Inquiry into Building Asia Capability in Australia through the Education System and Beyond

The Social Policy Group

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About The Social Policy Group

The Social Policy Group (SPG) is a trusted partner of government, community leaders and service providers with a proven track record of delivering impactful and responsive social policy solutions for Australia's communities. As a peak body for settlement, multicultural health, and multicultural affairs, and a recognised leader in best practice and thought leadership across areas such as gender equality, economic analysis, access to justice, and community sector capacity building. SPG plays a pivotal role in fostering equitable social policies through facilitation, evidence-based practice, and collaborative partnerships.

SPG is a leading national voice in social policy with deep expertise across:

- Gender equality and women's economic security
- Health equity and access
- Settlement and migration policy and capacity building
- Justice and community safety
- Artificial intelligence and digital policy
- Social cohesion and multicultural affairs
- Strengthening responses to and understanding of mis- and dis-information

Recommendations

1. Diversify Australia's framing of Asia beyond the security paradigm.
2. Streamline the approach to multiculturalism and strengthen anti-racism and anti-discrimination efforts to make Australia a truly welcoming destination and better cultivate Asian Australians' capability.

Background

SPG notes that the House of Representatives Committees Standing Committee on Education is seeking feedback on building Asia capability in Australia through the education system and beyond. SPG recognises the need to strengthen Australia's Asia capability.

At the Jobs and Skills Summit 2022: Lifting Australia's Asian Literacy and Skills, the Hon Tim Watts MP noted that the size of Asia's total GDP is estimated to account for over 50 per cent of global GDP by 2030.[1] The Hon Tim Watts MP stated that building Australian businesses and communities with Asian literacy and skills will ensure Australia is part of the economic growth in Asia.[2]

There is no doubt that the overall growth of Asia is a reality and phenomenon in 21st century international relations. The significance of the rise of Asia was captured in the *Australia in the Asian Century* White Paper. The White Paper characterised the rise of Asia as a shift in the global centre of gravity and Australia's opportunity, stating that 'the tyranny of distance is being replaced by the prospects of proximity'.[3] The Asian Century White Paper was the most optimistic depiction of Asia in recent years, as the region soon began to be seen as the 'epicentre of strategic competition' by subsequent administrations instead of the region of opportunity.

Nevertheless, no matter how Asia is perceived by national politics, Australia's proximity to the region and its complex relations with regional countries mean its future is tied to Asia's trajectory. Building Asia capability in Australia is not only linked to Australia's businesses and prosperity but also to whether Australia can effectively engage with the region to shape it in its national interests. As Melissa Conley Tyler reflected on the Asian Century White Paper a decade after its publication, 'We are still living in the Asian Century, albeit in a darker region than we imagined ten years ago. Even in a contested Asia, Australia should still be trying to shape its future through the things that remain in its control'.[4]

As a peak body for settlement, multicultural health, and multicultural affairs, SPG represents the needs of Australia's diverse communities and works to ensure that communities' needs are represented in Government policies. SPG centres this submission on the importance of implementing multiculturalism in modern Australia as the foundation for building Asia capability across the life course.

Issue Statement: Australia's Asia capability is in rapid decline while its economic and security future is increasingly tied to Asia

Australia's economic and security future is increasingly tied to Asia. Over the 20th century, Asia (especially Japan and China), has overtaken Europe to become the main region of Australia's two-way goods trade.[5] Since the 1960s, Australia's total goods trade with Asia has increased significantly, reaching 70.3 per cent in 2016-2017.[6] In 2024, four of Australia's top five merchandise export destinations were Asian countries, and all four of its top merchandise import sources were Asian countries.[7] As Australia's economy becomes more deeply integrated with Asia, its security and prosperity depend on a stable regional environment.

Southeast Asia, through ASEAN, has been identified as a key component of the Albanese Government's foreign policy, and Australia's 2023 *Defence Strategic Review* specifically stated that Southeast Asia 'is one of the key areas of strategic competition in the Indo-Pacific'.[8] These are sensible approaches given Australia's evolving perceptions of its key Northeast Asian trading partners, its geographic proximity to Southeast Asia, the uncertainty in the US under the second Trump administration, and the growing recognition that Australia seeks security in Asia, not from Asia.

While Asia, in particular Northeast and Southeast Asia, has become more and more important to Australia's national interests, Australia has experienced a substantial and rapid decline in its Asia capability and literacy.

Since the release of the Asian Century white paper, the proportion of Australian high school students studying Chinese, Japanese or Indonesia has dropped 25 per cent to only 3.3 per cent. While China has dominated varies Australia's policy debates and discourses, almost no Australians study Chinese at all. Between 2017 and 2021, only 17 Australians completed an honours degree in Chinese studies with a language component. Former head of Chinese studies at Macquarie University, Daniel Kane, estimated that there were only 130 Australians with no Chinese background who could speak Mandarin fluently in 2019. Students studying Southeast Asian languages experienced the sharpest decline in Australia from 2,092 students in 2001 to 540 students in 2023.[9]

As Asia is becoming more dynamic and complex, developing Asia capability is imperative for Australia to navigate the region and work with regional countries and partners to influence and shape it in line with Australia's national interests. The following recommendations aim to support the realisation of this goal.

Recommendation 1: Diversify Australia's framing of Asia beyond the security paradigm

Australia's decline Asia capability and literacy, or interests in undertaking regional studies with language components, has been partly influenced by the China-US competition and by Australia's framing and perception of Asia. Australia sits in a difficult position within this strategic competition, as China is its largest trading partner and the US is its long-term ally.

The intensification of the China-US competition since the 2010s, coupled with changes of government, has shaped how Australia frames Asia as a region. A very clear example was the fate of the Asia Century white paper. After Prime Minister Tony Abbott took office, the Asia Century white paper was quickly archived with its online version 'laid to rest in the cyber cemetery of the National Library of Australia's web archive'.[10] Prime Minister Scott Morrison saw Australia's region an 'epicentre of strategic competition', comparing the current strategic environment to the 'existential threat we faced when the global and regional order collapsed in the 1930s and 1940s'.[11]

The deteriorated strategic environment and the securitised framing of the region may have reduced public interest in engaging with the region. The focus on Asia through the lens of instability and security is an overly simplified view of a rather very complex and diverse region. This simplified view has made national security and economic resilience the priority, at the expense of linguistic

capabilities and regional expertise.[12] This response reflects Australia's longstanding self-image as an English-speaking country in Asia and its historical reliance on external powers for security.

Asia is an extremely diverse region that presents both opportunities and challenges.[13] Each sub-region comprises nations with distinct histories, cultures and traditions. Viewing Asia through either an overly optimistic or a purely securitised lens obscures this complexity and undermines Australia's ability to pursue differentiated interests across the region. Oversimplifying Asia as either a source of limitless opportunity or existential threat discourages public investment in language learning and regional studies – after all, why would Australians study a region portrayed only as a threat?

The Australian Government should recognise that both prosperity and security are ties to Asia and that the region simultaneously offer opportunities and poses challenges. A more balanced framing of Asia that emphasises proactive engagement to manage challenges and seize opportunities is essential to reshape public perception of Asia as Australia's region. Cultivating a nuanced understanding of Asia is the first step towards increasing interest in the languages and cultures of Australia's neighbours and key partners.

Recommendation 2: Streamline the approach to multiculturalism and strengthen anti-racism and discrimination efforts to make Australia a truly welcoming destination and to better cultivate Asian Australians' capability

While Australia's framing of Asia shapes its external engagement, its domestic multicultural and anti-racism policies determine how it is perceived by Asian partners and how effectively it can harness the strengths of Asian Australians and build Asia capability across the life course. As the region becomes more complex, Australia's economic, diplomatic, strategic and cultural relationships with Asia will continue to evolve. Implementing multiculturalism beyond the celebration of diversity will help strengthen, diversify, and deepen Australia's relations with the region while cultivating the capability of Australia's diverse population.

Australia is one of the most multicultural countries in the world, and Asian Australians are a significant part of that multicultural identity. According to the 2021 Census, 17.4 per cent of the total Australian population have Asian heritage.

While multiculturalism has been implemented in Australia for five decades, issues remain that prevent the realisation of the full benefits multiculturalism in modern Australia. Of particular relevance to this inquiry is the persistent racism and discrimination experienced by Asian Australians. During COVID-19, Asian Australians experienced heightened racism fuelled by mis- and disinformation and existing racial prejudice.[14] As a result, many in the targeted Asian communities experienced diminished social, physical and emotional wellbeing. Their sense of safety declined and their opportunities to engage in education and employment were reduced.[15] In recent months, people of Indian heritage have again been targeted, with migrants from non-European countries scapegoated for social issues such as housing and social cohesion, despite evidence disproving such claims.[16]

Persistent racism has profound consequences. Internationally, it can damage Australia's international image as a welcoming and tolerant country, potentially harming economic and cultural exchanges and foreign relations with regional countries. For example, violent assaults and robberies targeting Indian students between 2008 and 2010 strained Australia-India relations, triggered protests, and harmed Australia's international education sector.[17] Domestically, structural barriers continue to limit Asian Australians' access to employment opportunities. For example, studies show that applicants with Anglo-Saxon names are a lot more likely to be invited for interviews than those with names of other origins.[18] Asian Australians represent a key component of Australia's sovereign Asia capability, and barriers to their participation constrain the nation's overall Asia literacy.

Since the introduction of multiculturalism in the 1970s, successive governments have upheld it with varying degrees of commitment. Nevertheless, anti-discrimination and the removal of barriers for participation have remained consistent pillars in varies iterations of multiculturalism.[19] Since the 1990s, the economic dimension in multiculturalism has expanded to emphasis not only inclusion but also the utilisation of Australia's multilingual and multicultural workforce to enhance innovation, competitiveness, and global economic engagement.[20] The current government again highlights the need to enhance social and economic inclusion by removing barriers and expanding opportunities, particularly in skills and employment, in light of persistent systemic inequities faced by Australians from non-Anglo-Saxon backgrounds.[21]

To remove barriers and reject racism, Australia must proactively implement multiculturalism to move beyond the symbolic celebration of diversity to the genuine utilisation of all Australians' skills. This includes strengthening anti-racism and anti-discrimination initiatives, policies and legislations to ensure equitable access to opportunities and employment. To date, Australia has not had a unified national approach to tackle racism.[22] With the development of the National Anti-Racism Framework by the Australian Human Rights Commission in 2024 and the appointment of the Hon Dr Anne Aly MP as Australia's first cabinet-level standalone Minister for Multicultural Affairs, the Australian Government has the opportunity to streamline its approach to multiculturalism and consolidate anti-racism efforts as the foundation for building Asia capability across the life course.

Closing remarks

Asia capability cannot be separated from Australia's social fabric. By embedding a balanced framing of Asia, streamline the approach to multiculturalism and strengthen anti-racism and anti-discrimination efforts, Australia can project a welcoming image in our region and truly cultivate the benefits of our multilingual and multicultural population. Developing Asia capability is not a choice but a necessity to ensure that Australia's prosperity and security are shaped and safeguarded by Australians in the world's fastest developing and most dynamic region.

Endnotes

[1] See Tim Watts, *Jobs and Skills Summit 2022: Lifting Australia's Asian Literacy and Skills*, media release, Ministers and Assistant Ministers. 22 August 2022. https://ministers.dfat.gov.au/minister/tim-watts/media-release/jobs-and-skills-summit-2022-lifting-australias-asian-literacy-and-skills.

[2] Watts, *Jobs and Skills Summit 2022*.

[3] See Department of the Prime Minister and Cabinet, *Australia in the Asian Century White Paper*, Commonwealth of Australia, Canberra, October 2012, https://apo.org.au/sites/default/files/resource-files/2012-10/apo-nid31647.pdf.

[4] See Melissa Conley Tyler, *Asian Century White Paper: a decade on*, Lowy Institute, 9 January 2023, https://www.lowyinstitute.org/the-interpreter/asian-century-white-paper-decade.

[5] See Department of Foreign Affairs and Trade, *Australia's Trade Through Time*, https://www.dfat.gov.au/publications/minisite/tradethroughtimegovau/site/index.html.

[6] DFAT, *Australia's Trade Through Time*.

[7] See Australian Centre for International Trade and Investment (ACITI), *Australia's Trade Profile*, https://www.aciti.org.au/information-topics/australias-international-trade-birds-eye-view.

[8] See Kathryn Paik and Gregory B. Poling, *Australia Doubles Down on Southeast Asia*, CSIS commentary, 9 June 2025, https://www.csis.org/analysis/australia-doubles-down-southeast-asia.

[9] All data is retrieved from Michael Read, *Almost no Australians study Chinese any more*. That's a problem, Australian Financial Review, 7 October 2025, https://www.afr.com/policy/foreign-affairs/almost-no-australians-study-chinese-any-more-that-s-a-problem-20251006-p5n0bu; Philipp Ivanov, *The Renewed Case for Asia Literacy*, AP4D Studies in Statecraft, https://asiapacific4d.com/idea/asia-literacy/; Tim Watts, *Complacent nation: Australia and the Asian Century*, Lowy Institute the Interpreter, 22 September 2025, https://www.lowyinstitute.org/the-interpreter/complacent-nation-australia-asian-century.

[10] See Sara Bice and Helen Sullivan, *Abbott government may have new rhetoric, but it's still the 'Asian century'*, The Conversation, 7 November 2013, https://theconversation.com/abbott-government-may-have-new-rhetoric-but-its-still-the-asian-century-19769; Tyler, *Asian Century White Paper: a decade on*.

[11] Tyler, *Asian Century White Paper: a decade on*.

[12] Ivanov, *The Renewed Case for Asia Literacy*.

[13] Department of Foreign Affairs and Trade's official map of Asia includes 32 countries, covering the geographic and political concepts of Central Asia, South Asia, Southeast Asia, Northeast Asia, and part of the Pacific. The list of countries can be found at Smartraveller, *Asia*, https://www.smartraveller.gov.au/destinations/Asia.

[14] The long-serving Singaporean diplomat Bilahari Kausikan wrote in his essay *The Myth of the Asian Century* that the essential political purpose of Asia as an idea has remained consistent, which is to serve as the 'quintessential 'other', mainly for the West'. Bilahari noted that Asia has been 'Seldom, if ever, was it viewed with indifference'. In the journal article *Digital Racism and Antiracism Toward Asian and Muslim Communities During the COVID-19 Pandemic: The Australian Experience*, Ashleigh L. Haw pointed out that

the circulation of mis- and disinformation, such as the virus was bioengineered in a laboratory in Wuhan, led to both online and offline racism that diminished the social, physical and emotional wellbeing of targeted communities.

[15] See Ashleigh L. Haw, *"Digital Racism and Antiracism Toward Asian and Muslim Communities During the COVID-19 Pandemic: The Australian Experience"*, Media International Australia, 2024, DOI: 10.1177/1329878X241274446.

[16] Recent events and rallies in major Australian cities and towns have had specific racial undertones targeting Indian migrants and scapegoating migrants for social issues such as housing and social cohesion. See ABC News Verify team (Michael Workman, Matt Martino & Georgie Hewson), *Investigation finds links between white nationalist views and March for Australia organisers*, 28 August 2025, https://www.abc.net.au/news/2025-08-28/who-is-behind-march-for-australia-anti-immigration-rallies/105657548. However, the Australia Institute revealed that Australia's population growth is lower than it would have been had COVID not happened, and that in past ten years, the increase in dwellings has outpaced population growth. See Matt Grudnoff, *Is population growth driving the housing crisis? Here's the reality*, the Australia Institute, 29 August 2025, https://australiainstitute.org.au/post/is-population-growth-driving-the-housing-crisis-heres-the-reality/. According to the 2024 Mapping Social Cohesion report, despite the decline in social cohesion, 85 per cent of Australians agreed that multiculturalism has been good for Australia, and 82 per cent agreed that immigrants are generally good for Australia's economy and that immigrants improve Australian society by bringing new ideas and cultures. The report acknowledges that the Israel-Palestine conflicts has impacted social cohesion, but the high level of support for multiculturalism and migrant diversity suggests that intercultural harmony, as a result of multiculturalism, may be helping to prevent deeper divisions within the community. See James O'Donnell, Qing Guan and Trish Prentice, Mapping Social Cohesion 2024 Report, Scanlon Foundation Research Institute and Australian National University, Melbourne and Canberra, November 2024, https://scanloninstitute.org.au/wp-content/uploads/Mapping-Social-Cohesion-2024-Report.pdf.

[17] See ABC, *Australia in damage control over Indian attacks*, 1 Jun 2009, https://www.abc.net.au/news/2009-06-01/australia-in-damage-control-over-indian-attacks/; Sharon Verghis, *Australia: Attacks on Indian Students Raise Racism Cries*, Times, 10 September 2009, https://time.com/archive/6947928/australia-attacks-on-indian-students-raise-racism-cries/.

[18] See Elly Duncan, *How much does a non-Anglo name affect your job prospects?*, SBS News, 11 September 2018, https://www.sbs.com.au/news/the-feed/article/how-much-does-a-non-anglo-name-affect-your-job-prospects/0nh7zy2ww; Ethan French, *Experts say name discrimination and hiring biases are bad news for applicants and employers*, ABC News, 1 September 2023, https://www.abc.net.au/news/2023-09-01/name-discrimination-job-hiring-bias-for-non-english-people/102795452; Sana Qadar, *Name discrimination can make finding a job harder, but is changing to a pseudonym the answer?*, ABC News, 2 April 2019, https://www.abc.net.au/news/2019-04-02/should-you-change-your-name-to-get-a-job/10882358.

[19] In the 1989 National Agenda for a Multicultural Australia, the removal of barriers of race, ethnicity, culture, religion, language, gender and birthplace was a centrepiece of one of its three dimensions — social justice — in the framing of Australian multiculturalism. The 2011 The People of Australia: Australia's Multicultural Policy reaffirmed the importance to responding to intolerance and discrimination, including through the force of the law. The 2017 Multicultural Australia: United, Strong, Successful reiterated the importance of rejecting racism and discrimination to continue building a harmonious and socially cohesive society.

[20] See documents in the previous note and National Multicultural Advisory Council, *Multicultural Australia: the way forward*, Department of Immigration and Multicultural Affairs, Canberra, 1997, p 6, https://www.multiculturalaustralia.edu.au/doc/multadvcouncil_1.pdf.

[21] See Australian Multicultural Council, Meeting Communique – 19 August 2025, https://www.homeaffairs.gov.au/mca/PDFs/amc-meeting-communique-19aug2025.pdf.

[22] See Australian Human Rights Commission, *The National Anti-Racism Framework: A roadmap to eliminating racism in Australia*, November 2024, https://humanrights.gov.au/sites/default/files/2024-11/NARF_Full_Report_FINAL_DIGITAL_ACCESSIBLE.pdf; Fethi Mansouri and Amanuel Elias, *Can we end racism in Australia? Yes, according to the first-ever national plan*, The Conversation, 28 November 2024, https://theconversation.com/can-we-end-racism-in-australia-yes-according-to-the-first-ever-national-plan-244734.