



Australia-Indonesia Youth Association
(AIYA)

Submission to the
Joint Standing Committee on
Treaties

23 August 2019

Indonesia-Australia Comprehensive Economic Partnership Agreement
(IA-CEPA)

Acknowledgments

This submission was researched and written by Dan Trevanion. Thanks also to input from Clarice Campbell, Sophie Hewitt, Owen James and Joshua Sutedjo and the work of many AIYA members past and present. We are grateful for their continuing contribution.

This submission is based, in part, on online surveys conducted by AIYA during 2016 and 2019. The AIYA Survey has been conducted since 2012 and is the only major survey assessing youth engagement with Australian and Indonesian community links.

The AIYA Survey (2016) attracted 495 participants, 70% aged between 20-35, 48% were Indonesian and 50% were Australian. The AIYA Survey (2019) attracted 289 participants, 81% aged between 20-35, 60% were Indonesian and 40% were Australian.

Thanks to the participants who took time to respond to these surveys.

www.aiya.org.au

Executive summary

The focus of this submission is on the perspectives of young Australians and Indonesians engaging with each other within the Australia-Indonesia relationship.

Half of Indonesia's population is aged between 18 and 34 years of age. Australia must recognise that youth play an influential role in cultivating trust between Indonesian and Australian politics and society and cultivating people-to-people links.

Summaries of our core recommendations are outlined below.

Recommendation 1:

While implementing IA-CEPA, the Australian Government should place greater emphasis on building meaningful and lasting people-to-people engagement between young Australian and Indonesian professionals to generate broader and deeper economic integration.

Recommendation 2:

While implementing IA-CEPA's Skills Development Exchange and the New Colombo Plan, the Australian Government should promote employment opportunities in or with Indonesia to *all* Australians and bolster the capability of *all* Australians to understand and operate in Indonesia.

Recommendation 3:

While implementing IA-CEPA's Skills Development Exchange and Workplace-Based Training Visa Arrangement, the Australian and Indonesian governments should discuss methods to:

- clarify and increase accessibility to visas, such as the reciprocal work and holiday visa scheme; and
- allow companies to easily employ young interns and professional skilled workers according to accessible visa requirements.

1. People-to-people engagement between Australians and Indonesians

- 1.1. In March 2010, then Indonesian President Susilo Bambang Yudhoyono (**SBY**), spoke to the Australian parliament about the misperceptions that Indonesians and Australians have of one another:¹

“There are Australians who still see Indonesia as an authoritarian country, as a military dictatorship, as a hotbed of Islamic extremism or even as an expansionist power. In Indonesia, there are people who remain afflicted with Australiaphobia – those who believe that the notion of White Australia still persists, that Australia harbours ill intention toward Indonesia and is either sympathetic to or supports separatist elements in our country.”

- 1.2. SBY explained how these misunderstandings at a people-to-people level affect government-to-government relations.

“There were periods when we were burdened by mistrust and suspicion at both ends. There were times when it felt like we were just reacting to events and were in a state of drift. There were moments when we felt as if our worlds were just too far apart.”

- 1.3. The Australia-Indonesia Centre's Australia Indonesia Perceptions Report 2016 (**AIC Perceptions Report**) identified ongoing issues regarding mistrust and misconceptions. When asked whether Indonesia is a trustworthy country, only 13% of Australian respondents agreed, whilst 44% disagreed. Additionally, 33% of Australian respondents disagreed that 'Indonesia has trustworthy people', whilst 22% agreed and 34% remained neutral. Similarly, only 47% of Indonesian respondents to the survey agreed that Australian people are trustworthy. These statistics reflect the mistrust between Indonesian and Australian people.

- 1.4. As half of Indonesia's population is aged between 18 and 34 years of age, it is important to recognise that youth play an influential role in cultivating trust between Indonesian and Australian politics and society.² The new

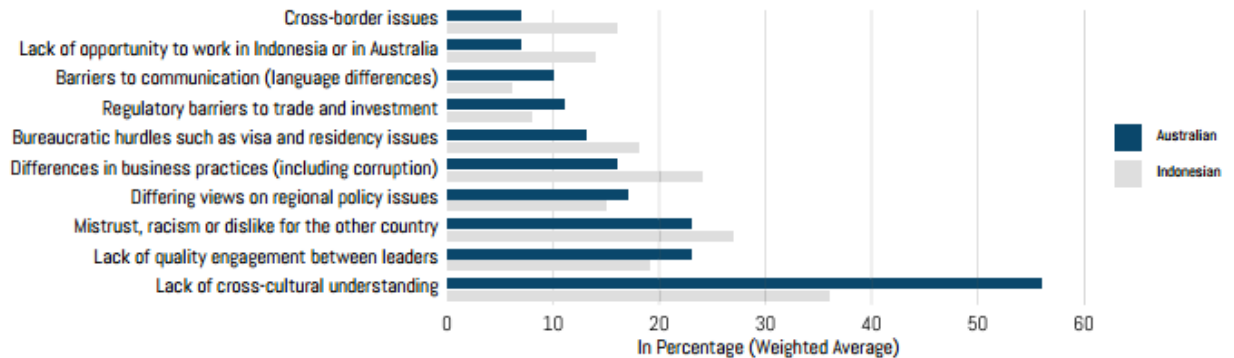
¹ Address by the President of the Republic of Indonesia, 10 March 2010: <https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=ld%3A%22chamber%2Fhansard%2F2010-03-10%2F0047%22;src1=sm1>

² The 2010-2035 Indonesian Population Projection: https://indonesia.unfpa.org/sites/default/files/pub-pdf/Policy_brief_on_The_2010_%E2%80%93_2035_Indonesian_Population_Projection.pdf

generation of Indonesian youth demonstrate a willingness to engage in the Asia Pacific region, and Australia must position itself to reciprocate.

- 1.5. Participants to the AIYA Survey (2016) identified lack of cross-cultural understanding as the number one impediment to the bilateral relationship (see Figure 1).

Figure 1: Impediments - Australian vs Indonesian Respondents (Ranking Analysis – 2016 AIYA Survey)³



- 1.6. In the AIYA Survey (2019) participants were asked to rank the most common recurring issues that prevent a stronger Australia-Indonesia relationship. 54% of all participants cited lack of cross-cultural understanding, 51% bureaucratic hurdles such as visa and residency issues and 45% lack of quality community (people-to-people) engagement between communities.
- 1.7. IA-CEPA desires to “generate broader and deeper economic integration between the Parties, strengthening inclusive economic growth and development, and advancing economic cooperation.”⁴ People-to-people engagement between Australians and Indonesians is fundamental to economic integration.
- 1.8. Australians, however, are not yet convinced about the opportunities to be gained by increased engagement with Indonesia. This hesitation is evidenced by the finding in the AIC Perceptions Report that 65% of Indonesians agree that Australia is an important trading partner, whereas

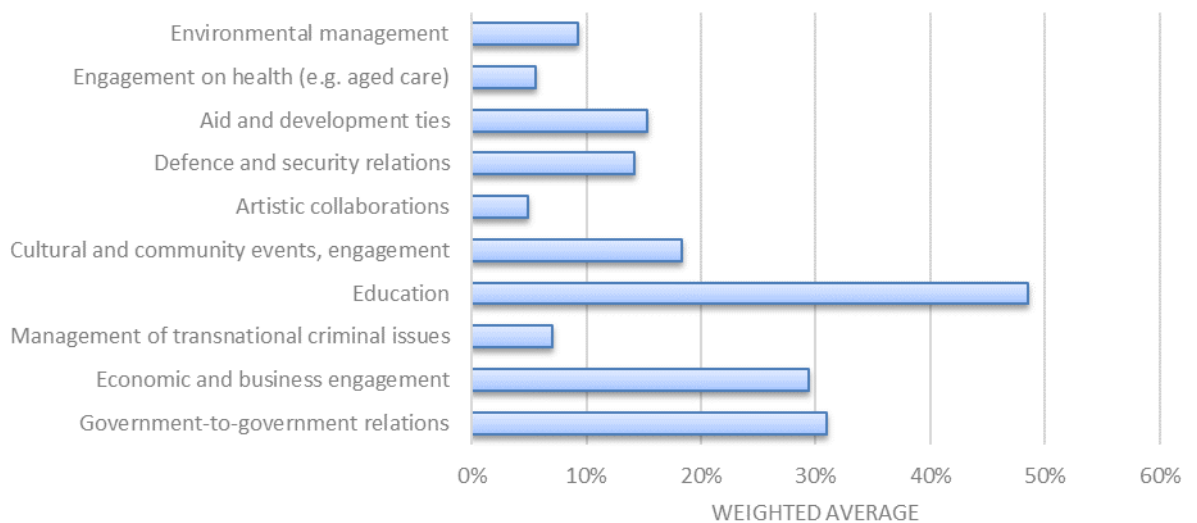
³ ***Weighted Average Ranking Analysis Data:** To understand the relative importance of individual features, a weighted average was applied across responses. This approach allows the final average number to reflect the relative importance of each number that is being averaged. For this type of question, each respondent was entitled to three (or six) choices that were weighted differently. Similar to a preferential voting system, a respondent’s secondary selection has less of a value compared to their primary. Results were weighted accordingly: primary vote = 1, secondary vote = 0.5, and tertiary vote = 0.33 (and so on). The result is summed and the total is divided by the sum of the weights. A higher score indicates a higher level of relative importance.

⁴ Indonesia-Australia Comprehensive Economic Partnership Agreement, Preamble.

only 51% of Australians agree that Indonesia is an important trading partner.

- 1.9. Similarly, while economic and business engagement was a priority for participants of the AIYA Survey (2019) it was not the primary priority for young Australians and Indonesians (see Figure 2). 49% of respondents prioritised education, which in the survey expressly included language, history and culture and exchange programs, over economic and business engagement.

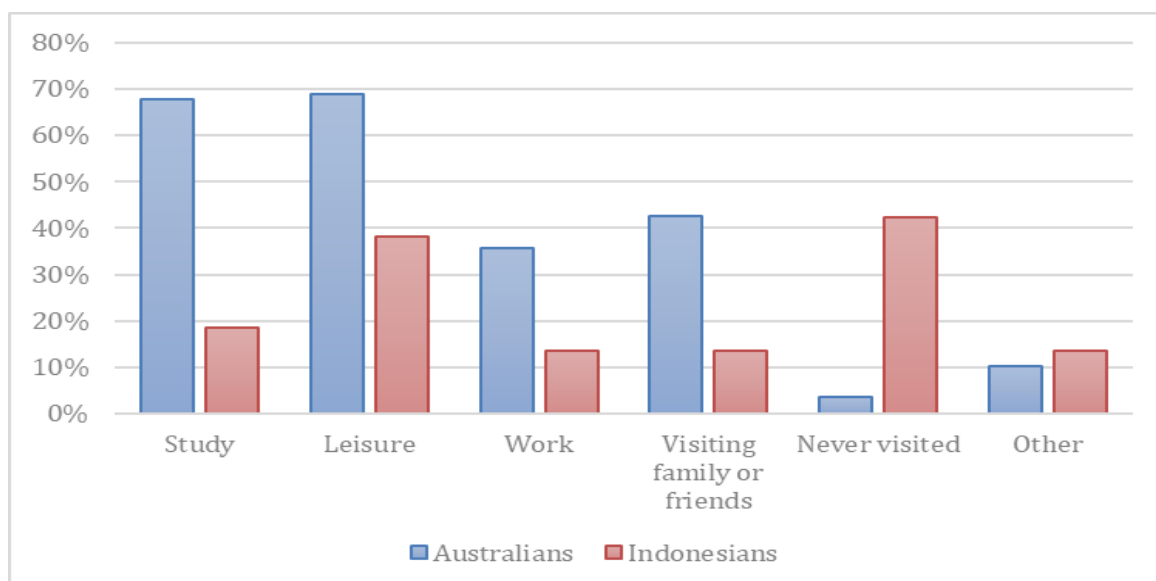
Figure 2: Priorities to strengthen bilateral relationship – All Respondents (Ranking Analysis -2019)



- 1.10. When participants to the AIYA Survey (2019) were asked whether it was “easy to find a domestic job relating to the other country?” only 14% of Australian participants and 23% of Indonesian participants responded positively.

- 1.11. Lack of economic and business engagement is also evident in the cross-country travel of young Australians and Indonesians. Young Australians most common purposes for travelling to Indonesia are leisure or study (see Figure 3). However, only 36% of Australian participants and 19% of Indonesian participants have visited the other country for work purposes. This suggests a shallow level of engagement between young Australians and Indonesians that has not, or at least not yet, manifested itself in deeper economic ties between the next generation of professionals.

Figure 3: Purposes for visiting other nation – Australian v Indonesian Respondents (2019)



- 1.12. Equally disheartening is the unbalanced proportion of travel between young Australians and Indonesians. 42% of Indonesian participants reported that they had never visited their closest neighbour and only 16% of Indonesian participants had visited Australia to see friends or family, a key indicator of people-to-people links. This is despite a healthy population of Indonesian diaspora residing in Australia. Census results from 2011 recorded 63,160 Indonesia-born people in Australia, with a median age of 34 years.⁵
- 1.13. On 1 September 2018, Prime Minister Scott Morrison addressing the Indonesia-Australia Business Forum said the following regarding the Comprehensive Strategic Partnership:
- “This new partnership gives Australia and Indonesia the framework to build even closer ties — to boost prosperity for our people, strengthen the connections between our communities.”⁶*
- 1.14. Prime Minister Morrison’s remarks can be repeated for IA-CEPA. IA-CEPA is a framework for Australia and Indonesia to strengthen the connections between our communities and address the levels of engagement evident in AIYA’s surveys.
- 1.15. AIYA’s surveys, however, develop the under-discussed question regarding the role of youth in building closer ties between Indonesia and Australia.

⁵ Department of Immigration and Citizenship:
https://www.dss.gov.au/sites/default/files/documents/02_2014/indonesia.pdf

⁶ Indonesian Australia Business Forum, 1 September 2018:
<https://www.pm.gov.au/media/indonesia-australia-business-forum>

Youth is not synonymous with students. Our findings demonstrate that there is a disconnect between the desire of IA-CEPA to generate broader and deeper economic integration and access for youth to further that desire.

- 1.16. Accordingly, in the implementation of IA-CEPA, AIYA **recommends the Australian Government places greater emphasis on building meaningful and lasting people-to-people links between young Australian and Indonesian to generate broader and deeper economic integration.** AIYA makes two subsidiary recommendations below that address specific programs of IA-CEPA.

2. Promoting opportunities to work in / with Indonesia and bolstering capabilities

- 2.1. The AIC Perceptions Report found that only 39% of Australians wish to learn more about Indonesia, and 57% of Indonesians want to increase their knowledge of Australia.
- 2.2. The current Australian Government has demonstrated its commitment to Australia's development of Asian literacy and capability, including through the provision of New Colombo Plan (**NCP**) scholarships. The skills developed during in-country studies will be particularly important as Australia redefines its approach to Indonesia, moving away from the export of tangible objects and towards the delivery of professional services in the region. Australians will be better placed to ensure their offering is competitive, suitable and sustainable by applying their knowledge of Asia to further Australia's economic and cultural interests.
- 2.3. While the Australian Government's efforts to increase Asia capability are commendable, the Australian Government should prioritise the ongoing promotion of positive opportunities to *work* in or with Indonesia, rather than study opportunities for a particular demographic of youth.
- 2.4. In the 2016 AIYA Survey, 64% of participants thought the NCP was somewhat effective in "achieving improvements in the Australia-Indonesia bilateral relationship." This increased in the 2019 AIYA Survey where 83% of 2019 participants thought that the NCP has been at least somewhat effective in "maintaining a better relationship between Australia and Indonesia."
- 2.5. Participants in the 2016 and 2019 AIYA Survey were asked for their ideas to improve the NCP. Below are representative quotes that reflect common themes of responses:

"Needs a focus on language. There is a gaping hole in the program, sending English-language speakers to non-English speaking countries and expecting quality engagement - which is impossible. In fact, it's doing those English-only speakers a disservice by not providing opportunities to engage at a deeper level."

“More money into an internship program and then employment. [The Australian Government] need to build a clear pathway to employment.”

“It would be great if it were available to post-graduate students. Look at the benefits of an exchange of older professionals, focus on programs such as BRIDGE bringing whole schools, communities together.”

“Create a system to ensure NCP scholars are properly involving themselves in the community of the target country rather than just an Australian enclave there.”

“[The NCP] could be greatly improved by offering scholarships to high school students to study/volunteer in Indonesia once they have graduated from high school, and/or to assist with the cost of school trips to Indonesia. I believe this can have a strong effect as high school students could have that initial engagement with Indonesia and then develop it from there.

- 2.6. Participants frequently expressed that the NCP should engage high-school students, post-graduate students or young professionals and have greater engagement with the Indonesian community through employment.
- 2.7. AIYA does not consider that the scope of *the NCP* in particular should be expanded in response to these suggestions. The participants responses, however, indicate a gap in the people-to-people engagement of young Australians and Indonesians that are not tertiary students or who are tertiary students looking for the next forum of engagement.
- 2.8. IA-CEPA specifically picks up the engagement of young professionals by including a Memorandum of Understanding outlining the Skills Development Exchange Pilot Project (**Reciprocal Skills Exchange**). The Reciprocal Skills Exchange allows, for a period of six months:

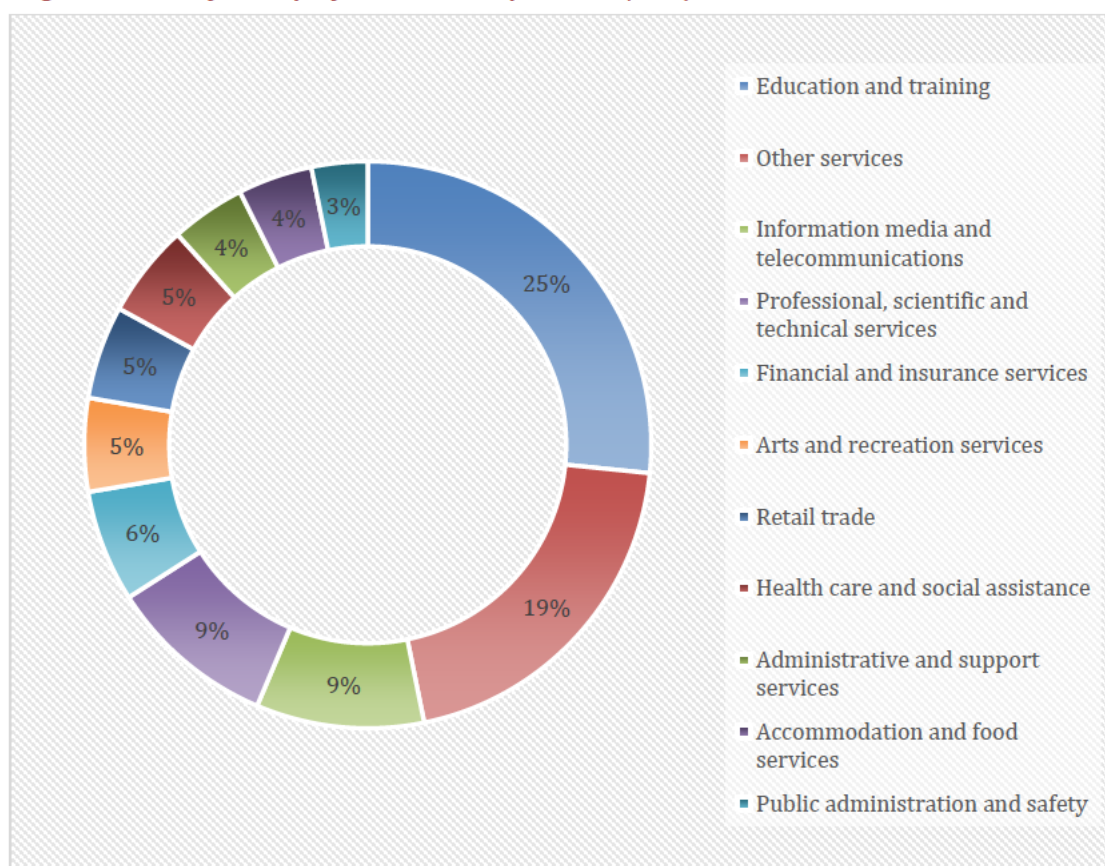
skilled individuals, who are employed by a Sending Organisation, to undertake a Workplace Placement and training with a Host Organisation in the sectors listed below:
 - i. *Financial and insurance services*
 - ii. *Mining, engineering and related technical services*
 - iii. *Information media and telecommunication services.*

- 2.9. Yet, the terms of the Reciprocal Skills Exchange are unfortunately limited. One limitation is the industry sectors listed above. Additionally, and more remarkably, is the requirement that exchange relationships between Sending and Host Organisations may only include:
- a. *Branches or parts of the same organisation;*
 - b. *An organisation and an affiliate organisation (for example, between a company and a subsidiary or related entity);*
 - c. *An organisation and an established partner organisation (for example, between joint venture partners, businesses with existing formal links, or between a business and an established client); or*
 - d. *organisations that are Members of KADIN, APINDO, IABC, ACCI, Ai Group or AIBC.*
- 2.10. The Reciprocal Skills Exchange, in effect, is limiting Host and Sending Organisations to Australian and Indonesian organisation that have *existing* business links or have secondary business links through an existing business association.
- 2.11. In this manner the Reciprocal Skills Exchange will assist exchanges between Australian-listed companies with an established presence in Indonesia in the listed sectors. Clear examples based on the industry sector appear to be: ANZ, BHP Billiton, Leighton, Thiess and Telstra. However, it is not apparent how narrowing the targeting of the Reciprocal Skills Exchange to organisation with an established presence in Indonesia will “generate broader *and* deeper economic integration.”
- 2.12. The Australian and Indonesian governments should broaden the Reciprocal Skills Exchange to include skilled Indonesians workers (particularly those who have graduated from Australian universities), as well as skilled Australian workers, (particularly those who have completed parts of their study in Indonesia) to work in each other’s countries. This will allow Australia to ambitiously grasp the tangible economic opportunities in Indonesia and beyond.
- 2.13. Enabling Indonesian graduates of Australian universities to work more readily in Australian companies, not only assists Indonesians to develop their understanding of the way we do business, but also enables us to build lasting ties with individuals who will naturally connect Australian and Indonesians businesses with one another. Providing work experience in

the Australian context to graduates, will also assist Indonesia to develop their professional human resources through the sharing of ideas and experiences, as well as facilitate Australia to better understand Indonesians' work and social preferences.

- 2.14. Narrowing the Reciprocal Skills Exchange to certain sectors creates an artificial limitation on the engagement between Australia and Indonesia. Findings from the AIYA Survey (2019) evidence that young Australians and Indonesians are not working identified sectors listed in the Reciprocal Skills Exchange (see Figure 4).

Figure 4: Industry of Employment – All Respondents (2019)



- 2.15. 25% of Australian and Indonesian participants are employed in education and training compared to 6% in financial and insurance services. Similarly, for participants who were undertaking tertiary study 23% studied arts, 18% education and 17% Asian studies. Professional, scientific and technical services, which would include engineering and like studies, was only undertaken by 9% of participants.

- 2.16. Opportunities exist for Australian companies and young Australian and Indonesians throughout both countries' economies beyond mining and

construction, financial and insurance services and telecommunications. While these opportunities do not always *require* Indonesian-speaking employees, individuals who possess language skills and cultural understanding will be at a distinct advantage, and in a better position to provide greater value in their work.

- 2.17. As the Hon. Chris Bowen stated in his speech at our inaugural National Australia Indonesia Language Awards (NAILA) ceremony:

*"(Australians can't) blithely turn up in Jakarta for meetings with our counterparts assuming, verging on arrogantly, that all our interlocutors speak English. When you consider that political decision making in Indonesia has been increasingly decentralised, with governors and mayors playing an increasing role, we can no longer assume that the people we will be talking to will automatically be English speakers. Frankly, it's a matter of respect."*⁷

- 2.18. AIYA's research indicates that many employers do not recognise or value their employees' Indonesian language skills. A survey that AIYA conducted in 2012 with 83 Indonesia-literate Australians who studied and/or worked in Indonesia, reported that several Australian organisations were lacking in cultural competence in Indonesia. This lack of Indonesian cultural competence is often to the detriment of these Australian organisations. Below is a response from the survey:

In my previous job (financial auditing), I was embarrassed by colleagues who at times would show excessive aggression to clients. Inevitably, the clients would then put up the barriers making our job even harder."

- 2.19. In our research, AIYA found that there are limited professional incentives for individuals to pursue studies in Indonesian language, culture, politics, history and society. 90% of the 2012 AIYA Survey respondents had taken their studies to the tertiary level. When asked whether Indonesian was valued by employers in Australia, 40% of those surveyed did not think that their Indonesia-related skills were valued in Australia.

⁷ Chris Bowen Media Release:
<https://www.chrisbowen.net/media-releases/>

- 2.20. These statistics suggest a need to incentivise business opportunities within the young Australian and Indonesian community for culturally relevant skills and experiences. This is negatively impacted by limiting IA-CEPA's Reciprocal Exchange Program to certain sectors that are not commonly pursued by young Australians and Indonesians.
- 2.21. Accordingly, AIYA recommends that **the Australian Government should broadly promote positive opportunities to work in or with Indonesia to *all* Australians and bolster the capability of *all* Australians to understand and operate in Indonesia.**
- 2.22. To implement this recommendation, AIYA suggests removing limitations on sectors of work for the Reciprocal Skills Exchange.

3. Considering immigration policies that clarify and expand accessible visa options to allow companies to easily employ interns and professional skilled workers

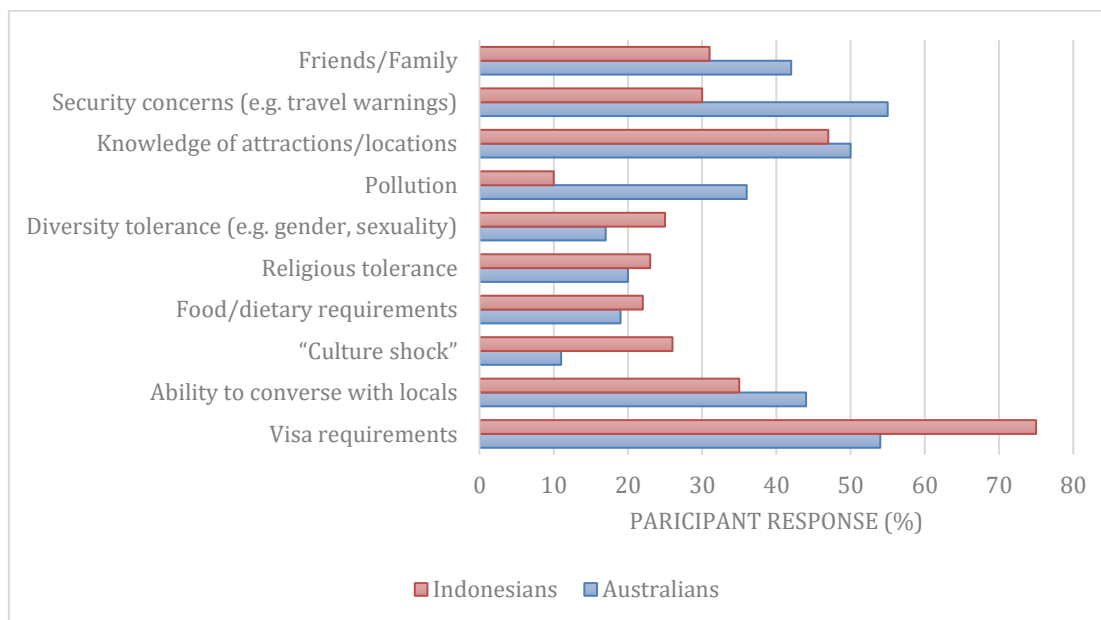
- 3.1. IA-CEPA makes important steps to reducing barriers to trade and investment between Australia and Indonesia. The AIYA Survey (2019) found a resounding 80% of participants believe IA-CEPA will be effective in building and maintaining a better economic relationship.
- 3.2. Yet, 38% of participants had not heard of IA-CEPA before taking the survey, and only 2% had read the entire agreement. Half of participants had either read about IA-CEPA through media reporting (30%) or had simply read parts of the agreement (20%).
- 3.3. In the AIYA Survey (2016) Indonesians demonstrated more positive sentiment towards IA-CEPA. This indicates that perhaps young Indonesians are more optimistic about the effectiveness of the IA-CEPA to result in increased trade and investment between Australia and Indonesia compared to Australian participants.
- 3.4. AIYA's research has revealed that a major barrier for Australians and Indonesians in the pursuit or continuation of work in the other country is immigration policies.
- 3.5. In the AIYA Survey (2012) (with 83 respondents) over 50% of respondents who had worked in Indonesia said the most significant challenge associated with moving to the country for work was the Indonesian visa system. The following are some of the statements made by participants to our survey:

“Challenges [to moving to Indonesia for work]: obtaining the appropriate working visa...If I had the opportunity and the correct visa to work there [in Indonesia] again, I would definitely do it again.”

“The financial challenges of acquiring an appropriate visa is very difficult, particularly as working visas require the applicant to enter, leave and then re-enter the country. There is also very little visa information available which means paying for assistance from an agent is required.”

3.6. In the AIYA Survey (2019), Indonesian and Australian participants strongly considered visa requirements over other considerations before travelling to the other country (see Figure 5).

Figure 5: Considerations before travelling to other country – Australian v Indonesian Respondents (2019)



3.7. In 2009, Indonesia and Australia signed a reciprocal visa arrangement allowing people aged 18-30 with tertiary degrees to work and holiday in each other’s countries. This scheme was developed to encourage more young Australians to spend time in Indonesia and young Indonesians in Australia. Upon launching the scheme, Australia’s then Minister for Immigration Chris Evans, said “this new arrangement is an investment in future relations with Indonesia.”⁸

3.8. The work and holiday visa scheme was initially limited to 100 visas from each country per year. The success of the program led to a significant increase in the quota of available visa to 1,000 per year, effective 3 July 2012.⁹ Upon the ratification of IA-CEPA, this number will increase to 4,100 in year one and grow to 5,000 over six years.¹⁰

3.9. On the face of the agreement it is not clear if the new quota of 4,100 (and up to 5,000) will be split between Australian and Indonesian applicants or if each country may provide that number of visas.

⁸ Work and Holiday Visa Arrangement with Indonesia announcement, Media Release, 6 August 2008: http://indonesia.embassy.gov.au/jakt/MR08_070.html

⁹ Indonesian Embassy of Australia website: <http://indonesia.embassy.gov.au/jakt/visa462.html>

¹⁰ IA-CEPA Key Outcome for Australia: <https://dfat.gov.au/trade/agreements/not-yet-in-force/iacepa/Pages/ia-cepa-key-outcomes-for-australia.aspx>

- 3.10. History suggests the previous quota of 1,000 applied separately to both Australians and Indonesians. At the time of writing this submission, the Australian embassy webpage also uses the quota of 1,000 applicants.¹¹ The Indonesian embassy webpage uses a quota of 1,000 applicants each per country.¹²
- 3.11. Accurate and accessible data is important to maintaining and making the best use of the visa arrangements between Australia and Indonesia. AIYA suggests that these quotas should be clarified, and the two governments publish data of the number of applicants this class of visa attracts.
- 3.12. In any event, our research indicates there are practical barriers that prevent uptake in the work and holiday visa scheme by both Australians and Indonesians.

Australians

- 3.13. Historically, the work and holiday visa has not been well publicised to Australians and not recognised by Indonesian consular staff and immigration officials. Research carried out by AIYA in December 2011 indicated that only 3 respondents out of 100 participants who had previously studied in Indonesia had successfully obtained a work and holiday visa to Indonesia. Several respondents reported that they had tried unsuccessfully to obtain the visa.
- 3.14. In past years, AIYA has worked closely with the Indonesian Government in Australia to facilitate information about the work and holiday visa.¹³ At the time of writing this submission, the Australian embassy webpage provides a defective web-link for “Australians interested in applying for a Work and Holiday visa for Indonesia.”¹⁴
- 3.15. When found, the current work and holiday form indicates that Australians are restricted to working in the sectors of “education, tourism, health, social work, sport, art and culture.”¹⁵ It is unclear whether these limitations still

¹¹ Australian Embassy Indonesia, Work and Holiday Visa:

<https://indonesia.embassy.gov.au/jakt/visa462.html>

¹² Consular Service, Embassy of the Republic of Indonesian in Canberra:

<https://www.kbri-canberra.go.id/en/menu-visa-service/work-and-holiday-visa.html>

¹³ AIYA Website, Visa Event Media Release:

<http://www.aiya.org.au/2013/09/media-release-aiya-new-south-wales-to-host-work-and-holiday-visa-information-session/>.

¹⁴ Australian Embassy Indonesia, Work and Holiday Visa:

<https://indonesia.embassy.gov.au/jakt/visa462.html>; Defective link: <http://www.immi.gov.au/visitors/working-holiday/australians-overseas/>

¹⁵ Work and Holiday Visa application form, Embassy of the Republic of Indonesia in Canberra’s website:

http://www.kbri-canberra.go.id/images/f-visa/form_work_holiday_visa.pdf

apply to the current work and holiday scheme or why these sectors are significantly different from those chosen for the Reciprocal Skills Exchange. As discussed above at paragraphs 2.14 to 2.22, AIYA recommends removing narrow sectors of work because these initiatives will not fulfil their purpose of generating broader and deeper economic integration and people-to-people links.

Indonesians

3.16. Young Indonesians face significant hurdles in accessing the work and holiday visa to Australia. The appropriate form is Form 1208, which is listed on the Australian Government's Home Affairs website.¹⁶ Form 1208 identifies several eligibility requirements. Relevant to our submission are the eligibility requirements to:

- provide evidence that the applicant has access to enough money to support yourself - generally at least \$5,000 AUD; and
- undertake a health assessment (including in certain circumstances a chest x-ray).

3.17. The requirement to provide evidence of \$5,000 AUD is not only onerous for young Indonesians but also inapt for the Indonesian demographic. In 2017 only 48.4% of Indonesians over the age of 15 held a bank account, according to the Global Financial Inclusion Index released by the World Bank.¹⁷

3.18. In 2016, it was estimated that Indonesian households only manage to save 8.5 percent, on average, of their total income.¹⁸ In 2015, KPMG identified Indonesia's median annual household income as \$3,488 USD. Even with Indonesia's growing middle-class it is clear that the average Indonesian would not meet the financial eligibility for the work and holiday visa to Australia.

3.19. In addition to financial eligibility, Indonesians are required to have medical examinations and x-rays by doctors listed on a panel list.¹⁹ These doctors are difficult to access for Indonesians that live outside urban areas. In

¹⁶ Form 1208, Application for work and holiday visa:

<https://immi.homeaffairs.gov.au/form-listing/forms/1208.pdf>

¹⁷ World Bank Country Book: Indonesia

<https://globalfindex.worldbank.org/sites/globalfindex/files/countrybook/Indonesia.pdf>

¹⁸ Low National Savings: People of Indonesia Fail to Save Incomes, 2 November 2016:

<https://www.indonesia-investments.com/finance/financial-columns/low-national-savings-people-of-indonesia-fail-to-save-incomes/item7328>

¹⁹ Applying for an Australian visa – Before you apply:

https://indonesia.embassy.gov.au/jakt/Apply_Before.html#Before4

2010, the Urban/Rural divide of Indonesians between 16-30 years of age was 54:46%.²⁰ Indonesia's population of 271 million means that an urban-centric approach to health examinations excludes an enormous number of potential applicants.

- 3.20. AIYA is concerned that the reciprocal work and holiday visa scheme will not effectively fulfil its potential to connect young Australians and Indonesians. The issues identified above – clear promotion and attainable eligibility – are not solved by increasing the quota from 1,000 to 5,000. Increasing the quota will likely exacerbate these issues.
- 3.21. AIYA recommends the **Australian and Indonesian governments discuss, as part of the implementation of IA-CEPA, methods to clarify and increase accessibility to visas, such as the reciprocal work and holiday visa scheme.**
- 3.22. In addition to the reciprocal work and holiday visa scheme, IA-CEPA will provide 200 places for a workplace-based training visa arrangement (**Workplace Visa**).
- 3.23. AIYA commends the Australian and Indonesian governments for recognising the benefits of workplace exchanges in addition to the exchange of tertiary students.
- 3.24. Professional in-country experience provides an opportunity for Australian interns to refine their second language skills and truly understand another culture – both professionally and socially, which will be beneficial to Australia's broader engagement with Asia. Asialink's 'Indonesia Country Starter Pack' emphasises the importance of understanding Indonesian business etiquette to be successful in conducting business in Indonesia.²¹
- 3.25. AIYA actively encourages Australian businesses in Indonesia to provide internships to Australian students but is frequently told that there is lack of clarity on which class of visa (if any) interns can use.
- 3.26. In part, there is confusion about whether the work and holiday visa (discussed above) allows interns to obtain monetary payment. In the past, AIYA members have reported being told that social-cultural visas are

²⁰ United Nations Population Fund – Youth in Indonesia: https://indonesia.unfpa.org/sites/default/files/pub-pdf/BUKU_Monograph_No2_Youth_in_Indonesia_ENG_05_Low-res.pdf

²¹ Asialink Business – Indonesia Country Starter Pack: <https://asialinkbusiness.com.au/research-resources/indonesia-country-starter-pack>

appropriate for voluntary internships whilst others have been told that voluntary work is not permitted on these kinds of visas.

- 3.27. Unfortunately, the Workplace Visa also does not provide a clear pathway for young Australians and Indonesians to access professional in-country experience.
- 3.28. One of the Workplace Visa's eligibility requirements is to "have been sponsored by an approved enterprise lawfully operating in Australia to participate in workplace-based training activities." The Memorandum of Understanding does not define who is an approved enterprise, except that it is not the Australian government.
- 3.29. AIYA's research shows interest in Indonesian interns from community-based organisations and not-for-profits in the Australia-Indonesian community. AIYA recommends these organisations be considered as approved enterprises for the purposes of the Workplace Visa.
- 3.30. Additionally, AIYA repeats its concerns discussed at paragraphs 3.16 to 3.19 regarding eligibility of young Indonesians. The Workplace Visa contains the same barriers to eligibility as the work and holiday visa scheme. The Workplace Visa requires:
- possess[ing] sufficient funds for personal support for the duration of stay in Australia;
 - meet[ing] health and character requirements as specified by Australian law; and
 - "meet[ing] all other relevant eligibility requirements to obtain an Australian visa."²²
- 3.31. The deficiencies in current visa frameworks should not be repeated in the important pilot program of the Workplace Visa.
- 3.32. AIYA notes that pursuant to paragraph 5 of the Workplace Visa Memorandum of Understanding, it may be amended "at any time by a written arrangement between Australia and Indonesia through diplomatic channels."

²² Memorandum of Understanding on a Pilot Workplace-Based Training Visa Arrangement: <https://dfat.gov.au/trade/agreements/not-yet-in-force/iacepa/iacepa-text/Pages/iacepa-mou-pilot-workplace-based-training-visa-arrangement.aspx>

- 3.33. AIYA recommends that the **Australian and Indonesian governments should discuss, as part of the implementation of the Workplace Visa, methods to allow companies to easily employ interns and professional skilled workers according to accessible visa requirements.**



ABOUT AIYA

The Australia-Indonesia Youth Association is a non-government, not-for-profit volunteer-youth-led organisation, which aims to better connect young Indonesians and Australians to each other and to Australia-Indonesia related opportunities.

Our vision is for a stronger Australia-Indonesia relationship by advancing education and culture through increased youth engagement.

AIYA's mandate is threefold:

- **connect** young Australians and Indonesians to each other and to opportunities – educational, cultural and professional – to engage in the bilateral relationship;
- **inform** young people about the bilateral relationship and avenues to engage with Australia and Indonesia; and
- **inspire** business, government, educational institutions and other organisations to support and facilitate youth engagement with Indonesia in Australia.

Since 2011, AIYA has successfully demonstrated its ability to fill an important gap and is poised to lead Australia's engagement with Indonesia at the youth-level. AIYA's key strength is its expansive network with an active Chapter in each Australian state and territory and in five Indonesian provinces. AIYA has developed a strong reputation for executing diverse events that connect our members with each other and with business, government and academia engaged in the bilateral relationship. In 2018 alone, AIYA executed over 300 events across Indonesia and Australia, and initiated both the National Australia Indonesia Language Awards (NAILA) and the Conference of Australian and Indonesian Youth (CAUSINDY).

For further information or consultation about AIYA and this submission, please contact the **AIYA National President, Clarice Campbell** or **Dan Trevanion**.