



MONASH University

**Submission to the
Department of Foreign Affairs and Trade concerning
an Indonesia-Australia FTA Feasibility Study**

6 December 2007

1. Overview

Monash University recognises that Australia is now the preferred destination for overseas study by Indonesians and is the premier educational provider to Indonesia. Australia's educational relationship with Indonesia is long-standing. While in its early days this relationship was aid-based, it has expanded considerably over the past decade to become more cooperative and based on mutual benefit. Indonesia is a significant source country for Australia – in 2007, 13,915 Indonesian students studied in Australia.¹

About 1,723 Indonesian students were enrolled in a course of study at Monash in 2007. The majority of these students study in the faculties of Business and Economics and Information Technology. Engineering and the Arts are also popular. Of the 1,723 Indonesian students, 510 studied at Monash University's Sunway campus in Malaysia. All but one of these students were undergraduate and most enrolled for a Bachelor of Business and Commerce. Monash University is recognised by Indonesian Government authorities as a foreign higher education institution with which Indonesian higher education institutions may partner. The University also provides a number of short-term training programs for Indonesian Government officials.

Monash College, which offers diploma programs as entry pathways to Monash University, has a presence in Jakarta with over 100 students enrolled. The Monash College diploma program offered in Jakarta is also recognised by Indonesian Government authorities. In 2007, 195 Indonesian students took part in a Monash College diploma course in Victoria.

In 2007, Monash had 17 active research and education agreements with Indonesian education institutions. These agreements incorporate both arrangements for students to study between Monash and an Indonesian partner institution in fields such as Engineering and Medicine, and collaboration between researchers and staff.

Monash aims to expand the activities with these institutions through greater numbers of staff and students involved in exchanges.

Monash University broadly supports a Free Trade Agreement (FTA) with Indonesia, and would like to see the following considerations reflected in any final agreement:

2. Visa Restrictions

Monash's biggest obstacle to trade with Indonesia is student visa restrictions for short and long-term study in Australia and at its offshore campuses in Malaysia and South Africa.

The demand for Monash University and Monash College to run short-term, customised or informal programs and training courses in Australia is strong, particularly given a new decentralised funding model that allows provincial Indonesian governors to fund training for civil servants. However, due to the difficulties faced by Indonesian students securing short term visas for entry, including tourist visas, offering these courses is difficult, often untenable. These restrictions have been made more acute with stricter controls and targeted funding after the 2004 tsunami.

Monash would like to see the creation of a visa for short course/ informal training that is similar to the professional development visa, but without the requirement for an AU\$100,000 surety.

In Monash's case, non-Australian campuses require additional flexibility: Monash would like to see a more "multilateral" student visa from Australia that would allow Indonesian students to enrol in or complete part of their Monash degree offshore (in Malaysia or

¹ Department of Education, Science and Training. AEI 2007 *International Student Enrolment Data*, <http://aei.dest.gov.au/AEI/MIP/ItemsOfInterest/07Interest51.htm> (accessed 28/11/07).

South Africa). For instance, there is demand within Indonesia to run training and educational development for nurses, for which a course taught at Monash University Malaysia would be a cost-effective option. Similarly, with the stronger Australian dollar, students from other potential markets have asked about the possibility of studying at the Malaysia campus. A more flexible system could also allow Indonesian students to commence their studies at Monash University Malaysia, and complete their degree at a campus in Australia, thereby benefiting from lower fees, a lower cost-of living, and closer proximity to Indonesia. These potential changes would be attractive options for Indonesian students, are currently inhibited by visa restrictions between Australia and Indonesia. Monash recognises that Malaysian and South African immigration requirements are critical to any such arrangement, but requests consideration of these matters in discussions.

3. Portability of Degrees and Scholarships

As a global university, Monash encourages its students to study across a number of campuses, and has a variety of arrangements with other institutions that allow students the opportunity to complete part of their degrees overseas. A number of Monash students and staff study with Australian government financial assistance, such as AusAID scholarships and Endeavour scholarships/fellowships.

At present, students and staff under these arrangements are restricted to study at Australian university campuses in Australia. Monash would like to see more flexibility in this regard, and in particular the option for students to study on Australian government scholarship at an Australian offshore campus such as Monash University Malaysia.

There remain some degree recognition issues for all Australian universities which offer 3 year degrees. The Indonesian system is oriented toward the US 4 year degree and Australian 3 year degrees are not yet officially recognised for Indonesian Government employment, though this does not always bar recruitment for Indonesian students with 3 year Australian degrees.

4. Recognition of Intellectual Property

The FTA should strengthen the understanding of Intellectual Property (IP) issues in Indonesia, and recognize that clarity concerning IP issues will create an effective environment for Intellectual and research collaboration between Australian universities such as Monash and their Indonesian university counterparts as well as Indonesian industry.

5. Flexible business practices

Monash would like to see more flexible business practices that create an environment of mutual benefit to both Australian and Indonesian business. In such an environment, Monash could interact more easily with higher education institutions, research institutes and other private and public businesses. Such flexibility would enable Monash to expand its programs and activities in Indonesia.