Australia's Indonesian diaspora continues to grow. According to its latest figures, the Department of Home Affairs calculated there were 120,160 Indonesia-born people living in Australia as of June 2024. This is well up from the last census date in 2021, when 85,870 Australians declared Indonesian ancestry, which in turn was an increase of 36% over the previous decade. Many of the Indonesian-born Australians who I spoke with in developing this report talked about the nascence of Australia's Indonesian community - disparate groups of passionate people and volunteer organisations working to bring Indonesian culture and customs to an Australian audience but lacking coordination or critical mass. The growth of this community, in both size and visibility, will be an important asset.

Building our Indonesia literacy won't just help us relate better to those specifically of Indonesian heritage; it will help Australians more broadly to build intercultural competency, which is so critical for social cohesion and reducing racism and discrimination in a country as multicultural as Australia. Learning about Indonesia can also create a bridge for Australian Muslims to explore their religious identity by engaging with another religiously diverse, non-theocratic society with a significant Muslim population.

### Exploring Indonesia's diversity

Whatever your interest or passion, Indonesia has something for everyone. With over 17,000 islands and more than 700 languages spoken across the archipelago, Indonesia is a fascinating country. Putting the hard-nosed economic and strategic rationale aside, lifting our Indonesia

[27] https://cpd.org.au/work/redirecting-our-energy/

literacy will expose us to its great diversity, many sub-cultures and idiosyncrasies. It is impossible to try to encapsulate the essence of Indonesia in a single slogan or image (which is also maybe why Indonesia has struggled with pithy tourism campaigns or succinctly projecting itself to Australia and the rest of the world). This enormous diversity is one of the unique factors that makes Indonesia such a fascinating place to learn about, as captured in Indonesia's national motto *Bhinneka Tunggal Ika* – Unity in Diversity[28].

Indonesia's diversity also provides educators with limitless materials to incorporate into engaging classroom material, in subject areas including Literature, Geography, History and Economics. For travellers, Indonesia is a country that has something for everyone, from the bustling streets of Jakarta to the world's largest Buddhist temple in Borobudur, from the Sumatran rainforests to the coral-laden coast off Manado. You could visit Indonesia a dozen times and not scratch the surface.

### A word from our Ambassadors

We should give weight to the words of some of our country's top diplomats, most of whom have had multiple postings across the world, so can provide a comparative perspective on the importance of Australia's Indonesia literacy. Without exception, each Ambassador interviewed in the 2022 podcast, *SBY's Tears*[29], agreed that Australia should be doing far more to engage with Indonesia. Rick Smith AO said, 'I hope that Indonesia's understanding of what Australia has to offer continues to grow. We should engage with Indonesia at every level we can'. In David Ritchie AO's view, 'we seem to be spending a lot of time 'un-understanding' Indonesia. We need to invest in Indonesia - a seriously large and important country that could be an important ally in our dealings with Southeast Asia'. John McCarthy AO added, 'It's a serious deficiency now and we've dropped off our knowledge of Asia dramatically in the last 30-40 years. We need Australians to focus on our immediate region. We need to educate Australians about Indonesia'.

Penny Williams, appointed as Australia's Ambassador to Indonesia in 2021, and our first and only female Ambassador in Jakarta, has echoed similar sentiments[30]. Penny is a shining example of Australia's Indonesia literate generation – a fluent Indonesian speaker, she did a high school exchange to Jakarta in 1981-82, forging a lifelong connection with Indonesia, its people, history and culture.

These former Ambassadors echo what many other prominent Australians are saying about the need for Australia to lift its engagement with Indonesia and strengthen our Indonesia literacy. Advocates including Jennifer Westacott AC, Nicholas Moore, Penny Wong and successive Prime Ministers, Defence Ministers and Foreign Ministers and editors from the *AFR* and *The Australian* have bemoaned our lack of Indonesia literacy. We need more of these voices and we need them to be louder. We also need more than just words. We need to act now.

But if this all seems so obvious, why are we not as a country doing more? Before delving into the reason for our inertia in Section 2 of this Report, it is important to first articulate the specific rationale for why more Australians should be learning *Bahasa Indonesia*. While it is possible to

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[28] The national motto comes from an old Javanese phrase from a 14th-century poem called the Sutasoma, written by the poet Mpu Tantular during the Majapahit Empire.

[29] Australian Strategic Policy Institute podcast series *SBY's Tears*: https://www.aspi.org.au/report/sbys-tears-managing-crisis-managing-process-australia-indonesia-relations-fall-suharto/. See **Appendix F** for a full summary of what each of the Ambassadors said that is relevant to this Report.

[30] https://www.thejakartapost.com/world/2023/02/02/speaking-in-sync-addressing-the-chronic-decline-of-the-indonesian-language-in-australia.html

develop a level of Indonesia literacy without speaking the language, without more Australians who can speak Indonesian, we will never be able to achieve the deep level of engagement with Indonesia that is so critical to our national interest.

## 2.2 The case for learning Indonesian (#whylearnIndo)

### 2.2.1 But first, what is Bahasa Indonesia?

The Indonesian language, or *Bahasa Indonesia*, is one of the world's newest languages. Like Filipino and Modern Hebrew, Indonesian was developed and fostered as part of a push for independence and national identity. *Bahasa Indonesia* is not a deliberately constructed language like Esperanto, but neither is it a native language with deep centuries-long roots like Mandarin, French or Japanese.

*Bahasa Indonesia* was chosen in 1928 during the Second Youth Congress under the *Sumpah Pemuda* (Youth Pledge)[31] as a language of unity among hundreds of ethnic groups under Dutch rule[32]. As Van Reybrouck wrote in his must-read book Reformasi:

> '*The word 'Indonesia', promoted as an alternative to 'the Dutch East Indies', became the national battle cry of an entire generation. No longer did they see their country as a section of the world map with fairly arbitrary borders, but as a natural, unified nation with its own name and its own people. But what was the language of unity? More than 700 indigenous languages were spoken. Dutch? Unthinkable. Javanese? Too feudal, too complex, with its own alphabet. Sundanese from western Java? Unacceptable to the rest of the archipelago. Malay, or course! The ancient language of trade was widespread, easy to learn and accessible to all…You could use it to negotiate, express yourself clearly and, not unimportantly, get a laugh*'.[33]

Despite it being embraced by the pro-independence movement from 1928, *Bahasa Indonesia* only really proliferated across the archipelago under the Japanese, when Dutch was banned and Indonesian began being taught (along with Japanese) in schools across the country. The embedding of *Bahasa Indonesia* in the Indonesian education system by the Japanese from 1941 gave it a strong foundation from which to springboard after Indonesia's independence in 1945.

Both the state (founded in 1945) and its national language are among the world's most successful twentieth-century nation-building projects. Within a generation, the Republic of Indonesia unified 17,000 islands through shared institutions and *Bahasa Indonesia* as the civic language, under the centralising idea of 'Unity in Diversity' (*Bhinneka Tunggal Ika*).

However, the relative newness of *Bahasa Indonesia* and its lack of deep roots in pre-independence Indonesian culture, literature and religion, is one of the reasons it is not confidently promoted by Indonesians to the world in the same way as French, Spanish or

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[31] At that meeting from 27-28 October 1928 in Jakarta (then Batavia), young nationalist groups representing diverse ethnic and regional communities across the Dutch East Indies proclaimed three resolutions known as the *Sumpah Pemuda* or 'Youth Pledge': (i) One motherland: Indonesia, (ii) One nation: the Indonesian nation, and (iii) One language: Indonesian (*Bahasa Indonesia*).

[32] It was based on and adapted from Malay, which had long functioned as a lingua franca for trade and inter-island communication. The nationalists' decision to standardise the language and rename it *Bahasa Indonesia* gave it a new symbolic identity: egalitarian and distinct from both Javanese hierarchy and colonial associations.

[33] Revolusi, David Van Reybrouck, p.113.

Mandarin. This is unfortunately one of the challenges to strengthening Indonesian language learning in Australia. A more proactive stance by the Indonesian Government and its people would enhance the strengthening of Indonesian language learning in Australia.

### 2.2.2 Why should we learn about Indonesia and its language?

Indonesia literacy in all its forms is more than just Indonesian language fluency – Australians don't need to be able to read an Indonesian newspaper or understand an Indonesian TV show to start learning more about Indonesian culture and current affairs. Many Australian academics who are experts in fields like archaeology, volcanology and Islamic studies, and have chosen Indonesia as the focus of their research, don't always speak Indonesian. We also need to better acknowledge, leverage and embrace the expertise of more than 100,000 Australians with Indonesian heritage, not all of whom are necessarily fluent in the Indonesian language.

But it is also true that we cannot strengthen Australia's broader Indonesia literacy without producing regular cohorts of Indonesian speakers across our country, with the language providing a window into Indonesian customs, cultures and way of life.

To native English speakers, it is seductive to think we don't need to learn other languages because the world speaks our global 'lingua franca'. This is unfortunately one of the underlying reasons why many Australians aren't learning Indonesian, driven by an over-exposure to Bali, which presents a skewed perspective on Indonesia's levels of English fluency. However, there are many benefits for Australians learning a second language (or if English is their second language, then a third language that is not their mother tongue). The HEPI Report[34] out of the United Kingdom, authored by Megan Bowler, provides a good summary of many of these benefits.

Some argue that because enough Indonesians speak English, Australians don't necessarily need to speak Indonesian for us to build deeper connections between our two countries. However, EF Education First's English Proficiency Index ranked Indonesia 80th of 123 countries in its 2025 report[35], placing it in the 'Low Proficiency' band. It is estimated that only around 30% of Indonesians have a decent command of English and the proportion who can speak it fluently at a comfortable, professional level is likely much lower. Regardless, to build the trust and understanding that is necessary for a deep, enduring relationship, we need to enhance our efforts to produce more Indonesian speakers. Respect is a two-way street.

For many Australian businesses, recruiting employees with experience in engaging with Asia (and speaking its languages) is a commercial priority. The Business Council of Australian, in its submission to the Asia Capability Inquiry, suggests that "Asia capability should be recast as a core workforce and professional capability issue for the Australian business community".

Below is a summary of the key reasons why Australians should learn *Bahasa Indonesia*, the language of our neighbours and the language spoken by 1 in 30 people on this Earth. Many of these were captured in a terrific resource previously commissioned by the Australia-Indonesia Institute and produced by the Asia Education Foundation (now Asialink Education) in 2021, called *Why Indonesia Matters in Schools*[36].

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[34] https://www.hepi.ac.uk/wp-content/uploads/2025/07/The-Languages-Crisis-Arresting-decline.pdf
[35] https://www.ef.com/assetscdn/WIBIwq6RdJvcD9bc8RMd/cefcom-epi-site/reports/2025/ef-epi-2025-english.pdf
[36] http://asialink.unimelb.edu.au/education/publication/why-indonesia-matters-in-schools/

### Strengthening first-language (English) literacy

One of the factors impacting on second language learning in Australia is the push by some education administrators to 'de-crowd the curriculum'. They argue this is necessary to free up room in the classroom to focus on numeracy and literacy, which is why second language learning ends up pitted against other electives for diminishing space in the timetable. The irony here is that learning a second language is proven to help with English language proficiency.

Second language study builds metalinguistic awareness and reading subskills that transfer across languages (phonological awareness, decoding, vocabulary, comprehension). Multiple meta-analyses and cross-linguistic studies support bidirectional transfer and the interdependence of first language and second language literacy (i.e., gains in one can support the other), in other words learning a second language can reinforce English literacy. The case for Indonesian is particularly strong because it uses the same Roman alphabet as English, meaning students learning the two languages in tandem can see literacy improvements in both.

### Cognitive benefits & healthy ageing

Regular bilingual/second language use has been associated with a later onset of dementia symptoms (i.e., more 'cognitive reserve'), noting that findings in this area have varied. Clinical work reported 4-5 year delays in onset[37], with more recent reviews concluding there is likely a protective association, although causation is hard to prove. Some studies have found small benefits of 'bilingual advantage' to executive function.

### Education-to-work value (wage, hiring, productivity)

Globally, language skills are repeatedly linked to employability, wage premiums, and firm productivity in open-economy labour markets. People who speak more than one language - especially languages relevant to their country's trade and migration links - tend to earn more money, find jobs more easily, and make their workplaces more productive[38].

Unfortunately, Australian companies don't seem to value multilingualism and particularly Indonesia literacy as much as their global counterparts, which lies at the heart of Australia's shallow engagement with our near neighbours. However, the point stands that Australians who learn other languages, and through them learn about other cultures and doing business in other countries, will be more employable in an increasingly globalised marketplace than their monolingual peers. A report out of the United Kingdom suggested that SMEs making use of language capabilities are 30% more successful in exporting than those who do not[39].

More needs to be done to help Australian companies understand the broader benefits of language learning, including as a proxy for other traits that are valued by employers, like flexibility, curiosity, communication, emotional intelligence and a commitment to self-directed learning.

### Intercultural competence & global capability

Second language learning is a strong pathway into global competence (working across cultures, perspective-taking). OECD's PISA framework has defined and measured this concept[40] and large cross-national studies show second language learning relates to higher global competence. There is a strong link between language learning and the skills Australia needs for

[37] Bilingualism as a protection against the onset of symptoms of dementia - ScienceDirect
[38] The Economics of the Multilingual Workplace | François Grin, Claudio S
[39] https://www.aston.ac.uk/research/bss/abs/loc30-report
[40] PISA 2018 Global Competence | OECD

Indo-Pacific engagement. By learning a new language, a person inevitably also learns about the culture, history, norms, religion, etc. of that country. This particular benefit of second language learning highlights the risks of relying too much on language learning apps like DuoLingo to try and learn holistically, beyond just syntax, vocabulary and grammar. Intercultural capabilities are important for Australians working overseas, but also domestically, given Australia's increasingly Asian demographic. As remote working has been normalised in many professions, it has meant more and more Australians are finding themselves managing culturally diverse teams, both at home and from afar.

### Opening up new worlds

Learning a second language allows you to build deep relationships and make friends with people from another country, including with both people of that cultural heritage living in Australia, as well as those overseas through travel and by using social media and technology to connect with people who speak that language. When I lived with my host family in Bandung, while my host siblings spoke relatively good English, the fact that I began the exchange with a basic level of Indonesian allowed me to connect with other classmates at the local high school and relatives of my host family in a way that would not have been possible had I only spoken English.

### Building empathy and creative thinking

Learning another language opens up new perspectives, builds empathy and confidence and strengthens the ability to think critically and creatively about the world and one's own country, culture and norms, and to collaborate across cultures. These are the innately human skills that are going to be even more important in a future where AI means we need to focus on what makes us human rather than those things that robots can do well. Diversity of language is also essential for diversity of thought. Some concepts that are prevalent in other languages don't exist in English, which can be a very linear, functional language and whose nature-as-object structure has helped shape our ecological disconnection.

Professor Joseph Lo Bianco and Dr Michelle Kohler, two of the country's leading experts in languages policy and pedagogy, have written about the links between language learning and cognitive flexibility, empathy, communication and critical thinking. Improvement in these interpersonal skills was also identified by many of the participants in the Victorian Young Leaders to Indonesia Program, which took 39 Year 9 students to Yogyakarta in 2019 for a 6-week immersion experience[41].

### Additional reasons for why Indonesian is a good choice for Australians learning a second language

There are other reasons why learning *Bahasa Indonesia* is a sensible choice for Australians, vis-à-vis learning any other second language.

- It is a relatively easy language to learn (although not necessarily to master), both in terms of simplicity of grammar and use of the Latin alphabet. Modern Indonesian also has plenty of English loan words too (*televisi*, *teknologi* and *komputer*, for example).
- It is comparatively cheap to travel to Indonesia to practise and use the language. Many schools, universities and private operators facilitate opportunities for Australian

[41] https://www.landing.acicis.edu.au/news/victorian-young-leaders-to-indonesia-2019-the-pilot-program-wrap-up/

students to travel to Indonesia for immersive experiences at relatively low cost, when compared with other languages and destinations.

- Many Australian schools have established sister school relationships that allow Australian students to interact with their Indonesian counterparts, who often (but not often enough) participate in short-term study tours. This existing infrastructure, which can be strengthened and supplemented using technology, can be used to bring Indonesian language learning to life.
- With rising student disengagement, exacerbated by the COVID-19 pandemic, Indonesian offers a way to re-engage students in their learning. Matching Australian students with Indonesian counterparts can bring learning to life, by adding colour, movement and novelty, as well as personal connection, to their education experience. The engaging exchange of ideas and cultures between young people from different countries is what has made Asialink's Global Youth Forums[42] so successful. The *Gerakan Sekolah Menyenangkan* (the Joyful School Movement)[43], now active across hundreds of Indonesian schools, was inspired by the Victorian education system and its cross-curriculum priorities. It would be fitting to see Indonesia now become a lens through which our own student engagement is reenergised.

### 2.2.3 Not every Australian needs to speak Indonesian, but more do

Despite all the reasons in favour of more Australians learning *Bahasa Indonesia*, I am not arguing that *every* Australian should learn Indonesian. For countries like the United States (Spanish) and England (French), it is both sensible and natural that those countries would preference learning the language of their nearest substantial neighbour:

1. Because of an interconnected history that goes back many hundreds of years.
2. Because they have incorporated large numbers of those neighbours within their own borders.
3. Because those languages are spoken widely across the world.

These same factors are not as strong for Australians learning Indonesian:

1. Aboriginal Australia has a deep and long-standing history with parts of Indonesia[44], but both colonial Australia (post-1788) and post-colonial Indonesia (it achieved independence in 1945) are relatively new nations, at least in an institutional sense.
2. Australia has a relatively small Indonesian diaspora, with just 85,798 Australians self-identifying as having Indonesian ancestry in the 2021 Census or 0.34% of our total population. This number is not insignificant, but it is barely in the top 30 countries by ancestry according to that Census, behind for example Maltese, Danish and Fijian.
3. While it is estimated that around 300 million people speak Indonesian[45], most of them reside in Indonesia. Apart from substantial Indonesian-speaking populations in

[42] https://asialink.unimelb.edu.au/education/2025-global-youth-forum-years-9-and-10/
[43] https://theconversation.com/movement-looks-to-emulate-australias-fun-schools-in-indonesia-46194
[44] https://melbourneasiareview.edu.au/indigenous-australians-indonesians-beyond-the-trepang-trade/
[45] https://en.antaranews.com/news/263455/indonesian-language-spoken-by-300-million-people-globally-agency

Singapore and Malaysia, Indonesia has not spread to the rest of the world in the way that Spanish, French or Mandarin have[46].

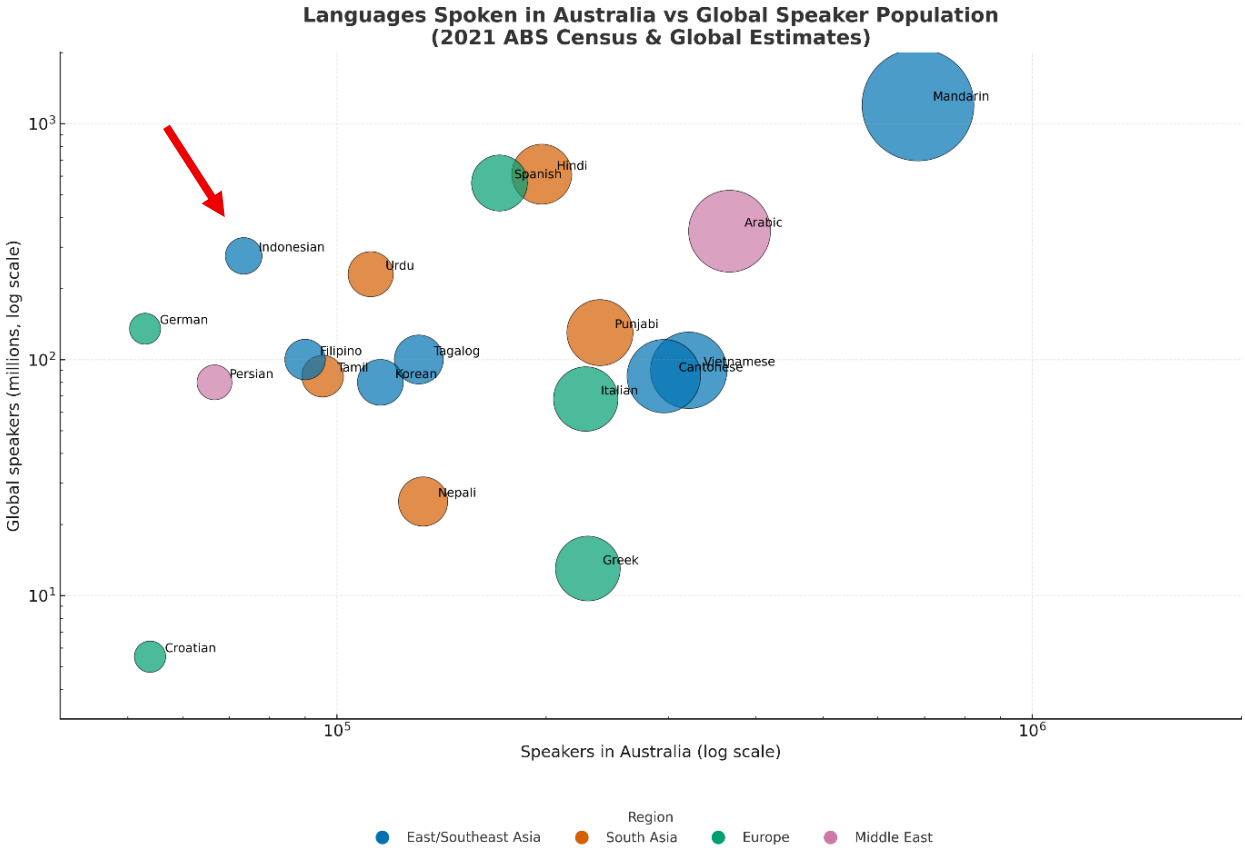
However, as a multicultural nation, in a multi-polar world, it is important to have *enough* Australians who speak the many languages of the world, and particularly the language of our direct neighbour of more than a quarter of a billion people.

So how do we know if we have 'enough' Australians speaking the language of the world's populations, to determine where government intervention is required?

Firstly, we need to know how many Australians either (a) speak a language other than English as their native or second tongue or (b) have studied a language other than English to the point of fluency. Unfortunately, ABS Census data helps us to understand (a) but not (b). Not knowing exactly how many Australians speak each language other than English, I have relied on the answer to the Census question: 'Does the person use a language other than English at home?'.

Using that data as a proxy, I plotted a graph with the number of language speakers in Australia against the total number of global speakers. The languages spoken most in the world (Mandarin, Hindi, Spanish, Arabic Urdu and Punjabi) have relatively large numbers of Australian speakers (i.e. 685,000 for Mandarin and 357,000 for Arabic). Whereas Indonesian, despite having almost 300 million global speakers (making it the second most spoken language in East or Southeast Asia, after only Mandarin), has a 'mere' 73,000 Australian native speakers.

[46] For historical reasons, there are also notable pockets of communities with Indonesian-heritage living in countries as diverse as the Netherlands, Suriname, South Africa, the Middle East and of course Australia. But those populations are relatively small and don't necessarily speak Indonesian. For example, Suriname hosts one of the most famous Indonesian-heritage communities outside Southeast Asia, with over 10% of the country having Javanese ancestry due to indentured workers being shipped there in the late 1800s/early 1900s.




This analysis provides further rationale for more Australians to study *Bahasa Indonesia*. The ability of other countries to speak the language of their neighbours puts Australia to shame. Whereas around 10-15% of English people speak some French, around 13% of Americans speak Spanish and around 10% of Russians speak German, very few Australians – around 0.3% as a proportion of our population – speak a competent level of Indonesian[47].

As Prof. Greg Barton has written, 'the presence of thousands of Asian students on Australian campuses reminds us, there are many professionals in Asia who speak our language and understand our culture. But we are fools if we think that this means that we don't have to learn to understand Asia too. Ask any of the few Australians who are truly at home in an Asian language and culture and they will tell you how very different things are when you are accepted as a familiar friend rather than as a guest passing through'[48].

### 2.2.4 It is also an equity issue

As Asialink Education importantly noted in its submission to the Asia Capability Inquiry:

> *'The data suggests that opportunities to gain Asia Capability are most common among privileged urban students in large cities that have experienced large amounts of international immigration. Conversely, opportunities to gain Asia Capability are least common among less privileged rural and regional students in areas that are less multicultural. Concerningly, students with the least opportunity to gain Asia Capability tend to be those who are already marginalised. This reinforces inequalities in outcomes*

[47] These figures are approximations, using aggregated data.
[48] *Could do better with more effort: Australia is too ignorant of Asia to make its mark there*, Greg Barton, AFR, 23 August 2024, p.36.

*of schooling. It means that the future prospects of the most marginalised of students are further imperilled, and the resilience and harmony of the communities that they live in are jeopardised'*.[49]

Indonesian is a very accessible language, so investing in teaching it is more likely to see students from disadvantaged backgrounds being able to access all the benefits of second language learning that are currently not available to them. For example, in Victoria, prior to the most recent decade of decline, Indonesian was taught in more non-metropolitan government schools than any other language.

Australian National University student, Alice Morgan, has made strong arguments for equity advantages of Indonesian:

> '*The delivery of Bahasa Indonesia in these diverse educational settings has the potential to reduce the cultural gentrification and stratification that typifies the public/private and metro/non-metropolitan school divide in Australia. The schools that did not cease funding Indonesian language programs boast high results that have put them on the academic map (Ardha, 2022; Curry, 2021). Language resources that were issued as part of the NALSAS strategy have granted equitable access to study material for many students from low-income backgrounds as private schools were granted access to the same resources (Solikhah & Budiharso, 2020). The strategy also provided cultural and language materials to culturally homogenous non-metropolitan areas (Abdellatif, 2021), which were somewhat inaccessible in the past. Public schools continue to dominate the field of Indonesian language in Year 12 exams, which has further influenced public schools to maintain the language and private schools to discard it'*.[50]

While we need to avoid pitting Indonesian against the teaching of other languages (because a rising tide will lift all boats), this equity lens is yet another factor that strengthens the case for supporting Indonesian language learning vis-à-vis other language options.

### 2.2.5 Linking the personal benefits of learning Indonesian to the national interest

What I have attempted to articulate in this section of the report are two related but separate reasons as to why more Australians should learn Indonesian.

1. **Learning Indonesian is beneficial from a personal perspective**: It is both beneficial (objective rationale) and rewarding (subjective rationale) for more Australians to learn a second (or third) language, and there are very strong arguments as to why Indonesian should be the language of choice for many.
2. **Learning Indonesian is critical for Australia's national interest**: If we assume that speaking Indonesian is critical for understanding and engaging with Indonesia and lifting Australia's Indonesia literacy writ large, then it is critical for Australia's national interest that more Australians learn to speak Indonesian.

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[49] https://www.aph.gov.au/Parliamentary_Business/Committees/House/Education/BuildingAsiacapability/Submissions

[50] Morgan, A. (2024). Surviving Rather Than Thriving: Indonesian Language Education in Australian High Schools, ANU Undergraduate Research Journal, 12(1), pp.42–52, https://studentjournals.anu.edu.au/index.php/aurj/article/view/768

Unfortunately, there is a mismatch between the national interest rationale and the personal objective rationale. Despite it being clearly in Australia's interest to have more Australians learning Indonesian, the professional benefits are not apparent, with few employment opportunities in Australian companies, government departments or not-for-profits directly stemming directly from a person having developed high levels of Indonesia literacy.

## 2.3: The need for strong foundations: curriculum and teachers

### 2.3.1 Cross curriculum studies of Indonesia and Australia's engagement with Indonesia

We already have national curriculum policy in place to accelerate foundational Indonesia literacy for every child. In 2008, Australia's Education Ministers agreed on the Australian Curriculum that includes:

- a cross-curriculum priority to acquire knowledge, skills and understandings of Asia and Australia's engagement with Asia.
- intercultural understanding as one of seven capabilities to be achieved by every student by the time they leave school.

Students can be introduced to traditional and contemporary literature from Indonesia in English, research Indonesia's rich history, study its diverse geography, environment and youth culture in Studies of Society and Environment, undertake business case studies in Economics and explore traditional and contemporary music, visual art and performance in The Arts.

However, there has been too little investment in the implementation of the Asia literacy or intercultural element of the Australian Curriculum, missing a golden opportunity to strengthen Indonesia literacy across the entire education system.

To inform new policy and programs - and to measure progress - we need to know what Indonesia knowledge and skills students are currently gaining by the time they leave school. This data has never been monitored or collected. However, we do know that the OECD's Global Competence assessments show that 15-year-old Australians report a low level of interest in learning about other cultures and are consistently outperformed by peers in Canada and Singapore in global competence[51].

### 2.3.2 Building the Asia capability of Australia's education workforce

While we need to better leverage the curriculum and invest in engaging, contemporary resources, we must also build the Asia capability of Australia's education workforce.

Many Australian educators have not had the opportunity in their own education to gain knowledge of Indonesia's history, geography, economy and societies, which would give them the confidence to embed Indonesia content and intercultural understanding in the subjects they teach. Teachers will be more enthusiastic and what they present to students will be more engaging if they have a personal, structured and direct experience of Indonesia. Cross-country partnership initiatives that use innovative, interactive technologies, like the Australia-Indonesia BRIDGE program, are scalable opportunities to bring more Australian teachers in close contact with Indonesia.

[51] https://www.oecd.org/en/topics/sub-issues/global-competence/pisa-2018-global-competence.html

Including studies of Indonesia across the curriculum needs to be a whole-of-school endeavour; focussing only on Indonesian language classes will not suffice. School leaders are critical for leading this school-wide change. They need to be first convinced, and then supported, to lead Indonesia literate schools, including bringing school councils and parent communities on the journey. Proven programs to support school leaders to build an Asia capable school already exist. These include Asialink Education's Leading 21st Century Schools Program, which has had the support of peak principal associations. The additional benefit of these programs is that they connect schools and school leaders to counterparts from other education systems, allowing them to take learnings from across all areas of school improvement and strengthen their schools' engagement with the wider world.

## 2.4 A note on artificial intelligence

We are increasingly being told that artificial intelligence could be the final nail in the coffin for modern languages[52], but these obituaries are surely premature. Artificial intelligence and language-learning apps are powerful tools that will continue to rapidly evolve, but they don't replicate the human dimensions of language learning: empathy, relationship-building and cultural literacy. While machine translation can help Australians communicate with Indonesians, it cannot help us truly understand them. Language is not just words and syntax; it is a window into world views, social hierarchies, humour and values. For Australians, learning Indonesian is about learning to interpret nuance and to form genuine personal and professional relationships with our nearest neighbour.

AI can translate a sentence, but it can't build trust, demonstrate respect through culturally appropriate communication, or decode the implicit meanings that are central to Indonesian social and business life. In the Indonesian context, where communication relies heavily on relational cues, subtlety and cultural sensibilities, AI alone cannot (at least yet) replace the interpersonal skill and cultural empathy that real cross-cultural engagement demands. The ability to converse directly in Indonesian remains one of the most tangible markers of respect and commitment in the bilateral relationship. As Indonesia rises to become a top 10 global economy, Australians who can operate seamlessly between our two cultures will be uniquely positioned to lead collaboration across trade, technology, climate action and adaptation, education, and security.

Even the most advanced translation models struggle with Indonesia's dynamic linguistic diversity, from Jakartan slang and regional idioms to rapid code-switching. AI tools often misinterpret humour, politeness levels or culturally specific terms, which reinforces rather than replaces the need for real linguistic and cultural fluency. Expert teachers will play a critical role in ensuring AI enhances rather than erodes the experience of our learners. The concerns about AI are real and legitimate, from data privacy and AI hallucinations to the potential for students to try to shortcut their learning and in doing so only cheat themselves. A national approach must include professional development, ethical guidelines and support for teachers to integrate AI confidently and safely.

Rather than replacing language learning, we should be tactically utilising AI to accelerate and deepen second language acquisition and make learning Indonesian more relatable and fun. Adaptive learning platforms, speech-recognition tools, and gamified apps can make language practice more accessible, personalised, and engaging. AI-powered translation and feedback

[52] https://www.timeshighereducation.com/depth/ai-final-nail-coffin-modern-languages

can help language learners refine pronunciation, simulate real-world conversations, match students with career mentors and alumni, curate industry-specific vocabulary sets and connect directly with native speakers in Indonesia.

Technology also opens new possibilities for authentic immersion: virtual exchanges between schools (the Indonesia BRIDGE program being a good example), real-time classroom links, and digital storytelling collaborations between Indonesian and Australian students. Used wisely, these tools can help overcome the tyranny of distance and a shortage of highly qualified teachers, while strengthening cross-cultural connection. AI is also a critical tool in addressing the inequities of our current language teaching ecosystem. Technology can open up access to people living in regional Australia or in small schools that don't have the economy of scale to offer multiple languages, or to neuro-diverse learners who need tailored tuition that matches their needs and preferences, or to single parents juggling multiple precarious jobs who cannot accommodate an unforgiving lecture timetable.

As Asialink Education stated in its submission to the Asia Capability Inquiry, 'with targeted use of digital tools: EVERY school in Australia could partner with a school in Asia. EVERY Australian child could learn an Asian language. EVERY teacher and school principal could build collaborative communities of practice with their Asian counterparts'.

In other words, AI should be seen as a bridge, not a substitute, for learning. It can free teachers from repetitive tasks, enable richer feedback loops, and help integrate Indonesian language into digital learning ecosystems. But it should serve human-to-human connection, not replace it.

There is an argument, which should not be automatically dismissed, that teaching Indonesian grammar and syntax might become less important as translation tools mature. This scenario merely reinforces the need for Australians to strengthen their *Indonesian literacy* (the ability to interpret Indonesian society, politics, history, and culture) alongside their linguistic competency. Language learning becomes a vehicle for cultural engagement rather than an end in itself, with schools and universities focusing more on Indonesian media, contemporary literature, and intercultural communication than on grammar or vocabulary exercises.

In navigating emergent technologies, we also need to acknowledge that the benefits of AI will only be realised if Australian learners have equitable access to devices, connectivity and teacher training. Similarly, schools and partner institutions in Indonesia vary widely in digital capacity, which can limit or enable the quality of virtual exchanges. Any roadmap for Indonesia literacy must consider these structural gaps.

The strongest approach, as we adapt to these emerging technologies, is likely to be a hybrid one: maintaining language learning as a core skill, while broadening its context to include Indonesian digital culture, business etiquette, and social norms. This would ensure students gain both linguistic competence and cultural fluency, the key ingredients of 'Indonesia literacy'.

## 2.5 The consequences of inaction

Across respondents, the clearest consequence of failing to strengthen Indonesia literacy is strategic blindness: Australia risks misreading, undervaluing or misunderstanding the political, economic and cultural trajectory of its largest neighbour. Low literacy leaves Australia without the capability to interpret Indonesia's domestic changes, economic rise or regional role, and therefore unable to engage effectively in diplomacy, security planning, climate cooperation or

crisis management. Respondents warned this could impact Australia's ability to navigate regional challenges and weaken its influence in Southeast Asia.

Economically, respondents saw continued low Indonesia literacy as locking Australia out of major opportunities. Many emphasised that without cultural and linguistic competence, Australian firms underestimate Indonesia's USD$1.4 trillion economy[53], misread its regulatory environment, or simply avoid the market altogether, meaning Australia misses trade diversification, investment partnerships, and economic opportunities in a soon-to-be-top-10 or even top-5 global economy. Several respondents noted that businesses already put Indonesia in the 'too hard basket', and without improved literacy Australia will continue to fall behind competitors who are already investing there and reaping the rewards, like Singapore and China.

Socially and culturally, respondents warned of deepening stereotypes, misinformation and mistrust if literacy does not improve. Without stronger educational, media and cultural linkages, Australians will continue to view Indonesia primarily through Bali tourism, negative news stories, or outdated tropes of instability, extremism or poverty. This erodes curiosity, constrains people-to-people links and fuels racism and/or Islamophobia. For young Australians in particular, respondents felt this would reinforce disengagement, limit future career pathways, and shrink the pool of culturally capable leaders across government, business and civil society.

Finally, respondents emphasised that if Australia does not strengthen Indonesia literacy, it risks weakening the bilateral relationship at the leadership level. Ministers, senior officials and business executives already lack Indonesia capability and often treat the relationship purely in economic or transactional terms. Respondents warned that without a reversal, Australia will be unable to build trust, shape long-term cooperation or respond adeptly to Indonesia's evolving political and economic environment. The absence of Indonesian-speaking or Indonesia-literate leaders was repeatedly identified as a long-term liability for national strategy, diplomacy and institutional engagement.

[53] By comparison, Australia's economy is slightly bigger, at USD$1.8 trillion, although our population is less than a tenth of the size.

# 3.Building on what is going well

## 3.1 Grasping an opportunity or solving a problem?

Most policy analysis starts from the position of either leveraging an opportunity or solving a problem. Australia's Indonesia literacy could be described as a little from Column A and a little from Column B.

Although levels of Indonesian language learning in our schools and universities are at crisis point, we still have more Indonesian speakers than most other countries. Whereas the relationship has ebbed and flowed, the government-to-government relationship between Australia and Indonesia is at an all-time high point. However, trade and investment between Australia and Indonesia is not nearly as high as it could and should be. Indonesia is still our 11th biggest trading partner[54] and levels of both trade and inbound and outbound investment are growing, despite the reality that very few Australian businesses possess or value Indonesia literacy on their boards or among their employees. Whereas a deep understanding of a modern, contemporary Indonesia is rare among the general Australian public, Indonesia is our number 1 travel destination, albeit most of those Australian tourists confine themselves to Ubud, Sanur and the southern beaches of Bali.

Whether we approach this conundrum from the perspective of fixing something that is broken or turning unmet potential into real opportunities (or both), the solutions are the same. We need to recognise our strengths and our weaknesses and bring a spirit of optimism and innovation to this important work.

While the decline in Indonesian language and Indonesian studies being taught in Australian schools and universities means the pipeline of Indonesia specialists is rapidly declining, we do have an existing talent pool to draw from. Many thousands of Australians have studied Indonesian at senior secondary school and tertiary level over the last four decades, and/or have participated in overseas learning experiences like the NCP, Acicis, AIYEP, VYL Indonesia or school exchanges[55]. We have a growing number of Indonesian-born citizens who have chosen to call Australia home, as well as a large pool of Indonesians who have studied in Australia and so are able to navigate between both cultures. However, because this expertise is not valued in Australia and particularly among Australian businesses, it means people with Indonesia literacy are not finding their way into jobs where their Indonesia literacy is being utilised. As a result:

- Our businesses and institutions are not doing as much with Indonesia as they should.
- Many Australians with Indonesia literacy have had to take non-Indonesia-related roles, so their expertise has been wasted or atrophied.
- There isn't an enduring pull factor that has created sustained demand for the next generation to take up the baton. When a young person asks someone with Indonesia expertise how it has helped them in their career, the answer is often, 'it hasn't – I couldn't get a job where it was utilised, so now I'm doing something else instead'.

[54] Indonesia ranked 11th on the official 2023-24 DFAT figures, although DFAT's Indonesia Country Brief also categorises it as 9th for the 2024 calendar year.

[55] Because data is poor, we don't actually know (a) how many Australians have a level of Indonesian language or cultural expertise that would qualify them as Indonesia experts; or (b) what percentage of those people are currently using their Indonesia expertise in their jobs.

Despite many missed opportunities, there are Australian businesses that are thriving in Indonesia, particularly in sectors such as education, mining services, agribusiness, healthcare and age care, digital technology, and financial services. The Australian Government has been active in attempting to deepen this commercial engagement through the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA), which opened new channels for services, vocational education and digital trade, although it is still often overlooked for the older AANZFTA, with which many Australian companies (and their Indonesian counterparts) are more familiar. These efforts are backed by Austrade's Jakarta and Surabaya offices, in-country State trade and investment offices, the specialised Deal Team embedded in the Embassy, and the Jakarta Landing Pad that was designed to help tech startups and scale-ups enter the Indonesian market.

Notwithstanding the government investment emerging from *Invested 2040*, Australia's economic activity in Indonesia remains fragmented and poorly integrated. While commercial diplomacy and market access have advanced, they often run on a separate track from initiatives that foster language learning, educational exchanges, cultural literacy, tourism, development funding and diaspora engagement. The result is a partnership that is commercially ambitious but socially shallow, and strong at the top end of town but thin in the middle. Without a coherent strategy linking trade and investment with people-to-people connectivity and long-term Indonesian literacy in Australia, much of this economic potential risks being transactional and transitory. A truly sustainable bilateral relationship would treat language, cultural understanding and business not as parallel pillars but as mutually reinforcing elements of the same system.

As Professor Greg Barton wrote in 2023[56], 'market forces alone will not turn this around. Constant financial pressure forces universities to focus on the short term at the expense of the long term. And, unlike the case in many Asian societies, long term planning and investment has never been an Australian strength in any field. But the Automotive Industry Strategy and the Button Plan remind us that when we do try to invest strategically in our future we can do so with great success'.

Given the ultimate demise of Australia's automotive industry, this might not seem like the best example of what can be achieved with sustained and well-directed government investment, but the strategy that was led by John Button under the Hawke Government was able to transform a fragmented, inefficient car industry into a globally competitive one. Another strong example that is even more relevant to the benefits of national coordination and investment into Indonesia literacy is the long-term funding for medical research through the National Health and Medical Research Council. Together with a strong institutional base (i.e. the Walter and Eliza Hall Institute) and industry links (i.e. CSL Limited), Australia has become a global leader in vaccines, immunology and public health, with strong spillovers into the biotech industry.

Before moving to the next parts of this report (the reasons for our inertia and proposed solutions), it is important to set out what is going well and what we can build on. Key is the strength of our government-to-government relationship and the large number of institutions (albeit scattered and uncoordinated) that have deep Indonesia expertise and are already working hard to strengthen our Indonesia literacy, from education to business to the arts.

[56] *Could do better with more effort*, AFR, 23 August 2025, https://www.afr.com/politics/could-do-better-with-more-effort-20040823-jls2v

## 3.2 We have a strong government-to government-relationship

The government relationship between Australia and Indonesia has waxed and waned over time, from a high point under President Susilo Bambang Yudhoyono, after former Prime Minister John Howard announced the $1 billion tsunami relief package in 2005, to a low point in 2013, when revelations emerged of the phone tapping of that same President and his inner circle.

Few would disagree that the government-to-government relationship between Australia and Indonesia right now is stronger than at any time in the two nations' shared history. The scale and depth of institutional engagement is impressive, with Australia's Embassy in Jakarta being our largest diplomatic post in the world, reflecting not only the strategic importance of Indonesia but also the intensity of daily cooperation between officials across a wide spectrum of policy areas. This physical presence mirrors a surge in high-level bilateral visits, with frequent exchanges between Ministers, Prime Ministers and Presidents underscoring the maturity of the partnership. Where once ties were episodic, they are now routine and anchored in trust built through decades of pragmatic cooperation. On 12 November 2025, President Prabowo made his first visit to Australia as Indonesian President, announcing the new Australia-Indonesia defence and security treaty, which was then signed during a reciprocal visit by Prime Minister Albanese in February 2026[57].

This government-to-government cooperation has also been formalised through a growing web of agreements and mechanisms for structured dialogue. From the IA-CEPA to memoranda of understanding and multilateral forums on defence, biosecurity, migration, humanitarian responses to crises, education and climate adaptation, both governments have built frameworks that institutionalise collaboration and reduce friction. Joint exercises between our defence forces, cooperative biosecurity protocols, and growing alignment on clean energy investments all reflect a relationship that is evolving from transactional diplomacy to genuine partnership. These multiple points of mutual trust and cooperation have enabled steady progress even when political cycles have shifted in both countries. This is a mark of resilience that few other bilateral relationships in the region can claim and credit must be given to the governments on both sides for continuing to build these relationships, even where the broader public in both countries is fairly ambivalent.

The appointment of Jennifer Westacott AC as Indonesia Business Champion is part of a concerted effort by the Australian Government to lift Indonesia's profile among senior business leaders. In February 2026, Westacott led a delegation of Australian investors to Jakarta, together with Special Envoy for Southeast Asia Nicholas Moore AO[58]. This was the second investor mission and fifth business mission to Indonesia since the release of Invested 2040. In June 2025, she also led a digital economy mission that drew in ASX-listed companies, tech start-ups and university partners, and helped anchor attention on the opening of Australia's new Landing Pad in Jakarta. In September 2024, Westacott led a mission focused on education and skills, deliberately widening the conversation away from Jakarta and into Indonesia's provincial education and training needs; areas where Australian providers have strong comparative advantages but historically low visibility.

[57] https://www.pm.gov.au/media/australia-and-indonesia-sign-historic-security-treaty
[58] https://www.austrade.gov.au/en/news-and-analysis/news/australian-business-and-fund-managers-pursue-investment-opportunities-in-indonesia

In June 2024, then Ambassador Penny Williams PSM, Moore and Westacott signed a Memorandum of Understanding with the Indonesia Investment Authority (INA). The MOU establishes a framework for regular information-sharing, project scoping and co-operation between Australian institutions and the INA, aimed at helping Australian investors better understand the Indonesian investment pipeline and lowering early-stage risk perceptions. This initiative is emblematic of the government's broader attempt to normalise Indonesia as a priority market, create trusted channels for businesses that lack on-the-ground capability, and surround key business actors with the political backing they often need to explore opportunities in Indonesia rather than defaulting to more familiar markets.

**Appendix H** contains further details of the increasingly strong government-to-government relationship between our two countries, including the critical work of embassies, consulates, State and Territory governments and entities like the Australia-Indonesia Institute (which funded this report) and the ASEAN-Australia Centre, formed in 2024 to build awareness of our region.

## 3.3 People-to-people links

The people-to-people links between Australia and Indonesia provide a mixed story, but offer positive signs for where the Australia-Indonesia relationship could go, should these green shoots be supported to grow and connect. deep expertise from extended time on the ground in Indonesia.

### *Our young people are leading the way*

In doing this research, I have been inspired by the innovative and engaging efforts of young people to bring our two countries together. Through this lens, I have far more hope than despair about the future of Australia's Indonesia literacy. Operating on very meagre budgets, initiatives like the Australian Indonesia Youth Association (AIYA), Causindy and Nongkrong Festival create energy and optimism that should be nurtured and supported by government and business. The next generation of up-and-coming leaders, like Moira Tirtha, Chris Redden, Anastasia Koo and Clarice Campbell, have built deep expertise from extended time on the ground in Indonesia.

A similar latent potential resides in the younger members of Australia's Indonesia diaspora, who are reconciling and expressing their two cultural backgrounds in exciting new ways, and the thousands of current school and tertiary students from Indonesia in Australia and our growing alumni. They are also engaging with the new face of Indonesia, attracting artists to Australia like Precious Bloom and ALI (Meredith Music Festival) and Tenxi (SXSW). We need to give this next generation the platforms, resources and support to amplify their voices and share their ideas and insights with the broader Australian public.

### *Two-way tourism*

The tourism link between Australia and Indonesia is a substantive conduit for cultural and social familiarity. In 2004, 1.7 million Australians visited Indonesia, making it the single largest overseas destination for Australian travellers. Conversely, Indonesia was Australia's 9th largest inbound market in 2023-24, with approximately 215,700 Indonesian visitor arrivals to Australia (up 31 % year-on-year) and total visitor spend of A$855 million[59]. These flows represent a substantial 'familiarity dividend' - Australians with exposure to Indonesia as a travel destination (albeit mostly to Bali) and Indonesians who have visited Australia.

[59] https://www.tra.gov.au/content/dam/austrade-assets/global/wip/tra/documents/market-profiles/tra-market-profiles-indonesia-2023-24.pdf

The tourism link remains under-leveraged for broader literacy outcomes (language, culture, sustained engagement). A lot of Australian travellers spend their time in the vicinity of their hotel, rather than travelling further afield and engaging deeply with all aspects of Indonesia, beyond Bali's tourist hotspots. An increasing number of Australians are starting to spend extended time in Bali and engaging with locals in a more authentic and less transitory way (some have even moved there permanently). However, the saturation of Bali-oriented travel risks reinforcing unhelpful stereotypes that don't reflect the diversity, modernity and dynamism of Indonesia. More should be done to promote other kinds of travel to Australians, for example to the Ubud Writers Festival, the Sulawesi maritime tour[60] or annual Indonesian art study tour[61].

*Student exchanges, in-country and sister-school links*

Australia benefits from established student-mobility platforms between our two countries, for example the New Colombo Plan and in-country programs administered by Acicis. Since 1995, Acicis has sent nearly 5,000 Australian students to Indonesia across semester, short course and professional-practicum programs[62]. The New Colombo Plan was revised in mid-2025 to try to strengthen the focus on Asia literacy[63], including the creation of a language learning target across the program, although it remains to be seen whether these changes will incentivise more students to spend more time in Indonesia. By giving Australian students direct exposure to Indonesia, these programs help improve language and cultural literacy and build personal networks and long-lasting friendships.

After a prolonged hiatus following the Bali bombings, some schools have started sending school trips to Indonesia again, proving a much-needed catalyst for some students to persevere with their Indonesian studies. These trips usually rely on discretionary time and effort from the lone Indonesian teacher and can be cost-prohibitive to many students. A more systemic solution can be found in the Victorian Young Leaders to Indonesia Program (VYLI Program). Launched in 2019, the VYLI Program sent 39 Year 9 students from across Victoria on a 6-week immersion to Yogyakarta, including a homestay component and time spent in a local school alongside Indonesian peers[64]. The program is a scalable example of how to expose Australians to Indonesia in a deep and meaningful way at the critical juncture in their high school education where they often drop the language in favour of other electives.

On the Indonesian side, Australian tertiary institutions are increasingly offering transnational education programs and joint offerings (see next section). While comprehensive data is not available for the numbers of Australian high-school student or sister-school exchanges with Indonesia, these links are a further asset.

The Australia-Indonesia BRIDGE School Partnerships Program is funded by the Australian Government through DFAT and delivered by Asialink Education at the University of Melbourne. The program connects Australian and Indonesian schools in meaningful bilateral partnerships. Since 2008, Indonesia BRIDGE has established 253 school partnerships and connected over 950 teachers. BRIDGE establishes school-to-school relationships, facilitates teacher

[60] https://www.australianmaritimemuseumscouncil.org/news/spice-spirits-and-shipwrights-maritime-tour-in-indonesia
[61] https://www.16albermarle.com/indonesia-1
[62] https://www.acicis.edu.au/blog/alumni-tracer-study-2025/
[63] https://www.foreignminister.gov.au/minister/penny-wong/media-release/new-colombo-plan-reforms-build-australias-asia-capability
[64] https://www.premier.vic.gov.au/young-leaders-indonesia-program-continue

professional learning programs — both online and in-country — and connects students through engaging global classroom activities.

All these mobility and exchange programs are extremely valuable and likely to leave a lasting impression on participants and increase their motivation to deepen their Indonesia literacy, but their scale remains modest relative to the strategic imperative of deepening Indonesia literacy across broader cohorts (e.g. school, vocational, community).

*Education: Indonesian students in Australia and Australian universities in Indonesia*

On the inbound side, Australian institutions host significant numbers of Indonesian students: a 'record 24,000 Indonesian students studying in Australia in 2025'[65]. In an important development, Australian universities are increasingly setting up branch campuses or transnational operations in Indonesia. For example, Western Sydney University and Deakin University (in conjunction with Navitas and Lancaster University) have established campuses in Surabaya and Bandung respectively. Central Queensland University has a training centre presence in Jakarta, following the establishment of Monash University's Jakarta campus in 2022. These represent genuine institutional bridges in the education space – not just inbound mobility but a significant local presence around which to build strong foundations for bilateral literacy and engagement.

The original Colombo Plan, the Australia Awards and the Aus4ASEAN Scholarships Program have brought thousands of Indonesians to Australia, many of whom have gone on to become government ministers and captains of industry. There was a time when there were more Indonesian MPs with Australian PhDs than there were Australian MPs with PhDs. While some Indonesian postgraduate students have been involved in reinvigorating the Indonesian Language Learning Ambassadors program[66] over the past two years, we are otherwise not utilising Indonesian students enough to help build Australians' understanding of Indonesia, for example by inviting them into our classrooms to speak with our students or into boardrooms to speak with our businesses. Inviting Indonesian students who are studying on our shores to share their stories with Australians will help lift our Indonesia literacy and at the same time help to better integrate Indonesian students into the Australian community and out of their siloes where they often feel lonely, isolated and under-valued.

*Volunteering and community development*

Australia's history of volunteerism in Indonesia is one of the quiet strengths of the bilateral relationship, shaped by people-to-people connection rather than grand diplomacy. Over the years, Australian volunteers have lived and worked alongside Indonesian colleagues in schools, clinics, village cooperatives, legal aid organisations, women's shelters and environmental projects across the archipelago. Australian Volunteers International (formerly the Overseas Service Bureau) traces part of its lineage to the pioneering work of figures like Herb Feith[67], whose voluntary service teaching at the University of Indonesia in the early 1950s became a foundational story of respectful partnerships between our countries.

[65] http://indonesia.embassy.gov.au/jakt/MR25_071.html
[66] https://indonesia.embassy.gov.au/jakt/MR26_001.html
[67] https://www.70yearsindonesiaaustralia.com/peopletopeople-links/the-herb-feith-indonesian-engagement-centre

Through programs like the former Australian Volunteers Abroad and Australian Youth Ambassadors for Development (AYAD), and today's Australian Volunteers Program[68], thousands of Australians have contributed skills in education, law, disability services, public administration and community development, often learning far more than they gave. This tradition has seeded generations of Australians who understand Indonesia deeply and it remains one of the most undervalued investments Australia has made in its relationship with Indonesia.

### *Indonesian diaspora in Australia*

While still relatively small compared to other migrant groups, the Indonesian-born population in Australia is growing. As at 30 June 2024 there were 120,160 Indonesian-born people living in Australia, up nearly 60% from 75,400 at 30 June 2014[69]. A number of prominent Australians, like Jessica Mauboy, Mark Coles Smith, and Tasia and Gracia Seger, have Indonesian heritage.

This diaspora provides a hugely untapped human-capital resource for Australia: people with lived experience of Indonesia, language and cultural links, who can act as bridges in business, education, civil society and government. That said, the absolute numbers remain modest (around 0.4 % of Australia's total population) and the diaspora is not particularly coordinated or mobilised at scale to support Australia's Indonesia literacy and other strategic objectives.

At the sub-national and local government level there are multiple sister-city links, diaspora-led community associations, local government engagement and people-to-people programs between Indonesian provinces and Australian States and Territories. These smaller-scale networks often fly under the radar but are important for embedding Indonesia literacy.

### *Food, delicious food*

Food is a thread that connects our two countries, both in terms of restaurant menus and agricultural exports. Wheat is the backbone of Indonesia's instant noodle industry, epitomised by global megabrand Indomie. Australian beef, sugar and milk powder underpin everything from *bakso* to Indonesian confectionery. Indonesian restaurants, food festivals and diaspora markets have become regular fixtures in Australian cities, although these are often patronised mostly by the Indonesian diaspora and international students. I have written much of this report over a plate of rendang at Pondok Rempah on Elizabeth Street in Melbourne.

Indonesian-Australian chefs and TV contestants, including the Seger sisters (My Kitchen Rules), Reynold Poernomo (MasterChef) and Lara Lee (Beyond Bali[70]), have introduced Indonesian flavours to mainstream audiences. Indomie is now a student staple, tempeh has become central to Australia's plant-based food scene, and *kecap manis* features in fusion BBQs and modern Australian kitchens. Through this everyday culinary exchange, Australians are developing a more nuanced familiarity with Indonesia, often without even realising it, making food one of the most accessible and relatable entry points for building our Indonesia literacy.

Coffee has also emerged as a connector and opportunity for both trade and soft diplomacy, with many Indonesian international students taking elements of the Melbourne coffee scene back to their home country and opening cafes, a trend recognised by Katalis[71]. Participants from

[68] https://www.avi.org.au/our-history/
[69] www.homeaffairs.gov.au/research-and-statistics/statistics/country-profiles/profiles/indonesia
[70] https://www.sbs.com.au/food/article/beyond-bali-with-lara-lee/d31zi37gd
[71] https://ausconnect.dfat.gov.au/opportunities/rft-035-bilateral-value-chain-analysis-coffee

Indonesia and Australia came 1st and 2nd at the World Barista Championships in 2024[72] and well-known Australian café-brand St Ali, which had previously set up a presence in Jakarta, now has a site in Bali[73].

### *Sports exchanges*

In July 2025, to celebrate the 35th anniversary of the Western Australia-East Java sister-state relationship, Perth welcomed Indonesian football team Persebaya Surabaya FC for a game against the WA Men's State team. The game was live streamed into Indonesia where it attracted millions of viewers[74], particularly from Surabaya, a city of 8.5 million people that is closer to Perth than Bali. Another product of the shared love of Australians and Indonesians for the 'world game' is Perth resident and AII board member Robbie Gaspar, who played soccer professionally in Indonesia for 8 years and mastered the Indonesian language. Gaspar went on to become President of the Indonesia Institute and continues to connect people from both countries, as a shining example of the potential of sports diplomacy.

While Australia and Indonesia have not traditionally coalesced around a shared love of sport, due mostly to differing national games, this is starting to change. Australia is a minor player in the world of badminton, where Indonesia is a superpower, but Australia hosts the Indonesia Open Challenge and Australian players often attend training camps in Indonesia. With Indonesia becoming more competitive, it is now starting to meet Australia in the FIBA Asia Cup Qualifiers and NBL teams have done training clinics in Jakarta, with the potential for exhibition games in the future. Surfing competitions in Indonesia heavily feature Australian athletes. While AFL is yet to take on as a global sport, the AFL Asia league has introduced its rules to Indonesia and Bali hosts the annual AFL Bali Masters. In Melbourne, the Krakatoas provide an opportunity for Australians and Indonesians to socialise through regular AFL clinics and Collingwood captain Darcy Moore is known to break out his *Bahasa Indonesia* for Indonesian AFL fans. As an example of sports engagement beyond ball sports, during a recent visit to the Queen Victoria Market, I came across a large group of Indonesian tourists who were in Australia on a cycling tour with IDC3, the Indonesian CHPT3 Cycling Club.

Australians' love of sport makes this an area ripe for deeper engagement between our two countries, and with our increasingly multicultural population, sports like badminton, futsal paddle ball and table tennis, all of which are extremely popular in Indonesia, provide further avenues for connection.

### *Generations of Australians who have studied about Indonesia (even if under-leveraged)*

Australia has decades of investment in Indonesian language teaching and Indonesian studies in schools, universities and language centres. The outcome is a cohort of Australians with knowledge of *Bahasa Indonesia*, Indonesian society, culture and history, including the alumni of programs like Acicis and AIYEP. However, many of these individuals do not currently work in roles that effectively harness those skills (in business, government, education, civil society), because those skills aren't valued by employers and there are few supported pathways connecting those with Indonesia literacy to employers who would benefit from these skill sets.

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[72] https://www.beanscenemag.com.au/mikael-jasin-crowned-world-barista-champion-2024/
[73] https://stali.com.au/pages/st-ali-bali
[74] https://footballwest.com.au/news/night-remember-persebaya-take-spoils-against-impressive-wa-state-team

## 3.4 Business engagement

Despite the hesitancy of Australian businesses to make their way to Indonesia, this doesn't discount those who have managed to achieve success in Indonesia, often through a combination of patience, perseverance and entrepreneurial spirit. Ben Cass from Living Well Communities is a prime example, having realised he'd have to be in for the long haul or not at all, he moved permanently to Indonesia 10 years ago to help build Indonesia's senior living market from scratch. His interview with Helen Brown on the Bisnis Asia podcast is not to be missed[75]. Nick Goodwin founded research consultancy Tulodo[76] 10 years ago and has based himself in Indonesia ever since.

Others like Geoffrey Gold and Mario Tarquinio have been operating in Indonesia for over 20 years, building a deep understanding of the market and offering advice to others looking to break into the market. Other names include John Tivey (White & Case Partner and my early mentor in the law), Lydia Santoso (Deputy Chair of the AIBC and Chair of the AII), Andrew Parker (former PwC Asia Practice Leader and NSW Senior Trade & Investment Commissioner to ASEAN) and Helen Brown (former ABC journalist and now Managing Director of Bisnis Asia and Communications and Outreach Lead at the Australia-Indonesia Centre). The trick is to significantly expand this list of Australians who have navigated the idiosyncrasies of the Indonesian market to enable them to feel at home there.

In addition, larger firms like Thiess and Ramsay Healthcare have established strong footprints in Indonesia. Success stories include:

- BlueScope is widely considered one of Australia's most successful long-term investors in Indonesia. Operating since the late 1990s, its steel manufacturing joint venture (BlueScope Lysaght Indonesia) employs thousands, sources from local supply chains, and sells into Indonesia's booming construction sector[77].
- Worley has operated in Indonesia for over 30 years, partnering with Indonesian SOEs and energy companies in oil, gas, mining, and more recently renewable energy. Its success has come from working jointly with Pertamina, PLN (Indonesia's state electricity company) and private energy developers, and adapting its global engineering standards to Indonesian regulatory and environmental frameworks[78].
- Orica succeeded where others struggled by investing early in compliance, safety culture and Indonesian workforce development, providing a counter-narrative to Australian stereotypes about Indonesia being too hard for industrial services[79].
- Aspen Medical is building a 300-bed hospital that will make it one of Australia's largest on-the-ground investors in Indonesia[80].
- In the education space, Navitas ran multi-year partnership programs with Indonesian universities and ministries, providing pathway programs and academic training. Australian universities including Monash and Western Sydney University now operate campuses or major partnerships in Indonesia.

[75] https://creators.spotify.com/pod/profile/bisnis-asia/episodes/
[76] https://tulodo.com/who-we-are/
[77] https://www.nsbluescope.com/id/en/about-us
[78] https://www.worley.com/en/about-us/where-we-operate/indonesia
[79] https://www.industryupdate.com.au/case-studies/orica-build-new-plant-indonesia
[80] https://www.austrade.gov.au/en/news-and-analysis/news/aspen-medical-investment-in-southeast-asia-delivers-benefits-for-australia

Unfortunately, however, the negative stories of Australian businesses struggling in Indonesia continue to dominate. Commonwealth and ANZ bank have significantly reduced their Indonesian footprint in recent years. Santos has had mixed success, with the Lapindo-Brantas mudflow disaster[81] (which I was involved in as a lawyer) proving to be a most challenging joint venture. Telstra spent nearly two decades trying to build a profitable market presence in Indonesia through various partnerships with Indosat and local ISPs, until finally shutting down its joint venture with Telkom Indonesia in 2016 after failing to secure the licences needed for network expansion. Leighton was once one of Indonesia's most active foreign contractors, working on major mining and civil projects. But after a series of corruption allegations from 2012 onward, it subsequently wound down much of its Indonesian exposure.

We need to acknowledge that many of the middle managers of Australian companies that were burnt in Indonesia in the 1990s, either directly or as a result of the Asian Financial Crisis, have gone on to become Chairs and CEOs of ASX-listed companies. They likely carry those scars into investment committee meetings. Rather than dismissing these examples as cautionary tales and reasons to cross Indonesia off the list, we need to start seeing these case studies as learning opportunities. By sharing stories about what works and what doesn't, Australian companies will be better equipped to adapt their approaches to the Indonesian market – with the need for patience, long-term committed capital, the right local partner and robust governance. This is a key part of strengthening our Indonesia literacy and seeing more Australian businesses succeed.

Australian governments have historically been reluctant to give significant support to our companies in offshore markets, preferring a far more hands-off, liberal-market approach to countries like Germany or Japan. But in the case of Indonesia, a more hand-holding approach is clearly needed to overcome the hesitancy driven by risk aversion, too-short investment timelines and lack of Indonesia literacy of Australian companies. If the Australian Government (rightly) wants to hold Australian companies to a higher standard than their competitors in foreign markets, including through compliance with anti-bribery, sustainability and labour guidelines, then it needs to do more to help those same companies navigate foreign conditions.

The efforts of bilateral business chambers and the expansion of government agencies and supports for Australian businesses looking to enter Indonesia are welcome and necessary, but much more is needed. The key organisations are summarised in **Appendix H** and include the Australia Indonesia Business Council and its Indonesian counterpart, as well as the various Australian Government-funded initiatives like Katalis, KONEKSI, and the Jakarta Deal Team and Landing Pad.

## 3.5 Other institutions and programs

**Appendix H** contains details of a range of other organisations and programs that are making important contributions to the Australia-Indonesia relationship. This includes:

- Peak bodies like the Australia Indonesia Centre, Indonesia Council, Asialink, the Monash University Herb Feith Centre and the Asian Studies Association of Australia.
- Diaspora organisations like the Indonesian Students' Association, Australia-Indonesia Youth Association, and the Indonesia Diaspora Network Victoria.

[81] https://en.wikipedia.org/wiki/Sidoarjo_mud_flow

- The student exchange and in-country programs that have punched above their weight for decades and left a lasting impact on a generation of young Australians, including the Australia-Indonesia Youth Exchange Program (AIYEP), the Australian Consortium for In-country Indonesian Studies (Acicis), CAUSINDY (Conference of Australian and Indonesian Youth), the Australia-Indonesia BRIDGE School Partnerships Program and the New Colombo Plan.
- Organisations that provide Indonesian language provision and support, like the Balai Bahasa Indonesia and Balai Bahasa dan Budaya in many Australian cities, the Victorian Indonesian Language Teachers' Association (VILTA), the National Australia Indonesia Language Awards (NAILA) and the Australian Federation of Modern Language Teachers Associations (AFMLTA).
- Providers of Indonesian language news and resources, for example SBS Indonesia, ABC Indonesia and Pondok Bahasa.
- Cultural institutions like the ReelOzInd! short film festival, Nongkrong Festival, Suara Indonesia Dance Group and Gamelan DanAnda.

## 3.6 We are clearly not starting from scratch

As this list of existing activities, programs and organisations demonstrates, we are not starting from scratch in our efforts to strengthen Australia's Indonesia literacy. However, the absence of a national strategy and a national coordinating body — to connect activities taking place inside and outside of government — means we are not making the most of these efforts. Many of these Indonesia-focussed organisations are under-funded or do not have secure funding, so find it difficult to sustain momentum or put in the necessary discretionary effort to join the dots across the ecosystem and build broad coalitions and partnerships.

A more coordinated approach will ensure the important work being done by all of these players is more effective and complementary, so that the whole is greater than the sum of its parts. Or as they say in Indonesia, *bersatu kita teguh, bercerai kita runtuh* – united we are strong, divided we fall.

# 4.Diagnosing the current challenges

## 4.1: Why the inertia?

If the case for engaging with Indonesia and Indonesian language seems so strong and the number of actors in the Australia-Indonesia space seems substantial, why is the reality not meeting the potential? Why the inertia?

Based on my research, there are 3 key reasons, each inextricably linked to the other:

1) **Low public awareness**: Australians' low awareness of Indonesia and outdated narratives about our neighbour, with the bombings of the 2000s and ensuing travel bans having a particularly negative effect.
2) **Low businesses engagement**: Relative lack of business engagement with Indonesia, coupled with low appreciation among Australian businesses of the usefulness of Indonesia literacy.
3) **Australia's education system**: Languages — particularly Asian languages — are not valued in the Australian education system and Asian perspectives have never really been embedded as a cross-curriculum priority.

This is the ultimate chicken and egg conundrum.

Reason #3 (our education system doesn't promote or value languages or Asia Literacy) affects all Asian studies, but is particularly detrimental to Indonesian studies because it has lacked the economic imperative of China, Japan or Korea. Reason #2 (low business engagement) is both a symptom of Reason #1 (low public awareness) and a cause of Reason #3. A lot of Australian businesses aren't interested in Indonesia because they don't see its potential or they see it as risky and a difficult place to do business. This is informed by a narrative of Indonesia that is overly negative or outdated and not reflective of a contemporary Indonesia. But it is also informed by the lack of Indonesia literacy residing in our boardrooms, investment committees and business development roles. Without more Australians studying Indonesian or doing business with Indonesia, there is a lack of positive narratives about a contemporary Indonesia, which is perpetuating Reason #1.

A diminishing number of schools and universities are teaching Indonesian because they say there isn't demand, so those students who do want to study it find it increasingly unavailable at their chosen institution. Those who don't study *Bahasa Indonesia* or Indonesian studies often say it's because there aren't enough job opportunities. In the absence of diverse role models, they can't picture how they might use it unless they want to become a diplomat. Many Australian businesspeople don't value Indonesia literacy because they themselves don't have personal experience with Indonesia and feel they have gotten by just fine without it, and so it goes, round and round, this vicious cycle, this *lingkaran setan*[82].

Addressing the Indonesian literacy challenge requires all three of these factors to be addressed, in tandem and in equal measure, or any response will flounder. Previous efforts under the Keating Government (NALSAS, 1994-2002) and then the Rudd/Gillard Government (NALSSP,

[82] The literal translation is 'devil's circle' but in practice it means a vicious cycle and so is an apt description for the current challenges facing both the supply and demand side of our Indonesia literacy challenge.

2008-2012) focussed on Reason #3 but didn't do enough on #1 and #2, so #3 was never addressed in an enduring way.

### 4.1.1 Some deeper whys

Underpinning these three threshold reasons for why Australia's Indonesia literacy is struggling, are some very significant structural, cultural and historical realities that contribute to the challenge. This report will not address these in detail – entire fields of research have been generated around these issues. But it is worth touching on three of the big ones:

#### Capitalism

The global, capitalist economy only values a narrow range of outcomes (like economic growth, monetary wealth, homogeneity and monoculturalism) and excludes or devalues a range of 'externalities', like planetary health, caregiving, mental and spiritual well-being and yes, cultural diversity and multilingualism. This manifests itself in every aspect of our education system, driving the choices being made by students, parents and education institutions, and leading to a course like Indonesian Studies being valued less than a degree in Law or Commerce.

#### Whiteness

Australia is increasingly multicultural and multifaith, but our Anglo-Christian roots run deep. Around 19% of Australians now have Asian heritage, despite the White Australia Policy prevailing until the 1970s and the fear of invasion from the 'yellow peril' to the north. The fastest growing religion in Australia is Hinduism. However, many of our institutions (government Cabinets, board rooms and the upper echelons of our universities) remain overwhelmingly white. This means that multilingualism is uncommon among our senior decision makers, and therefore not always vicariously valued. Megan Bowler, who did her research in the United Kingdom, talks about 'lingua-phobia': more than 1 in 4 Britains feel threatened when they hear a language other than English being used around them[83].

While our Parliaments and board rooms are slowly starting to reflect the growing cultural diversity of our community, the halls of power across our country remain overwhelming Anglo-centric. On my count, in the 125 years since Federation, there has only been one non-white Secretary in each of the Victorian Public Service and Australian Public Service: Pradeep Phillip as Secretary of the Department of Health and Peter Vargese as Secretary of DFAT. As uncomfortable as it may be, we need to acknowledge this as a contributing factor (even if a subconscious one) as to why our institutions are not doing more with Indonesia – a country of 'brown-skinned Muslims'. Or, as Ratih Hardjono pondered in her 1993 book *White Tribe of Asia – An Indonesian View of Australia*, could it be that 'Asian migrants remind Australians of the fact that they are themselves newcomers… and it is the Australians who are out of place in this 'brown and black' part of the globe'?

#### Conservatism

Australia's relatively low levels of economic complexity, innovation output, and business risk appetite may help to explain why many Australian firms remain hesitant to engage deeply with a market like Indonesia. The Harvard Growth Lab's Economic Complexity Index ranks Australia among the least complex advanced economies in the world, reflecting a high reliance on commodity exports and limited diversification into more sophisticated industries. This structural simplicity is mirrored in Australia's innovation performance, where the nation

[83] https://www.hepi.ac.uk/wp-content/uploads/2025/07/The-Languages-Crisis-Arresting-decline.pdf

consistently scores highly on inputs such as education and research capability but lags behind peers on commercialisation and innovation outputs[84].

Compounding these factors is a pervasive culture of risk aversion in Australian corporate life and a preponderance to invest in real estate, frequently cited by analysts and industry leaders as major brakes on entrepreneurship and new market expansion. As a result, Australian businesses are often less inclined to enter emerging, complex or higher-risk environments. This might say less about Indonesia and more about Australia's own cultural and structural predispositions towards safety, stability and short-term returns over long-term market-building.

## 4.2 Demand side challenge #1: Australia's public awareness of Indonesia

### 4.2.1 Indonesia has an image problem in Australia

There is lack of awareness across the Australian public of a modern, contemporary Indonesia and the opportunities it brings for all Australians (be they economic, social, personal or in pursuit of the national interest).

Indonesia is an emerging superpower that has always had plenty of potential, but in practice is only just beginning to emerge. When Paul Keating in 1994 around the Bogor APEC Summit described Indonesia as 'a regional power of the first order', he was pre-empting that possibility; Indonesia hadn't yet arrived in the way that it has now: de facto leader of ASEAN, recent President of the G20 and on track to be a top 10 economy. When the Australian Government funded NALSAS and talked a big game on Indonesia, it was betting on that country's potential. While we were right in foreshadowing Indonesia's importance for Australia and the region, it has been a slow burn for the last 30 years[85].

Unlike other foreign governments that actively promote their language and culture in foreign countries, Indonesia has been historically passive in this regard[86]. There is no Indonesian equivalent of the Confucius Institute or Alliance Francaise promoting Indonesia and the Indonesian language in Australia. While there are some Indonesian companies operating in Australia, they are not often profiled here, for example PrivyID, Traveloka, Golden Group and Agung Sedayu (Burswood Point), PT Bumi Berkah Boga (Kopi Kenganan) and the Salim-Group-owned Indomie, which sources much of the wheat for its products from Australia. We will rarely hear Indonesian music played on our radio stations, see Indonesian films played on our televisions, or watch Indonesian sporting teams competing against our own.

Few Australians are aware of Indonesian success stories like Gojek or Tokopedia, its burgeoning film industry (especially in the horror genre), regional superstars like Rossa or Rera Sekar, or artists and influencers like Heri Dono, Yarra Irama and Christine Ay Tjoe. Indonesian children's film Jumbo has been released in 17 countries and had 10 million viewers but is not yet available

[84] World Intellectual Property Organization's Global Innovation Index: https://www.wipo.int/en/web/global-innovation-index

[85] There are parallels with the challenge of climate action; trying to galvanise Australians to act now with the rationale that it will benefit us/reduce risks in the future.

[86] I think this is partly due to its long history of non-intervention (as an original founder of the Non-Aligned Movement) and partly an insecurity stemming from its long period of colonisation. While Indonesia isn't the only country to have been colonised, more than most other ex-colonial countries it has built a lot of its economy (very visibly) on foreign capital, western tourists and non-indigenous sources.

in Australia. We don't see much of modern Indonesia in the Australian media, other than bad-news stories like sinking ships off the coast of Bali or riots in the streets of Jakarta. These days it is rare for an Australian media outlet to have a journalist permanently posted in Indonesia.

The impact of the terrorist bombings in the 2000s on Australia's engagement with Indonesia cannot be under stated, especially the 2002 Bali Bombings, 2003 Marriott Hotel bombing and 2009 Jakarta hotel bombing, which all killed or injured Australian citizens. These bombings could not have come at a worse time, halting momentum at a time when Indonesia was finally starting to emerge economically and democratically, justifying the foresight shown by the Australian Government in nurturing Indonesian language learning across our education system.

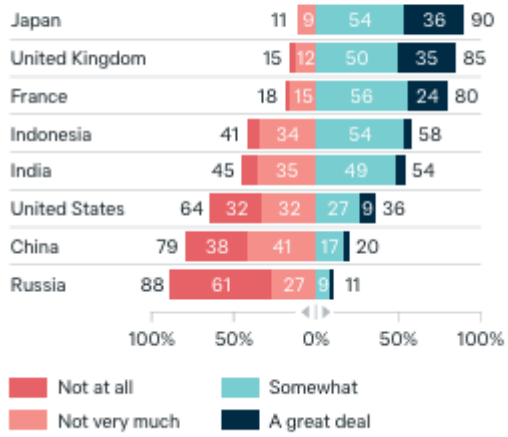
The bombings diminished our ability and willingness to connect with Indonesia and Indonesians (through travel and exchanges) and cemented a negative narrative in the Australian psyche that lasted for decades. The bombings also elevated Indonesia's 'Islamic-ness', setting it apart from other Asian counterparts with whom we engage in more economic activity, like Singapore, Japan, China and India. Thankfully, the security risk has changed markedly in the last decade, with 2016 the last terrorist incident of note. Australia and the United States have played key roles in supporting Indonesian security agencies to get on top of Islamist terrorism. These days Indonesia is ranked among the world's 50 safest countries, as measured by the Global Peace Index (48th compared with Australia 16th, and ahead of China and the majority of other Southeast Asian countries).

According to the 2025 Lowy Poll[87], Indonesia continues to elicit middling levels of trust (58%) and Australian's confidence in President Prabowo remains low (28%) with many Australians having not heard of him.

FIGURE 2

**Trust in global powers**

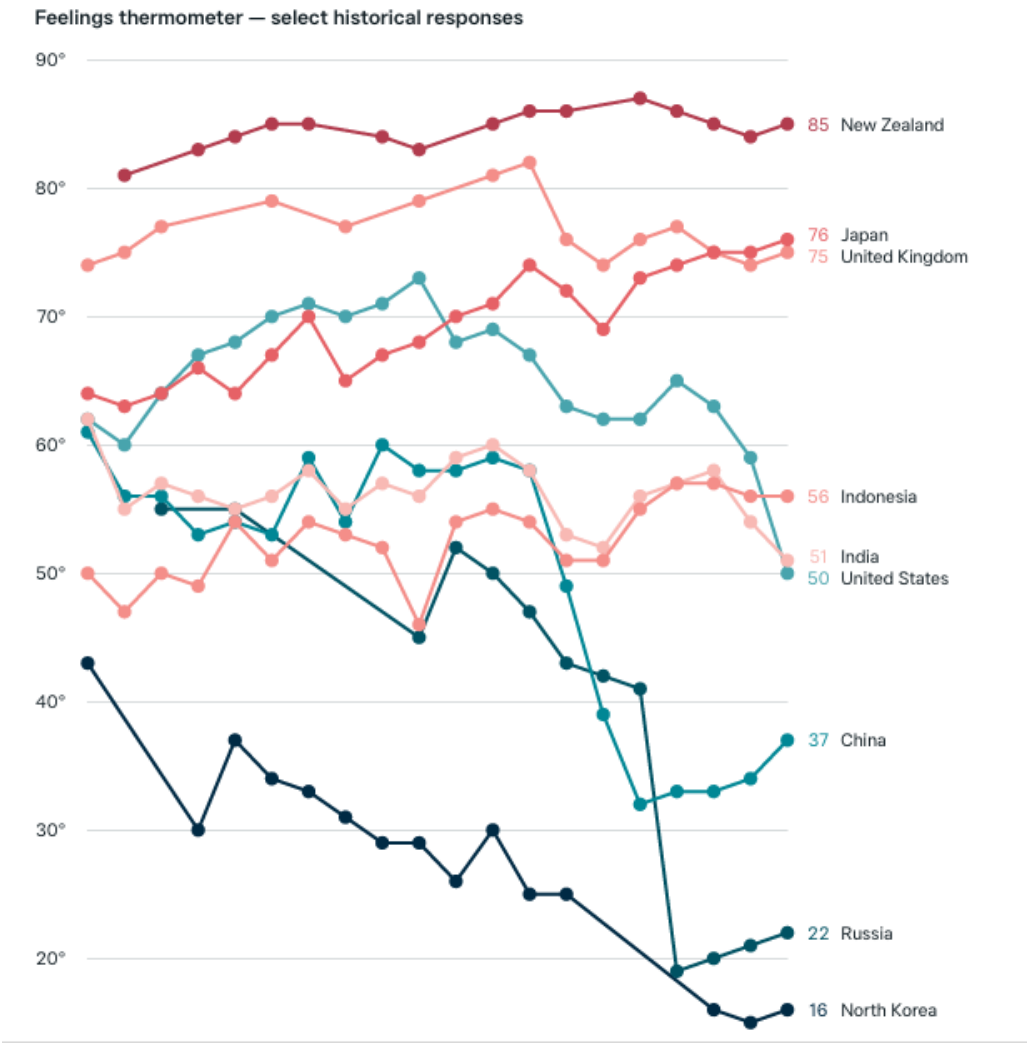
How much do you trust the following countries to act responsibly in the world?




Australian's sentiment towards Indonesia, measured through Lowy's Feelings Thermometer, has ranged between 50 and 56 from 2007 to 2025, without much fluctuation in either direction,

[87] https://poll.lowyinstitute.org/files/lowyinsitutepoll-2025.pdf

with dips coinciding with the arrest of Schapelle Corby (2008) and the executions of two members of the Bali 9 (2016).




At the other end of the scale, what might on the surface look like a positive for promoting Indonesia literacy — the 1.7 million Australians who travelled to Indonesia in 2024 —in truth could be viewed as a net negative. Because the large majority of those travellers went only to Bali (and within Bali only to tourist hot spots like Sanur, Seminyak and Kuta), this perpetuates an unhelpful stereotype that Australians have of Indonesia, as a poor, servitude culture with relatively good English. This is not to diminish Australians' engagement with Bali as a gateway into the rest of Indonesia – but if most Australians stop there, they aren't experiencing Indonesia's immense diversity and the economic vibrancy and entrepreneurialism that thrives on the streets of major cities like Jakarta, Bandung and Medan.

Because of these factors (and many more) the majority of Australians either don't think about Indonesia at all, or when they do, their image of Indonesia is negative, outdated or both[88].

[88] While the research is a bit outdated, this reflects the findings of two studies by the Australia-Indonesia Centre and its research partners in 2016: *Australia-Indonesia Centre Perceptions Report* and *Australia-Indonesia Attitudes & Understanding Research: Qualitative research of contemporary attitudes and interventions*. The annual Lowy Institute Polls, when they have gauged Australians' views of Indonesia,

### 4.2.2 Indonesia is still a relatively new country

It is easy to forget that Indonesia is still a young nation. Up until Dutch mercantile colonisation, with the establishment of the Vereenigde Oostindische Compagnie (VOC), or the Dutch East India Company, Indonesia did not exist as a political or cultural unit. The archipelago was a disparate collection of kingdoms and sultanates like the Majapahit, Srivijaya and Acehnese, Makassarese and Balinese kingdoms. Over the course of Dutch occupation (with a few brief moments of French and British rule), they established a presence over a geographic area that mostly lines up with modern Indonesia[89]. But the Indonesian nation as we know it today, and its language, *Bahasa Indonesia*, only really came into being following the country's independence in 1945.

In that sense, modern Indonesia parallels settler Australia. Both are relatively young, twentieth-century nation-states that have attempted (with varying degrees of success) to build cohesion out of diversity. Indonesia has woven together a national community from its archipelagic mosaic of different ethnic and language groups, including long-standing influences from traders from China and the Middle East. Australia, by contrast, has drawn on a British settler identity, successive waves of migration and an as-yet unreconciled Indigenous population representing the oldest continuous culture on earth.

Maybe it's just a matter of time then? Give it another few centuries and the shared history and geography between Australia and Indonesia might be enough to deepen our understanding of each other and generate greater integration. Maybe over time we will see more two-way migration, similar to other neighbouring countries around the world. But in these turbulent times, and with all the opportunities on offer from greater collaboration between our two nations, why wait? Why not accelerate the process of mutual understanding?

### 4.2.3 Invisibility of the Indonesian diaspora

Compared with Indian-Australians, Chinese-Australians or Vietnamese-Australians, Indonesia has a relatively small diaspora community in Australia, heavily centred around central Sydney and central Melbourne. According to the Department of Home Affairs, at the end of June 2023, 109,170 Indonesian-born people were living in Australia, up 45.5% from a decade earlier, making Indonesia the 17th largest migrant community in Australia, equivalent to 1.3% of Australia's overseas-born population or just 0.4% of Australia's total population[90]. Indonesians who study in Australia are less inclined to stay here, either because they see more post-study opportunities back home or because they are studying here under government scholarships that require them to return home upon matriculation.

Apart from the relatively small size of the Indonesian diaspora, members of the Australia-Indonesia community are not particularly vocal in the Australian media. I am not aware of any Australian Government or State MPs with Indonesian heritage.

Organisations like the PPIA and the Indonesian Diaspora Network Victoria, which do a terrific job hosting Indonesian food and music festivals and celebrating Indonesian Independence Day, often focus these events on the Indonesia diaspora, rather than using them as an opportunity to

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have found similarly low levels of understanding. For example, only 48% of Australians answered yes to the question posed in 2022, 'Do you personally agree or disagree that Indonesia is a democracy?'.

[89] The Dutch first laid claim to the spice trade in outer islands, then moved inland as they forced subsistence farmers into planting cash crops under the Cultivation System (*Cultuurstelsel*).

[90] https://www.homeaffairs.gov.au/research-and-statistics/statistics/country-profiles/profiles/indonesia

project Indonesia to the wider Australian community. Other than ReelOzInd!, which is organised by the Australia Indonesia Centre and the tireless Jemma Purdey, there aren't any other prominent examples of regular Indonesian film or music festivals, along the lines of Melbourne's French Film Festival or Latin Summer Festival or the annual Chinese New Year and Diwali Festivals that take place around the country. Due to the accessibility of these events, which can be enjoyed without language competency, these kinds of activities are essential to lifting Indonesia literacy among the general public.

There is an opportunity for third party organisations, like the Australia Indonesia Centre, *Balai Bahasa dan Budaya* or universities (which play a dual role of hosting Indonesian international students and teaching Australians about Indonesia) to partner with Australia's Indonesia diaspora to help them better amplify examples of contemporary Indonesia to the wider Australian community. The *Nongkrong* Festival, mentioned above in Section 3.3, serves as an exemplar in this regard, demonstrating how to reach both Indonesian diaspora and non-diaspora audiences in Australia.

In addition to more Indonesia-focussed festivals, it is also important to embed more Indonesian content into broad-based cultural activities, just as it is critical to embed Indonesia content in all subject areas taught in school. Including more Indonesian artists in writers' festivals, comedy festivals, music festivals and major gallery exhibitions would expose a greater portion of the Australian public to the diversity and quality of Indonesia's cultural exports.

### 4.2.4 Indonesia isn't known for projecting itself to the world

For many reasons, Indonesia has not historically projected itself to the world with the same level of confidence and coherence as many other Asian nations (i.e. China, Malaysia, Singapore, Japan and Korea).

Maybe it is driven by Indonesia's relative newness as a nation. Maybe it is due to the dominant Javanese cultural influence of *kesopanan* (politeness and humility). Maybe it is because of its enormous diversity, which makes it hard to come up with something that is quintessentially Indonesian and represents an entire nation. Maybe it is a lack of confidence - while Indonesia isn't the only place to be colonised, more than most other ex-colonial countries it has built a lot of its economy (very visibly) on foreign capital, western tourists and other non-indigenous sources. It is likely a combination of all of these factors.

There is no Indonesian equivalent of the Confucius Institute or a concerted effort to spread Indonesia's language and culture like Japan and its prestigious JET Teacher Exchange Program. Whereas other diaspora groups, like Chinese, Greek and Vietnamese-Australians, have set up Saturday schools to teach their mother tongue, there are few examples of Australia's Indonesian community doing the same[91]. Most Indonesians themselves see *Bahasa Indonesia* as a domestic rather than a global language. Indonesian national identity was built on unity within diversity (*Bhinneka Tunggal Ika*) — a nation-building force — rather than on overseas expansion or settler histories.

Unlike India, China and the Philippines, Indonesia does not have a strong history of transnationalism and 'exporting' its people. Indonesia's overseas population (around 9–10

[91] One exception is the Pelangi Indonesia School in NSW: https://www.sbs.com.au/language/indonesian/id/podcast-episode/indonesian-language-learning-centre-sekolah-pelangi-indonesia/kzc2xmpq0

million) is large in absolute terms but small relative to its 280 million population, and mostly made up of temporary migrant workers, not permanent emigrants. The concept of *merantau*[92] is popular in Indonesia, but it refers more to mobility within and across the country, not emigration. You will see a lot of Indonesians in Malaysia or Singapore, but not in large volumes elsewhere, although more young Indonesians are starting to '*kabur aja dulu*' or go abroad for opportunities as youth unemployment continues to rise.

Indonesia has been increasingly successful in exporting key elements of its cultural heritage, like *pencak silat*, *batik*, and *gamelan*, as instruments of cultural diplomacy. These art forms, recognised by UNESCO and supported through state and community networks, have become enduring symbols of Indonesia's creativity and pluralism. The keris-inspired Indonesia Pavillion at Expo 2025 in Osaka was a terrific example of Indonesia projecting its diverse cultural identity through a creative and contemporary lens to a global audience. Indonesian pop culture is a more recent export: Dangdut, Indo pop, film, and YouTube creators have regional audiences, particularly in Malaysia, Singapore, Brunei, and Timor-Leste, and increasingly in the Middle East (thanks to Indonesian migrant networks). But most of these cultural exports are yet to crack the Australian market in the same way as K-pop, manga or Bollywood. Viral phenomena like *Gemu Famire*, which spread like wildfire through Indonesia last decade, haven't quite hit the same heights internationally.

We must find ways to excite more Australians to be curious and interested in Indonesia, particularly our youth. We need Indonesia to project a more modern, contemporary, cool version of itself, like its horror film industry, the activism of its LGBTIQ+ community, or its underground music scene.

### 4.2.5 Australia's story of Indonesia

The absence of Indonesia from the forefront of Australians' minds is not unique to Australia, but one would imagine that being next door neighbours might elicit a greater level of curiosity.

As David Van Reybrouk wrote in his wonderful *book Revolusi – Indonesia and the Birth of the Modern World*,

> '*[Indonesia] is the world's fourth-largest country after China, India and the United States, which are all in the news constantly. It has the largest Muslim community on earth. Its economy is Southeast Asia's biggest…but the international community just doesn't seem interested. It's been that way for years. In a quality bookshop in Paris, Beijing or New York [or Melbourne or Sydney!], it's easier to find books about Myanmar, Afghanistan, Korea and even Armenia (countries with tens of millions of inhabitants or fewer) than Indonesia with its population of 268 million. One out of every twenty-seven humans is Indonesian, but the rest of the world would have a hard time naming even one of the country's inhabitants. Or, in the words of a classic expat joke, 'Any idea where Indonesia is? Uh…no really. Somewhere near Bali?'*.[93]

[92] The term comes originally from Minangkabau culture (West Sumatra), describing the tradition of young men leaving home to seek experience, fortune, or knowledge elsewhere, often returning later to enrich their community.

[93] Revolusi, David Van Reybrouck, p.5. Although to be fair, many Australians would remember one name – 'Ketut' - from the well-known AAMI safe driver reward commercials with Rhonda and Ketut in the 2010s. What most Australians don't know however, is that every fourth-born Balinese person is called Ketut, under traditional Balinese naming conventions.

The image of Indonesia in the psyche of most Australians often stems from the tired 'B tropes' of Boats, Beef, Bombs and Bali, and the idea that Indonesia as a nation is backwards and poor, rather than dynamic, innovative and technologically savvy.

Yet there is so much we could draw on to create a more accurate and positive narrative, that builds on the many touch points between Australia and Indonesia over the years.

Australia and Indonesia share a long and often under-appreciated history of mutual support and cooperation, stretching back to Indonesia's struggle for independence. In the late 1940s, Australian dockworkers famously refused to load Dutch ships carrying arms and supplies intended to re-colonise Indonesia, in solidarity with the Indonesian republican cause. 'A high level of solidarity developed between the Australian trade unions and the Indonesians struggling for independence, as shown by the 1946 Joris Ivens film Indonesia Calling'[94].

Australia then played a key diplomatic role at the newly formed United Nations, where its representatives, including then-Prime Minister Ben Chifley and diplomat Richard Kirby, advocated for Indonesia's sovereignty, helping to secure its international recognition in 1949. This early moral and political support established a foundation of respect and neighbourly goodwill that has endured, even as the relationship has ebbed and flowed through a range of bilateral and broader geopolitical headwinds. A few decades after independence, our partnership deepened through the medium of education. Indonesia was the source of one of the largest cohorts of original Colombo Plan scholars in the 1950s and 1960s. Many of those Indonesian students, educated in Australian universities, went on to hold senior positions in government, diplomacy, and academia, forging deep institutional and personal ties that continue to shape bilateral cooperation today.

This shared history of empathy and partnership has been renewed time and again in times of crisis. During the Asian Financial Crisis of 1997–98, Australia stood by Indonesia, providing economic support and technical assistance to help stabilise the economy at a time of intense social upheaval. Following the devastating 2004 Indian Ocean tsunami, Australia mounted one of its largest-ever humanitarian operations, contributing over $1 billion in aid and long-term reconstruction, including the rebuilding of hospitals and schools in Aceh. After the 2002 Bali bombings, in which 88 Australians were killed, that same spirit of solidarity guided a major investment in Indonesian healthcare and emergency response capacity, culminating in the establishment of modern burns units, hospitals and joint counter-terrorism training.

These are the examples of the Australia-Indonesia relationship that should be taught in classrooms and referenced often by our leaders. We are the narratives we tell ourselves, and these are the stories that need to be told more often.

## 4.3 Demand side challenge #2: Australian businesses aren't going to Indonesia

Australian businesses have long underperformed in Indonesia despite its enormous consumer market, proximity, and the complementarity of our economies. The reasons are historical and complex, but low levels of Indonesia literacy in the Australian business community are a significant factor on two counts:

[94] Revolusi, David Van Reybrouck, p.297.

1. Low familiarity means many businesses aren't even considering Indonesia as a potential market, often dismissing it outright as too difficult. While Indonesia is our 10th largest trading partner[95], almost half of our $16.42 billion in exports in 2024-25 came from just 5 commodities[96], the sale of which doesn't necessarily require deep engagement with Indonesian counterparts or an understanding of Indonesian culture. Indonesia doesn't even rank among our top 40 destinations for outwards investment. So while there is economic activity, it isn't the kind of activity that generates broad awareness throughout the Australian business and broader community.
2. Many of the businesses that overcome the first hurdle and decide to enter the Indonesian market don't end up succeeding there because they lack the requisite capabilities. Most Australian executives, salespeople and business development managers simply don't understand how to successfully operate in Indonesia's decentralised, relationship-driven business environment, where personal trust (*kepercayaan*) and local networks matter far more than formal contracts. Unlike Japan or China, Indonesia isn't 'systematised' for foreign investors; it requires patient relationship-building, bilingual staff, and a local presence. Few Australian firms have these assets and so they inevitably stumble. These negative experiences then become one more anecdote that turns other Australian businesses off Indonesia. While succeeding in the Indonesian market is undoubtedly challenging in most sectors, low levels of Indonesia literacy make it even harder.

### Perpetuating the doom loop

This demand-supply spiral feeds into the chicken and egg conundrum and links back to the decline in Indonesian studies and Indonesian language. Because more Australian companies aren't succeeding, there isn't large demand for Indonesia literacy, and in the absence of strong Indonesia literacy, more Australian companies aren't succeeding. Those who fail don't often put it down to a lack of Indonesia literacy and those who do succeed don't always attribute their success to their business possessing Indonesia literacy. Either way, the result is that the Australian business community isn't clamouring for the Australian Government to invest more in strengthening Indonesia literacy and few Australian companies are doing the things that will increase demand for more Australians to build their Indonesia capabilities, like investing in scholarships and internships or listing Indonesia literacy as a requisite skill in their job ads.

*Invested 2040* rightly identified the need to address this supply-side failure, and in accordance with the recommendations of the Moore Report, government has begun building institutional frameworks to shift business perceptions, but these remain early-stage and require constant reinforcement.

### Indonesia is often overlooked

Despite its proximity, which should give us a competitive advantage, Australia has historically looked beyond Indonesia to markets further north: Europe and the United States and more recently to Japan, Korea and China. Australia has typically seen Indonesia as a less sophisticated market, whereas in reality it has higher economic complexity than Australia[97] and Indonesia's productivity is growing at a much higher rate[98] (albeit off a lower base). While

[95] www.dfat.gov.au/sites/default/files/australias-goods-services-by-top-15-partners-2023-24.pdf
[96] Just under $7 billion of our total exports to Indonesia came from the $13 billion total came from coal, gold, wheat, crude petroleum and iron ore: www.dfat.gov.au/sites/default/files/indo-cef.pdf
[97] https://worldpopulationreview.com/country-rankings/economic-complexity-by-country
[98] https://data.worldbank.org/indicator/SL.GDP.PCAP.EM.KD?locations=AU-ID

Indonesia's economy is rapidly growing, up until recently its GDP and GDP per capita were dwarfed by Australia's other markets. Global uncertainty and the need for diversification have the potential to elevate Indonesia as a potential market for Australian businesses, but potential won't get us there, unless it is coupled with a comprehensive, long-term multi-pronged market entry strategy, to give Australian companies every chance of succeeding.

### Perceived risk and outdated stereotypes

Many Australian businesses tend to associate Indonesia with political instability, corruption and regulatory and bureaucratic complexities – views that have some truth but are often out of date[99]. As Gary Dean wrote in his recent essay Doing Business in Indonesia 2026, Indonesia has come a long way since the turn of the century and the turmoil of the Reformasi period.

> "*Indonesia is the largest economy in Southeast Asia, a G20 member, and – despite persistent challenges – a country that has confounded many of the pessimists of 2001. Its GDP per capita has roughly quadrupled. Its democratic institutions, while imperfect and not without serious setbacks, have proved more durable than many predicted. Its digital economy is the largest in the region. And through all of this, its cultures – diverse, complex, and ancient – have proved even more durable than its institutions*".

Where negative impressions do match reality, this simply underlines the need for more Indonesia literacy in our business sector, to help Australian companies navigate these challenges. It is not surprising, for example, that the most Asia capable companies as identified in the Asialink Business/PwC Match Fit Report[100] were most likely to be engaging with Indonesia: those who can, do. *Invested 2040* recognised that under-investment is driven by perceptions of risk. Indonesia's youthful, digital middle class is now bigger than Australia's entire population. But until Australian firms invest in understanding Indonesia, not just trying to sell to the market at arms-length, we will keep missing opportunities.

We lack visible case studies of Australian companies succeeding in Indonesia, like Gel Tech manufacturing contact lenses in Indonesia, Living Well Seniors Communities, Ramsay Healthcare, Aspen Medical, Cochlear, SEEK (via JobStreet), Orica, Toll Group and Carbon Revolution. Western Sydney University, where Jennifer Westacott AC – Australia's Indonesia Business Champion – is Chancellor, has established a campus in Surabaya, showing that with the right intent it can be done. But how often do we see write-ups in the AFR about what these companies are doing in Indonesia?

Christian Roell, a fellow AII-grant recipient who is looking into why Australian companies struggle to break into the Indonesian market, has identified a range of factors that contribute to perceptions of risk among Australians: sovereign risk and threats of industry nationalisation, ever-changing regulations, an arbitrary taxation regime, difficulty in securing work permits for foreigners, the multiplicity of licences required to operate, lack of coherence between different Ministries and costly dispute resolution processes. But none of these factors are unique to Indonesia and will be encountered in other markets too. The companies that succeed are the ones that learn how to navigate these complexities, by hiring local talent and expertise, being patient and spending time on the ground. We also need to be careful of our own hubris. As one Australian business said to me, if you think Indonesia is hard, try being a foreign business

[99] Gary Dean captures well the enormous progress in Indonesia over the last 25 years, while remaining clear-eyed about the prevailing challenges: https://garydean.id/works/doing-business-in-indonesia-2026
[100] https://www.pwc.com.au/publications/assets/match-fit-asia-capable-leadership-aug17.pdf

operating in Australia and having to navigate FIRB, three tiers of government, unending layers of bureaucracy and red and green tape, and the many regulatory differences between each State and Territory.

### Institutional investors

The Australian Government is trying hard to encourage institutional investors into Indonesia, hosting delegations to introduce superannuation funds and private equity funds to the market, setting up the Katalis Program and the Jakarta Investment Deal Team[101], supporting the issuing of "Kangaroo Bonds" (AUD bonds issued by foreign borrowers in Australia)[102] and most recently establishing the $2 billion Southeast Asia Investment Financing Facility (SEAIFF). The Australian Government has also signed MOUs with Danantara – Indonesia's sovereign wealth fund[103] - and the Indonesian Investment Authority[104], to increase cooperation and information sharing and help identify opportunities for increased two-way investment.

Despite these positive moves, Indonesia continues to lag as an Australian investment destination. Macquarie is one major Australian player leading the way in Indonesia, but that comes off the back of a more than 10-year presence in the market, building knowledge, relationships and partnerships on the ground. Macquarie's Asset Management's Asia-Pacific Infrastructure Fund is onto its 4th iteration and the $1.5 billion Bersama Digital Infrastructure Asia (BDIA) digital infrastructure platform was oversubscribed, although much of that investment came from Canadian, European and Asian investors rather than from Australia.

Unfortunately, low levels of Indonesia literacy among decision makers and investment committees is coupled with structural impediments. APRA performance tests punish funds investing in riskier markets by benchmarking Australian superannuation funds against each other, rather than global peers that are doing more in Indonesia. While the conservatism of APRA prudential guidance, liquidity buffers and risk management principles are understandable, they create further disincentives for investors that might be considering the Indonesian market. Indonesia's GDP growth will help for those funds that try to peg their portfolio to the global GDP mix, but they still need to identify assets to invest in and local partners they can trust, and that is going to require Australian superannuation funds spending time on the ground.

*Invested 2040* recognised many of these barriers, leading to the SEAIFF as an important first step, but early signs suggest it requires scaling and greater industry take-up. Ultimately, this is a question of risk – both investors' understanding of risk and their ability to manage it. Again, this is the chicken and egg conundrum: Australian investors and investment vehicles perceive Indonesia as a highly risky proposition, in part because they do not understand it and do not possess the Indonesia literacy to manage the risks. The resulting low investment in Indonesia feeds unfamiliarity and scepticism around Indonesia as a target market, which disincentivises Australian firms from hiring for the Indonesia capability they need to manage genuine risks and expand their portfolios in Indonesia.

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[101] https://indonesia.embassy.gov.au/jakt/MR24_051.html

[102] The Indonesian Government issued its first Australian-dollar 'Kangaroo/Kangguru' bond in August 2025, raising AUD 800 million under its AMTN programme, of which it is estimated around one-third was taken up by Australian investors.

[103] https://www.foreignminister.gov.au/minister/penny-wong/media-release/australia-and-indonesia-sign-historic-security-treaty

[104] https://indonesia.embassy.gov.au/jakt/MR24_059.html

### Natural familiarity and finding common ground

While Indonesia hovers around number 10 as a two-way trading partner, those figures mask a shallowness of business engagement. The lion's share of exports are commodities, which don't necessarily require Australian companies to base themselves in Indonesia or set up a local presence, as evidenced by very low levels of Australian investment into Indonesia.

According to the *2025 Australian Business in Southeast Asia survey*[105], only 6% of respondents lived in Indonesia, only 35% of the respondents were operating in Indonesia and only 30% of those surveyed listed Indonesia as a prospective market (behind Vietnam, Singapore, Thailand, Malaysia and the Philippines). Only 16% of respondents to ACCI's 2025 National Trade Survey identified Indonesia as a potential new market, although that represents a relative jump from 11th to 3rd across all prospective markets when compared with the previous year's results.

The Transparency International Corruption Perceptions Index ranks Indonesia 99th and the last World Bank Ease of Doing Business Index ranked Indonesia 73rd.[106] It cannot be denied that Indonesia is not an easy place to do business. But when I've asked Australian businesses to compare Indonesia to another big Asian market like India, the response I generally get is that they feel much more comfortable doing business there. This is despite India's labyrinthine bureaucracy and the fact that it ranks very similarly to Indonesia on those global tables (India is 96th on transparency and was ranked 63rd for ease of doing business).

When I've dug a little deeper, the reason given by Australian businesspeople is almost always a variation on this response: 'When I go to India, I feel like we have more in common. We share a love of cricket, an English colonial history and I have a friend/colleague/classmate from India and we get along well. I just can't say the same about Indonesia'. This might sound superficial but it matters. This lack of basic familiarity and 'cultural touch points' for Australians doing business in Indonesia is a critical factor contributing to our under-investment there.

It is not surprising that Gary Dean, who has worked in Indonesia for over 30 years, places a heavy emphasis on the issue of culture and intercultural understanding in his essay on doing business in Indonesia:

> "*Westerners often forget that they too are products of culture. Many Westerners may subconsciously consider their values to be universal in nature. But whatever our convictions, when communicating with those who may not share a similar worldview, the possibility must be left open that what we believe to be self-evident may not be shared by everyone. After thirty years in Indonesia, this remains, for me, the single most important piece of advice I can offer*[107]".

Despite the tens of thousands of Indonesians who have studied in Australia, we rarely see them employed by Australian companies looking to break into the Indonesian market, to help them bridge the unfamiliarity gap. There is enormous opportunity to leverage this untapped resource, alongside the thousands of Australians who have lived and worked in Indonesia, but who are more likely to be working for foreign multinationals, who value their Indonesia literacy, than

[105] https://austchamasean.com/wp-content/uploads/2025/09/2025-Survey-Web-Edition.pdf
[106] While the World Bank Ease of Doing Business Rankings was discontinued in 2020, it still provides an indicative "apples with apples" comparison between Indonesia and other Australian trading partners.
[107] https://garydean.id/works/doing-business-in-indonesia-2026

Australian companies that have been slow to prioritise language and intercultural capabilities among prospective employees.

### Collegiality

While Indonesian immigration data is not readily available, at least anecdotally, the number of Australian expats in Indonesia on working visas is down, with those coming across more likely to be on short-term, project-based assignments rather than relocating with families for years on end[108]. The Jakarta Bintangs AFL club, which draws its players from Australia's expat community, is a shadow of its former self; it has been a long time since they held the Asian Cup aloft. This also reflects a preference for local talent, accelerated during the pandemic, with companies less willing to shell out lucrative expat packages to relocate Indonesia-literate Australians.

The net impact is fewer Australians on the ground who can provide intel and help to new entrants[109]. This collegiality and insider knowledge is hard to quantify but it is an important enabler. It is an example of an important type of Indonesia literacy that isn't necessarily language fluency, but rather a deep familiarity with the Indonesian market and the ins and outs of doing business there.

In the 1990s and early 2000s, the Australian Embassy was very active in bringing the Australian expat business community together, with barbeques and social events on the Embassy grounds. There also used to be a business directory that contained the identities and addresses of all the Australian businesses in Indonesia. Due to security concerns neither of these exist anymore, contributing to the lack of natural affinity and familiarity that was generated by these social business connections.

### Nature of the Australian economy and business culture

Australia's business ecosystem is domestically oriented and resource-heavy, not regionally entrepreneurial. Most large firms have prospered on domestic consumption, mining exports, or Anglo-American markets. Few mid-tier firms have Asia strategies, and our venture-capital and SME sectors remain cautious about emerging-market exposure. Unlike Singapore or South Korea, we don't train or reward regional fluency; our MBA programs, trade promotion agencies, and business chambers still favour Western models of expansion. We need to adapt our business models – profit sharing rather than fee-based, relationship-oriented and long-term time horizons.

Indonesia is a tough market but that gives Australian companies who can work out how to manage the risks a competitive advantage. In the words of Craig Fitzgerald, Group CEO of Aspen Medical, "Australian businesses looking to penetrate the Indonesian market need to live by three words: Patience, Presence, Persistence. They need to have flexible and adaptive decision making, budget and business plans and that same agility will be increasingly important for Australian companies domestically as they face increasing uncertainty and volatility".

The way to succeed in Indonesia doesn't lend itself to the impatience, risk appetites and expected return timeframes of many Australian companies. As Ben Cass, President Director of Living Well Senior Communities said in his interview with Helen Brown in the *Bisnis Asia* podcast, you can't just fly in with a pitch deck and expect a deal to be done. Your partners need

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[108] https://understandingindonesia.com/expats-in-indonesia-have-changed-todays-expat-vs-the-pre-pandemic-era/

[109] While it is self-selecting, only 6% of respondents to the 2025 Australian Business in Southeast Asia Survey lived in Indonesia.

to know you'll be in for the long haul – it could be five years or more before you start generating a sustained profit. Aspen Medical and Macquarie both spent 10 years on the ground getting to know the market before big investments took off.

On the surface, there seems to be significant complementarity between what Indonesians want and need and what Australia has to offer, including around education (especially VET), managing the impacts of rapid urbanisation, addressing climate change and food and nutrition. But these opportunities won't just manifest themselves; they are all in areas that require deep and sustained engagement. And if we don't start building those industry-wide connections now, we will lose out to growing competition from other countries like China, which is already competing on quality, whereas before their main advantage was price.

### It's a two-way street

It's easy to frame the limited Australian business presence in Indonesia as a one-sided failing, but the lack of engagement is a two-way street. While Australian firms often display a cautious or short-term mindset toward Indonesia, driven by limited language skills, poor cultural literacy, and risk aversion, Indonesia has also not made it easy for foreign investors.

The country's shallow equity and debt markets restrict the kinds of financing and exit options that Australian companies expect. Regulatory uncertainty, inconsistent enforcement, corruption and a complex bureaucracy make even routine business operations cumbersome. Despite its significant infrastructure needs, Indonesia's project pipeline is not yet 'superannuation ready', with many projects still greenfield, too small-scale or not yet structured in a way that is familiar to the Australian superannuation market.

Australia has a thriving SME sector and a large number of publicly listed companies, with high levels of transparency, diverse shareholders and quarterly reporting. By contrast, many of the Indonesian companies with whom Australians will need to partner to succeed in the market are either family-owned or State-Owned Enterprises, without the same levels of transparency, corporate governance or public reporting requirements.

Unlike Singapore or Malaysia, Indonesia has not yet developed a large, sophisticated middle layer of importers, distributors, and service providers capable of facilitating smooth partnerships with overseas firms. Consequently, Australian exporters and investors face structural barriers that go well beyond attitude or awareness.

There are also practical and social factors that deter deeper Australian corporate engagement. By most objective measures - including Mercer and ECA's global expatriate rankings - Jakarta remains a harder posting for expatriates compared with Singapore, Kuala Lumpur or Bangkok, due to congestion, infrastructure limitations, environmental quality and access to services such as healthcare and schooling.

Historically shaped by a traumatic colonial experience, Indonesia has been understandably cautious about allowing extensive foreign ownership or large-scale expatriate workforces, and that sentiment still influences policy settings today. While recent reforms, such as the Omnibus Law and the Online Single Submission system, aim to improve the business environment, investors still want greater predictability and reciprocity. A step change will require an Indonesian government that actively rewards Australian firms investing for the right reasons - those building local skills, sustainability and long-term partnerships - while also cultivating outbound Indonesian investors and intermediaries who can act as genuine bridges to Australia.

Indonesia is just as ambivalent towards Australia as a source of trade and investment as we are to them - like us, Indonesia looks further north. So we need to try harder to convince them that we matter. Japan, Korea and China have already seen Australia as a huge partner with potential. We need to remind Indonesia that if they don't want us, others like Vietnam and India will, and Indonesia will miss out on valuable opportunities too.

### Policy fragmentation

These challenges are compounded by the absence of a coordinated, multi-sectoral approach. Recommendation 1 of the *2040 Strategy* calls for a *whole-of-nation plan to build Southeast Asia literacy* precisely because business, education, and diplomacy operate in silos. Austrade, DFAT, and state deal teams are doing good transactional work, but without the people-to-people and language underpinnings, those deals remain piecemeal.

While the Australian Government has made efforts to deepen commercial engagement through initiatives such as the Jakarta-based Deal Team, the Austrade Landing Pad, and periodic trade missions led by federal and state governments, these interventions are neither intensive nor sustained enough to shift entrenched business perceptions or overcome the practical barriers of entering the Indonesian market. These initiatives tend to operate episodically - a burst of activity around a ministerial visit or trade fair - followed by long periods of absence or limited follow-up. The Landing Pad in Jakarta, while useful for startups and smaller firms seeking initial market exposure, lacks the scale, sectoral depth and ongoing mentoring needed to support Australian businesses through Indonesia's complex regulatory and cultural landscape. Compared to Singapore's or Korea's trade support ecosystems, which provide months of tailored incubation, in-market coaching and partnership brokering, the Australian presence in Indonesia remains modest and reactive.

A more ambitious and better-resourced presence is needed across key institutions like the Australian Embassy, Austrade, and the AIBC. The Embassy's economic section is already one of Australia's largest globally, yet it remains stretched across a vast array of policy, trade, development and security priorities. Austrade's Indonesia office has deep expertise but limited capacity to provide the level of hand-holding that first-time market entrants often require: helping firms navigate local licensing processes, identify trustworthy partners, and understand the subtleties of labour, tax and subnational regulations. Meanwhile, the AIBC, though energetic and volunteer-driven, is underfunded and lacks the professional staff and data analytics capability to provide meaningful, ongoing intelligence or after-care to Australian firms once they are on the ground. Without sustained institutional investment and continuity of relationships — not just episodic missions — these well-intentioned mechanisms will continue to fall short of creating the confidence Australian business needs to treat Indonesia as a serious long-term partner rather than a speculative or one-off venture.

## 4.4 The supply side challenge: Australia's education system is broken when it comes to the teaching and learning of Indonesian

Studies of Indonesia and Indonesian language are in terminal decline across Australia. At university level, only 500 out of 1 million students study *Bahasa Indonesia*. There is a shortage of qualified Indonesian language teachers and many remaining Indonesian teachers are close to retirement age. According to one of the people I interviewed, in the last 2 years Monash University has graduated a grand total of 2 Indonesian teachers.

The number of students enrolling in Indonesian at senior secondary school and university is lower than it has been since Robert Menzies was Prime Minister. In 2010, almost 1,200 students were enrolled in Year 12 Indonesian. In 2024 that number was down to just 486 students. Tim Watts MP has referenced warnings from experts that on the current trajectory, no Australian schools will be left teaching Indonesian by 2031. Students rarely encounter Indonesia beyond their Indonesian language classes, despite the opportunity to inject Indonesia content into all subject areas through the introduction of Asia and Australia's Engagement with Asia as a Cross Curriculum Priority.

The 2023 data shows another significant (3.9%) year-on-year decline in the number of Australian students studying languages at Year 12 level. This equates to approximately 700 fewer Year 12 students studying languages nationally in 2023 compared to 2022, with the biggest decline in enrolments observed in Indonesian (down 12.4%), followed by Chinese (down 9.4%) and Japanese (down 5.3%). Australian students spend half the hours of other OECD member state students each week studying another language, making it harder to achieve fluency and demotivating students to continue with their language studies. While our multiculturalism should be a natural advantage, in a 2018 OECD survey of 15-year-olds, Australia ranked second last out of 64 countries for participation in second language study, with only 36% of Year 10 students learning a language other than English.

While the downwards trend is not unique to Indonesian, it is particularly dire for Indonesian, for some of the reasons set out below. My view is that the primary driver of this malaise comes not from the education supply side, but rather the demand side, driven by low levels of Indonesia literacy and engagement across the Australian business community and the broader Australian public. Without that pull factor, without a stronger demand for Indonesia literacy, it is little surprise that the education system is failing to shore up the supply side.

Three other factors have uniquely affected studies of Indonesian:

1. **Bali bombings**: The 2002 bombings, which killed 202 people including 88 Australians, brought an end to school and university trips to Indonesia almost overnight. I was studying at Universitas Gadjah Mada at the time and was ordered home immediately by Monash University (although I remained, under great duress). The Bali bombings had two equally devastating impacts on Indonesian studies.
    a. Firstly, risk ratings and insurance premiums went up and for more than a decade schools and universities did not send staff or students to Indonesia, taking away the biggest motivating hook for language learning. We effectively lost a generation of Indonesia literate Australians, including many who would have gone on to become Indonesian teachers.
    b. Secondly, it reinforced in the minds of the parents, teachers and principals the misperceptions linking Indonesia with Islamic extremism and provided yet another low point in the Indonesia news cycle. From bombings to East Timor to the Bali 9 executions, no other language sees its enrolments tied so closely to negative news cycles. Teachers reported parents withdrawing their children from Indonesian class following the Bali bombings, something that rarely happens with other languages.
2. **Lack of foreign national government support**: Unlike most other major languages taught in Australian schools and universities, Indonesian receives relatively little support from the Indonesian Government. There is no Indonesian version of the French *Alliance Française,* Chinese *Confucius Institute* or German *Goethe-Institut*, which

means there is no central institution to develop resources, coordinate teacher professional development or host language-based cultural activities.

3. **Lack of 'cool' factor and prestige**: China has a strong global success narrative and presence on social media platforms like Tik-Tok. Japan has anime and globally recognised cuisine. India has Bollywood and cricket. South Korea has K-pop and K-dramas. Indonesia, on the other hand, lacks a globally marketed cultural product that Australians instantly recognise and no major globally visible youth-culture ecosystem. Australian kids rarely discover Indonesian via music, fashion, gaming or film; they usually only encounter the country within the four white walls of their classroom. In short, Indonesian just isn't seen as cool.

At every level of our education system there are structural challenges that are making it difficult for Indonesian to survive, let alone to thrive.

### 4.4.1 Pre-school and kindergarten

The teaching of Asian languages and culture at pre-school level often depends on whether an educator on-site has cultural familiarity. While comprehensive data is not available, it is not evident that many Indonesian speakers fill the ranks of Australia's early childhood workforce.

Indonesian is among the 13 languages offered through the digital ELLA program[110], which can be a useful introduction with greetings, colours and songs, but this still requires a motivated educator to choose Indonesian resources from the ELLA toolkit.

### 4.4.2 Primary school

To give an example of how States and Territories are struggling to maintain Indonesian at the primary school level, in Queensland there are currently 9 teachers working across 19 schools. In 2026, if intervention by LTQ (Language Teachers Queensland) is not successful, this is likely to drop to 8 teachers and 15 schools. This then has a flow-on effect to high school. In the junior and middle secondary school sector, there are 11 teachers working in 8 schools. This will hopefully hold steady in 2026 but is expected to fall further in 2027. In the senior secondary school sector, there are 4 teachers working in 4 schools, likely dropping to 3 teachers in 3 schools in 2026.

Apart from the system-wide lack of qualified teachers, there are not enough contact hours in the primary school calendar for students to develop a meaningful level of language fluency. There are also very few high quality and engaging incursion or excursion options available for primary school Indonesian students. As a result, many students, having theoretically received 7 years of language education, reach high school well short of fluency and therefore disillusioned about the cost-benefit payoff of learning a language. Those who do have a positive primary school experience, to the point they are motivated to continue it at secondary school, often find themselves at a school that doesn't offer the language, meaning distance education is their only option to persist with it.

Bilingual schools and CLIL (Content and Language Integrated Learning) – an educational approach where students learn other subjects through a second language – are high-impact approaches that could be piloted in some primary schools to super-charge Indonesia literacy and rebuild the pipeline of Indonesian learners. This would require sustained funding, buy-in

[110] https://www.ella.edu.au/

from parents and school communities and a long-term partnership with one or more universities, but it would be a beacon to the rest of the education system about what can be achieved.

### 4.4.3 Secondary school

Secondary school is where Indonesian faces its biggest hurdle. One of the best analyses I've come across is from Alice Morgan, in her paper *Surviving rather than thriving: Indonesian language education in Australian high schools*[111], although I don't think she sufficiently acknowledges that the headwinds facing Indonesian are blowing stronger than those facing other languages.

While a diminishing group of hard-working passionate and inspiring teachers continue to do amazing work, across every year level there is a dearth of qualified teachers armed with engaging, curated resources and contemporary lived experience. Indonesian enrolments drop off at three separate attrition points:

- Year 7: where fewer schools are offering it and it is increasingly rare that students who studied Indonesian in primary schools can continue to at their local high school.
- Year 9: at which point Indonesian is the only core subject that is converted to an elective, where it has to fight for space in a crowded curriculum against subjects that appeals to this age group, like PE, Media or Robotics.
- Year 11: when concerns about study scores, ATAR weightings and employability start to bite.

The Australian education system does not in practice value Asian languages and Asia literacy as a core capability. We have failed to embed the cross-curriculum priorities in any meaningful way, and in the rare situations where Asia content has been sprinkled across other subject areas, Indonesia is rarely the country of focus.

According to the Australian Federation of Modern Language Teachers Associations – National Languages Plan and Strategy (2024), 127,600 students studied Indonesian in Australian government schools in 2021, about 12% of all language enrolments. Of these:

- 101,300 were in primary schools (F–6) → 14% of all primary language enrolments.
- 26,300 were in secondary schools (Years 7–12) → 8% of all secondary language enrolments.

Enrolments have declined by 25% since 2005 (from 170,300 to 127,600), while total language enrolments increased 20% nationally. At Year 12, Indonesian fell from 6.4% (2006) to 2.6% (2020) of total language enrolments - now just the 7th most studied language. Across school and tertiary levels, Indonesian language participation has halved in one generation, a decline steeper than for any other major Asian language[112].

As discussed above, there are three big 'attrition cliffs' in high school where Indonesian uptake drops.

[111] https://studentjournals.anu.edu.au/index.php/aurj/article/view/768

[112] Thai and Vietnamese have seen a bigger drop, but they have always had lower numbers as they are mostly taught as community languages for heritage speakers.

### Attrition at Year 7

Because Indonesian student numbers progressively fall across each year of high school, Year 7 is the most crucial year for rebuilding the demand pipeline. Students who fall in love with the language in their first year are more likely to stick with it. Once a student drops the language, they rarely come back to it. For those students who have studied Indonesian since primary school, but it cannot be automatically assumed they will continue it. The move to secondary introduces real pressure - new school, new social landscape, competing priorities. Indonesian has to earn its place again.

Where Indonesian is offered alongside other languages, students are more likely to take up French or Japanese. But in an increasing number of schools, this is a moot point, because Indonesian isn't even offered. While we don't know exactly how many Australian schools are currently teaching Indonesian, we do know that number has significantly declined over the last 20 years. With fewer schools offering Indonesian, even where students start high school having studied Indonesian at primary school, many are forced to study whatever other language is available to them. While technology offers enormous potential for students, currently it is very rare for a student to study Indonesian via distance or online learning.

Decisions around which language to teach at a school are generally made at local level, by the principal and parent community, not by the education department. This is where low levels of Indonesia literacy in our community have a direct impact. There aren't enough advocates for the language at the point at which these decisions are taking place: at the school level. Even when a school has been offering Indonesian, when the current teacher retires (unlike other subject areas there will usually only be a single Indonesian teacher in each school), then with a shortage of qualified teachers, most schools will take the path of least resistance and drop Indonesian altogether.

### Attrition at Year 9

This is the fall-off-a-cliff year for Indonesian, when it is no longer compulsory and must compete with a dizzying array of choices, like Outdoor Education, Drama, Music and Computer Technology, all of which are often seen as easier, more 'valuable' or more enjoyable options. It is also a time when peer pressure is in full force, so even if a student might be interested in continuing with Indonesian, they are more inclined to go with the pack. If a student isn't hooked on Indonesian by now, if they haven't fallen in love with all it has to offer, and demonstrated success with speaking it, then they are unlikely to continue with it. One response might be to group electives in different streams, with students having to pick at least one elective from each stream, so that Indonesian isn't competing against all other options. Even better would be to make languages compulsory like other core subjects, alongside science and maths.

Some teachers have identified an interesting trend whereby this generation of students, who are more accustomed to asynchronous communication via their smartphones, are increasingly anxious in classes where they are on their feet having to engage in spontaneous verbal communication. This anxiety is a contributing factor for some students dropping Indonesian (and other language subjects with a large oral component). This trend, among some students, underscores the need for teachers to adapt their approaches, and the resources they are using in class, to ensure they are catering the evolving needs and learning styles of their students.

Ultimately, the reasons why students do not continue to study a second language are individual to each person. In her research[113], Stephanie Clayton (University of Tasmania) has shown that declining enrolments aren't merely because students don't want to study languages, but often because they can't, because of structural barriers like timetabling constraints or availability of qualified teachers. Where a school does not offer Indonesian at VCE level, the prospect of having to continue the subject via distance education or at a neighbouring school means the student will likely drop out.

### Attrition at Year 11

By Year 11 the spectre of ATAR hangs over every student, as they worry about study score weightings, competing with native language speakers and the relative difficulty of a subject which is entirely exam based in many jurisdictions. Someone like me, who got a study score above 40 when I studied Indonesian 20 years ago, would probably get less today because the nature of the exams is objectively much harder. Ken Cruickshank has done important research in NSW into the structural features of ATAR that disadvantage languages through preferential scaling – 'the ATAR is forcing kids to drop languages'[114]. Indonesian is also not a prerequisite for any university courses, unlike Chemistry for getting into Medicine or Physics for Engineering. Teachers also reported that the lack of streaming between native and non-native speakers of Indonesian in some jurisdictions is a further disincentive for the latter to continue the subject beyond Year 10.

### Other factors that are contributing to a decline in Indonesian language learning at high school

**Lack of coordination**: Languages policy – from teacher training, to data collection to resource development – is scattered across institutions and jurisdictions. We need a national body that is able to pull these pieces together and bring coherence to the sector. This report proposes the concept of a National Institute of Languages Education (NILE), to play this coordinating role. This entity would need to be better resourced and have a stronger mandate than the National Languages and Literacy Institute of Australia, which was established in 1990 and coordinated policy, research and professional development for language teachers. A newly established NILE needs to be embedded in and accountable to National Cabinet level processes, with a clear mandate, a public engagement program and focus on both the supply and demand-side of the Indonesia literacy challenge.

**Teaching resources**: There is a lack of high quality, engaging, contemporary teaching materials and incursions are often limited to gamelan performances. This applies equally to primary school Indonesian. While it is possible for Indonesian teachers to create their own resources, tapping into a plethora of films, music and videos, this is extremely time consuming for teachers who are already time poor and stressing about whether their subject will continue next year.

Pondok Bahasa[115] – an Indonesian languages resources site started by a couple of former Indonesian teachers – has produced some really engaging materials, but paid licensing models are challenging for government school teachers, with little to no resource budgets. The Australian Government, through Education Services Australia (ESA) and the Australian Curriculum, Assessment and Reporting Authority (ACARA) offers some Indonesian resources

[113] https://onlinelibrary.wiley.com/doi/full/10.1111/flan.12605?msockid=39b4129588486ddf2207065789476cba

[114] https://greekherald.com.au/news/australia/academics-warn-australian-tertiary-admission-rank-ruining-study-languages-nsw

[115] https://pondokbahasa.com.au/

through the Scootle platform[116], but these are far from comprehensive. The Languages and Multicultural Education Resource Centre (LMERC)[117] provides access to non-English resources and online catalogues but they are not mapped to the Curriculum. While many positives will come from the government's social media ban, it will be a problem for the best Indonesian teachers, who regularly use platforms like Instagram for engaging content. It would make sense to leverage an existing education platform like Scootle to host a dedicated stream of Indonesian material, but it would need to be closely vetted and adequately funded.

In the words of Andrew Catton, founder of Pondok Bahasa:

> "What teachers need is content that is curated, not just collected. Thematic, purposeful, built to a standard. Engaging enough to hold a thirteen-year-old's attention and structured enough to actually teach them something. Aligned to the Curriculum and reflective of the Indonesia students are curious about, not the Indonesia of twenty years ago. And it needs to be managed properly – with clear communication, consistent updates, and someone accountable for quality over time."

**The Indonesian we teach isn't always what they speak**: We teach a very formal version of Indonesian to Australian school students, who quickly realise when they travel to Indonesia that Indonesian kids their age speak a less formal, colloquial version of the language (*Bahasa Gaul*) and many Indonesians in their home and with their families don't speak *Bahasa Indonesia*, but rather a local dialect like Javanese, Sundanese or Batak.

**Lack of Indonesia content across the curriculum**: Indonesian language learning isn't supplemented by Indonesian studies in other subject areas. We can't just rely on Indonesian language classes to do all the heavy lifting on Indonesia literacy. Throughout their schooling journey, a student will likely learn about French history, French literature and French politics, without even learning French language, but the same can't be said for Indonesian. While there is nothing stopping a high school history teacher from teaching Indonesian history in their class, very few Australian history teachers are familiar enough with Indonesian history to choose it or confident to teach it[118].

In addition to embedding more Indonesia content across the Curriculum, we also need to foster more advocates within schools, for example by having non-Indonesian teachers and Principals and Vice Principals accompany students on trips to Indonesia to increase their own familiarity. Proactive Indonesian teachers in schools with strong programs collaborate with Art and Food Technology/Food Studies teachers to help them design Indonesian content to integrate into those other disciplines, but again this puts a lot of pressure on a single Indonesian teacher. We should also be offering study tours to Australian teachers and school leaders to visit Indonesia and learn about it, a successful strategy undertaken by Asialink Education in the 1990s and 2000s.

This same point applies to the tertiary sector, although some respondents argued that the replacement of the area studies approach to Asia education (Asian Studies, Indonesian

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[116] https://www.scootle.edu.au/ec/p/home

[117] https://www.schools.vic.gov.au/languages-and-multicultural-education-resource-centre

[118] There are lessons to be learned from the Civics and Citizenship results. The dismal 2024 assessment results by ACARA showed that simply having something in the curriculum doesn't guarantee uptake. Embedding Indonesian literacy across the curricula of all subject areas, without supporting teacher capacity, resources, and consistent implementation, is unlikely to be enough.

Studies, etc.) with 'mainstreaming' (including references to Asia in discipline-based studies of politics, economics, history, etc.) may have given more students some exposure to the region, but at the expense of depth. Indonesia seems to have lost out to this approach, compared with studies of China or Japan, or even South Asia, because of the greater perceived importance of those regions in the study of global politics, economics, history, etc.

### 4.4.4 Teaching workforce

The most critical factor for incentivising students to continue their Indonesian studies throughout high school — at every attrition point — is an engaged and engaging teacher, armed with contemporary resources and lived experience about Indonesia. I had two inspiring Indonesian teachers: Pak Dirk Stobbe (who sadly passed away as I was finalising this report) and Pak Alistair Welsh (who went on to teach at Deakin University), but not everyone is so fortunate.

The strength of our teaching workforce is a major problem for Indonesian studies in Australia. There is no overarching professional body for Indonesian teachers and there is a dearth of local, online and in-country professional development opportunities. Curriculum differs between States and Territories, making it hard to leverage economies of scale, and there aren't enough, modern, engaging, curated resources for Indonesian teachers to use in the classroom, or for other subject teachers to use to embed Indonesian content in their subject areas. Is it any wonder students are dropping the subject at the first opportunity?

Only 20% of Australian Indonesian teachers self-report as holding Level 6 proficiency (the highest level) and over 20% rate themselves as holding low proficiency (Level 3 or below), worse than any major language apart from Japanese. Around 75% of Indonesian teachers were born and educated in Australia (the second-highest proportion after Japanese teachers), and only 16% were born in Indonesia, the lowest proportion of native speakers of any major language cohort[119].

We need Indonesian teachers spending more time in-country, to improve their own Indonesia literacy, confidence and repertoire of anecdotes for use in the classroom. If teachers have the capability and confidence to teach languages in an embodied and contextualised way, this will help address the disengagement and retention issues for both teachers and students. Australian governments at National, State and Territory level also need to work together to lower the barriers to entry for Australians with Indonesian heritage and highly qualified Indonesian nationals to enter the Australian teaching workforce.

Of the great Indonesian teachers who do remain, working tirelessly to keep the language alive, many of them are close to retirement and the dire state of Indonesian language learning in our country is only going to accelerate burnout and compound the problem. Indonesian has the oldest teacher cohort of any major language, with only 14% of Indonesian teachers under the age of 40 and 62% over the age of 50[120]. This reflects a shrinking pipeline of early-career Indonesian teachers.

Through initial teacher education and ongoing professional development, we need to reconceptualise the teacher's role in language education and give teachers the tools they need

[119] Australian Federation of Modern Language Teachers Associations – National Languages Plan and Strategy (2024): https://nlps.afmlta.asn.au/
[120] The State of Languages Education in Australia, AFMLTA Research Project One, p.55: https://nlps.afmlta.asn.au/afmlta-report-1-2024-v3-digital-2/#flipbook-df_323/1/

to make Indonesian relevant and attractive to students in the 21st Century. We need to start selling the transformative value of learning Indonesian rather than just focussing on learning vocabulary (the easiest part for replacement by artificial intelligence). Teachers must be involved in the creation of contemporary, engaging teaching resources, rather than the resources being developed by a third party and dumped on them. Educators also need to be given dedicated time within the school day to familiarise themselves with the best resources and actively engage in communities of practice. State-based Indonesian teacher associations like VILTA (Victoria) and INTAN (South Australia) can play an important role in supporting and strengthening the profession, but need to be better resourced and nationally coordinated.

Teachers also reported a lack of respect from parents, students and school leaders. Teachers who taught Indonesian and another subject (i.e. English or Maths) saw the same students treating them differently in each classroom, mucking around in Indonesian but trying harder in core subjects. At parent teacher interviews, parents were dismissive if their students weren't performing in Indonesian class ('it's not a big deal, as long as they're doing well in Maths and English'). More collaboration using a Community of Practice model that brings teachers together to share what is working well (and what isn't), possibly facilitated by universities, would help to provide support, validation and collaboration for teachers in the field. Elevating the profile of Indonesia literacy in Australia and embedding in-country experiences in Indonesian teaching degrees could also help to make language teaching a prestigious, sought-after teaching career, helping to lift the recruitment of teachers in a general climate of teacher shortages.

### 4.5.5 Universities

The various structural and cultural problems besetting the Australian university sector are outside the scope of this report. Many far more qualified than me have covered this at length, including Professor George Williams in his recent essay *Aiming Higher*[121]. Australia was once a global leader in Indonesian studies, attracting the best and brightest academics and educators from around the world – luminaries like Herb Feith, Jamie Mackie, John Legge, Harold Crouch, David Hill and Ed Aspinall. However, the corporatisation of universities, escalating course fees and narrow cost-benefit analyses being applied to what and how to teach, have all contributed to a reality where barely a dozen universities are still teaching Indonesian across the country. Of these, many have dropped face-to-face tutorials and moved to entirely online delivery.

The Job-Ready Graduates (JRG) scheme, and the message it sends to prospective students, has had a detrimental impact on Indonesian language and Indonesian studies programs at Australian universities[122]. By increasing student fees for most humanities subjects – including languages - while simultaneously reducing Commonwealth funding to universities delivering them, the JRG created a perverse incentive: universities receive less money per student to run Indonesian programs and students pay more to study them. Indonesian did receive a 10% 'discount' under the JRG, vis-à-vis other non-languages Arts subjects, but fees still went up. For smaller languages like Indonesian, where enrolments were already fragile, this has accelerated course closures, reduced staffing, and undermined the long-term viability of Indonesian studies departments.

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[121] https://www.westernsydney.edu.au/news-centre/stories/2025/aiming-higher-distinguished-professor-george-williams-on-the-future-of-australian-universities

[122] https://andrewnorton.id.au/2024/07/18/job-ready-graduates-price-effects-an-update-with-2022-enrolment-data/

The economic signal embedded in the JRG tells students that Indonesia literacy (along with international studies, history and anthropology) is considered low-value and less likely to secure them a job. They receive this message from their university, the government that funds their degrees, and ultimately the Australian public. In reality, humanities subjects provide the social and critical thinking skills that students are going to need to thrive in our complex and changing world. Jennifer Westacott AC, Indonesian business champion, who holds a Bachelor of Arts (Honours) from UNSW and served as chief executive of the Business Council of Australia for 12 years, has stated that all successful 21st Century leaders need "some form of humanities perspective and education" – skills like critical thinking, synthesis, judgment and ethical understanding[123].

Acicis and the New Colombo Plan (NCP) have been a godsend for tertiary students, offering in-country immersion programs that help to accelerate language fluency but also provide students with real-world exposure to Indonesia, thereby strengthening all aspects of their Indonesia literacy. However, other programs have been less successful. Many universities offer a version of 'Business in Asia' internships, but take-up varies. The cost of degrees and rising cost of living creates an equity issue for in-country programs. While programs like the NCP and Monash University's Global Immersion Guarantee[124] provide subsidies and support for students to be able to afford the in-country opportunities, in practice many students — especially from low socio-economic backgrounds — cannot afford to forego their paid employment to spend time in Indonesia, particularly over the Summer break.

Another shining light for the tertiary sector is the number of Indonesian students studying in Australian universities and the growing number of Australian offshore campuses in Indonesia, which also serves as an important soft diplomacy tool for Australia. This revenue-generating activity is yet to translate into the strengthening of Indonesian teaching for Australian students, although the 2025 reforms to the NCP now allow Australian universities to send their students on an NCP program to their offshore branch campus. We need universities to step up and become market makers rather than market takers, advocating the importance of an Indonesia literate Australia to all prospective students, to their staff and to policy makers.

It is not good enough for universities to say they are cutting Indonesian courses because not enough students are choosing to study the discipline, when they know full well all the factors that are making it so hard for Indonesian to grow. This shows a lack of leadership and suggests universities have surrendered their once noble role in helping to shape national interest and discourse. In this Asian Century, to be able to speak with congruity and integrity when promoting themselves as global institutions, universities must be at the forefront of promoting Indonesia literacy.

### 4.5.6 VET, TAFE and other adult education

It is even more difficult for students studying at a TAFE or VET provider to study Indonesian language or studies, although some do offer the odd short course. This is despite the obvious benefits, for example someone having a dual Indonesian/Electrotechnology qualification in the context of Indonesia's growing renewables sector. In the adult education space, in the absence of an Alliance Francaise equivalent, Australians have few options beyond community-led

[123] https://humanities.org.au/power-of-the-humanities/parents-heres-why-you-should-stop-steering-your-kids-away-from-the-humanities-2/
[124] https://www.monash.edu/flagship-rich-experiences/gig

offerings like the Balai Bahasa dan Budaya in Perth. TAFEs and RTOs are supposed to be providing a more 'practically oriented' education, but what is more practical than learning another language in a global jobs market?

Another key reason why the VET and TAFE sector should be leaning into Indonesia literacy is because of the enormous commercial opportunities in a country like Indonesia, where educating their next generation is arguably that nation's highest priority. Making Indonesia literacy a greater priority, and including it in both course offerings and job ads, would greatly increase Australia's chances of tapping into this growing market. Indonesia's upskilling requirements are significant, with youth unemployment around 16% or 3-4 times higher than the national unemployment rate. Consideration also needs to be given to the tight regulatory regime around Australian RTOs, which makes it hard for them to compete in Indonesia. Many local providers prefer United Kingdom to Australian qualifications, because that regime is more cognisant of local realities.

Many VET providers excel in producing targeted, practical training, with industry-aligned content that is developed alongside business and with seasoned practitioners. They could be partnering with business chambers and Australian businesses that are already operating in Indonesia to create short courses for businesspeople who are planning to travel to Indonesia or adults who might have studied Indonesian at school to refresh and maintain their language skills.

### 4.5.8 We cannot allow the situation to deteriorate

The sad reality is that across every part of the Australian education system, we are failing to provide the opportunities, incentives and quality offerings necessary to build an Indonesia literate population. Much needs to be done, and urgently, or we will find ourselves with an education system where our nearest Asian neighbour is absent from our classrooms. We cannot let this happen.

# 5. So, what do we do about it?

## 5.1 We need a coordinated, multi-sectoral, national response

The decisions we make today will have a lasting impact on the Australia-Indonesia relationship, Australia's place in Asia and the world, and our social and economic prosperity. At this critical juncture, Australia must make strengthening our Indonesia literacy a priority. Not an initiative here and an MoU there, but a serious, long-term, whole-of-government priority. It has been more than 30 years since Paul Keating said that 'no country is more important to Australia than Indonesia', then allocated funding to back it up, primarily through NALSAS. It has been over 15 years since the Rudd Government introduced NALSSP and Julia Gillard released the Asian Century White Paper, with its ambition that all Australian students would have access to one of four priority Asian languages, including Indonesian, through to Year 12 by 2025.

It is now 2026. We need another watershed moment. And this time we need it to stick.

Yes, this will require dedicated and sustained funding and a nation-wide, coordinated effort. But equally important is a loud, unified message that Indonesia is critical to Australia's future. We need to hear this from the Prime Minister and every Cabinet Minister, with bipartisan support from the Opposition. We need to hear it from our CEOs and CFOs, from our Vice Chancellors, our principals and our community leaders. We need to elevate Indonesia and the necessity of Indonesia literacy in in our national consciousness.

Across every sector, every board room and every education institution, we need to embrace the reality that Indonesia is now even more important than it was in the 1990s, when its potential was only just starting to emerge. We need renewed enthusiasm and a clear message that will galvanise and catalyse all of the allies, advocates and existing Indonesia literacy infrastructure, to build something significant, impactful and enduring.

We will know we are heading in the right direction when our two-way trade, investment and tourism starts to match our proximity and the size of our two countries' economies and ambition, and when levels of Indonesian studies start to rise again. But we will really know we have succeeded when we start seeing more people with Indonesian backgrounds and deep, Indonesia experience in decision-making positions - Cabinet Ministers, Chiefs-of-Staff, VCs, CEOs, Board Members, Departmental Executives, School Principals. Only then can we be assured that the job is done.

As Tim Watts said to Darren Lim recently in his podcast Australia and the World[125]:

> *'We are running a Parliamentary Inquiry to look at this closely but my view is that breaking this cycle is going to take some strategic interventions that address this challenge at a systems level, so interventions that create pathways for individuals to develop their Asia capabilities over time, and create incentives for them to continue taking those next steps. I do say that it begins with a choice – do we want to be able to make our own way in the region? If we do, then we need to build the sovereign capabilities to be able to do that.'*

The state of Australia's Indonesia literacy is the definition of a market failure that will require government intervention to address. I am not among the doomsayers who would classify it as

[125] Australia in the World, Episode 169, 20 October 2025.

completely broken – there are as many existing strengths from which to build as there are glaring weaknesses. But there are clearly parts of the ecosystem that need a major shot in the arm – top of the list being replenishing and recharging our Indonesian teaching workforce and addressing the terminal decline in Indonesian language learning. But as I have presented in this report, the state of Indonesian studies in Australia is both a symptom and a cause of our low levels of Indonesia literacy across all sectors, especially in the business and investment community – the chicken and egg conundrum.

What is going to improve the quality and quantity of Australia's engagement with, and understanding of, Indonesia?

A range of short and long-term interventions under each of these pillars have been presented to me through my interviews and questionnaire. A further tranche of proposals will inevitably emerge from the almost 200 submissions to the Asia Capability Inquiry. A long list of interventions from my research is provided at **Appendix J**. Inevitably, many of the proposals fall on the supply-side (the teaching and provision of Indonesian language and studies), with not enough being presented to address the demand-side of the challenge. While each of the interventions listed in **Appendix J** has merit, of course we cannot do everything. Not only would it be prohibitively expensive, it would also be inefficient. There is overlap in many of these suggestions and in the whack-a-mole reality of policy reform, if we pull some levers, we will trigger new problems.

As we have seen the last two times the Australian Government attempted to supercharge Indonesian language learning — first in the early 1990s then again in 2009 — focussing predominantly on the supply side will not get us there, and the positive impacts of the investment will diminish over time.

What we clearly need is a multi-pronged approach, which targets the following objectives in parallel, and with equal importance given to each:

1. National leadership: Deliver a coordinated, cross-sectoral response through Cabinet-level prioritisation and the establishment of enduring institutions.
2. Lift public awareness: Give Indonesia an image boost and use multiple channels to increase awareness of modern Indonesia among all Australians.
3. Increase business engagement and knowledge: Incentivise and support businesses to explore opportunities and succeed in Indonesia, to value and hire people with Indonesia literacy and to help to promote the importance of Indonesia literacy.
4. Fix the way we teach and learn about Indonesia across our education system: fund teacher professional development and in-country experiences for students and educators, develop contemporary, engaging resources, embed Indonesian content across all subject areas and create a National Institute of Languages Education to coordinate policies, interventions and research at a national level.
5. Allocate dedicated funding, negotiated through National Cabinet, to deliver the necessary initiatives under the four pillars above.

For many of the interventions that are high impact, but high cost, there is opportunity for localised innovation. For some of the education-related reforms, we could consider piloting a suite of initiatives in a single jurisdiction with a view to expanding them if they proved to be effective. One option would be to trial something in Western Australia, a smaller jurisdiction with proximity to Indonesia and increasing inbound and outbound investment. Another option

would be to use Victoria as a pilot, as the State with the strongest existing Indonesia literacy ecosystem, with a significant number of schools and universities still teaching the language (for now) and some key Melbourne-based players like Asialink and the Australia-Indonesia Centre.

Above all, we need to shift the narrative, to give Australians a new story about Indonesia, our biggest Asian neighbour and an emerging superpower. A new narrative that reflects its multi-faceted, contemporary, youthful, urban, tech-savvy, diverse population and economy. A new narrative that invites Australians and Indonesians to visualise a shared future in which our stories are far more intertwined. The modern-day nations of Australia and Indonesia can feel like strange neighbours, through a twist of history plonked beside each other at the end of the globe. In fact, we have much more in common and much more of a shared history than many realise. And as I've set out in this report, we have growing pockets of two-way engagement that we need to nurture and expand. These are the threads we need to weave together and to amplify, to ensure that Indonesia has a more prominent place in our national story.

We can do more. We must do more. And we should come at this problem with the spirit of optimism, innovation and enthusiasm that Indonesians are famous for. Rather than focussing on where we have fallen short, let's focus on what we can do.

## 5.2 NALSAS and NALSSP – are they worth replicating?

Many of the necessary schools-focussed initiatives are unlikely to attract private sector investment, at least in the short term, so would require a dedicated funding stream – a new version of NALSAS/NALSSP that is appropriate for 2025 and beyond[126]. This new package, which I refer to as a 'Strengthening Australia's Indonesia Literacy Fund' or SAIL, will need to be funded through some new and innovative financing mechanisms.

Acicis is right to advocate for a dedicated new funding stream, through its Pledge for Asian Languages in Australian Schools[127], but attempting to revive NALSAS in its previous form risks stymying the necessary innovation and necessary forward thinking. Thirty years on a lot has changed. We can't just rely on government funding; we also need private sector partnerships, both to build the demand side for Indonesia literacy and to secure investment in commercially viable areas like AI-enabled language learning software. Other weaknesses of NALSAS identified by respondents were:

- Funding went to language teaching, rather than building Asia literacy. The need to strengthen Indonesia literacy more broadly is a key finding of this report.
- With all the funding going to the schools sector, universities didn't receive funding to strengthen their part of the Indonesian teaching pipeline and this part of the ecosystem is also starting to crumble.

Some direct funding to schools (as occurred with NALSAS and NALSSP), will allow for local-level innovation and incentivise schools to initiate and maintain Indonesian language and studies programs. However, a significant portion of any new funding should be allocated to nation-wide initiatives, like a National Institute for Languages Education, to ensure maximum impact and visibility. Some respondents suggested that the national, COAG-level coordination had as much impact as the NALSAS funding itself.

[126] See **Appendix K** for a more detailed analysis of NALSAS/NALSSP.
[127] https://www.acicis.edu.au/blog/the-pledge-for-asian-languages-in-australian-schools/

The response from bureaucrats and politicians to a revival of NALSAS has been lukewarm, with many citing that despite the size of that investment Indonesian language continues to decline. However, as this report sets out, it wasn't so much the failure of the supply side interventions, but rather the fact the demand side has not materialised, that has led to the current state of Indonesia literacy in Australia. The start-stop funding was a primary obstacle to sustained success for NALSAS. Genuine momentum was built - Asian language enrolments doubled – but abolishing NALSAS before it was able to deeply embed systemic and cultural change was a lost opportunity that is now starting to bite.

As the nature of our engagement with Asia and Indonesia continues to grow, the case for strengthening Indonesia literacy is clearly growing. Arguably, NALSAS came a generation too early, before the demand and need had fully materialised, so we weren't able to reap the rewards of the investment. But as Australia has become more demographically Asian and our economy more enmeshed with Asia, the imperative to act has strengthened.

While some of the NALSAS-funded interventions will no longer be relevant, that isn't an argument against a NALSAS-type model. Rather, it is an argument for updating the suite of offerings that schools can tap into in order to strengthen their Indonesian programs, including technology-enabled teaching and learning tools, redesigned governance and accountability, an increased focus on strengthening the teacher pipeline and more durable funding.

In summary, we need to distinguish between the merits of a dedicated funding program and the funding source for such a program. The dire state of Indonesian language learning and Indonesian studies in Australian schools means that additional funding will need to be provided to schools, above and beyond existing SRS funding. A new and innovative funding source, like Indonesia Literacy Bonds (see below), is likely needed to tip into a SAIL Fund and allow implementation of many of the initiatives proposed in this Roadmap.

## 5.3 Language learning versus cultural literacy

Across every part of the education system, we need to distinguish between language fluency and cultural literacy, noting the former will be aided by artificial intelligence. We also need to move away from teaching Indonesian as a purely cultural enterprise and introducing more lived components, like incorporating 'business Indonesian' and Indonesian slang, as well as making internships and practical tasks part and parcel of an Indonesian degree.

Strengthening Australia's Indonesia literacy and engagement with our near neighbours doesn't just mean rebuilding our language learning ecosystem. We still need to be creating opportunities for Australians to become fluent in Indonesian (and technology could assist here). But we also need to ramp up our investment in a broader level of Indonesia literacy, by embedding Indonesia content in other subject areas, by delivering doing-business-in-Indonesia courses for companies, and by creating more opportunities for more Australians for deep and meaningful engagement with Indonesia and with Indonesians.

John Worne has argued in the United Kingdom for a national narrative around encouraging regular engagement with languages at all levels[128]. Rather than focusing only on 'fluency', a more appropriate measure is proficiency and utility. Alongside recognition of the UK's extensive existing linguistic diversity, it is time to recalibrate our approach to languages in the UK and

[128] The UK's Languages Crisis: Time to Embrace our Imperfection? John Worne, 24 March 2025: https://www.lspjournal.com/post/the-uk-s-languages-crisis-time-to-embrace-our-imperfection

develop a more positive mindset and inclusive approach'[129]. A similar mindset in Australia could encourage more Australians to engage with Indonesia, without the misguided idea that learning the language is only worth doing if fluency is the goal; thereby missing out on all of the other benefits of learning Indonesian.

[129] https://www.lspjournal.com/post/the-uk-s-languages-crisis-time-to-embrace-our-imperfection

# 6. Roadmap for strengthening Australia's Indonesia literacy - recommendations

With a population nearing 300 million and soon to be a top 10 global economy and its immediate proximity to Australia, Indonesia is an important strategic and economic partner, whose future is inextricably tied to our own. It is essential for our national interest that Australia expands and deepens its relationship with our largest Asian neighbour in the coming decades. At a personal level, Indonesia also offers a fun and engaging on-ramp for millions of Australians to expand their horizons and better understand their place in the world as global citizens in this 'Asian Century'.

Lifting Australia's Indonesia literacy will be key to strengthening the ties between our countries, in an authentic and enduring way. It is in our national interest to arrest the decline of Indonesian language learning and also to expand our focus beyond language fluency to the much broader project of strengthening Australia's Indonesia literacy, across all parts of our community.

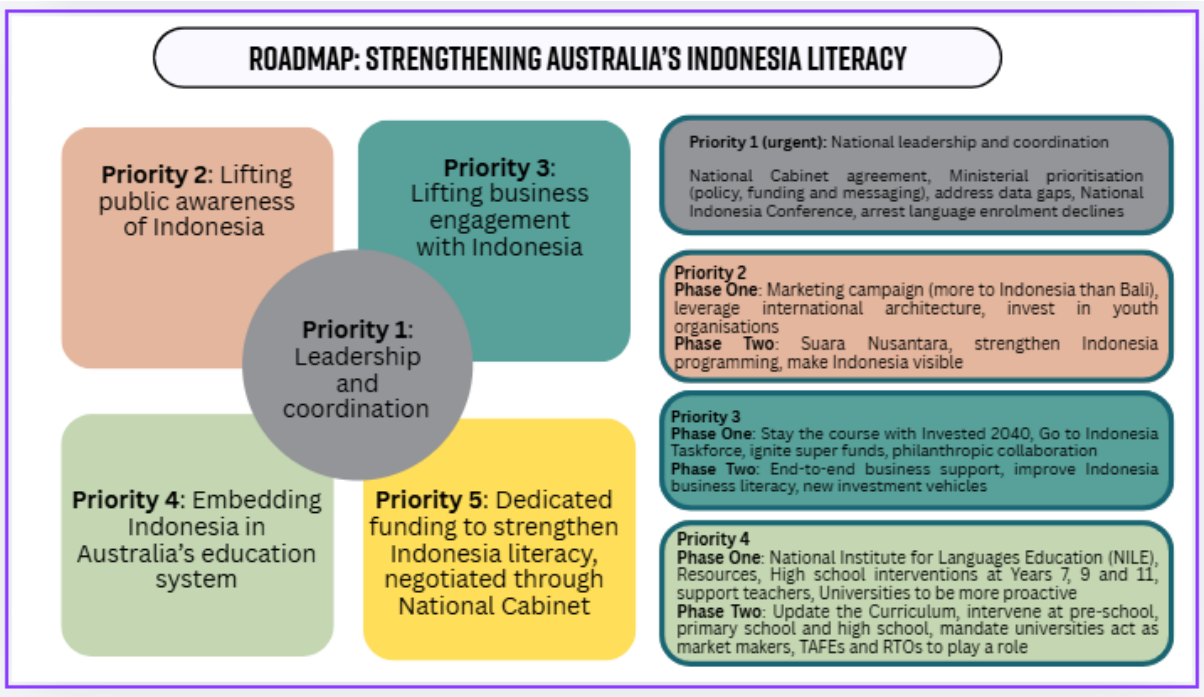
Achieving this goal will require us to make strengthening Australia's Indonesia literacy a national priority. It will need a joined-up approach, leadership at the highest levels of government, business and the education sector, dedicated investment, and harnessing the existing strengths of Australia's growing Indonesia diaspora and existing generations of Indonesia-literate Australians. It will also require us to explore new and innovative solutions, including harnessing the potential of AI and other technologies.

Previous efforts, like NALSAS and NALSSP, centred around Indonesian language learning — the supply side of the Indonesia literacy equation — without enough focus on building demand. As a result, these interventions proved to be brittle and impacts waned as funding dissipated earlier than planned. It is clear from my research that this time around we need to go both broad and deep. We cannot leave this up to a small group of passionate but unsupported Indonesian teachers. The many stakeholders mentioned in this report, from many diverse sectors, must come together with purpose and intent to take the necessary actions.

We need a coordinated policy approach, a national policy Roadmap for strengthening Australia's Indonesia literacy. The Roadmap I propose consists of five underlying pillars, which mutually reinforce each other and help to address the root causes of Australia's relatively low levels of Indonesia literacy:

1. National leadership: Deliver a coordinated, cross-sectoral response through Cabinet-level prioritisation and the establishment of enduring institutions.
2. Lift public awareness: Give Indonesia an image boost and use multiple channels to increase awareness of modern Indonesia among all Australians.
3. Increase business engagement and knowledge: Incentivise and support businesses to explore opportunities and succeed in Indonesia, to value and hire people with Indonesia literacy and to help to promote the importance of Indonesia literacy.
4. Fix the way we teach and learn about Indonesia across our education system: fund teacher professional development and in-country experiences for students and educators, develop contemporary, engaging resources, embed Indonesian content across all subject areas and create a National Institute of Languages Education to coordinate policies, interventions and research at a national level.

5. Allocate dedicated funding, negotiated through National Cabinet, to deliver the necessary initiatives under the four pillars above.




# FIRST PHASE OF INTERVENTIONS

## Priority 1: Leadership and coordination at a national level

One theme that has coloured Australia's engagement with Indonesia is lack of coordination and collaboration. The Australia-Indonesia government-to-government relationship has been historically categorised as *pasang-surut* (up and down). But this same theme can be applied to the various interventions that have been funded, primarily by government, to build our Indonesia literacy. This time around we need to build much stronger foundations upon which to layer the other necessary interventions in years to come.

Strengthening Australia's Indonesia literacy will require sustained effort across all three domains of business, education and the broader Australian public. But success will require not only targeted investment, advocacy and attention; it will also require coordination and collaboration. While the Australian Government will need to lead this coordination, it will require all hands on deck: from SMEs to ASX200 companies, from universities to schools, from cultural to diaspora organisations, all rowing in the same direction.

| Recommendation | Details |
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| ***Recommendation 1.1***<br><br>***Elevate the importance of Indonesia literacy as a national priority*** | We need a clear, united message from the most senior levels of government to elevate the importance of Indonesia literacy as a national priority.<br><br>The Prime Minister, Foreign Minister and Minister for Education should give a joint statement about the importance of the Australia-Indonesia relationship, the criticality of Australia strengthening its Indonesia literacy, |

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| | and recognising the important but often under-appreciated work of Indonesian educators.<br><br>The statement should:<br>iv. Be accompanied by a dedicated speech at the National Press Club and coordinated media interviews and articles.<br>v. Be backed by the business sector and supported by peak bodies like the Business Council of Australia and the Australian Chamber of Commerce and Industry.<br>vi. Highlight the decline in Indonesian language learning and studies, with the Minister for Education stating their expectation that there will not be further closures of Indonesian language programs in public institutions (including universities and schools) while a national strategy is being developed for approval by National Cabinet. |
| ***Recommendation 1.2***<br><br>***Put Indonesia literacy on the National Cabinet agenda*** | Many of the levers for strengthening Australia's Indonesia literacy — especially in the education space — sit at State and Territory level, rather than with the Australian Government.<br><br>The Prime Minister and Minister for Education need to put Indonesia literacy on the National Cabinet agenda and use the Education Ministers Meeting to work with State and Territory Education Ministers to develop a cross-jurisdictional response and jointly design and implement the education-related interventions described in this Roadmap. |
| ***Recommendation 1.3***<br><br>***Make strengthening Indonesia literacy an explicit Ministerial priority*** | Increasing Australia's engagement with Indonesia must be made an explicit responsibility of Commonwealth Ministers and senior bureaucrats:<br><br>**1.3A**: Add Asia Literacy to the Portfolio responsibilities of the Minister for Education and appoint an Assistant Minister for Indonesia Engagement and Literacy to coordinate efforts across sectors to strengthen Australia's Indonesia literacy.<br><br>**1.3B**: Set up a dedicated Indonesia engagement and literacy team in the Department of Prime Minister and Cabinet. While the heavy lifting to date has been done by DFAT, centring this priority in the Prime Minister's Department will help to ensure other relevant departments – particularly the Department of Education – are also combining their efforts. This team would be responsible for developing a comprehensive Roadmap for Strengthening Australia's Indonesia literacy, drawing on the recommendations in this Report, *Invested 2040* and the outputs from the Asia Capability Inquiry.<br><br>**1.3C**: Direct all Secretaries to task one executive of SES2 level or above to be the point person for lifting Indonesia literacy within their department and among that department's stakeholders. |
| ***Recommendation 1.4*** | The Prime Minister should direct each Cabinet Minister to: |

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| ***Get Cabinet Ministers more familiar with Indonesia*** | **1.4A**: Travel to Indonesia within this term of government or make plans to travel within the next term of government, should they retain government. The Victorian Government did this for China and it proved to be very successful in multiplying the connections at senior levels, with many of those Ministers taking with them a delegation of businesses and other leaders.<br><br>**1.4B**: Bring a submission to Cabinet within the next 12 months identifying opportunities in their portfolios to deepen the Indonesia-Australia relationship, strengthen Indonesia literacy and build collaboration around priority issues for both countries.<br><br>**1.4C**: Secure bipartisan support from their Opposition counterpart for the prioritisation of strengthening Australia's Indonesia literacy. |
| ***Recommendation 1.5***<br><br>***National Indonesia Conference*** | The Australia-Indonesia Institute, in partnership with the ASEAN-Australia Centre, should bring all key allies, experts and Indonesia-oriented organisations together for a national conference to join the dots and jointly develop solutions to strengthen Indonesia literacy, with a focus on cross-sectoral responses. This will achieve three objectives:<br>iv. Send a clear message to the Australian community that Indonesia is critical to Australia's future, through the convening of a visible national conference.<br>v. Demonstrate that the existing ecosystem isn't broken, and that there are many prevailing strengths, but that efforts are uncoordinated, and our combined voices and efforts will be more effective if joined up.<br>vi. Ensure the cross-pollination of interventions, for example businesspeople understanding the important role they need to play (as employers and parents on school boards) in supporting Indonesian studies and language learning in schools |
| ***Recommendation 1.6***<br><br>***Fill the many data and research gaps*** | **1.6A**: The Australian Government needs to establish a national Indonesia Literacy Data & Insights Program to systematically collect, coordinate and publish high-quality data on Indonesia literacy across the education sector, business community and broader public. This program would:<br>iv. Work with State and Territory education departments and curriculum agencies to map and monitor national trends in Indonesian language learning, Indonesia-related curriculum content, teacher supply, university provision, business capability and public awareness.<br>v. Integrate disparate datasets currently held by education departments, universities, business chambers, DFAT, Acicis, industry bodies, diaspora organisations and cultural institutions.<br>vi. Commission targeted research into priority gaps identified in **Appendix G** of this report.<br><br>This initiative could be housed within the ABS, or funded as an external partnership with a specialist organisation like the Australia-Indonesia Centre, Acicis or a newly created National Institute of Languages Education. |

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| | **1.6B**: Universities need to encourage postgraduate research on Indonesia literacy, including some of the areas outlined in **Appendix G**, with government to consider funding dedicated scholarships, research grants and supervision networks. |
| ***Recommendation 1.7***<br><br>***Identify funding sources for initiatives to strengthen Australia's Indonesia literacy*** | The Treasurer should direct Treasury to explore funding opportunities for initiatives to strengthen Indonesia literacy, including allocating new funding to the Education portfolio, redirecting funding from related programs in the trade, education or defence portfolios, and exploring new and innovative funding sources.<br><br>For example, Treasury could investigate the establishment of Indonesia Literacy Bonds (ILBs), as a novel mechanism for funding the initiatives that will be necessary to strengthen Australia's Indonesia literacy. The ILBs could be modelled on social impact bonds and education-linked outcome bonds, with an uplift to be paid to bondholders above a market bond rate, should stipulated KPIs be met within a set period (5 or 10 years), across the key priority areas of public awareness, business engagement and education. |
| ***Recommendation 1.8***<br><br>***Shore up the teaching of Indonesian language and culture in Australian schools*** | To help address the real risk that more schools will close their Indonesian language programs within the next 12 months, the Australian Government should:<br><br>**1.8A**: Allocate a modest amount of funding to all secondary schools across Australia currently teaching Indonesian (i.e. $20,000 per school), to help fund resources/excursions/incursions and maintain interest and engagement from existing students/teachers and prospective students. This will also help to send a clear message to the secondary education ecosystem (including students, parents, teachers and school leaders) that Indonesian is important.<br><br>**1.8B**: Work with the Indonesian Embassy to expand Indonesian language assistant exchange programs, to place more Indonesian teachers in Australian classrooms, both to supplement declining numbers of Indonesian teachers and to expose Australian students to contemporary Indonesia through the lived experience of those exchange teachers. |

As the building blocks of national leadership and coordination outlined above are being put in place, there are a range of interventions that will need to be costed, designed and delivered to tackle Indonesia literacy across the five priority areas identified in this report: lifting public awareness, lifting business engagement, embedding Indonesia literacy across the education system and identifying dedicated funding sources for the proposed suite of initiatives.

## Priority 2: Lifting public awareness

First and foremost, we need to lift the general awareness among all Australians of modern-day Indonesia and tell more of the positive stories about its dynamism, its diversity and our nations' shared history.

| Recommendation | Details |
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| ***Recommendation 2.1***<br><br>***Marketing campaign –***<br><br>***'There is more to Indonesia than Bali'*** | The Australian Government should partner with the Government of Indonesia to co-design a multi-platform public awareness campaign that lifts Australians' understanding of contemporary Indonesia: its society, economy, creativity, geography and the story of its burgeoning democracy.<br><br>The campaign should leverage the expertise and funding base of Tourism Australia and State and Territory tourism and trade promotion agencies. The rationale for Indonesia to collaborate on this initiative is the opportunity for them to use Australia as a testing ground for a more sophisticated 'soft diplomacy' approach for the rest of the English-speaking world. It could be led by a Joint Taskforce between DFAT (Public Diplomacy) and Kemenparekraf (Ministry of Tourism & Creative Economy)<br><br>The campaign should:<br>i. Centre ordinary Indonesians and Australians already engaging in bilateral activity – young people, artists, diaspora, business leaders and teachers.<br>ii. Leverage social media, digital platforms and podcasting and engage social influencers.<br>iii. Be co-funded and co-governed, with a clear structure to ensure quality control over sensitive or inaccurate content.<br><br>Themes for the campaign could include:<br>i. Shared history: the story of Indonesia's independence as a fellow democracy, and Australia's role in it<br>ii. Beyond Bali tourism campaign, which could build on that could build upon Indonesia's previous '10 New Balis' tourism campaign<br>iii. Learning the language of our neighbours<br>iv. Tackling climate change together<br><br>Use social media storytelling with Indonesian-Australian influencers. We need to meet people where they are, using areas of natural interest — gaming, digital art, food, music, football and climate activism — to build curiosity about Indonesia among young Australians. Partnerships between Australian and Indonesian animators, gamers, streamers, podcasters and musicians can generate viral content. This can redirect attention away from narrow Bali imagery towards Indonesia's creative young population. Two of the most viral moments recently where an event in Indonesia has broken through to a mass audience are 'aura farming boy', Rayyan Arkan Dikha[130] and the gift exchange between Prime Minister Albanese and President Prabowo for their respective pets Toto and Bobby[131].<br><br>Leverage Indonesian-Australian creators, chefs, musicians, comedians and youth voices who already have digital platforms. Develop short-form content featuring identity stories, travel, humour, language and food can break down stereotypes in ways government campaigns cannot. Youth are far more likely to absorb Indonesia literacy when it is delivered by relatable |

[130] https://www.bbc.com/news/articles/czxe7ey59r0o

[131] https://en.tempo.co/read/2065351/prabowo-presents-gift-to-prime-minister-albaneses-dog

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| | personalities. For examples of engaging content creation by Australians about Indonesia, see for example Nick Molodysky (@masak2dengannick), Alexandra Lyons (@alexandra.eowyn) and Kak Rose (@bulelokalrose) on Instagram. |
| ***Recommendation 2.2***<br><br>***Strengthen Indonesia programming*** | **2.2A:** Invite media organisations to sign a 'Get to know your neighbour' pledge, whereby ABC, SBS and Australian commercial television channels, newspapers, podcasters and influencers agree to include more (and more balanced) Indonesian stories and content.<br><br>These media entities could be utilising the thousands of Indonesian students studying in Australia and Australians who have studied Indonesian, plus the almost 100,000 Australians born in Indonesia, to make their stories real, colourful and engaging, putting them in front of the media, students, bureaucrats and businesspeople, to share their knowledge and stories.<br><br>**2.2B**: The Australian Government needs to provide dedicated funding to the ABC, SBS and Australian commercial stations to create more Indonesia content. The Indo-Pacific Broadcasting Strategy[132] has funded important initiatives to raise the profile of Pacific Nations (like the weekly half-hour The Pacific program), but we need an even greater emphasis on Indonesia.<br><br>**2.2C:** To strengthen the Indonesia literacy of the Australian media:<br>i. Send more Australian journalists — especially reporters rather than editors — to Indonesia. The Australia-Korea Media Exchange provides a good model. DFAT through the AII has, to its credit, run journalist trips to Indonesia before, but these have focussed mostly on bringing senior editors rather than reporters who generate stories and coverage. This outreach also needs to be sustained and to include more business editors/reporters and economic journalists.<br>ii. Seek philanthropic support to fund Indonesian Chairs, similar to the Judith Neilson Institute funded Guardian Pacific editor.<br>iii. Develop an Indonesia literacy stream for management teams at news stations, who are the ultimate gatekeepers of content.<br>iv. Add a specific Indonesia content category to the Walkley Awards and Australian Press Council Awards, to recognise the critical contribution of journalists, content creators and the media to Australia's Indonesia literacy. This would bring some prestige and incentive for the creation of Indonesia-related content. Alternatively, the Australia-Indonesia Institute could create an annual award recognising journalists and content creators who have had an impact in raising awareness. |
| ***Recommendation 2.3*** | **2.3A**: The IA-CEPA contains mechanisms that are hardly used that could be activated without the need for new treaties. |

[132] https://www.dfat.gov.au/people-people/indo-pacific-broadcasting-strategy

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| ***Be more ambitious with existing bilateral and multilateral architecture*** | i. Hold a parliamentary dialogue series with MPs from both countries under IA-CEPA's cooperation pillar on issues relevant to both countries, like climate action, technology and urbanisation.<br>ii. Hold a well-publicised IA-CEPA Skills Summit to foreground success stories and collaboration on education.<br><br>**2.3B:** The Australian Government can leverage international forums like ASEAN, APEC and G20, working with the Indonesian Government to:<br>i. Advocate joint Australia–Indonesia leadership of specific workstreams, like disaster preparedness, energy transition, finance and regional education mobility.<br>ii. Develop shared bids between Australia and Indonesia to host G20 working groups, like the *Digital Economy Task Force*, *Energy Transitions Working Group* and *Health Working Group*.<br>iii. Bring a joint submission to the G20 on a regional green-finance taxonomy (ASEAN is already working on this).<br>iv. Hold an Annual President-PM Summit with a public communique on an area other than defence (which is already strong), i.e. green energy, food security, women's leadership and health or digital economy, to give the media something to report on other than Bali and boats.<br>v. Co-host the APEC CEOs Summit. |
| ***Recommendation 2.4***<br><br>***Secure funding for youth-oriented exchanges*** | The Australian Government should build on existing strengths by providing ongoing funding to AIYA, Acicis and AIYEP, youth-oriented programs that have proven to be successful and enduring, and which are well placed to amplify their impact, to get more young people and professionals engaging with Indonesia.<br><br>Part of this funding should be contingent on participants telling their stories publicly, for example by visiting schools or via social media, with additional funding for activating alumni networks. Even without significantly ramping up funding amounts, at least providing 5-year funding certainty would help these institutions to thrive.<br><br>In the other direction, through collaborations with universities and schools, there should be more opportunities for Australian families to host Indonesian students. This could include both formal, longer-term, host-family arrangements and also more informal exchanges, like taking an Indonesian student on weekend activities or to sporting events, through sponsored or subsidised tickets and experiences. |

## Priority 3: Lifting business engagement

Increasing the volume and diversity of two-way trade between Australia and Indonesia is important in its own right, as articulated in *Invested 2040*. However, it is also mission critical to lifting the Australian public's awareness of Indonesia and creating the much-needed pull factor, which has always been missing, to increase demand for Australians to take up Indonesian studies and learn *Bahasa Indonesia*. This could be advanced with:

- More Australian companies and investment vehicles considering opportunities in Indonesia, exploring the market with intent and moving beyond a general sense of aversion and scepticism ('Indonesia is just too risky') to a more evidence-based assessment of the merits of entering the Indonesian market based on factors like market depth and demand trends, competition, availability of skilled labour and depth of local debt and equity markets. For all its potential, Australian companies still need to go into Indonesia with their eyes open but at least examine the market with 20:20 vision.
- More Australian businesses taking proactive steps and adjusting their market entry approaches to increase their chance of success in the Indonesian market. This includes tailoring investment return periods and price points, adjusting risk appetites, senior company executives spending time on the ground and employing Indonesia literate staff.
- More Australian businesses valuing and promoting the importance of Indonesia literacy, including prioritising Indonesia literacy in job ads and advocating to government and the education sector to ensure they are producing the next generation of Indonesia literate graduates who have spent time in Indonesia and so can navigate the local culture.

With their economic focus, many of the proposed initiatives below build on the recommendations of *Invested 2040*.

| Recommendation | Details |
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| ***Recommendation 3.1***<br><br>***Stay the course*** | In addition to any new initiatives, the Australian Government must stay the course on the initiatives that emerged from *Invested 2040*, like the advocacy by our very active Indonesia Business Champion in Jennifer Westacott AC, the establishment of the Jakarta Deal Team and Landing Pad, the formation of the ASEAN-Australia Centre and the creation of the Southeast Asia Investment Financing Facility and programs like KINETIK and KONEKSI.<br><br>While these programs will all benefit from further refinement and better coordination and integration, these initiatives are useful components of a comprehensive network of Australia-Indonesia activity. As we saw with NALSSP and NALSAS, these culture-shifting initiatives must be sustained over a long period of time before they are able to run off their own momentum. |
| ***Recommendation 3.2***<br><br>***Create a Business Chamber-led Go to Indonesia Business Taskforce*** | Noting the good work already being led by Jennifer Westacott AC as Indonesia Business Champion, we need a more coordinated approach where chambers and senior businesspeople are working together under a united banner.<br><br>The Australian Government, working closely with the private sector, including industry chambers and institutional investors, should establish a 'Go to Indonesia Business Taskforce' with a resourced Secretariat and membership from the AIBC, AICD, BCA, ACCI and State and Territory trade promotion agencies and Chambers of Commerce, to work with DFAT and Austrade to:<br>i. Promote Indonesia opportunities to Australian businesses, in collaboration with the AFR and other business media (new and old media). |

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| | ii. Build on the case studies developed for *Invested 2040* to disseminate Indonesia success stories (both Australian companies succeeding in Indonesia and Indonesian companies succeeding in Australia and on the global stage). This will help to shift the Indonesia narrative within the Australian business community. Where Australian companies have failed in Indonesia, these stories need to be told too, but they need to be analysed so that other companies can learn from mistakes made or risks and pitfalls identified.<br>iii. Ramp up the visibility and activities of the AIBC as a community of practice for Australian businesses to mentor and learn from each other about doing business in Indonesia and profile prominent Australians and Indonesians who have experience in both countries, like USINDO has successfully done: https://usindo.org/who-we-are/us-united-states-indonesia-society/Us - USINDO, or like the Australian American Leadership Dialogue.<br>iv. Create a formal partnership between the AIBC and the AIYA to connect Australian businesses looking to do business in Indonesia and young professionals with Indonesia literacy and secure an ongoing funding source for the AIYA to expand its activities.<br>v. Strengthen collaboration activities between Australian business chambers and their Indonesian counterparts (i.e. KADIN and APINDO), for example to feed into the IA-CEPA modernisation program. |
| ***Recommendation 3.3***<br><br>***Superannuation funds to ramp up their Indonesia activity*** | It is a major structural weakness in Australia's economic engagement with Indonesia that our largest institutional investors — particularly superannuation funds — are holding back. We need them to lead the way in building market confidence and helping to de-risk Indonesian opportunities for smaller Australian firms. This will also help to spread the investment risk of Australians by diversifying the markets in which their money is being invested (noting the over-exposure to tech stocks and the traditionally secure but increasingly volatile market of the United States).<br><br>Australia's superannuation funds have only a marginal presence in Indonesia, largely due to benchmarking constraints (Your Future, Your Super), perceived sovereign and regulatory risk, and structural disincentives that favour domestic or OECD-market investments. This contributes directly to the cycle identified in *Invested 2040*: without long-term institutional capital entering the Indonesian market, Australian SMEs lack the confidence, partnerships and signalling needed to pursue opportunities themselves.<br><br>The Treasurer and Minister for Finance should task the Departments of Finance and Treasury and APRA with identifying mechanisms to incentivise Australian superannuation funds and other institutional investors to increase their activity in Indonesia. This could include exploring blended-finance models, subsidised political-risk insurance or increased support from Export Finance Australia, adjustments to prudential settings that penalise emerging-market exposure, and removal |

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| | of other regulatory frictions that currently discourage long-term investment in Indonesia's priority sectors.<br><br>Austrade should continue to lead investment missions to Indonesia, so that institutional investors can explore opportunities firsthand and familiarise themselves with the Indonesian market. However, these missions need to include all participants in the decision tree, from analysts and portfolio managers to chairs and CEOs.<br><br>DFAT and Macquarie could team up to present a "Spotlight on Indonesia" segment at superannuation industry conferences, for example the annual ASFA Conference, Impact Investment Summit (Asia-Pacific), Conexus conferences like the Fiduciary Investors Symposium and i3 events like the Investment Strategy Forum.<br><br>The Australian Government should take steps to ensure the Your Future, Your Super performance test does not discourage prudent exposure to Indonesia, where trustees can justify investments on risk-adjusted return grounds. APRA could clarify in guidance that well-evidenced investments in emerging markets like Indonesia are consistent with trustees' best-financial-interests duty if they improve diversification or provide attractive long-term cashflows. |
| ***Recommendation 3.4***<br><br>***Establish an Australia-Indonesia Strategic Philanthropy Group*** | The not-for-profit sector should establish an Australia–Indonesia 'Strategic Philanthropy Group' that brings together Indonesia's big philanthropic organisations (i.e., Tanoto, Bakti Pendidikan) with leading Australian organisations (i.e. Myer, Paul Ramsay, Minderoo, Centre for Policy Development) to identify joint priorities for co-investment across both countries, as a way of developing programs that leverage the lived experience, resilience and intercultural intelligence of each jurisdiction. Obvious starting points would include climate change adaptation for vulnerable communities and creating nourishing food systems to provide affordable, nutritious food to those who cannot currently afford it. |

## Priority 4: Embedding Indonesia in our education system

In addressing the dearth of Indonesian studies across our education system, we must expand the focus beyond Indonesian language learning to Indonesia literacy more broadly. If our objective is only to increase the numbers of students studying Indonesian, with a view to ending up with a small cohort of fluent language speakers, then we are missing the bigger goal, which is to strengthen Indonesia literacy among all Australians. By lifting Indonesia literacy across the board, we will create a stronger ballast against the further diminution of Indonesian language teaching in our schools and universities, so that our Indonesian teachers are not forced to do all the heavy lifting, as our sole source and saviours.

We also need to acknowledge the many structural and existential challenges facing the Australian education system. Our schools and universities are struggling to adapt to the fast-evolving needs and expectations of learners, who face an uncertain, anxiety-ridden future driven by technological change and the rapidly changing nature of work. It is little surprise that our education system does not have the agility or the temerity to respond to the market forces

that have shattered our language learning ecosystem, in a country where multilingualism has never really been valued, nor embedded in our learning institutions like our non-Anglo peers.

More than the other three priorities — business engagement, national coordination and lifting public awareness — addressing Indonesia literacy in the education system is particularly complex. Many of the interventions below, like teacher recruitment, modernising university entry requirements and properly embedding the cross-curriculum priorities in the Australian Curriculum[133], need to be done in the context of broader education system reforms. But there are still things we can do in the short and medium-term to stem the bleeding.

Helpfully, the role of the education system in strengthening Indonesia literacy is currently being explored through two other forums:

1. The Asia Capability Inquiry, which commenced in September 2025, has received almost 200 submissions, the majority of which focus on the education system. Recommendations from the Inquiry are expected in early 2026.
2. On 20 November 2025, Asialink Education held a Roundtable on Australian Schools' Engagement with Indonesia, with almost 100 participants. The Asialink Schools Roundtable was also funded through the 2025 Australia-Indonesia Institute Grants. The recommendations arising from that roundtable have now been published[134].

The recommendations in this Report should be seen as complementary to the Asia Capability Inquiry and the Asialink Schools Roundtable, which draw on a wealth of expertise and experience from across the education sector.

| Recommendation | Details |
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| ***Recommendation 4.1***<br><br>***Set up a National Institute for Languages Education*** | Australia's languages ecosystem is fragmented, under-resourced, and structurally incapable of reversing the decline in Indonesian without a central coordinating body. This is not just an Indonesian problem; Indonesian is the canary in the coal mine for a national languages crisis. The lack of coordination causes duplication, inefficiency, and a lack of clear accountabilities for teacher supply, curriculum coherence, modern and engaging resources or program continuity.<br><br>State and national Curriculum authorities, teacher associations, universities, the AFMLTA, the Indonesia Council and Asialink Education all play partial roles, but none is mandated, resourced or empowered to lead. This leaves teachers feeling isolated and unsupported and the promotion of Indonesian studies left up to too few.<br><br>The Australian Department of Education needs to create a National Institute for Languages Education (NILE), with adequate federal funding, with an Indonesian Language and Studies Unit as its inaugural division. The NILE would have the following functions.<br><br>i. Develop a Teacher Workforce Strategy:<br>▪ Work with States, Territories and education unions to develop a national Indonesian teacher workforce |

[133] https://www.australiancurriculum.edu.au/help/cross-curriculum-priorities
[134] https://asialink.unimelb.edu.au/education/publication/indonationalroundtable/

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| | plan, including mobility programs between states and technology-enabled remote teaching.<br>▪ Facilitate overseas recruitment of qualified Indonesian language teachers.<br>▪ Co-ordinate in-country teacher immersion experiences.<br>ii. Support a national Indonesia Literacy Data & Insights Program and produce annual languages data dashboards, including enrolments in Indonesian, teacher supply/demand forecasts and public analysis of demand signals and trends.<br>iii. Develop and curate engaging resources, with a national repository of Indonesian teaching materials, licensed for schools, with classroom-ready units showing a contemporary Indonesia.<br>iv. Liaise with universities and teacher associations to develop teacher professional learning programs, including pedagogy in 'Bahasa Gaul', not just formal Indonesian and use of digital learning tools.<br>v. Work with industry bodies (BCA, ACCI, AIBC, etc.) to help them and their members to articulate demand for Indonesia skills, and work with Austrade to build a catalogue of Indonesian-literate consultants, researchers, and language specialists for business.<br>vi. Collaborate with the Indonesian Embassy and cultural organisations to lift public and media awareness of Indonesia.<br><br>Ideally, the NILE would have an independent board with business, diaspora, teacher, student (local and international) and Australian (national/State) and Indonesian Government representation. |
| ***Recommendation 4.2***<br><br>***Support and grow the Indonesian teaching workforce*** | The declining stock of Indonesian teachers is one of the biggest threats to Australia's Indonesia literacy. This challenge sits within a broader challenge across Australia to recruit highly qualified and motivated teachers. But Indonesian teachers have the highest average age of any language teaching workforce, meaning many are close to retirement.<br><br>The first thing we must do as a society is to respect and celebrate the contribution these teachers are making, not just to the future of our next generation, but to our broader national interest. They often play a lone hand in their schools and school communities, flying the flag (often literally) for Indonesian language and studies.<br><br>Teacher training, recruitment, retention and ongoing professional development must be among the highest priorities for a newly created National Institute for Languages Education.<br><br>Interventions should include:<br>**4.2A:** Work with universities and recruitment companies to identify new kinds of Indonesian teacher candidates. For example, people who might not otherwise consider becoming teachers like Indonesian international students or mid-career professionals who were unable to get a job where they could utilise their Indonesian, but are looking for ways to put their Indonesian language skills into practice. |

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| | **4.2B:** Reduce the barriers to recruiting teachers and teaching assistants from Indonesia into Australian schools.<br><br>**4.2C:** Set up a prestigious Indonesian teacher exchange program (similar to the Japanese JET program), drawing on the experience of the team at Teach for Australia, the Guru Bantu program in the ACT (Indonesian Language Teachers Association) and the 12-month teacher placement program run by the Indonesian Embassy through Kemendikbudristek (the Indonesian Ministry of Education, Culture, Research and Technology).<br><br>**4.2D:** Fund in-country professional development opportunities. Teachers should be spending time in country every 2-3 years to maintain language fluency and language confidence. The Endeavour Language Teacher Fellowships and in-country immersion program in Salatiga (both no longer running) were good examples of in-country programs that could be renewed.<br><br>**4.2E**: Allocate long-term funding for scholarships for Bachelor degrees in Indonesian language teaching, with opportunities for Masters-level studies for regional 'master teachers' (like the Singaporean model) who would then mentor and support classroom teachers across the country.<br><br>**4.2F**: Develop a comprehensive set of teaching tools (online and face-to-face PD, with time off to do it properly), a funded professional body and an industry newsletter with the latest happenings across the country.<br><br>**4.2G**: Ensure universities are teaching teachers how to teach Indonesia in an engaging way, not just teaching them how to teach generically and then in parallel, but separately, they study a BA(Indonesian).<br><br>**4.2H:** Create a generation of tech-savvy teachers, who can use AI-enabled programs to supplement the teaching of Indonesian and ensure students in regional and remote Australia have opportunities to learn Indonesian.<br><br>**4.2I:** Set up online Communities of Practice between Australian and Indonesian teachers to explore together teaching practices, student engagement and agency and how to effectively use technology in the classroom, building on the work between Australian educators and Pak Iwan Syahril, former Director-General of Schools in Indonesia and Asialink Education. |
| ***Recommendation 4.3***<br><br>***Create contemporary, engaging, accessible, curriculum-aligned resources*** | The Australian Government needs to work with universities, schools and educators to fund the creation of free, engaging, contemporary resources for teaching Indonesian studies and language, appropriate for each year level and mapped to the Curriculum.<br><br>This should include AI-enabled/assisted, audio-visual resources, developed in collaboration with ACARA and state-based curriculum authorities and a broad cohort of contributors, such as school and |

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| | university teachers, current and recently graduated students, Australians doing business in Indonesia and Indonesians diaspora groups.<br><br>Teacher associations, curriculum authorities and independent organisations like Pondok Bahasa have made some efforts, but this is an area that requires a huge boost. With images of a modern, vibrant Indonesia effectively absent from Australian media and in the public domain, we need to make it as easy as possible for teachers and students to be able to access images, stories, videos, books and films that will engage their curiosity and excitement to learn more about Indonesia, at least until we can get them on a plane and experiencing the country for themselves. |
| ***Recommendation 4.4***<br><br>***Fund initiatives to address Indonesian language decline at the three attrition cliffs (Year 7, Year 9 and Year 11)*** | Immediate interventions are required to address each of the three 'attrition cliffs': Years 7 (initial language choice when languages are compulsory), Year 9 (when Indonesian becomes an elective) and Year 11 (when Indonesian competes against other senior secondary subjects). Further initiatives can then follow (set out under the Second Phase below).<br><br><u>Year 7</u><br>Raise the profile of Indonesian language and Indonesian studies in Australian high schools and create a groundswell of advocates for its take-up/retention.<br><br>**4.4A**: Engage Australian school principals in learning about Indonesia's importance to Australia and give them the tools to embed Indonesia literacy at a whole-of-school level.<br><br>**4.4B**: Create a WhylearnIndo Information Pack for Principals to share with schools parent communities, based on an updated version of the Asialink Education *Why Indonesia matters in our Schools* brochure[135].<br><br>**4.4C**: Coordinate Australian businesspeople who are doing business in or with Indonesia to come along with Departmental representatives to do briefings to school leadership and school council on why they should consider taking on an Indonesia program or work harder to retain and promote their Indonesia program, modelled on Asialink Education's Asia Literacy Ambassadors Program.<br><br><u>Year 9</u><br>This is where Indonesian experiences a significant drop-off, when learning a language is no longer compulsory in most education jurisdictions across the country, and Indonesian is suddenly competing with more easily marketable subjects, with popular appeal.<br><br>**4.4D: Create more opportunities for in-country experiences**<br>A critical incentive for students to continue learning Indonesian after Year 8 (other than an inspiring teacher armed with engaging resources) is the prospect of an in-country experience in Year 9 or 10. Ideally, we would |

[135] https://asialink.unimelb.edu.au/education/publication/why-indonesia-matters-in-schools/

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| | ensure that every student before they turned fifteen travelled somewhere beyond their comfort zone (i.e. central Australia or overseas). We need to make the world real for young people, especially for regional kids, to shift their perspectives and help them to navigate their place in the world. Indonesia is a good place to start, given its proximity.<br><br>Pending the development of a centralised model for Year 9 students to travel to Indonesia (modelled on the Victorian Young Leaders to Indonesian Program), provide subsidies to schools to run their own trips to Indonesia, ideally with a reciprocal sister school relationship (leveraging the BRIDGE program[136]). We need to build back the volume of school trips that took such a hit after the Bali Bombings.<br><br>Increasing the volume of trips should incentivise the private sector to meet the demand and build cost effective delivery models with language and cultural components and insurance products. The NILE could also produce a handbook for schools so none of them need to reinvent the wheel. Schools would be encouraged to also send non-Indonesian teachers along as part of these trips to widen the cohort of teaching staff advocates.<br><br>Two other interventions that are already in place but could be ramped up are:<br>**4.4E:** Provide more training to career counsellors about the importance of Indonesia literacy so that they can reinforce those messages with students in terms of subject, course and career selection.<br>**4.4F:** Utilise Asialink Education's Student Forums, multi-day forums between Australian and Indonesian students on topics like sustainable cities, climate resilience and youth leadership and the Global Goals Youth Forums, centred on the Sustainable Development Goals.<br><br><u>Year 11</u><br>Putting effort into Priority 2 (Lifting business engagement with Indonesia) will have a major impact on whether students see employability benefits in continuing to study Indonesian in senior secondary school.<br><br>Two other interventions that should be considered are:<br>**4.4G:** Encourage employers to mentor Indonesian language students in Australian high schools and consider offering exclusive internships and graduate positions to applicants who have completed Year 12 and/or University-level Indonesian. Asialink's Asia Literacy Business Ambassadors program was a good, low-cost model for this purpose.<br><br>**4.4H:** Add a bonus to study scores for Indonesian for the purpose of tertiary entry rankings. |
| ***Recommendation 4.5*** | As with schools, Indonesia literacy cannot sit solely in Arts faculties, with its future left up to a small handful of passionate Indonesian lecturers and tutors. |

[136] https://asialink.unimelb.edu.au/education/program/asean-bridge/

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| ***Universities to create more incentives for students to study Indonesian language and learn about Indonesia*** | **4.5A:** Universities should develop cross-disciplinary offerings and ensure cross-pollination between faculties, for example:<br>i. Build joint offerings between Education, Business, Engineering, Health, Law and Indonesian Studies faculties.<br>ii. Develop Indonesia-relevant micro-credentials, e.g. 'Indonesian for Engineers' and 'Indonesian for Business'.<br>iii. Embed Indonesia case studies in core subjects of degrees with an international lens. No student in Australia should be completing units in International Business, International Relations or International Law without exposure to some Indonesian content.<br><br>**4.5B:** Universities must embrace and promote the New Colombo Plan and ramp up their in-country immersion programs, ideally with a work placement component to ensure graduates are better equipped to work in businesses and government entities needing employees with Indonesian cultural and language fluency for setting up long-term operations. This will help to addresses a core concern of businesses that Indonesian literacy is often 'too narrow, too academic, and too disconnected from real business environments'. Monash University's Global Immersion Guarantee demonstrates how institutional incentives can shift behaviour and student choices towards the region. It is a replicable model.<br><br>**4.5C: Contributing to the school sector**<br>Universities need to be more active partners in rebuilding demand for Indonesian in the school sector. This includes providing:<br>i. Entry bonuses for students who complete Indonesian at senior secondary level into relevant tertiary courses (i.e. business, commerce, international relations, law, education, public health, engineering, etc.).<br>ii. Excursions and on-campus experiences for primary and secondary Indonesian students, particular to schools in a university's direct catchment area like Deakin University in relation to schools across Greater Geelong[137].<br>iii. Outreach programs where academics, NCP alumni and Indonesian international students visit schools to co-teach content or demonstrate how they have applied Indonesia literacy in their workplaces.<br>iv. 'Warm pathways' that help students stay connected to Indonesian between the middle years of high school and university. Most students who finish Year 10 Indonesian hit a cold gap: no information, no encouragement, no contact with universities and no sense of the relevance of Indonesian to real careers. |

In January 2026, after I had finalised the consultation draft of my report, Asialink Education released the recommendations from its November 2025 Asialink Schools Roundtable. While

[137] The University of Sydney and AIBC NSW offer a good model here through their existing program for Year 10 students to spend a day at the university, exposing high school students (and their parents and teachers) to Indonesian options available at university, and sharing resources with school teachers.

the recommendations from the Roundtable are generally consistent with the education-related recommendations in my report, in order to maintain the integrity of Asialink Education's recommendations, I have reproduced them in full below. As with my own recommendations, significant collaboration will be required across multiple departments, institutions and other actors, like education unions, to develop comprehensive implementation plans for these recommendations.

**Expand Opportunities to Learn About Indonesia**

- Support an increase in online youth forums between Australia and Indonesia
- Encourage and incentivise Australia-Indonesia school partnerships
- Scale up existing Indonesia-focused programs for Australian schools
- Create a national Indonesia learning hub for Australian schools to access
- Enhance school teacher and leader professional learning about Indonesia

**Stimulate Interest in Learning about Indonesia**

- Enhance integration of Indonesian focused topics across the curriculum
- Update and expand learning materials about Indonesia
- Collaborate with Indonesian agencies to develop Indonesia-focused resources
- Build interest in Indonesia across all year levels
- Facilitate school exchanges between Australia and Indonesia

**Revitalise Indonesian Language Learning**

- Provide Indonesian language pathways across school years
- Address Indonesian teacher shortages with parallel strategies
- Create a pipeline of Indonesian language teachers
- Utilise Indonesia-based teaching support to supplement Australian teachers
- Incentivise Indonesian language learning inside and outside schools

## Priority 5: Dedicated funding, including Indonesia Literacy Bonds

Strengthening Australia's Indonesia literacy in all domains will require new investment from government, universities and business. Given the importance of Indonesia to Australia's future, that investment is well justified and will deliver economic, social and strategic returns from the dollars spent. Because of the nature of many of the recommendations, i.e. investment in skills and training and the creation of new institutions that will diversify our economy and export markets, much of this investment should be non-inflationary and lift productivity and therefore be budget positive in the long-term.

But in a fiscally constrained environment — especially for State and Territory governments — it may also be helpful to explore some innovative financing options.

***Recommendation 5.1: create Indonesia Literacy Bonds***

The first funding suggestion is for the Australian Government to explore issuing Indonesia Literacy Bonds (ILBs), a form of sovereign, outcomes-linked debt that raises capital to improve national capability in Indonesian language, cultural understanding and economic engagement. The ILBs would operate like normal Australian Government securities, but on top of the base coupon, investors would receive a step-up within a defined band if the Indonesia literacy

ecosystem achieves agreed KPIs. These could include increased Indonesian language enrolments, more Indonesia-related content in the curriculum of schools and universities and in Australian newspapers and on our televisions, and measurable growth in two-way trade and investment indicators.

The model draws conceptually on Victoria's *Early Intervention Investment Framework*[138], which treats early capability-building as an economic productivity measure. In this case the initiatives funded by the ILBs would both increase economic, social and national security outcomes for Australia and minimise the downsides of monolingualism, an Australia-Indonesia relationship without public-wide ballast and a lack of trade and investment diversification into our immediate region.

Internationally, similar structures exist. The UK and several US states have trialled social impact bonds and education-linked outcome bonds, while countries such as Uruguay, Chile and Indonesia have issued sustainability-linked sovereign bonds where coupon adjustments depend on meeting national KPIs (e.g. emissions, deforestation, social indicators). India and Brazil have used skills-development bonds, and South Africa has piloted education outcome bonds linked to literacy improvements. An ILB would sit within this broader family of outcome-linked public financing, but would apply those principles to national Indonesia capability, an area that has a clear strategic rationale yet lacks a dedicated funding mechanism within existing Australian government budget settings.

***Recommendation 5.2: Australian Government to invest in Indonesia investment vehicles***

A second potential source of funding is for the Australian Government to take a share in the proposed new investment vehicles described below under Priority 3: Lifting Business Engagement, i.e. an Australia–Indonesia Venture Co-Investment Fund or a Green Innovation and Climate Resilience Fund and use the returns to fund some of these proposed interventions.

The size of the challenge we face to strengthen Australia's Indonesia literacy will require both traditional and new and innovative funding sources. In this case, the rationale for a public-private partnership is more than just expanding the funding pie; as this report sets out it is also about the private sector showing the leadership necessary to build the demand for Indonesia literacy. The ILB model goes even further, by allowing every single Australian to make a contribution and elevating the Indonesia literacy mission as a national priority.

[138] https://www.dtf.vic.gov.au/early-intervention-investment-framework

## SECOND PHASE OF INTERVENTIONS

Over the longer term, a range of additional initiatives will be required to continue building the demand and supply-side of the Indonesia literacy equation, with many of these initiatives delivered by or embedded within the institutions that are created during Phase One as outlined above. It is anticipated that these initiatives would be funded through a combination of direct government funding and contributions by business (with tax breaks), with the potential for supplementation through novel mechanisms like Indonesia Literacy Bonds.

### Priority 2: Lifting awareness

| Recommendation | Details |
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| ***Recommendation 2.5***<br><br>***Indonesian Language and Culture Promotion Organisation –***<br><br>***'Suara Nusantara'*** | The Australian Government should work with the Indonesian Government to create an Indonesian language and culture promotion organisation, along the lines of Alliance Francaise or the Goethe Institut, to provide a central coordination point for Indonesian resources, events and festivals.<br><br>Once established, this 'Suara Nusantara' would work hand-in-hand with the proposed NILE entity, but whereas that would be owned by the Australian Government and focussed on our own ecosystem (teachers, lecturers, principals, students and education departments), Suara Nusantara would be owned by the Indonesian Government and focussed on the Australian public. |
| ***Recommendation 2.6***<br><br>***Make Indonesian culture visible*** | **2.6A:** The Australian Government should work with State and Territory Government and arts and cultural organisations to fund an Indonesian cultural grants program with a minimum proportion allocated to youth-targeted events and activities.<br><br>Select a capital city to host a permanent annual Festival Indonesia, including:<br>• Literature (leveraging Ubud Writers and Readers Festival)<br>• Film (leveraging ReelOzInd!)<br>• Contemporary art (leveraging Asiatopa)<br>• Music (leveraging Nongkrong, Gamelan DanAnda, etc.)<br>• Food (leveraging the Melbourne Indonesian Street Food Festival, Masterchef participant Reynold Poernomo and Lara Lee, host of Beyond Bali)<br><br>**2.6B:** Australia could also offer to jointly host our region's version of Eurovision: Asiavision, as proposed by Dr Jun Tong during the Asia Capability Inquiry public hearing on 5 November 2025. In April 2026, Bangkok was announced as the first host city for the inaugural Asian edition of Eurovision, which will include 10 countries and take place in November 2026. Indonesia is not a participant as of April 2026, but Australia could encourage Indonesia to join and co-host the event in 2027. |
| ***Recommendation 2.7***<br><br>***Unleash the power of sports diplomacy*** | Task the Australian Sports Commission with developing opportunities to showcase sporting activities between Australia and Indonesia, for example a bi-annual Indonesia–Australia Football Cup, or Surfing and Basketball Tournaments, to be broadcast on national broadcasters. |

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| ***Recommendation 2.8***<br><br>***A gap year in Indonesia*** | Private sector operators should explore commercial opportunities for Australians to spend a post high school gap year in different parts of Indonesia or spend the summer in Indonesia before starting their university/VET course in Australia. With enough demand, these programs could be partially funded on a cost recovery basis from participating students or contributions from the Indonesian Government, particularly where the experience included volunteering, interning or teaching in Indonesian schools. |

## Priority 3: Lifting business engagement

| Recommendation | Details |
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| ***Recommendation 3.5***<br><br>***End-to-end business support (Asian/European-government style 'hand holding')*** | The Australian Government should establish a fully integrated 'Business Success in Indonesia' program to support Australian firms across the entire investment and market-entry lifecycle. While Austrade, State and Territory Trade and Investment agencies, and the Australian Embassy in Jakarta (including the Deal Team and in-market advisers) offer pockets of support, feedback from business indicates that these services are often fragmented, inconsistent across jurisdictions, and leave critical gaps at early and mid-stage phases of market entry.<br><br>Reports from the Business Council of Australia, Asia Taskforce, and *Invested 2040* all highlight a shortage of practical, hands-on assistance for Australian SMEs navigating regulatory systems, building trusted partnerships, and managing commercial risk in Indonesia. Government programs often aren't accessible to SMEs or start-ups and are sometimes administered by people who don't have a background in Indonesia or in running a business.<br><br>Given Indonesia's scale, complexity and strategic importance, Australia needs to pilot a more comprehensive end-to-end model, similar to those used by peer countries like Japan (JETRO's tailored advisory and aftercare services), Germany (GTAI's investment readiness and regulatory support units), and Taiwan (TAITRA's sector-specific matchmaking and in-market accelerators).<br><br>A pilot would test whether an integrated, high-touch model can materially lift the number of Australian firms investing in or expanding into Indonesia, particularly SMEs and mid-tier companies that currently lack the bandwidth or risk appetite to pursue the market independently. An even narrower pilot could focus on a single sector where Australia has a competitive advantage, like renewable energy or biomedical and health-tech.<br><br>A consolidated program would include coordinated pre-market preparation (business planning, capability building and market entry planning), cultural and language support, in-country partner identification, support in hiring local staff and setting up a local presence, guidance for navigating local regulations, licencing regimes and visas, tailored advisory |

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| | and intermediary services, and structured aftercare. This approach responds directly to a key barrier identified in *Invested 2040*: Australian firms' lack of confidence and capability to enter the Indonesian market, despite rapidly growing opportunities. |
| ***Recommendation 3.6***<br><br>***Take concrete steps to improve Indonesia business literacy*** | Before getting Australian companies on a plane, including by ramping up trade missions, we need to ensure they are well versed in Indonesian business culture. This includes understanding the regulatory environment, the importance of relationship-building and partnerships and how to mitigate risks, for example considering arbitration bodies like the Indonesian Badan Arbitrase Nasional Indonesia (BANI) or the Singapore International Arbitration Centre (SIAC) for dispute resolution, rather than subjecting themselves to the vagaries of the Indonesian courts system.<br><br>**3.6A:** Ramp up Asialink's business education programs (eg. Accelerate Your Business in Indonesia and Doing Business Briefing: Indonesia), being delivered through the Asialink Business Academy, and ensure these programs are being delivered to SMEs as well as the top end of town (with a sliding cost scale to participate depending on annual revenue). These programs could be strengthened by testing and co-designing modules with Australian businesses that are already on the ground and succeeding in Indonesia, and having those businesspeople deliver some of the content.<br><br>**3.6B:** Fund business associations, including the Business Council of Australia, the Australian Chamber of Commerce and Industry and the Australia Indonesia Business Council, to run industry-led business exchange and secondment programs, to allow Australian professionals to gain in-country experience in Indonesia. |
| ***Recommendation 3.7***<br><br>***Set up new investment vehicles to tap into Indonesia's diverse and growing economy and increase visibility of the Indonesian market among Australian capital holders*** | Work with Macquarie and other fund managers with experience in Indonesia, in consultation with Danantara and the Indonesian Investment Authority, to explore new investment vehicles to (i) increase exposure to Indonesia's emerging industries and (ii) increase visibility of the Indonesian market to Australian investors and allow them to diversify their investment portfolios. Funds could initially be in the order of AUD$50 to $100 million. Australian universities with campuses in Indonesia can play an important role in identifying and incubating Indonesian tech start-ups, as suggested by Robert Law in his contribution to Australian Foreign Affairs (February 2026).<br><br>1. <u>Australia-Indonesia Venture Co-Investment Fund</u><br>• Model: the UK's British International Investment and the Dutch FMO VC co-investment platforms.<br>• Focus: digital health, ed-tech, fintech, climate-tech, food systems, circular economy.<br>• Co-invest with Indonesian VCs (i.e. East Ventures, AC Ventures, Alpha JWC, Intudo Ventures, etc.).<br>• Approach Indonesia with a venture capitalist mindset: even if 9/10 ventures fail and 1 succeeds, with the size of the market that is still a good outcome that can lead to a positive net payback. |

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| | 2. Green Innovation & Climate Resilience Fund<br>• Target: battery recycling and EV supply chains (currently focussed on motorbikes and e-scooters; electric car adoption is nascent), mangrove carbon projects, nature-based solutions, sustainable agriculture.<br>• Combine concessional finance with private capital from Australian ESG-oriented funds.<br>• The Australian Government has already made a play into this space, through an $8 million anchor commitment from Australian Development Investments into Indonesian VC firm AC Ventures' Climate and Sustainability Fund: [139]<br><br>3. Education, Skills & Labour Mobility Innovation Fund<br>• Invest in Indonesian ed-techs, vocational training providers, micro-credential tech platforms.<br>• Align with IA-CEPA skills mobility pilots and Indonesia's enormous workforce transition under Making Indonesia 4.0.<br>• Would help to position Australian VET/TAFE providers inside Indonesia's rapid skills transformation.<br><br>4. Australia–Indonesia SME Market Entry Facility<br>• Government provides concessional loans, guarantees, or first-loss mechanisms.<br>• Enables Australian SMEs to partner with Indonesian firms without crippling upfront risk.<br><br>5. Australian-backed tech infrastructure seed facility<br>• Co-invest in cloud, fibre, data centres, energy storage, and urban services technology, to meet the needs of Indonesia's young, growing and increasingly urban and tech savvy population.<br>• Aligns with the government's SEAIFF priority sectors (digital infrastructure, connectivity, supply chain resilience). |

## Priority 4: Embedding Indonesia in our education system

| Recommendation | Details |
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| ***Recommendation 4.6***<br><br>***Ensure a national Indonesian curriculum and embed Indonesia content across all subject areas*** | The Curriculum is understandably slow to evolve and updating the Curriculum is not something that can be done at the drop of a hat. But to strengthen Australia's Indonesia literacy in our school system, we need to build on the strengths of the Australian national Curriculum on two fronts: universalisation and harmonisation.<br><br>These two pieces are both medium to long-term propositions and would require Commonwealth and State and Territory curriculum authorities to work together. But both are essential.<br><br>**4.6A:** The Australian Department of Education should work with universities, curriculum authorities and teacher associations to embed |

[139] https://indonesia.embassy.gov.au/jakt/MR25_004.html

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| | Indonesia content in all subject areas in the Curriculum and fund non-Indonesian teachers to do professional development to increase their level of familiarity with Indonesia (as it pertains to their subject specialty area) and spend time in Indonesia. While acknowledging it is easier said than done, there is no shortage of interesting content and case studies from Indonesia that could be woven into all levels of the F-10 and senior secondary Curriculum.<br><br>**4.6B:** The Australian Department of Education also needs to work with the national and State and Territory curriculum agencies to harmonise the Indonesian curriculum across all jurisdictions. It makes little sense to have any difference in content, materials or exams for students in Victoria vis-a-vis Western Australia. Harmonisation will build economies of scale and increase the ability of schools and teachers in different jurisdictions to collaborate on professional development and teaching and learning materials.<br><br>To support teachers to include studies of Indonesia in Australian Curriculum learning areas including History, Geography, The Arts, Science and the Environment, it is critical to:<br>i. Ensure there are up-to-date curriculum materials focused on Indonesia to support the Australian Curriculum's cross-curriculum priority of Asia and Australia's engagement with Asia, made available through existing national curriculum platforms<br>ii. Provide opportunities for Australian primary and secondary teachers from all subject areas to learn about Indonesia through direct in-country experience, school exchanges and virtual connection to teachers and students in Indonesia through programs like Australia Indonesia BRIDGE.<br>iii. Support teacher education programs to connect trainee teachers to their peers in Indonesia to collaborate on teaching and learning issues and learn together.<br>iv. Monitor the inclusion of studies of Indonesia in Australian classrooms and students' development of Indonesia literacy from pre-school to year 12. |
| ***Recommendation 4.7***<br><br>***Strengthen Indonesia literacy in Pre-school*** | At early childhood level, the objective is not language proficiency, but rather exposure, curiosity, cultural awareness, and setting the foundation for future learning pathways. Australian research on early bilingualism (e.g., the Early Learning Languages Australia (ELLA) evaluations) shows that languages offered in kindergarten succeed when they feel like play not study.<br><br>Japanese, Korean and Chinese have built the foundations of language interest through early exposure to cultural elements, nursery rhymes and story books and benefitted from an increasing number of early childhood educators from those countries.<br><br>In the early childhood space, three initiatives to be considered are: |

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| | **4.7A:** Connect educators with native Indonesian speakers in our community, both to share their culture with the students but also as a way of introducing potential future Indonesian teachers and early childhood educators to the education system.<br><br>**4.7B:** Treat Indonesian as a heritage language, to cater to the increasing numbers of Australians with Indonesian heritage, for example working with local councils to establish Indonesian playgroups, like the one run by City of Melbourne at the naarm ngarggu Library.<br><br>**4.7C:** Introduce Indonesian content into early childhood settings, building on and supplementing the ELLA languages platform, for example using Indonesian animals like komodos and orangutans as class mascots and accessing subtitled popular kids cartoons like Upin Ipin (which is actually Malaysian but it is extremely popular in Indonesia). Creation of an 'Indonesian Early Years Activity Kit' could be part of the engaging resources project that will need to be done at school level. |
| ***Recommendation 4.8***<br><br>***Strengthen Indonesia literacy in Primary School*** | Many of the initiatives that apply to high schools apply equally to primary schools, i.e. lifting community awareness, recruiting and retaining high quality teachers and creating engaging, contemporary resources.<br><br>**4.8A:** One initiative that was raised by some respondents, which is worth exploring (at least as a stop gap measure), is to develop a Language and Intercultural Studies for Primary School, which could be taught to all students in the normal languages slot in the timetable, in the case that Indonesian was forced to be discontinued as a result of losing and being unable to replace the qualified Indonesian teacher.<br><br>The Asian Languages and Intercultural Studies subject would include:<br>• A focus on priority Asian languages (i.e. Mandarin, Hindi, Japanese and Indonesian).<br>• Exposing students to scripts, vocabulary, history and culture from the countries where those languages are spoken.<br>• Emphasising the historical and cultural ties between Australia and those countries.<br><br>While not as impactful for strengthening Indonesia literacy as a dedicated Indonesian subject, the benefits of this approach include:<br>i. Exposure to Indonesian language and culture to build curiosity and a base level of understanding of our largest Asian neighbour in its own right, but also relative to other Asian countries of significance to Australia.<br>ii. Providing opportunities for members of the parent and school community with Indonesia expertise to be able to spend time in the classroom when the focus of the class is on Indonesia (i.e. around a quarter of the time).<br>iii. Creating opportunities for team teaching approaches across clusters of primary schools, whereby one qualified Indonesian teacher could potentially contribute to 3-4 school programs, in conjunction with teachers of Mandarin, Japanese and Hindi. |

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| | iv. Normalising the concept of multilingualism and providing a platform for students with Asian heritage to have their cultures portrayed in a visible and positive light in the classroom.<br>v. Building intercultural capabilities and embedding an appreciation of Australia's growing Asian diaspora communities, and in doing so strengthening social cohesion.<br>vi. Priming students so they are well positioned to take up Indonesian should it be offered at their chosen high school.<br><br>This approach would also take the pressure off the generally unrealistic expectation of building language fluency at primary school level among non-native speakers, when young students are only studying the selected language for an hour a week. It would also avoid the situation whereby Indonesian has to 'win out' against those other Asian languages for primacy in a primary school.<br><br>**4.8B:** Outside the classroom, many parents in households where all adults are working full-time put their children into school holiday programs during term breaks. There is an opportunity for the private sector to consider designing Indonesia-oriented holiday programs, whereby rather than the generic visit to the cinema, Bounce or paintball, students would attend a day full of Indonesia-inspired activities, like cooking, sports or music and cultural performances. |
| ***Recommendation 4.9***<br><br>***Strengthen Indonesia literacy in High School*** | Following on from the high-school-related initiatives in Phase One, the following interventions would further address each of the three 'attrition cliffs': Years 7 (initial language choice when languages are compulsory), Year 9 (when Indonesian becomes an elective) and Year 11 (when Indonesian competes against other senior secondary subjects).<br><br><u>Year 7</u><br>Buy-in from school principals and other school leaders is crucial in ensuring more schools take up/retain Indonesian language programs.<br><br>**4.9A:** Increase the availability of exceptional, qualified Indonesian teachers, armed with modern and engaging resources and supported by a central coordinating institute (NILE) and an active community of practice, as a critical step in encouraging schools to retain or start delivering an Indonesian program.<br><br>**4.9B:** Fund Asialink Education to reinstate the very successful Leading 21st Century Schools Program[140] (which at one point was rolled out to 30% of Australian school leaders) but specifically target the program towards lifting the Indonesia literacy of principals and school leaders.<br><br><u>Year 9</u><br>**4.9C:** Create a centralised program based on the Victorian Young Leaders to Indonesia Program[141]: a 6-week immersion experience with a |

[140] https://indonesia.embassy.gov.au/jakt/MR09_070.html
[141] https://www.landing.acicis.edu.au/news/victorian-young-leaders-to-indonesia-2019-the-pilot-program-wrap-up/

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| | homestay component. The inaugural program was launched in 2019 by the Victorian Department of Education and Training but after its first very successful year it was stymied by the onset of the COVID-19 pandemic. The program evaluation showed that this was a highly impactful and effective program that significantly increased the likelihood that participants would continue learning Indonesian into senior secondary school.<br><br><u>Year 11</u><br>Once students hit senior secondary school, their subject choices, beyond mere intrinsic enjoyment, are impacted by two key factors:<br>• What will get them a job.<br>• What will get them into the tertiary education of their choice.<br><br>In terms of tertiary admissions, two parallel interventions would help to increase the relative attractiveness of studying Indonesian:<br><br>**4.9D:** Work with State tertiary admissions centres like VTAC, and their national council ACACA to give Indonesian a further study score/scaling bump, acknowledging that while Indonesian is relatively easy to learn as a beginner, it is hard to master. This will also help to offset students' reticence to study Indonesian, lest they be competing with native speakers on the bell curve.<br><br>**4.9E:** Work directly with universities to offer preferential places to students who study Indonesian as part of their degree or as a Graduate Diploma of Languages. |
| ***Recommendation 4.10***<br><br>***Strengthen Indonesia literacy in the Tertiary Sector*** | Unlike the school system, governments have fewer direct levers over universities and the broader post-secondary sector. But the Australian Government's influence is far greater than it typically admits. Through funding agreements, international student caps, TEQSA regulation, visa settings, and Research Block Grants, the Commonwealth already shapes university behaviour and can do far more to influence the critical role of universities in contributing to Australia's Indonesia literacy.<br><br>Universities must be required, not merely encouraged, to play a leadership role in rebuilding Australia's Indonesia capability. For decades the sector has behaved in this space as a passive 'market taker', responding to short-term enrolment fluctuations by often dropping Indonesian studies altogether, rather than acting in the long-term national interest. If Indonesian is treated as an ordinary subject in a marketised system, it will disappear. It is incongruous to see so many of these institutions espousing aspirations to be globally leading universities, yet offering so little in the way of Indonesian studies and content in their course offerings.<br><br>The Australian Government should consider requiring that all universities receiving federal funding (and/or their requested international student caps) maintain their Indonesian language and Indonesian studies programs, regardless of cyclical enrolment numbers and use a broader |

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| | set of indicators in allocating funding to their Indonesia programs, giving more weight to the national interest. |
| ***Recommendation 4.11***<br><br>***Strengthen Indonesia literacy in TAFEs and RTOs*** | TAFEs and RTOs also have a role to play in lifting the Indonesia literacy of their students. In addition to partnering with universities to provide intensive Indonesian language subjects, TAFEs and RTOs should also consider offering an Asian Languages and Intercultural Studies program, akin to the proposal above for primary schools, but oriented towards business use case studies. This underlines the reality that Indonesia literacy is not just for diplomats or international relations graduates.<br><br>A modern TAFE-led Asian Languages and Intercultural Skills program could be designed as a vocational 'applied Indonesian' stream. For example:<br>• Indonesian for construction workers and renewable energy technicians.<br>• Indonesian for tourism, event management and customer-service roles, to cater for the increasing numbers of Indonesians holidaying to Australia, but also employment opportunities in Indonesian resorts and hospitality venues. The same rationale applies to Indonesian for chefs and hospitality workers.<br>• Indonesian for maritime and logistics staff.<br><br>By lifting their Indonesia offerings, TAFEs and RTOs will also be able to build the capability and reputation needed to enter Indonesia's booming skills and vocational education market, home to more than 65 million young people requiring upskilling this decade. As such, this is both an opportunity to provide a skills uplift to domestic students as well as an export opportunity in an area that the Indonesian Government has identified as a top priority in the years ahead. |

# Appendic A: Glossary

ABS - Australian Bureau of Statistics

Acicis - Australian Consortium for 'In-Country' Indonesian Studies

AII - Australia-Indonesia Institute

AIMEP - Australia-Indonesia Muslim Exchange Program

AIYA - Australia-Indonesia Youth Association

AIYEP - Australia-Indonesia Youth Exchange Program

ASEAN - Association of Southeast Asian Nations

Austrade - Australian Trade and Investment Commission

*Bahasa Indonesia* – Indonesian, the national language of Indonesia

DE – Department of Education (Australian Government)

DET – Victorian Department of Education and Training (Victoria)

DFAT - Department of Foreign Affairs and Trade (Australian Government)

DOD - Department of Defence (Australian Government)

Indonesia literacy - language capability, cultural understanding and engagement (see **Appendix B**)

In-country - Refers to experiences or programs undertaken in Indonesia

NAILA - National Australia Indonesia Language Awards

NALSAS - National Asian Languages and Studies in Australian Schools strategy

NALSSP - National Asian Languages and Studies in Schools Program

NCP - New Colombo Plan (Australian Government mobility and scholarship program)

RTO - Registered Training Organisation

TAFE - Technical and Further Education institutions

VET - Vocational Education and Training

# Appendix B: What is ‘Indonesia literacy’?

Noting the plethora of definitions of the term ’literacy’, in this report I use ‘Indonesia literacy’ to refer to the entire gamut of Indonesian studies and intercultural understanding, from passing familiarity to deep expertise and scholarship, because accurate and contemporary knowledge of our near neighbour, across all parts of our society, is what we need to aim for.

Responses to the decline in Indonesian language learning that result only in building (at high cost) a small, elite group of Indonesia-fluent bureaucrats, will have missed the mark and missed the point. We don’t necessarily need a million qualified translators of *Bahasa Indonesia*; but we do need to lift all Australians’ understanding of Indonesia.

Indonesia literacy, in this report, refers to a pyramid of intersecting layers, with each reinforcing the layer above.

1. **Base layer**: People-to-people: A broad-based awareness and understanding of Indonesia and regular engagement between Australians and Indonesians across every sector, including international education and tourism (not just Australians travelling from Perth to Kuta).
2. **Middle layer**: Purposeful engagement: Basic language learning, doing business with Indonesia and an active Indonesian diaspora. This includes the many students studying Indonesian through high school, but who won’t reach a level of fluency to work as an interpreter at the United Nations.
3. **Top layer**: Deep expertise: A quorum of experts with deep knowledge of Indonesia. These are the people we need to help design our strategic and defence policies, negotiate bilateral agreements and design engaging and contemporary Indonesian curriculum for Australian schools and universities.

Indonesia literacy can also be viewed as a continuum, ranging from *Indonesia awareness* (as opposed to total ignorance or even animosity) all the way up to *Indonesia expertise*, and everything in between.


1. *Indonesia awareness*

A basic level of knowledge where individuals can identify Indonesia on a map and recognise a handful of key facts, e.g. population, proximity to Australia, and knowing that Bali is part of Indonesia and is a moderate Muslim democracy (with more Christians than the entire Australian population), without necessarily having a deep cultural or contextual understanding.

2. *Indonesia familiarity*

Casual engagement built through limited exposure. For example, having travelled in Indonesia, learned a little bit of *Bahasa Indonesia*, attended Indonesian food, culture, music or film events in Australia, or spent time getting to know an Indonesian friend, neighbour or relative.

3. *Indonesia understanding*

Functional level of competence involving sustained engagement and a working grasp of Indonesia's cultural norms, political and legal systems, business practices, and social diversity, enabling effective and respectful collaboration or trade.

4. *Indonesia expertise*

High level of professional or lived specialisation grounded in deep sectoral knowledge, networks, and experience across Indonesia's institutions, languages, and cultures. This is the level of diplomats, academics, artists, entrepreneurs, or community leaders who work fluently and reciprocally across both nations. This likely, but not necessarily, includes the ability to communicate effectively and accurately in spoken and written *Bahasa Indonesia* across a range of formal and informal contexts, noting that language fluency alone does not automatically equate to cultural fluency or a working understanding of Indonesian norms, which really must be developed through lived experience and interaction.

These are all necessary components of 'Indonesia literacy', the broad mix of expertise, interactions, experience, awareness, networks, skills and language capability, that individuals and Australia as a whole need to be successful in and with Indonesia.

# Appendix C: Summary of key themes raised through interviews and the questionnaire

Interviewees and questionnaire respondents were extremely generous with their time and their insights into our Indonesia literacy challenge. I have tried to incorporate as many of those insights as possible into the body of this report and the recommendations. I have also summarised below some of the key common themes emerging from my research.

## Why Indonesia's literacy is important

1. Respondents repeatedly framed Indonesia literacy as a core capability for navigating a future where Indonesia is a major regional power and economy and key to any Australian force projection or diplomacy in Asia.
2. A strong theme was the notion that Indonesia literacy underpins Australia's ability to diversify its trade and investment, to tap into a >$1 trillion economy with a young demographic and rapidly growing tech firms like GoTo and Bukalapak. Respondents highlighted the risk that Australia keeps missing opportunities because business leaders can't engage comfortably with Indonesian counterparts or read the landscape.
3. Many respondents emphasised that language is inseparable from culture, values and building trust in Australian society, in our schools, communities, business and diplomacy. Indonesian literacy is described as essential to overcoming stereotypes (Muslim = unsafe, Indonesia = poor and 'third world'), nurturing respectful relationships, and enabling young Australians and Indonesians to recognise shared aspirations rather than playing off caricatures of each other.
4. Several respondents stressed that understanding Indonesia is part of being an informed citizen of the region, knowing how themes like democracy, Islam, nationalism and diversity interact with each other in Indonesian society and what that then means for how Indonesia engages with Australia, Southeast Asia and the rest of the world. Some respondents also flipped the lens, noting that Indonesians themselves often have shallow global literacy and that deeper, two-way understanding is a shared regional project, not just a one-way obligation on Australians.
5. The Rudd–Mandarin analogy came up more than once. Respondents argued that a fluent, high-profile champion can radically change how a relationship is valued. They lamented the absence of prominent Indonesian-speaking Australian leaders in politics, business and media, with Penny Wong often mentioned as a rare exception whose Malay/Indonesian skills visibly shift the tone.

## Why Australia's Indonesia literacy remains low

1. Across all sectors, people pointed to a fundamental narrative failure: parents and students don't see why Indonesia matters; business often puts Indonesia in the 'too hard' or 'too poor basket; and the broader public mostly knows Bali and negative headlines. Several respondents explicitly talked about Australians seeing Indonesia as lower status, unsafe or 'less interesting' than Europe, Korea or Japan.
2. Teachers consistently cited competition from STEM and from more 'fashionable' languages (Korean, Japanese, Chinese, European languages) once languages become optional, with Indonesian lacking the 'cultural cachet' of many of these other subjects. Students choose what seems easier, more fun, more aligned with pop culture, or better

scaled for ATAR. Several respondents noted that Italian or Mandarin soaked up most enrolments where they are offered alongside Indonesian.

3. Respondents repeatedly stressed how brittle Indonesian programs are. There is no national coordination, with no sustained COAG-style national push since NALSAS/NALSSP. With Indonesian content rarely taught in other subjects, the Indonesian class is usually the only generator of Indonesia literacy at any level. When that one Indonesian teacher leaves (who is often working alone across the whole school and so more susceptible to burnout), it often spells the end of a school's Indonesian offering. At university-level, low enrolments and corporatised finance models make Indonesian an easy target for closure.
4. There is near-unanimous frustration about media narratives: Indonesia appears mainly in stories about drugs, corruption, terrorism, 'Bali dramas' or disasters, with almost no visibility of modern cities, universities, creative industries or progressive movements. This feeds Islamophobia and a sense of Indonesia as unsafe, backward or monolithic.
5. Many educators and businesspeople who do see the value of Indonesia literacy referred to the reality that many more educated Indonesians now speak English, so Australian students, businesses and universities feel they can get by without Indonesian. Some respondents noted this is rational (because you can still travel or do deals in Indonesia without speaking the language), but also saw it as short-sighted, because it blocks access to deeper cultural, political and regional understanding, and entrenches asymmetric, English-centric power dynamics. It also puts Australians at a competitive disadvantage vis-à-vis citizens of countries that value bilingualism and biculturalism.

## What is going well/we need to see more of

1. Multiple respondents talked about Indonesian teachers and associations (like VILTA and AIYA) 'not giving up the fight', keeping programs alive against the odds and creating solidarity. Conferences, informal networks and shared resources are seen as key sources of morale and innovation, but resilience reserves are running low.
2. Exchanges are a shining light: where school trips, sister-school relationships, Acicis study programs, the New Colombo Plan or the old Endeavour teacher fellowships are in place, respondents see them as transformative, for students, teachers and communities. There is a strong sense that these are high-impact interventions that need to be protected and scaled rather than constantly reinvented or defunded. Technology enables new style virtual connections too and the power of this is demonstrated through the BRIDGE program in schools and virtual youth forums such as those run by Asialink Education.
3. AsiaTOPA, Indonesian film festivals, events like Nongkrong, visiting artists (e.g. Vanny Vabiola), and the growing presence of Indonesian content on social media are cited as positive openings, providing potential hooks for young people, similar to K-pop or anime, except in the case of Indonesian content, it is far less resourced or visible at present.
4. Some respondents noted that Indonesian youth on social media and the Indonesian diaspora in Australia are quietly improving literacy by sharing authentic stories and everyday life, challenging monolithic images of Indonesia as either Bali or a conservative Muslim 'other'. This is seen as a promising but under-leveraged asset.
5. Many respondents pointed to some recent 'big signals' that have been noticed beyond the usual Indonesia circles. This includes recurring statements from the Prime Minister and Foreign Minister about the importance of Indonesia, the Asia Capability Inquiry, some of the big investments made by the Australian Government off the back of

*Invested 2040* (like KINETIK, the Landing Pad and the Jakarta Deal Team), and the establishment of Monash University's Indonesia campus. The consensus isn't that 'nothing is happening'; it's that the good bits are scattered, fragile and lack a unifying strategy or narrative.

## What should we be doing to strengthen Australia's Indonesia literacy

1. Many talked about needing to support our existing Indonesian teachers and recruit new ones. Most interviewees who reflected on their own Indonesia literacy identified an inspiring teacher as the most important factor in developing a curiosity and love for Indonesian and wanting to continue to study it through high school and university. Our current crop of teachers is working tirelessly to keep the Indonesian programs in their schools and universities alive. Many of them feel isolated, unsupported and unheard and many are holding off retirement because they are fearful that once they go, their program will be shut down. It is critical that we provide this cohort of teachers with immediate support, as well as showing them a level of recognition and respect that is commensurate with the important role they play in the ecosystem. We also need to embed Indonesia literacy in the education system more generally, so that teachers of other subjects like literature, history, science and environmental studies exit initial teacher education with some knowledge and connection to Indonesia.
2. Aside from teachers, many respondents identified the need for students, businesspeople and decision makers to get on the ground in Indonesia (beyond Bali's tourist enclaves). For many respondents, school trips, sister school exchanges, overseas immersion experiences and business missions were seen as critical for shifting attitudes and getting more Australians curious about Indonesia's potential.
3. Coordination and collaboration are key. Many respondents argued that we urgently need a national Indonesia (or Asia) literacy strategy, with clear leadership, long-term funding, monitoring and coordination across sectors: not just NALSAS 2.0 but something that weaves all sectors together. Several suggested 'centres of excellence' rather than trying to keep small Indonesian offerings everywhere, while others called for an institute-style body that can do research, share resources, and coordinate programs across governments, universities and schools.
4. Many respondents, particularly younger people, talked about the need to shift the public narrative and give Indonesia a pop-culture and media 'brand' in Australia, with recognition that you can't fix Indonesia literacy purely through language classrooms while the rest of the system tells a completely different story. Proposals included:
    - Actively increasing Indonesian content on mainstream TV, radio (e.g. Triple J) and streaming platforms.
    - Funding festivals, concerts, influencer partnerships and creative commissions that present contemporary Indonesia in ways that resonate with Australian youth (music, gaming, food, film, fashion).
    - Highlighting Indonesia's diversity: beyond Bali or a single religious identity, noting this same diversity that makes Indonesia such a fascinating country to engage with can work against the development of a saleable 'brand Indonesia'.
5. While those involved in the languages space are often the most passionate advocates, many respondents from other sectors identified that Indonesia literacy cannot be driven from within Indonesian classrooms alone. Respondents suggested:

- Structured internships, double degrees and work-integrated learning with Indonesian partners across disciplines (not just International Relations/Arts).
- Business programs that treat language and cultural literacy as part of risk management and opportunity, not a ‘nice to have’, plus more visibility of firms that succeed in Indonesia.
- Stronger use of diaspora and alumni networks.
- Leaders in politics and business to publicly model multilingualism and Indonesia engagement, signalling that this capability matters for careers and national strategy.

# Appendix D: Questionnaire

Dimension 1 – Decline in School-Based Indonesian Language Learning

Few Australian students are currently studying Indonesian through to Year 12. The last decade has seen a marked decline in the number of schools offering the subject at primary and secondary levels. While enrolments in some States have held steadier, national figures are down overall.

**Question 1**: What do you see as the key reasons for the decline in Indonesian language study in Australian primary and secondary schools?

*Note: You may wish to comment on curriculum settings, teacher supply, subject scaling, parental attitudes, contact hours, competition with other languages/subjects, or broader policy and cultural factors.*

Dimension 2 – Decline in University-Level Indonesian

Several Australian universities have scaled back or ceased offering Indonesian language programs in recent years. For example, La Trobe University discontinued Indonesian in 2021 and the University of Tasmania recently announced it was considering doing the same. According to Acicis, enrolments in Southeast Asian languages at Australian universities have dropped by nearly 75% since 2001. While universities like ANU and Monash continue to offer strong programs, others have significantly reduced offerings, removed Indonesian as a major, or closed language centres altogether. This trend may reflect a broader de-prioritisation of language education within the university system, compounded by changes in student preferences, funding pressures, and institutional restructuring following the COVID-19 pandemic.

**Question 2**: What do you see as the main challenges or disincentives for Australian universities in maintaining or expanding Indonesian language programs?

*Note: You may wish to comment on student demand, funding and cost recovery models, staffing challenges, perceptions of employability, policy incentives, or how Indonesian compares to other subject offerings.*

Dimension 3 – Limited Public Exposure and Engagement with Indonesia

Despite its proximity and importance as one of the world's most important emerging economies, Australians' direct engagement with Indonesia remains limited. Indonesian history, politics and popular culture are rarely visible in Australian media or public life. Programs like the New Colombo Plan and Acicis have created valuable pathways for Australian students to live, study, and intern in Indonesia. However, participation rates remain modest relative to Indonesia's size, proximity, and strategic importance. For many Australians - particularly young people - their only exposure to Indonesia is through occasional holidays to Bali's tourist hotspots. These experiences do not always foster meaningful understanding of Indonesian language, culture, or society. Many travellers are not even aware that Bali is part of Indonesia, or that it differs significantly from other parts of the archipelago. Unlike countries such as the

United Kingdom, United States, France, Greece or Italy, our institutional, cultural and public engagement with Indonesia remains strikingly shallow by comparison.

**Question 3**: What are the biggest barriers to greater public engagement with Indonesia - beyond tourism in Bali - and why do you think Indonesia remains so absent from Australian media, pop culture, and public consciousness, despite its proximity and importance?

To what extent do you see this as a cause or consequence of low Indonesia literacy?

Dimension 4 – Low Indonesia Literacy Among Leaders

Australia's ability to engage effectively with Indonesia - across diplomacy, trade, security and culture - is shaped not just by public attitudes but also by the knowledge and priorities of its leaders. However, very few Australian politicians, senior public servants, corporate executives or board members have professional or linguistic expertise in Indonesia. Despite a growing Indonesian diaspora in Australia, not enough of these bicultural citizens are being promoted in senior leadership roles. Many leaders have strong ties to countries like the United Kingdom and United States, and increasingly to China and India. However, Indonesia - despite its strategic importance and proximity - is notably under-represented, with very few Australians in senior positions having worked, lived or studied in Indonesia, or studied Indonesian beyond junior secondary school.

**Question 4:** In your experience, how visible or valued is Indonesia literacy among Australia's political, government and business leadership - and what are the consequences of its absence?

*Note: You may wish to reflect on representation in leadership roles, public service capability, board recruitment and leadership development programs, how often you see Indonesia being considered in options analysis and strategic and funding decision making, and how leadership signals affect organisational priorities.*

Dimension 5 – Misconceptions and Stereotypes

Public opinion research, such as the Lowy Institute Poll, suggests that Indonesia is often associated with instability, danger or radicalism - and rarely seen in terms of its economic scale, cultural richness, or democratic transformation. These misunderstandings may deter students from choosing Indonesian, parents from supporting it, and institutions from investing in deeper bilateral engagement.

**Question 5**: What do you believe are the most common misunderstandings or stereotypes Australians hold about Indonesia - and how do you think these perceptions affect interest in language learning, education, or bilateral engagement?

*Note: You may wish to reflect on how these views are formed, whether they have changed over time, the role of education institutions, leaders or media in informing these views, and what you've seen that successfully challenges or reshapes them.*

Dimension 6 – Business Demand and Market Engagement

Despite Indonesia being a G20 economy with a rapidly rising middle class and growing income levels, few Australian businesses actively seek or value Indonesia literacy - whether in the form of language skills, cultural knowledge, or lived experience. In the 2023–24 financial year, Indonesia was Australia's 11th largest two-way trading partner. Australian investment in Indonesia also remains limited. While some sectors - such as education, agribusiness and mining - have pursued deeper ties with Indonesia, many others continue to overlook the market due to perceived complexity, uncertainty, or lack of capability.

**Question 6A**. In your experience, what are the main reasons why Australian businesses do not prioritise Indonesia literacy - and what would need to change for employers to value it more?

**Question 6B**. Assuming that low levels of Indonesia literacy contribute to limited business engagement, what other reasons do you think more Australian businesses are not expanding into or investing in Indonesia?

Dimension 7 – Fragmented Policy and Institutional Coordination

Efforts to strengthen Indonesia literacy in Australia - whether through language education, mobility programs, business partnerships or cultural exchange - are spread across disparate sectors and multiple levels of government and Ministerial portfolios. Programs like Acicis, the New Colombo Plan, various State-based initiatives, and DFAT's Southeast Asia strategies all contribute value. However, there is currently no national framework or coordinating mechanism that links these efforts or sets shared goals towards strengthening Indonesia literacy and lifting the volume and breadth of engagement between Australia and Indonesia.

**Question 7**: To what extent do you believe that fragmented policy and institutional arrangements are a barrier to strengthening Indonesia literacy in Australia - and what kinds of coordination, leadership or reform would make the biggest difference?

*Note: You may wish to comment on the roles of the Commonwealth, States and Territories, universities, business, philanthropy or community groups - and suggest ways to improve alignment or leadership across these efforts, including successful models you're observing in other jurisdictions or in other sectors.*

Dimension 8 – Unlocking Systemic and Practical Solutions

While many individuals and institutions recognise the value of stronger Australia–Indonesia engagement, there is no clear consensus on how best to strengthen Indonesia literacy - or what levers will deliver long-term, system-wide impact. As part of this project, we're seeking ideas that could work at different scales - from small 'quick wins' to larger structural shifts - and especially those that link, extend or amplify what already exists.

**Question 8**: What are the most promising ideas - or combinations of ideas - that you believe could strengthen Indonesia literacy in Australia over the next decade?

*Note: You may wish to propose ways to align existing efforts, scale proven programs, fill key gaps, shift incentives, or design cross-sector strategies. Big or small, all contributions are welcome.*

Dimension 9: Relevant reports, articles or data

Organisations like Acicis do a wonderful job of gathering data on Indonesian language learning in Australia. Media outlets like the ABC and foreign affairs-related organisations like ASPI and AIIA have written about the decline of Indonesian language learning in Australia.

However, we are conscious that there are likely to be many more journal articles, studies and interviews relating to Indonesia literacy in Australia (not just in education, but also in business, government and the community sector).

**Question 9**: Please provide us with links to any reports, articles or data that you think will be of relevance to this project.

If you would like to send full copies directly, you can email them to whylearnindo@gmail.com

# Appendix E: Interviewees and contributors

## List of people interviewed for this report

I am grateful for the following people who gave up their time to share their ideas with me:

- Jack Allen, Co-founder and co-convenor, Australia Indonesia Investor Dialogue
- Angus Baranikow, President, AIYA, Victoria Chapter
- Chris Barnes, Head of Business Development, Trade and International Affairs, ACCI
- Fran Baxter, Director, Value Learning Intercultural Specialists
- Corrina Bertram, KPMG Partner and Asialink Board member
- Andrew Boal, Partner, Actuaries & Investment Specialists, Deloitte Australia
- Julian Bowen and Mary Powter, Department of Foreign Affairs and Trade
- Megan Bowler, Lecturer, University of Oxford and author of HEPI report The Languages Crisis: Arresting decline
- Meg Brighton, Deputy Secretary, Schools and Youth, Australian Government Department of Education
- Clarice Campbell, Lead Adviser, Skills of IA-CEPA Economic Cooperation Program (ECP) Katalis
- Benjamin Cass, President Director, Living Well Communities
- Andrew Catton and Erin Mcmahon, Pondok Bahasa
- Dr Wesa Chau, Executive Director, Per Capita and Advisory Board Member, National Foundation for Australia-China Relations
- Benita Chudleigh, Assistant Director, Education Partnerships, DFAT
- Sue Cooper, former Indonesian teacher and Chair, Balai Bahasa Indonesia Perth
- Sunanda Creagh, Senior Editor, The Conversation
- Dr Sharyn Davies, Director, Herb Feith Indonesia Engagement Centre
- Grant Dooley, former CEO, Breakthrough Victoria and former diplomat in Indonesia
- Kevin Evans, Director Indonesia, Australia Indonesia Centre
- Greg Fealy, Associate Professor and Senior Fellow, Indonesian Politics, ANU; former Chair, Australia-Indonesia Institute Board
- Liz Formby, Indonesian teacher
- Helen Fraser, Senior Telco Executive, NSW solicitor and former Chief Legal Officer, Symbio Holdings
- Geoffrey Gold, long-time Australia-Indonesia businessman and AIBC National Chair, Minerals, Energy and Industry Group

- Bryce Green, Investment and Trade Commissioner for Western Australia in ASEAN
- Nick Goodwin, CEO and Founder of Tulodo
- Rebecca Hall, former Victorian Commissioner, Southeast Asia
- Kelly Harrison, Owner, Languages Roadshow
- Matthew Hasjim, Director of Operations, Australia Indonesia Youth Association
- Lisa Hayman, Director of Partnerships, Asialink Education
- Dr Kirrilee Hughes, Founder and Principal, Bestari Consulting
- Philipp Ivanov, former CEO, Asia Society Australia
- Navodi Karunatilake, Nirad Deshpande and Eloise Ambrose, Macquarie
- Laura Keating and Ruth O'Hagan, ASEAN-Australia Centre
- Dr Elly Kent, Deputy Director of Languages in the School of Culture, History and Languages, College of Asia and the Pacific, ANU
- Kathe Kirby, former Executive Director, Asia Education Foundation
- Anastasia Koo, National President, Australian Indonesia Youth Association
- Yacinta Kurniasih, Assistant Lecturer, Indonesian Studies, Monash University
- Sarah Lendon, Assistant Director, Country Engagement, International Division, Australian Government Department of Education
- Prof. Joseph Lo Bianco, Emeritus Professor of Language and Literacy Education at the Melbourne Graduate School of Education, University of Melbourne
- Naila Mazzucco, Victorian Commissioner, Southeast Asia
- Fiona Morris, International Division, Australian Government Department of Education
- Andrew Parker, former NSW Senior Trade and Investment Commissioner, ASEAN
- Anastasia Pavlovic, Strategy & Operations Lead, Go-to-market, Asia Pacific, Google; Board Director, CAUSINDY
- Amelia Pearson, Operations Manager, Monash Climate Change Communication Research Hub
- Rebecca Perkins and Sangay Linkins, Department of Defence
- Liam Prince, Consortium Director, Acicis
- Dr Jemma Purdey, Industry Fellow, Australia-Indonesia Centre and Founding Director of ReelOzInd!
- Prof. Yuli Rahmawati, Education and Culture Attache, Embassy of the Republic of Indonesia
- Chris Redden, Education Facilitator, Australia-Indonesia Youth Association

- Erwin Renaldi, Bilingual multi-platform journalist, ABC's Asia Pacific Newsroom
- Dr Sarah Richardson, Executive Director, Asialink Education
- Dr Christiaan Roell, Lecturer (assistant professor) in International Business at the UNSW Business School
- Lydia Santoso, Chair, Australia-Indonesia Institute and National Vice-President, Australia Indonesia Business Council
- David Scholefield, Engagement Partner, Murdoch University; Board Director, CAUSINDY
- Ross Taylor, former WA Government Commissioner to Indonesia
- Moira Tirtha, Founder, Nongkrong Festival
- Cosimo Thawley, Minister-Counsellor & Senior Treasury Representative, Southeast Asia
- Alistair Welsh, Senior Lecturer, Indonesian, Deakin University
- James White, Director, Infrastructure, Future Fund
- Dr Elena Williams, Board Member, Australia-Indonesia Institute
- Nur Utaminingsih, Lecturer and Researcher, Department of International Relations, Alauddin Islamic State University of Makassar

## Roundtables with multiple participants

- ASAA Language Policy Forum – 8 August 2025
- IABC event: Doing Business with Indonesia: Navigating the Legal Landscape, with Tim Lindsey, John Tivey and Anthony Cheah Nicholls (4 September 2025)
- IA-CEPA modernisation consultation (AIBC) – Melbourne, 9 October 2025
- Virtual roundtable with school educators (Tas, Vic, NSW, Qld) – 16 October 2025
- Virtual roundtable with school educators (WA, NT, SA) – 16 October 2025
- IABC virtual roundtable, co-hosted with Edward Buckingham and Rosemary Guyatt – 11 November 2025
- Asialink Education Roundtable on Australian Schools' Engagement with Indonesia – 20 November 2025

## People not interviewed for this report but whose public insights I drew on

While I have not had the capacity to interview the following people directly, I have drawn on their insights from public comments, podcast interviews, etc. in compiling this report.

- Lauren Adams, Deputy Consul-General and Trade and Investment Commissioner, Jakarta
- Tri Ardhya, Journalist, ABC's Asia Pacific Newsroom
- Australia-Indonesia Institute Board Members

- Prof. Greg Barton, Chair in Global Islamic Politics, Deakin University, Alfred Deakin Institute
- Billy Blackett, Founder, Global Scholars Club
- Rod Brazier, Australian Ambassador to Indonesia
- Helen Brown, Head of Communications and Outreach, Australia-Indonesia Centre
- Paul Cheyne, Head of the Jakarta Deal Team
- Michael Collins, Director, Strategic Development Group
- Dr Laura Dales, Senior Lecturer, School of Social Sciences, Asian Studies, University of Western Australia
- Robbie Gaspar, President, Indonesia Institute, Perth
- Justin Hassall, Principal, Canberra Grammar School
- Prof. David Hill, Emeritus Professor of Southeast Asian Studies, Murdoch University
- Amanda Hodge, Asia-Pacific Correspondent, The Australian
- Fiona Hoggart, Head, ASEAN-Australia Centre
- Danielle Horne, School of Isolated and Distance Education
- Janelle Horsington, classroom teacher and teacher at the University of Canberra's Education Faculty, in the area of Modern Languages Education
- Shinya Ikawa, Principal at Sydney Japanese International School
- Michelle Kohler, Adjunct Senior Research Fellow, University of South Australia
- Natalie Mendelsohn, Counsellor, Infrastructure and Climate Change, DFAT, Indonesia
- Nicholas Moore AO, Author of *Invested 2040*
- Vicki Richardson, Director, Indonesia Institute and Winner Australia Indonesia Awards 2025 – Open Category
- Natasya Salim, Digital Journalist (Indonesian), ABC
- Dr Eugene Sebastian, Executive Director, Australia-Indonesia Centre
- Haryo Sedewo, Director, Indonesia Investment Promotion Centre
- Hellena Souisa, Journalist, ABC's Asia Pacific Newsroom
- Maya Swailes, Head of Languages, Peter Moyes Anglican Community School
- Stanley Wang, Principal, Abbotsford Primary School; Recipient of the 40 Under 40 Most Influential Asian-Australians Award in 2021
- Tim Watts, Luke Gosling, Chris Bowen, Stephen Jones - MPs who understand the importance of Indonesia literacy and engagement
- Jennifer Westacott AC, Indonesia Business Champion

# Appendix F: What do our Ambassadors think?

In the Australian Strategic Policy Institute podcast series *SBY's Tears* — a wonderful addition to our oral history on the Australia-Indonesia relationship — interviews were conducted with five Australian Ambassadors who served in Jakarta between 1996 (just before the fall of Suharto) to 2021 (after Jokowi became President). Their insights are summarised below.

- *John McCarthy AO*: 'We are putting a lot of political energy into our relations with the US, Japan and India but we make a bad mistake if we didn't put the equivalent amount of energy into South East Asia…and Indonesia of course is central to Southeast Asia. The Australian population needs to be a lot more educated about Asia. It's a serious deficiency now and we've dropped off our knowledge of Asia dramatically in the last 30-40 years. We need Australians to focus on our immediate region. We need to educate Australians about Indonesia.'

- *Rick Smith AO*: 'I hope that Indonesia's understanding of what Australia has to offer continues to grow. We should engage with Indonesia at every level we can. We should understand Indonesia's importance in the region and support that. Indonesia at its best was a leader in ASEAN matters and we should give some priority to their role as I think we do and continue to do. We should sustain Indonesian studies (language and cultural studies). In past years ANU and University of Melbourne have been recognised internationally for their expertise on Indonesia. I think that may have fallen away a little but we've got to regrow that.'

- *David Ritchie AO*: 'We need to make people understand in both countries that Australia's best interests are served by an Indonesia that is stable and prosperous and united. I still believe our relationship with Indonesia is good, but you need to differentiate between the ups and downs of the surface waves and the currents that flow strongly beneath. The Indonesians understand that our futures are inextricably bound - we are neighbours and we must get on. One of the very big problems about the bilateral relationship is something within our power; we seem to be spending a lot of time 'un-understanding' Indonesia. The number of Australians learning Indonesian now are tiny and universities are taking away Indonesian departments. We need to invest in Indonesia - a seriously large and important country that could be an important ally in our dealings with Southeast Asia. With its population and its rising middle class it could take a lot of our exports and investments. I believe that we need to invest vastly more in the relationship.'

- *Bill Farmer*: 'We need a respectful relationship with Indonesia. I would like to see a very substantial increase in the sorts of things we do on a people-to-people basis, to make a dent on the impressions of 260 million Indonesians and Australians. In the last 10-15 years we have done some good things, i.e. building high schools in Indonesia, establishing sister schools relationship, etc. is a highway to better knowledge of thousands of kids about the other. The NCP sending 1000s if not 10s of thousands of Australians to Indonesia is a very good thing. The government a couple of years ago announced a community grants scheme to clubs wanting to do development work in Indonesia - again a very good way of exposing more Australians to Indonesia and gaining a constituency for the aid program. If we are serious about engaging with Indonesia we really should be spending money on these sorts of people-to-people exchanges. The Australia-Indonesia Institute has a budget less than $1m. If you made it $2-3m through

the sorts of things that Institute has been able to do in terms of leveraging government funds into larger amounts in imaginative ways that would be a good thing to do.'

- *Greg Moriarty*: 'Indonesia will continue to evolve and won't necessarily always think about Australia as much as we would like. But that doesn't mean that we shouldn't try. Our interests and Indonesia's will often but not always overlap and we need to appreciate they might have a different worldview but we should continue to cooperate and look for shared interests. Diplomacy can't be conducted outside the general sentiments of countries. I think it is very important for more Australians to try and understand Indonesia - its history, its culture, its place in our strategic environment.'

These Ambassadors echo what many other prominent Australians are saying about the need for Australia to lift its engagement with Indonesia and strengthen our Indonesia literacy. Other advocates include Jennifer Westacott, Nicholas Moore, Penny Wong and successive Prime Ministers, Defence Ministers and Foreign Ministers. Numerous editorials in the AFR and The Australian have bemoaned our lack of Indonesia literacy. We need more of these voices and we need those voices to be louder. But we also need more than just words. We need action. And we need to act now.

# Appendix G: Areas for further study/investigation

## Building public awareness

Develop a more comprehensive and up-to-date version of the Lowy Poll regarding everyday Australians' attitudes towards and understanding of Indonesia and vice versa.

Australian travel to Indonesia:

- We can say with confidence that most Australians going to Indonesia go to Bali (Indonesian/Bali statistics agencies publish nationality arrivals and regularly show Australians as a top cohort at Bali's airport), but it would be helpful to understand exactly which other provinces are visited by which groups of Australians.
- We also need data on why Australians aren't travelling to other parts of Indonesia and what would incentivise them to do so.

Indonesia content: it would be helpful to have an in-depth study of the prevalence of Indonesia content that Australians are exposed to, both in traditional and social media (and what kind of content that is/what image of Indonesia is being portrayed). Armed with that information we would be better equipped to deliver a public awareness campaign.

## Building business engagement

It would be helpful to understand the number of Australian businesses successfully doing business in or with Indonesia (by sector, size, etc.) and of those to understand which have Indonesia literacy on their boards or among their staff.

What are other countries doing that have more significant trade and investment activity with Indonesia than Australia (i.e. China, United States, India and Japan)[142]? Do any of those countries have national strategies to lift their engagement with Indonesia and Indonesia literacy, or has that economic activity been driven predominantly by private sector companies making purely economic decisions despite low Indonesian literacy, rather than government policy?

We need a comprehensive survey of Australian businesses to better understand (a) which of them are not even considering Indonesia at all, and if not why not, (b) for those who do consider it, why do they decide not to go there, and (c) for those who do attempt to enter the Indonesian market, why do they fail and why do they succeed?

We need more research testing the link between language fluency/cultural literacy and business outcomes (in an Australian context).

## Repairing the education system

In the tertiary sector, there is no single, reliable national data source on:

- student enrolments,
- program continuity,
- teacher supply,
- university offerings,

[142] It is not surprising that Malaysia and Singapore have very high levels of economic engagement with Indonesia given their proximity and cultural affinity – both those countries also have a very high number of Malaysian speakers (with Malaysian being very similar to Indonesian).

- Indonesian content in course curriculum and materials, or
- longitudinal outcomes for students studying Indonesian or Indonesian studies.

In the schools domain, we need data on:

- How many schools are teaching Indonesian (and trend data)?
- How many qualified Indonesian teachers are there in Australia? Of those, how many are currently teaching Indonesian and how many are looking for a job as an Indonesian teacher?
- How many students are studying Indonesian at each level of school and at tertiary level (and trend data)?
- Is competition with native and heritage speakers of Indonesian an issue for non-heritage learners in Australian school language classes?
- How does Indonesia compare to trends in other areas of learning (i.e. other Asian languages, other languages, The Arts)?
- How do the Indonesian data and trends compare with the situation for other languages (Asian and non-Asian) in Australia?
- What is being taught about Indonesia across curriculum subjects including literature, The Arts, History, Geography, Science, Environmental Studies
- What impact is the Australian Curriculum Cross Curriculum Priority of Asia and Australia's Engagement with Asia making on student's Indonesia Literacy?

What is the difference in both student experience and student outcomes between face-to-face, blended and fully online learning for Indonesian language studies?

We need a better understanding of quality, in addition to the raw numbers of students studying and teachers/schools teaching. For example, what's the breakdown of Indonesian teachers:

- With a postgraduate qualification in Indonesian,
- Who are specifically qualified in the explicit instruction of Indonesian, and/or
- Who have spent time in Indonesia in the last five years

Comparative studies:

- How many Indonesian speakers are there in other countries (total and as a proportion of population)?
- What examples are there globally of English-speaking countries successfully building Asia capability and the teaching of Indonesian or other Asian languages? Could Singapore provide an example?

We need a more detailed understanding of the numbers and activities of Indonesian alumni who have studied in Australia and what they are doing now, so that Australian businesses have greater visibility of the expertise they can tap into to help them navigate the Indonesian market.

We need similar data for Australians who have participated in in-country experiences in Indonesia, i.e. NCP, Acicis, AIYEP, etc.

# Appendix H: Organisations that are already contributing to Australia's Indonesia literacy

## 1.Government-to-government

### Indonesian Embassy and Consulates in Australia

The Indonesian Embassy in Canberra and Consulates-General (Sydney, Melbourne, Perth, and Darwin) provide consular services, cultural diplomacy, education outreach and support for Indonesian community organisations. They also invest in events and activities to strengthen people-to-people links and the visibility of Indonesian language and culture in Australia. The Indonesian consular corps plays an important role in lifting awareness of Indonesia in Australia, but with a more strategic and coordinated approach their impact could be expanded.

### Australian Embassy and Consulates in Indonesia (including Austrade and other Departmental representatives)

Australia's Embassy in Jakarta (our largest Embassy in the world) and Consulates in Surabaya, Makassar and Bali play an important role in representing the Australian Government on diplomacy, trade, investment, education, development cooperation and security. The intensive, pre-departure language training given to DFAT and DOD personnel adds to our language capabilities, although if those staff haven't studied about Indonesia at school or university, it is unlikely they will develop in 6-12 months the depth of cultural and linguistic understanding to be able to use it confidently in a professional context. Austrade has offices in Jakarta and Surabaya and helps to connect Australian businesses to Indonesian opportunities.

The work of these in-country government agencies is critical but often reactive. In the absence of a comprehensive Australia-Indonesia strategy, which encompasses all aspects of strengthening Australia's Indonesia literacy, the impact of Australia's significant government footprint in Indonesia is not as effective as it might be.

### State and Territory governments

State and Territory governments play a complementary and material role in the Australia-Indonesia relationship, both through trade and investment facilitation and soft power and people-to-people engagement. Victoria, New South Wales, Western Australia and Queensland maintain an in-country presence, with either standalone offices or co-located with Austrade and DFAT in Jakarta. Many jurisdictions support bilateral programs like student exchanges, school partnerships, cultural diplomacy and business missions. Most States have sister-state relationships with an Indonesian province, underpinned in some cases by longstanding MOUs.

### Australia-Indonesia Institute

DFAT's Australia-Indonesia Institute (AII) funds several flagship people-to-people initiatives (e.g., AIYEP, AIMEP, Indonesian Studies Awards and the Elizabeth O'Neill Journalism Award) and supports projects that deepen Australia–Indonesia literacy across education, media and community sectors, for example through the annual AII grant round that funded this project.

Website: https://www.dfat.gov.au/people-to-people/foundations-councils-institutes/australia-indonesia-institute

### ASEAN-Australia Centre

The establishment of the ASEAN-Australia Centre in July 2024 is an important and underrated development, under the leadership of Fiona Hoggart, herself a shining example of someone putting her Indonesia literacy to use. The Centre is a rare example of government embedding a Southeast Asia focus in its institutions, although Indonesia must compete for limited funding with the other 10 ASEAN nations covered by the Centre. The Centre delivers programs across four pillars: Southeast Asia literacy, economic linkages, education and cultural connections, including an annual grant round that implements recommendations from *Invested 2040*.

Website: https://www.aseanaustraliacentre.org.au/

## 2.Business engagement

### Australia Indonesia Business Council

The AIBC is the peak bilateral business association in Australia, promoting two-way trade and investment, running sector events and providing a platform for business-to-business links with Indonesia. The AIBC has enormous potential to help coordinate an Indonesia literacy Roadmap at a national level and join the necessary dots between business, government and education.

Website: https://www.aibc.com.au/

There are also State-based business and industry councils, like the Indonesian Chamber of Commerce Western Australia: https://iccwa.net.au/

### Indonesia Australia Business Council

The IABC (the Indonesian counterpart to the AIBC) represents private-sector interests in Indonesia–Australia commercial relations, convening networking, advocacy and market insights for members across Indonesia. Historically, the IABC has partnered with the AIBC to host the annual Australia-Indonesia Business Conference, the last of which took place in October 2025 in Bali under the theme ‘Connecting people to opportunities’.

Website: https://www.iabc.or.id/

### Australian Trade and Investment Commission (Austrade)

Austrade is the Australian Government’s international trade and investment promotion agency, responsible for helping Australian businesses expand into overseas markets and attracting foreign investment into Australia. In Indonesia, Austrade provides market intelligence, regulatory guidance and strategic introductions to Indonesian partners and government agencies. Austrade’s Jakarta and Surabaya teams also work closely with DFAT and State trade offices to run missions, troubleshoot commercial challenges, and help Australian firms understand Indonesia’s business culture and long-term opportunities.

Website: https://www.austrade.gov.au/

### Australian Government investment program portfolio

DFAT supports a growing number of economic development programs in Indonesia. Although the efficacy of these programs remains unclear, the government should be applauded for these proactive efforts to engage with some of Indonesia’s priority sectors. Further information on these programs can be found at https://www.dfat.gov.au/development/indonesia-program-economic-investment-infrastructure-portfolio-update

- **PROSPERA (Australia–Indonesia Partnership for Economic Development)** PROSPERA is a long-running economic governance facility working with ~30 Indonesian agencies to strengthen policy, competitiveness and inclusive growth, improving the 'ease of doing business' environment, with $145 million in Australian government funding (2018-2026). Website: https://prospera.or.id/?trk=public_post-text
- **Katalis** is a ~$50 million government-backed business development program (2020–25) that unlocks trade and investment opportunities, including training and upskilling of the Indonesian workforce and market access between Indonesia and Australia. Website: https://iacepa-katalis.org/
- **KINETIK** (Australia-Indonesia Climate and Infrastructure Partnership) is a $200 million investment partnership over 5 years to deepen bilateral cooperation to reduce emissions and promote energy systems and industries to accelerate Indonesia's net zero transition: https://indonesia.embassy.gov.au/jakt/MR24_025.html
- **KONEKSI (Australia–Indonesia Knowledge Partnership Platform)** is a $50 million (2022–27) knowledge and innovation program, funding Australia-Indonesia research partnerships that translate into policy and practice. Website: https://koneksi-kpp.id/
- **KIAT (Kemitraan Indonesia Australia untuk Infrastruktur: Indonesia-Australia Partnership for Infrastructure)** is a 10-year partnership facility between the Government of Australia and the Government of Indonesia to improve infrastructure policy and delivery in Indonesia, with a focus on transport, water & sanitation, infrastructure funding & financing, gender equality, disability & social inclusion, climate change and good governance[143]. Through the facility, Australia provides technical assistance and advisory services to the Indonesian Government and project delivery agencies. Website: https://www.kiat.or.id/

### Deal Team

Under the Southeast Asia Economic Strategy, Australia's Jakarta Investment Deal Team connects Indonesian projects to Australian investors, supporting project preparation across sectors like infrastructure, net zero and agrifood.

Info: https://www.dfat.gov.au/countries-economies-and-regions/southeast-asia/invested-southeast-asia

Embassy media release: https://indonesia.embassy.gov.au/jakt/MR24_051.html

### Jakarta Landing Pad

The Landing Pad was launched in mid-2024 as part of *Invested 2040*, with the aim of supporting Australian technology scale-ups seeking to enter the Indonesian market, by offering tailored advice, in-market immersion (delegations, regulatory clinics, partner matching), and digital resources. According to the 2024–25 Budget, Austrade funding to establish the Landing Pads in Jakarta and Ho Chi Minh City was AUD$4.8 million over four years. The program is based in Jakarta and delivered in partnership with local Indonesian providers.

[143] An independent Mid-Term Review (MTR) of KIAT was undertaken from March to August 2021 to assess KIAT's performance: https://www.dfat.gov.au/publications/development/indonesia-australia-partnership-infrastructure-kiat-phase-1-mid-term-review-and-management-response. Recommendations included expansion of KIAT into areas like urbanisation, climate change and green infrastructure and opportunities for capacity building among Indonesian Government officials. It is worth noting that both of these recommendations would require high levels of Indonesia literacy to implement.

Website: https://www.austrade.gov.au/en/how-we-can-help-you/programs-and-services/landing-pads/locations#ref3

## 3.Peak bodies, research centres and think tanks

### Indonesia Council

The Indonesia Council is a professional Australian association of teachers, researchers and educators dedicated to promoting the study of Indonesia in higher education and related fields. Founded in 2000, it operates as a sub-regional council under the umbrella of the Asian Studies Association of Australia, publishes regular digests, runs a biennial open conference (ICOC), and serves as a network for scholarship, teaching, policy-engagement and cross-institutional collaboration on Indonesia.

Website: https://www.indonesiacouncil.org/

### Australian-Indonesia Centre (AIC)

The AIC, housed in Monash University but a collaboration with other institutions, advances bilateral literacy through joint research, policy dialogues and public programs connecting universities, industry and government across science, tech, energy, health and culture. While it currently has a heavy focus on research and academic partnerships, the AIC could be doing more to share its knowledge of Indonesia with the broader population, through more public campaigns and events.

Website: https://australiaindonesiacentre.org/

### Herb Feith Indonesian Engagement Centre (Monash)

Established in 2021 (within the Monash University Faculty of Arts), the Centre is named after Herb Feith, Australia's first volunteer to Indonesia and a central figure in early bilateral relations and Indonesian studies. Its purpose is to coordinate Monash's Indonesia-related research, teaching and partnerships, and to deepen social, cultural and policy engagement between Australia and Indonesia. Activities include hosting public seminars, policy dialogues, postgraduate networks, and collaborates with Indonesian universities and civil society partners. The Centre is complementary to the AIC. The Herb Feith Centre provides academic and cultural depth, while the AIC provides institutional and strategic breadth. Staff from one often collaborate with the other, and they share a common goal of strengthening Indonesia literacy and collaboration within Monash and beyond.

Website: https://www.monash.edu/arts/herb-feith-indonesian-engagement

### Asian Studies Association of Australia (ASAA)

The ASAA is the national peak body representing scholars, educators and practitioners working on Asia across disciplines in Australian universities and research institutions. Established in 1976, the ASAA's mission is to promote and advance the study and understanding of Asia in Australia - encompassing history, politics, languages, cultures, economies, and societies across East, Southeast, South and Central Asia. It does this by publishing a major peer-reviewed journal (*Asian Studies Review*) and online blog (*Asian Currents*), hosting a biennial international conference, overseeing specialist networks like the Indonesia Council, and advocating for Asian language and area studies funding, curriculum integration, and research support. The association plays a key role in shaping national debates about Australia's engagement with Asia and fostering scholarly and policy collaboration.

Website: **https://asaa.asn.au**

### Asialink

Asialink (University of Melbourne) builds Asia capability in Australia through leadership programs, cultural diplomacy and education initiatives; in Indonesia it delivers the Australia-Indonesia BRIDGE school partnerships and business culture training.

Of all the non-government entities that have made a contribution to Australia's Indonesia literacy and Indonesia engagement, Asialink stands at the top of the list. Through its advocacy, ground-breaking programs like BRIDGE and Leading 21st Century Schools and the Asialink Business programs to upskill our private sector, Asialink has had an enormous impact over many years. Despite a positive evaluation of Asialink's Asia Education Foundation by KPMG in 2015, its core Australian Government funding was discontinued along with many other smaller grant programs, and it has had to live from hand to mouth ever since.

Website: https://asialink.unimelb.edu.au/ (Asialink) and https://asialink.unimelb.edu.au/education/program/bridge-indonesia/ (BRIDGE)

Asialink Education within Asialink delivers school-based Asia capability, including the BRIDGE program; a key system actor for teacher PD and intercultural learning: https://asialink.unimelb.edu.au/education

### Asia Society Australia

Asia Society Australia fosters informed engagement with Asia through policy dialogues, business programs and cultural events that regularly spotlight Indonesia and Australia–Indonesia opportunities.

Website: https://asiasociety.org/australia Indonesia portal: https://asiasociety.org/countries-regions/indonesia

### Lowy Institute

Lowy Institute contributes analysis, polling and events on Indonesia (politics, economy, foreign policy), informing Australian public discourse and policy literacy on the relationship.

Lowy Indonesia hub: https://www.lowyinstitute.org/key-issues/indonesia

Indonesia Poll 2021: https://interactives.lowyinstitute.org/features/indonesia-poll-2021

## 4. Australia Indonesia Associations

### Australia Indonesia Association

The Australia Indonesia Association was founded in 1945, making it one of the oldest and longest established organizations in the world with an interest in the newly independent country of Indonesia.

AIA chapters, including in NSW, Victoria and Canberra, are generally made up of members who have lived, worked, travelled or studied in Indonesia and want to maintain their connection with Indonesia. They offer adult *Bahasa Indonesia* classes, conversation nights ('Malam Ngobrol'), immersion/exchange options and community cultural events that keep grassroots Indonesian literacy alive.

The AIA also supports the Australia Indonesia Awards, a national program of annual awards to recognise and honour Australians and Indonesians who have made significant contributions to the greater understanding and friendship between Indonesians and Australians.

Website (AIA NSW): https://australia-indonesia-association.com/

Website (AIA Victoria): https://www.aiav.org.au/

Malam Ngobrol: https://www.aiav.org.au/malamngobrol/

## 5.Disapora organisations

### Indonesian Students' Association (PPIA)

PPIA (Perhimpunan Pelajar Indonesia di Australia) connects Indonesian students nationwide, running professional, cultural and community programs that strengthen bilateral networks at campus and state levels.

Website: https://www.ppi-australia.org/en

### Australia-Indonesia Youth Association (AIYA)

AIYA is a youth-led not-for-profit that connects young Australians and Indonesians via chapters, mentoring, jobs boards and language/cultural events, building future bilateral leaders. Over half its members are Indonesians living in Indonesia and Australia. AIYA has punched above its weight for many years now and provides a critical link between some of Australia's institutional connections with Indonesia and the next generation of Indonesia savvy Australians.

Website: https://aiya.org.au/

### Asian Australian Voices

The Asian Australian Voices program is a pilot initiative launched by the ASEAN-Australia Centre, supported by the National Foundation for Australia-China Relations and the Centre for Australia-India Relations. It aims to provide 12 months of intensive media and public policy training for up to 21 Asian Australian professionals. The program seeks to enhance the representation of Asian Australians in public life and strengthen Australia's engagement with Asia by equipping participants with the skills to contribute to national discussions and policymaking on Australia's relations with the region.

Website: https://asiasociety.org/australia/asian-australian-voices

### Indonesia Diaspora Network Victoria (IDN VIC)

IDN VIC is a non-profit organisation for all Indonesian diaspora members living in the state of Victoria, Australia. As a chapter of a global network, IDN VIC is dedicated to servicing and connecting the Indonesian diaspora in Victoria and beyond and to channel the aspirations of Indonesian diasporas to embrace the multiculturalism of Australia.

Website: https://www.idn-vic.org/

### Indonesian Community Council of NSW

The Indonesian Community Council of NSW (ICC-NSW) is the peak community body of the Indonesian community residing in New South Wales. It is an aggregate of 25 Indonesian community organisations that promotes cultural awareness, providing support for members, hosting programs and events and fostering connections between the Indonesian community and the broader Australian society.

Website: https://www.icc-nsw.com/

## 6.Student exchange and in-country programs

A broad array of semester programs, short courses, mobility and exchanges give many Australians structured avenues to gain Indonesia literacy through immersive study, internships and school partnerships. The challenge is lifting awareness of the availability of these programs and making them more accessible, particularly to those from low socio-economic backgrounds. More on some of the DFAT-supported exchanges can be found at https://indonesia.embassy.gov.au/jakt/exchanges.html

### Australia-Indonesia Youth Exchange Program (AIYEP)

Established in 1982, AIYEP brings together 21–25 year-olds from both countries for professional, cultural and community exchange, building mutual understanding and practical skills. I did this amazing program in 2002, alongside peers like Liam Prince (Acicis Consortium Director) and Luke Arnold (Former Australian Ambassador to Brunei), building friendships with 35 other young Australians and Indonesians that I carry through to this day.

Website: https://www.dfat.gov.au/people-to-people/foundations-councils-institutes/australia-indonesia-institute/programs/aiyep/australia-indonesia-youth-exchange-program

### Australian Consortium for 'In-Country' Indonesian Studies (Acicis)

Acicis (a university consortium) coordinates high-quality in-country study options across disciplines in Indonesia, including language immersion, practicums and study tours - the cornerstone of tertiary-level Indonesia literacy.

Website: https://www.acicis.edu.au/

### CAUSINDY

CAUSINDY (Conference of Australian and Indonesian Youth) convenes young leaders for a flagship four-day annual conference and year-round dialogues, building bilateral leadership pipelines across sectors.

Website: https://www.causindy.org/

### BRIDGE Program

The Australia-Indonesia BRIDGE School Partnerships Program (since 2008) builds sustained school-to-school partnerships, teacher capability and student global competence through blended professional development and exchanges.

Website: https://www.bridge-program.org/

### Australia-Indonesia Muslim Exchange Program (AIMEP)

Another flagship program of DFAT's Australia-Indonesia Institute, AIMEP is an intensive intercultural and interfaith program connecting emerging Muslim changemakers from both countries, cultivating understanding and long-term networks since 2002. The program provides a rare opportunity for Australians of Muslim faith to engage with Muslim counterparts from another country and culture and in doing so learn more about themselves as well as neighbouring Indonesia.

Website: https://mosaicconnections.com.au/programs/australia-indonesia-muslim-exchange-program/

### New Colombo Plan (NCP)

Launched in 2014, the DFAT-funded NCP has been around long enough now, and survived changes of government, to be considered an institution in its own right. The NCP funds Australian undergraduates for study, internships and language in the Indo-Pacific, with Indonesia a leading destination, normalising in-country experience and lifting Indonesia literacy in the next generation.

Website: https://www.dfat.gov.au/people-to-people/new-colombo-plan

### Australia Awards in Indonesia (AAI)

Operating since 1953 as the Colombo Plan scholarships, Australia Awards in Indonesia today are the largest and longest-running Australian Government scholarships in any partner country. With more than 200,000 alumni, AAI has built an influential network and supported practical bilateral literacy.

Website: https://www.australiaawardsindonesia.org/

## 7.Indonesian language provision and support

### Balai Bahasa Indonesia/Balai Bahasa dan Budaya

Balai Bahasa chapters in multiple (but not all) Australian cities offer community language classes (beginner–intermediate), cultural workshops (batik, cooking, gamelan, wayang), teacher PD and education links, jointly supported by volunteers and the Indonesian missions.

Websites: Perth https://balaibahasaperth.org/; Melbourne (BBBIVT) https://www.bbbivt.org/; NSW (socials/info) https://www.instagram.com/bbbi.nsw/. Each is jointly supported by local volunteers and the Indonesian Embassy/Consulate. They aim to:

- Teach *Bahasa Indonesia* to adults and school students (often beginner to intermediate level);
- Run teacher professional development and cultural workshops (batik, cooking, gamelan, wayang);
- Connect Indonesian and Australian educators and communities; and
- Promote Indonesian cultural diplomacy within Australia.

### Victorian Indonesian Language Teachers' Association (VILTA)

VILTA is a professional association that supports Indonesian teachers with PD, resources, competitions and advocacy, strengthening program quality and retention. There are similar teacher-oriented associations in most Australian States and Territories, although none has sufficient funding to be able to provide the level of support needed by our Indonesian teachers.

Website: https://www.vilta.org.au/

Other States also have versions of VILTA, for example the Westralian Indonesian Language Teachers' Association (WILTA) and Indonesian Teachers Association of South Australia (INTAN).

### National Australia Indonesia Language Awards (NAILA)

NAILA is a national speech competition that incentivises Indonesian language learning across primary, secondary, tertiary and professional categories, showcasing proficiency and impact.

Website: https://naila.org.au/

### Pelangi Indonesia School

Pelangi Indonesia School, an initiative of the Indonesian-Australian community in New South Wales, was founded in 2011 under the organisation Indonesian-Australian Families Association of New South Wales. The school teaches Indonesian, aligned with the NSW Curriculum, to a diversity of students, from pre-school and kindergarten through to Year 12 and adults.

Website: https://multiculturalintegrationnsw.org/pelangi-indonesia-school

### Australian Federation of Modern Language Teachers Associations (AFMLTA)

The national peak body representing teachers of languages across Australia, bringing together all state- and territory-based language teacher associations. AFMLTA plays a major role in policy advocacy, professional standards, national curriculum engagement, and lifting the status of language education - including Indonesian - within the Australian system.

AFMLTA's National Languages Plan and Strategy (2024) is an important contribution to how we address the decline in second language learning across Australia, which includes data sets that are very challenging to secure: https://nlps.afmlta.asn.au/. By comparison, in the United Kingdom, the Coalition for Language Education has brought together experts from a range of fields and sectors for coordinated advocacy and research: https://coalitionforlanguageeducationuk.com/

Website: https://afmlta.asn.au/

### SBS Indonesia

SBS Indonesia is the Indonesian-language arm of the Special Broadcasting Service, providing news, current affairs, arts, and community programming tailored for Indonesians living in Australia as well as Australians with an interest in Indonesia. It delivers high-quality bilingual content, explains Australian issues in culturally relevant ways, and covers Indonesian politics, society and culture with nuance, something largely absent in Australia's mainstream media. Because it consistently showcases contemporary Indonesia, amplifies Indonesian-Australian voices, and builds everyday familiarity with Indonesian language and culture, SBS Indonesia plays a quiet but powerful role in strengthening Australia's Indonesia literacy. It helps normalise Indonesia in the Australian imagination - beyond Bali and crisis-oriented headlines - making the relationship feel closer, more human, and more relevant.

Website: https://www.sbs.com.au/language/indonesian/en

### ABC Indonesia

The ABC Indonesian Service provides trusted news, analysis, features and multimedia content in *Bahasa Indonesia*, primarily for an Indonesian audience. One of the best recent pieces was 'Indonesia Down Under'[144], a half-hour documentary-style feature published on Youtube about examples of Indonesian culture in Australia, attracting almost 10,000 views.

The ABC regularly presents Indonesia-related pieces on its English language website, although not as many as one might expect given the importance of Indonesia to the national interest. Articles are also often negative, consistent with the 'if it bleeds, it leads' maxim:

- Scammers and dodgy middlemen sell Indonesians a way to win 'war' for an Australian visa - ABC News

[144] https://www.youtube.com/watch?v=0OB8eNkstPM&feature=youtu.be

- Indonesia's democracy faces 'setback' after police clash with protesters - ABC News
- Indonesia flood death toll climbs amid cyclone devastation - ABC News

Website: https://www.abc.net.au/news/indonesian

### Indonesian language resources

There are a handful of entities and websites that contain a collection of Indonesian language and studies resources, although all fall well short of what is actually needed, which is a one-stop shop with free, modern, regularly updated, engaging resources, including audio-visual, which are tracked to the Curriculum and can be easily picked up by teachers and students across all parts of the education system. Current examples include:

*Pondok Bahasa*: a subscription-based offering with some terrific resources, albeit relatively limited as they look to expand: https://pondokbahasa.com.au/what_we_offer

*Ketawa Program (Western Australia)*:
https://myresources.education.wa.edu.au/programs/indonesian

*ACARA's Indonesian language support resource*: a dry, but detailed set of elaborations to help teachers design their content that aligns with the Australian Curriculum Years 7-10:
https://www.australiancurriculum.edu.au/content/dam/en/curriculum/ac-version-9/downloads/languages/indonesian/languages-indonesian-support-resource-v9.docx

### Education Services Australia

Education Services Australia (ESA) was established by Education Ministers in 2010, to advance key nationally agreed education initiatives, programs and projects by collaborating with stakeholders and investing in sustainable, transformative solutions that promote equitable access to quality education.

Among other things, ESA develops resources for students, including the popular Early Learning Languages Australia (ELLA) program and its recently released Global Education Resources for Classrooms. ESA does not currently provide primary or high school level Indonesian resources.

https://www.esa.edu.au/solutions

## 8.Cultural institutions

### ReelOzInd!

ReelOzInd! is a bi-national short-film competition and festival (now in its 10th year) that brings Indonesian and Australian filmmakers and audiences together via premieres and pop-up screenings across both countries. It also has a digital content library of films from previous years, with film summaries and helpful notes for teachers to weave them into their classroom teaching.

Website: https://www.reelozind.com/

### Suara Indonesia Dance Group

Sydney-based Suara Indonesia Dance presents energetic, participatory performances and workshops blending traditional and contemporary Indonesian dance, music, song and body percussion for schools and festivals.

Website: https://suara.dance/

Other Indonesian cultural groups include Selendang Sutra Indonesia Dance Group (Perth) and Kusuma Indonesia Community Australia (Gold Coast).

### Nongkrong Festival

Nongkrong is a contemporary Indonesian-Australian arts festival (Naarm/Melbourne) celebrating diaspora creativity, intercultural dialogue and community building through performances, workshops and talks.

Website: https://nongkrong.com.au/ (2025 program): https://nongkrong.com.au/2025-festival).

### Gamelan DanAnda

Gamelan DanAnda is a Melbourne community Balinese gamelan orchestra open to all, performing, teaching and collaborating to grow Indonesian music literacy in Australia. I was fortunate enough to attend their 'Gathering of the Gamelans' event to a packed audience at the Collingwood Town Hall on 9 November 2025.

Website: https://linktr.ee/gamelandananda

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https://nlps.afmlta.asn.au

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# Appendix J: Long list of potential interventions to strengthen Australia's Indonesia literacy

The "long list" of proposed interventions below is drawn from my interviews and the responses to my online questionnaire. Not all of these are included in my curated list of proposed recommendations in Section 6 of this report, but given the breadth and quality of suggestions, I felt it was important to give them visibility.

## 1.The need for a coordinated approach

### 1.1 Quick wins (less than 12 months, relatively low cost, not complex to implement)

#### 1.1.1 Appoint a National Envoy for Indonesia Literacy

A respected national figure could champion Indonesia literacy across all major sectors - education, business, government and media. The Envoy would convene stakeholders, coordinate messaging, and maintain political momentum. Respondents described leadership vacuum as a major structural barrier.

#### 1.1.2 Establish a cross-sector Indonesia Literacy Council

The Council would include teachers, academics, business representatives, diaspora leaders, students, Indonesian institutions and government officials. Its early role would be mapping existing efforts, identifying gaps, and setting priorities. Over time, it could monitor progress, coordinate initiatives and avoid duplication.

#### 1.1.3 Remove low-value bureaucratic barriers

School partnerships and Indonesian cultural programs often face unnecessary red tape: approvals for international connections, PD recognition issues, and difficulty bringing Indonesian speakers into schools. A national review could identify and remove low-value administrative barriers. This would empower schools and teachers to innovate.

#### 1.1.4 Create a national data dashboard for Indonesia literacy

A simple dashboard tracking enrolments, teacher numbers, immersion participation and program sustainability would create transparency and accountability. Respondents noted that policymakers often cannot see problems until programs collapse. Annual reporting helps maintain public and political visibility.

#### 1.1.5 Support diaspora organisations as core partners

Diaspora groups already run festivals, language classes, youth programs and cultural events. Simple partnership agreements and small grants would recognise their central role. Respondents emphasised that diaspora communities are key to achieving authentic, sustainable engagement.

#### 1.1.6 Central entity (effectively a beefed-up Asialink)

We need an Indonesia Literacy Institute (housed within a broader Asia Literacy Institute) that would supercharge the work of Asialink and others to develop evidence-based resources,

developed hand in hand with Australian businesses and diaspora to build awareness of opportunities and the capabilities to take up those opportunities.

#### 1.1.7 Team Australia approach

We have much to work with. We are not starting from scratch. Particularly on the economic side, we need coordination of activities both onshore and offshore, including between State and Federal in-country offices, universities and their alumni engagement and Australian offshore campuses, offshore business offices, all under a One Australia banner, but retaining agility, innovation and experimentation – a 'Unity in Diversity' approach.

Coordination across government can't be done out of a line department like DFAT or DE; it must be led and prioritised by the Department of Prime Minister and Cabinet, both to ensure it is multisectoral and also that it is a Prime Ministerial priority.

## 1.2 Longer term initiatives

#### 1.2.1 National Cabinet–endorsed Indonesia Literacy Strategy

Respondents unanimously agreed that only National Cabinet can anchor long-term, cross-sectoral change. A strategy endorsed at this level would align states, universities, businesses and civil society around shared goals. It would outlast electoral cycles and give political cover for substantial investment.

#### 1.2.2 Align Indonesia literacy reforms with major school reforms (e.g. BFSA)

Inserting Indonesia literacy into the Better and Fairer Schools Agreement (or future equivalents) could ensure reforms rest on durable policy frameworks rather than ad hoc initiatives. Language provision, intercultural capability, immersion participation and teacher workforce metrics could be integrated into state accountability processes.

#### 1.2.3 Create a 'Team Australia' multi-portfolio architecture

DFAT cannot do this alone. Respondents argue for multi-portfolio leadership: Treasury, Industry, Education, Climate, Health, Defence, Immigration and Multicultural Affairs all have a role. Over time, each portfolio would have sector-specific KPIs linked to Indonesia engagement and literacy.

#### 1.2.4 Establish the National Institute for Languages Education (NILE)

NILE would be the backbone for national coordination - conducting research, building teacher capability, evaluating programs, supporting digital platforms and advising on policy. With an Indonesian flagship unit, NILE would pilot innovative models for teaching, immersion and workforce development. This institutional architecture ensures continuity even when governments change.

#### 1.2.5 Integrate Indonesia literacy into migration, mobility and alumni policies

Long-term reform should align visas, scholarships, alumni programs and industry mobility schemes to support people-to-people links. Easier pathways for Indonesian teachers, researchers, creatives and students to strengthen bilateral ties. Alumni programs keep Indonesians with Australian experience engaged for decades.

#### 1.2.6 National Monitoring and Evaluation framework for Indonesia literacy

Respondents called for robust monitoring and evaluation to ensure investments deliver results. A national M&E framework would include indicators for teacher workforce quality, student outcomes, immersion participation, business engagement and public attitudes. Transparent evaluation builds credibility and allows for iterative improvement.

#### 1.2.7 Build adult Indonesia literacy into Australia's broader Indo-Pacific strategy

Over the long term, adult learning - through business training, TAFE, community colleges, online programs and workplace PD - should reinforce Australia's strategic orientation toward Southeast Asia. This positions Indonesia literacy as a national capability, not an educational niche. Adult capability lifts business engagement and supports government policy.

#### 1.2.8 Integrate Indonesia literacy across Australia's civic fabric

Respondents stressed the need for Indonesia literacy to permeate everyday Australian civic life - libraries, museums, community centres, sporting exchanges, food festivals, professional associations, youth organisations and climate networks. Over time, this makes Indonesia feel close, familiar and normal.

# 2. Addressing the first demand-side problem: Lifting public awareness

## 2.1 Quick wins (less than 12 months, relatively low cost, not complex to implement)

Sustained behaviour change in how Australians view Indonesia requires multi-year investment across multiple initiatives - media partnerships, digital storytelling, curriculum reform, cultural festivals, tourism campaigns, support for diaspora activities. Narrative change is not a point-in-time intervention; it is a long-term cultural project requiring consistency and commitment across all tiers of governments and all sectors.

#### 2.1.1 National media campaign on contemporary Indonesia

A short, sharp communications push could help to correct the dominant misconceptions that Indonesia is unsafe, unstable, poor or irrelevant. Partnering with ABC, SBS, commercial networks, newspapers, magazines and podcasts would enable consistent storytelling about Indonesia's digital transformation, creative industries, thriving middle class and climate innovation. We need to correct tired, outdated narratives and replace them with contemporary reality.

#### 2.1.2 Boost Indonesian content on streaming and social platforms

Young Australians are learning about different countries and cultures through Netflix, TikTok, YouTube, Instagram and Spotify, not through textbooks. The Australian and Indonesian governments could collaborate to work with platforms to highlight Indonesian films, music, creators and documentary content through curated lists and promotional windows (and adjust copyright laws to make that content more available to teachers and students). Upping this kind of content could cost little but dramatically increases casual exposure to Indonesian culture. Regular encounters with Indonesian artists and stories subtly shift perceptions of relevance. In the longer term, Indonesia and Australia could combine to negotiate content from our respective countries into the future agreements that will inevitably need to be negotiated with social media giants around suitable content, revenue distribution and privacy and data controls.

### 2.1.3 'Indonesia beyond Bali' awareness push

Australians overwhelmingly equate Indonesia with Bali, reinforcing a distorted view of the country. The Australian Government could offer up the services of Tourism Australia to Indonesia (including through secondments and advisory support), to develop a targeted cultural and tourism push highlighting other regions: Yogyakarta, Surabaya, Bandung, Makassar, Lombok, Kalimantan, Flores, Maluku. Featuring these through travel journalism, school resources, influencer partnerships and tourism campaigns would expand Australians' mental map of Indonesia. We could also leverage Acicis's Journalism and Sustainable Tourism Program alumni in this project to help spread the word. This also strengthens understanding of Indonesia as a vast, diverse archipelago.

### 2.1.4 Support and scale Indonesian cultural festivals in Australia

Many festivals are run by diaspora communities with minimal funding, despite being powerful vehicles for cross-cultural understanding. Easy-to-navigate grants to expand Indonesian Independence Day events, food festivals, film nights, dance workshops and exhibitions would bring Indonesian culture into mainstream public spaces. Councils and state governments can integrate these festivals into seasonal programming, increasing attendance and awareness beyond diaspora audiences. A portion of funding should be ring-fenced for youth led programming.

### 2.1.5 Indonesia-in-the-news resources for schools and youth media

A monthly or quarterly 'Indonesia in the news' pack, targeted to school-aged students, with a combination of audio-visual resources, co-developed by journalists and education experts, could help students engage with contemporary issues such as elections, climate policy and regional security and food trends. Teachers say they need quick, classroom-ready content that is fresh and connected to the world students inhabit. This ensures Indonesia is seen as a live, dynamic society rather than a static textbook chapter. Ideally this information could be presented as comparative pieces, for example, contrasting Indonesian and Australian democratic and voting systems, as a way of bringing civics and citizenship to life through a different lens to our own.

### 2.1.6 Leverage Indonesian students and alumni

Australia has long under-invested in the power of its Indonesian alumni community, despite it being one of the strongest people-to-people assets we have. Programs like Australia Awards Indonesia, and its recent partnership with LPDP Indonesia to co-deliver the new Australia Awards-LPDP scholarships, enrol some of the most capable young professionals and future leaders in Indonesia. While there have been attempts to deliver an on-award program of activities (leadership seminars, policy dialogues, networking forums), these efforts have never been consistently resourced or strategically curated. Alumni programming is often spread thinly across too many cohorts, too many objectives, and too little funding.

Indonesia's LPDP scholars include future directors-general, policymakers, judges, university heads, tech entrepreneurs and SOE executives. If Australia wants alumni to remain part of *our* orbit rather than drifting into the gravitational pull of Europe, China or the United States, we need to show that we value them. That requires money spent on the things that signal respect and long-term relationship-building: not generic Facebook groups and alumni e-newsletters, but convening activities with cachet that people feel proud to be invited to.

The reality is that high-potential alumni networks do not sustain themselves organically. Countries that do this well, such as Japan with JICA, the US with Fulbright and Germany with DAAD, openly invest in elite alumni cultivation. For us this could mean smaller, higher-impact events for senior and mid-career alumni: private dialogues with ministers, curated retreats on Australia–Indonesia cooperation, sector-specific dinners with CEOs, or exchange forums linking alumni with Australian state governments, investors and innovators. This could be jointly funded by government, universities and the private sector.

## 2.2 Longer term initiatives

### 2.2.1 Establish an annual, national 'Indonesia Month'

Elevate Indonesian Independence Day to the level of Chinese New Year or Diwali. A recurring national program would give schools, arts organisations, councils, libraries and businesses a focal point for Indonesian cultural engagement. It is also an opportunity to celebrate Australia's role in Indonesia's independence movement and to celebrate the theme of democracy at a time of global democratic decline. Over time, this institutionalises Indonesia as part of the national cultural rhythm. It also creates consistency for diaspora communities and Indonesian institutions to plan programming and investment.

### 2.2.2 Indonesian cultural centres in major Australian cities

Strengthen and build Indonesian equivalents of a Goethe Insitut/Alliance Française/Instituto Cervantes, by establishing or super-charging the Balai Bahasa in each major Australian city. Jointly funded Indonesian cultural centres in Sydney, Melbourne, Brisbane and Perth could offer language classes, exhibitions, films, co-working spaces, and school outreach, potentially incorporating offerings from not-for-profit organisations like ReelOzInd!, Gamelan DanAnda and Suara Indonesia. These become 'front doors' into Indonesian culture and a permanent fixture in Australia's cultural ecosystem.

Indonesia itself must play a stronger role in shaping narratives within Australia. Initiatives might include Indonesian-funded arts residencies, touring exhibitions, film festivals, writer exchanges and culinary partnerships. This strengthens reciprocity and ensures Indonesian voices, not just Australian interpretations, help to shape public understanding.

### 2.2.3 Long-term creative collaboration programs

Rather than sporadic visits by artists, sustained cross-country collaboration in film, music, literature, digital arts and theatre builds deeper mutual understanding. Building on the groundwork that has been laid by institutions including Asialink Arts, Asia TOPA and the Ubud Writers and Readers Festival, a combination of government, private and philanthropic funding from both Indonesia and Australia should be secured for residencies, co-productions and touring programs fosters shared artistic language and a more complex public narrative. These collaborations can also feed into school curricula and enhance business soft power.

### 2.2.4 Inject Indonesia content across mainstream school curricula

Interviewees and questionnaire respondents stressed time and again that Indonesia must not be constrained to language classes. Over time, curriculum designers at a national and sub-national level need to embed Indonesian case studies in geography, history, civics, economics, the arts and science. Students should learn about Indonesia when exploring urbanisation,

democracy, volcanoes, renewable energy, biodiversity, megacities, regional politics and food systems. This normalises Indonesia as a key reference point, reducing the 'foreignness' barrier.

# 3.Addressing the second demand-side problem: Lifting business engagement

## 3.1 Quick wins (less than 12 months, relatively low cost, not complex to implement)

### 3.1.1 Campaign of Australian business success stories in Indonesia

Business respondents emphasised that Australian firms rarely hear positive stories about Indonesia, leading to risk-heavy assumptions. A curated campaign featuring success stories from mining services, tech, education, healthcare, agri-food and creative industries can shift the narrative from fear to curiosity. Videos, case studies and events featuring Australian executives who 'made it work' help legitimise Indonesia as a viable market. This also signals clear employment pathways for students studying Indonesian.

More could be done by the Australian Government to communicate the opportunities back to Australia, with the DEAL team in Indonesia (led by Trade Commissioner Paul Cheyne) to take the lead. There is also a role for business chambers, universities (especially those with a presence in Indonesia) and State and Territory Trade and Investment offices.

The Asialink Business/PwC Match Fit report did a terrific case study on Coca-Cola Amatil, which has a strong presence in Indonesia:

- All directors commit to one board meeting annually in Indonesia, which allows them to meet local partners, staff and customers and build a deeper understanding of different aspects of the Indonesian business and the environment in which it operates.
- While Asia-capability is desirable, especially as it relates to our operations in Indonesia, our decision-making process on general issues is guided by the contributions of all directors.
- Amatil also offers opportunities in Indonesia to high performers in the company's other businesses, as well as enabling some Indonesian staff to live and work in Australia, facilitating a two-way transfer of knowledge, skills and Asia capabilities.

### 3.1.2 Honest case studies about failures and lessons learned

Respondents want honesty, not marketing spin. Publishing de-identified or consented case studies about Australian firms that struggled in Indonesia — explaining what went wrong and how it could be avoided — helps businesses take a realistic, informed approach. These stories provide applied learning around regulatory navigation, partnership-building and cultural intelligence. They also reduce future mistakes by building a collective memory.

### 3.1.3 Hands-on support for SMEs exploring Indonesia

SMEs often lack the bandwidth to explore Indonesia despite strong interest. A practical service offering one-on-one coaching, market scoping, partner identification, approvals navigation and introductions would help de-risk entry. This is more valuable than PDFs or webinars because SMEs need tailored, real-time help. Programs could be delivered through Austrade, State agencies, business chambers, or accredited Indonesia-literate consultants.

#### 3.1.4 Increase business networking opportunities with Indonesian partners

Respondents highlighted a lack of regular, accessible networking events that include Indonesian business leaders, alumni and sector specialists. Regular business mixers, roundtables and industry nights help build relationships and trust - critical factors in Indonesia. These networks can be themed by sector (e.g. health-tech, climate, education) or by region (e.g. Jakarta, East Java, South Sulawesi).

#### 3.1.5 Expand Asialink Business–style professional development

Short, accessible training for businesspeople — covering regulatory basics, market entry strategies, partnership models, negotiation styles and sector-specific insights — can lift confidence quickly. Respondents said business training must focus on practical skills, applied examples and Indonesian facilitators. These courses can be delivered online and scaled nationally. While not for everyone, some businesspeople interviewed were also keen to deepen their language fluency, but with a focus on business Indonesian.

#### 3.1.6 Create a directory of Indonesia-literate consultants and service providers

Businesses consistently reported difficulty finding Indonesia-literate lawyers, accountants, interpreters, business advisors and consultants. A vetted national directory would allow firms to find support quickly. Over time, this nurtures a recognised ecosystem of Indonesia expertise, creating jobs and boosting demand for Indonesian language and cultural skills.

#### 3.1.7 Business internships for young Australian professionals

Expand the Australia-Indonesia Placements and Internships Pilot Program, to place young professionals from Australia in businesses in Indonesia and vice versa, to build commercial understanding and capability across markets. Placements and internships should focus on priority sectors, including clean energy and the digital economy.

#### 3.1.8 Mobilise Indonesian alumni as relationship brokers

Indonesia has thousands of alumni of Australian universities, TAFEs and schools. These alumni understand both systems and often want to engage. A quick win is to systematically connect businesses with these alumni for mentoring, advice, market insights and introductions. Respondents noted that alumni are an under-utilised asset in the economic relationship.

### 3.2 Longer term initiatives

#### 3.2.1 Develop sector-specific industry roadmaps

Respondents stressed the need for detailed commercial strategies in sectors with strong complementarities: energy, digital economy, food security, education, healthcare, mining services, advanced manufacturing, infrastructure and the creative industries. These roadmaps should be co-owned by non-DFAT departments such as DAFF, DCCEEW, DISR and DEWR. They must also embed language and cultural capability as key enablers, not afterthoughts.

#### 3.2.2 Establish Australian-backed investment vehicles for Indonesia

Risk perception remains one of the biggest barriers to Australian commercial engagement in Indonesia. While major institutional investors see uncontrollable regulatory risk, SMEs and mid-tier companies face even higher barriers: limited market intelligence, upfront capital requirements, foreign ownership concerns, and uncertainty about how to navigate the critical

first few years of doing business in Indonesia. Establishing specialised Australian-backed investment vehicles, particularly those that blend public and private capital, would help de-risk Indonesian ventures, crowd in commercial finance, and signal long-term Australian commitment.

Blended finance vehicles could target priority sectors aligned with both countries' economic transformation strategies: renewable energy and grid modernisation; critical minerals and battery supply chains; digital infrastructure and tech; education and vocational training; climate adaptation and nature-based solutions; and sustainable agriculture and food systems. Existing platforms like Macquarie's Asia Infrastructure Fund (MAIF) and the Australian Government's Southeast Asia Investment Financing Facility (SEAIFF) are important first steps, but they remain oriented to large-scale institutional investment. Australia lacks accessible, diversified vehicles that allow SMEs - and even retail investors - to participate in Indonesia's growth story.

It is also critical that the Australian Government and APRA look at tweaking some of the settings and conditions that are currently holding Australian superannuation funds from investing more in Indonesia. Many Australians are relying on our superannuation industry to shore up our long-term future, so those funds need to play a more vocal, leadership role, not just investing in Indonesia, but educating their members (the Australian public) about a modern, contemporary Indonesia.

To shift risk perceptions and increase exposure to Indonesia's emerging industries, new platforms, products and investment vehicles are required, including ones accessible to Australian families and individuals. We also need to find ways to allow Australian mum and dad investors to enter the Indonesian market. Real awareness grows when ordinary Australians have a stake in Indonesia's success.

- Currently Australia lacks a retail-ready 'Indonesia Fund'. The government could seed, for example, an Indonesia Equity ETF, an ASEAN Growth ETF (with 30–40% Indonesia weighting), or a Climate-Tech Indonesia Fund for retail investors. These already exist in Singapore and the United States, so Australia is really lagging behind.
- The Indonesian diaspora in Australia is also under-leveraged. Diaspora investment vehicles are powerful in South Asia, Latin America and Africa, e.g. Ghana, Philippines and India and could potentially be mobilised here through Australia's small but growing Indonesia diaspora community.
- Another option might be for Export Finance Australia or Clean Energy Finance Corporation (CEFC) to issue Indonesia Green Transition Bonds or Australia–Indonesia Climate Partnership Bonds (Retail investors could buy $500 parcels, thereby democratising access and creating avenues for smaller investors to dip their toe in Indonesian waters).

#### 3.2.3 Embed Indonesia capability into leadership and board education

Respondents note that Australian executives and directors often have little knowledge of Indonesia. Long-term reform could see business schools, AICD and major corporates include Indonesia capability modules in leadership programs. This might include simulations, case studies, immersion visits and Indonesia-focused group projects. When executives understand Indonesia, organisational demand for Indonesia-literate staff grows naturally.

#### 3.2.4 Review our visa system for Indonesian businesspeople coming to Australia

The Business Visitor Visa (subclass 600) is now valid for up to five years for Southeast Asian businesspeople. Business Visitor Visa holders can stay in Australia for up to three months at a time, during multiple visits, to negotiate contracts, make general business or employment enquiries, participate in conferences or trade fairs, or as part of official government visits. This is a positive development but it is still both expensive and challenging for Indonesians to get visas to travel to Australia, either for business or pleasure.

Ross Taylor has made some valid points on this issue[145]. As he wrote in The West Australian[146], in a recent opinion piece, 'A major disincentive for attracting Indonesian tourists, backpackers and even students, is our current outdated, expensive and offensive visa application system that takes up to 90 days to process…Hardly a welcoming process…' He also notes that despite rhetoric about closeness between Australia and Indonesia, 'the people of our two nations hardly know each other' and the visa barriers help perpetuate that gap. In another piece, *Business partnerships the winner from Jokowi's visit but visa reforms fall short* (13 July 2023), Taylor says, 'To make things worse, currently, Indonesian holidaymakers must pay $140 per person in application fees…an online 15-page questionnaire…' He argues that imposing such a 'draconian visa restriction' on Indonesians when celebrating closeness undermines the relationship. All that said, the Indonesian Government's visa (KITAS) and permits processes can be equally challenging.

### 3.2.5 Build enduring, regionally-focused business networks

Rather than one-off missions, long-term business networks can link Australian and Indonesian firms by city or region (Jakarta, Surabaya, Bandung, Makassar). These networks become familiar, trusted channels through which companies can explore partnerships, troubleshoot problems, and share market intelligence. Maintaining these networks over many years creates stability beyond political cycles.

They can also facilitate more authentic entries into Indonesia than the curated trade missions that restrict participants to sterile hotels, function centres and Western restaurants. The best thing a businessperson can do is to leave the 5-star hotel in central Jakarta, hop on the back of an *ojek* (motorbike taxi) and explore the city and the country and see how real Indonesia lives – that's when you can start to articulate your business model and your price points, beyond the spreadsheets and desktop research[147].

### 3.2.6 Encourage government agencies to 'own' Indonesia engagement

Respondents argued that DFAT cannot carry the whole weight of the Australia–Indonesia economic relationship. Other agencies – in particular Treasury, Home Affairs, DAFF, DEWR and DISR need to take a shared responsibility for developing deeper Indonesia engagement in their respective domains. Embedding Indonesia-related KPIs into agency workplans can ensure cross-portfolio alignment.

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[145] https://www.linkedin.com/posts/ross-b-taylor-am-23406221_our-pm-is-clear-that-indonesia-is-a-top-priority-activity-7395341814641324032-D80i?utm_source=social_share_send&utm_medium=member_desktop_web&rcm=ACoAAAXcL4UB6OxY55o2vU49_e7GNdc6De0LFp4

[146] https://thewest.com.au/opinion/ross-taylor-insulting-visa-process-hampers-relationship-with-indonesia-c-9248413

[147] Ben Cass, Creating an aged care business in Indonesia – Bisnis Asia podcast, 25 January 2025.

#### 3.2.7 Use procurement and grants to value Indonesia capability

Government and major corporates can signal the importance of Indonesia literacy by weighting tenders and grants towards teams with Indonesia-relevant skills. This doesn't require heavy-handed rules - just recognition that cultural and language skills enhance project effectiveness in many bilateral sectors. This creates market demand for Indonesia-literate graduates.

## 4. Addressing the supply-side problem: teaching and learning

We will need to intervene in every part of the Australian education system if we are serious about lifting Indonesia literacy.

### 4.1 Quick wins (less than 12 months, relatively low cost, not complex to implement)

#### 4.1.1 Early childhood 'sprinkling' of Indonesian culture and language

The goal at early childhood level is not structured language instruction but curiosity, joy and familiarity. Respondents suggested simple exposure through songs, greetings, stories, food and culturally responsive pedagogy. This also supports heritage Indonesian children to maintain connection to language and identity. Early sprinkling builds cultural openness and reduces fear of difference. We need to provide opportunities for children from Indonesian backgrounds to maintain their language and for non-Indonesian kids to develop general curiosity about Indonesian language and culture

#### 4.1.2 Pilot one or two Indonesian bilingual primary schools per state

Respondents suggested piloting a small number of bilingual primary schools as proof-of-concept. These schools would be hubs of excellence producing students with high proficiency and strong cultural understanding. A concentrated model avoids spreading resources thinly and enables deep evaluation of what works. Over time, the model could expand if demand rises. While acknowledging the challenges around setting up a two-tier schooling system, introducing elitism or undermining tight school zoning rules in States like Victoria, there are already successful examples of bilingual schools around the country, although none of them provide an Indonesia program, so this is an obvious opportunity to trial in one or two States.

The Victorian ALP conference earlier in 2024 approved a policy motion, sponsored by Dr Wesa Chau, calling for the expansion of bilingual education in Victoria. Given Victoria already has other successful examples of bilingual schools (Vietnamese, French and Mandarin), this might be a good place to start a pilot.

#### 4.1.3 Reinstate ATAR bonuses for Indonesian (and other priority languages)

Respondents overwhelmingly agreed that removing ATAR bonuses significantly reduced senior Indonesian enrolments. Reinstating them is a low-cost lever that sends a powerful system-level signal. Parents and students respond quickly to changed university incentives. Teachers also gain a concrete narrative to help students understand the value of continuing Indonesian.

It should be noted that research conducted on ATAR bonuses found the impact to be minimal, because it mainly affected students in Years 11 and 12, who had already made the decision to continue studying a language, whereas it was less important for students in younger years, particularly at Year 9, which is such a critical drop-off point for language students.

#### 4.1.4 Create fun, high-impact school incursions and excursions

Teachers reported that students become most engaged when Indonesian is brought to life through art, dance, cooking, music, storytelling or cultural events. Small grants for incursions and excursions, especially in regional or low-SES areas, can shift attitudes quickly. These experiences counter any perception that Indonesian is boring or abstract.

#### 4.1.5 Scale Global Classrooms and digital cross-country collaborations

Technology allows students in Australia to work directly with peers in Indonesia on shared projects - environment, entrepreneurship, creative arts, STEM and global citizenship. Respondents praised the success of programs like Asialink's Global Classrooms and called for scaling them nationally. Virtual engagement is especially essential for regional or remote communities.

#### 4.1.6 Improve access to Indonesian language assistants (JET-style)

Respondents supported a structured program that brings trained Indonesian teaching assistants into classrooms. These assistants must receive pre-departure training to avoid being used as 'native speaker props', and to ensure they are equipped for the classroom management side of the experience, as well as armed with contemporary and engaging resources. When done well, these assistants enrich cultural exposure and support teacher workload. Visibility of young bilingual role models and alumni working in diverse sectors can also shift perceptions of Indonesian from 'difficult and niche' to 'practical and future-oriented'.

#### 4.1.7 Modernise Indonesian teaching resources and promote national sharing

Australia's Indonesian classrooms often rely on outdated textbooks and worksheets created in the 1990s. Respondents emphasised the need for contemporary, engaging, multimedia resources reflecting modern Indonesia. A national repository, curated and quality-assured, would allow teachers to share innovations rather than reinventing the wheel. As one teacher noted, 'I know some great teachers with engaging curriculum, but it stays within one school'.

Lifting motivation to learn Indonesian requires connecting the language to students' sense of purpose, identity and opportunity. Programs and resources that showcase real-world applications, like business, digital, cultural, and environmental exchanges, can make Indonesian more relevant to learners' lives. Linking Indonesian with other subjects (for example, Geography, History, Sustainability or Digital Media) helps students see the language as a tool for understanding the world rather than a discrete academic subject. In the United Kingdom they have World of Languages, Languages of the World (WoLLoW), a fully developed languages curriculum for pupils in pupils aged between 7 and 15, created by experienced language teachers, and available free to all schools.

### Potential interventions – teaching workforce

'We need to stop thinking of Indonesian teachers as lucky to have a job, and start treating them as a strategic workforce the country depends on.' - Teacher respondent.

We need incentives for more people to become Indonesian teachers, i.e. guaranteed employment, attractive professional development opportunities, prestige and knowing they have the whole education system (and indeed the country) behind them and they aren't slogging away on their own.

Strengthening the ranks of Indonesian teachers across the country is a non-negotiable, critical success factor for strengthening Australia's Indonesia literacy. Potential initiatives are set out below.

#### 4.1.8.1 Immediate support and retention mechanisms for Indonesian teachers

Teachers consistently reported feeling isolated, overworked and under-recognised. Quick interventions like PD scholarships, classroom resource grants, release time for planning and access to native-speaking assistants can stabilise programs. Providing small, flexible support packages lifts morale and reduces attrition. Many respondents noted that without teacher retention, other reforms will not matter.

#### 4.1.8.2. Improving teacher proficiency

Many Indonesian teachers in Australia were trained decades ago and have not had sustained opportunities for immersion or formal language upgrading. Investment is needed in structured proficiency improvement programs, combining online professional development, short-term immersion courses in Indonesia, and accredited certification frameworks. These programs should be co-designed with Indonesian universities and teacher education institutions, ensuring alignment with both Indonesian linguistic standards and the Australian Curriculum. Enhanced teacher proficiency directly impacts learner outcomes, classroom engagement, and retention.

#### 4.1.8.3. Managing mixed-ability classrooms

Indonesian classes often combine heritage speakers, high-achieving students, and beginners, especially in small schools. Teachers need access to pedagogical training and digital tools that allow for differentiated instruction, such as adaptive online learning platforms, peer mentoring models, and project-based learning. Systematic sharing of classroom strategies across jurisdictions (for example, through a national online community of practice) could help teachers manage diversity more effectively, reducing dropout rates caused by disengagement or uneven pacing.

#### 4.1.8.4. Expanding use of multimedia resources

Modernising the suite of Indonesian teaching materials is essential to capturing student interest. A national initiative could support the creation of open-access, multimedia resources, including videos, podcasts, interactive games, and short-form content on contemporary Indonesian society, culture, and technology. These resources should be co-produced with Indonesian educators and digital creators, ensuring authenticity and alignment with the realities of modern Indonesia. Making such materials freely available would also enable non-language teachers to embed Indonesian content into other subject areas.

#### 4.1.8.5. National proficiency certification system for Indonesian teachers

Unlike the Japanese Language Proficiency Test (JLPT) or the CEFR framework for European languages, Indonesian lacks a recognised national proficiency certification in Australia. Establishing such a system would create consistent benchmarks for teacher recruitment, professional development, and classroom outcomes. It would also provide a transparent mechanism for recognising prior learning and incentivising teachers to pursue higher proficiency levels. A collaborative model with Indonesia's National Language Agency (Badan Bahasa) could ensure international credibility.

#### 4.1.8.6. Structured pathways for upgrading proficiency, immersion and mentoring

To sustain teacher quality, a national framework should define progressive pathways for ongoing

professional learning, from early career mentoring to advanced language study and regular in-country immersion. Mentoring networks that connect experienced teachers with new graduates and those in rural or isolated schools would strengthen professional confidence and retention. A structured annual cycle of immersion and mentoring, supported by bilateral scholarships, would re-energise the profession and reinforce teacher-to-teacher collaboration across the region.

#### 4.1.8.7. Minimum time allocations

Consistency in the amount of instructional time allocated to Indonesian is critical for program quality. Establishing a national guideline - such as a minimum of three 45-minute lessons per week in primary schools and three 60-minute lessons in secondary schools - would ensure sufficient exposure for meaningful progress. Without this baseline, programs remain tokenistic and struggle to reach proficiency outcomes. National consistency would also enable better resource sharing and comparability of results across jurisdiction, noting that subject time allocations are controlled at State/Territory level.

#### 4.1.8.8. Accreditation and CPD pathways for all teachers

All teachers delivering Indonesian should be formally qualified and participate in accredited continuing professional development (CPD). A national CPD framework — linked to the proficiency certification system -— would formalise expectations and provide recognition for ongoing learning. Teachers who demonstrate proficiency growth and pedagogical innovation could be eligible for micro-credentials or salary progression, creating tangible incentives for quality improvement. The Australian Institute for Teaching and School Leadership (AITSL) could play a role in this space.

#### 4.1.8.9. Incentives for younger teachers to enter the profession

The Indonesian teaching workforce is the oldest among major languages taught in Australia, with limited new entrants. Incentives such as bonded scholarships for teaching graduates with Indonesian specialisations, targeted recruitment through university programs, and recognition payments for early-career teachers could attract a new generation. Promoting Indonesian teaching as a career of regional relevance, with opportunities for travel, exchange, and leadership, can also improve its appeal and improve its prestige value.

#### 4.1.8.10. Non-language teachers

Create professional development for non-language teachers to gain skills in Indonesian language teaching, or to develop Indonesia content in their own subject areas. The Teachers as Co-learners (TCL) is a fascinating test case. It was developed in the Victorian Catholic schools sector, through Melbourne Archdiocese Catholic Schools (MACS), and trialled in primary schools. Under the program, classroom teachers learn the target language alongside their students (rather than being separate language-specialist teachers) to promote co-learning, teacher confidence, and greater integration of the language into daily school life. The trial involved teaching languages such as Italian, French and Indonesian, introducing daily 15-minute language lessons with the classroom teacher supported by a language assistant. Another example would be funding non-Indonesian teachers to do in-country programs in Indonesia to lift their knowledge and familiarity with the country, thereby increasing the likelihood of them teaching Indonesia content.

#### 4.1.8.11. National in-country scholarship programs

Re-establishing and strengthening a national in-country scholarship program, like Endeavour,

would be a powerful lever for teacher renewal. These scholarships could fund intensive language and pedagogy courses in Indonesia, providing authentic exposure and professional networks. By prioritising early- and mid-career teachers, such programs would rebuild proficiency and enthusiasm within the workforce and strengthen school-to-university and university-to-industry pipelines.

#### 4.1.8.12. Partnerships with Indonesian universities

Deep partnerships with Indonesian universities are critical for sustained, high-quality professional learning. These could include co-developed teacher training modules, online masterclasses, and joint accreditation of immersion programs. Building a consortium of Australian and Indonesian institutions would allow teachers to access a continuum of professional learning, from language intensives to applied research on classroom innovation, while reinforcing bilateral academic and cultural ties. These partnerships could build on the growing number of Australian-Indonesian university partnerships.

## 4.2 Longer term initiatives

### 4.2.1 Rebuild a national Asia languages and studies program (NALSAS 2.0)

Many respondents felt that only a multi-million-dollar, multi-year Asian national languages and studies program can reverse decades of decline. NALSAS 2.0 would fund teacher training, immersion programs, digital resource development, curriculum updates and school-level incentives. It must be 10+ years, jointly governed by the Commonwealth and the states, with clear KPIs and evaluation. Many noted that NALSAS worked well but was not funded long enough to stabilise systems.

### 4.2.2 Replace primary school language with a Global Citizenship subject

One of the biggest policy challenges is trying to create a top-down system where all feeder schools into a secondary school teaching Indonesian also teach Indonesian. Multiple respondents questioned the push for early fluency at primary level, suggesting instead a subject combining intercultural capability, civics, global awareness, and exposure to multiple languages.

One idea could be to replace single language learning at primary schools with a more general subject: global citizenship or a ‘languages apprenticeship’, which gives them a flavour for a range of languages, but also teachers aspects of civics and citizenship, multiculturalism, Australia’s place in the world, and the positives of cultural diversity. This avoids burnout, primes curiosity and teaches students about Australia's place in the Indo-Pacific. Indonesian would appear as one of several priority languages introduced through stories, maps, greetings, and cultural experiences, helping all young Australians to understand more about Indonesia as one of our biggest and closest neighbours.

### 4.2.3 Develop local and regional language pathway planning frameworks

Currently, many individual schools choose languages without regard for local and regional continuity or workforce availability. Respondents suggested creating regional frameworks that identify priority languages (including Indonesian) and provide school councils with objective data on workforce, pathways and community needs. This avoids fragmentation while respecting local realities.

### 4.2.4 Strengthen secondary pathways at key intervention points (Years 7, 9, 11)

Respondents identified three key 'turning points' where students do not chose – or drop - Indonesian. At Year 7, schools need incentives and principal support to offer Indonesian and keep it viable. At Year 9, when languages usually become an elective, students need motivating role models, peer stories and compelling in-curriculum experiences. At Year 11, ATAR incentives, career connections and Indonesia-relevant electives support continuation through senior years.

- Need to encourage schools to offer Indonesian at Year 7 or ensure those delivering it retain it.
- At Year 9 level, need to create more hooks to inspire students to continue once Indonesian becomes an elective. Teacher quality and student progress are both identified as key elements impacting continuation.
- At Year 11 level, need to address the Study Score, ATAR and relative attractiveness of studying VCE Indonesian.

#### 4.2.5 Make a Year 9 Indonesia immersion program a mainstream option

A short but deep Year 9 immersion can be transformative, especially for students from families without international travel experience. Programs like VYL Indonesia show the potential for supervised, culturally rich, affordable study tours. Long-term policy should aim to make an Indonesia trip a normal part of Australian schooling in all States and Territories, not a rare privilege.

#### 4.2.6 Resources to support schools to choose and retain Indonesian

We will inevitably need to provide incentives for more schools to take up Indonesian as a language offered, and for existing schools to retain it. Because these decisions are made at a local level, we need to support school principals to lead these discussions in their communities and no leadership has been more successful in this space than Leading 21st Century Schools model.

The biggest disincentives for offering or retaining Indonesian are the lack of good, qualified teachers and buy-in from the parent community. While the former is a more complex problem to solve, the latter could be addressed through providing detailed information packs to Principals and parents about the benefits of learning Indonesian and linking schools to professionals who are using Indonesian in their jobs, to come and speak to parent groups and school council meetings.

#### 4.2.7 Establish the National Institute for Languages Education (NILE)

Respondents repeatedly emphasised the need for well-funded, national professional bodies to support Indonesian teachers. These bodies can offer PD, resource-sharing, advocacy, mentoring and cross-school collaboration. Strengthened associations also help reduce the isolation teachers frequently experience.

To address fragmentation and duplication across jurisdictions, Australia should establish a National Institute for Languages Education (NILE) — a coordinating body for national data collection, research, teacher training, and resource development. NILE would serve as a centre of excellence for languages policy and practice, bringing together Commonwealth, State and Territory governments, universities, and professional associations under a single strategic framework. Within it, an Indonesian Language and Indonesian Studies Unit could be established as a flagship program to pilot best practice models for teacher capability

development, curriculum alignment, digital resource production, and school-to-university pathways. This structure would provide both national consistency and flexibility to scale similar models for other priority languages in future, ensuring Indonesia — as Australia's closest Asian neighbour — remains at the heart of national languages policy and regional engagement.

NILE would serve as a national coordinating body for language policy, research, teacher support and digital resource production. It would gather data, provide national consistency, and reduce duplication across states. An Indonesian Language and Studies Unit could act as a flagship, piloting innovations that could later be applied to other languages.

#### 4.2.8 Reform initial teacher education (ITE) and ongoing PD

Teacher education needs to embed intercultural capability for all teachers, not just language specialists. Respondents called for partnerships between universities and Indonesian institutions to deliver high-quality Indonesian pathways in ITE. Ongoing PD should include immersion, resource creation, classroom innovation, and mentoring networks. These reforms raise the baseline capability of all teachers to incorporate Indonesia content.

As one teacher I interviewed said, even if they create something engaging that resonates with students, it stays within one school. They know some great teachers with engaging curriculum, but it's limited to one school as there's currently no culture of sharing.

#### 4.2.9 Indonesian studies across university disciplines

Many respondents highlighted that Indonesian studies should not live solely in arts faculties. Law, business, health, environmental science, engineering, architecture, education and urban planning should integrate Indonesian case studies and opportunities for cross-disciplinary study. This makes Indonesia literacy a transferable skill, not a niche academic pursuit.

With previous core federal Government Funding, the Asia Education Foundation was able to develop curriculum resources that provided Asia contexts for every subject at every year level for use by schools across Australia, these need to be updated in line with revisions to the Australian Curriculum.

#### 4.2.10 Create short, practical Indonesian courses in TAFE and adult education

Adult learners often want practical skills rather than full degrees. TAFE and community providers can offer short, vocationally oriented Indonesian courses tailored to industries like hospitality, tourism, trades and logistics. This broadens Indonesia literacy beyond traditional academic pathways and supports businesses.

#### 4.2.11 Harmonise the Indonesia Curriculum across all States and Territories

One Victorian teacher remarked, 'I've found that even if curriculum is from a different state, I can still apply it to my classes. It's better than having nothing!' But surely with such small numbers of Indonesian learners, harmonising the Curriculum at a national level would be far easier than for a subject like English or Mathematics, and indeed ACARA has developed a national Indonesian curriculum at v.8.4 of the Australian Curriculum. By creating a single curriculum across the country, it would make it easier for sharing of resources and professional development activities, by leveraging economy of scale to reduce costs.

#### 4.2.12 High-quality Indonesian language assistant and exchange program

Over the long term, Australia could create a structured, reciprocal assistant program, similar to Japan's JET Program. Indonesian graduates would teach in Australian schools, while Australian pre-service teachers spend time in Indonesian schools. This builds deep people-to-people connections and enriches classroom practice. For this program to be successful, it would need to be embraced by schools and teacher unions on both sides, and participants would require a high level of intercultural and language training before arriving in their host country, particularly in pedagogy and classroom management.

#### 4.2.13 Protect Indonesian tertiary programs via centres of excellence

Some respondents argued that rather than every university running Indonesian, Australia should create a smaller number of well-funded centres of excellence. These centres would provide high-quality teaching, teacher training, research, and resource development. Smaller universities could partner with them via online delivery.

#### 4.2.14 Build digital resource platforms for national consistency

Several respondents called for a single, national, digital platform hosting multimedia resources, teacher guides, unit outlines, Indonesian news content, and exemplar assessments. This lowers the workload for individual teachers and helps ensure national quality. This might involve leveraging an existing education platform like Scootle.

#### 4.2.15 Incentivise universities, either through carrot or stick

Require universities receiving Commonwealth funding for education degrees to maintain Asian language programs and staff positions. Ensure that tertiary provision aligns with national priorities and government objectives for building Asia capability.

Alternatively, tie their provision of Indonesian language (and other Asian languages) to their ability to recruit students from those countries, as both a financial incentive and recognition that Australia will be a more welcoming place for international students if more Australians are Asia literate.

#### 4.2.16 TAFEs and VET/Adult education

We can't make universities do all the heavy lifting. There is a role for TAFEs and RTOs to play as well, particularly around teaching 'business Indonesian' to people who don't necessarily need to be fluent but would benefit from some basic language/culture training to help them get by and impress in Indonesia

Beyond the formal education system, we also need to create ways for adults who are interested in dipping their toe into Indonesian language and culture (i.e. upon their return from a holiday to Indonesia) to be able to do so.

# Appendix K: NALSAS and NALSSP

**NALSAS - National Asian Languages and Studies in Australian Schools Strategy (1994–2002)**


Note: Table does not include studies of Asia, which was also supported by NALSAS.

Summary:

- Announced in 1994 by the Keating Government, building on the 1992 *Asian Studies Council* report *A National Strategy for the Study of Asia in Australia*.
- Part of the wider 'Engaging the Asian Century' narrative that followed the 1989 Garnaut Report and Paul Keating's push for regional engagement.
- Funded by the Commonwealth and states/territories under the MCEETYA framework.

Purpose:

- To significantly expand the teaching of Indonesian, Chinese, Japanese, and Korean in Australian schools.
- It wasn't just about language; it aimed to develop broad Asia literacy, including history, geography, economics, and culture.
- It paid for teacher training, curriculum development, resource production, and in-country experience programs.

Funding:

- Around $30 million per year, jointly funded (50/50) by the Commonwealth and States/Territories, channelled to schools through Education Departments.
- Delivered real growth in student enrolments in Asian languages across the 1990s.

Demise:

- Abolished in 2002 by the Howard Government, despite positive evaluations. The rationale was 'mainstreaming': Asian languages would supposedly be supported through general education funding - something that never really happened.

**NALSSP - National Asian Languages and Studies in Schools Program (2008–2012)**


Note: Table does not include studies of Asia, which was also supported by NALSSP

Summary:

- Announced by the Rudd Government in 2008, reviving the broad intent of NALSAS but rebranding it as the *National Asian Languages and Studies in Schools Program (NALSSP)*.
- Rudd, fluent in Mandarin and a strong advocate of Asia literacy, saw this as a pillar of his *Asia-Pacific Century* policy agenda.

Purpose:

- To promote the study of Indonesian, Chinese, Japanese, and Korean, again linking language with broader Asian studies.
- Target: At least 12 % of Year 12 students studying an Asian language by 2020.

Funding:

- About $62 million over 2008–2012, administered through DEEWR.
- Provided grants to schools, teacher professional learning, resource development, and national coordination of some projects through the Asia Education Foundation.

Demise:

- Funding ceased in 2012 and was not renewed in the 2013 federal budget transition to the Gillard era's *Asian Century White Paper*, which proposed — but never implemented — a successor national strategy

*The Acicis NALSAS pledge*

Acicis has secured many signatories to its Pledge for Asian Languages in Australian Schools[148], to bring back federal funding for the teaching and learning of Asian languages in Australian schools at a level of $20 per Australian school student per year — equivalent to the level prevailing between 1995 and 2002.

NALSAS worked better than NALSSP, but neither was funded long enough, nor evaluated rigorously enough, to prove a formal ROI. The balance of evidence says targeted national funding lifted participation, provision and teacher development during NALSAS (1994–2002) and NALSSP (2008–2012) restarted momentum but was smaller and shorter so its targets weren't met and its effects faded once funding stopped.

The idea behind NALSAS was to give some autonomy to schools to invest in programs that would lift literacy in the 4 chosen languages and cross curriculum studies.

The Australian Government is also likely to be lukewarm on reviving NALSAS/NALSSP in the context of State-Federal funding arrangements. The BFSA (Better and Fairer Schools Agreement) is designed to rationalise federal–state public school funding arrangements into a consistent package tied to reforms. It was fiercely negotiated over many years, with Queensland and Victoria only signing up recently to their share of funding. An additional special funding stream (say '$20 per student annually for Asian languages' under a NALSAS 2.0) that sits outside the BFAS package, could be seen as a parallel funding arrangement, potentially undermining the coherence of the main agreement. For example, states may ask: if we accept this extra funding, will it be accounted for as part of our 'share' of SRS? Will there be new conditionality?

Advocates rightly say the figure ($18-$20 per student) is modest relative to overall school funding, but it still needs to be found in the budget. The Commonwealth (and States) have already prioritised and allocated funding into the hotly negotiated set of reform priorities within BFSA (e.g., literacy, numeracy, wellbeing, workforce) and would likely view Indonesian literacy funding as not only extra, in a sector competing for scarce funds, but potentially putting the interlocking components of BFSA at risk.

[148] https://www.acicis.edu.au/blog/the-pledge-for-asian-languages-in-australian-schools/

# Appendix L: My background (a personal story of Indonesia literacy)

In conducting the interviews for this report, it was remarkable how often interviewees pointed to an inspiring and passionate teacher or an early in-country experience as the catalysts for their interest in Indonesia. For me it was both. Having grown up in the small town of Breamlea, 20 kilometres from the outskirts of Geelong, I had never been overseas until I went on a school trip in Year 10 to Ubud. This was followed closely by a 3-month exchange to Bandung at the end of that same year, on a scholarship through the Victorian Department of Education, living with a host family and going to a local school (SMUN8) in what was a complete immersion experience. I was hooked. I am still very close with my host sister (Kak Henny) and her family, having flown to Indonesia to be part of the bridal parties for all four siblings' weddings. Now we all have children of our own and the connection has only strengthened.

But even before I went to Indonesia, I had not one but two inspiring Indonesian teachers — Pak Stobbe and Pak Welsh — who brought the language to life for me through personal stories and anecdotes. I still remember the *Ayo* textbook, with its catchy songs that I used to listen to on cassette tapes in the car. Dirk Stobbe sadly passed away in November 2025, just as I was in the process of finalising this report. I know I am just one of hundreds of students who benefitted from Pak Stobbe's engaging style of teaching over the years.

While for many the ATAR implications turns them off continuing Indonesian, for me it was a motivator, as back then you got a solid study score bump (albeit not as much as for many other languages). Off the back of my 3-month exchange in Year 10, I performed well in my exams and secured a place studying Arts/Law at Monash University, majoring in Indonesian and ultimately doing an Honours year where I wrote my Honours Thesis on the Effect of Donor Dependence on Indonesian Human Rights NGOs. In my early 20s I participated in both the AIYEP and Acicis exchange programs, two of the shining lights in the Australia-Indonesia story that don't get nearly enough accolades for the contributions they have made to our Indonesia literacy story.

Over the course of my degree, I studied in Indonesia on three separate occasions, with the support of Monash University, which continues to promote in-country experiences for its students. This included a whole year at Gadjah Mada University in Yogyakarta, where I also interned at human rights organisation INSIST, headed by Dr Mansour Fakih (Almarhum). Studying Indonesian from a classroom in Australia can still be exciting, if you're doing it with a passionate teacher using the best that technology and audio-visual resources can provide. But nothing beats being on the ground and putting the language into practice every day.

Unfortunately, my year in Yogyakarta coincided with the 2002 Bali Bombings and Monash University threatened to send me home due to safety fears and insurance implications. I stayed on, writing letters to the newspapers back home, pleading with my fellow Australians not to cast all Indonesians as Muslim terrorists. I remember being interviewed by Jeff Kennett, who had become a radio host after being defeated as Victorian Premier, and trying to explain to him how far Yogyakarta was from Bali on a map and how very safe I felt, living with my 15 kost-mates in Jalan Kaliurang, under the written protection of the Sultan of Yogyakarta. I might as well have been speaking Javanese. The reaction I got from Mr Kennett was emblematic of the sentiment of so many Australians back then – why on earth would I want to put myself at risk by remaining? Little did I know at the time that those events would be the single-biggest contributor to the subsequent decline in Australia's Indonesia literacy.

Having completed my degree, and with aspirations to become an international human rights lawyer, I applied to the half-dozen Australian law firms with a presence in Jakarta. I did my Articles year with Freehills and spent a few months with their associate firm Soemadiprajda & Taher alongside Robert Reid and Hayden Dare. I was extremely fortunate while at Freehills to be taken under the wing of John Tivey, now a Partner with White & Case, who had spent many years in the 1990s working in the resources sector in Indonesia. Unlike his peers, John was someone who valued my Indonesia experience. In my second year as a 'baby lawyer', John supported a secondment to Santos to help manage the Sidoarjo mudflow disaster, where I experienced firsthand the value of Australian companies engaging Indonesia expertise. I was able to read the room, understand what wasn't being said, and participate in negotiations in a way that wouldn't have been possible as a monolingual lawyer, fresh off the plane, working only through a translator.

The most life-changing moment came at the end of a presentation by lawyer Julian McMahon to a young lawyers event arranged by the Law Institute of Victoria on the death penalty. Along with Lex Lasry QC, Julian had just taken on the case of the Bali 9, representing a group of young Australians who had been accused of trying to smuggle a large amount of heroin out of Indonesia. Julian asked all of us in attendance if anyone in the room spoke Indonesian because he and Lex had never been to the country. I put my hand up and 2 weeks later I was on a plane, accompanying them to find a local law firm to help them manage the case. So began a decade-long experience that took us all the way to the Indonesian Constitutional Court, sitting in Balinese prisons and court rooms trying to navigate the Indonesian legal and political system on behalf of Myuran Sukumaran and Andrew Chan, who were ultimately executed on 29 April 2015. I have no doubt their lives could have been spared were the relationship between our countries much better than it was. They ultimately lost their lives in the court of public opinion, not in the court of law. Between working on that case and being in Indonesia when the Bali Bombings took place, I have personally witnessed two of the three most detrimental contributors to Australia's image of Indonesia, which has played into our low levels of Indonesia literacy (the third being the violence surrounding East Timorese independence).

One memory that will remain forever in my mind is the conversation I had with Myuran on the evening before he stood before the firing squad. He said he had forgiven the Indonesian people, for whom he had a deep fondness, having learned to speak fluent Indonesian during his time in Kerobokan Prison. He said he'd wished he'd been to Indonesia earlier in life, under different circumstances and that maybe, like me, it could have set him on a different path. Myuran was an amazing person and a dear friend. I too wish he'd been given that chance.

Having traded the law for the Victorian Public Service (VPS), I worked on a number of international engagement strategies, including for Southeast Asia, and also won an award for the idea of setting up a Vic Asia Unit[149] (which subsequently became the International Engagement Unit in the Victorian Department of Premier and Cabinet. This was where I encountered the latent Asia capability in the public service – a lot of bureaucrats who reached out to me, who had spent time in Asia in their younger years but struggled to find ways to apply those skills in their current roles in the VPS.

After 3 years in DPC, I was appointed Australia's Trade Commissioner to Malaysia and Brunei, by way of Austrade's Trade Commissioner Development Program. Once again I was able to use my language and intercultural skills, with Malaysia and Indonesia sharing much of their vocabulary

[149] https://vicasiaunit.wordpress.com/the-project/

and grammar.  Following my posting with Austrade, I then led the Aged care and healthcare stream for the Australian Government's business delegation to Indonesia in November 2015, helping participants to navigate site visits and meetings with Indonesian counterparts, ultimately leading to multiple MoUs and export opportunities.

Upon my return to Australia, I took up a role as head of the International Education Division in Victoria, the jurisdiction that has led the way on language learning and continues to have the highest enrolments in Indonesian studies in the country. Part of my remit was to grow the International Student Program into the biggest in the country, with a focus on diversification beyond China to countries across Southeast Asia including Indonesia. But I was also adamant that to have the best program, it had to be the most welcoming for foreign students, which meant lifting the intercultural capabilities of Victorian principals, teachers and students, through our Global Learning and Engagement programs. This included expanding the award-winning Victorian Young Leaders to China Program to Indonesia. After much handwringing from the Department around issues of risk, and with the influence and support of then Education Minister and Deputy Premier James Merlino, we launched the inaugural Victorian Young Leaders to Indonesia Program in 2019 at my alma mater, Belmont High School. This followed multiple visits to Yogyakarta to secure host schools and host families, to ensure the best possible experience for our students. I modelled the program on my own experience in Bandung as a 15-year-old, knowing that a homestay component was critical to ensuring an authentic and life-changing experience for Year 9 participants.

Despite many inevitable twists and turns, the program was a resounding success and we were looking forward to doubling the numbers in the following year. But then COVID-19 hit and like so many study abroad programs (in both directions), VYL Indonesia in its original form was put on ice and the Department pivoted to an online adaptation – better than nothing, but missing many of the elements that are necessary to motivate students to continue the language through their schooling journey. But we had seen what was possible. I am now Chair of the Deakin University Languages Advisory Board and had the fortune of meeting one of our student representatives recently. It turns out she had been a participant in that inaugural VYL Indonesia Program. It had made such a deep impression on her that she had gone on to study Indonesian at university and is now looking for a role where she can use her language and intercultural skills. I just wish that Australian businesses and government departments were falling over themselves to snap her up.

After finishing up as Executive Director of the International Education Division I was appointed the inaugural Regional Director for Inner Metropolitan Melbourne, in the Victorian Department of Jobs, Skills, Industry and Regions, and subsequently became the Executive Director, International Education Division. In these roles I was able to work closely with universities and local governments to understand the enormous contribution that international students and investors are making to our capital cities like Melbourne. This was also an opportunity to better understand the potential of Australia's rich multiculturalism, but to see how the public service's lack of Asia capability means we aren't weaving that cultural diversity into the design of our policies and programs. Building Indonesia literacy would help with this.

Now I find myself re-engaging with Indonesia through this project and trying to make sense of our complex relationship with our near neighbour. So much of my life and career has been enriched by having studied Indonesian and having lived in Indonesia at a young age. I hope many more Australians can be given the opportunities I have.