

亚洲语言与澳大利亚的经济前景

アジア諸国の言語とオーストラリア経済の将来

Bahasa-bahasa Asia dan Masa Depan Ekonomi Australia

아세아권 언어와 호주 경제의 미래

Asian Languages and Australia's Economic Future



A Report Prepared for the Council of Australian Governments on a
Proposed National Asian Languages/Studies Strategy for Australian
Schools

**ASIAN LANGUAGES
AND
AUSTRALIA'S ECONOMIC FUTURE**

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February 1994

Queensland Government Printer

Asian Languages and Australia's Economic Future

ISBN 0 7242 5767 5

The Secretariat
National Asian Languages & Cultures
Working Group
Office of the Cabinet
BRISBANE QLD 4000

Dr M.S. Keating
Secretary
Department of Prime Minister and Cabinet
CANBERRA ACT 2600

Dear Dr Keating,

In December 1992, the Council of Australian Governments commissioned a working group to prepare a report on a National Asian Languages and Cultures Strategy for Australian Schools with the object of enhancing Australia's economic interests in the Asia-Pacific region.

On behalf of the working group, I have pleasure in presenting our report, which we have entitled "Asian Languages and Australia's Economic Future", for transmission to Heads of Government for consideration at their next meeting in Hobart. Since 1969, some sixteen official or semi-official reports have been produced in Australia on the need significantly to increase the study of second languages in general and Asian languages in particular. The present report recommends a detailed long-term strategy on how this might be achieved.

In presenting the report, I would like to acknowledge the co-operation of officials of all governments - Commonwealth, States and Territories - in completing what has been a difficult and complex task. I would also like to acknowledge the contribution of the large number of non-government organisations through the various submissions provided to the working group during the preparation of the report.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'K. Rudd', with a stylized flourish at the end.

K.M. Rudd
Chairperson

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EXECUTIVE SUMMARY

REPORT OF COAG WORKING GROUP ON A

NATIONAL ASIAN LANGUAGES/STUDIES STRATEGY

FOR AUSTRALIAN SCHOOLS

1. TERMS OF REFERENCE

In December 1992, the Council of Australian Governments (COAG) discussed the importance of proficiency in Asian languages and an understanding of Asian societies to the enhancement of Australia's economic interests in the Asia-Pacific region. The Council communiqué stated that:

COAG agreed to make concerted efforts to strengthen the development of an export culture in Australia and to secure the widest possible support for specific export strategies under the umbrella of the National Trade Strategy, particularly in regard to Australia's economic relations with North-East and South-East Asia.

In this context, COAG discussed the relevance of Australia's understanding of Asian languages and cultures to the enhancement of Australia's economic interests in the Asia-Pacific region. To this end, it:

- noted the importance of the development of a comprehensive understanding of Asian languages and cultures through the Australian education system if Australia is to maximise its economic interests in the Asia-Pacific region;
- agreed that Asian language development is a matter of national importance, requiring urgent and high-level attention at a national level; and
- agreed to establish a high level working group to prepare a report for COAG by the end of 1993:
 - outlining current efforts of the Commonwealth and States in Asian language and culture education; and
 - developing a strategic framework for the implementation of a comprehensive Asian languages and cultures program in Australian schools (and, where relevant, TAFEs) by the end of the decade.

This report outlines the findings and recommendations of the working group and presents a framework for an increased national effort in this area. This will require consideration by Heads of Government in terms of their respective budget circumstances.

1.1 Scope of the Report

This report, as required by its terms of reference, focuses on Asian languages and complementary Asian cultures education in Australian schools as a means of enhancing Australian economic interests in East Asia.

The report has been prepared in the context of a concerted national policy effort over recent years involving all levels of government aimed at the internationalisation of the Australian economy. This national effort has involved a range of major policy measures including exchange rate deregulation, financial deregulation, the lowering of protection, an active multilateral trade policy aimed at maximising international market access and, more recently, micro-economic reform across the transport, communications and energy sectors and the labour market. COAG has become an important forum through which major elements of national microeconomic reform continue to be pursued.

Australia's capacity to maximise its international and regional economic interests primarily depends on the continued implementation of economic policy measures aimed at enhancing Australia's international competitiveness. Competitiveness, however, is not exclusively determined by questions of objective economic cost - although this will always be the primary determinant. For example, Australian firms can be internationally cost-competitive while at the same time being ignorant as to either the existence of potential regional markets or how effectively to access such markets. International competitiveness is therefore also affected by non-cost factors of which effective inter-cultural communication skills are an important component. Where markets are highly competitive, as in the Asia-Pacific region, such factors can be vital in securing export contracts.

The creation of an Australian "export culture" has been the subject of a considerable body of literature in recent years. It is the view of the working group that the creation of an export culture logically involves the continuation of the national economic reform agenda of the last decade aimed at enhancing the international cost-competitiveness of Australian exports. It also involves removing attitudinal and perceptual impediments to exports by equipping firms with future employees for whom the countries, languages and cultures of the region are not foreign but, in fact, familiar. Both dimensions - cost competitiveness and cultural literacy - are critical to Australia securing its economic future in the region and the world. For these reasons, Australia requires an export culture which is "Asia literate": ie. one which possesses the range of linguistic and cultural competencies required by Australians to operate effectively at different levels in their various dealings with the region - as individuals, organisations and as a nation.

While the focus of the report is on Asian languages/cultures education as a means of enhancing Australia's economic and export interests, it is recognised that a strategy for an enhanced effort in this area must be framed in the context of overall second language provision in Australia.

1.2 Previous Australian Reports on the Importance of Asian Languages

This is not the first report to deal with Asian languages/cultures education in Australia and its relationship with national economic performance. Since 1969, multiple government and non-government reports have pointed to the relationship between linguistic competence and economic performance and/or the relationship between Asian language skills and Australian export performance.

This report will be the 16th report prepared for governments over the last 25 years on the need radically to increase the number of Australians learning second languages in general and Asian languages in particular. The emphasis, therefore, now needs to be on the implementation of a strategy to improve significantly Australia's performance in Asian languages/cultures education.

Previous reports are uniform in their findings that Australia's international and regional economic performance would be enhanced if our national languages/cultures skills were improved, particularly in relation to East Asia but recognising the need to maintain an appropriate balance between Asian and non-Asian languages. The most significant of these reports was the Commonwealth 1991 White Paper on National Language and Literacy Policy which stated that as a basis for national action, "the proportion of Year 12 students studying a language other than English should be increased to 25% nationally by the year 2000".

Despite these findings, however, the proportion of Year 12 students studying a second language has fallen significantly:

- In the late 1960s, almost 40% of Year 12s studied a second language.
- By 1982, this figure had fallen to 16.1%.
- In 1992 only 12.5% of Year 12 students were studying a second language (although this represents a minor recovery from a trough of 11.7% in 1990).
- Significantly, less than 4% of Year 12 students today are studying an Asian language.

2. ASIAN LANGUAGES OF GREATEST ECONOMIC SIGNIFICANCE TO AUSTRALIA

The working group commissioned the East Asia Analytical Unit (EAAU) of the Department of Foreign Affairs and Trade (DFAT) to employ appropriate quantitative models to project Australia's most significant export markets over the next twenty years - ie. up to 2012. This was undertaken because the working group was of the view that a prioritisation of Australia's Asian language requirements based on our long term regional economic interests was necessary if we were to maximise outcomes and avoid fragmentation of effort. A 20 year timeframe was chosen because a comprehensive school-based strategy starting in the early years of schooling would not produce its first graduates until the middle of the first decade of next century.

According to DFAT, eight of Australia's top ten merchandise export markets between now and 2012 will be in East Asia: Japan, China, Taiwan, Hong Kong, Singapore, Korea, Indonesia and Malaysia. This is illustrated in Table 1 below:

Table 1

Australia's Top Twelve Merchandise Export Markets, 1992, 2002, 2012.

1992 Export Markets	Value \$A	10-year trend growth rates 1982-1992 (%)	2002 (Basic Trend Projections) ¹	2002 (AES Model) ²	2012 (Basic Trend Projections)
Japan	14,747,574	10.6	Japan	Japan	Japan
US	5,123,327	10.2	ROK	US	China
Singapore	3,767,395	23.6	Singapore	ROK	Korea
ROK	3,651,847	18.2	US	Taiwan	Singapore
NZ	3,099,882	10.7	China	Indonesia	Indonesia
Taiwan	2,571,620	17.1	Taiwan	Singapore	US
HK	2,352,558	18.7	NZ	HK	(EC) ³
UK	2,276,616	8.5	Indonesia	NZ	Taiwan
China	1,872,873	9.4	Malaysia	China	Malaysia
Indonesia	1,728,114	17.5	UK	UK	Thailand
Malaysia	1,139,645	10.5	(Thailand)	Thailand	(NZ)
Thailand	1,081,906	21.1			(India)

On a global scale, trade in services is growing faster than merchandise trade although in Australia's case, our merchandise exports have until now grown faster than our services exports. Tourism is, and is likely to remain, Australia's major services export. During the 1990s, overseas visitors are expected to more than double from 2.4 million to between 4.8 and 6.5 million. The Japanese market is expected to be the major source of overall growth and could generate 2.28 million visitors and export earnings of A\$6.4 billion by the year 2000. An increasingly affluent and mobile middle class in other East Asian countries will also travel to Australia in greater numbers and with higher disposable incomes. Taiwan, Hong Kong and Korea will grow in importance and the Australian Tourist Commission anticipates well over half a million tourists each year from South-East Asia by the year 2000.

¹ These projections are based on imposing trend growth rates of the past ten years on the next ten years and then adjusting for some qualitative judgements including allowing for China and HK to become one market after 1997; and sheer size constraints for some of the smaller markets which have grown at very strong rates in the 1980s.

² These projections are based on a more comprehensive quantitative model which has been developed by Applied Economic Solutions. This version of the model does not account for Hong Kong's return to China in 1997. Also it keeps the US as the second largest export market but indicates very little difference in the level of exports to the US and the ROK, which suggests that these markets could easily overtake the US in subsequent years.

³ It is assumed that the EC might be considered as one market by the year 2012.

There are also likely to be changes in the sources of investment in the international economy as well as in Australia. Asian central banks hold a third of the world's foreign currency reserves and savings rates exceed 30 per cent of GDP in most Asian economies. The world will increasingly depend on Asia for its capital. While Japan can be expected to continue to play a role as a major investing nation, it is likely that Korean, Taiwanese and Singaporean investment will increase in relative importance both here and elsewhere in the region.

Based on its analysis, which is detailed in the body of the report, EAAU of DFAT argues that the languages Australia should focus on for the future are:

- Japanese,
- Chinese (Mandarin),
- Indonesian, and
- Korean.

This list also broadly reflects the priorities identified in a September 1993 AGB McNair Survey of Australian business attitudes - with the partial exception of Korean (where present business attitudes lag behind future growth projections for Australia/Korea trade).

These language priorities should be the subject of periodic review, against the possibility that future regional developments cause other Asian economies to become as important to Australia as those identified above. In this context, particular attention should be paid to Thailand and Vietnam. Nonetheless, given the extensive resources dedicated to the development of a national strategy based on just four languages and the long lead-times involved, any expansion of the number of priority languages must be based on rigorous economic analysis (of the type provided by DFAT for the purposes of this report) and by a comparable recognised authority.

RECOMMENDATION 2A

It is recommended therefore that COAG agree:

- that the four priority Asian languages for future expansion through the Australian school system be Japanese, Chinese (Mandarin), Indonesian and Korean;
- that every three years DFAT be commissioned to undertake analysis of regional trends in order to determine whether other languages may warrant parallel prioritisation in the future.

3. ECONOMIC SIGNIFICANCE OF EAST ASIAN LANGUAGES/CULTURES SKILLS TO AUSTRALIA

Having identified those East Asian languages of particular long term economic importance to Australia, the working group also examined the general relationship between national linguistic skills and improved economic performance. That such a relationship exists is assumed in the terms of reference provided to the working group by the Heads of Government. Nonetheless in exploring this relationship further, the working group concluded that the general rationale for improving Asian languages/cultures education rested on a number of different arguments:

- the fundamental importance of exports to future economic growth and employment and the need critically to examine all impediments to export growth;
- the importance of minimising both the 'objective' and 'subjective' resistances to export growth:
 - the former including direct cost factors affecting the international competitiveness of firms (and which have been the subject of important national macro and microeconomic reforms);
 - the latter including both linguistic, cultural and attitudinal resistances (which have yet to be subject to parallel policy scrutiny);
- the importance of fostering an export culture in firms historically focused on the domestic market by inculcating languages/cultures skills into the overall skills base of the workforce:
 - languages skills in order to provide firms with an enhanced physical capacity to communicate with regional markets, and, of equal importance;
 - 'cultures' skills in order to communicate in a culturally sensitive and therefore effective manner through the systematic study of Asian societies and their considerable political, economic and cultural diversity;
- the general importance of culturally appropriate communication skills to the effective performance of firms in any market - export or domestic;
- while English is an important international language of business in the region, it cannot substitute for other international languages (like Chinese) especially in opening markets to small and medium size businesses in specialised products;
- that the language skills of Australians of relevant non-English speaking backgrounds, while capable of much greater use by Australian business, will not be sufficient of themselves to meet the long term linguistic and other skills requirements of business;

- that advances in information technology in the area of voice-activated translation systems have as yet an uncertain commercial application and will not contribute to the more fundamental attitudinal objective of developing a future Australian workforce, management and general community that is adequately Asia-literate;
- the likely significant increase in the quantity, complexity and intensity of Australian economic transactions (in particular people-to-people transactions through service industries such as tourism) with the region over the next twenty years resulting in a requirement for a greater breadth and depth of languages/cultures skills than in the past - a requirement readily identified by business in surveys of business attitudes;
- the need for the next generation of Australians to integrate languages/cultures skills with other professional and occupational skills of the workforce rather than simply producing specialist linguists; and
- the fact that the Australian community, as tested through community attitudes surveys, believes that Australia's future economic success is in large part contingent on improved second languages skills - Asian languages skills in particular.

4. CURRENT EFFORT BY COMMONWEALTH, STATE & TERRITORY GOVERNMENTS

Having established the overall relevance of priority Asian languages to Australia's future economic requirements, the working group examined current efforts by jurisdictions in this area.

The Commonwealth at present offers a range of programs to encourage the study of second languages (including Asian languages) in schools. These derive in large part from the Commonwealth's 1991 White Paper - Australian Language and Literacy Policy which set a national target of 25% of Year 12s by the year 2000 studying a second language (ie. approx 66 000 students). Commonwealth programs include:

- the **School Language Program**, incorporating:
 - the **Priority Languages Incentive Element (PLIE)** which provides a payment of \$327 to education authorities for every student completing a Year 12 course in a declared priority language;
 - the **Community Languages Element** (formerly the Ethnic Schools Program) supports the provision of Asian languages in mainstream and ethnic schools;
- the **Languages, Asian Studies and Literacy Support Program**, incorporating:
 - the **Innovative Languages Other Than English In Schools Program (ILOTES)** (an estimated 52% of these funds go to support Asian languages development);

- the **Asian Studies Program**, which supports curriculum and professional development for Asian languages and studies;
- the **Asia Education Foundation**, which promotes learning about Asia across the curriculum in Australian Schools;
- the **Asian Languages Teachers In-Country Scholarships (ALTICS)**, which will assist Australian teachers of Asian languages and Asian studies to undertake short-term in-country study in Asian languages and cultures. The scheme will support study which includes intensive language upgrading and methodology training as well as cultural awareness courses;
- the **National Asian Languages Scholarship Scheme (NALSS)**, which encourages the development of the teaching of Asian languages by providing opportunities for cultural immersion in conjunction with advanced language study.

By way of policy, many States and Territories have moved to make the study of a second language a non-elective part of the core curriculum for the compulsory years of schooling.

- New South Wales, Victoria, Queensland and South Australia have either adopted this policy decision or (in the case of South Australia) indicated they intend to move in this policy direction.
- Western Australia, Tasmania, the Northern Territory and the Australian Capital Territory policies are currently under review on this issue.

As for current performance,

- disaggregated data from States and Territories indicate that current provision available to meet the full implementation of the strategy in Asian languages is of the order of \$52 million in government schools. Assuming similar levels of provision in the non-government sector (for whom precise data has not been available) total existing provision is around \$69.2 million.
 - This currently provides approximately 4% or 6 700 Year 12 students with Asian languages teaching (although the intensity and quantity of this instruction is highly variable within and between jurisdictions).
 - There is, moreover, a significant funding gap between the policy intent of jurisdictions seeking to mandate second language study in their curricula and the overall current funding performance of jurisdictions which will need to be addressed.

5. POLICY ISSUES TO BE RESOLVED IN DETERMINING FUTURE PROVISION

The working group believes that an appropriate strategy for the future expansion of Asian languages/cultures education in schools would need to address three key elements:

- appropriate national targets (both quantitative and qualitative);
- structured measures to increase the supply of high quality languages/cultures skills over time;
- a range of measures to increase demand for Asian languages/cultures skills in the economy.

5.1 School Based Strategy

The working group believes that given the length and intensity of study over time needed to develop effective Asian languages/cultures skills, students will need to begin relatively early in the school system in order to achieve reasonable proficiency outcomes. While post-school language training is vital for the continuation and completion of studies commenced during years of schooling, it is not as likely on its own to yield comparable outcomes.

RECOMMENDATION 5A

It is recommended that governments endorse a school-based program as the best means of achieving a substantial quantitative and qualitative improvement in Asian languages/cultures education in Australia.

5.2 Quantitative Targets

The working group took as its starting point the Commonwealth's 1991 White Paper target of 25% of Year 12s to be studying a second language by 2000. Given the difficulty of achieving this target in six years from a 1992 base of 12.5% the working group agreed both to extend the implementation period into the first decade of the next century and to establish specific sub-targets for priority Asian languages within this overall target.

RECOMMENDATION 5B

It is therefore recommended that governments:

- endorse the Commonwealth's 1991 target of 25% of Year 12 students studying a second language;
- agree that the target date for achieving the 25% target be extended from 2000 to 2006;

- agree that this national target be met by having 15% of Year 12 students by that date studying a priority Asian language (up from the present figure of 4%);
- agree that the remaining 10% of the Year 12 target be met by studying other languages (up from the present figure of 8%);
- agree that by the target date, 60% of Year 10 students be studying a priority Asian language.

5.3 Proficiency Targets

The working group agreed that it was pointless developing an expanded school-based program in Asian languages/cultures unless we have some means of measuring its long-term effectiveness. The quantitative targets discussed above provide one basis of measuring program outcomes. But these must be integrated with appropriate qualitative measures capable of assessing proficiency outcomes. The working group considered two options currently available for the assessment of language proficiency (the LOTE Profile for Australian Schools and a modified version of the Australian Second Language Proficiency Scale), but believes that neither (in their current form) provide an appropriate method for assessment under a school-based program.

Agreement needs to be reached between jurisdictions as to the best method of measuring proficiency for the purposes of this program. This is a task for specialists which needs to be completed with some urgency. Whatever method is agreed, considerable effort needs to be made in refining the specific descriptors and levels used.

RECOMMENDATION 5C

Accordingly, it is recommended that:

- COAG requests Education Ministers to develop agreed proficiency scales, testing and reporting mechanisms for the four priority Asian languages to be included in the proposed national Asian languages/cultures program;
- COAG agrees to the finalisation of these proficiency scales, testing and reporting mechanisms by early 1995 to allow:
 - trialing during 1995; and
 - implementation at the beginning of the 1996 school year;
- Education Ministers be requested to report on progress to the second COAG of 1995.

5.4 Integrated Quantitative and Qualitative Targets

The working group believes that a matrix of proficiency outcomes is appropriate for the proposed national strategy given the variable range of future demands for languages/cultures skills across the economy - ranging from a narrow group of highly proficient graduates capable of becoming (with further training) future interpreters with native-level fluency, a larger group of prospective university graduates capable of developing their Year 12 proficiency outcomes to the degree that their languages/cultures skills are of direct professional relevance to the university disciplines they pursue (eg. engineering graduates with professionally useful Indonesian, Japanese speaking lawyers, Chinese speaking commerce graduates); to a much broader group again capable of servicing the requirements, say, of Australian services industries (e.g. tourism) in sales positions where some level of proficiency would be useful in dealing with clients.

RECOMMENDATION 5D

It is recommended that COAG endorse the following indicative proficiency targets for students studying priority Asian languages under a school based national program (with the targets to be further specified in line with the proficiency measurement scale developed under Recommendation 5C):

- Year 10 Asian language students to acquire proficiency equivalent to the level of "survival proficiency";
- 13% of Year 12 students to acquire a level of proficiency equivalent to the level of "minimum social proficiency";
- 2% of Year 12 students to acquire a level of proficiency equivalent to "minimum vocational proficiency";
- 1% of Year 12 students to acquire a level of proficiency equivalent to "useful vocational proficiency"; and
- Asian cultures courses within the study of societies and environment learning area be provided to all students and that expected proficiency outcomes be determined commensurate with length and intensity of study.

It is further recommended that Heads of Government agree that the specification of these proficiency levels be completed by the beginning of the 1996 school year.

5.5 Second Language Study as a Mandatory or Elective Subject

State and Territory governments are increasingly of the view that making the study of a second language a non-elective part of the core curriculum for the compulsory years of schooling is necessary in order to achieve the desired critical mass of linguistically competent students. The governments of New South Wales, Victoria, Queensland and South Australia have either already taken this policy decision or (in the case of South Australia) are moving in that direction. Other governments have this issue under review and therefore must reserve their position until the completion of these reviews. All governments are signatories to the Hobart Declaration which incorporated languages other than English as a key learning area. The Commonwealth accepts that the question of a mandatory or elective approach is primarily a matter for the States and Territories.

RECOMMENDATION 5E

Accordingly, it is recommended that governments:

- **preserve the study of a second language as an elective subject for Years 11 and 12;**
- **over the next decade progressively mandate the study of a second language during a student's compulsory school education (i.e. progressively from early/mid primary up until Year 10)**

5.6 Improving the Demand for Study of Second Languages

To achieve the recommended targets, the working group is also of the view that appropriate attention should be paid to a range of measures to boost the natural demand for Asian languages/cultures skills in the economy.

RECOMMENDATION 5F

To this end, it is recommended that:

- **a working group be commissioned comprising representatives of the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA), AVCC and ANTA to examine the future role of second languages as a possible pre-requisite, or bonus, for certain post-secondary courses and report back to COAG by March 1995;**
- **all systems examine any impediments arising from current Year 12 assessment, reporting and testing procedures for languages other than English so as to remove any existing disincentives faced by non-native speakers competing against native speakers;**

- governments examine the possibility of the application of language skills to the base-grade recruitment processes in their respective public sector agencies and measures to ensure such skills are utilised effectively; and
- governments examine means of further raising Australian public and business consciousness of the application of Asian languages/cultures skills to business export success, including targeted information campaigns through the media.

5.7 Starting Age

The working group also reviewed the professional literature on the most desirable starting age for children beginning the study of a second language and while there is some disagreement in the literature, there is some convergence that starting students in the early primary school achieves the best results. At present States and Territories have different starting ages for second language study in schools, some earlier than Year 3 and some later.

RECOMMENDATION 5G

It is recommended that governments endorse Year 3 as the most appropriate starting age for the study of a second language.

5.8 Intensity of Study

The working group examined desirable "intensities" of instruction in order to achieve reasonable proficiency outcomes over time.

RECOMMENDATION 5H.1

The working group recommends that in planning regular school programs jurisdictions aim for an average of approximately 2.5 hours instruction per week per class for each year of study for Years 3 to 10 and 3 hours in Years 11 to 12 resulting in:

- **a total of 800 hours for Year 3 - Year 10;**
- **a total of 1040 hours for Year 3 - Year 12.**

The working group believes that the required outcomes in terms of high levels of language proficiency for a small percentage of students (2% of Year 12 students) in this strategy can be achieved through programs which involve additional "time on task" such as "partial immersion" programs. They are an excellent means of acquiring another language to high levels of proficiency for all students, not merely those with particular promise, aptitude or interest.

RECOMMENDATION 5H.2

It is therefore recommended that a national Asian languages and cultures strategy be supplemented by immersion courses in both primary and secondary schools. Programs commencing in primary school should be a minimum of four years duration and those commencing in secondary school should be a minimum of three years duration. A small number should commence in primary school and continue to the end of formal schooling. There should be provision for all students exiting immersion programs to continue their language study at advanced level.

5.7 Teacher Supply

The working group also believes that the issue of long term teacher supply is critical to the overall success of the proposed national strategy. The quality of the existing stock of Asian languages teachers is highly variable. There will also need to be a substantial long term training program for new teachers.

RECOMMENDATION 5.1

To this end, it is recommended that governments request Education Ministers to develop by 1 September 1995:

- a minimum agreed national standard for Asian languages teachers which would see all future teachers of Asian languages attaining minimum levels of proficiency;
- an Asian languages teacher training strategy which (through appropriate in-service) will see all existing teachers of Asian languages assessed in accordance with these minimum national standards;
- a long term Asian languages teacher supply strategy in order to supply an adequate number of new teachers to the system with appropriate proficiency levels:
 - including the development of a plan for the utilisation of the existing stock of native speakers of priority languages in the teaching of these languages;
- a strategy for the adequate training or supply of teachers of Asian cultures;
- a strategy to provide some in-country experience for Asian languages and cultures teachers and for appropriate reciprocal arrangements for similar teachers from target countries.
- and report back to COAG.

5.10 Curriculum

Parallel work needs to be done in developing and refining work on curricula, syllabus and course materials for the four priority languages. Much work of high quality has already been done with certain of these languages and co-operation among jurisdictions in the sharing of high quality materials can accelerate the process of curriculum and materials development.

RECOMMENDATION 5J

It is nonetheless recommended that Education Ministers be requested, with due reference to current second language curriculum developments in all jurisdictions:

- **to complete as necessary nationally mutually agreed curriculum statements and frameworks for all four priority languages (Year 3 - Year 12);**
- **to provide high quality teaching materials for the same languages taking into account the particular requirements of distance education given Australia's geographical diversity;**
- **to complete as necessary mutually agreed curriculum statements, frameworks and teaching materials for a common Asian cultures program within the study of society and environment learning area drawing substantially on the existing work of the Asia Education Foundation;**
- **given the national importance of this task, that this task be completed by January 1996 to be ready for use by Year 3s in the 1996 school year (although this may prove to be difficult in some jurisdictions).**

5.11 Relationship between Schools, TAFE and Universities

At the completion of the implementation of the proposed national strategy in schools, there will be a range of long term implications for the Australian university, TAFE and general post secondary training sectors. In particular, if the school-based strategy recommended in this report achieves its objectives, the starting point for many university-level language courses will need to be adjusted upwards (a process that, in some cases has started already). Also, the relationship between higher level languages studies and other university disciplines will need to be reviewed.

RECOMMENDATION 5K

It is recommended that governments establish a high level working group to be chaired by an appropriate person of national standing and comprised of representatives from MCEETYA, AVCC and ANTA to complete a report by January 1995 on:

- **the impact of projected higher Asian languages/cultures proficiency outcomes from the school sector on the existing Asian languages/cultures courses offered by universities and TAFE systems;**

- **the desirability of greater integration of higher level languages/cultures proficiency levels with mainstream academic disciplines and vocational courses; and**
- **a national strategy to give effect to this report from the year 2004.**

6. PROGRAM RECOMMENDATIONS FOR FUTURE PROVISION

The working group has developed three broad programs in order to give effect to the various policy recommendations outlined above. These cover:

- First, a school-based program to cover the Years 3-10 and Years 11-12 languages and cultures studies (entitled Asian Languages and Studies in Australian Schools - ALSAS).

The objectives of this program are:

- the provision of a core program in Asian languages to commence at the lower/middle primary level and continue over a period of continuous instruction to the end of compulsory education, typically at age 16 and catering for 60% of the Year 10 population;
- the provision of an extended program to cater for 15% of the Year 11 and Year 12 population continuing to study an Asian language;
- the provision of instruction within that program of an average of approximately 2.5 hours per week per class for each year of study for Years 3 to 10 and 3 hours for Year 11 to 12;
- a long term assurance of continuity between and within the various education sectors (school/TAFE/university) guaranteeing opportunities for continuous development across those sectors.

The ALSAS program in turn includes eight sub-programs covering both teacher supply and curriculum resources. These are detailed in the main report.

- Second, an immersion program focused on a limited number of primary and secondary schools (entitled Asian Language Immersion - ALI).

The objectives of this program are:

- "content-based" languages programs, delivering part of the core curriculum using the target language as the means of instruction;
- the opportunity for continuous language education in the immersion mode; and

- higher level student proficiency outcomes for a defined number of Year 12 programs.

Immersion programs will commence in primary and/or secondary school.

- Third, an optional Year 13 program to be offered on a limited scholarship basis to subsidise costs of the best Year 12 graduates from the two programs outlined above to spend a further year "in country" before going on to tertiary studies in Australia (Young Australians in Asia Program - YAA). The proposed eligibility criteria for this program would be:
 - the study of an Asian language either in an immersion program or mainstream school level course to Year 12 level with an appropriate Year 12 exit result;
 - an appropriate proficiency outcome in the language; and
 - a commitment to tertiary studies which will include the Asian language in question combined with some area of professional study (Engineering, Law, Agriculture, Commerce etc.)

RECOMMENDATION 6A-C

It is recommended that governments endorse these three programs as outlined in the full report.

The Commonwealth, States and Territories believe that the co-ordination of effort required for implementation of the above programs can be achieved through the existing MCEETYA machinery.

It is recommended that the LOTE sub-committee set up by the AEC/MOVEET (now MCEETYA) working party of the Australian Languages and Literacy Policy be modified to comprise:

- an officials Asian Languages and Cultures Education Steering Committee; and
- for the first three years, a permanent part-time Chair agreeable to all jurisdictions.

The working group believes that it is essential that progress against stated objectives is regularly, consistently and publicly measured and reported.

RECOMMENDATION 6D

It is recommended that Governments endorse the implementation machinery as described in this report and the establishment of reporting mechanisms through the annual national report on schooling in Australia (ANR).

7. COST AND FUNDING OF PROPOSED NATIONAL STRATEGY

The net resourcing gap, which must be funded if the outcomes of the strategy are to be met, peaks at \$207.8 million in 2005 and stabilises at \$202.2 million from 2010.

Costing of National Strategy (\$million)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
ALSAS	11.2	29.2	52.3	79.0	97.0	115.1	103.3	120.4	137.6	154.7	168.6	169.4
ALI	0	0	0	0	6.6	6.6	11.5	17.8	24.6	28.7	31.7	31.5
YAA	0	0.7	1.4	2.1	2.7	3.4	4.1	4.8	5.5	6.2	6.9	6.9
Implementation Machinery	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0	0	0	0	0
Total	11.3	30.0	53.8	81.2	106.4	125.2	119.0	143.0	167.7	189.6	207.2	207.8

(Costs are expressed in 1994 dollars)

It is the view of the Commonwealth officials that the recommendations which follow in relation to the overall funding requirement of the strategy and, in that context, the funding responsibility of the Commonwealth, will need to be considered in the context of the Commonwealth's overall budgetary circumstances. The Commonwealth therefore reserves its position on these matters.

The working group recommends that the identified resourcing gap for the Government sector be met by a 50% contribution from the Commonwealth, with a matching contribution necessary to achieve program outcomes being met by the States/Territories. It is further suggested that the distributional considerations for Commonwealth funding to the States and Territories be determined at the 1994 Financial Premiers' Conference.

For the non-Government sector, the working group considered that State and Territory funding support for the implementation of the strategy in this sector should be consistent with existing funding mechanisms and arrangements applying in each jurisdiction.

Consistent with the proposed Commonwealth funding arrangements to the States and Territories, it is suggested that the Commonwealth contribute 50% of the cost of implementing the strategy in the non-Government sector.

The working group is conscious of the need for detailed consultation with the non-Government sector and that there will be implementation issues specific to the non-Government sector which will need to be carefully addressed. Accordingly, it is suggested that each State and Territory establish joint working groups with the non-Government sector to deal with implementation issues.

Ongoing funding of the strategy should be linked to the achievement of agreed quantitative and qualitative outcomes.

RECOMMENDATION 7A

It is recommended that:*

- COAG endorse the indicative net funding estimates of the National Asian Languages in Australian Schools Strategy as detailed in this report;
 - each year's funding requirement for implementation of the strategy be met by a 50% contribution from the Commonwealth, with a matching contribution necessary to achieve program outcomes being met by the States, with the distributional considerations determined at the 1994 Financial Premiers' Conference;
 - in this context the funding requirement for implementation in the non-Government school sector be supported by:
 - a 50% contribution by the Commonwealth Government; and
 - a State Government contribution to be determined in accordance with the principles of existing funding mechanisms and arrangements for the support of the non-Government sector;
 - ongoing funding of the strategy be linked to the achievement of agreed quantitative and qualitative outcomes as endorsed by MCEETYA.
- * The Commonwealth reserves its position on this recommendation.

CHAPTER ONE

INTRODUCTION

1.1 Terms of Reference

In December 1992, the Council of Australian Governments (COAG) discussed the importance of proficiency in Asian languages and an understanding of Asian societies to the enhancement of Australia's economic interests in the Asia-Pacific region. The Council communiqué stated that:

COAG agreed to make concerted efforts to strengthen the development of an export culture in Australia and to secure the widest possible support for specific export strategies under the umbrella of the National Trade Strategy, particularly in regard to Australia's economic relations with North-East and South-East Asia.⁴

In this context, COAG discussed the relevance of Australia's understanding of Asian languages and cultures to the enhancement of Australia's economic interests in the Asia-Pacific region.⁵ To this end, it:

- noted the importance of the development of a comprehensive understanding of Asian languages and cultures through the Australian education system if Australia is to maximise its economic interests in the Asia-Pacific region;
- agreed that Asian language development is a matter of national importance, requiring urgent and high-level attention at a national level; and
- agreed to establish a high level working group to prepare a report for COAG by the end of 1993:
 - outlining current efforts of the Commonwealth and States in Asian language and culture education; and
 - developing a strategic framework for the implementation of a comprehensive Asian languages and cultures program in Australian schools (and, where relevant, TAFEs) by the end of the decade.

This report outlines the findings and recommendations of the working group and presents a framework for an increased national effort in this area. This will require consideration by Heads of Government in terms of their respective budget circumstances.

⁴North-East and South-East Asia are taken in this report to include Japan, China, Republic of Korea, Taiwan, Hong Kong, the ASEAN states (Indonesia, Singapore, Malaysia, Thailand, Philippines, Brunei) Vietnam, Laos and Cambodia.

⁵The Asia-Pacific region is taken here to refer to those participating in APEC - ie Australia, New Zealand, Japan, Republic of Korea, China, Hong Kong, Taiwan, the ASEAN states, the United States and Canada.

1.2 Scope of the Report: The Development of an Australian "Export Culture" that is "Asia Literate"

This report, as required by its terms of reference, focuses on Asian languages and complementary Asian cultures education in Australian schools as a means of enhancing Australian economic interests in East Asia.

The report has been prepared in the context of a concerted national policy effort over recent years involving all levels of government aimed at the internationalisation of the Australian economy. This national effort has involved a range of major policy measures including exchange rate deregulation, financial deregulation, the lowering of protection, an active multilateral trade policy aimed at maximising international market access and, more recently, micro-economic reform across the transport, communications and energy sectors and the labour market. COAG in fact has become an important forum through which major elements of national microeconomic reform continue to be pursued.

Australia's capacity to maximise its international and regional economic interests primarily depends on the continued implementation of policy measures of this nature aimed at enhancing Australia's international competitiveness. Competitiveness, however, is not exclusively determined by questions of objective economic cost - although this will always be the primary determinant. For example, Australian firms can be internationally cost-competitive while at the same time being ignorant as to either the existence of potential regional markets or how effectively to access such markets. International competitiveness is therefore also affected by non-cost factors of which effective inter-cultural communication skills are an important component.

The creation of an Australian "export culture" has been the subject of a considerable body of literature in recent years. It is the view of the working group that the creation of an export culture logically involves both the continuation of the national economic reform agenda of the last decade aimed at enhancing the international cost-competitiveness of Australian exports. It also involves removing attitudinal and perceptual impediments to exports by equipping firms with future employees for whom the countries, languages and cultures of the region are not foreign but, in fact, familiar. Both dimensions - cost competitiveness and cultural literacy - are critical to Australia securing its economic future in the region and the world. For these reasons, Australia requires an export culture which is "Asia literate" - i.e. one which possesses the range of linguistic and cultural competencies required by Australians to operate effectively at different levels in their various dealings with the region - as individuals, organisations and as a nation.

Successful European economies have long recognised the importance of linguistic and cultural factors in influencing national economic performance and have pursued policies of multilingualism through their school systems for most of the post-war period. The Netherlands, for example, as a small country of 17 million people and conscious of its strategic and economic interests in its relationships with its more powerful neighbours, has long pursued a vigorous policy of English, German and French instruction in its schools. Even the UK, historically the bastion of European monolingualism, has recently announced a change in policy requiring the study of a second language in secondary school, citing UK economic interests in the Europe as the reason.

The importance of these inter-cultural factors is even more applicable to Australia given its unique geo-cultural position in relation to Asia. The linguistic and cultural gap between Australia and the various countries of East Asia is demonstrably much greater than that between the Netherlands and its neighbours or between the UK and continental Europe. The challenge facing Australia is therefore more difficult - arguably more difficult than that faced by any comparable country seeking to secure its future in its own region.

That Australia is geographically a part of Asia while culturally (notwithstanding the impact of multiculturalism) being quite separate from it has perhaps become a national truism. Of more fundamental importance than geography, however, is Australia's more recent economic integration with the region - East Asia takes more than 60% of Australia's total exports, making the future health of the Australian current account now critically dependent on the continued buoyancy of major regional economies and continued access to their markets. In the past, geographic proximity and related strategic uncertainty may have caused a narrow academic and bureaucratic elite to take the linguistic and cultural study of regional countries seriously. However, the emerging depth and breadth of Australia's economic engagement with the region now requires a fundamental reappraisal of the adequacy of our national linguistic/cultural skills base.

Such a reappraisal of Australia's national language policy should not be confused with the broader debate about Australia's future national identity or, more specifically, the debate about "Australia becoming a part of Asia". This latter debate is plainly beyond the terms of reference of this report. It is also a debate that suffers from considerable definitional imprecision: What, for example, does being "a part of Asia" mean? "Asia" itself is primarily a term of geographical convenience to describe a range of countries whose internal diversity is invariably greater than its shared commonality (and whose diversity is much greater than those countries that collectively claim to be "European"). "Asia", for example, is home to six of the world's great religions (Islam, Hinduism, Buddhism, Taoism, Confucianism and Shinto) compared to Europe's one (Christianity). Asian linguistic diversity is enormous compared with that of the Germanic and Romance languages of Europe and the broader family of Indo-European languages to which they belong. In this context, one object of the strategy recommended in this report is to require our schools to equip the next generation of Australians with at least a capacity to differentiate between the different cultures of the region rather than perpetuating the mythology of some sort of homogenous "Asia" to our north populated by an homogenous race of "Asians". These perceptions are in themselves impediments to developing a productive understanding of the reality of regional diversity.

In addition to the definitional problems arising from the term "Asia" itself, further problems arise in terms of what "being a part of" Asia means. Geo-strategically, Australia has long recognised, at least since the fall of Singapore in 1942, that it is a part of the region. Economically, Australia is increasingly recognising the reality of its integration with the region - a reality most recently symbolised by the successful development of APEC (Asia Pacific Economic Co-operation) as a regional economic forum in which Australia plays an active role. But whether or not politically or culturally Australia is, or is likely to become, "a part of Asia" is a far more complex issue. Partly because of the political and cultural diversity that already exists within "Asia", and partly because of the degree of difference that exists between the various polities and cultures of "Asia" on the one hand and Australia on the other, this is likely to remain a contentious issue for some time to come.

The policy focus of this report is therefore of a much narrower kind than these broader debates about Australia's place in Asia. As such, its object is not to somehow make Australia "a part of" something called "Asia". Rather, its objective is to develop a strategy which, if adopted, would equip the next generation of Australians with the practical linguistic and cultural skills necessary in order for them to engage more effectively in future regional economic opportunities and, as a consequence, enhance Australia's economic growth and employment. This does not mean producing a nation of bilingual interpreters. It does mean, however, providing a range of linguistic and cultural skills, from the most elementary to the advanced, of relevance to the differing requirements of Australian firms engaged in different regional countries.

Given its explicit economic focus, there are a number of related policy issues which the report does not specifically address. First, the report does not seek to analyse the impact of an expanded Asian languages and cultures program in our schools on the further development of an Australian multicultural society. It is, nonetheless, recognised that multiculturalism itself has positive implications for Australia's economic engagement not only with the region but also with the range of Australia's international markets. Multiculturalism, however, has a number of additional objectives which plainly go beyond the scope of this report.

Nor does the report try to evaluate the relative merits of studying European as opposed to Asian languages. There is plainly a rationale, in part economic but principally cultural, for the continued teaching of certain European languages in the overall language programs of Australian schools. The report neither seeks to challenge this rationale nor to defend it. Rather, the working group's terms of reference make clear that it is required to focus exclusively on developing a strategy for the implementation of comprehensive Asian languages and cultures education in Australian schools - not to debate the relative merits of "Asian" versus "European".

While the focus of the report is on Asian languages/cultures education as a means of enhancing Australia's economic and export interests, it is recognised that a strategy for an enhanced effort in this area must be framed in the context of overall second language provision in Australia.

Finally, the report does not seek to engage in the broader debate among educationalists about the general pedagogical utility of school children learning a second language. The specialist literature⁶ suggests that the acquisition of a second language by children starting in the early years of schooling is substantially beneficial to the child's general intellectual development - quite apart from learning the specific skills associated with the individual language studied. The substantial general educational benefit which a child is likely to obtain by studying a second language therefore represents a substantial pedagogical gain in addition to the specific policy objectives of this particular program.

In summary, the scope of this report is necessarily focused on Australian economic interests as expressly articulated by Heads of Government in the directions they set for the working group in its terms of reference, i.e.

- East Asia is critical to Australia's economic future;
- a comprehensive understanding of the principal languages/cultures of this region is important if Australia is to maximise its national economic interests in the region;
- a strategy must be developed and implemented through the school system in order to achieve this objective; and
- such a strategy is regarded by Heads of Government as "a matter of national importance" requiring "urgent, high level attention at a national level".

1.3 Previous Reports

This is not the first report to deal with Asian language/cultures education in Australia and its relationship with national economic performance. Since 1970, multiple government and non-government reports have pointed to the relationship between linguistic competence and economic performance in general and/or the relationship between Asian language skills and Australian export performances in particular.

⁶Clyne, M.G., (1982) *Multilingual Australia*, River Seine Publications, Melbourne; Clyne, M.G., (ed.) (1986) *An Early Start. Second Language at Primary School*, River Seine Publications, Melbourne; Cummins, J., (1980) 'Linguistic interdependence and the educational development of bilingual children', *Review of Education Research*, Vol. 49 no. 2, pp. 222-51; Cummins, J., (1988) 'Language Planning in Education in Multilingual Settings', in Bickley, V., (ed.) *Language in Education in a Bilingual or Multilingual Setting*, Institute of Language in Education, Hong Kong; Foley, J.A., (1987) 'Multilingual Settings and the Cognitive Development of Children: Studies from the Singapore-Malaysian context', in Bickley, V., (ed.) *Language in Education in a Bilingual or Multilingual Setting*, Institute of Language in Education, Hong Kong; and Rochecouste, J., (1987) 'The Optimum Age at Which to Introduce a Second Language Particularly at Primary Level', Report for the Ministerial Working Party for Teaching Languages Other than English, Western Australia.

- **Auchmuty Report (1971)**

In 1969, the Gorton Government, recognising the growing importance of the Asia-Pacific region to Australia's political, economic, cultural and security policy interests established an Advisory Committee to report on impediments to the study of Asia in the Australian education system. The Auchmuty Report, entitled the *Teaching of Asian Languages*, was among the first to recommend the expansion of Asian language teaching in schools and universities. In reviewing a survey of business attitudes towards the relevance of Asian languages to economic activity, the Auchmuty Report was highly critical of the general nonchalance of business at the time towards such linguistic skills:

... with a few significant exceptions, almost all businessmen involved in trade with Asia considered that they would have no immediate requirement for staff members fluent in a particular Asian language. Some added to that their belief that English would become, if it is not already, the official business language of Asia. This latter is a view which the Committee has difficulty in accepting. ... On the other hand, a few organisations having large scale dealings in Asia, notably with Japan, indicated that they regarded knowledge of the language as essential for their purposes. ...

Japanese has a special significance because of Japan's growing dominance in northern Asia and because of Australia's large and growing trade relations with her. Here, Australians can be at a disadvantage if they speak no Japanese (Auchmuty, 1971: 17).

- **FitzGerald Report (1980)**

The desirability of expanded Asian languages/studies was revisited in the FitzGerald Report (1980) commissioned by the Committee on Asian Studies. The Report *Asia in Australia* dismissed what it described as the prevailing view of the time that Australian businesses could succeed in Asia without access to specialist knowledge of the cultures and languages with which they were dealing:

We need it [Asian studies] for business, for politics, for our academic and cultural exchanges, for the proper handling of crises and human disasters, for technical negotiation, for military preparedness and strategic assessment, for civil aviation and shipping and fishing ... (FitzGerald, 1980 Volume 1: 6).

- **Senate Standing Committee on Education and the Arts (1984)**

FitzGerald's recommendations were further reflected in a Senate Committee *Report on a National Language Policy* produced in 1984 which stated that "Australia's interests required that many Australians especially in business and in government should be proficient in languages other than English" (Commonwealth of Australia, 1984: 120). The report also recorded the expert advice of the Confederation of Australian Industry and the then Department of Trade that:

if Australian businesses and trade commissioners were fluent in other languages this would benefit Australia's trading and other commercial international relationships (Commonwealth of Australia, 1984: 127).

- **Lo Bianco Report (1987)**

The 1987 Lo Bianco Report *National Policy on Languages* also pointed to the economic rationale for an expansion of languages teaching in general in Australia:

All Australians conducting business in non-English-speaking countries or who are involved in formal and informal arrangements between Australia and such countries will be greatly advantaged by having language skills and cultural knowledge appropriate to their task. There are many instances where this is indispensable.

There is substantial evidence that Australian economic activities, particularly in competitive situations requiring market penetration would benefit from the skilled use of the host countries' languages and active knowledge and appreciation of cultural values and behaviours. This can be a determining factor in gaining a competitive advantage in trade. In situations of intense competition for markets and considering the particularly trade-dependent nature of Australia's economy, it is important to harmonise national economic strategies with the goals of languages policy (Lo Bianco, 1987: 49).

- **Higher Education White Paper (1988)**

The Commonwealth's Higher Education White Paper of 1988 reinforced this linkage between Asian language skills in particular and Australia's economic future:

... our economic future as a nation will depend not only on what we have to sell overseas but how effectively we sell our products. The latter task will require not only familiarity with the languages of our region but, more broadly, a knowledge of the history and culture of the countries involved and their ways of doing business (Commonwealth of Australia, 1988: 8).

- **Asian Studies Council Report (1988)**

The Asian Studies Council (ASC) was created by the Commonwealth government in 1986 to advise the Commonwealth on Asian studies in all levels of education in Australia. Its 1988 report, *A National Strategy for the Study of Asia in Australia*, provided both a detailed rationale and blueprint for a quantum expansion in Asian languages/cultures education in Australia:

... the volume and range of expertise needed to develop discriminating and competitive Asian markets with such products and services has broadened appreciably over the past decade. The growth in tourism in Australia from Asia has added considerably to this increased demand.

The need to diversify our trade to maintain the recovery of the Australian economy and reduce our balance of payments deficit means that a much larger number of Australians have to do face-to-face business with Asians: marketing personnel, chief executives, management and employees of the hospitality industry, law, accounting and real estate firms, scientists, technicians, government officials and politicians.

We are not discussing a need for an elite few, but rather a qualitative and quantitative change in the skills of Australians. Our experience shows that an elite approach to the study of Asia does not throw up enough properly qualified people, even for our former needs.

For our current and future economic interests, we need a deep and solid layering of national education and expertise. At the top, we need an expanding cadre of people with commercial and technical skills allied with strong language skills and knowledge of Asia for the frontline of our economic activity in Asia. This requires a new approach to training such people in this country.

We then need a broad stratum of support people in management, technical and service areas with a good knowledge of Asian markets and Asian language and country skills. This stratum barely exists at present.

And we need a general education for all Australians which includes Asia and Australia's place in it, to provide both the necessary constituency for our economic strategy and the reservoir from which will come the broad support stratum and the professional marketers and negotiators (ASC, 1988: 11-12).

Specifically, the Asian Studies Council argued that in order to achieve these objectives, numerical targets need to be set:

The number of students studying an Asian language as a mainstream subject to nationally agreed guidelines [should be] 15 percent of each of the total primary, secondary and TAFE student populations and 5 per cent of the university and college student populations, by 1995, and 25 per cent and 10 per cent respectively, by 2000 (ASC, 1988: 4).

- **Garnaut Report (1989)**

The 1989 Garnaut Report, *Australia and the North East Asian Ascendancy*, probably provides the most rigorous analysis of Australia's future economic interests in the region and the consequential importance of radically improving the Asian languages/cultures programs offered by Australian schools, TAFEs, and higher education institutions. Garnaut (1989:304) explicitly endorsed the ASC targets as "reasonable and feasible". Garnaut went on to state that:

the most important Asian languages and cultures from the point of view of Australian economic life at present are clearly Japanese and Chinese. Australian exports to economies whose citizens communicate in writing by the Chinese script (China, Taiwan, Hong Kong and Singapore) are larger than exports to the United States, and have some prospects of equalling those to Japan by the end of the century. Korean is the third Asian language of importance to the Australian economy ... (Garnaut, 1989:305).

Garnaut stated in the recommendations attached to his report that:

Australia's long term success in getting the most out of its relationships with Asia depends more than anything else on the scale and quality of its investment in education ... A substantial number of Australians will achieve mastery of North East Asian languages, economics, politics and other attributes or reasonable proficiency on North East Asia in conjunction with high achievement in other professions or disciplines only when the study of Asia is widespread in schools.

- All students should be exposed at school to serious study of Asian history, geography, economics, politics and culture.
- All secondary schools should teach at least one Asian language by the end of the century.
- Japanese, Chinese and Indonesian language should have highest priority followed by Korean ... (Garnaut, 1989: 317).

- **Ingleson Report (1989)**

Charged by the Asian Studies Council with reporting on the state of Asian studies in Australian higher education, the Ingleson Report in 1989 concurred with the findings of other previous committees and reports. Ingleson concluded that greater effort must be made in the teaching of Asian studies/languages in Australian higher education if Australia is to maximise the potential economic benefits of interaction with Asia:

Asian languages are as important to Australian companies as European languages to British companies. The range of languages in all sectors of Australian education must reflect recent and projected patterns of Australian international trade far more than they do at present. If Australian industry and commerce is to remain competitive in the Asia region there is a need for people in marketing, technical and scientific areas as well as for people in management to know an Asian language. Even some knowledge of an Asian language will, at the very least, lead to greater sensitivity to another culture, and therefore, in the long term, to more effective personal contact and business relationships (Ingleson, 1989 Volume 1: 53).

- **The Hobart Declaration on Schooling (1989)**

In 1989 at the 60th Australian Education Council meeting, State, Territory and Commonwealth Ministers of Education agreed to a number of common national goals for schooling in Australia. These goals were intended to provide for co-operation between jurisdictions to assist in the development of specific objectives and strategies, particularly in the areas of curriculum and assessment. These included the aim of developing in students "a knowledge of languages other than English" and "a knowledge and appreciation of Australia's historical and geographic context" (Australian Education Council, 1989).

- **Australian Advisory Council on Languages and Multicultural Education Report (ACLAME) (1990)**

The report of the ACLAME in 1990 reviewed progress in language education since 1987. The report again emphasised the specific benefits of second language learning beyond the general intellectual development of the individual:

... bilingualism is valuable not only for the individual's intellectual, psychological, social and vocational benefit, but also as a national resource. ... In international dealings, dependence on English weakens Australia's capacity to respond to changing economic, political and cultural relationships and to compete in the global marketplace of buying and selling goods, services, technology and ideas (ACLAME, 1990: 8).

- **Stanley *et al* (1990)**

While a number of reports during the 1980s argued that economic benefit provided a strong rationale for the expansion of foreign languages education in general and Asian languages in particular, Stanley *et al* in a report commissioned by the Commonwealth Department of Employment, Education and Training on International Trade and Linguistic Competence sought to analyse the precise relationship between linguistic competencies and trade performance. The report stated that:

While trade theory points up the theoretical advantages to countries of specialising in the productive areas to which they are best suited it omits to mention the terms of trade advantages, technological knowledge and high living standards that may accrue to a country which chooses to raise the educational and skill level of its population by moving into areas of say, manufacturing, where it has fewer 'natural' advantages. Should Australia choose to pursue this path it must acquire all the skills relating to the international division of labour as they pertain to developed manufacturing and service economies. Two important indices of advanced manufacturing economies are attitudes to investment in human resources and a related willingness to train the workforce in the major world trading languages (Stanley *et al*, 1990:30),

and later that:

... far from receding in importance as a firm becomes more experienced at exporting, communication and a thorough grasp of the language and culture of your trading partner remains the principal consideration of the successful exporter (Stanley *et al*, 1990: 43).

- **Valverde Report (1990)**

The Valverde Report on *Language for Export* commissioned by the Commonwealth Department of the Prime Minister and Cabinet on the need for language and language related skills for export concluded that:

it is time to start planning long-term solutions for our lack of language awareness ... languages should be part of a broader framework of training for overseas trade if we are aiming at expanding our export sector ... It is time for Australian businesses to grasp the important role of global understanding and communication. We are not an isolated island anymore by privileged market arrangements ... Our own language attitudes have created self imposing limitations on our relationship with the rest of the world. Australian companies will not be able to respond rapidly to the pressing demands of the global economy if they do not incorporate in their export departments staff who are linguistically capable of breaking into new markets or retaining old ones ... (Valverde, 1990: 49).

- **Studies of Asia and Asian Languages in Australian Schools (1991)**

At its meeting in Darwin in June 1988, the Australian Education Council (AEC) endorsed a series of resolutions designed to give greater prominence to studies of Asia and its languages in Australian schools. In response, the Asian Studies Council (ASC) established the Asian Studies and Languages Working Group chaired by the New South Wales Department of School Education to develop a series of strategies to strengthen this area of the curriculum. The working group consisted of people invited to participate by the ASC because of their expertise in this field and its terms of reference were endorsed by both government and non-government education authorities.

The working group's report was finalised by the ASC in June 1991. The key suggestions of the report were that:

- the numbers of students studying Asia and Asian languages be increased through high quality curriculum development, supported by excellent teaching and other resources;
- effective curriculum for the study of Asia and Asian languages be developed and adopted, including the integration of studies of Asia into a wide range of current core curriculum areas;

- the number of teachers skilled in the teaching of Asia and Asian languages be increased through more Asia-oriented preservicing, inservicing including in-country study, teaching courses for native speakers as language teaching assistants, and selective recruitment and training of teachers from overseas.

In October 1991, AEC Ministers referred this report and two others relating to Asian languages and studies in TAFE to the AEC/MOVEET (Australian Education Council/Ministers for Vocational Education, Employment and Training) Working Party on Australian Language and Literacy Policy (ALLP). Information and recommendations in these reports were taken into account by the working party in its formulation of the draft national strategies, the "National Collaborative Strategy for Education in Languages Other Than English in Schools" and the "Strategy for Adult LOTE." These documents contain checklists of collaborative and state-based activities to strengthen second language provision in schools and TAFE.

- **Leal Report (1991)**

The Leal Report, *The Teaching of Modern Languages in Higher Education*, prepared for the Commonwealth Minister for Employment, Education and Training in 1991 provided a solid and comprehensive analysis of the linkage between language competence and economic performance in general and tourism in particular:

All the information to which the [Leal] Review has had access confirms that, in the area of business, finance and industry, there is an increasing need for employees to have greater cross-cultural understanding and language competence (Leal, 1991: Volume 1: 15)

and that

Monolingualism in management is a defect that we can no longer tolerate. The Asian Studies Council was informed in 1989 that an estimated 136 000 new employees with Asia-related skills would be required by Australian industry over the next five years. ... In short, language training is an immediate economic necessity (Leal, 1991 Volume 1: 17).

- **National Languages and Literacy Policy (1991)**

On the basis of the Senate Standing Committee Report (1984), the Lo Bianco Report (1987) and the ACLAME Report (1990), the Commonwealth Government in 1991 developed a complete national policy framework for language and literacy. The *National Language and Literacy Policy* explicitly recognises the economic importance of enhancing Australia's efforts in the teaching of priority languages:

Priority attention must be given to languages of broader national interest to Australia. Australia's location in the Asia-Pacific region and our patterns of overseas trade should continue to be a factor in this selection of priorities. Although English is widely used in the international business environment, mature trading relations require the depth of insight obtained through a grounding in the languages and cultures of other countries (Commonwealth of Australia, 1991, *Policy Paper*: 15).

Australia must develop proficiency in languages other than English, as well as knowledge of the culture and customs of other countries, to enable Australia to strengthen its international trade position. ... Selling value-added products is dependent, among other things, on the careful articulation of the products' benefits in ways which are comprehensible to our potential trading partners. It also depends on the formation of effective networks (Commonwealth of Australia, 1991, *Companion Volume*: 23).

Australia's balance of payments is not purely commodity-driven. Trade in services, including educational services to overseas students and inbound tourism, earn income for Australia and both are growing very rapidly. This trade in services has significant language implications (Commonwealth of Australia, 1991 *Companion Volume*: 25).

Based on these findings, the Commonwealth government set specific language targets for the turn of the century:

As a basis for action, the Commonwealth proposes that the proportion of Year 12 students studying a language other than English should be increased to 25% nationally by the year 2000 (Commonwealth of Australia, 1991 *Policy Paper*: 17).

- **Federal ALP Caucus Report (1993)**

Most recently, public recognition of the importance of Asian languages/cultures to Australia's economic future and the need for action is highlighted in the Federal ALP Caucus Report *Growth Plus Equals the Employment Challenge* - in preparation for the Commonwealth Government's Employment White Paper. The Report states that:

An understanding of the languages and operations of Asian societies, their history and culture, will be essential if Australian businesses are to compete on an even or better footing than its competitors and the potential offered by Asia for Australia to significantly improve its export performance realised.

In a world where production is becoming increasingly international, the relevance of multi-linguistic skills and cross-cultural knowledge is heightened. To effectively service customers and react to rapid changes in the economic environment requires firms to efficiently co-ordinate the production and distribution of goods and services across national boundaries. Accurate information and clarity in communication are fundamental to these tasks.

Against this background it is critical that Australia attaches the highest priority to the adoption and implementation of a long term strategy to ensure that the Australian workforce of the future is equipped with language skills, and associated skills of cultural awareness, of direct relevance to our national economic interest. Specifically, this will mean targeting the principal languages of Asia.

1.4 Declining Study of Second Languages in Australia (1982-1992)

There has been a substantial body of official and professional literature produced on the importance of radically increasing and improving Asian languages/cultures teaching in Australian schools. There is a clear consensus in the literature that there is a direct relationship between languages/cultures skills and Australia's capacity to maximise its economic opportunities in export markets.

Notwithstanding the recommendations of multiple reports over the last two decades on the need for Australia to increase its emphasis on languages/cultures education, the actual proportion of Australian Year 12 students studying a second language today is in fact declining.

In the late 1960s (ie. at the time the Auchmuty Report was commissioned) almost 40% of final year school students studied a language other than English (Commonwealth of Australia, 1991: 15).

By 1982 only 16.1% of Australian Year 12 students were studying a second language.

In 1992, only 12.5% of Year 12 students were studying a second language (although this represents a minor recovery from a trough of 11.7% in 1990).

Of these, only 4% were studying a priority Asian language (ie. less than one third of the total number of Year 12 students studying any second language although this figure of 4% itself represents a relative increase on previous years).

Table 1 below details these generally disappointing trends.

Plainly, direct government intervention of the type called for by Heads of Government in their 1992 COAG communiqué is necessary if this overall trend is to be reversed and previously stated national targets are to be achieved.

Table 1											
STUDY OF SECOND LANGUAGES AT YEAR 12 1982 TO 1992 - AUSTRALIA											
	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Total Year 12 Second Language Students	15944 16.1	16849 15.5	17462 14.4	17580 14.2	17928 12.72	20630 13.25	21969 13.0	22128 12.9	21377 11.7	22251 12.1	22666 12.6
• Number of Students											
• As % of Total Students											
Priority Asian Languages/ Students	2467 5.5	3183 18.9	2607 14.9	2439 13.9	2494 13.9	3382 16.4	4373 19.9	5140 23.2	5824 27.2	6117 27.5	6787 29.9
• No. of Students											
• As % of Total Second Language Students											
Japanese Students											
• No. of Students		599	722	695	881	1266	1395	1918	2555	3329	3828
• As % of Total Second Language Students		3.6	4.1	4.0	4.9	6.1	6.4	8.7	12.0	14.9	16.9
Chinese (Mandarin) Students											
• No. of Students	610	1043	890	854	794	1213	1766	2040	2162	2192	2007
• As % of Total Second Language Students	3.8	6.2	5.1	4.9	4.4	5.9	8.0	9.2	10.1	9.9	8.9
Indonesian Students											
• No. of Students	1278	1542	995	890	819	901	1212	1182	1107	596	952
• As % of Total Second Language Students	8.0	9.2	5.7	5.1	4.6	4.4	5.5	5.3	5.2	2.7	4.2
Other Language Students											
• No. of Students	13477	13666	14875	15141	15434	17248	17596	16988	15553	16134	15899
• As % of Total Second Language Students	84.5	81.1	85.1	86.1	86.1	83.6	80.1	76.8	72.8	72.5	70.1
SOURCES: NATIONAL POLICY ON LANGUAGES (1978-86), STATE SECONDARY ASSESSMENT BOARDS (1987-92)											

1.5 Structure of the Report

The structure of this report derives from the series of issues raised in its terms of reference:

Chapters 2 and 3 deal with the two fundamental assumptions underpinning this report's terms of reference: first, that East Asia is of long term economic significance to Australia; second, that there is a direct relationship between Asian languages and cultures skills and increased economic performance.

- **Chapter 2** reviews the recent economic performance of the East Asian nations and identifies the economies and markets which will be critical to Australia's trade performance over the next twenty years. On the basis of this analysis the priority languages for a national strategy are determined.
- **Chapter 3** reviews the economic rationale for an increased effort on Asian languages and studies education by examining the relevance of these skills to business and draws conclusions as to future business requirements.

Chapter 4 examines the policy environment in which the teaching of Asian languages and Asian studies presently occurs and current provision in each State and Territory. Drawing on the results of the survey of government, Catholic and independent school systems undertaken by the working group, the chapter identifies recent trends in the nature of Asian language education in Australian schools.

Chapter 5 examines the range of major policy issues that need to be resolved by Governments prior to determining the future provision of Asian languages and cultures programs in Australian schools.

Chapter 6 proposes a comprehensive national strategy to implement the recommendations in each of the policy areas identified in Chapter 5.

Chapter 7 examines the costing implications of the proposed strategy.

1.6 Methodology

The working group established by Heads of Government comprised representatives from the Commonwealth and all State and Territory Governments and was chaired by Queensland. The working group met on seven occasions to examine the issues raised in the terms of reference and to discuss the drafting of the report. (A list of the working group members and dates of working group meetings is at Attachment A.)

The analysis of the changing economic significance of East Asia and those regional economies of greatest significance to Australia's economic future was prepared for the working group by the East Asia Analytical Unit of the Commonwealth Department of Foreign Affairs and Trade. This analysis has been incorporated into Chapter 2 of the report and has informed the working group's recommendations as to the priority Asian languages to be targeted in a national schools-based program.

Dr Stephen FitzGerald was engaged to provide technical advice to the working group, particularly in regard to the benefits to business which flow from the development of a workforce with greater facility in Asian languages and knowledge of Asian societies and the types of skills required by business.

The working group consulted widely with key interest groups. Questionnaires were circulated to State and non-government education systems, peak industry bodies, national expert bodies for the study of Asian languages and languages other than English more generally, the higher education sector, State TAFE systems, teachers' unions and parent organisations to ascertain views on the current provision of Asian languages and studies education and the appropriate nature of future provision. (A list of organisations from which responses were received is at Attachment B.)

In summary:

- **This report will be the 16th report prepared for governments over the last 25 years on the need radically to increase the number of Australians learning second languages in general and Asian languages in particular.**
- **Previous reports are uniform in their findings that Australia's international and regional economic performance would be enhanced if our national languages/cultures skills were improved, particularly in relation to East Asia.**
- **Despite the findings of multiple previous reports:**
 - **the number of Year 12 students studying a second language has declined from 40% in the 1960s to 12% in 1992, with**
 - **only 4% of Year 12 students studying a priority Asian language.**
- **In the absence of strategic intervention by government, these trends are unlikely to be substantially arrested or reversed.**

CHAPTER 2

THE LONG TERM ECONOMIC SIGNIFICANCE OF EAST ASIA TO AUSTRALIA

This chapter describes the present and future economic significance of East Asia to Australia.⁷ It also identifies which particular economies are likely to be of greatest long term significance as a basis for determining on which languages the Australian school system should concentrate in the future. In making some of the following judgements we have to make assumptions about strategic and political developments in the region which may be speculative.

The working group is firmly of the view that a language prioritisation based on Australia's long term economic interests is critical if we are to maximise outcomes and avoid fragmentation of effort. The working group agrees therefore with the general recommendation of the Commonwealth's 1991 *Australian Language and Literacy Policy* (1991) that:

Any strategy which seeks to increase the study of languages in Australia must strike a balance between the diversity of languages which could be taught and the limits of resources that are available ... Priority attention must be given to languages of broader national interest to Australia (Commonwealth of Australia, 1991; *Policy Paper*: 15).

2.1 The Changing Significance of East Asia

The world's centre of economic gravity is shifting towards East Asia. In a little over two decades, East Asia has doubled its share of world output and more than doubled its share of world trade. Increasing economic linkages between the economies of the region have enhanced this performance by making growth self-sustaining. As we move towards the 21st century, East Asia is the power-house of its own growth and increasingly the power-house of world growth.

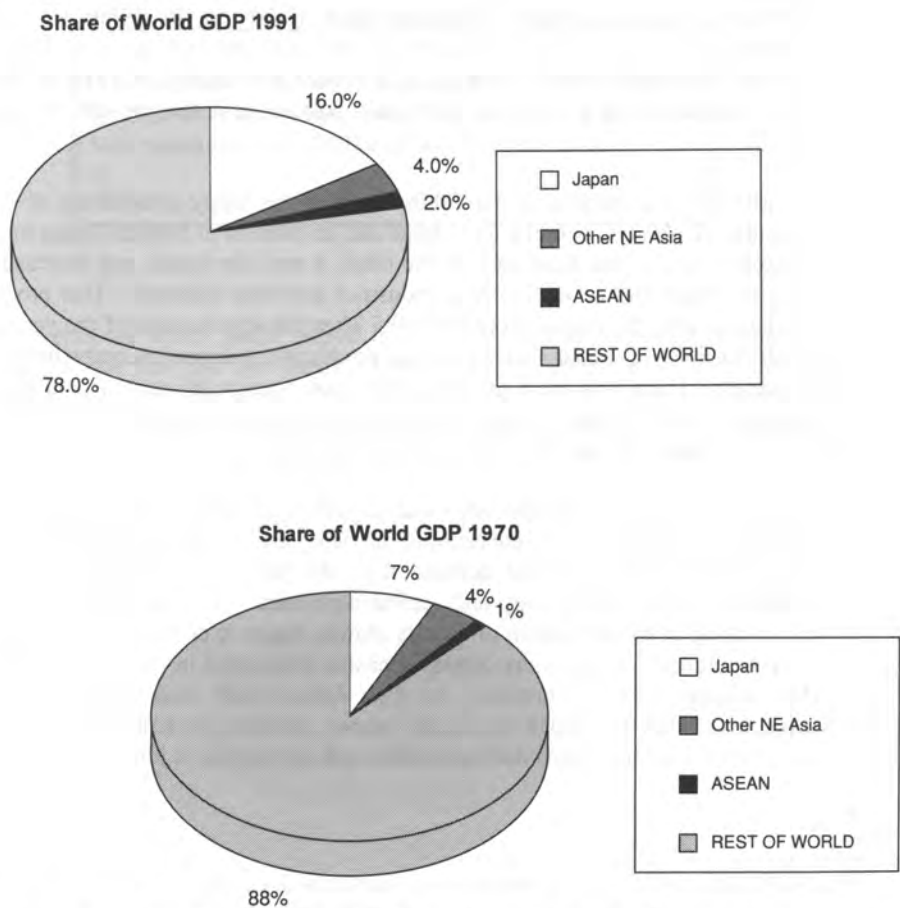
- **Increased Share of World GDP**

East Asia has been the fastest growing part of the world economy in the 1980s with annual average growth rates for the decade of around 5% in North-East Asia and over 7% in South-East Asia, compared to only 2 to 3% average annual world economic growth. Some individual economies have at times registered double-digit growth rates. In the 1990s, although growth rates have moderated overall, East Asian economies continue to be the fastest growing in the world with some parts of southern China achieving around 20% annual economic growth, albeit from a low base.

⁷ This Chapter has been almost entirely drafted by the East Asia Analytical Unit of DFAT.

As a result of the past few decades of growth and development, East Asia's share of world GDP has risen from 12.3% in 1970 to 15.5% in 1980 to 21.3% in 1991. In 1991, Japan alone accounted for almost 16% of world GDP. (see Figure 1).

Figure 1: East Asia's Changing Share of World Output



Sources Based on World Bank, *World Development Report* and Taiwan
Statistical Data Book

The wider APEC region, which includes the United States, accounts for just over 50% of world output, but this share has not changed so much over the past two decades because as East Asia's share has risen from 12% to 21%, the US share of world output has fallen from 36% to 26%.

The reasons for East Asia's strong growth are well documented and include, for many of these economies, a range of factors such as high savings rates, availability of labour, strong efforts to educate and train workforces, cohesive and stable leadership, national consensus and government/business cooperation to adopt technology, industrialise and achieve economic growth, favourable international economic environment and a recognition of the need to be outward-looking and export-oriented.⁸

Strong economic growth and development began with Japan and the newly industrialising economies (NIEs) of Korea, Taiwan, Hong Kong and Singapore. The development processes were transferred more widely in the 1980s to encompass South-East Asia and China. Although the economies involved are very different, the common thread has been the stimulation to growth provided by more open and liberal trade, investment and domestic economic policies and the pursuit of export-led growth.

A particular characteristic in the 1980s has been the happy coincidence of domestic economic reform and opening up to trade and investment in industrialising East Asian economies on the one hand and, on the other, a need for Japan, and increasingly the NIEs to invest and relocate certain industrial activities offshore. This process was accelerated after the Plaza Accord of 1985 when the appreciation of the yen added to increasing relative labour costs and made production in Japan uncompetitive in many industries. There was rapid growth in Japanese foreign investment and production offshore - firstly in the newly industrialising economies and then in ASEAN and China to capture the benefits of even cheaper labour.

The resultant pattern of growth became self-reinforcing. As Japanese industry rationalised production to concentrate on less labour-intensive processes, it also benefited from the increased demand from the NIEs and ASEAN economies for production inputs, technology and capital equipment. The NIEs, as well as being drawn along in the slip stream of Japan's growth, began to create their own slip stream by restructuring towards more capital-intensive production in the face of competition from cheaper labour countries. As their labour costs rose and their currencies appreciated, they too began to relocate labour-intensive production to the ASEANs and China. There are signs that Indo-China will be the next to join this sequence.⁹

⁸ Hughes H. (ed.) (1988), *Achieving Industrialisation in East Asia*, Cambridge University Press, Cambridge, contains an excellent collection of views on the reasons for East Asian economic success.

⁹ Useful analysis of recent economic growth and development in the region can be found in Garnaut, R. (1989), *Australia and the Northeast Asian Ascendancy*, AGPS Canberra, East Asia Analytical Unit, (1992a), *Australia and North-East Asia in the 1990s: Accelerating Change*, AGPS Canberra; and East Asia Analytical Unit (1992b), *Australia's Business Challenge: South-East Asia in the 1990s*, AGPS Canberra.

It would be a mistake, however, to assume that the course of development of the NIEs or ASEAN will follow exactly that of Japan. Each of these economies has started from a different base, with different resources and different economic peculiarities. Also, the international economic environment faced by industrialising countries in the 1990s will be very different to that faced in the 1970s and 80s, or indeed that faced by Japan in the 1950s and 60s.

- **Increased share of world trade**

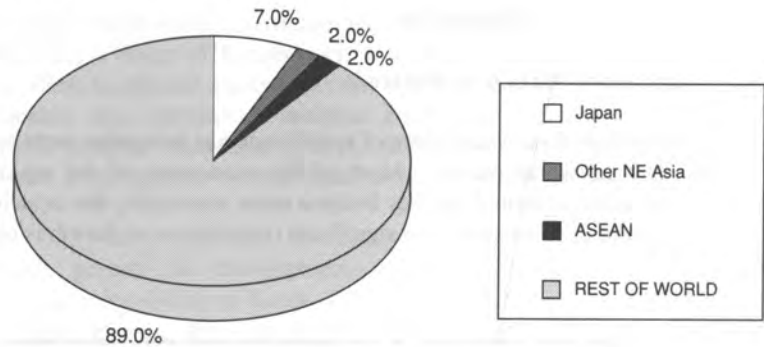
Growth in East Asia's share of world trade has been even more spectacular than in its share of world output. Most of the economies of the region are heavily trade dependent, although as they become more successful, the capacity for their domestic economies to make a more significant contribution to growth is significant.

In 1970, East Asia contributed 11.2% of world exports. By 1980 that share had risen to 14.6% and in 1991 East Asia accounted for 22.9% of world exports. (see Figure 2)

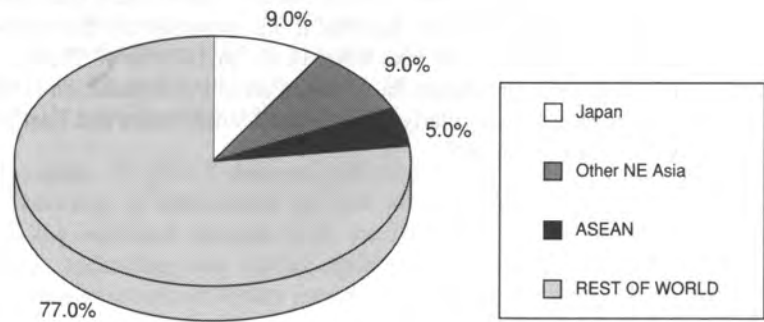
Whereas the wider APEC region has not significantly increased its share of world output over the past two decades, it has increased its share of world trade. APEC's share of world exports rose from 34.6% in 1970 to 41.2% in 1992 with all of that increase occurring during the 1980s. Part of the explanation is the high level of intra-regional trade, particularly between the United States and East Asia, but increasingly within East Asia itself.

Figure 2 East Asia's Changing Share of World Exports

Share of World Exports 1970



Share of World Exports 1991



Source: IMF various years, *Direction of Trade Yearbook*.

- **Increased economic interdependence**

While the sustainability of high rates of growth depends on the international economic environment to a great extent, the increasing levels of interdependence in East Asia and the Asia Pacific have made these economies less dependent on world trends than in the past. This is a large part of the explanation as to why the Asian economies, in general, have not been affected by the recent world recession to the extent that most forecasters expected.

In 1980 almost 35% of East Asia's exports stayed within East Asia but by 1991 that dependency on East Asian markets had risen to 45%. Over the decade, East Asian dependence on the US market appears little changed, but a closer examination of the data reveals continued growth in dependence on the US market throughout the early 1980s followed by a gradual decline since 1986. Until the mid-1980s exports across the Pacific dominated Asia-Pacific trade, but since then the network of trade flows has become a more complex web of intra-regional trade. Interestingly, as the economies of East Asia have achieved export-led growth they have come to provide better markets for US exports. There has been a gradual decline in East Asian dependence on the US market but also an increase in the share of US exports absorbed by East Asia (with particular growth in Korea, Taiwan and Hong Kong).

The East Asian economies are more important to each other than they are to world trade. On average, 28% of East Asian exports go to the US, 17% to the EC and 45% stay in the region. What this means for the world is that East Asia can no longer be thought of as a second-string player. It is at the forefront of world trade and world growth, that its performance is becoming more self-sustaining and increasingly it is setting the trend rather than following it.

The rising level of intra-regional trade has been driven partly by investment flows within the region and is likely to continue in line with the continuing role of East Asian investment. Investment and trade linkages between the region and China have been an increasingly significant aspect of economic interdependence within both East Asia and the wider Asia-Pacific.

While the United States remains a major market for the region's exports, its role has been declining in a relative sense. Economic growth rates in East Asia no longer follow growth rates in the United States but are determined much more by exchange rate fluctuations and the resulting changes in flows of trade and investment.¹⁰

For the wider Asia-Pacific region the level of interdependency is even higher because of the inclusion of the United States. Intra-APEC exports constitute 66% of total APEC economies' exports (see Table 2).

Table 2
Intra-APEC Trade 1992

Economy	Total Exports (US\$million)	Value of Intra- APEC exports	APEC as% of total exports
Australia	45,542	30,934	72.7
Brunei	2,365	2,142	90.6
Canada	133,447	116,266	87.1
China PR	86,220	66,533	77.2
HK	119,512	86,269	77.2
Indonesia	33,840	26,605	78.6
Japan	339,991	224,414	66.0
ROK	74,870	51,939	69.3
Malaysia	40,709	31,244	76.7
NZ	9,338	6,223	66.6
Philippines	10,274	7,946	77.3
Singapore	63,474	45,797	72.1
Chinese/Taipei (Taiwan)	81,470	66,415	81.5
Thailand	32,473	21,158	65.2
US	447,400	218,766	48.9
TOTAL	1,518,025	1,002,646	66.0

Sources: IMF (1992), *Direction of Trade Yearbook* Council for Economic Planning & Development (June 1992), *Industry of Free China*.

¹⁰ Kwan C.H. (forthcoming), *Economic Interdependence in the Asia-Pacific Region - Towards a Yen Bloc*, Routledge, London contains an excellent explanation of the weakening link between Asian and world growth rates and growing levels of intra regional trade.

2.2 Outlook for East Asia into the next century

If the performance of the past two decades were to be repeated in the next two decades, at the end of that time East Asia's share of world output would be over 35% and its share of world trade would be over 45%. Growth projections for the next five years and qualitative assessments of the possibilities beyond that period, taking into account the political and strategic environment and demographic change, suggest that such a performance is not unlikely.

East Asian economic growth is likely to be slower in the 1990s than that experienced in the 1980s, but there is little doubt that this region will continue to outperform the rest of the world economy. After the year 2000 the rate of growth is likely to moderate further, particularly in the more developed countries in the region. While some other economies such as some in Latin America and perhaps East Europe may begin to display much stronger rates of growth, strong growth in China, Indonesia and Indo-China can be expected and will ensure that East Asia, as a region, remains a power-house of world growth for several decades at least.

- **Strategic and Political Settings**

A new security environment is emerging for East Asia and the Asia-Pacific because of several key global and regional changes.

Growing economic interdependency in the region is likely to be matched by growing regional dialogue on, and contribution to, cooperative regional security efforts. The key players in these processes will therefore have an importance for Australia separate to their importance in direct bilateral trade and investment terms.

Continued high rates of economic growth in East Asia generally are important in the new security environment. This is likely to place more emphasis than ever before on sustaining a stable strategic and political environment conducive to economic growth, both within each state and in the region as a whole. The growing economic interdependence, resilience and self sufficiency of growth in the Asia-Pacific region is a force for stability and security. The trend towards globalisation of production and cross-border intra-industry trade in the region will produce an increase in vested interest in stable cross-border relationships.

- **Demographics - the Growth of the Middle Class**

The total population of East Asia in 1990 was over 1.7 billion, of which 65% were in China (1.1 billion).¹¹ By the year 2010, the population of East Asia will have grown to well over 2.1 billion and by the year 2025 to over 2.3 billion (Tables 3 and 4).

In view of existing age structures, dependency ratios will fall significantly and contribute to higher national savings and changes in patterns of spending and investment. By the year 2010, some 216 million people in East Asia will have annual incomes above US\$ 5,000 (in 1990 US\$ terms), compared with only 127 million in 1990.¹² By the year 2025 that figure will have risen to 1.1 billion.

In 1990, 73% of East Asia's middle and wealthy class was in Japan, but by 2010, as the effects of more widespread growth in the region become evident, Japan will account for around 50% of that spending class, although the Japanese will continue to dominate the wealthiest end of the income spectrum.

By the year 2025, Japan's share of East Asia's middle and wealthy class consumers will have fallen to around 10%. Virtually all of this share will be at the wealthier end of the scale and still very significant in terms of overall spending power, but China, a country we currently think of as very poor, will contain almost 70% of these consumers (though largely focused in the middle class rather than wealthy range).

¹¹ United Nations data.

¹² We have used over US \$5,000 (1990 dollar values) annual income as an indication of middle and wealthy classes as per research and projections by the Centre for International Economics (June 1992), *Regional and Country Projections of Population, Income and the Distribution of Income by Age to the Year 2025*, Canberra, June 1992.

Table 3
Projection of Population by Age: North-East Asia
(millions of persons)

	Japan		ROK		Hong Kong		Taiwan		China	
Age	2010	2025	2010	2025	2010	2025	2010	2025	2010	2025
0-4	7.1	6.4	3.1	2.8	0.32	0.27	1.52	1.67	84.8	93.6
5-14	15.6	12.6	6.5	5.8	0.70	0.57	3.70	3.24	207.1	181.4
15-24	13.9	14.8	6.6	6.3	0.75	0.65	4.01	3.19	224.4	178.6
25-39	25.8	21.6	11.9	9.8	1.35	1.10	5.41	5.97	303.0	334.1
40-64	43.0	41.6	17.1	19.4	2.60	2.36	7.88	9.08	441.0	507.8
65-79	20.0	21.7	3.8	6.5	0.60	1.25	1.66	2.92	92.9	163.2
80+	5.7	8.7	0.5	1.0	0.19	0.25	0.32	0.49	17.6	27.3
TOTAL	131.0	127.5	49.5	51.6	6.50	6.45	24.50	26.56	1370.8	1486.0

Table 4
Projection of Population by Age: South-East Asia
(millions of persons)

	Singapore		Malaysia		Thailand		Indonesia		Philippines		Vietnam	
Age	2010	2025	2010	2025	2010	2025	2010	2025	2010	2025	2010	2025
0-4	0.18	0.19	2.06	2.43	6.0	5.6	20.5	21.9	9.5	9.2	9.7	9.9
5-14	0.40	0.37	4.59	4.68	11.7	11.4	43.8	42.6	19.1	18.5	20.1	18.5
15-24	0.46	0.37	5.13	4.23	11.0	11.8	44.8	41.0	18.2	18.9	18.9	19.5
25-39	0.62	0.66	5.95	7.47	18.2	16.6	61.6	66.4	21.5	27.3	23.3	28.6
40-64	1.21	1.09	6.11	8.70	20.3	27.4	60.2	87.9	19.7	29.8	21.3	33.3
65-79	0.26	0.55	1.13	2.23	3.8	7.1	13.2	21.7	3.6	6.8	3.5	6.8
80+	0.05	0.08	0.21	0.38	0.6	1.1	2.3	4.5	0.5	0.9	0.6	0.9
TOTAL	3.17	3.32	25.17	30.12	71.6	80.9	246.7	285.9	92.1	111.4	97.4	117.5

Source: Centre for International Economics (June 1992), *Regional and Country Projections of Population, Income and the Distribution of Income by Age to the Year 2025*, Canberra, (based on United Nations population projection facility).

- **Outlook for economic growth**

There are several international econometric models utilised for quantitative forecasting. Published forecasts using these models usually only extend out five years.¹³ Few qualitative assessments venture much further. In the following assessment, we have utilised the results of forecasts by the International Monetary Fund (IMF), and the Global Forecasting Service of the Economist Intelligence Unit (EIU) for the major economies of the region and the OECD or world.

In talking about growth rates and trends it is important to take into account the sheer size of economies. Many smaller economies can grow at double digit rates for several decades and not make a significant dent in the international economy. On the other hand, if the Japanese economy grows at just 2 to 3% per year in the 1990s, it will add an entire Australian economy once every 3 years or so. The largest economies in GDP terms, and therefore the ones whose growth rates dominate the trend in terms of East Asia's relevance to the global economy, are, in order of size (as of 1991), Japan, China, ROK, Taiwan and Indonesia. Most of the other economies in the region may turn in impressive growth rates into the next century, but from lower bases.

Basic projections (see Table 5 for detailed growth projection data) indicate that

- even though growth is moderating in parts of East Asia, the trend of the region growing much faster than the world average is likely to continue well into the next century; in the 1990s East Asia's growth rate will be around double the world average;
- although growth in the largest East Asian economy, Japan, is likely to be much slower than for the 1970s and 1980s, it is expected to continue to outperform other industrialised economies (as represented by OECD average rates of growth);
- the other major economies of the region are expected to continue to grow at around an average 7% per annum into next century which is on the scale of the dynamic 1980s;
- these patterns of growth mean that after 20 years, Japan will still be the largest economy in East Asia and there will be no change in the relative rankings of the other larger economies in the region.

¹³ Forecasting economic growth is an exercise fraught with problems. Basically it is not possible to foretell the future. With economic growth there is a large number of variables that can have an impact. With increasingly internationalised and interlinked economies, forecasts will be greatly affected in complex ways by what we expect to happen in other economies and, as a consequence, the potential for 'getting it wrong' is compounded.

Taking into account some more qualitative assessments, we can envisage a much larger Chinese economy in the future. Although a deal of caution is warranted in predicting China's future, it is still reasonable to assume China growing from a larger base after the return of Hong Kong in 1997. Also, there is a view that official Chinese figures used as the base of these projections may underestimate GDP by a factor of three or four times.¹⁴ If we assume that China is several times larger, add in Hong Kong after 1997, and superimpose an annual average growth rate of 8% per annum over the next 20 years, then at the end of that time China would be virtually the same size as Japan (assuming Japanese economic growth of 3% per year over the period). Views that the strength of the United States and its role as a market for final products will need to continue to drive growth in East Asia are tempered by the vision of a large and increasingly affluent Chinese market within the region.

Table 5
Selected Growth Projections 1993-1997

**GDP
Growth**

	1993	1994	1995	1996	1997
OECD (average)	1.6	2.2	2.5	2.7	2.6
Japan	1.3	3.2	3.5	3.7	3.8
China	11.0	7.0	7.5	10.1	7.0
ROK	6.5	7.4	7.5	8.1	7.3
Taiwan	7.0	6.8	6.5	7.0	7.3
Indonesia	5.8	6.4	6.1	7.2	6.4

**Trade
Growth**

	1993	1994	1995	1996	1997
World (average)	4.7	5.5	5.8	6.4	6.1
Japan	0.3	2.9	4.2	4.9	5.1
China	12.2	13.3	12.0	18.0	12.0
ROK	10.0	9.9	8.7	9.9	9.7
Taiwan	7.1	8.3	7.5	7.0	8.5
Indonesia	9.3	9.9	9.8	11.5	10.2

Source: Economist Intelligence Unit, Global Forecasting Service, various country reports

¹⁴ R. Garnaut and Ma Guonan (1991) in *Grain in China*, East Asia Analytical Unit, AGPS, Canberra assessed that the consumption patterns evident in China were indicative of per capita incomes three times higher than official figures. Subsequently, the IMF has issued statements that it believes a more accurate figure for GDP may be as much as four times higher than the official figures.

Average GDP Growth	1993	1994-7 average
Japan	3.8	3.5
Asia	6.6	6.4
OECD	2.9	3.0

Source: IMF (October, 1992), *World Economic Outlook*.

Similarly, in two decades time we may be facing a unified Korea (an additional 22 million people and perhaps amounting to a 10% increase in GDP depending on the state of the DPRK economy at the time and the method of reunification).¹⁵ The real impact of such a larger Korean economy would be more likely to be felt in the 20 years after that, however (ie in 30 to 40 years time).

Today, the top seven nations in terms of economic size are called the G7 (Group of 7). These countries, in order of economic size are US, Japan, Germany, France, Italy, UK, and Canada. In two decades time the composition of that influential group is more likely to be US, Japan, China, Germany, France, Italy and a line call between Korea and the UK (the former likely to pull ahead in subsequent years).

2.3 Australia's Changing Relationship with East Asia

Just as East Asia has grown in significance in the world economy, so has it taken on added importance for Australia, the more so because this region is on Australia's doorstep. East Asia is now crucial to Australia's future economic performance. It accounts for around 60% of our exports. By comparison, the United States and the EC each account for some 10% of Australia's exports. East Asia also supplies about 40% of our imports and is a major source of investment, tourists and business immigrants as well as our most important market for education services. This relative importance has not always been the case. In the early 1970s, East Asia accounted for less than 40% of our exports and only around a quarter of our imports and we were much more dependant on Japan as opposed to other parts of the region, where our trading relationships were in the formative stages.

The wider APEC region is even more significant for Australia and accounts for almost 75% of our exports (the United States and New Zealand are both important markets). The UK is the only market in our top ten export destinations which is outside the Asia-Pacific region.

¹⁵ Some projections of the size of the DPRK economy and an analysis of scenarios for reunification are contained in East Asia Analytical Unit (1992), *Korea to the Year 2000: Implications for Australia*, AGPS, Canberra.

Perhaps the most telling evidence of how things have changed is the fact that in the early 1970s the only East Asian economies in our top ten merchandise export markets were Japan and Singapore, and Singapore was tenth. In the 1990s, seven of our top ten markets are in East Asia. They are Japan, Singapore, Korea, Taiwan, Hong Kong, China and Indonesia.

Merchandise Exports

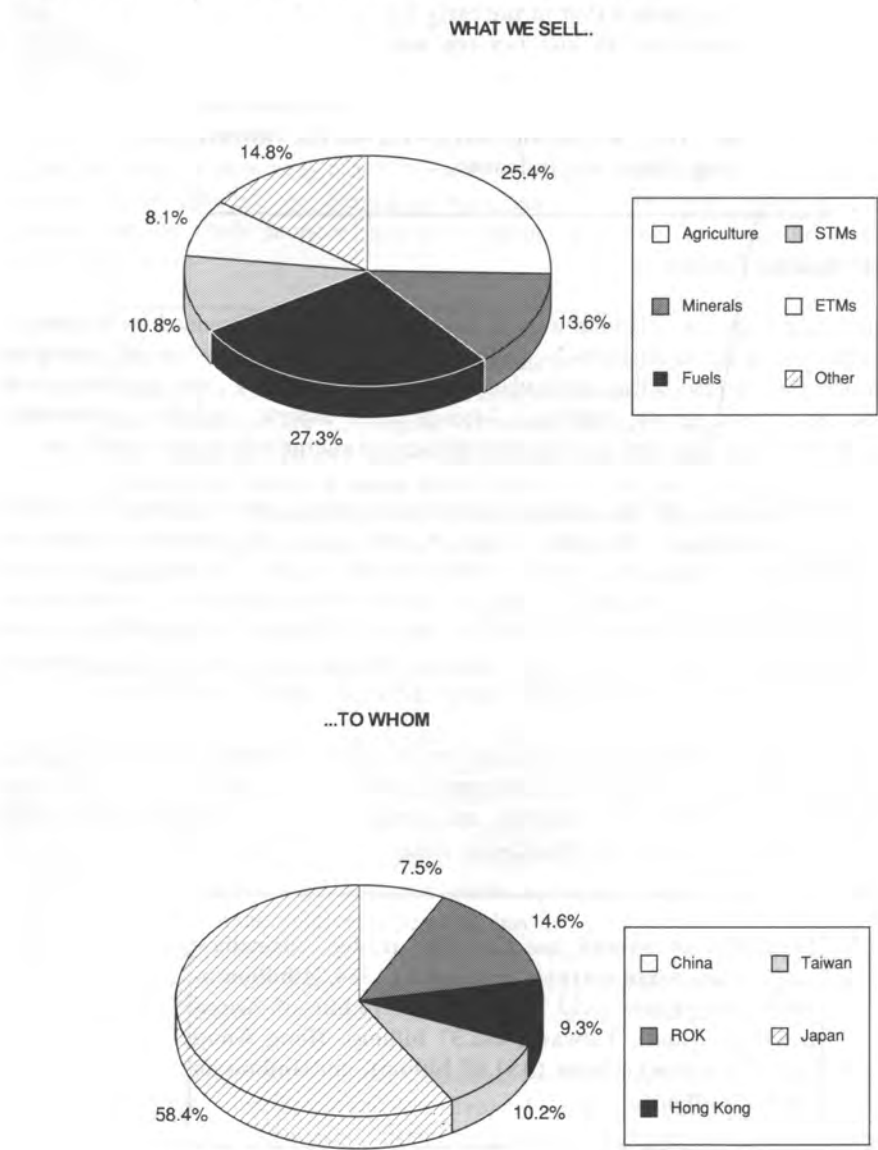
Australia's economic relationship with East Asia is still underpinned by exports of primary products, especially to North-East Asia. But the relationship has undergone considerable diversification, particularly in the past few years. Services exports to East Asia have grown rapidly. Manufactures exports, including elaborately transformed manufactures (ETMs), have also grown enormously from a small base.

The diversification of the economic relationship was largely attributable to rapid economic growth and structural change in East Asia. But structural change in Australia is also shaping our economic links with the region. The changing nature of what we can produce competitively has affected the direction of markets to which we successfully export. Rapid growth in ETMs exports to the region in recent years is one indication that a more economically efficient manufacturing sector is developing in Australia to meet the needs of rapidly industrialising economies to our north.

This has shown up particularly in our exports of ETMs to South-East Asia where this category comprises 23% of our total exports compared to only 8% for North-East Asia (Figs 3 and 4 indicate the direction and composition of Australia's merchandise exports to both North-East and South-East Asia).

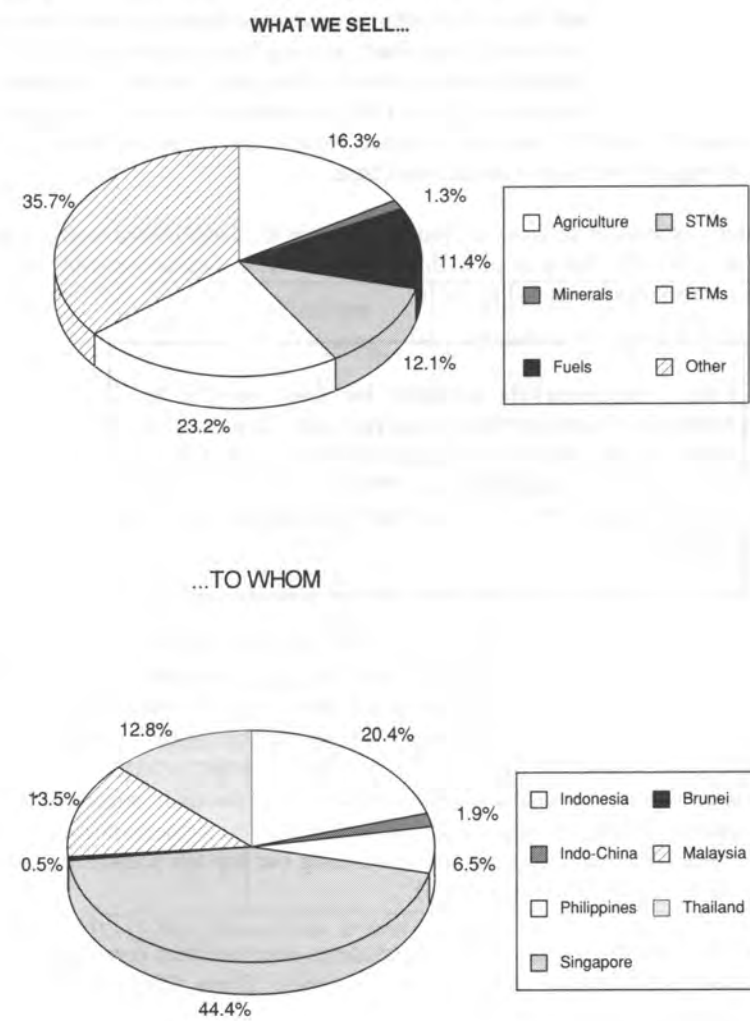
In terms of overall merchandise trade, Australia's major East Asian markets are Japan (A\$14.74 billion in 1992), Singapore (A\$3.77 billion), Republic of Korea (A\$3.65 billion), Taiwan (A\$2.57 billion), Hong Kong (A\$2.35 billion), China (A\$1.87 billion), and Indonesia (A\$1.73 billion).

Figure 3
Australian merchandise exports to North-East Asia, 1992



Source: ABS data

Figure 4
Australian merchandise exports to South-East Asia, 1992



Source: ABS data

- **Services Exports**

During the 1980s, exports of services to the economies in East Asia have grown by around twice the annual rate of growth of services exports to other destinations.¹⁵ Australia's services exports to North-East Asia in 1991-92 (around A\$3.5 billion) were almost twice as large as our exports of iron ore. Japan is Australia's most important market for services and since 1987, our services exports to Japan have more than doubled. Services exports to other North-East Asian economies have also increased rapidly, but from a much lower base.

Australia's exports of services to South-East Asia (ASEAN) were worth over A\$1.8 billion in 1991-92. Because of its high income levels, Singapore is by far the main market for services in South-East Asia.

East Asian markets account for over one-third of Australia's total services exports, with Japan now a larger market for services than the United States or the UK. East Asia provides over 40% of Australia's tourist arrivals and 95% of our full fee-paying overseas students.

East Asia now accounts for more than 40% of tourist arrivals in Australia. The growth in Japanese travel abroad has been so large in recent years that Japan has replaced New Zealand as the major source of short-term visitors to Australia. Around half a million Japanese arrive annually. Tourist arrivals from the ROK and Taiwan have also grown rapidly. South-East Asian tourist flows are also increasing in line with the growth in the middle classes. Singapore is the main source of South-East Asian tourists and in the Asian region is second only to Japan as a source of tourist inflow. Malaysia and Indonesia are also among our top ten sources of tourists and displaying strong growth (see Table 6).

Over 95% of Australia's full fee-paying students from overseas come from East Asia. Hong Kong and Malaysia are the top two sources. China, Singapore and Indonesia are also major sources (see Table 7).

¹⁵ ABS data (catalogue 5354.0, various years).

- **Direct Investment**

While Australian direct investment in East Asia is low in a relative and an absolute sense, East Asian direct investment in Australia is substantial (see Figs 5 and 6). As at mid-1991, cumulative direct investment in Australia from East Asian economies stood at over A\$50 billion. Most of the investment (A\$39 billion) came from Japan.

Table 6

Visitor Arrivals from East Asia 1991

	Tourists	Business Visitors	Visiting Relatives	Others
Japan	478,200	30,000	7,200	13,100
ROK	11,200	4,700	3,900	3,800
Taiwan	25,300	2,900	4,100	2,500
China	3,200	6,700	2,900	3,700
Hong Kong	32,600	8,000	15,000	7,200
Singapore	60,100	10,300	11,300	5,700
Malaysia	23,700	5,700	11,600	7,100
Thailand	14,200	4,300	2,700	3,400
Indonesia	19,900	4,400	5,000	7,600
Philippines	4,600	2,900	5,100	3,100
Brunei	1,100	100	700	600
Other South- East Asia	400	300	2,500	500

Source: ABS (1991), *Short-Term Arrivals and Departures*, Canberra, 1991.

Table 7

**Fee Paying International Students by Country
as at 30 June 1992***

LEVEL OF COURSE					
	Higher Education	Other Post Secondary	Secondary	ELICOS	Total
Japan	475	554	588	1,325	2,942
China	2,397	1,923	215	752	5,287
Hong Kong	5,886	1,501	2,184	150	9,721
ROK	600	613	458	961	2,632
Taiwan	572	429	476	612	2,089
Brunei	159	39	39	1	238
Indonesia	2,101	1,033	824	246	4,204
Malaysia	6,802	1,071	981	32	8,886
Philippines	364	42	24	2	432
Singapore	4,088	327	260	5	4,680
Thailand	709	481	255	323	1,768
Vietnam	75	5	11	3	94

*Source: Department of Employment, Education and Training.

Figure 5
Australian Direct Investment Abroad
Level, 30 June 1991

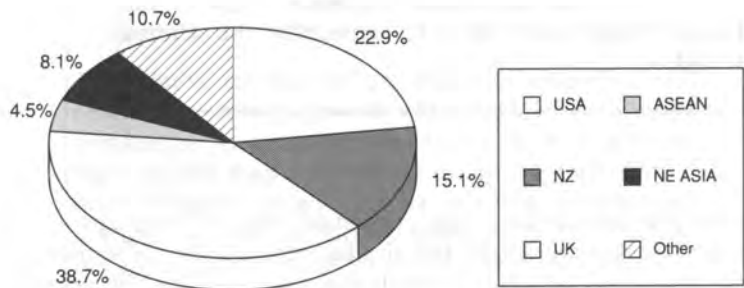
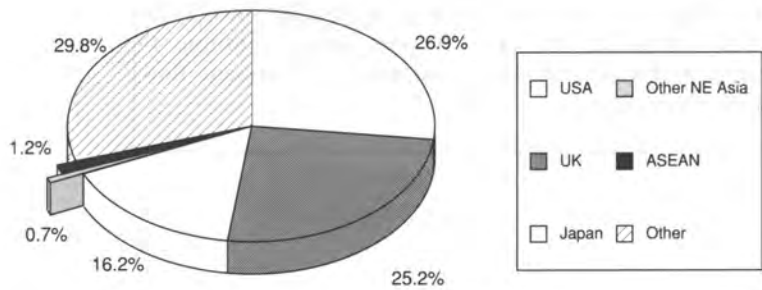


Figure 6
Direct Investment in Australia
Level, 30 June 1991



Source: ABS Catalogue No. 5305.0, 1990-91.

Australia's investment into the region is small, especially compared to trade links. Cumulative direct investment in East Asia in 1990/91 amounted to only A\$10 billion. The region accounts for only 12.6% of Australia direct investment outflow. The bulk of Australian direct investment continues to go to the United States and the EC, especially the United Kingdom.

Real estate and tourism have been important areas of emphasis for Japanese investment. Investment in tourist facilities has been a source of some concern, but strengthens Australia's prospects for continued high growth in Japanese tourism to Australia. Land ownership has been an issue of much greater sensitivity, but Japanese - and indeed foreign-ownership is quite limited. For example, under 1% of Queensland's land area was foreign owned according to a 1990 Queensland Government survey. In terms of area, the United States and United Kingdom were the largest holders, but Japan was the largest holder by value.¹⁶

In the early 1970s, the United States was the major source of direct investment flows into Australia, replacing the UK which had played that role until the 1960s. Direct investment from Japan has grown very rapidly since then, with Australia among the fastest growing destinations in the Western Pacific since 1985. The United States, the UK and Japan continue to account for almost three-quarters of investment flow into Australia.

¹⁶ Access Economics (January 1991), *Japanese Investment in Australia: A Report prepared for the Australia-Japan Foundation*: 17.

2.4 Outlook for Australia-East Asia Economic Relations

There will be considerable change in the structure of demand for Australian exports (including services) and in the direction of investment flows as a result of changes in relative incomes in the world economy. As demonstrated in section 3.2, East Asia is likely to continue outperforming the rest of the world.

The relative increases in per capita incomes that will result from stronger growth will mean that East Asian demand for Australian goods and services will increase more rapidly than will demand from other parts of the international economy. As we enter the twenty-first century, we will see further increases in the relative importance of East Asia for the Australian economy.

- **Outlook for Australian Merchandise Exports**

As mentioned in section 2.3, seven of Australia's top ten export markets are already in East Asia - East Asia is already of crucial importance to the Australian economy. The changes we can expect in the next ten to twenty years are therefore unlikely to be as dramatic as those of the past twenty years in terms of overall importance of East Asia, but will involve significant changes in terms of which East Asian economies are most significant and the sorts of products we export to those markets.

Table 8 contains details of the likely composition of Australia's major merchandise export markets in ten and twenty years time based on several methods of projection and incorporating some qualifications relating to sheer market size projections and accounting for the fact that some of the growth trends of the 1980s might have reached their limits. The results are summarised in the box below.

Twenty Years From Now - the Bottom Line

- Japan will continue to be important to Australia and is likely to retain its position as our top export market but will lose its relative share of Australia's exports as other markets become more affluent and trade more with Australia.
- A big change will be in terms of China's significance. Strong growth rates from an already large economy will boost demand for imports, including from Australia. Also, China and Hong Kong are both major markets for Australian exports. After 1997, if we view them as one market (making allowances for the products we already transship through Hong Kong to China), China is likely to move from being our tenth largest market to become our second largest market.
- There will be further decline in the relative importance of English-speaking economies, with the United States remaining a significant market, New Zealand dropping down in the rankings and the UK likely to disappear from our top ten list.
- There will be a strong growth in the importance of Indonesia (currently tenth largest market) which may move up as far as the fifth or sixth largest market for Australian exports. Korea and Singapore will continue to be important markets.
- Vietnam will grow in importance but not enough in the next twenty years to bring it into our top ten markets.

- **Outlook for Services Exports**

On a global scale, trade in services is growing faster than merchandise trade. In Australia's case, to date, our merchandise exports have continued to grow faster than our services exports.

Tourism is, and is likely to remain, Australia's major services export. During the 1990s, overseas visitors are expected to more than double from 2.4 million to between 4.8 and 6.5 million. The Japanese market is expected to be the major source of overall growth and could generate 2.28 million visitors and export earnings of A\$6.4 billion by the year 2000. Korea will also grow in importance and the Australian Tourist Commission anticipates well over half a million tourists each year from South-East Asia by the year 2000.

The most important East Asian sources of tourists in ten and twenty years time are likely to resemble our most important East Asian merchandise export markets. Japan will dominate, but Korea, Taiwan and Indonesia will be important. China will begin to grow in importance towards the end of that period but may be a more significant market for a range of services other than tourism, and particularly those associated with infrastructure development and workforce training.

Table 8

Australia's Top Twelve Merchandise Export Markets, 1992, 2002, 2012.

1992 Export Markets	Value \$A	10 year trend growth rates 1982-1992 (%)	2002 (Basic Trend Projections)^a	2002 (AES Model)^b	2012 (Basic Trend Projections)
Japan	14,747,574	10.6	Japan	Japan	Japan
US	5,123,327	10.2	ROK	US	China
Singapore	3,767,395	23.6	Singapore	ROK	Korea
ROK	3,651,847	18.2	US	Taiwan	Singapore
NZ	3,099,882	10.7	China	Indonesia	Indonesia
Taiwan	2,571,620	17.1	Taiwan	Singapore	US
HK	2,352,558	18.7	NZ	HK	(EC) ^c
UK	2,276,616	8.5	Indonesia	NZ	Taiwan
China	1,872,873	9.4	Malaysia	China	Malaysia
Indonesia	1,728,114	17.5	UK	UK	Thailand
Malaysia	1,139,645	10.5	(Thailand)	Thailand	(NZ)
Thailand	1,081,906	21.1			(India)

^a These projections are based on imposing trend growth rates of the past ten years on the next ten years and then adjusting for some qualitative judgements including allowing for China and HK to become one market after 1997; and sheer size constraints for some of the smaller markets which have grown at very strong rates in the 1980s.

^b These projections are based on a more comprehensive quantitative model which has been developed by Applied Economic Solutions. This version of the model does not account for Hong Kong's return to China in 1997. Also it keeps the US as the second largest export market but indicates very little difference in the level of exports to the US and the ROK, which suggests that these markets could easily overtake the US in subsequent years.

^c It is assumed that the EC might be considered as one market by the year 2012.

The likely strong growth in demand in an increasingly affluent East Asia for a range of services Australia can provide (particularly tourism but also telecommunications, professional and education services) is likely to see Australia participating more and more in services areas, exports of which now constitute more than a quarter of total world exports.

So while the direction of our merchandise exports is still the best indication of which East Asian economies will be most important to Australia in the next 10 to 20 years, our major markets for services also deserve increasing consideration. In fact, if we are considering these issues with a view to appropriate language training, services deserve even more weight when you consider that trade in services is generally more people-to-people intensive than trade in merchandise.

- **Investment**

There are likely to be changes in the sources of investment in the international economy as well as in Australia. Asian central banks hold a third of the world's foreign currency reserves and savings rates exceed 30% of GDP in most Asian economies.¹⁷

The world will increasingly depend on Asia for its capital. While Japan can be expected to continue to play a role as a major investing nation, it is likely that Korean, Taiwanese and Singaporean investment will increase in relative importance both here and elsewhere in the region.

In terms of outward investment, there is likely to be a stronger push for Australia to invest in the region. There has been a realisation that investment offshore is important in driving exports, in accessing markets and in being successful in markets. In the period up to 1997 it has been estimated that 40% of new global demand for investment is likely to come from Asia.

¹⁷ These figures were quoted in a speech by UK Foreign Secretary, Douglas Hurd in London on 14 July 1993.

To achieve the best returns and to obtain the best spin-offs in terms of market access and market share, the obvious place for foreign investment is in the fastest growing markets and so Australian investment is likely to focus increasingly on South-East Asia and on China to redress the declining interest in these investment targets which occurred during the 1980s. Within South-East Asia, Indonesia appears most likely to attract Australian attention based on growth projections, recent data and more recent anecdotal information.

2.5 East Asian Languages of Greatest Significance to Australia's Economic Future.

The working group has been tasked with developing a long term strategy for implementation of a comprehensive Asian language/cultures program in Australian schools. Given that the first beneficiaries of such a program are unlikely to graduate from secondary school until the first decade of next century, it is critical that this program focus on those languages and cultures which are most likely to be of the greatest long term benefit to Australia. Any attempt to cover all future contingencies by offering the full range of Asian languages in our schools would only result in dilution of national effort. Governments must prioritise if resources are to be used effectively.

The foregoing analysis of regional growth trends over the next two decades provides a reasonable basis on which this prioritisation can be made. As demonstrated in Table 8 above, between seven and eight of Australia's top ten merchandise export markets between now and 2012 are likely to be East Asian: Japan, China, Hong Kong, Taiwan, Singapore, Korea, Indonesia and Malaysia. While we have not been able to generate parallel projections for Australian service exports, it is likely that these same economies will represent increasingly significant Australian markets in the future. This will be particularly evident in relation to tourism given projected demographic changes in these countries and the growth of an affluent and, therefore, travelling middle class. Furthermore, Japan will remain, and Taiwan, Singapore and Korea are likely to become, a significant source of foreign direct investment in Australia.

It is, therefore, highly probable that East Asia will increase in importance for the Australian economy. In 20 years time, Japan is still likely to be the single most important economy for Australia but other East Asian economies will be relatively more important to us than they are now. The single most important difference will be the growth in importance of China, both in the global sense and in terms of Australia's interests. Other regional economies will increase in significance for Australia, but the most important ones are likely to be Korea, Singapore, Indonesia and Taiwan.

The conclusion arising from the foregoing analysis is that the languages Australia should focus on for the future are:

- Japanese,
- Chinese (Mandarin) (covering China, Taiwan, Hong Kong¹⁸ and Singapore),
- Indonesian¹⁹ (covering Indonesia and Malaysia), and
- Korean.

These language priorities should be the subject of periodic review - against the possibility that future regional developments cause other Asian economies to become as important to Australia as those identified above. In this context, particular attention should be paid to Thailand and Vietnam. Nonetheless, given the extensive resources dedicated to the development of a national strategy based on just four languages and the long lead-times involved, any expansion of the number of priority languages must be based on rigorous economic analysis (of the type provided by DFAT for the purposes of this report) and by a comparable recognised authority.

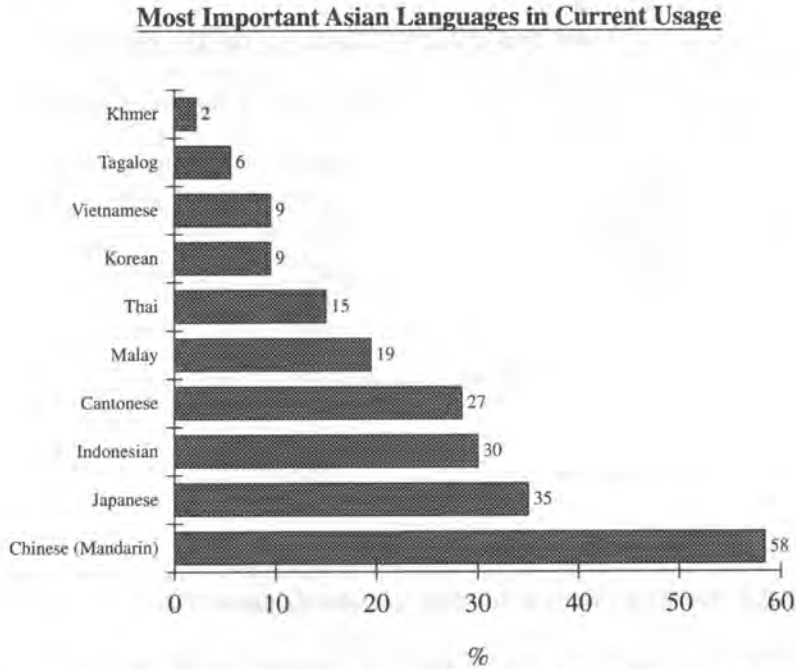
2.5.1 Survey of Business Attitudes to Current Needs for Particular Asian languages

An AGB McNair survey commissioned in September 1993 of 529 businesses with some level of corporate interest in East Asia largely reflects these priorities - with the partial exception of Korean. The survey found that the Asian language most likely to be of greatest importance to current business operations was Chinese (Mandarin). Over half (58%) of those using an Asian language nominated Chinese (Mandarin), followed by one third (35%) Japanese and one third Indonesian (30%). Whilst Chinese (Mandarin) remained the most important Asian language for businesses of all sizes, it appeared that Japanese was more likely to be of significance to the largest companies. Amongst the seventy-one companies with 500 or more employees, Japanese was nominated as an important language (in current use) by approximately half (48%). (Figure 7)

¹⁸ This assumes that Chinese (Mandarin) will be adequate (although not ideal) for use in South China and Hong Kong. The working group does not consider the resources necessary to develop a separate Cantonese curriculum (or, for that matter, curriculum for other Chinese dialects) justifiable given that Chinese (Mandarin) as a written language is common to all dialects and as a spoken language increasingly used throughout Greater China as a result of official Chinese government policy over the last 40 years. Chinese (Mandarin) is also now taught extensively in Hong Kong schools - a trend which will only increase in the lead up to and after reunification in 1997.

¹⁹ It is similarly assumed that Bahasa Indonesia will provide an adequate (although again not ideal) basis on which students can subsequently acquire Bahasa Malay.

Figure 7



2.5.2 Survey of Business Attitudes to Future Needs for Particular Asian Languages

The AGB McNair survey also tested those businesses which had indicated that Asian languages/cultures were important as to which languages would be most important to them in the future. Respondents were asked to choose from a list of ten Asian languages the first, second, third and fourth most useful for their company's business activities in Asia. Although this was a different question from the spontaneous nomination of languages which were currently important to businesses (see previous graph) the results were very similar. Chinese (Mandarin) remained the language for which there was the most widespread need, across all company sizes. Japanese, Indonesian, Cantonese, Malay followed - all at fairly similar levels of demand.²⁰ Languages for which there was a small perceived need were Korean, Vietnamese, Thai, Tagalog. Khmer was not identified by any of the respondents as having any use to business activities in Asia. (Table 9)

²⁰ Taking all four responses into account, an overall ordering from the most useful language to the least useful can be achieved using mean scores. This results in the following ordering - Chinese (Mandarin) (1.98), Indonesian (1.36), Japanese (1.31), Cantonese (1.00), Malay (0.93), Korean (0.52), Thai (0.35), Vietnamese (0.34), Tagalog (0.11), Khmer (0.00).

Table 9**Most Useful Asian Languages for the Future**

	Most Useful	Second Most Useful
Chinese (Mandarin)	34%	16%
Japanese	20%	12%
Indonesian	17%	15%
Cantonese	11%	13%
Malay	10%	10%
Vietnamese	3%	3%
Korean	2%	7%
Thai	2%	5%
Tagalog	-	3%
No others	-	14%
Don't know	2%	5%

2.5.3 Changing Pattern/Intensity of Asian Language Use

In 20 years time, the sorts of changes we can expect in the composition of our trade with the region also suggest that languages and cultural understanding will play an increasing role in our ability to operate effectively. Elaborately transformed manufactures (ETMs) are likely to be a much more significant part of Australia's exports than they are now. Trade in these products is more people-to-people intensive than our historical trade in commodities in terms of advertising and selling the product, installation and after sales servicing of equipment and machinery. Furthermore, greater export of Australian services will involve even more intensive and extensive people-to-people transactions than for other exports. Not only is the nature of each transaction likely to be more complex but such transactions will involve greater numbers of smaller firms and individuals dealing directly with regional customers than before.

A stronger regional presence by Australian firms, including through investment and joint ventures, will also be particularly important in expanding Australia's exports. This requires a higher level of language ability and cultural understanding than the more direct trade we have focused on in the past. The understanding of others' languages and culture can give firms the edge in a region that is increasingly open, but open to all comers. The competition for the opportunities resulting from East Asian growth will be enormous and better language capacity will serve Australians well in such competition.

Finally, the rapid expansion of total East-Asian intra-regional trade as a proportion of total regional trade (35% in 1980, 45% in 1991) is itself of significance to future language priorities. This means that internationally significant economic transactions are increasingly occurring between countries where English is neither a first nor an official language. This growing interdependence within the non-English speaking economies of the region, the increasing dominance of these economies as a proportion of total world trade (45% by 2012 on current trends) and the corresponding relative decline of North America's historical economic pre-eminence combine to make the principal languages of East Asia more important both globally and regionally. While English may continue to be one language of business of the region, its relative importance is likely to decline and it cannot be assumed that English will be sufficient in the future to gain wide access to the markets of East Asia.

The various issues raised in 2.5.3 are dealt with in greater detail in relevant sections of Chapter 3.

In summary,

- **The languages Australia needs to focus on for the future are Japanese, Chinese (Mandarin), Indonesian and Korean. These are the languages (apart from English) in which Australia will have its most significant economic dealings over the next 20 years and beyond. Together, these languages cover the eight East Asian countries listed above.**
 - **These languages are explicitly recognised by Garnaut (1989), as the four priority languages for Australian educational institutions to focus on in the future.**
 - **They also reflect the current and projected priorities of Australian business (as tested through market research).**
 - **There will, however, need to be a periodic review by a recognised analytical body of regional economic developments to determine whether other regional languages may warrant prioritisation in the future.**
- **The transactional intensity of Australia's economic dealings with these countries will increase as a result of:**
 - **the changing composition of trade from commodities to ETMs and services, and**
 - **the increasing number of small to medium firms (see McKinsey 1993) dealing directly with East Asian firms of similar size**

therefore requiring greater Asian languages/cultures skills than before.

- The increasing global economic significance of the economies of East Asia together with their increasing level of regional interdependence and non-dependence on English speaking economies are likely to make East Asian languages more significant over time in relation to English not less.

RECOMMENDATION 2A

It is recommended therefore that COAG agree:

- that the four priority Asian languages for future expansion through the Australian school system be Japanese, Chinese (Mandarin), Indonesian and Korean.
- that every three years DFAT be commissioned to undertake analysis of regional trends in order to determine whether other languages may warrant parallel prioritisation in the future.

CHAPTER 3

THE ECONOMIC SIGNIFICANCE OF EAST ASIAN LANGUAGES/CULTURES SKILLS TO AUSTRALIA

INTRODUCTION

Chapter 2 argued that East Asia will be of long term economic significance to Australia and that within the region, Australia should concentrate on four priority languages: Japanese, Chinese (Mandarin), Indonesian and Korean.

Chapter 3 will argue that the acquisition of these languages/cultures skills will contribute to improved Australian economic performance in the region. The relationship between language acquisition and economic performance is already assumed in the terms of reference provided by Heads of Government to the working group. This assumption is also reflected in the extensive body of official and professional literature dealing with this issue over the last 25 years (discussed in Chapter 1 above). There is, moreover, substantial international literature (principally from the US and UK - the world's two largest English speaking economies) supporting the language skills/export performance nexus²¹. The working group nonetheless concluded it would be useful in any public debate arising from the report to review again the overall rationale for expanding Asian languages/cultures education in Australia.

3.1 Importance of the Export Sector to Long Term Economic Growth

The starting point in our assumptions about the importance of second languages/cultures skills is our more fundamental assumption about the importance of the export sector to Australia's long term economic growth and employment performance. In 1994 this may appear to Australian policy elites to be a statement of the obvious but there is evidence that this is still far from obvious to many sectors of the Australian economy and society. COAG, for example, in commissioning this report in December 1992 continued to speak of the need for all governments "to make concerted efforts to strengthen the development of an export culture in Australia".

²¹British Overseas Trade Board Study Group (1979) *Foreign Languages and Overseas Trade*, BOTB, London; Hagen, S., (ed.) (1988) *Languages in British Business. An Analysis of Current Needs*, Newcastle upon Tyne Polytechnic in association with CILT, Newcastle; Hoegl, J., (1986) "Education in the World System: The Demand for Language and International Proficiencies in Economic Development and National Security", *Foreign Language Annals*, Vol. 19, No. 4: 281-287; Liston, D., and Reeves, N., (1985) *Business Studies, Languages and Overseas Trade: A Study of Education and Training*, Macdonald and Evans and the Institute of Exports, London; P.E. Consultant Group (1979) *Languages and Export Performance*, Royal Society of Arts, London; Presidents' Commission on Foreign Language and International Studies (1979) *Strength through Wisdom: A Critique on U.S. Capability*, Office of Education, Washington; Reeves, N., (1985) "Education for Exporting Capability - Languages and Market Penetration", *The Incorporated Linguist*, Vol. 24 no. 3/4: 147-153; Simon, P., (1980) *The Tongue-Tied American: Confronting the Foreign Language Crisis*, Continuum, New York.

Total exports now account for some 20% of Australia's GDP, up from approximately 16 per cent in the late 1980s. The contribution of merchandise export to GDP, however, remains relatively low. At approximately 15% of GDP, Australia's merchandise export to GDP ratio has remained largely unchanged during the last thirty years. Even accounting for population size and distance from markets, the export orientation of the Australian economy is still below that of comparable industrial economies. Despite recent growth in tourism earnings, Australia's service exports also lag behind those of other industrial countries (Hughes, 1989: 9; CEI, 1989).

Exports are a means of relieving the national economy of external debt constraints on future economic growth and employment growth (see Commonwealth Budget Paper 1 1993-94: 2.46-2.48). If Australia is to sustain improvements in its relative living standards and significant reductions in unemployment, it is imperative that national export performance continues to improve. As the 1989 report of the Committee for Review of Export Market Development Assistance, *Australian Exports*, concluded:

"We have to increase exports in relation to total production if we want to ensure that we can service our external debt and maintain economic growth in the future" (Hughes, 1989: 5).

The growth scenarios outlined in a recent Economic Planning Advisory Council (EPAC) Report *Medium-term Review: Opportunities for Growth*, estimate that to support rates of economic growth in the Australian economy sufficient to reduce unemployment, export growth rates faster than the natural growth rates in the markets where they compete will be required. The EPAC Report concludes that while export growth rates of this order are historically high, they are feasible because of the high expected rates of growth in the rapidly growing Asian economies (EPAC, 1993).

EPAC's findings support the trends in Australia's trade and investment links with East Asia reported in Chapter 2. However, the dynamism and importance of East Asian economies is being increasingly recognised by other national economies. It is likely that competition for markets in East Asia will intensify in years to come. Competition for these markets will come not only from Europe and America, but increasingly from North and South East Asian producers themselves (see Drysdale and Garnaut, 1993). Australia needs to match the efforts of other areas of the world in accessing and competing in these markets.

Trade and investment policies of governments at both the State and Federal levels recognise the importance of the Asia-Pacific region and East Asia in particular.

The Commonwealth Government has acted to strengthen our growing trade links with the Asia-Pacific region. A key element of the Commonwealth's policy is the development of the Asia Pacific Economic Co-operation (APEC) forum. APEC promotes the principle of open regionalism whereby all parties work towards the progressive removal of the administrative, legal and infrastructure impediments to trade. The Commonwealth also encourages stronger bilateral trading relations with trade agreements in place with all Australia's major trading partners in the region.

Under the National Trade Strategy the Commonwealth and the States co-ordinate their trade promotion and policy efforts to target particularly promising regional markets for Australian exports and the trade and investment policies of all States and the Territories recognise the importance of East Asia:

- Trade and investment promotion in New South Wales in recent years has focused strongly on the markets of the region, including Taiwan, Japan, Singapore, Thailand, Vietnam and Hong Kong. Sister state relationships have been established with China's Guangdong Province and the Metropolitan Governments of Tokyo and Seoul.
- In Victoria the Department of Business and Employment, through the Office of Trade and Investment, assists exporters to access targeted markets (including markets in East Asia), encourages investment into the State from the region and facilitates the establishment of joint ventures. In delivering these services, the Department uses Victorian Government Business Offices in Tokyo and Hong Kong. The Victorian Government is also committed to setting up a representation arrangement in Seoul and is currently undertaking a feasibility study on an appropriate location for a new office in South East Asia.
- In Queensland the Trade and Investment Development Program has been established with International Secretariats for Japan, Korea, China and Indonesia to encourage strong trade and investment relationships between Queensland and the East Asian region; the Queensland Government has established offices in Japan, Taiwan and Hong Kong to promote Queensland's business interests in the region and provide advice and facilitatory services to Queensland firms wishing to enter these markets.
- Western Australia has a program of trade and investment promotion focused principally on the Asian region. The program is delivered through the Department of Commerce and Trade and its offices in Hong Kong, Kuala Lumpur, Tokyo and Singapore. The State also seeks to maximise commercial benefits from its sister state relationships with Hyogo Prefecture, Japan (through an office in Kobe); Zhejiang Province, China; and East Java Province, Indonesia (through an office in Surabaya). The program delivers assistance to Western Australian organisations seeking to export and/or establish joint venture investment projects with partners in the region.
- South Australia is actively pursuing strategies to build cultural, trade and investment alliances within the Asia-Pacific region. The Government has established long-term trade relationships with Okayama province in Japan and Shandong in China and has representatives in several Asian countries with a full time South Australian Office most recently established in Indonesia.
- In Tasmania the Export and Major Market Development Section in the Department of Development and Resources provides specialist services to exporters. Priority markets have been established in two groups. Priority one consists of Japan, Taiwan, Hong Kong and Singapore. Priority two includes Malaysia and Korea as well as the USA and the UK.

- The Northern Territory Government aims to establish the Territory as a gateway to North and South-East Asia. A South East Asia Group has been established to access Asian markets for Northern Territory products and services and encourage commercial links and joint ventures with South-East Asian corporations.

All Australian governments, Commonwealth, State and Territory, therefore recognise that an improved national export performance by Australian firms is not only desirable but in fact critical if future Australian growth rates are to be sufficient to sustain improvements in employment and living standards.

3.2 Languages & Cultures Skills as a Factor Affecting Export Competitiveness

Section 3.1 discussed the relationship between improved export performance and long term economic growth, employment and living standards. Recognising this relationship is one thing. Identifying what government policy can do to improve export competitiveness is another. Furthermore, identifying the significance of improved languages/cultures skills relative to other factors impacting on overall export competitiveness is more difficult again.

There are of course a range of factors affecting the international competitiveness of Australian firms. These include:

- the cost and quality of inputs, including raw materials, energy, transportation, labour, etc;
- cost of capital through variations in domestic and international interest rates;
- quality control mechanisms;
- official barriers to trade including tariffs, quotas and subsidies; and
- exchange rate variations.

These factors, individually and collectively, represent "objective" costs to firms. In most cases they are, or have been, the subject of important national economic reforms. This reform program must continue, most particularly the range of critical microeconomic reforms involving Commonwealth, State and Territory governments commenced in 1990.

In addition, however, considerable impediments to improved export performance by Australian firms can also arise from non-cost (or non-explicit cost) factors which tend to be nationally and culturally specific. Drysdale and Garnaut describe these as "subjective" resistances to trade and these factors comprise:

a range of social, psychological, and institutional factors that cause prices to vary across geographic space by larger margins than can be explained by the necessary costs of overcoming objective resistances. Subjective resistances derive from the perceptions of risk and uncertainty, ... imperfection in the information available to firms, and from the processes through which firms engaged in trade make decisions that affect the volume, geographic direction, or commodity composition of trade (Drysdale and Garnaut, 1993:190).

Drysdale and Garnaut (1993:190) go on to argue that "differences of political and legal systems, culture and language that differentiate nations from one another as market areas"²² should be seen as "factors affecting the costs of overcoming subjective resistances to trade".

As to the relative significance of these "subjective resistances" to the overall competitiveness of firms, Drysdale and Garnaut (1993:190) argue that "there is some evidence to suggest that subjective resistances can be quantitatively more important than objective resistances". In this context they refer as an example to a recent analysis²³ of the increasing role played by Hong Kong in international trade with China despite reductions in objective resistances to direct trade between Chinese enterprises and the rest of the world. They conclude that:

the resolution to this paradox can be found in the effect of China's internationalisation in increasing the range of firms and commodities participating in foreign trade and therefore the transaction costs in dealing with them (Drysdale and Garnaut, 1993: 191).

Ultimately it is difficult to determine the impact of the cost of subjective resistances to trade of this type on Australian firms. Furthermore, it is more difficult to test the precise impact of language and cultural factors within overall cost. It would be empirically problematic to compare the performance of, say, Firm X, which sought to offset the resistances imposed by language and cultural factors by incorporating the necessary skills in the firm and Firm Y, which simply ignored these resistances. It would probably be impossible to screen out all other factors affecting the two firms' competitiveness (eg. differing economies of scale, fluctuating market conditions, disparate management performance) to arrive at methodologically sound conclusions on the precise cost impact of the language/cultural factors. (In this context, it should be noted that not dissimilar methodological difficulties exist when testing the precise impact of other supposedly more quantifiable factors affecting firm competitiveness - eg. investment in technology, research and development, etc.)

²²Citing Johnson (1968).

²³Sung Yun-Wing (1992), "The Economic Integration of Hong Kong, Taiwan and South Korea with the mainland of China", in Garnaut, R., and Liu Guoguang (eds) *Economic Reform and Internationalization: China and the Pacific Region*, Allen and Unwin, Sydney.

Nonetheless, three general conclusions need to be noted on the overall impact of languages/cultures skills on competitiveness:

- there is substantial academic research to establish that the cost impact of 'subjective resistances' to trade is significant;
- languages and cultural factors represent a part of these resistances; and
- policies aimed at reducing the impact of these factors will improve the international competitiveness of Australian firms - they should desirably occur in conjunction with the raft of other continuing policy reforms (eg. micro reform of energy, transportation and labour markets) aimed at reducing 'objective' costs to firms but are nonetheless important in their own right.

3.3 The Relevance of Language & Culture Skills to the Creation of an "Export Culture"

Australian governments have been debating the need to develop an Australian "export culture" for more than a decade. Although the term has not been formally defined, an "export culture" is taken to mean an economy in which firms regard exports as a normal rather than exotic form of activity and where firms see international sales as being as natural to their mainstream operations as sales on the domestic market. It is, therefore, an important **perceptual** factor impacting on the performance of firms - in addition of course to the range of **physical** cost factors affecting the competitiveness of firms. In short, a firm may be internationally competitive (or have the capacity to become so) but through a culture of introspection focus its efforts exclusively on the Australian domestic market.

Stephen FitzGerald has noted that the absence of an export culture in Australia in the past is linked to the fact that we have also lacked a culture of learning foreign languages²⁴. FitzGerald argues that Australia's geographical isolation in addition to its historical dependence (at least for the first 175 years of its post-settlement history) on English speaking economies have thwarted the development of any substantial tradition of language learning in Australia. Until recently, learning a second language (in particular an Asian language) was regarded as exotic rather than a normal feature of a rounded education. FitzGerald goes on to argue that Australian monolingualism has actively reinforced historical tendencies towards economic insularity.

Plainly the incorporation of languages more fully into the mainstream of the Australian school system will not of itself bring about the spontaneous creation of a robust export culture. There is, however, a relationship between the two (as Heads of Government acknowledge in their December 1992 communiqué). A culture of language learning will over time assist certain firms to identify international markets for the first time and then to regard such markets as a normal part of their future operations.

²⁴*The Australian*: 20 October 1993

Beyond the learning of priority languages is the equally important contribution of a broad understanding of the political, economic and social diversity of regional countries in which those languages are spoken. The study of Asian languages in the absence of a parallel investment in Asian studies (ie. the study of Asian societies as an integrated part of the regular subject-based curriculum in schools) would not be productive in terms of achieving a creative export culture. A capacity to communicate linguistically is one thing. A capacity to communicate in a culturally sensitive manner through a systematic study of the country in question is another. Both are critical if Australian business in the future is to maximise its capacity to identify markets and to negotiate successfully commercial contracts within those markets.

3.4 The Importance of Effective Communications Skills to the Performance of Firms Operating in both Domestic and Export Markets

The importance of language/cultural factors to the overall costs faced by firms operating in international markets is further informed by recent recognition of the importance of effective communication skills in firms operating in any market - domestic or international.

Language is the indispensable basis for communication. The better we are at language, the more effectively we are able to communicate, to conduct transactions and to secure outcomes satisfactory to ourselves.

3.4.1 Education System

The importance of communication to student outcomes has already been acknowledged to a large degree by the education system. National trends in Australian education, vocational education and training emphasise the importance of improving the communication skills of school students. At the 1992 Australian Education Council/Ministers of Vocational Education, Employment and Training (AEC/MOVEET) meeting, seven key competencies - the Mayer competencies - were endorsed for further development. The Mayer competencies relate to key areas of competence considered essential for young persons to achieve employment. These are the ability to:

- collect, analyse and organise information;
- **communicate ideas and information;**
- plan and organise activities;
- work with others and in teams;
- use mathematical ideas and techniques;
- solve problems; and
- use technology.

At the July 1993 AEC/MOVEET meeting a decision was made to amend the list of key competencies to include cultural understandings. To bring this to fruition, the Queensland Department of Education and the Queensland Vocational Education, Training and Employment Commission have been given responsibility for managing a project to further develop cultural understanding as a key competency. The key competencies have, however, not been nationally implemented as a consequence of the collapse of the AEC/MOVEET forum in July 1993.

3.4.2 Corporate Performance

There has been a parallel recognition of the importance of communication skills within firms, between firms and government and between firms and markets. The accurate and effective communication of information within an economic transaction is critical to its outcome. "Effective" in this context implies that communication has not been impaired or impeded as a result of cultural inappropriateness.

If accurate and effective communication is important to firms operating in Australia, it is surely doubly important to firms operating outside Australia. The cultural appropriateness of communication methods of a firm operating within Australia is often, perhaps erroneously, assumed. It cannot however be assumed in an international context.

Stanley *et al* (1990) refer to a DFAT survey of 100 Australian firms operating in the UK with plans to expand into Europe following the creation of a single European market. The survey results stated that the advantages identified by Australian firms in doing so by means of a European joint venture were:

- cultural/local knowledge (67%),
- market intelligence (66%),
- familiarity with language (64%) (Stanley *et al*, 1990: 34).

These findings are likely to be even more applicable to firms operating in culturally less familiar East Asia.

Leal documents a number of examples of culturally inappropriate communications by Australian firms operating internationally which had damaged their business (Leal, 1991: 9-15). Leal quotes the Chief Executive of MIM stating that although it was possible to do business in Japan, without Japanese language skills, "to do good business needs understanding of the culture and that means the language" (Leal, 1991: 11).

This latter comment is particularly important in reinforcing the inextricable relationship between linguistic and cultural knowledge in effective communication. One is in fact ineffective without the other. A culture cannot be properly comprehended in the absence of at least some knowledge of the language (Wilson, 1990). The soft option of teaching cultures only is of marginal value given that it leaves the student culturally informed but still denied the critical transactional skill of being able to communicate. Similarly, language skills in isolation will not be effective and could in fact be harmful if not informed by a full knowledge of the relevant culture (Brick, 1991: 4; and Koyama, 1991: 1-2).

In summary,

- **effective communication skills are critical to the performance of all firms irrespective of the nature of their markets;**
- **this is doubly true of firms operating in international markets; and**
- **effective communication skills in an economic transaction require an equal commitment to both linguistic and cultural dimensions of the transaction.**

3.5 English Language Ability in East Asia

An argument often raised against the need to expand Asian languages/cultures education in Australia is that such a large scale national effort is not necessary because English has become the language of business in the region, and is likely to remain so.

The Commonwealth Government's advisory body on Asian Studies, the Asian Studies Council, attacks this argument head on in its 1988 *National Strategy for the Study of Asia*:

Many Australians believe that the growth which took place in our trade with Asia not only represents success on our part, but demonstrates that we can succeed without acquiring the languages or knowledge of Asia.

The extraordinary thing about this complacent view is that it seems to rest on the belief that you don't have to know your market and, worse, that there is less need to know your foreign market than the home market whose language you speak. Many Australian firms which would not contemplate entering a major deal in Australia without proper preparation, research and intelligence, will send people who have little knowledge or experience of the country with which they are dealing to negotiate in Asia. This approach is built on several fallacies.

- The fallacy that we can make do with interpreters, supplied by the other side, when we will never know whether the other side understands precisely what we are saying or even understands us at all.

- The fallacy that we do not need to train Australians because we can employ Asians to do the job.
- The fallacy that English is the language of business in Asia because our trading partner speaks English, when in North Asia and most of South-East Asia we cannot read his newspapers, understand his television, comprehend a word of what is said by his non-English speaking colleagues, advisors, boss, business partners, or politicians, or even know what language he is speaking when he negotiates with a person from another Asian country.
- The fallacy that we do not need to do what our trading partner does - which is to demand that his people master other people's languages and the country skills required to deal with those other people.

The perpetuation of these complacent views serves us badly now that our trading environment is changing (ASC, 1988: 10).

Valverde's 1990 Report for the Department of the Prime Minister and Cabinet concurred with this analysis:

Through our study we found that 'the availability and importance of English still clouds our perceptions and cushions our linguistic disadvantage' (Hagen, 1988). It was basically felt that Australians were not prepared to learn another language if they could 'get by with English'. Some were quite adamant that their clients were the ones who should learn English. The only cases where they were prepared to make an effort was with clients who although they had some knowledge of English were not very keen in dealing in that language - the case of the French - and with those clients who were very important or were envisaged to become very important in the future and were notorious for speaking their own language at meetings, leaving the Australian businessman at a loss - the case of the Japanese - (Valverde, 1990: 48).

Leal endorses both Valverde's and the Asian Studies Council's refutation of the "English is enough" argument in his 1991 report on *Language Teaching in Higher Education* to the Commonwealth Minister for Employment, Education and Training:

In contrast to the situation in some other English speaking countries like the United Kingdom, where there is at present a high and growing consciousness of the need for knowledge of the language and culture of the target export country, most Australian companies have little apparent awareness of the language element in export success. This seems to be true of all but a few small and middle-sized companies that have used knowledge of a foreign language and culture to establish themselves in a profitable 'niche'. Many of the others are prepared to deal only with countries and firms where English is spoken. Managers insist that English is perfectly adequate for all their transactions and fail to recognise the opportunities that they have to penetrate the growing number of important non-anglophone markets. Practical (and often bitter) experience seems the only telling means of convincing such companies that the English language is not sufficient (Leal, 1991: 9-10).

Leal goes further to argue that in fact a number of business managers are not so much convinced that English is "the" international language than they are simply limited by the scope of their linguistic and cultural experience and perhaps threatened by the unfamiliar:

At least part of the problem is narrowness. Monolingual managers tend to be blinkered by their narrow linguistic and cultural vision and fail to appreciate how much more effective they could be with knowledge of another language and its culture ... Never having experienced another culture ... these managers are frequently only dimly aware of what they have missed. In many cases there is a temptation to compensate for this lack through studied indifference, unwillingness to explore beyond their restrictions, and, in the worst scenario, derision of foreign languages and cultures (Leal, 1991: 10).

This critique is now perhaps too harsh in the light of more positive findings of the McKinsey Report (1993) and other recent surveys of business community attitudes to the region. Nonetheless, the "English is enough" argument continues to enjoy at least some currency in both the business and broader communities. The following points are therefore worth noting:

- First, the national education policies of China and Japan do not require compulsory English language education at primary, secondary or tertiary levels. Those that elect to study English with any degree of intensity represent only a small proportion of even the total professional population of these societies. This is prospectively problematic given the proliferation of firm-to-firm and people-to-people contacts now occurring between Australia and East Asia - contacts involving large numbers of East Asians without a workable knowledge of English.
- Second, the quality of English language education in East Asian countries is highly variable. Apart from the professional interpreter classes of these societies, there is an almost universal preference, as in Europe, to use one's native language - ie the language in which one is naturally most comfortable. Invariably East Asians are not naturally most comfortable in English.

- Third, it is often seen as a mark of respect to these societies to have made the effort to learn their languages and cultures. In societies which tend to attach greater priority to social protocols than our own, this can be important in the overall success of a negotiation.
- Fourth, there is no data to substantiate the conventional wisdom that English is the principal economic language of the region. As noted in Chapter 1, intra-regional trade now accounts for 45% (and rising) of total East Asia trade. We cannot imperially assume that the bulk of these transactions are naturally occurring in English. We simply do not know. Japanese, for example, is already a major foreign language in the education systems of China, Korea, Taiwan and Hong Kong and the Japanese government is spending significant sums of money on the propagation of Japanese language in South East Asia (Leal, 1991: 16). In the next century, particularly if Chinese economic growth projections are realised, Chinese (Mandarin) and other Chinese dialects may become increasingly significant languages of intra-regional economic activity, particularly where there are large concentrations of overseas Chinese.
- Fifth, we cannot make long term assumptions about the future status of English as an international language. The extent that English is currently used as "the" international language of business reflects the dominance of English-speaking countries in the world economy over the greater part of the twentieth century. However, shifts in global economic power are increasingly bringing into question whether this will always be the case.
- Sixth, irrespective of which languages come to dominate intra-regional or international economic transactions in the future, East Asian societies may prove to be as prone to "linguistic nationalism" as certain European societies have shown themselves to be - eg. France. The preservation of cultural identity could prove to be a powerful factor in determining the future national language policies of the region.
- Finally, it is critical that Australians are in command of the language in which important economic transactions occur - irrespective of whether these are formal transactions across the negotiating table or informal (and often more important) transactions in a social setting. There is already significant documentation of first hand experience by Australian negotiating practitioners as to the leverage which obtains to the party which understands the native language of the other side. A former senior officer of the Commonwealth Department of Foreign Affairs and Trade described this in a paper as "controlling the communication process".²⁵ BHP executives have in previous studies admitted to a loss of control in the negotiating process through the absence of Japanese language skills on the Australian side and their reliance instead on professional interpreters (Leal, 1991: 12). In short, direct command of the language of a negotiation confers power in that negotiation. Even Britain now recognises this phenomenon and the fact that negotiations between British firms and European partners will not necessarily be conducted in English.

²⁵Leal (1991: 394-96).

Leal quotes the telling remark of the German Minister for Economics to make the point:

If you wish to buy from us, there is no need to speak German, but if you want to sell to us ... (Leal, 1991: 16),

which Leal reinforces with the conclusion of an analyst of Anglo-German commercial negotiations:

There are a number of erroneous beliefs which businessmen entertain to rationalise their view that language skills are an irrelevance. The most pervasive and the most nefarious is the belief that all Germans speak English anyway. The first answer to that is that they do not. Below middle management level, knowledge of English, even amongst the young, is about as good as the average Englishman's grasp of French. You will find that purchasing departments in German companies are populated with virtual monoglots who have already got five quotes, and don't see why they should sweat over a dictionary in order to understand the sixth one which has been written in English (Bungay, 1985 cited in Leal, 1991: 6-7).

This is surely equally applicable to monolingual assumptions about East Asia.

3.6 Asian Languages Skills of Australians of Non-English Speaking Backgrounds

Another argument used against proposals to expand Asian languages/cultures programs in Australia is that adequate expertise already exists in these areas in Australia through Australians of various non-English speaking backgrounds (NESBs). Once again this argument is flawed on a number of counts.

First, only one of the four priority Asian languages identified in Chapter 2 - ie. Chinese (Mandarin) - is represented in any significant numbers in Australia. 1991 census data of persons speaking an Asian language at home in Australia is as follows:

- Chinese (Mandarin) 55,454
- Indonesian Malay - 30,612
- Japanese - 28,195
- Korean - 20,118

Moreover, these figures include all persons above the age of five and therefore reflect a far wider group than those of working age, including people who are not Australian permanent residents who may have been in Australia on a range of temporary working, residence or visiting permits at the time of the census.

Indeed, a more detailed analysis of the census data indicates that there are currently very few Australian citizens in the workforce who record as their first language one of the four priority Asian languages.

Moreover, those that do are unevenly spread through industry categories and not necessarily employed in industries, occupations or positions which require the utilisation of Asian languages/cultures skills. For example, less than 1400 citizens recording a priority Asian language were employed in the entertainment and recreation industry (Table 10).

Table 10 - Australian citizens with priority Asian language as first language/employment categories

	Ag/For/ Fish	Mining/ Energy	Manuf/ Const	Food/Text/ Clothing	Transp/ Comm	Entert/ Rec	Pub Ad/ Comm.	Fin/ Trade	Misc	Total
Mandarin	35	289	849	665	604	529	1431	2052	1107	7561
Japanese	17	58	94	54	265	298	645	718	233	2382
Indonesian	90	419	479	235	448	365	1545	1208	449	5238
Korean	18	110	376	162	169	178	388	1247	573	3221
Total	160	876	1798	1116	1486	1370	4009	5225	2362	18402

Source: Australian Bureau of Statistics 1991 Census Data: Cat No. 2714.0

Second, Australia must not simply equate its national language requirements with the engagement of the technical skills of professional interpreters/translators - be they Australian citizens of non-English speaking backgrounds or foreign nationals engaged abroad. The challenge for corporate Australia is not to graft on language skills to the periphery of economic transactions with regional firms but instead to have significant numbers of mainstream corporate managers, professionals and sales representatives who are themselves capable of using these skills. Where Australian management teams include Australians of non-English speaking backgrounds with relevant language skills then, of course, this challenge is being met. But in most cases this is not the case and management continues to operate in linguistic/cultural isolation - detached from first hand understanding of what they are dealing with and dependent on the mechanical skills of an interpreter/translator who plays no real role in the broader corporate life of the company.

A third factor against reliance on NESB linguistic resources is that the working group is not aware of reliable data to demonstrate:

- the degree of proficiency in both written and oral skills among relevant NESB language groups;
- the degree to which these skills are sustained beyond the first and second generations - particularly if further new immigration from relevant source countries declines in the future; and
- the degree of equal proficiency in English on the part of these groups in order to ensure accuracy of communication.

In summary,

- **the linguistic/cultural resources of Australians of non-English speaking background should, consistent with the relevant findings of the Valverde Report, be harnessed by corporate Australia and, through proper training, incorporated into the mainstream operations of companies;**
- **nonetheless, substantial additional linguistic/cultural resources need to be developed in the general community in order to make these skills an accepted part of the future skills base of mainstream corporate Australia.**

3.7 Advances in Linguistic Applications of Information Technology

Another argument used (albeit less frequently than preceding arguments) against the dedication of significant resources to school-based second language programs is that recent advances in information technology will ultimately make acquired multi-lingualism redundant.

The development of voice-activated language-translation systems is a new area of research which is opening up with advances in information technology. It is, however, a field which is limited by the current levels of understanding of the complexities of language structure and translation.

International research focuses on the following areas:

- natural language processing;
- machine translation and text generation;
- distributed language translation;
- communication in artificial intelligence;
- speech recognition, speech science and technology;
- digital speech processing;
- neural networks for signal processing;
- information storage and retrieval systems;
- computational linguistics;
- discourse analysis.

Several systems are under development:

- The most important are at the German Computer Science Research Institute and at ATR in Japan. Both of these are big-budget projects, each with research teams of over fifty people. The ATR project has been under way for three to four years, and has demonstrated a capacity for voice recognition. The long-term aim of both projects is voice-activated message-translation: that is, simultaneous multilingual translation for use during international telephone communications.

- Yale University, USA, is working on computer-aided translation systems. At present, the system is capable of translating written language, and can translate back and forward between five languages. Fuzzy logic is used to generate probable meanings of words. The long-term aim of the system is to generate translations from voice input.
- Carnegie-Mellon University in Pittsburg, USA, has been developing a voice-activated translation system, which has already demonstrated limited translation from English to Japanese.

It is uncertain whether commercially usable systems will be able to be developed because of the lack of theoretical understanding of the more complex aspects of natural language, especially semantics and discourse. The more fundamental uses of natural language, such as speech recognition and syntax, are understood sufficiently well, and this knowledge has allowed the concepts and technology of machine translation to be developed to date.

Very little academic research on voice-activated translation systems is being done in Australia. The major reasons given for the paucity of Australian research in this area are:

- very high costs and lack of research funding;
- complexity of this emerging field; and
- lack of researchers (for example, there are only two computational linguists in Australia: one at Macquarie University; and one recently arrived at the University of Queensland).

Advances in voice activated translation systems should continue to be encouraged including any prospects for long term commercial application. Nonetheless, the working group does not believe that prospective technological advances in this area provide a viable substitute for a national school-based strategy aimed at the long term enhancement of the Asia-literacy of the nation:

- It is still uncertain as to what, if any, commercial applications may be possible, what their limitations might be; and, if such applications prove to be possible, when they might be available and at what cost.
- Such technologies could still only be used effectively if informed by appropriate cultural sensitisation towards the target country on the part of the Australian user of such technologies.
- These technologies, irrespective of the degree of long term sophistication they might attain, will not result in the broad-based attitudinal changes on the part of government, business and the general community towards regional opportunities.

3.8 Increasing Quantity and Complexity of Australian Economic Transactions with East Asia

3.8.1 Increased Quantity of Transactions

As noted in Chapter 2 above, there is likely to be a substantial increase in the sheer quantity of Australia's economic transactions with East Asia in the medium to long term. Between 1972 and 1992, the orientation of Australian trade activity shifted dramatically towards the Asia Pacific region. East Asia now accounts for 60% of Australia's exports and provides 40% of the nation's imports, whereas in the early 1970s East Asia accounted for no more than 40% and 25% of our exports and imports respectively. Based on current trends, trade relations with East Asia are likely to continue expanding over the next twenty years.

A continuation of current trends will also see a substantial increase in service exports over the next twenty years, particularly, but by no means exclusively, tourism exports.

The significance of Asian visitors to Australia's tourism industry has grown substantially over the last five years. In 1992, 1 103 100 visitor arrivals originated from East Asia, compared to 639 300 in 1988, representing an increase of 72%. Growth in this market has been forecast to continue, with 2 345 000 Asian visitors forecast to travel to Australia in the year 2000 (Bureau of Tourism Research, 1992). Alternative projections suggest this figure may be higher, as up to 3 210 000 visitors have been projected to arrive in Australia by the National Centre for Studies in Travel and Tourism (June 1992). Further growth in tourist arrivals from the region can be expected up to the year 2010.

A similar re-orientation in investment flows is also occurring, although this is less apparent. Between 1972 and 1992, the value of inward and outward investment between Australia and the Asia-Pacific region has steadily climbed. While the bulk of Australian direct foreign investment continues to go to the US and the EC, by 1990-91 East Asia represented 12.6% of Australian direct investment outflows. Australia is also now a significant destination for investment from the Asia-Pacific, particularly Japan and the US. By 2012, if current trends continue, this is expected to increase as the world and Australia become increasingly dependent on Asia for its capital.

3.8.2 Increased Intensity of Transactions

The quality of Australia's economic engagement with the region is also undergoing radical change. Historically, Australia's export trade with the region, and the remainder of the world, has principally occurred through commodities and commodity organisations. However, in recent years the trend in the composition of Australian exports shows a clear development of manufactured exports - particularly Elaborately Transformed Manufactures (ETMs). The growth in export oriented ETMs production is associated with international trends of small to medium enterprises (SME) becoming the new engines of ETM production and export (see McKinsey, 1993: 3-4).

Export diversification away from traditional commodities has also involved the growth in service exports. Within service exports, tourism or travel oriented services have grown significantly over recent years. The dramatic growth within the region has led to the emergence of significant demographic changes, increases in disposable incomes and more generally the development of a rapidly growing middle class.

Unlike exports of either commodities or simple manufactures, ETMs and more particularly travel oriented services result in greater and more intimate people-to-people contacts. The recent McKinsey report, *Emerging Exporters*, shows that one critical factor to ETMs export success is the ability of firms to develop and sustain close relations with their customers (1993:19). This effort is similarly critical to successful tourism exports.

Garnaut also states:

Trade in travel-oriented services brings societies into more intimate contact with each other than does trade in goods.

Its effective development requires close understanding of consumer preferences in different cultural and social settings, as well as access to specific language and inter-cultural skills (Garnaut, 1989: 245-46).

This point is reinforced by Leal:

Tourism is, perhaps more than any industry, person-centred and labour intensive with a considerable need for language competence. The necessity for language competence is startlingly revealed by the fact that in the two year period 1988-89 no fewer than 17,000 Japanese nationals were recruited for the needs of tourism. It is estimated that of these about 10,000 are working in Australia at any one time. A survey conducted in November 1989 indicated that 80% of Japanese tourists would prefer to be in contact with Australians who are familiar with their own country, people and customs, but who also have the ability to speak and understand Japanese. It is reasonable to assume that at least the same percentage of tourists from other countries have a similar preference (Leal, 1991: 19-20).

However, reliance on foreign workers is disadvantageous to Australia's ability to maximise the potential of tourism exports. Leal, quoting Australian Tourism Association views, points out that the substantial use of foreign workers:

detracts from the quality of the Australian tourist product offered to visitors, as many foreign nationals know little, if anything about Australia and lack basic tourism skills; runs completely counter to the confirmed market preference of international visitors to interact with Australians; prevents the industry, for reasons outside its control, from maximising employment and career opportunities for Australians, especially young people; [and] threatens community support for not only expansion of Asian tourism but closer Australia-Asia links generally, especially if unemployment is rising among Australians (Leal, 1991: 20).

There has also been growth in other forms of service exports to Asia. Primarily these involve investment related services (e.g. property), health related services and education related services. This trend is expected to continue into the future (Garnaut, 1989: 250, 255-60; Chapter 2 above). These service exports will also involve intense people-to-people transactions and increased cross-cultural communications. If these Asian markets are to be further expanded it is imperative that personnel are appropriately trained in relevant linguistic and cultural skills.

There has been both a quantum increase in the number of Australian individuals and firms interacting with East Asia and a parallel increase in the intensity and complexity of these interactions. This has profound implications in terms of the depth and breadth of Asian languages/cultures skills required.

The inculcation of these skills in a narrow elite is inadequate if the potential for ETMs and services markets in the Asia-Pacific region is to be maximised. As the Asian Studies Council Report (1988) pointed out, the teaching of Asian studies:

cannot be piecemeal, selective, or the province of an elite few. This was to a large extent the outcome of the early efforts in Asian studies, and this failure simply dramatises the need for a radically different approach. Those efforts did not extend across the community or deeply into our thinking. They were implanted in universities but they failed to seed in sub-tertiary education. They were set up in isolation and without wide effect (ASC, 1988: 7).

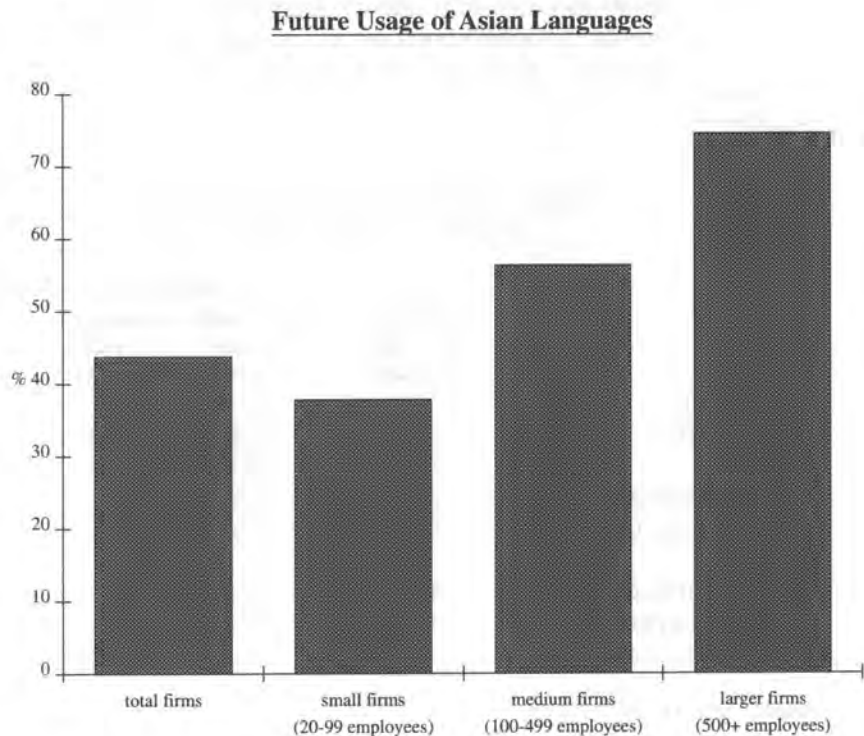
Rather, the effective integration of linguistic/cultural skills across a range of disciplines, professions and occupations dealing with East Asia is required.

3.8.3 Survey of Business Attitudes

In September 1993 AGB McNair was commissioned to determine the attitudes of Australian businesses towards the application of Asian languages/cultures skills to the specific economic activities of firms. The survey focused on Australian businesses involved in East Asia-related merchandising trade, service trade and investment activities (a copy of the survey report is at Attachment C).

- The survey found that 71% more businesses believed that they will have a **future** need for Asian languages skills compared with those businesses **now** using Asian languages skills
 - 25% of businesses surveyed **currently** use Asian languages skills in some aspect of their operations with Asia (46% of larger firms dealing with East Asia (ie. firms with more than 500 employees) currently use these skills).
 - 43% of businesses surveyed said they would have some **future** need for Asian languages in their firms. This represents a significant projected increase from the 25% of businesses currently using language skills - a strong indication that current experience in the field is causing firms to adjust upwards their perceived future need for these skills. As illustrated in Figure 8 below, projected need increases with size of the firm:
 - : 56% of medium sized firms (100-499 employees) indicated future need; and
 - : 73% of larger firms (more than 500 employees).

Figure 8



Source: AGB McNair (1993)

The survey also found that businesses engaged in service trade or investment-related activities were more likely to perceive a need for Asian languages/cultures skills than those engaged in merchandise trade - underlining the general thesis that the greater the intensity of people-to-people transactions, the greater the need for languages/culture skills. This is illustrated in Table 11 below:

Table 11

**Perceived Importance of Knowledge, as a
Function of Business Activity**

		TYPE OF ACTIVITY			
		Dealings with Asia (n=529)	Merchandise Trade (n=363)	Service Trade (n=131)	Investment (n=88)
Very important	(2)	20%	21%	20%	24%
Quite important	(1)	23%	22%	35%	23%
Neither	(0)	12%	12%	13%	19%
Not very important	(-1)	27%	27%	21%	27%
Not at all important	(-2)	16%	18%	11%	7%
Don't know		2%	-	-	-
Total Important		43%	43%	55%	47%
Total Not Important		43%	45%	32%	34%
Mean Importance		0.05	0.00	0.34	0.32

Source: AGB McNair (1993:21)

The survey also tested further the attitudes of those merchandise trade, service trade and investment related businesses who had indicated future need for Asian languages/cultures skills. This was in order to obtain business perspectives on the specific application of these skills to particular business functions. As seen in the following three tables (Tables 12, 13, 14), the negotiation of contracts is regarded as the area in which language skills are most critical to Australian businesses. Knowledge of Asian cultures is regarded as important in all business functions, and in some business functions marginally more important than language skills.

Table 12

**Merchandise Trade Activities to Benefit from
Asian Language/Societies Knowledge**

	Language (n = 181)	Society (n = 181)
Negotiating contracts	75 %	69 %
Promoting products	65 %	69 %
After sales service	63 %	56 %
Identifying markets	44 %	47 %
Other (communications; technical design; locating suppliers; customer liaison; product instructions)	8 %	1 %
None	4 %	5 %
Don't know	2 %	1 %

* Note: Percentages do not add to 100% as multiple responses were given

Table 13

**Service Trade Activities to Benefit from
Asian Languages/Societies Knowledge**

	Language (n = 80)	Society (n = 80)
Negotiating contracts	83 %	76 %
Identifying markets	47 %	46 %
Promoting services	47 %	51 %
Service delivery	39 %	43 %
Other (sales; building rapport; research)	3 %	2 %
None	2 %	3 %

Table 14

**Investment Activities to Benefit from
Asian Languages/Societies Knowledge**

	Language (n = 50)	Society (n = 50)
Negotiating contracts	74 %	81 %
Identifying investment opportunities	67 %	78 %
Identifying possible investment partners	66 %	74 %
Other (running a business; choice of location; identifying local regulatory requirements)	4 %	3 %
None	11 %	3 %
Don't know	1 %	3 %

Finally, for businesses which indicated a future need for Asian languages, the survey tested the various fluency levels relevant to specific business functions. Again the negotiation of contracts is identified by respondents as requiring the highest level of fluency. (See Table 15)

Table 15

**Level of Fluency in Asian Languages Required
(n = 266)**

	High²⁶ Fluency	Some²⁷ Fluency	No Need Not Applicable	Mean²⁸ Fluency Level
Identifying markets in Asia	14 %	76 %	23 %	1.50
Promoting products or services	26 %	79 %	21 %	1.84
Negotiating contracts	37 %	86 %	14 %	2.06
After sales service	19 %	80 %	20 %	1.83
Service delivery	20 %	74 %	25 %	1.79
Identifying investment opportunities	26 %	71 %	28 %	1.89
Identifying possible investment partners	27 %	68 %	32 %	1.93

²⁶High fluency means "being able to speak, read and write fluently and conduct business entirely in the language". Medium fluency means "to have a basic understanding of speech, reading and writing". Low fluency means being able to speak at the level of social interaction only.

²⁷This column represents the total for High, Medium and Low fluency. It therefore includes the previous column.

²⁸Mean fluency levels were calculated by allocating numerical values to the various fluency levels - High (3), Medium (2), Low (1), No need (0).

These trends are broadly reflected in a parallel survey of the levels of knowledge businesses need of Asian cultures. (see Table 16)

Table 16

Level of Knowledge of Asian Societies Required²⁹
(n-266)

	High	Some	No Need Not Applicable Don't know	Mean Level
Identifying markets in Asia	17%	82%	18%	1.81
Promoting products or services	19%	83%	17%	1.94
Negotiating contracts	33%	92%	8%	2.08
After sales service	14%	82%	18%	1.76
Service delivery	14%	80%	20%	1.74
Identifying investment opportunities	26%	71%	29%	1.99
Identifying possible investment partners	29%	72%	28%	2.03

In summary:

- there will be a significant increase in the quantity, complexity and intensity of Australian economic transactions with East Asia:
 - because of growth in ETMs and service exports to the region
 - resulting in increased and more intimate people-to-people dealings;
- business identifies a growing need for languages/cultures skills to respond to this increasing transactional intensity;
- business attaches importance to languages/cultures skills to particular business functions (eg. negotiation of contracts) and believes different fluency levels are required for various types of business functions.

²⁹A high level means "an in-depth knowledge of different Asian societies". A medium level means "an understanding of significant aspects of Asian societies". A Low level means "a basic knowledge of Asian societies, as compared with Australian".

3.9 Integration of Asian Languages/Cultures Skills with other Professional and Occupational Skills

The thrust of previous reports on the need to improve the provision of Asian languages/cultures skills in Australia is that these skills need to be developed together with other workforce skills in demand in the economy. This integrated model differs from earlier patterns of Asian Studies education which tended to create a narrow "Asianist" elite which did not become part of the mainstream of Australian public and private sector employment. This is not to say that such elites are not important. Plainly they are and they should retain a critical role in Australian tertiary institutions where highly specialised expertise must be preserved.

Nonetheless the working group is strongly of the view that such highly specialist "Asianist" expertise is of little use to the broader public and private sectors unless combined with expertise in other areas such as law, engineering, economics, accounting, computing, management, marketing, sales, etc. This dual or multi-disciplinary model is also supported in previous reports.

- To restate the 1988 findings of the Asian Studies Council Report:

We are not discussing a need for an elite few, but rather a qualitative and quantitative change in the skills of Australians. Our experience shows that an elite approach to the study of Asia does not throw up enough properly qualified people, even for our former needs.

For our current and future economic interests, we need a deep and solid layering of national education and expertise. At the top, we need an expanding cadre of people with commercial and technical skills allied with strong language skills and knowledge of Asia for the frontline of our economic activity in Asia. This requires a new approach to training such people in this country.

We then need a broad stratum of support people in management, technical and service areas with a good knowledge of Asian markets and Asian language and country skills. This stratum barely exists at present.

And we need a general education for all Australians which includes Asia and Australia's place in it, to provide both the necessary constituency for our economic strategy and the reservoir from which will come the broad support stratum and the professional marketers and negotiators (ASC, 1988: 11-12).

- The present Executive Director of the Business Council of Australia wrote in 1990 (albeit with a broader language focus than the Asian focus of this report):

... we should look to the educational institutions to produce young Australians who have the various languages of our trading partners as part of their intellectual equipment, but who do not regard their language facility as their *raison d'être*: we need Chinese, Japanese, Korean, Thai, Vietnamese, etc speaking engineers, marketers, managers, lawyers, economists, etc., and people who combine these professional skills with virtually every major language in Europe (Leal, 1991: 399).
- Leal also refers to the Chief Executive of MIM "lamenting the fact that he could not employ more engineering graduates with a knowledge of German or Japanese" (Leal, 1991: 11). Valverde has similar observations to make about engineers in particular (Valverde, 1990: 35).

The achievement of this multidisciplinary model however comes at a price. This is because Asian languages (and to a lesser extent cultures) are more difficult to learn than European languages and are likely to take more time, effort and resources. Garnaut states that:

... a United States attempt at quantification of relative effort estimates that it takes two or three times as many hours of study to achieve basic proficiency in Chinese, Japanese and Korean, than in European languages. Thus a good student could reasonably aspire to full undergraduate training in history, mathematics, physics, economics or law, and to pick up basic proficiency in German or French along the way to a first degree. If a good student aspires to reaching basic proficiency in Chinese, Japanese or Korean within a standard undergraduate degree structure, he or she cannot hope to complete the standard training as a historian, mathematician, physicist, economist or lawyer. The constraints on developing proficiency in Indonesian are less severe, and more like those applying to a second European language (Garnaut, 1989: 303).

Garnaut's analysis explicitly applies to tertiary qualifications - but they are equally applicable to young Australians seeking to develop other skills through other forms of post secondary education and training. It is equally difficult for a student studying a tourism hospitality course at a TAFE college to move from no knowledge of a priority Asian language at the beginning of their course to adequate proficiency by the end.

Studies have further demonstrated that part-time training in priority Asian languages once employment has commenced is not generally effective in the absence of extensive "in-country" training. Such training apart from being ineffective is also expensive - both factors causing many firms to simply put it in to the "too hard basket". In country training is probably prohibitive except for the largest companies and government departments (eg. DFAT).

Effective Asian languages/cultures skills cannot other than in unusual circumstances be acquired:

- as a simple language adjunct to another university or TAFE course;
- or as an adjunct to full time employment unless the student in question has a solid grounding in the language through the school system.

This is because the time, effort and resources necessary to develop a person with no skills in a priority Asian language into one with effective skills cannot be compacted into the other requirements of a discipline-based university course - unless adequate foundational language skills have been established in the school system.

In summary there are three alternatives if we are concerned with developing effective Asian languages skills for the next generation of Australians while realistically recognising the intensity of effort necessary to develop these skills:

- leave it to employers to pay for part-time language training as necessary recognising however:
 - that this has resulted in little effort in the past; and
 - that achievements will be modest in the absence of a solid language base provided in an educational institution;
- leave it to the TAFE and higher education sectors, recognising:
 - that achievements will again be modest given the demands of other disciplinary studies; or
 - that achievements could be substantial but only if priority languages are pursued as a substitute for other disciplines (thereby ignoring the entire thrust of the multidisciplinary "Asianist" model referred to in Garnaut and other authorities);
- use the school system to establish a basis of priority language skills which:
 - can be built on and/or tailored to the particular disciplinary/occupational requirements of post-secondary education and training;
 - can also be built on by employers.

Asian languages skills cannot simply be acquired at short notice like any other form of skills training or retraining needed in the workforce because of changing demands in the labour market. Language is a basic competency which takes years to develop through the school education system. Effective language skills are the product of years of cumulative investment. They cannot simply be accessed like short-term computer training courses which in 3-6 months can make a substantial difference to the effectiveness of an employee. Certainly language skills can be adapted to particular professional/vocational needs through subsequent specialised training. But this training, if it is to be effective, must be based on pre-existing basic competencies which can only be effectively provided through the school system. As Garnaut concludes:

... our ambitions can be higher if we work now to build a familiarity with Asia into primary and secondary school courses. Then those who study Asia at university will be able to aspire to mastery, or to basic proficiency alongside high achievement in a profession or scholarly discipline. These higher goals are more likely to be attained if formal courses are integrated with international student exchanges. They are closely complementary to efforts to achieve some familiarity with Australia amongst new generations of Japanese, Chinese and Koreans (Garnaut, 1989: 304).

In summary,

- **Australia needs to integrate Asian languages/cultures skills with other professional and occupation skills of the workforce, that is:**
 - **Employers want Asian languages specialists who also have other skills to offer.**
 - **Employers, for example, want engineers who have effective Japanese language skills.**
- **US studies demonstrate that effective Asian languages education takes about two to three times as long as comparable education in European languages.**
- **Because of the length of study needed and because of the demands of employers for effective Asian linguists who also have developed other critical skills:**
 - **a grounding in Asian languages skills must begin in schools;**
 - **a grounding that can be built on and tailored to the particular professional/occupational qualifications pursued in post-secondary education and training.**

3.10 Public Support for Asian Languages and Cultures Education in Australia

Finally, there is also evidence that there is now broad based community support for a greater effort in the learning of languages other than English (Asian languages in particular) based on explicit community recognition of a linkage between improved language skills and economic performance.

A national telephone survey of 500 members of the general public was undertaken for the Department of Employment, Education and Training by Reark Research in May 1993 (Table 17).

The survey indicated that 90% of respondents considered that over the next ten years, Australia should make more of an effort to develop skills in languages other than English. High support for learning about Asian languages and cultures is evident from the survey (69%).

In particular, the survey also found that:

- 72% of respondents believed that Australia's economic success was contingent on improved second language skills; and
- 69% believed that businesses are more likely to be successful if their employees speak a second language (especially an Asian language).

There was very high support for the compulsory study of languages in Australian schools. Over 80% of respondents agreed that all school children should learn non-English languages at school, with some 50% of these believing that these should be Asian languages.

Table 17

Community Support for the Learning of Languages other than English/Asian Languages

Statements put to the Community	% Agree
Over the next 10 years, Australia should make more of an effort to develop skills in languages other than English	90
All Australian children should learn languages other than English while they are at school	81
Australia won't be successful economically and socially unless we get better at learning languages other than English	72
If a business employs people who can speak languages other than English, especially Asian languages, it will be more likely to succeed over the next ten years	69
More people should learn Asian languages and about Asian culture generally	65

In summary, the rationale for improving Asian languages/cultures education in Australia therefore rests on a range of different arguments:

- The fundamental importance of exports to future economic growth and employment.
- The importance of minimising both the 'objective' and 'subjective' resistances to export growth - the latter including both linguistic and cultural resistances.
- The importance of fostering an export culture in firms historically focused on the domestic market by inculcating languages/cultures skills into the overall skills base of the workforce.
- The general importance of culturally appropriate communication skills to the effective performance of firms in any market - export or domestic.
- The fact that English will not necessarily remain the natural language of business in the region.
- The fact that the language skills of Australians of relevant non-English speaking backgrounds, while capable of much greater use by Australian business, will not be sufficient to meet the long term linguistic and other disciplinary requirements of business.
- Advances in information technology in the area of voice-activated translation systems have as yet an uncertain future commercial application and do not contribute substantially to the more fundamental attitudinal objective of developing a future Australian workforce, management and general community that is adequately Asia-literate.
- There is likely to be a significant increase in the quantity, complexity and intensity of Australian economic transactions (in particular people-to-people transactions) with the region over the next twenty years:
 - resulting in a requirement for a greater breadth and depth of languages/cultures skills than in the past;
 - a requirement readily identified by business in surveys of business attitudes.
- The need for the next generation of Australians to integrate languages/cultures skills with other professional and occupational skills of the workforce rather than simply producing specialist linguists.
- The fact that the Australian community, as tested through community attitudes surveys, believes that Australia's future economic success is contingent on improved second languages skills - Asian languages skills in particular.

CHAPTER FOUR

CURRENT PROVISION OF ASIAN LANGUAGES AND STUDIES IN AUSTRALIAN SCHOOLS

Chapters 2 and 3 argued that there is a direct relationship between language acquisition and economic performance and that Australia should focus on a finite number of priority Asian languages used in those economies of greatest relevance to Australia's economic future.

Chapter 4 examines current efforts by all jurisdictions in the provision of Asian languages and cultures education in Australian schools as this constitutes the basis on which any strategy to improve provision must be constructed.

4.1 Commonwealth Efforts in Second Languages Education and Asian Studies

It was not until the release of the Commonwealth's *National Policy on Languages*, based in part on an earlier Senate report, that a national policy for the provision of language studies and services was implemented. Funding under the *National Policy on Languages* ceased in 1990 but, as part of the follow-up to initiatives in that policy, a process was established which culminated in the adoption of the Australian Language and Literacy Policy (ALLP) by the Commonwealth Government in 1991, with funding under the ALLP continuing into the 1994-95 financial year.

Based on this policy, the Commonwealth at present offers a range of programs through the Department of Employment, Education and Training to encourage the study of second languages, including Asian languages, in schools. Commonwealth programs include:

- the **School Language Program**, incorporating:
 - the **Priority Languages Incentive Element (PLIE)** which provides a payment of \$327 to education authorities for every student completing a Year 12 course in a declared priority language;
 - the **Community Languages Element** (formerly the Ethnic Schools Program) supports the provision of Asian languages in mainstream and ethnic schools;
- the **Languages, Asian Studies and Literacy Support Program**, incorporating:
 - the **Innovative Languages Other Than English In Schools Program (ILOTES)** (an estimated 52% of these funds go to support Asian languages development);
 - the **Asian Studies Program**, which supports curriculum and professional development for Asian languages and studies;
 - the **Asia Education Foundation**, which promotes learning about Asia across the curriculum in Australian schools;

- the **Asian Languages Teachers In-Country Scholarships (ALTICS)**, which will assist Australian teachers of Asian languages and Asian studies to undertake short-term in-country study in Asian languages and cultures. The scheme will support study which includes intensive language upgrading and methodology training as well as cultural awareness courses; and
- the **National Asian Languages Scholarship Scheme (NALSS)**, which encourages the development of the teaching of Asian languages by providing opportunities for cultural immersion in conjunction with advanced language study.

At the higher education level, the Commonwealth supports the Targeted Institutional Links programs which facilitates links between Australian and Asian higher education institutions. The Commonwealth also provides annual funding towards the development of Asian languages education and studies in both the higher education and school sector, with funding focused on national curriculum materials, teacher professional development and research projects.

From 1993-94, the "Australia in Asia" initiative will come into operation with total funding of \$14.8 million. The initiative includes \$2.2 million in education-related programs such as the Asian Languages Teachers In-Country Scholarships and the Asia Fellowships Program.

4.2 State and Territories Policy and Performance in Second Language Education

4.2.1 Second Language Policy

New South Wales

The 1989 White Paper on curriculum reform, *Excellence and Equity*, sets a goal of mandatory second language study for the 1999 School Certificate and for all primary and secondary government school students by the year 2010.

The delivery of second language education in New South Wales is guided by the *Education Reform Act of 1990*. In summary, by 1996, all NSW students in Years 7 to 10 will complete a minimum 100 hours studying a second language per year. In 1996, 30% of primary students will be studying at least two hours per week in a second language for a minimum of four years. The proportion of primary students studying a second language will be raised from 30% in 1996 to 50% in the year 2000. The aim is for 25% of candidates for the Higher School Certificate Examination to study a second language with 50% of these students studying an Asian language. By 2010, all students from Kindergarten to Year 12 will be undertaking substantial language study.

Victoria

Victoria's policy on second language education is contained in the *LOTE Strategy Plan*, announced in November 1993. The Plan has established quantitative outcomes to be achieved in progressive stages up to the year 2000. These targets include: all students from P to Year 10 by the year 2000 will be studying a second language; and, again by the year 2000, 25% of all Year 11 and 12 students will undertake second language study.

The policy on intensity of the second language program for all school levels has been referred to the Victorian Board of Studies for consideration.

Victoria's second language *Strategy Plan* will seek to integrate language delivery between providers - schools, the Victorian School of Languages and ethnic schools - and incorporate innovative language learning developments, such as the use of distance education, telematics, and interactive television.

Queensland

At present, second language study is compulsory in Years 6, 7 and 8 in government schools. It is proposed to extend compulsory second language learning to Years 5 to 10 over the next few years and then to Year 3. Five priority languages (Chinese, French, German, Indonesian and Japanese) have been selected. The Queensland system uses teacher exchanges, in-country study in China and Japan, immersion programs for the priority languages and the use of a cluster school system in which secondary school teachers teach primary school students in the local area.

Western Australia

A *LOTE Strategic Plan* was released in October 1991 and its progress was reviewed at the end of 1993. The Plan is based on providing access to second language study to all students in WA government schools by 1999. Individual schools have made second language study mandatory in certain years, mainly Years 6, 7 and 8, but there are currently no system-wide plans to make the study of a second language compulsory. A range of initiatives has been planned including specialist language schools for talented students, immersion programs and measures to improve the supply and training of second language teachers.

South Australia

South Australia is committed to a *State Languages Policy* which will provide the opportunity for all primary students to be studying a language other than English as part of their formal education by 1995. At the same time all secondary students will have access to a language other than English.

Within this broad context the *State Language Policy* has a dual focus:

- students from non-English speaking backgrounds to have the opportunity to study their background language whenever possible; and
- students from English speaking background to study a language other than English from the full range of languages offered in government schools.

The *State Languages Policy* and all associated implementation strategies recognise the vital role that ethnic schools play in both the provision of languages education and maintenance of cultural and linguistic diversity.

Tasmania

The 1987 *Policy Statement on the Study of Languages other than English in Tasmanian Secondary Schools and Colleges* is now being reviewed. Tasmania is considering whether to mandate any of the key learning areas; the question of compulsory second language education is folded into that policy process. It is expected that the numbers of students enrolled in Asian languages should be at least equivalent to those studying European languages.

Northern Territory

The 1987 Northern Territory *Policy on Languages Other than English* has been further informed by a ten-year strategy and a *Languages Management Plan* to support the implementation of the policy. A major feature of the policy is to provide for continuity of language learning. Primary schools are expected to introduce language programs for Years 6 and 7 with Secondary schools offering programs at Years 8 and 9 and as an elective at Year 10 for those who wish to continue the study of languages. The major focus is to provide curriculum materials for teachers and extensive professional development locally, or in the form of short-term and long-term in-country study awards. There is currently no plan to make the study of languages other than English compulsory.

Australian Capital Territory

The ACT Department of Education and Training's *Setting Directions for LOTE 1992-2000: an Action Plan (1992)* recognises that second language study is important for all students and that, consequently, students from primary school to Year 12 should have the opportunity for second language learning. The ACT intends that study of a second language will be compulsory for all Year 7 students in 1995 and Year 8 students in 1996. The action plan proposes that second language programs be offered in regional clusters to maximise the offerings of continuing second language study. The ACT has agreements in place with foreign governments (the ACT is well placed to obtain this co-operation) to support language programs in French, German, Greek, Indonesian, Italian, Japanese and Spanish. The ACT also supports immersion courses, after-hours classes, in-service courses for teachers and scholarships. The action plan is currently under revision and some of the above targets may be revised in discussion in 1994.

It is apparent from the above review of State and Territories second language education policies that there is an emerging trend for jurisdictions to either mandate the study of a second language in schools or at least provide the opportunity for all students to study one (Table 18).

Table 18 The Mandating of a Second Language Study in Australian Schools

Jurisdiction	
New South Wales	By 1996 - Years 7 to 10 By 2010 - Kindergarten to Year 12
Victoria	By 2000 - all students from Prep to Year 10
Queensland	Currently - Years 6,7 and 8 Proposed - from Year 3 by 1996 - to Years 9 and 10 as resources become available (2000 and 2001 respectively)
Western Australia	No system-wide prescription but mandatory approach in individual schools in Years 6, 7 and 8.
South Australia	State languages policy: provides an opportunity for all students from P to Year 7 to study a second language
Tasmania	Mandatory second language currently under consideration
ACT	By 1995 -Year 7 By 1996 -Year 8
Northern Territory	No current plans to mandate second language study

Total current expenditure on Asian languages/cultures education is examined in detail in Chapter 7, however, in summary:

- disaggregated data from States and Territories indicate that current provision available to meet the full implementation of the strategy in Asian languages is of the order of \$52 million in government schools. Assuming similar levels of provision in the non-government sector (for whom precise data has not been available) total existing provision is around \$69.2 million.
- As noted in Chapter 1 current expenditures provide approximately 4% or 6 700 Year 12 students with Asian languages teaching.
- There is, therefore, a significant funding gap between the policy intent of jurisdictions seeking to mandate second language study in their curricula and the overall current funding performance of jurisdictions which will need to be addressed.

4.2.2 Second Language Performance

Notwithstanding the recent convergence of policy across States and Territories in terms of the recognition of the importance of second language education in general and Asian languages education in particular, program delivery remains uneven and disparate when examined across a range of key criteria. The following represents a summary of national trends in terms of:

- quantitative outcomes;
- qualitative outcomes;
- starting age and continuity of second language study;
- intensity of second language study; and
- teacher supply.

4.2.2. (a) Quantitative outcomes

Table 19 examines Year 12 second language enrolments across all States and Territories over the period 1982 to 1992.

Table 19 Comparative Year 12 Second Language Enrolment Statistics: 1982 and 1992*

	1982							
	NSW	Vic	QLD	SA	WA	Tas	NT	ACT
No of students studying second language (Year 12)	6598	3881	1 722	1730	1168	370	n/a	463
No studying Asian second language (Year 12)	1107	620	205	341	182	113	n/a	39
No studying second language as % of Year 12	21.2	14.5	11.3	19.5	11.7	8.4	n/a	18.7
No studying Asian second language as % of Year 12	3.5	2.3	1.35	3.85	1.84	2.56	n/a	1.57
No students studying Asian second language as % of total studying second language at Year 12	16.7	15.9	11.9	19.7	15.6	30.5	n/a	8.42

* For the period 1978 to 1986, Northern Territory statistics were collected with South Australia

1992

	NSW	Vic	QLD	SA	WA	Tas	NT	ACT
No. of students studying second language (Year 12)	7569	5970	3057	2421	1781	516	87	533
No. studying Asian second language (Year 12)	2385	1851	1508	705	797	303	62	208
No. studying second language as % of Year 12	12.5	9.6	8.3	12.1	8.7	9.4	7.1	11.3
No. studying Asian second language as % of Year 12	3.9	2.99	4.1	3.5	3.9	5.5	5.1	4.4
No. students studying Asian second language as % of total studying second language at Year 12	31.5	31.0	49.3	29.1	44.8	58.7	71.3	39.0

Source: Commonwealth Department of Employment, Education and Training, 1993

From 1982 to 1992 there was a decline in the number of students studying a second language in Year 12 in all jurisdictions for which statistics are available (except Tasmania which recorded a small increase). The number of Year 12 students studying an Asian language as a proportion of total final year students has increased slightly in most jurisdictions, but from a very low base.

The declared priority languages in each State and Territory for 1993 for the purposes of the Commonwealth's Australian Languages and Literacy Policy are listed in Attachment E. Of the priority Asian languages identified by the East Asia Analytical Unit in Chapter 2 as being of greatest economic significance to Australia over the next 20 years, Japanese has the largest share of current language enrolments at Year 12, followed by Indonesian and Chinese (Mandarin). In the Northern Territory, however, Indonesian is the Asian language most frequently taught, followed closely by Chinese (Mandarin). Nationally, very few students study Korean, although the New South Wales Minister for Education and Youth Affairs has established Korean as one of 12 priority languages for that State (Table 20).

Table 20 Number of Year 12 Students Studying a Priority Asian Language 1982 - 1992*

1982								
	NSW	Vic	QLD	SA	WA	Tas	NT	ACT
Japanese	140	87	178	64	76	16	n/a	18
Chinese (Mandarin)	318	144	8	65	44	16	n/a	15
Indonesian	649	389	19	72	62	81	n/a	6
TOTAL	1107	620	205	201	182	113	n/a	39

* For the period 1978 to 1986, Northern Territory statistics were collected with South Australia

1992								
	NSW	Vic	QLD	SA	WA	Tas	NT	ACT
Japanese	1275	385	1338	177	279	240	3	131
Chinese (Mandarin)	563	692	95	273	267	40	25	52
Indonesian	226	319	75	80	251	23	28	25
TOTAL	2064	1396	1508	530	797	303	56	208

Source: Commonwealth Department of Employment, Education and Training, 1993

In addition to the small numbers of students currently studying an Asian language, retention rates between Years 7 and 8 and 10 to 12 are low. This is the case for both second language education in schools generally (Figure 9) and specifically for Asian languages (Figure 10).

4.2.2. (b) Qualitative outcomes

Although there may be some move towards the standardisation of descriptors for achievement at Year 12, there is currently no nationally agreed standard for measuring proficiency outcomes in school based second language programs.

Nationally very few school based language programs have proficiency as an outcome target. Most targets are expressed in terms of course performance which is related directly to syllabus goals. These are usually couched in very general educational terms.

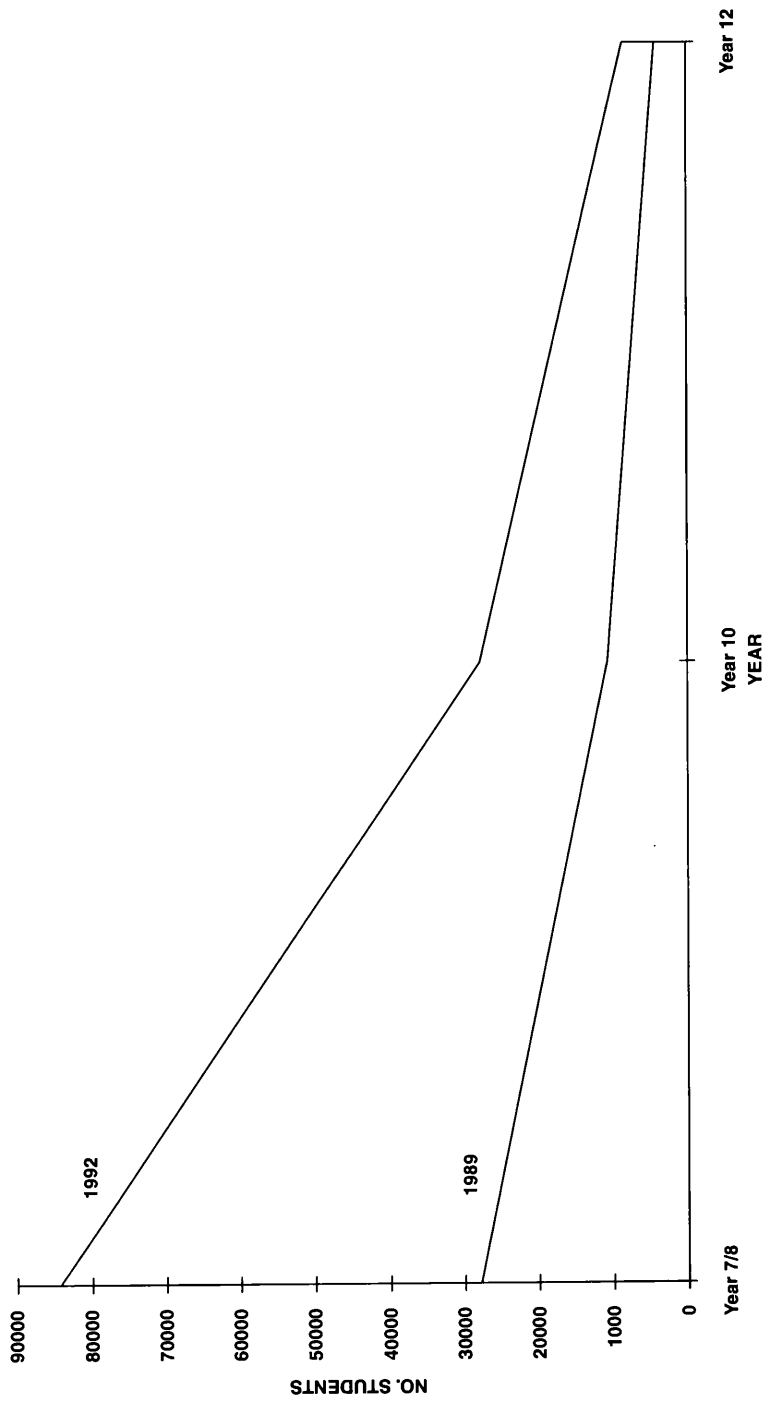
Some programs do not have language proficiency as a target at all but focus more on cultural understanding, social development and the enhancement of self esteem for background speakers of the language in question.

Figure 9

NUMBER OF STUDENTS STUDYING A LOTE IN YEAR 7/8, YEAR 10 AND YEAR 12 IN SECONDARY SCHOOLS IN AUSTRALIA, 1989 AND 1992



NUMBER OF STUDENTS STUDYING AN ASIAN LANGUAGE IN YEAR 7/8, YEAR 10 AND YEAR 12 IN SECONDARY SCHOOLS IN AUSTRALIA, 1989 AND 1992



For proficiency development to be accepted as the major target of a second language program, the teaching profession will have to move in its perception of second languages as academic "subjects" to a more global view of second languages education as continuous skills development. The current lack of proficiency seriously militates against this move.

4.2.2. (c) Starting Age and Continuity of Second Language Study

Starting age varies across jurisdictions and systems within jurisdictions, but the following generalisations can be made:

- In a number of jurisdictions there are a small number of programs beginning prior to Year 1 (ie in pre-school/kindergarten/reception years). These programs often, although not always, teach lesser used languages within the Australian community. The typical mode of instruction in a second language at primary is via an integrated approach to language learning. It is often the case that these programs are not followed up throughout the period of compulsory education.
- Various jurisdictions offer insertion classes (conducted by community agencies), mainly, although not exclusively, in Italian. These typically offer 30 minutes per week, sometimes delivered by teachers with no formal qualifications employed by the community agencies. There is often no continuity of instruction beyond the primary school and language development from year to year within the program is often negligible. These programs are funded through the Community Language Element - formerly the Commonwealth Ethnic Schools Program - and are often supplemented through school allocation to meet the jurisdiction's policy requirements.
- The majority of students nationally will have their introduction to second language education at the beginning of secondary school (age 12/13). This will typically be a "taster" program of about 30 hours instruction in any one language. A small number of students will then continue into an elective program, which is typically the first serious language study for most of the students involved. A number of jurisdictions have moved to make this initial experience more rigorous. For example, New South Wales has mandated 100 hours of study of one language in Year 7.
- A few jurisdictions have programs commencing in Year 11. The introduction of such courses has arrested the decline in second language enrolments at senior secondary level and helped maintain a national figure of around 12%. These programs either focus on the development of the passive skills (listening and reading) or are accelerated courses which compress a four year program into two.

A major problem, where primary courses exist has been the assurance of continuity of instruction into secondary school.

The problem of continuity can be seen in terms of mismatches between primary and secondary school language programs in terms of:

- the language offered;
- the goals of the program; and
- the methodology and curriculum.

The difficulties currently encountered in this area highlight a need for enhanced provision in Asian languages education to be introduced through a highly structured strategy allowing continuity of provision across the years of schooling.

4.2.2. (d) Intensity of Second Language Study

Adequate "time on the task" is essential for language students to develop their oral, aural, reading and writing skills and to provide them with a sense of achievement. The "crowded curriculum" argument is often raised as an obstacle to the intensity required for effective second language learning. The problems arising from taster courses have already been noted.

Data provided by jurisdictions on the intensity of second language study shows a range in primary schools from half an hour per week to five thirty minute periods per week. Intensity of second language study in secondary schools tends to average three to four hours per week.

Statistics from the *National Survey of Language Learning in Australian Schools 1988*, published by the Commonwealth Department of Employment, Education and Training pre-date the Commonwealth's *Australian Language and Literacy Policy* (1991) and many current State and Territory language policies but still provide a helpful benchmark. The data indicates that 75% of primary school children learning a second language did so for one hour a week or less. There was little variation across the primary school years, although class time was marginally higher in lower primary school.

At the secondary level, 21% of language students studied the language for two hours per week or less; 58% studied the language for two to three hours per week; and 21% for more than three hours. Intensity of study was greater in Years 11 and 12 - 83% of Year 11 students and 77% of Year 12 students undertook more than three hours of language study per week.

It is clear that in many instances exposure levels are inadequate to ensure proficiency in a second language. The longer duration of study required for the learning of some Asian languages, specifically those using an ideographic script, is a major factor to be considered in the development of long term Asian languages strategy which seeks systematically to provide the levels of exposure to a particular language over time and to realise given proficiency outcomes.

4.2.2. (e) Teacher supply

Teacher supply remains a concern. The shortage of adequately skilled teachers is one of the most commonly mentioned reasons for the low levels of provision and participation in second language courses.

Teacher quality in most languages remains patchy. Only one State currently has an entry requirement to the profession in terms of language proficiency.

Increased pressure from the community for programs in languages (especially Asian languages) has meant that an increasing number of unqualified teachers are being pressed into teaching these languages. This is especially the case in those States which lack a proficiency standard for employment.

Data on the quantity of Asian languages teachers available is also less than encouraging. As an indication, partial statistics for Queensland are as follows: in 1993, there were 249 teachers "directly involved" in teaching Asian languages in government secondary schools. Student enrolment figures for 1993 are not available but, in 1992, there were 11,285 students studying an Asian language in Years 7/8 and Year 12 in government schools. Assuming that those teachers taught only those students, the allocation would have averaged at about forty-five students per teacher. It is also possible, however, that these teachers were also involved in teaching other subjects, so that the Asian languages teacher/student ratio may in fact be more. Queensland is now implementing a long-term strategy (beginning in the primary schools) to address this problem.

The decreased flow of new teachers into the stock of available teachers has diminished supplies, with fewer language graduates being produced and competing claims on language graduates from areas such as international finance and tourism taking their share.

School systems react to the dwindling supply in various ways. One response is to cancel language classes, with adverse effects on retention rates. Another is to retrain teachers who lack language skills through summer programs, satellite television delivery of courses and after-hours study.

The use of language assistants is another response. Language assistants, often native speakers, have practical language skills but for the most part lack formal teaching qualifications. The assistants are employed from a number of sources, including agreements for exchanges and in-country experience with overseas countries (the Victorian, Queensland and the Northern Territory school systems, for example, participate in such schemes) and from the ranks of native speakers resident in Australia. Attention is now being given to appropriate forms of induction and training in pedagogic skills for language assistants and for the eventual creation of career paths to improve their skills and qualifications.

Schools and education systems have devised other procedures to meet the shortage of second language teachers. Strategies include advertising vacancies in the wider community; maintaining a register of teachers' curricula vitae to match teachers with specific schools and classes; discussing second language teacher supply with higher education institutions, teacher training institutions and within the school system; and asking schools to draw up plans to match schools and second language teachers.

4.2.2. (f) Quality of courses and curriculum

Course quality is a function of teacher quality and supply and, as such, there are variations across jurisdictions in terms of the standards of courses and curriculum, time on task and quality of teaching materials.

A major influence on second language curriculum was the development of the Australian Language Levels (ALL) Guidelines in 1984 which have given a considerable impetus to the promotion of the communicative approach to language teaching. However, the adoption or adaptation of these Guidelines has been erratic so that in some States drastic changes have been made to curriculum while in others the mode of assessment dictates that the more traditional approaches to curriculum remain entrenched.

The ALL Guidelines were also the basis for the development of National Curriculum Project materials in Asian languages, specifically for Japanese, Chinese, Indonesian, Korean, Thai and Vietnamese. These materials have only recently been published and although they promise encouraging developments in the production of quality curriculum they have not been trialed comprehensively or had time to have a serious impact on second language courses in schools.

The wave of change in second language curriculum has produced in some areas good quality programs that allow students to achieve in terms of their language ability but generally there is still considerable work that needs to be done to ensure that the language learning for all students produces quality results. The National Curriculum Project materials are a good starting point from which further developments can flow.

As noted in section 4.2.2(c) an important question for quality curriculum is the continuity of learning. It is the transition stage between primary and secondary schooling that presents problems in this area. For various reasons it is not always possible for students to continue with the same language, to advance their learning of the language or to be offered the same methodology or curriculum. This situation must be addressed by ensuring that strategies are in place to provide structures which ensure a continuous quality curriculum for all learners.

4.2.3 Asian Studies

The fragmentation of delivery in second language courses in schools is mirrored by the current piecemeal approach to the studies of the society in which the target language is spoken. Australian students usually study some aspect of an Asian culture during their school careers. However, as evidenced by the survey of the study of languages, information collected from school systems paints a picture of unfocused and piecemeal provision. Although Asian studies is not compulsory anywhere in Australia, there is widespread support for its inclusion in school curricula.

Few systems offer an Asian studies course as an independent study. There are, however, exceptions with two Asian studies courses available at the Year 11 level in the Northern Territory.

Other jurisdictions argue that Asian studies is better taught as an integrated element of the humanities curriculum. For example, in consultation undertaken by the working group, the case was made that:

Asia must not be treated as exotic. Its study should be 'normalised' as part of the natural and human environment for Australian students. (Working group consultations, Tasmania 1993).

Allied to this issue is the supply of adequately skilled teachers. On the one hand, it may be much easier and cheaper to equip teachers with Asian studies skills through in-service and professional development courses. On the other hand, that apparent ease, relative to developing Asian languages skills, may well place this important activity lower in the queue of skill development for teachers. As noted in relation to the Queensland government school system:

...it is difficult to find non language teachers who are sufficiently Asia literate to bring the depth of knowledge and understanding required to successfully implement an Asian studies program. (Working group consultations 1993).

It is worth noting that under the ALLP the Commonwealth supports education systems and schools offering courses with an Asian studies content. The Asia Education Foundation is charged with several tasks, including the development of curriculum materials, support for teachers of the full range of subjects in introducing Asia-content into their lessons, and input into professional development in Asia-content for teachers. The Foundation began operations in 1992 and is regarded by systems as a useful resource in promoting Asian studies and Asia-related content across the curriculum.

The July 1993 AEC/MOVEET decision to include cultural understanding as key competency (referred to in section 3.4.1 of this report) and the work being currently undertaken to bring this to fruition should also assist in enhancing the status of the studies of different cultures in Asian studies. Further effort needs to be made to bring this exercise to a useful conclusion.

In summary:

- **There are some encouraging trends in relation to Asian languages/cultures education in Australian schools:**
 - firstly, there is an increasing acknowledgement of the value of the study of second languages throughout Australia as evidenced by the convergence of policy across a number of jurisdictions in relation to the mandating or universal provision of second language courses in schools;
 - secondly, despite the decline in enrolments in the study of second languages at Year 12 over the past ten years, the number of Year 12s studying an Asian language has increased slightly as a proportion of the total number of language students.
- Nonetheless, the delivery of second language education in Australia tends to be patchy and piecemeal with an absence of agreed proficiency standards for students, variable approaches to the intensity and continuity of study and deficiencies in teacher supply and course material.

CHAPTER FIVE

FUTURE PROVISION: POLICY ISSUES

Chapter 4 described current provision of Asian languages/cultures programs across all State and Territory school education systems. It highlighted a range of practical problems faced by most systems but also noted encouraging trends in terms of the policy recognition by most governments of the need substantially to improve upon present efforts. In particular, most governments have now adopted a policy of mandating the learning of a language other than English.

Chapter 5 examines the range of major policy issues that need to be resolved by governments prior to determining the detailed content of Asian languages/cultures programs to be provided to Australian schools in the future.

These issues include:

- The importance of a school-based strategy to achieve the sort of high-level language outcomes sought for the priority languages identified in the report - particularly given the length, continuity and intensity of instruction needed to achieve those outcomes.
- The identification of realistic future national quantitative targets for the number of Year 12 graduates studying a priority Asian language - based on the 1991 Commonwealth White Paper's existing target of 25% of Year 12s by 2000 studying a second language in general.
- The determination of agreed qualitative targets (ie. valid proficiency measures) to measure the proficiency outcomes of students participating in these programs and to set realistic performance goals for those completing programs.
- The importance of boosting the supply of Asian languages graduates by examining the mandatory/elective status of languages courses within school curricula.
- The parallel importance of boosting the natural demand for language courses by:
 - examining the desirability of re-establishing language pre-requisites for certain tertiary courses;
 - removing perceptions of unfair competition between native and non-native speakers competing in matriculation exams;
 - examining the possibility of public sector economic agencies positively discriminating in favour of certain categories of language graduates in future base grade employment;

- promoting public awareness campaigns explaining the connection between languages skills and exports.
- Determining an appropriate agreed starting age for children learning a priority Asian language.
- Determining an appropriate intensity of instruction (ie. number of contact hours per week) for students undertaking languages as part of a regular school program.
- Providing an appropriate mix of these programs together with immersion programs likely to yield much higher proficiency outcomes.
- The critical issue of developing a detailed strategy to ensure appropriate quantity and quality of teacher supply in order to make the entire strategy possible.
- The importance of collaboratively resolving an agreed curriculum in the four priority languages given the duplication of effort and delays likely if all jurisdictions sought to develop their own.
- Finally, a thorough examination of the necessary future restructuring of post-secondary languages courses (in particular in the university sector) to respond to the higher level languages skills that will in the medium-term be produced through the school-based strategy recommended in the report.

5.1 A School-based Program

It is clear from the working group's terms of reference that Heads of Government have explicitly sought the development of a school-based strategy. As stated in the communiqué, the working group is required to "develop a strategic framework for the implementation of a comprehensive Asian languages/cultures program in Australian schools (and, where relevant, TAFE colleges) by the end of the decade".

The rationale for a school-based strategy derives from a number of factors:

- First, the length and intensity of study over time needed to develop effective Asian languages/cultures skills of necessity means that teaching needs to begin relatively early in the school system. As discussed at length in Section 3.9 above.
- Studies indicate that Asian language acquisition in particular can take three times longer than that for European languages.

- Because of this, the school system should build the foundations of effective Asian languages/cultures skills which can subsequently be developed further and refined through Australia's post-secondary school education/training systems - thus enabling young people to acquire more effective languages/cultures skills in addition to other marketable occupational skills and professional disciplines.
- If Asian languages acquisition only begins in post-secondary school education/training, the time and application needed for the student to obtain effective languages skills tends in practice to make it impossible for the student simultaneously to acquire other necessary occupational skills and/or professional disciplines.
- Second, the broad consensus of academic literature is that a child's intellect is more receptive to second languages learning during primary school years - although there is some debate as to whether this is best started during the junior or middle years of primary school (see Section 5.7 below).
- Third, if Australia is to reinforce the development of an export culture by also developing a culture of learning languages, this must be done comprehensively across the school system rather than by ad hoc increments to the patchwork of existing programs scattered across the broader education and training sectors. Only through the school system will long-term, sustainable generational change in attitudes to the East Asian region be realised.
- Fourth, only an expansion of school-based provision will create the critical mass necessary from which the range of linguistic/cultures skills necessary for Australia's future can be derived. This is what the Asian Studies Council in its 1988 report referred to as Australia's "need for a deep and solid layering" of its linguistic and professional requirements. These layers will include:
 - a strong cadre of professionals equipped with high levels of languages/cultures proficiency relevant to their particular profession;
 - a broader group of support personnel in service industries etc where reasonable level languages/cultures skills will be necessary for direct dealings with clients from regional countries; and
 - a general familiarity across the breadth of Australian society with the historical, geographical and cultural diversity of the region reinforced with some basic familiarity with regional languages (this latter group also constituting what the Asian Studies Council refers to as the "reservoir" needed from which to derive more highly skilled "professional" and "support" groups).

- Fifth, while the Australian TAFE and university sectors will in the medium term have an expanded and more complex role to perform in the further training of Asian languages/cultures graduates from the school system, it would be inefficient to ask these sectors to shoulder a larger burden now in the provision of elementary level languages/cultures education. Elementary level courses are not the best use of scarce university resources which should be concentrated on high level training. TAFE colleges should similarly in the future direct their energies more to the application of pre-existing languages/cultures skills to particular vocational outcomes. If, therefore, governments decide to implement a comprehensive school-based program as recommended in this report and once the first Year 12 students emerge from this early program, there will be significant implications for how our TAFE colleges and universities teach Asian languages/cultures from that point on. The interconnection between school/TAFE and school/university courses in Asian languages/cultures will require careful and separate examination and is the subject of separate recommendations in Section 5.11 below.

- Sixth, another alternative to a school-based program is to rely on business itself to fund its own Asian languages/cultures training as required. Efforts by business in this area are useful - as are government programs aimed at encouraging businesses in this direction. Their ultimate usefulness however is contingent on the level of language skills their employees possess in the first place (either through the school system or the TAFE or university sectors). The working group is not aware of a single Australian firm that is prepared to put one of its employees off-line for long enough to learn a priority Asian language to a reasonable level of proficiency if that employee had no prior knowledge of the language. DFAT estimates that it takes, for example, at least two years full time study to acquire reasonable Chinese (Mandarin). Whereas DFAT quite rightly judges that it is necessary to make this investment in its officers while still on full salary, no Australian firm is likely to. Companies are much more likely to take on partial responsibility for language training for certain of its employees if they have already acquired basic proficiency through the education system. It is therefore unreasonable to argue that the business community could be asked to assume principal responsibility for any substantial expansion in our national effort in Asian languages/cultures education.

- Finally, it is useful to look at relevant international experience. In a recent international survey of the foreign language teaching policies of 32 European and Asian countries conducted by the Commonwealth Department of Employment, Education and Training (DEET):
 - 26 countries made the study of at least one foreign language mandatory, with
 - all 26 electing to do so through school-based systems (although with some internal variations in terms of starting ages).

The results of this survey are provided in Table 21 below.

Table 21 Overseas Language Policies and Practices

Nation	Second Languages Emphasised	Methods of Language Teaching	Compulsory Language Study
Austria	English, then Latin and French	schools-based. International bilingual schools in universities	English at school/TAFE and commercial colleges
Belgium	French, Dutch, German	schools-based	French or Dutch at primary level.
Brunei	English	bilingual school system	Malay and English from 4th year primary
Canada	English, French	Provincial variations	Federal Government adopts official bilingual language policy
China	English	tertiary level	N/A
Denmark	English then German	schools-based	English - years 4 to 9, Years 10-12: English and one other
Finland	Swedish	schools-based	Years 1-9 - Swedish and one other
France	English, German, Spanish, Italian	schools-based	upon entry to secondary school
Germany	English, French then Latin, Ancient Greek, Italian, Spanish, Russian, Dutch, Danish	schools-based - standard school and university school stream	Second language compulsory in standard stream from Years 5-6; uni stream from Year 7, with possibly a third language from Year 9
Hong Kong	English, Chinese, then French, German.	bilingualism is promoted through schools system	no compulsion
Hungary	English, German then other European languages and Japanese	schools-based	Primary: 1 compulsory language Secondary: either 1 or 2 University entrance: 1 or 2
India	14 principal languages, excluding English	Government and private schools systems	Government schools: English from Year 6; Private schools: English from Year 1; compulsory Hindi from Years 1 to 8 in both systems
Indonesia	English, German, French, Dutch	secondary schools only	English: Years 7 to 12 and for university entrance; German and French compulsory in some schools;
Ireland	Irish, English, then French, German, Spanish, Italian, Latin	schools-based; recent policy focus has been on promoting the use of a third (EC) language	primary, secondary, TAFE: Irish and English; university: English and one other

Italy	English, French, German and Spanish	schools-based	one language of the student's choice is compulsory at all levels
Japan	English, then Korean, French and Russian	elective subjects in secondary schools	no compulsion
Korea	English, German, French, Japanese, Chinese, Spanish, Russian	schools-based; tertiary	Primary School - 250-350 hrs of English; Secondary School 400 hrs English; Uni entrance: English
Malaysia	English, Chinese, Tamil, Bahasa Malaysia	Government and Chinese and Tamil schools	Government schools: English at primary level Chinese/Tamil schools: Bahasa and English compulsory
Netherlands	English, then other European	schools-based	primary: English secondary: 3 foreign languages
New Zealand	None, although Maori language schools stress Maori and English	schools-based; private	no compulsion
Norway	English, French, German	schools-based	(1994) - English from Year 3; English and other from Year 8
Philippines	English, increasingly Mandarin	schools-based	primary, TAFE: English secondary: English and Introductory Spanish university: English and advanced Spanish
Poland	No obligatory languages	schools-based	primary: one second language secondary, TAFE, tertiary: two second languages
Russia	English then German, French, Spanish	schools-based, although language policy now in a state of flux	compulsory from Year 5, although Year 1 in some cases
Singapore	English + mother tongue - Chinese, Malay or Tamil	bilingual education policy implemented through schools	all students are required to learn English and mother-tongue at all levels of education

Sweden	English	schools-based	Year 2 or 3 - English - two hrs p.w.; Year 4 to 6 - English - 10 hrs p.w. Year 7 to 9 - English and one other - 9 hrs p.w. Year 9 and above - English and one other.
Switzerland	German, French, Italian	schools-based	one language during compulsory schooling years; one language for university entrance
Taiwan	English, Japanese - encouraged because of their importance to trade	schools-based	primary: English optional but available from Year 3 secondary, first year uni: compulsory English
Thailand	English	schools-based	last 2 years of primary: English "required"; secondary - language a requirement in liberal arts studies
Turkey	English, French, German	private and State schools; second language skills encouraged in private and public sectors	government primary schools: none primary private schools: one language secondary: one language
United Kingdom	8 working languages of the EC; 11 of cultural and commercial significance	delivery through schools, based on National Curriculum	compulsory language in secondary schools (1991-)
Vietnam	English, Russian then French and Chinese	schools-based	Years 1 to 5: introduction to English Years 6 to 12: one compulsory language

Source: Commonwealth Department of Employment, Education and Training Survey, September 1992, August 1993

RECOMMENDATION 5A

It is recommended that governments endorse a school-based program as the best means of achieving a substantial quantitative and qualitative improvement in Asian languages/cultures education in Australia.

5.2 Future Demand

5.2.1 Existing National Targets

Various previous reports have specified numerical targets for the acquisition of languages/cultures skills in the future.

- The Asian Studies Council set a target for the number of students studying an Asian language as a mainstream subject of 15% of each of the total of primary, secondary and TAFE students and 5% of tertiary students by 1995 and 25% and 10% respectively by 2000 (ASC, 1988: 4).
- Garnaut describes the Asian Studies Council objective of making Asian language education normal by the year 2000 as "reasonable and feasible" and specifically supported the recommendation that an Asian language should be available in the curricula of all secondary schools by the same target date (Garnaut, 1989: 304).
- The Commonwealth Government White Paper on Australian Language and Literacy Policy contains a similar policy objective:

As a basis for action, the Commonwealth proposes that the proportion of Year 12 students studying a language other than English should be increased to 25% nationally by the year 2000 (Commonwealth of Australia, 1991: 17).

To put the Commonwealth's target under the Australian Languages and Literacy Policy into context, its achievement would mean that by the year 2000 around 62 000 Year 12 students will be studying a language other than English, compared with:

- 22,000 students of second languages at present, requiring therefore a near trebling of present national effort;

- 6 700 Asian languages students at present, requiring nearly a tenfold increase on current effort if the 62 000 target was to be achieved in Asian languages (as recommended by the Asian Studies Council).

5.2.2 Estimation of Future Supply of Language Graduates Based on Implementation of the Commonwealth Target

If trends over the last decade in the number of students studying a second language are continued, the Commonwealth's target of having 25% of Year 12 students studying a second language by the Year 2000 will not be achieved (even taking into account the minor recovery in these figures since 1990).

If it was intended that the Commonwealth target be achieved through students of Asian languages only (i.e. increasing the present number of such students from 6 700 to 62 000 over the next seven years) it is even less achievable.

If, however, second language provision was systematically increased starting from the second half of this decade - beginning in primary schools and flowing through to secondary schools over the following decade, it is conceivable that a 25% target could be reached by around 2006/7. It must be recognised that even the delayed achievement of this target (i.e. 2006/7 rather than the original target date of 2000) would require strategic intervention by governments in order to turn around the declining rates of second language learning of the last decade or so. There is no evidence that they are likely to turn around themselves.

As for how a 25% might be achieved over this revised timeframe given the existing mix of Asian and non-Asian languages, it is appropriate that realistic sub-targets be set which bear some relationship to the existing language teaching base. The working group argues that given the current mix:

- it is possible to retain and possibly improve on the current base of non-Asian languages from 8% of total Year 12 students to, say, 10%;
- but to significantly expand the Asian languages base from 4% of total Year 12s to 15% (i.e. by the new target date).

If the latter target was achieved, by the year 2010 up to 634 000 Year 12 students could be in the workforce having studied an Asian language. This would comprise:

- 68 000 students who have studied an Asian language at Year 12 over the period 1978 - 1993; and

- an estimated 566 000 students who would study an Asian language over the period 1994 - 2010.

This of course makes no assumption in relation to failure rates or the relative skills levels of successful Year 12 graduates or of those graduates who develop their skills further through additional training. Nor does it make assumptions in terms of those Year 12 Asian languages graduates who may lack necessary skills in other areas and are therefore unable to find employment in East Asia-related Australian firms. Similarly no assumptions have been made in relation to Asian languages graduates who may be unwilling to work in East Asia related firms.

It is of course impossible precisely to quantify future national labour force requirements for these particular skills. To do so would require a number of heroic assumptions in terms of the number, structure and products of firms with potential for economic engagement with the region. Nevertheless, the figure of 634 000 would not, on the face of it, result in significant over-supply. In fact, probably the reverse. (Attachment D provides an indicative scenario of the possible future demand for Asian languages/cultures skills in the Australian economy).

A significant re-weighting of Australia's language teaching priorities along the lines recommended by the working group (ie. from a current 70:30 ratio in favour of European languages to 60:40 in favour of Asia) is also more reflective of Australia's current and prospective export priorities:

- exports to East Asia now account for 60% of total Australian exports;
- exports to Europe and the US account for 15% and less than 10% respectively.

RECOMMENDATION 5B

It is recommended that governments:

- **endorse the Commonwealth's 1991 target of 25% of Year 12 students studying a second language;**
- **agree that the target date for achieving the 25% target be extended from 2000 to 2006;**
- **agree that this national target be met by having 15% of Year 12 students by that date studying a priority Asian language (up from the present figure of 4%);**
- **agree that the remaining 10% of the Year 12 target be met by studying other languages (up from the present figure of 8%);**
- **agree that by the target date, 60% of Year 10 students be studying a priority Asian language.**

5.3 Future Proficiency Targets

The effective implementation of an expanded school-based program in Asian languages/cultures education and its subsequent benefits to the economic development of Australia must not only be measured in quantitative terms, as discussed in Section 5.2. More importantly it must be able to be measured in qualitative terms; in terms of the knowledge, skills and understandings acquired through the learning of a second language and the individual's ability to use the target language effectively and in culturally appropriate ways.

In turn, the ability of individuals to use the target language must be able to be assessed, recorded and reported in a way that is useful to students, teachers, parents and employers.

The use of proficiency as an indicator of program outcomes is the subject of considerable debate amongst educationalists and linguists. The working group considered two options currently available for the measurement of a language proficiency:

- the LOTE Profile for Australian Schools; and
- a modified version of the Australian Second Language Proficiency Rating Scales (ASLPR).

However, neither approach is universally accepted across jurisdictions as an appropriate basis for proficiency assessment in a schools-based program.

Agreement will need to be reached among States, Territories and the Commonwealth as to the most effective way of measuring and reporting students' proficiency at various stages of their learning. It is a task which is complex and multi-faceted but which needs to be completed with a degree of urgency, building on the national collaborative work which has been undertaken in this field over the last five years and the best of existing practices within school systems.

The development of any future proficiency scales, assessment, reporting and recording mechanisms must describe the range of competencies attained by different students, at different stages of their learning and in different programs for each of the identified languages.

In particular, it is the view of the working group that future proficiency targets need to identify clearly the expected outcomes for students studying Asian languages/cultures through a variety of programs, such as immersion, extended programs undertaken from Year 3 to Year 10 and those involving in-country experience.

The working group believes that it is possible to develop a generic set of descriptors such as proficiency scales or levels, that can be used to describe proficiency attained by students. Given the varying complexities associated with individual languages, testing instruments that measure students' proficiency will need to be developed for each of the priority languages identified in the strategy. It is further necessary to develop agreed reporting and recording mechanisms that communicate students' proficiency, in the target language.

Whatever approach is adopted for the development of future proficiency levels and testing instruments, such an approach must be supported by classroom based trialing to ensure credibility and relevance for teachers, students, parents and employers.

RECOMMENDATION 5C

It is recommended that:

- **COAG requests Education Ministers to develop agreed proficiency scales, testing and reporting mechanisms for the four priority Asian languages to be included in the proposed national Asian languages/cultures program;**
- **COAG agrees to the finalisation of these proficiency sales, testing and reporting mechanisms by early 1995 to allow:**
 - **trialing during 1995; and**
 - **implementation at the beginning of the 1996 school year.**
- **Education Ministers be requested to report on progress to the second COAG of 1995.**

5.4 Integrated Quantitative and Qualitative Targets

Section 5.2 above recommended a quantitative target of 25% of Year 12 students studying a second language by 2006 of which:

- 15% would be studying a priority Asian language; and
- 10% studying other languages.

The working group sought to match these targets with appropriate proficiency levels for Year 10 outcomes (the feeder group for Years 11 and 12), Year 12 and a possible Year 13.

- For Year 10 graduates, it is believed that an appropriate minimum proficiency target for the majority of students should be "survival proficiency" in which the speaker is able to satisfy basic survival needs and minimum courtesy requirements by comprehending enough to meet those needs.

- It is recognised that given different degrees of language aptitude not all Year 10 graduates will achieve that level although some will surpass it.
 - The working group believes, however, that this represents a reasonable objective given the proposed intensity of study (minimum 2½ hours per week) beginning in the early/middle years of primary school (see Section 5.8).
 - It is also a necessary proficiency level to achieve as a foundation for the development of higher level proficiencies either in Years 11-12 or through further training beyond the school system.
- As for the 15% of Year 12 students (ie. a total of approximately 40 000) targeted by 2006 to study Asian languages/cultures:
 - 13% (ie. approximately 35 000 students) could attain a level of proficiency defined as "minimum social proficiency", as a result of a further two years study at similar levels of course intensity, while
 - 2% (ie. approximately 5 000 students) could attain a level of proficiency defined as "minimum vocational proficiency", if these students were exposed to much greater course intensity than normal students.
 - Of the 15% of Year 12 graduates studying Asian languages/cultures, a further national program would be aimed at encouraging the best among them to spend an additional year obtaining post-secondary/pre-tertiary in-country exposure and experience prior to advancing to university.
 - Approximately 1% (ie. around 2000 students) represents an achievable target.
 - Up to 12 months "in country" experience could equip such students with proficiency at the level of "useful vocational proficiency."
 - The attainment of this level of proficiency (together with that attained by other Year 12 graduates) will require significant restructuring of relevant TAFE and university languages/cultures courses in order to develop further and apply these proficiencies to other chosen disciplines. See Section 5.11 below.

Apart from Asian languages proficiency outcomes, it is also important to match these with complementary courses in Asian cultures.

- These courses should focus on the culture directly associated with the language being studied - but should also seek to cover the range of cultures across the breadth of the region. The term "culture" should also be interpreted broadly so as to include a grounding in the history, geography, politics, economics, society, arts and religion of countries in the region. The object should be to equip the next generation of Australians with a knowledge of the internal diversity of the region and to displace the inaccurate perceptions of the past of some sort of homogeneous 'Asian' monolith. Future generations of Australians need to be capable of internally differentiating the many cultures of the region.
- The working group believes that these courses should also be made available to students not studying a priority Asian language, and should be delivered within the existing study of societies and environment learning area.
- As with language study, the proficiency outcomes for Asian cultures will differ according to the length and intensity of study ranging from:
 - a sound knowledge of regional cultures for Year 10 graduates to
 - a high/very high level of knowledge for Year 12 graduates and beyond.

In summary, the working group believes that setting integrated quantitative and qualitative targets for both languages and cultures outcomes will in time produce the necessary "layering" of expertise referred to in earlier sections of the report - ie. ranging from a broad base of general understanding of the region to narrower groups of more refined expertise equipped for the "sharp edge" of Australia's future economic engagement with the region.

RECOMMENDATION 5D

It is recommended that COAG endorse the following indicative proficiency targets for students studying priority Asian languages under a school based national program (with the targets to be further specified in line with the proficiency measurement scale developed under Recommendation 5C):

- Year 10 Asian languages students to acquire proficiency equivalent to the level of "survival proficiency";
- 13% of Year 12 students to acquire a level of proficiency equivalent to the level of "minimum social proficiency";
- 2% of Year 12 students to acquire a level of proficiency equivalent to "minimum vocational proficiency";
- 1% of Year 12 students to acquire a level of proficiency equivalent to "useful vocational proficiency"; and
- Asian cultures courses within the study of societies and environment learning area be provided to all students and that expected proficiency outcomes be determined commensurate with length and intensity of study.

That Heads of Government agree that the specification of these proficiency levels be completed by the beginning of the 1996 school year.

5.5 Improving the Supply of Language Graduates - Second Language Study as a Mandatory or Elective Part of the Curriculum

The major practical problem arising from the preceding analysis of appropriate qualitative targets for future Asian languages/cultures courses in schools is how to meet those targets.

A target of 25% of Year 12s by 2006 will require:

- a near trebling of current effort (from 22 000 students at present to approximately 62 000 by 2006) including;
- a six-fold increase on current effort for priority Asian languages (from 6 700 to approximately 40 000).

In addition to the qualitative improvements to course provision that will also need to occur.

The problem of meeting these targets within previous policy settings (whereby the study of a second language has been an elective subject) is considerable given that the proportion of students studying a second language rather than increasing has been steadily declining for the last decade. Within this declining total, there has been some improvement from a very modest base in the numbers studying an Asian language. But even if the trend increase of the last decade could be projected ahead for the forthcoming decade, we would at best achieve less than one half of the quantitative target of 15% of Year 12s studying a priority Asian language. Importantly, this also ignores qualitative factors in terms of the proficiency outcomes being achieved through current provision (which jurisdictions with recent experience in this area judge to be relatively low).

Given these difficulties and given the fact that the majority of jurisdictions have moved recently to new policy settings of mandating the learning of second languages, the working group examined a range of options for the future.

One option considered was the introduction of a requirement that by the first decade of the next century (ie. upon completion of implementation of a new, expanded languages program in the school system) all university students study a second language contemporaneously with their mainstream university courses. This follows the pattern of a number of European countries where a second language is mandatory in university level education.

- Such a policy would certainly accelerate the development of the type of dual/multi-disciplinary model of future Australian graduates referred to in Section 3.9 above. It would also serve rapidly to increase the number of Year 12 students taking a second language (and presumably therefore an Asian language) given that at present approximately 33% of all Year 12 students go on to university. A 25% target would therefore be easily achieved.
- Against this is the fact that despite European precedent, mandatory second language study at university has never been policy in Australia and may be regarded as too dramatic (eg. the Sciences have never particularly regarded languages as relevant) and in some cases as too draconian. A variation of the option would of course be to mandate language studies for only certain defined university courses. Even then, however, this option would suffer the additional disadvantage of ignoring the large proportion of total post-school training that occurs in Australia beyond the university sector where language skills are also important. It may, nonetheless, despite its radicalism and its deficiencies, represent a policy worthy of further long term consideration by relevant tertiary authorities.

A related but less ambitious option is to make Year 12 language study a pre-requisite for university entry but not mandating second language study for university itself. This was policy in most Australian universities until the early to mid-1970s and its abolition resulted in the collapse in language participation rates from that time. Its reimposition (again even as a pre-requisite for certain defined courses rather than all courses) would dramatically assist in raising Year 12 language participation rates to the required target. Notwithstanding its deficiencies in relation to the non-university sector, the working group believes this option is worth further examination by an appropriate working group during the forthcoming year in conjunction with the relevant tertiary authorities. (This option is discussed in greater depth in Section 5.6.1 below.)

A third option is to mandate the study of a second language for all Year 11 and 12 students. Again while this may have some advantages, the working group was of the view that students in their non-compulsory school years should be left with the discretion to choose their own Year 11/12 subjects - as these choices were made in anticipation of the type of post-secondary education, training or employment opportunities they would later wish to pursue.

A fourth option is to restrict the mandating of the study of a second language to the compulsory years of schooling - ie. starting in early/mid primary school and continuing until Year 10. This option has a number of advantages.

- It makes language study part of the core curriculum of a student's education during the compulsory years of schooling.

- It will as a result contribute to long term attitudinal change in broader Australian society - in time making the study of Asian languages and cultures a normal feature of a general Australian education for succeeding generations.
- By Year 10 it will also create a sufficient level of elementary level languages/cultures expertise for those who then exit the school system for further adaptation and development by employers (eg. in relevant service industries) or by the TAFE system.
- Finally, a substantial Year 10 cohort will provide sufficient critical mass to generate an adequate retention rate to satisfy in turn a target of 25% of Year 12s studying a second language - and do so without mandating languages in the final years of schooling.
 - The only valid basis for comparison which exists in current systems is the present retention rate between Year 8 (where many systems mandate second language study) and Year 9.
 - Based on data from Queensland over a number of years the Year 8/9 language retention rate ranged from 21.5% - 25.5%.
 - Assuming comparable retention rates for language for Year 10/11 under a new system which will mandate language study through Year 10, previous targets of 25% of Year 12 could be achieved. (It is in fact possible that the target could be exceeded given that students may be more likely to continue the study of a second language after several years of cumulative study starting in early/mid primary school under the proposed new system than is currently the case where students make a decision to continue/discontinue usually after only one year's study.)

As noted in Chapter 4, State and Territory governments are increasingly of the view that making the study of a second language a non-elective part of the core curriculum for the compulsory years of schooling is necessary in order to achieve the desired critical mass of linguistically competent students. The governments of New South Wales, Victoria, Queensland and South Australia have either already taken this policy decision or (in the case of South Australia) are moving in that direction. Other governments have this issue under review and therefore must reserve their position until the completion of these reviews. All governments are signatories to the Hobart Declaration which incorporated languages other than English as a key learning area. The Commonwealth accepts that the question of a mandatory or elective approach is primarily a matter for the States and Territories.

RECOMMENDATION 5E

It is recommended that governments:

- **preserve the study of a second language as an elective subject for Years 11 and 12;**
- **over the next decade progressively mandate the study of a second language during a student's compulsory school education (ie. progressively from early/mid primary school up until Year 10.)**

It should be noted however that for all jurisdictions mandatory study of LOTE will be inappropriate for a small number of students. The identification of those students who may be exempted from the program will be a matter for individual jurisdictions and will be based on a range of broad educational considerations.

5.6 Improving the Demand for the Study of Second Languages

The working group is also of the view that measures to increase the supply of language graduates over time in order to meet existing national targets need to be complemented by a range of "demand-side" measures which simultaneously have the effect of boosting the natural demand for language courses in Australia.

The working group examined the following areas where measures might be taken to enhance the attractiveness of language programs for students:

- the reinstatement of a requirement of a language for university entrance;
- student perceptions in relation to the difficulty of a second language as a subject for secondary school matriculation;
- the use of a second language as a pre-requisite for selected public sector recruitment; and
- the need for awareness and/or education campaigns to highlight the vocational importance of Asian languages/cultures skills.

While demand-side measures are important in assisting the necessary change in attitude to the study of second languages in general, such measures must be implemented in conjunction with comprehensive supply-side measures in order to generate the critical mass of students necessary to meet national targets and the future requirements of the national economy.

5.6.1 University Entrance

High levels of participation in second language courses in secondary schools in the 1940s and 1950s can be attributed to both a tradition of language learning in school systems (such as the study of Latin) and the language requirements for university entrance. In the early 1960s approximately 40% of Year 12 students studied a language other than English and the subsequent decline in language study can be attributed in part to the modification of university entrance requirements.

There have been recent positive moves in the Australian tertiary sector to reverse this trend. Monash University, the University of Melbourne and, imminently, the University of Queensland, for example, have reinstated the policy of additional credit for students presenting a language for tertiary entrance. Such developments should, in the longer term, have a "washback" effect on numbers participating in school languages programs.

Options for extending a second language as a university entrance requirement include:

- a second language to be studied like any other subject, and examined for university entrance purposes;
- a second language studied in conjunction with other subjects to reach a given level of proficiency before the entrance requirement was met; and
- the possession of facility in a language to attract "bonus points" toward enrolment or to separate or rank applicants with similar academic qualifications.

However, if a second language is to be encouraged as a university entrance requirement, a number of additional issues need to be addressed:

- The introduction of a second language as a tertiary entrance requirement is, in effect, the introduction of compulsory language study, especially given the number of students who seek to enter universities in the 1990s as opposed to the 1960s. This measure would suggest that students would be required to make decisions in terms of their academic and vocational futures extremely early in their school life to permit the lengthy attainment of language facility to university level.
- If second language pre-requisites were introduced, universities would need to consider the widespread introduction of complementary language courses. This will have financial and other resource ramifications for individual institutions.

- Second language prerequisites for entry to university would thus need to be introduced gradually and cohesively to ensure equity across the state and non-state school sectors and to take into account the practical issues of teacher supply and curriculum and resource development.
- Given that universities set their entry requirements independently from governments, the implementation of second language prerequisites would require a collaborative effort by universities and school systems.

Nonetheless, the working group considers there is value in the further examination of the option to incorporate language study into university entrance processes.

RECOMMENDATION 5F.1

It is therefore recommended that:

- **a working group be commissioned comprising representatives of MCEETYA, AVCC and ANTA to examine the future role of second languages as a possible pre-requisite, or bonus, for certain post-secondary courses and to report to COAG by March 1995.**

5.6.2 Matriculation

A further issue related to the decline in the elective demand for second language study in Australia is the apparent reluctance of students in some jurisdictions to compete against "native speakers" in competitive assessment leading towards university entrance calculation. There is also a perception that it is more difficult to attain very high grades in languages as opposed to a more "precise" discipline such as mathematics or physics.

The working group is of the view that these issues may be alleviated with jurisdictional specific measures. A number of jurisdictions have already addressed the issue of competition from native speakers by establishing separate courses, especially at senior secondary level for native speakers, with a number of others giving serious consideration to such strategies. New South Wales, for example, provides separate classes, and examinations, in Japanese, Chinese and Indonesian.

RECOMMENDATION 5F.2

It is therefore recommended that:

- **all systems examine any impediments arising from current Year 12 assessment, reporting and testing procedures for languages other than English so as to remove any existing disincentives faced by non-native speakers competing against native speakers.**

5.6.3 Language as a Pre-Requisite for Certain Types of Public Sector Recruitment

The working group considers that there is merit in considering the possibility that applicants to base-grade positions in selected public sector positions possess facility in a second language.

Government departments of most European governments mandate mastery of at least one other language and sometimes two. In Europe, this trend has been reinforced by the extensive nature of inter-agency contact between the various functional departments of EU governments. While it is not intended that APEC assume the characteristics of the EU, it is conceivable that inter-agency dialogue between APEC member states will increase over time in particular areas of common economic interest.

While not recommending a blanket requirement for language skills for all public sector employment, consideration could be given to requiring language skills for future base grade recruitment to certain economic areas in Australian public sector departments and agencies. Alternatively, consideration could be given to using the possession of language skills to decide between two applicants matched in other selection areas competing for appointment to the economic departments of government.

It is important, however, that government efforts in this area are not limited to base grade recruitment. In particular, government agencies should ensure that these skills are recognised and utilised.

By implementing changes of this type, government would be taking a concrete lead in sending a positive signal to future language graduates.

RECOMMENDATION 5F3

It is therefore recommended that:

- **governments examine the possibility of the application of language skills to the base-grade recruitment processes in their respective public sector agencies and measures to ensure such skills are utilised effectively.**

5.6.4 Public Awareness Campaigns

The AGB McNair survey of business attitudes and the Reark Research general community survey referred to earlier in the report point respectively to:

- the strong recognition from business of the need for Asian languages skills;
- the broad community awareness of the importance of second languages study in general and Asian languages education in particular.

The survey results are complemented by additional research undertaken by the Queensland Government over the past five years and more recently by the Victorian Government which found strong parent support for second language education in schools.

Notwithstanding the evidence of increased awareness of the need for Asian languages study, the working group is of the view that any strategy introduced to meet the quantitative and qualitative targets in terms of the study of languages could be accompanied by promotional efforts to further enhance the awareness of business and the general community of the value of languages skills, particularly the application of such skills to vocational, business and export activities. Such a campaign could subsequently impact on student subject choices to improve the attractiveness of language study.

RECOMMENDATION 5F.4

It is therefore recommended that:

- governments examine means of further raising Australian public and business consciousness of the application of Asian languages/cultures skills to business export success including targeted information campaigns through the media.

5.7 Appropriate Starting Age

There appears to be little conclusive evidence that an optimal starting age for second language acquisition exists although there is some evidence in recent research that "acquirers who being naturally exposed to second languages during childhood generally achieve higher second language proficiency than those beginning as adults" (Krashen *et al* in Singleton, 1989: 117).

In the early seventies there were a number of studies (Burstall *et al*) which refuted the notion that an early start in second language acquisition was an advantage.

Later studies (Buckley; Potter *et al*) however reopened the debate based on research on the successful introduction of second language programs in early primary grades, especially in Europe (Singleton, 1989: 3-4).

5.7.1 Critical Period for Learning a Second Language (L2)

One reason that this debate continues is the existence of the theory of a "critical period" for language development, although there is little agreement about the age at which this "critical period" occurs and when it cuts out. Most theorists, however, agree with Piaget that it is beyond puberty, at about 15 years of age, when the stage of "formal operational thought" is entrenched (Harley, 1986: 9, 115).

There does seem to be agreement on the necessary conditions for success in second language learning, whatever the starting age. These are the opportunity for continued study over a considerable period of time, and the quality and appropriateness of the second language program.

Based on measured L2 achievement in formal education settings, Carroll argues that, because young learners will have more time to acquire the L2, an early start is desirable (Carroll in Harley, 1986: 21). Genesee too sees greater opportunity for exposure to the L2 as an argument for an early start, despite the fact that he considers older learners to be initially more efficient (Genesee in Harley, 1986: 22).

Both Genesee (in Harley, 1986: 22) and Singleton (1989: 244-5) highlight the critical importance of effective pedagogy in early start programs. Singleton stresses that primary second language exposure must be positive and that the programs must be equipped with appropriate high quality materials and teaching.

5.7.2 Primary Second Language Programs

From research conducted in naturalistic settings, Singleton concludes that there is some evidence that younger L2 beginners will eventually surpass older beginners and argues that this evidence can credibly be extended to a "younger=better in the long run" interpretation in formal learning situations (Singleton, 1989: 260).

Prep-Grade 1:

Research suggests that very early starts in L2 acquire a higher and more natural level of pronunciation skills than children who commence later. (Dunkel and Pillet; Fathman; and Fathman and Precup; in Singleton, 1989: 108). This finding is supported by Clyne's research (Clyne, 1986: 69).

The recent study by Yelland *et al* found that early exposure to even limited second language learning also increases the "metalingual awareness" of Prep Grade children (Yelland, Pollard and Mercuri, 1993).

However, there is a body of opinion that suggests that the infant school starting age may be unsuitable. Harley, in her examination of early and late immersion students suggests that, because the Grade 1 students were beginners in reading, they were unable to use literacy in L2 (French) to assist in their understanding of the "rules" of the language (Harley, 1986: 118).

This is borne out by the results of a range of tests comparing the starting ages from Grade 1 to Grade 4 and relating these results to three types of program models from partial immersion to traditional. "In many of the test measures Grade 3 seems to represent a threshold at which the maximum benefits of language learning are experienced. The Grade 3s either obtain the highest overall scores ... or they obtain scores upon which the Grade 4 beginners improve little": (Clyne, 1986: 55).

Grades 5-6

Research appears to be more equivocal on the advantages of starting in the later primary school years.

There is some evidence that children starting second language learning in the upper primary or early secondary school, when the "formal operational stage" is beginning, may not do as well as those starting earlier. Harley suggests that "with the development of formal operations at age 10-12, the individual ... has access to separate problem-solving cognitive structures ... which intervene in the acquisition of L2" (Harley, 1986: 12). This is also the opinion of Krashen, Rosansky and Felix, cited by Harley, who hypothesise that the "cognitive stage of formal operations beginning around puberty may be the basis for the close of a critical period for second language acquisition (Harley, 1986: 8-9).

Militating against these findings are factors associated with the maturation of the child which suggest that a later starting age could be beneficial. For instance, Harley suggests that "while some minimum of time is obviously a prerequisite for reaching a function level of L2 proficiency, there are other factors such as the nature of L2 input in the classroom, the motivation of the students, and their relative cognitive maturity which appear to have been equally if not more important than time *per se* ..." (Harley, 1986: 123).

Grades 2-4

The primary age range about which there is the least disagreement is at the Grade 3 level when children have acquired literacy in their first language but have not yet reached the start of the "formal operational" level of cognition.

Clyne maintains that where standard L2 programs are designed for beginners, there is an advantage in starting later, at Grades 2 or 3 because these children have a greater command of the L1 literacy from which they can make positive transfer to the L2. This, he argues, can boost motivation (Clyne, 1986: 131). Ervin-Tripp also sees the period following the introduction of L1 reading as the optimal stage for the learning of L2 phonology (Ervin-Tripp in Harley, 1986: 16).

In an investigation carried out by Doye and Luttge on children learning English as a second language in Braunschweig, Germany, it was found that beginners in Grade 3 developed superior skills to those who started in Grade 5 (Doye and Luttge in Clyne, 1986: 14).

Grade 3 also seems, from some research, to be the upper age limit for acquiring native-like pronunciation. Tahta *et al* argue that "from 7-9 the chances of an accent-free L2 still seem very healthy, while from 9-11 the chances have dropped rather abruptly to about 50% ... From 12 to 13 onwards, the chances of an accent-free L2 are minimal amongst our subjects" (Tahta *et al* in Singleton, 1989: 88-9).

The working group notes that at present States and Territories have different starting ages for second language study in schools, some earlier than Year 3 and some later.

RECOMMENDATION 5G

It is recommended that governments endorse Year 3 as the most appropriate starting age for the study of a second language.

5.8 Intensity of Courses

5.8.1 Regular School Programs

The required intensity of a language course is related to its projected outcomes. It is clear that the proficiency outcome to be achieved in the core program by the end of the compulsory years of schooling will be a "survival proficiency" only and as such will cater for a broad base of general language and communication needs, providing only a basis for the further development of vocational competence. For a significant number of young people this vocational competence will ultimately be achieved through regular school programs in post-compulsory, mainstream courses rising to a more significant level of competence by the end of secondary schooling and high levels of competence by the end of tertiary studies. For this type of mainstream language program both the research and the national consultations undertaken by the working group suggest that an average daily instruction for about 30 minutes is a minimum for serious language learning.

RECOMMENDATION 5H.1

It is recommended that:

- in planning regular school programs jurisdictions aim for an average of approximately 2.5 hours instruction per week per class for each year of study for Years 3 to 10 and 3 hours in Years 11 to 12 resulting in:
 - a total of 800 hours for Year 3 - Year 10
 - a total of 1040 hours for Year 3 - Year 12.

5.8.2 Immersion

To achieve the required outcomes in terms of high levels of language proficiency for a small percentage of students (2% of Year 12 students), alternative methods of delivery will be required. This can be achieved through programs which involve additional "time on task" such as "partial immersion" programs. They are an excellent means of acquiring another language to high levels of proficiency for all students, not merely those with particular promise, aptitude or interest.

Immersion students undertake the same subjects as their peers, however, they study a number or all of these subjects in the target language. Immersion programs do not necessarily provide substantially greater "time on task" in terms of formal language instruction. Rather, opportunity is provided in immersion programs to use the language in relation to the particular subjects covered. This increases student exposure to the language and increases the perceived relevance to students of the second language.

Some States have already had significant experience with immersion programs (which are essentially content based language programs). Most immersion programs are currently at primary level with a small number at secondary level. Experience in this country of immersion programs, although limited, suggests that such programs can develop much higher levels of language proficiency than evidenced in students in traditional school language classes. This would indicate that immersion programs offer students the means to achieve the higher levels of proficiency required by this strategy.

There are a number of issues which require resolution before immersion programs can be incorporated into a national school-based Asian languages and cultures strategy. These include:

- the duration of the program;
- whether the program is delivered through immersion schools or immersion streams in mainstream schools; and
- whether the program is to be implemented as a full or partial immersion course.

5.8.2.a Duration

The Year level at which Australian jurisdictions have introduced immersion programs varies considerably. Some programs commence at kindergarten (reception/preparatory). Others start after the establishment of literacy in English at Year 3 or 4). Another model introduces immersion at junior secondary level. The latter is the least prevalent at present.

In theory, the ideal immersion program would be one which is continuous over a significant number of years of compulsory schooling, spanning both primary and secondary school. There are, however, practical considerations which make this model difficult to sustain. A high level of co-ordination is required between the primary and secondary schools involved. Because of the significant commitment involved in an immersion program, decisions regarding the language to be studied and school choice would need to be made for children at Year 3 level. Such a commitment to a long, rigorous program may be difficult to make for relatively young children.

The introduction of an immersion program at Year 7 or 8 to students who have had little or no prior exposure to that language may result in many students struggling to learn both the language and the content of the subject areas to be covered. This could be a significant disincentive to language learning generally and counter productive in the long term.

Thus there remain two main options for the duration of immersion programs:

- those which commence in Year 3 and continue to the end of primary school, with provision at secondary school for advanced study of the language, but not necessarily in the immersion mode; and

- those which continue at the first year of secondary school (Year 7 or 8) and continue to the end of compulsory schooling or beyond, if possible.

The working group considers that to achieve the desired high level proficiency outcomes, several years continuous immersion study is required. It is recommended that this be a minimum of four years at primary school or three years at secondary school, either as a continuation of the primary program or as a new program. If the immersion program concludes before Year 12, there must be provision for students to continue their language study at advanced level.

The working group acknowledges that jurisdictions will adopt various starting ages and durations of immersion studies.

5.8.2.b. Immersion Schools Or Streams

There are two possible models for the delivery of language immersion programs: immersion "schools" where all students participate in the immersion program or immersion "streams" in mainstream schools where one cohort participates in the immersion program.

The working group is of the view that the appropriate mix of immersion schools and immersion streams is essentially a matter for the determination of individual jurisdictions under the broad guidelines of a national Asian languages and cultures strategy.

5.8.2.c. Full Or Partial Immersion

Under a full immersion program the total school study program is conducted in the target language, with the exception of English which becomes a virtual second language. A partial immersion program represents reductions in the intensity of the full program with a result that three subjects out of the total curriculum, for example, would be conducted in the target language.

The extent of immersion subject choice would clearly depend upon financial and other resources, such as teacher availability, the background of the students, the constraints of the target language and related educational obstacles such as accreditation difficulties.

Again, the working group considers that decisions as to the introduction of full or partial immersion courses is largely a discretionary matter for individual jurisdictions, within the scope of the national Asian languages and cultures strategy.

RECOMMENDATION 5H.2

It is recommended that a national Asian languages and cultures strategy be supplemented by immersion courses in both primary and secondary schools. Programs commencing in primary school should be a minimum of four years duration and those commencing in secondary school should be a minimum of three years duration. A small number should commence in primary school and continue to the end of formal schooling. There should be provision for all students exiting immersion programs to continue their language study at advanced level.

5.9 Teacher Supply

The problems of language teacher competence and supply are critical to the overall effectiveness of these programs. These are major problems - as reflected in recent research (Nicholas, 1992).

Most jurisdictions have not conducted systematic audits of the proficiency levels of their existing stock of language teachers. Those that have (most recently Queensland) discovered a highly variable picture requiring intensive remedial strategies. Furthermore the existing teaching stock is not large enough to cope with significant expansion. There are for example very few teachers of Korean.

Universities are not providing the required numbers of graduates, nor necessarily the appropriate levels of skills (Leal, 1991) to meet the demands. Added to this problem is a growing demand for Asian languages skills in the wider community and a decline in the relative attractiveness of teaching as a career option. Over the last three decades there have been several additional factors contributing to the current critical state:

- the decline of the national second languages teaching establishment since the late 1960s;
- the accompanying reduction in the numbers of young people entering the language teaching profession with an accompanying loss of focus, by tertiary institutions on the needs in the area of language teacher preparation;
- the continuing dominance of languages other than Asian languages in the national provision.

These issues can clearly not be addressed with simple short term solutions. The solutions will be long term and will need to be addressed by the development of standards and in the implementation of a teacher supply and development strategy.

- In the first instance nationally agreed standards will need to be developed for teachers of Asian languages and Asian studies.
 - A national standard in Asian languages teacher training must be developed through the promotion of quality pre-service and in-service training programs. This standard must set a minimum for all teachers of Asian languages, as well as acknowledging the high level of the language and content of the particular subjects concerned and the high level general second language skills required by teachers of immersion programs.
 - Future teacher training programs will also need to provide for a significant teaching establishment in the Social Sciences with substantial discipline-specific knowledge of the region. The training of primary "generalist" teachers will also need to be enhanced to provide them with a measure of Asia literacy.
- Second, a national teacher supply strategy for Asian languages and Asian studies based on minimum levels of teacher competence will need to be developed and implemented. Such a strategy would need to be:
 - linked to a wide ranging national training program for new teachers of Asian languages;
 - also be linked with the rapid training of language teacher aides in priority Asian languages who are already native speakers but who may not be qualified or accredited teachers.

An important adjunct to both the teacher training and teacher development strategies would be the creation of opportunities for Australian teachers of Asian languages and Asian studies to live and work and study in target Asian countries. A program which would provide Australian teachers with the opportunity to spend 6 to 12 months in the target countries would significantly enhance both language skills and cultural knowledge. If such a program were also to encourage some exchange with teachers coming from Asian countries it would also help to provide in-class native speaking support for teachers working in Australian schools. A number of jurisdictions already have such a program in place and it is the view of the working group that opportunities under such schemes should be increased.

To date a considerable amount of work has been done nationally on issues associated with the supply and training of second language teachers. Much of this work has been carried out under the auspices of the National Languages and Literacy Institute of Australia which will provide an important reference point for activity in this area.

RECOMMENDATION 51

It is recommended that governments request Education Ministers to develop by 1 September 1995:

- **a minimum agreed national standard for Asian languages teachers which would see all future teachers of Asian languages attaining minimum levels of proficiency.**
- **an Asian languages teacher training strategy which (through appropriate in-service) will see all existing teachers of Asian languages assessed in accordance with these minimum national standards.**
- **A long term Asian languages teacher supply strategy in order to supply an adequate number of new teachers to the system with appropriate proficiency levels:**
 - **including the development of a plan for the utilisation of the existing stock of native speakers of priority languages in the teaching of these languages;**
- **a strategy for the adequate training or supply of teachers of Asian cultures.**
- **a strategy to provide some in-country experience for Asian languages and cultures teachers and for appropriate reciprocal arrangements for similar teachers from target countries.**
- **and report back to COAG.**

5.10 Curriculum

The development and provision of quality curricula and related teaching resources for programs in Asian languages and Asian studies is critical to the successful implementation of any program.

Considerable work has already been done in the development of national curriculum guidelines in targeted Asian languages. Extensive national curriculum guidelines and supporting documentation exist for Japanese, Chinese and Indonesian with more limited material being available for Korean, Thai and Vietnamese. The national guidelines in Japanese, Chinese and Indonesian have been supported by significant "train the trainer" type in-service programs which have sought to provide key personnel in each State with an understanding of the material in question. Because, however, of the diversity in curriculum frameworks within each jurisdiction the "take-up" rate of these curricula has not been as good as could be expected.

The national curriculum guidelines can be used as the basis for further curriculum development for the purposes of the new national program recommended in this report. The objective is:

- to produce a set of nationally agreed statements and frameworks for the four languages; and
- to produce a full range of high quality class room teaching materials for each language (for this purpose tenders may be sought from commercial organisations, individual systems or the National Curriculum Corporation).

Work has also been done by the Asia Education Foundation (AEF) in the development of an Asian studies curriculum through the existing National Framework for Studies of Asia. The working group believes that in developing an appropriate curriculum for Asian studies in Australian schools, governments should draw substantially on the work to date of the AEF.

Because of Australia's geographic diversity particular importance must also be attached to the development of distance learning Asian languages and Asian studies programs by means of:

- traditional distance delivery models;
- telematics;
- interactive television; and
- computer software and computer based teaching techniques.

RECOMMENDATION 5J

It is recommended that Education Ministers be requested, with due reference to current second language curriculum developments in all jurisdictions:

- to complete as necessary nationally mutually agreed curriculum statements and frameworks for all four priority languages (Year 3 - Year 12);
- to provide high quality teaching materials for the same languages taking into account the particular requirements of distance education given Australia's geographical diversity;
- to complete as necessary mutually agreed curriculum statements, frameworks and teaching materials for a common Asian cultures program within the study of society and the environment learning area, drawing substantially on the existing work of the AEF;
- given the national importance of this task that this task be completed by January 1996 to be ready for use by Year 3s in the 1996 school year (although this may prove to be difficult in some jurisdictions).

5.11 Relationship between Schools, TAFE Colleges and Universities

If the program recommended in this report is implemented, it follows that in the long term existing Asian languages/cultures course structures offered by Australian TAFE colleges and universities will need to be substantially redrawn. If Year 10 and Year 12 graduates leave the school system with the broad range of proficiency outcomes referred to in 5.4 above, TAFE Colleges and universities will need to adjust upwards the starting point for the courses they offer (as is already happening in a number of cases). As noted earlier in this report, this is entirely desirable and will result in our tertiary and further education sectors becoming the refiners rather than the primers of the nation's Asian languages/cultures skills.

In addition to producing tertiary graduate linguists with much higher proficiency levels than in the past, the more important challenge for universities in particular is effectively to integrate these skills into the range of mainstream disciplines, for example:

- in addition to the core units of a Bachelor of Laws degree (LLB), each year of an LLB might offer a full or half unit in, say, Chinese, Japanese or Korean law taught in the relevant language and drawing on appropriate legal documentation from their respective legal systems;
- in engineering courses, additional units might be offered in the relevant language outlining the practice of the discipline in priority countries including the operation of the relevant professional bodies and introduction to professional literature and journals used in those countries; and
- mainstream economics students would have similar exposure to relevant economic history, current schools of economic thought in the various academic institutions of the countries concerned in addition to mainstream journal literature.

Similar models are also possible for TAFE (eg. tourism courses).

Inter-disciplinary models of this type will of course result in considerable implementation difficulties - eg. obtaining suitably qualified teaching staff and ensuring academically rigorous assessment procedures. Such difficulties are inevitable and many university faculties will be resistant and some possibly intransigent. But the advantages of this model are substantial:

- students maintain and refine their languages/cultures skills;
- students learn to apply these skills to the professional demands of their discipline and most critically to think in the discipline in the language;
- the foundations are established for greater university to university, faculty to faculty and (for post-graduates) profession to profession contact with relevant institutions of regional countries.

Plainly these are complex matters and fall outside the working group's immediate terms of reference. Moreover, if the recommendations of this report for the school system are progressively implemented (starting, say, with Year 3 in 1995) the implications for the tertiary, technical and further education sectors will not be fully felt until the middle of the first decade of next century when the first Year 10 and Year 12 graduates apply for admission to these sectors. Nonetheless, a thorough policy review needs to be commissioned in conjunction with the relevant university and TAFE authorities in the interim covering these and other issues raised earlier in this chapter on the general use of second languages in the post-secondary education sectors.

RECOMMENDATION 5K

It is recommended that governments establish a high level working group to be chaired by an appropriate person of national standing and comprised of representatives from MCEETYA, AVCC and ANTA to complete a report by January 1995 on:

- **the impact of projected higher Asian languages/cultures proficiency outcomes from the school sector on the existing Asian languages/cultures courses offered by universities and TAFE systems;**
- **the desirability of greater integration of higher level languages/cultures proficiency levels with mainstream academic disciplines and vocational courses; and**
- **a national strategy to give effect to this report from the year 2004;**

5.12 Implementation Machinery

Effective implementation machinery will be necessary in order to ensure the proper implementation of the recommendations of this report.

The working group has already identified a number of problems with existing educational machinery across the country:

- In practically all jurisdictions there is an absence of central co-ordination of second languages teaching programs (including Asian languages teaching programs) across systems. Devolutionism has resulted in a fragmentation of central controls. As a result, a new centrally driven program of high priority of the type recommended in this report will impose considerable strains on existing systems. More effective national collaboration and coordination are believed to be necessary for the purposes of this program.
- State and Territory systems in themselves often lack the critical mass necessary to generate economies of scale in, say, teacher training, curriculum development and the production of related teaching resources.
- In addition an effective national collaborative effort would enable State and Territory systems to learn more efficiently from one another's achievements and mistakes.
- All State and Territory systems have reported a degree of institutional indifference and/or hostility toward second languages teaching programs in general. The absence of second languages skills on the part of senior managers within various State and Territory systems can often result in these programs failing to attract necessary "product champions". As a result, notwithstanding periodic policy statements by governments about the importance of the study of second languages (including Asian languages) in the past, management indifference has often in practice resulted in the marginalisation of second language programs.

The working group is therefore of the view that appropriate national collaborative machinery must be established in order to ensure that the policy intentions reflected in the recommendations of this report during the coming decade are given practical effect in the classroom.

RECOMMENDATION 5L

It is recommended that given the national importance of substantially improving Australia's Asian languages/cultures proficiency levels in the future, an appropriate national collaborative mechanism be developed charged by all participating governments with responsibility to give effect to the recommendations of this report.

CHAPTER SIX

FUTURE PROVISION: PROGRAM RECOMMENDATIONS

The policy recommendations contained in Chapter 5 require that a comprehensive national strategy would need to address the following areas:

- the mainstream teaching of Asian languages and Asian studies at school level;
- the provision of opportunities for accelerated language acquisition; and
- the provision of opportunities for young Australians to work and study in Asian countries.

Chapter 6 proposes a three-part program structure (see Figure 9) to implement the working group recommendations in each of these areas:

- **Asian Languages/Studies in Australian Schools Program (ALSAS);**
- **Asian Language Immersion Program (ALI); and**
- **Young Australians in Asia Program (YAA).**

Chapter 6 also describes the proposed contents of each of the three programs and proposes implementation machinery and an indicative implementation plan that draws attention to necessary transitional arrangements.

Collectively these programs constitute the proposed **National Asian Language/Studies Strategy for Australian Schools (NALSAS)**.

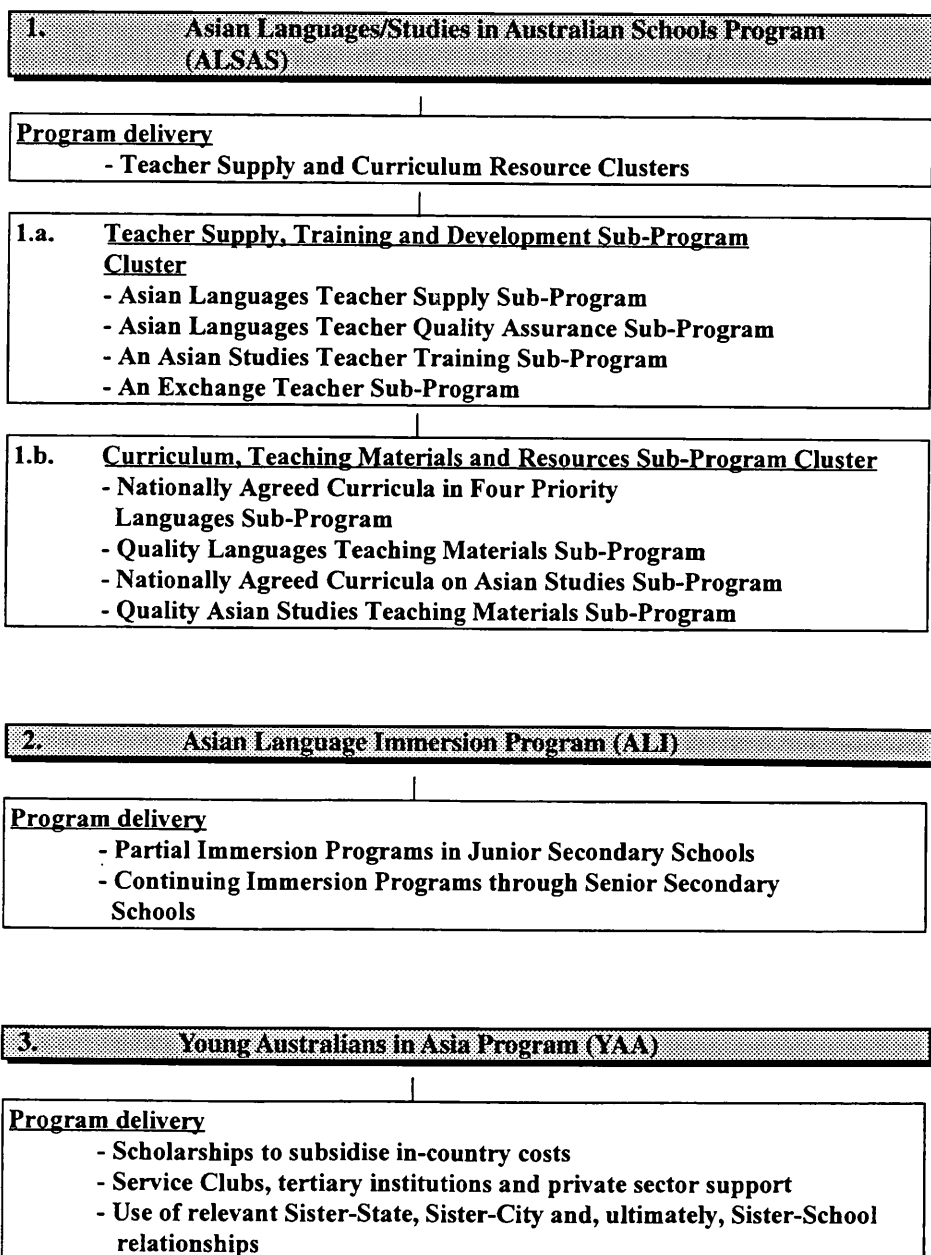
6.1 Asian Languages/Studies in Australian Schools Program (ALSAS)

6.1.1 Program Delivery

The objectives of this program were outlined in the relevant sections of Chapter 5. In summary, these were:

- the provision of a core program in Asian languages to commence at the lower/middle primary level and continue over a period of continuous instruction to the end of compulsory education, typically at age 16 and catering for 60% of the Year 10 population;
- the provision of an extended program to cater for 15% of the Year 11 and Year 12 population continuing to study an Asian language;

Figure 9 Proposed Program Structure



- the provision of instruction within that program of an average of approximately 2.5 hours per week per class for each year of study for Years 3 to 10 and 3 hours for Years 11 to 12;
- a long term assurance of continuity between and within the various education sectors (school/TAFE/university) guaranteeing opportunities for continuous development across those sectors.

The implementation strategy assumes that the delivery of the program can be achieved without massive additions to the teaching establishment. Of the total number of language teachers required to implement the program, the working group has estimated that on an ongoing basis only 40% will be additional permanent language teacher numbers.

This assumption is based on the understanding that:

- most jurisdictions provide a teacher release element in their primary staffing allowing all teachers time away from their classes (for preparation, etc.);
- there is sufficient flexibility within secondary organisational structures to allow for the inclusion of an additional program;
- additional teacher numbers will primarily be required for smaller relatively isolated secondary and P-10 schools which may be unable to support, within their normal allocation, a full time Asian language teacher.

Because of poor teacher supply at present, programs in Asian languages/cultures will need to be introduced gradually from the low/mid primary level as teachers become available. Projections suggest that, if implementation were to begin with Year 3 in 1996, a program would not be finally implemented until the Year 2006.

Typically, over the ten year implementation period of the program, individual jurisdictions could move from Year 3 to Year 12 with progressively increasing numbers of students being involved as qualified teachers become available.

The guarantee of continuity between education sectors is a matter for individual jurisdictions. In the longer term the community will demand contiguous provision within and between sectors to assure on-going language development. It is the view of the working group that short-term programs which do not form part of a structured sequential introduction to the language should not be supported under this initiative.

6.1.2 Teacher Supply, Training and Development

The working group recommends the adoption of the following four sub-programs in order to identify and training appropriate numbers of language teachers for the overall ALSAS program. These are:

- an Asian Languages Teacher Supply Sub-Program;

- an Asian Languages Teacher Quality Assurance Sub-Program to ensure minimum agreed national standards;
- an Asian Studies Teacher Training Sub-program for general teachers; and
- an Exchange Teacher Program

6.1.2.a Asian Languages Teacher Supply Sub-Program

A national sub-program for the training of teachers of Asian languages will need to be established. This sub-program will require the participation of tertiary institutions and possibly private providers of language training. The strategy will involve the training of progressively larger numbers of teachers to meet the timetable for the progressive implementation of the plan.

The sub-program would have four elements :

- *Initial intensive training for a cohort of around 300 teachers during 1995*

The initial targets for the sub-program would be teachers graduating in 1994 or trained primary teachers not currently employed (and who would have some background in the target Asian languages). The training would be full time, and provide some in-country experience. The initial training for this cohort would need to be followed up by some intensive part time training during the first year of teaching in 1996.

- *Two-year intensive postgraduate supplement to teacher training courses*

This element would run from 1995 to 1999 and by the Year 2000 provide around 2 450 Asian languages teachers. Some in-country experience could be included in the second year of the training. Further intensive part-time training would occur during their first year of teaching under the program.

- *Four-year tertiary teacher pre-service training*

This element would involve a pre-service teacher training program with a specific focus on Asian languages teaching. Such courses should commence in 1996 and produce their first graduates for the 2000 school year. Funding should be available through the regular Commonwealth grants to tertiary institutions for undergraduate teacher training places. Partial "immersion" courses (e.g. University of Central Queensland, LACITEP Program) could be supported under this program. Programs would build on the experience gained in the intensive teacher development courses.

- *Teacher in-service training*

This would focus on the maintenance and improvement of teachers' language proficiency. The sub-program would initially target the current Asian languages teaching force to bring proficiency standards up to agreed national minimum levels. Activity in this area would need to commence during 1995. As a quality assurance mechanism, teacher proficiency targets will be based on the agreed national standard. Program effectiveness will be measured against these standards.

Meeting the teacher supply requirements of the program will be a significant task for the tertiary training providers, particularly given the need to establish two sets of courses (a two year intensive and a four year pre-service) by 1996. Discussion with tertiary institutions should commence in the first half of 1994 to clarify course requirements and to ensure appropriate teacher quality outcomes. Tertiary institutions and private providers in all States should be invited to tender for all four sets of courses. They should be co-ordinated on a national basis. Course content would need to be monitored closely.

Teacher training represents a substantial cost. One option to ensure the maximum benefit from training programs which are additional to standard pre-service training, could be the bonding of all participating teachers to the respective jurisdiction for at least twice the period of equivalent full-time training support.

6.1.2.b Asian Languages Teacher Quality Assurance Sub-Program - Minimum Agreed National Standard for Asian Language Teachers

Nationally agreed standards which are consistent across all languages need to be established for the training or retraining of teachers of Asian languages. Teachers will require substantial knowledge of and skills in the particular language(s) in order to effectively teach in and through that language. This will include superior levels of standard pronunciation and accurate orthography; linguistic accuracy in terms of grammar and vocabulary; use of language and style appropriate to teaching in a range of programs; and appropriate discourse organisation for the classroom. In addition, teachers will need to possess a sound understanding of the culture and social life and a reasonable familiarity with traditionally esteemed literary works of the society (ies) in which the language is a major means of communication. In this context the following will need to be considered:

- *The establishment of proficiency standards for teachers of Asian languages*

In addition to nationally acceptable teaching qualifications, teachers of Asian languages require high levels of language proficiency and cultural understanding to effectively teach the language(s). The development of nationally acceptable descriptors of proficiency levels as well as assessment procedures or test instruments to determine the level of proficiency will be required. Work on both the proficiency scales and test instruments will need to have been completed before the conclusion of the initial intensive retraining program at the end of 1996.

- *The development of proficiency scales*

Considerable work has already been undertaken in the development of descriptors (proficiency scales) by the National Languages and Literacy Institute of Australia and the Language Testing Centres of the Institute, which can inform the development of proficiency scales for teachers of Asian languages. It should be noted, however, that the proficiency scales are a means of describing levels of proficiency, and do not in themselves measure that proficiency.

- *The development of assessment procedures or test instruments*

A number of models for the development of teacher language tests are available or are currently being developed such as the Italian Teacher Test and the Japanese Teacher Proficiency Test. These models should be examined with the view to determining their appropriateness. Any test used must be properly trialed and validated. In determining the appropriateness of a test, the following criteria need to be considered:

- Does the test focus on what candidates can do with the language rather than what they know about the language?
- Do the skills tested reflect the skills, tasks and content areas which are relevant to the teaching of the language?
- Are the reading/writing/listening/speaking tasks on the types of topics a teacher would expect to encounter?
- Is the level of test appropriate?
- How are the test results best reported?

- *The establishment of a panel of accredited assessors for use by jurisdictions*

Assessor training is required to ensure that judgements made about whether a person's performance matches a described level and are nationally consistent.

- *The implementation of a national information program for the providers of pre-service and in-service training.*

6.1.2.c An Asian Studies Teacher Training Sub-Program

To ensure the development of appropriate "Asia literacy" within the school population, two significant groups of teachers will need to be targeted. The critical teaching positions are the primary "generalist", who is responsible for the delivery of the general primary program and the secondary "social science" teacher who may be responsible for the delivery of geography, history or economics, etc. subjects. Both the current teaching establishment and new teachers will need to be targeted under this sub-program.

Opportunities will need to be created for current teachers to access courses to provide them with appropriate content knowledge within the framework of the existing range of subject disciplines. This is best achieved through a combination of grants to teachers to participate in postgraduate awards in Asian and International Studies and targeted in-service programs focusing on the acquisition of knowledge of Asian societies.

For new teachers, teacher training institutions would have to adjust their curriculum to fall into line with changes in school curriculum requirements. As is the case with the language teacher development strategy, some funds should be made available for the piloting of appropriate teacher development programs aimed explicitly at inculcating Asia specific area studies within the framework of existing subject disciplines.

6.1.2.d An Exchange Teacher Sub-Program

The primary aim of this sub-program is to provide opportunities for Australian teachers of Asian languages and Asian studies to live and work and study in target Asian countries. There may also be opportunities for a reciprocal flow of teachers from Asian countries to work in Australian schools providing native speaking support for Australian teachers and native speaking models for Australian students.

Such programs are typically organised under the umbrella of State/Territory-based government to government educational agreements or overarching national agreements. Such agreements are normally based on some cost-sharing arrangement between the Australian and the overseas authority. Agreements will usually provide Australian teachers with the opportunity to spend 6 to 12 months in the target country, often teaching English and participating in some formal program for the development of their own language skills. Teachers coming from Asian countries would spend an equal time working in Australian schools and perform similar duties to their Australian counterparts.

The conditions of individual agreements would determine appropriate cost-sharing arrangements with the overseas authorities.

This program would need to be in place by the beginning of the 1996 school year.

6.1.3 Curriculum, Teaching Materials and Resources

The objective of this initiative is to develop and disseminate quality teaching materials for programs in Asian languages and Asian studies. Activity would build upon existing efforts in this area and would focus on:

- finalisation of nationally agreed curricula in the four priority Asian languages;
- the provision of appropriate teaching materials in the four priority Asian languages and to facilitate the development of materials where a deficit exists; and
- the provision of a nationally agreed teaching standard for the incorporation of an Asian studies element into mainstream social science subjects and to facilitate the development of teaching materials to support that standard.

6.1.3.a Finalisation of nationally agreed curricula for Asian Languages

The basic framework exists for a national curriculum with significant documentation and materials available in Japanese, Chinese and Indonesian. Some work is currently being undertaken in New South Wales and Victoria on Korean and this work could form the basis of a national curriculum in the language. Effort will need to be expended on modifying the statements and documents so that they are nationally applicable. This activity would be co-ordinated nationally and should be completed by the beginning of the 1996 school year in time for the implementation of the initial Year 3 program.

6.1.3.b The provision of language teaching materials

Teaching materials will need to be provided for each language in the proposed school program. Experience in some jurisdictions indicates that the presence of prescribed teaching materials provides a grounding upon which the program can be solidly based. Current field expertise will need to be harnessed to provide guidance for the vast majority of teachers who will be inexperienced. The need for prescribed materials may decline as teachers develop their own supporting materials over time and as the private sector begins to generate a greater variety of course material.

The implementation of this sub-program will therefore require:

- the development of teaching "kits" in each of the four priority languages for each of the primary years of the program and for the first secondary year. These kits should provide detailed teaching notes, student work materials, supporting audio or video material as appropriate;
- the provision of these kits to schools as they enter the program;
- the provision to schools of associated Asian studies kits. Grants should be made available to schools for the purchase of library materials and resources to support the Asian studies program. Such grants should be administered by individual jurisdictions and be based on a per capita allocation to schools.

The timeline for the development of the language kits will be determined by the pace of program implementation. The Year 3 kit should be ready and available to schools no later than the beginning of 1996 with development maintaining pace with program implementation.

6.1.3.c The provision of a nationally agreed teaching standard for the incorporation of an Asian studies element into mainstream social science subjects and to facilitate the development of teaching materials to support that standard.

If the study of Asia is not to be marginalised, it must be incorporated as part of the mainstream of the curriculum. This can be best achieved by the incorporation of essential learnings about Asia into mainstream subjects within the key learning area of studies of society and the environment, such as social studies, history, geography and economics. This can be supported by:

- the development of Asia-focused modules or work units for the mainstream subjects in question; these will be elements which will need to be inserted as mandatory elements in the specific curriculum areas; building on the work currently being sponsored by the Asian Education Foundation; and
- the development of source books, data bases, and general teacher support material which provide an Asia focus. Such development can be tendered out to private contractors for production or organised through the Curriculum Corporation.

The national program should provide on-going support to individual jurisdictions to achieve these outcomes by means of projects undertaken by local Asian Languages and Studies Centres (ALSC).

RECOMMENDATION 6A

It is recommended that Governments endorse the development of an Asian Languages and Studies in Australian Schools Program based on detailed subprograms as outlined in this report.

6.2 Asian Language Immersion Program (ALIP)

A national program of "partial immersion" courses in Asian languages should be established in both primary and secondary schools. The objective of these courses should be to provide :

- "content-based" languages programs, delivering either all, or part, of the core curriculum using the target language as the means of instruction;
- the opportunity for continuous language education over a considerable period of time; and
- higher level proficiency outcomes for a defined number of Year 12 students.

Immersion programs in primary schools should be a minimum of four consecutive years and those in secondary schools a minimum of three consecutive years. A small number of programs should commence in primary school and continue to the end of formal schooling.

Key implementation issues relate to:

- the number of immersion programs;
- teacher supply;
- curriculum; and
- accreditation.

6.2.1 Number of immersion programs

To achieve projected national proficiency outcomes for the school system, programs will need to be established in a number of primary and secondary schools nationwide. Given the shortage of qualified teachers, the number of programs to be introduced on an annual basis would need to be staggered. The objective, however, would be to have at best one immersion program for each priority language for each State. This may need to be modified for smaller jurisdictions.

6.2.2 Teacher supply

Nationally, the issue of teacher supply in this highly specialised area will need to be addressed. Baseline teacher qualifications will need to include high level knowledge of the language and content of the particular subjects to be taught as well as high level general skills in the language to be used as the medium of instruction.

At present very few Australian tertiary institutions would be able to produce graduates with this dual capacity. Funding for the general language teacher training sub-programs should be drawn on for the development of specific models for the preparation of immersion teachers. Liaison should occur with the tertiary sector to promote the establishment of quality immersion teacher training programs. A viable short term strategy may well be to tap into the small number of Australian native speakers of the languages and provide some short term training programs for them. Ultimately, a special standard will need to be developed for teachers working in immersion programs within the framework of developing a national standard for teachers of Asian languages.

The commencement of the immersion program in 2001 would provide time for tertiary institutions to establish immersion teacher training programs and to produce the initial group of teacher graduates required for this program. However, if jurisdictions are able and prepared to commence immersion programs prior to 2001, this should be encouraged.

Schools included in immersion programs will clearly need additional support. That support will be in terms of at least one additional teacher and materials development support. Full-time teacher assistants should also be provided for immersion schools. Additional teacher aide support would also need to be provided in the implementation period for the development of supplementary teacher resources.

6.2.3 Curriculum

In all cases students in immersion programs follow a mainstream curriculum and are therefore undertaking the same course of study as their peers doing the program in English.

The strategy should provide funding for the collaborative development of curriculum materials for use in immersion programs. Individual jurisdictions may subsequently decide to modify this material to reflect the specific curriculum programs in place within their own jurisdictions.

A typical immersion program at primary or secondary level would have instruction given in the target language for some of the subjects of the curriculum. These may change from time to time. The programs would also be supported by a language arts program appropriate to the age and cognitive development of the students involved.

In all instances programs would also provide a complementary focus on the society in which the immersion language is the major means of communication within discretionary elements of the school curriculum. Such a focus would be integral to the social science program and would normally be delivered through the target language.

Schools with immersion programs should also be encouraged to develop sister school links with schools in the countries where the language is spoken. These links should provide opportunities for both student and teacher exchange and would significantly enhance the school's ability to provide additional teaching materials for the program.

While some of the well tried implementation patterns adopted for immersion programs for European languages will be applicable to Asian language immersion programs, there are some unique problems, such as the different scripts used for some of the priority Asian languages, which will need special attention and research. Expert advice will need to be sought for immersion programs for Asian languages.

6.2.4 Accreditation of immersion courses

Before an immersion program could be successfully implemented, issues of accreditation will need to be resolved. Accrediting authorities in a number of jurisdictions are not at present equipped properly to acknowledge student outcomes in immersion programs. Accreditation is of particular importance at Year 12 in relation to students' final credentials on leaving the school system and commencing tertiary study.

It is noted that at the AEC meeting of December 3 1993 Ministers have agreed to endorse a conference to consider and plan collaborative action to resolve any unnecessary and potentially unproductive differences in the collecting, reporting and processing of assessment data, and to consider the value and feasibility of any possible mechanisms for achieving a common reference system in relation to the transition of students to post secondary school destinations.

The issue should clearly be addressed nationally within the framework of this proposed national collaboration. In practical terms this issue can be addressed by either accrediting or examining (either internally or externally) specific immersion subjects. In jurisdictions which use public examination, exam papers could be made available in the immersion languages. Furthermore, the increased levels of proficiency achieved under such immersion programs could be acknowledged either through State-based accrediting processes or through a national body like NAATI (National Association of Accredited Translators and Interpreters).

RECOMMENDATION 6B

It is recommended that Governments endorse the development of an Asian Language Immersion Program based on the detailed strategy as outlined in this report.

6.3 Young Australian in Asia Program (YAAP)

In order to provide access to the highest levels of proficiency targeted under this strategy, a small core of students should have the opportunity to spend at least one year in an Asian country to continue their study of the language and culture of that country.

This year should be positioned between the end of formal secondary schooling and the beginning of tertiary studies.

This would provide the next generation of young Australians with first-hand exposure to the region. It would in time complement the long tradition of Australians travelling abroad to London (and the rest of Europe) early in their working careers.

The program would provide scholarships either at government level or in concert with private employers or tertiary institutions to facilitate a strategy to defray most of the cost of a young person spending a year in a priority Asian country. Costs to be subsidised would be airfare, course costs and a living allowance. The total number of scholarships to be offered would increase progressively over the period of implementation of the overall strategy.

The working group estimates that the cost (covering airfare, tuition, living expenses and insurance) of a one year placement in a priority country would range from \$5 950 in Indonesia to \$8 080 in Japan (further details of costs are outlined in Chapter 7). A government subsidy of 50% of the placement cost would be appropriate to encourage participation in the program.

Government to government agreements at both state and federal level would need to be used as a policy base and to provide an overarching framework for the program. Most State and Territory governments already have an extensive network of sister-state/sister-city relationships with a range of East Asian countries. (A full list is at Attachment F.)

Service clubs, tertiary institutions and private sector employers could also be involved in the following ways:

Service clubs could be asked to:

- facilitate placements in terms of homestays and "pastoral care" using their world-wide membership network. It may also be appropriate for service clubs to be involved in the selection of the young people in question.

Tertiary institutions could:

- provide deferred places for the students in question;
- assist students in locating and enrolling in suitable courses in the Asian country;
- provide course credits for work undertaken overseas; and
- provide, where appropriate, scholarships for prospective enrolled students.

Private sector employers could be asked to:

- match the government on a dollar for dollar basis in the provision of cadetships (to not only cover the period of time in Asia but also the full period of tertiary training on a part-time basis);
- assist in the selection of suitable cadets; and
- subject to a suitable outcome, guarantee the employment of cadets at the end of the training period.

Proposed Eligibility Criteria

The proposed eligibility criteria should include:

- the study of an Asian language either in an immersion program or mainstream school level course to Year 12 level with an appropriate Year 12 exit result.
- an appropriate proficiency outcome in the language.
- a commitment to tertiary studies which will include the Asian language in question combined with some area of professional study (engineering, law, agriculture, commerce etc.)

To ensure an appropriate distribution of placements across priority countries the program should provide for 30% of placements in each of Japan, China and Indonesia and 10% in Korea.

Administration

The program would be centrally administered and co-ordinated. Intensive work would need to be done initially in the setting up of a network amongst all groups to be involved. Once in place, scholarships would be advertised on a national basis, with increasing numbers being available through a range of models until a maximum of some 2,000 cadetships/scholarships are made available on a recurrent basis.

Current Provision

The Commonwealth is currently trialing a program entitled UMAP (University Mobility in Asia and the Pacific), which, although focusing on undergraduates and university staff, goes some way to fulfilling the aims of this program. This program should not be seen as a replacement for UMAP but as complementary to it.

A limited number of initial awards under this program should be available by the end of 1994 for activation during 1995 and these gradually increased in number as the national strategy moves to full implementation by the beginning of the following decade and the graduation of the first set of Year 12s educated under the national strategy since Year 3.

RECOMMENDATION 6C

It is recommended that Governments endorse the development of a Young Australians in Asia Program based on the detailed strategy as outlined in this report.

6.4 Implementation Machinery

Neither Commonwealth, State nor Territory systems at present possess sufficient expertise or resources within their individual systems to guarantee the thorough development of the range of detailed programs and sub-programs necessary to give practical effect to the strategy. Commonwealth, State and Territory systems are also anxious to avoid fragmentation and/or duplication of effort in program design.

Jurisdictions also believe there is value during the initial years of implementation for there also to be a recognised "product champion" to assist in carrying the argument in the broader public debate as well as within the inevitable cultural and institutional resistances to the strategy from parts of the education bureaucracy.

The Commonwealth, States and Territories nonetheless believe that the co-ordination of effort required for implementation of the above programs can be achieved through the existing MCEETYA machinery.

To this end the LOTE sub-committee set up by the former AEC/MOVEET working party of the Australian Languages and Literacy Policy should be modified to comprise:

- an officials Asian Languages and Cultures Education Steering Committee; and
- for the first three years, a permanent part-time chair agreeable to all jurisdictions.

6.4.1 Establishment of an Asian Languages and Cultures Steering Committee

The Asian Languages and Cultures Steering Committee's functions would be to:

- develop a detailed implementation plan for the NALSAS (to be endorsed by the MCEETYA) based on the endorsed recommendations of this report;
- ensure the implementation of the NALSAS;
- develop and ensure the implementation of a publicity/awareness strategy on the importance of Asian languages/cultures education; and
- provide an annual report to the MCEETYA and, for the first three years of the strategy, an annual report to COAG.

The Steering Committee would need to be serviced with modest secretariat support provided by a State or Territory Government. State and Territories could second staff to this secretariat if they so desired.

6.4.2 Appointment of Part-Time Chair of the Asian Languages and Cultures Steering Committee

The part-time Chair of the Asian Languages and Cultures Steering Committee should:

- be an independent appointment acceptable to all jurisdictions;
- be a recognised authority on the development of Asian languages and cultures education in Australia; and
- have a proven track record in the development of business links between Australia and the region.

A key function of the Chair would be to act as a "product champion" to publicise the importance of the development of Asian languages skills.

6.4.3 State based Asian Languages and Asian Studies Centres (ALSC)

These centres will be responsible for the co-ordination and implementation of the program at State/Territory level and would be located in the Education Ministry of each jurisdiction. These Centres should only have an interim existence until their support functions are absorbed into mainstream departmental functions. Typically an ALSC will be headed by a Co-ordinator who will be supported by a small administrative staff and will direct the activities of a group of language advisory teachers (at least one for each of the priority languages). The major role of these advisory teachers will be "in-school" support of the program.

6.4.4 Reporting of Progress on the Implementation of the NALSAS

The importance of the issues to be addressed by the NALSAS, the magnitude of funding support required from State, Territory and Commonwealth governments to implement the strategy, and concern to ensure the provision of quality Asian languages education in schools, make it essential that progress against stated objectives is regularly, consistently and publicly measured and reported.

The strategy makes it clear that governments agree that both quantitative and qualitative targets must be set. The numbers of students learning Asian languages in schools must be increased and the quality of learning must be raised. Consequently, reporting must reflect both objectives.

The working group is therefore agreed that a set of consistently defined statistics relating to the language courses provided should be collected and nationally reported each year as evidence of quantitative and qualitative change.

The working group is also agreed that the guidelines and instruments referred to in Chapter 5, informed by best practice within school systems, should form a negotiated basis for measuring and reporting the linguistic competencies of both teachers and students.

The annual National Report on Schooling in Australia may provide the most appropriate vehicle for such reporting.

RECOMMENDATION 6D

It is recommended that Governments endorse the implementation machinery as described in this report and the establishment of reporting mechanisms through the annual national report on schooling in Australia (ANR).

6.5 Indicative Action Plan

For the program to achieve the outcomes indicated within the time span proposed, the following milestones would need to be achieved:

- **1994 Jan - June**
 - Endorsement of report recommendations. Signing of Heads of Agreement.
 - Appointment of part-time Chair of the Asian Languages and Cultures Steering Committee and establishment of Committee.
 - State and Territory Co-ordinators appointed.
- **1994 July - December**
 - Endorsement of funding arrangements.
 - Initial funding allocation approved for 1994-95 financial year.
 - State based Asian Languages and Studies Centres established.
 - Details of initial intensive teacher retraining program finalised.
 - Initial negotiations with tertiary institutions and other training organisations commence on full scale national retraining strategy.

- **1995**
 - Initial cohort of teachers commences training in both full time and part time modes.
 - Tenders called for innovative teacher development programs.
 - Establishment of "Asia-literacy" program for primary generalist and secondary social science teachers.
 - Initial work on Young Australians in Asia Program with the establishment of a cross sector reference group.
 - Initial work on Asian Language Immersion Programs.
 - Initial development of public awareness campaign.
- **1996**
 - Program commences with Year 3 students and initial 100 intensively trained teachers of Asian languages.
 - Initial distribution of primary Asian language teaching materials.
 - Implementation of National Standard for Asian Language teachers.
 - First awards offered under Young Australians in Asia Program.
- **1997**
 - Year 4 students commence studying an Asian language.
 - 400 teachers teaching Asian languages under the program.
 - Initial group of 10 "immersion" schools established.
- **1998**
 - Year 5 students commence studying an Asian language.
- **1999**
 - Year 6 students start studying an Asian language.
- **2000**
 - Year 7 students start studying an Asian language.
- **2001**
 - Year 8 students start studying an Asian language.
 - 1000 teachers trained and teaching Asian languages.
- **2002**
 - Year 9 students start studying an Asian language.

- **2003**
 - Year 10 students start studying an Asian language.
 - 2000 teacher trained and teaching Asian languages.
- **2004**
 - Year 11 students start studying an Asian language.
- **2005**
 - Year 12 students start studying an Asian language.
- **2006**
 - Year 12 targets reached.
 - Targeted additional 3000 teachers trained and teaching Asian languages in schools.

CHAPTER 7

COSTING OF THE NATIONAL ASIAN LANGUAGES AND ASIAN STUDIES IN AUSTRALIAN SCHOOLS STRATEGY

This chapter provides indicative estimates of the cost of the national Asian languages and Asian studies strategy outlined in Chapter 6, of the current provision by States and Territories in the program areas and the resourcing gap which will need to be met to allow the strategy to be implemented.

There are a number of assumptions underlying these costings which are detailed below. However, the key underlying assumption is that a uniform relationship exists between inputs (such as class size, teacher contact time), outputs (eg. number of Asian language classes) and outcomes (in terms of students attaining defined proficiency levels) across all jurisdictions. Accordingly, no attempt has been made to differentiate for individual States and Territories or between Government and non-Government sectors. The costing has therefore been developed to provide indicative estimates for a national strategy and it should be appreciated that implementation costs may vary between jurisdictions. While the costings have sought to reflect average costs nationally, jurisdictions have different policies and cost profiles which will result in different levels of actual expenditure being incurred to achieve program outcomes. In addition, jurisdictions will need flexibility to the extent that alternative mechanisms provide more viable options to achieve the strategy's target outcomes.

7.1 Elements of the National Strategy

In order to achieve the objectives of the strategy, as outlined in Chapter 5, three programs have been identified and have been described in detail in Chapter 6. In summary, these programs are:

- Asian Languages and Asian Studies in Australian Schools Program (ALSAS)
- Asian Language Immersion Program (ALI)
- Young Australians in Asia Program (YAA)

In addition modest funding will be required to underpin the implementation machinery.

An implementation period commencing in the 1994-95 financial year to the end of the 2010-2011 financial year has been assumed as necessary to achieve the required outcomes in terms of student performance and projected national workforce needs for Asian language skills. To ensure adequate resourcing is available to support program delivery (particularly in regard to teacher supply), the program will be progressively introduced from Year 3 through to Year 12, with enrolments in each Year level being staged over a three year implementation period. The first full complement of students completing the ten year language study from Year 3 to Year 12 will graduate in 2006.

The immersion program has been scheduled to commence in 2001. This timeframe provides the opportunity for tertiary institutions to establish immersion teacher training programs and to produce the initial cohort of teacher graduates under this program. For States and Territories who elect to offer immersion programs across Years 8 to 12, the timetable enables the first wave of Asian language students enrolled in Year 3 under this strategy to reach Year 8 by that year. With 20 per cent of immersion streams being scheduled annually from 2001, the full complement of immersion students will graduate by 2010.

It will be a matter for jurisdictions to determine the relative mix of primary and secondary immersion programs. A delayed commencement until 2001 will by and large be necessary under any circumstances given the complexity in preparing adequate primary and secondary curricula for immersion programs and the additional teacher training requirements which pertain to the teaching of immersion programs. Funding for school based immersion programs has been factored into the costings from 2001. It should, however, be noted that if jurisdictions choose to weight their immersion programs in favour of primary immersion programs (recognising that these are likely to deliver the best long-term linguistic outcomes) this will have the effect of postponing the date when the overall immersion strategy's quantitative objectives will be met - ie. if primary school students do not commence an immersion program in 2001 it follows that they will not complete their immersion studies until the year 2010 with the completion of their Year 12. Should, however, jurisdictions choose to embark upon this course of action, the working group does not judge that this would undermine the viability of the overall strategy proposed in this report.

An indicative costing of the strategy for each year of the implementation period is summarised in Table 22. This indicative costing represents the net additional funding required to implement the program, after having deducted the funding already in place for particular elements of the strategy.

Table 22 Costing of National Strategy (\$million)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
ALSAS	11.2	29.2	52.3	79.0	97.0	115.1	103.3	120.4	137.6	154.7	168.6	169.4
ALI	0	0	0	0	6.6	6.6	11.5	17.8	24.6	28.7	31.7	31.5
YAA	0	0.7	1.4	2.1	2.7	3.4	4.1	4.8	5.5	6.2	6.9	6.9
Implementation Machinery	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0	0	0	0	0
Total	11.3	30.0	53.8	81.2	106.4	125.2	119.0	143.0	167.7	189.6	207.2	207.8

(Costs are expressed in 1994 dollars)

Program funding will stabilise by the year 2010 at an ongoing recurrent cost of **\$202.2M**.

7.1.1 Asian Languages and Asian Studies in Australian Schools Program (ALSAS)

The key outcome of this program has been described in Chapter 5 in terms of students graduating from mainstream second language programs with specific levels of Asian language proficiency and specific intercultural skills.

These outcomes can be summarised as 60% of Year 10 and 15% of Year 12 at 2005 and 2006 respectively graduating with significant skills in an Asian language and 100% of Year 10 students graduating in the Year 2003 with significant skills in the understanding of Asian cultures. This outcome will require the provision of a continuous quality program in an Asian language for 60% of the school population beginning in Year 3 and continuing until Year 10, followed by a program in which 15% of the total school population will continue to Year 12.

The key funding components are:

1. Direct School-Based Costs

The direct school-based costs include the funding of teacher salaries, school administration costs (for acquisition of course materials, other teaching materials, equipment and consumables), and funding for a telecommunication network to deliver the Asian language program to small and remote schools.

2. Curriculum, Teaching Materials and Resources

Specific elements within this funding component include allocations for further development of curriculum, course materials, student reporting frameworks, and supplementary teaching resources.

With a substantive Asian language course to be conducted over ten years, spanning early primary to senior secondary, and in four priority languages, quality outcomes require the availability of quality resourcing and support materials. There is a need to ensure the availability of a continuous program of instruction which is linguistically and intellectually appropriate for lower primary students in the early stages of language learning, but systematically builds on previously acquired language skills as students progress through their ten years of language learning. (Many of the available language teaching texts and resource materials that exist at present have primarily been targeted at students commencing language study in the secondary sector.)

This funding component also includes an allocation for central library facilities from which individual schools and teachers can access supplementary teaching material including teacher texts, student language books, and games in each of the priority Asian languages. These central library facilities will be intersystematic and both Government and non-Government schools should have access to these facilities.

3. Teacher Training and Support

Teacher training and support is a critical funding component of the national strategy. Quality Asian language teachers are a crucial input for the success of the program. With the current paucity of Asian language teaching specialists in schools, the cost of teacher training programs represents a high impost, but an essential one.

Elements within the teacher training allocation include funding for teacher pre-service and training programs, a modest teacher exchange program, an advisory teacher service, ongoing teacher inservice programs and funding to implement a teacher selection process which ensures Asian language teachers appointed to schools meet prescribed minimum standards of teaching competency.

The cost of tertiary-based training courses will be met within the Commonwealth's funding provision to higher education and therefore has been excluded from the costings detailed in Table 22. These tertiary based language training programs for qualified teachers will lead to the awarding of a postgraduate diploma and therefore it is assumed that teachers enrolled in these courses will be eligible to receive AUSTUDY. On this basis no provision has been made for special scholarships for teachers enrolled in these courses.

4. Asian Studies

The expansion and extension of Asian studies across all Year levels will require curriculum development, teacher reference and support materials together with student resource material and library books.

The delivery of Asian studies will also require a significant targeted training program during the initial 5 years of the strategy. Funding has been provided to train one teacher in each school as an Asian studies "expert". This teacher can be used to disseminate curriculum information to other teachers within the school.

5. Administration Support

Properly co-ordinated State-wide implementation of this overall program will require a specialist unit to be located centrally within education systems - at least for the initial period. This will be necessary to integrate complex issues of teacher training, teacher supply, curriculum development, syllabuses and course materials. This State-wide central network unit will provide State-wide policy and implementation support.

Table 23 sets out indicative costings for each of these funding components, net of existing provision.

Table 23 Costing of ALSAS (\$million)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
1.	0	14.3	35.3	59.6	79.0	103.5	97.0	112.1	127.5	143.3	156.0	156.7
2.	2.6	3.0	1.8	1.3	0.7	0.7	0.7	1.1	1.1	0.7	0.6	0.4
3.	1.6	4.2	7.7	10.6	12.8	10.4	5.1	6.7	8.5	10.2	11.5	11.8
4.	7.0	7.0	7.0	7.0	4.0	0	0	0	0	0	0	0
5.	0	0.7	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total	11.2	29.2	52.3	79.0	97.0	115.1	103.3	120.4	137.6	154.7	168.6	169.4

The key assumption on which the costings for this program is based is that the funding for the net additional Asian language specialists can in part be met within existing teacher establishment numbers, particularly once the program is fully implemented across both the primary and secondary sectors. Salaries for 60% of the additional required number of Asian language specialists should be made available by replacing existing teachers with Asian language specialists. This relies on two possible implementation methods: the non-contact model and the teacher substitution model.

(i) Use of Non-Contact Time

- In a number of jurisdictions primary teacher non-contact time is provided. The funding model assumes that this is available for delivery of Asian languages on a cost neutral basis. However, supplementation above existing staffing levels will be required to cover:
 - a contribution to teacher requirements to States with less than 2.5 hours of available non-contact time in the primary sector or where non-contact time will continue to be used for other specialised subject areas;
 - small and isolated primary and secondary schools;

(ii) Substitution

- Under this model, an Asian language teacher replaces another teacher rather than being appointed above existing establishment. Within the primary sector, the Asian language specialist would deliver a 2½ hour Asian language program each week to a number of classes. The provision of Asian language classes would release general classroom teachers who, in turn, could teach the primary class "theoretically" allotted to the Asian language specialist.

The use of the teacher substitution model, coupled with some application of non-contact time (where available), would enable States and Territories to deliver the Asian language strategy largely within existing establishment, with only 40% of the total additional teachers requiring funding above existing provision once the strategy is fully implemented. A higher level of supplementation has been factored into the costings while the strategy is being progressively implemented across the primary sector only. Efficiencies through the application of the teacher substitution model will only become available when primary schools have a sufficient number of classes to support a full-time Asian language specialist and when the program extends across the secondary sector.

While the costing has been premised on the application of the teacher substitution model and/or through the deployment of non-contact time, some jurisdictions have indicated that policy constraints will limit their capacity to fully apply these models and as a result these jurisdictions are likely to require a higher teacher supplementation factor. In order to abstract from policy differences between States and Territories, it has been assumed for costing purposes that the models as outlined above will apply.

There is potential in the longer term, ie. when students who have progressed through schooling under this strategy feed into teacher training programs, for the teacher substitution model to be phased out as generalist primary teachers graduate with competency in Asian language teaching. Potentially this could significantly reduce the cost of the strategy in the very long term, as there would be less need for specialist language teachers in addition to general classroom teachers.

Other assumptions on which the program is based are that:

- In any one year the national average attrition rate amongst teachers will allow up to 100% of the Asian language teacher requirement to be met by the appointment of new staff rather than the retraining of existing teachers, resulting in a significant decrease in the per unit teacher retraining costs. The number of additional Asian language teachers required in any one year peaks in 2003 at 944 teachers. In 1992 Australia had a total of 202,000 school teachers; 98,000 primary and 104,000 secondary. A national attrition rate of only 1% would release over 2,000 teaching places per annum, obviating the need for significant retraining of existing teachers to meet the Asian language teacher targets. This would seem a realisable assumption for the future. As an indicative measure, the attrition rate in Queensland in 1992-93 was 2.92%. This rate is likely to increase as the economy improves.
- It will be necessary to sustain a large scale national training initiative from 1995 to the Year 1999, to ensure the availability of trained Asian language specialists over this initial implementation period for the program. Funding for the following elements is proposed to be met within Commonwealth funds for higher education:
 - an initial intensive one year teacher training course during 1995 for a cohort of around 300 teacher graduates with an attested base of Asian language skills;
 - a two year post graduate language teacher training course for around 2450 graduate teachers (to run from 1995 - 1999); and
 - post 1999 continuing teacher requirements will be met through normal four year tertiary teacher pre-service training programs, with the first courses to commence in 1996 (and, similarly, no additional funding has been factored into the strategy for these training programs).
- It is also proposed that teachers in these postgraduate tertiary-based language programs will be eligible for AUSTUDY payments, thereby avoiding the need for special scholarships/allowances to encourage teachers to undertake these courses.

- Given the breadth of language exposure and training required to acquire proficient language and language teaching skills, it will be necessary to provide a high level of support for Asian language teacher in-service in the early years of the program. While the Commonwealth training guarantee levy requires employers to direct 1.5% of their total salary cost to staff training, 5% of the total Asian language teacher salary cost is considered a minimum allocation for teacher in-service and training over the initial five years of the program. It is assumed that graduates from normal four year pre-service training programs will have a high level of language proficiency and that the significant injection of in-service funding prior to 2001 will have established a critical mass of competent language teachers. This will enable the ongoing funding for teacher in-service to be reduced from 5% to 3% from 2001.
- Curriculum and course material requirements can draw on resources of various national collaborative activities under the Asian Studies Council, the Asia Education Foundation, Centres within the National Languages and Literacy Institute and the products of individual jurisdictions. However, with the strategy offering a comprehensive Asian language program, commencing in Year 3 and building sequentially on acquired language skills until Year 12, existing teaching texts and resource materials which have been tailored for language students commencing at the secondary level will not suffice and further resource development will be necessary.
- In order progressively to introduce Asian studies across all Year levels it will be necessary to train a number of teachers during the initial five year period until adequate graduate output with Asian studies expertise is available. A training requirement for one teacher per average primary and secondary school has been assumed involving a component of appropriate tertiary based study and an in-country component of training.
- The State-wide coordination units will largely have fulfilled their role once target enrolments are in place by 2006 and the program converts to maintenance mode. Under the proposed funding model outlined in this chapter, funding for these elements is withdrawn at this time.

Key inputs used were:

- average class size of 25 in Years 3 - 10 and 20 students in Years 11 - 12,
- average teacher contact time for all subjects of 18 hours per week at both the secondary and primary levels,
- average weekly instruction time in this program of 2.5 hours for Years 3 to 10 and 3 hours for Years 11 and 12,
- average teacher salary of \$48,000 per annum including on-costs.

7.1.2 Asian Language Immersion Program (ALI)

This program provides a course of study which will underpin the achievement of the outcome of 2% of the total Year 12 population leaving school with a very high level of proficiency in an Asian language. To achieve this outcome a number of immersion programs, either as whole school initiatives or single class initiatives will be established nationwide. Programs will normally be of five years duration. While these may commence in Year 8 and conclude in Year 12 to achieve required Year 12 proficiency outcomes, jurisdictions will have the flexibility to determine whether they will direct funding provided under the strategy into primary or secondary immersion programs. Students will feed into secondary immersion from mainstream Asian language programs from a base of a maximum of 500 hours prior study of the language. It will be a matter for individual jurisdictions to determine an appropriate mix of immersion programs across school sectors.

Table 24 provides indicative costings for the program, net of existing provision.

Table 24 Costing of ALI (\$million)

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
0	0	0	0	0	6.6	6.6	11.5	17.8	24.6	28.7	31.7	31.5

Jurisdictions have the flexibility to introduce immersion programs prior to 2001, however this will be dependent on the availability of their own resources.

The key assumptions on which the costings are based are that:

- The major costs in immersion programs are in the provision of additional teacher and teacher assistant support and the establishment of curriculum.

Immersion programs will require one additional teacher above normal establishment for a program in either a primary or secondary school and one additional teacher aide/assistant on an ongoing basis, on the understanding that immersion students require a higher level of teacher support than mainstream students. They face particular difficulties in attempting to master individual school subjects taught in the Asian language in which they have specialised. There is also a lack of immersion teaching resources available commercially. To assist in the production of these resources, the costing provides an additional teacher aide in each immersion stream in its initial period of implementation.

- As secondary immersion programs will not commence until the beginning of the 2001 school year it is assumed that tertiary institutions will be in a position to provide appropriate teacher graduates by that stage, given the significant lead time available. Intensive specialised "immersion" type training will be required to equip graduates with that appropriate language and content skills to deliver subject content in the target language. It is proposed that course fees for a twelve-month post-graduate immersion teacher training program to be provided for the number of immersion teachers initially required for the program will be met within existing Commonwealth funding for higher education.
- Funding has been provided for the development of national immersion curriculum materials for both the primary and secondary sectors. Individual jurisdictions may subsequently determine to modify this national material to reflect the specific curriculum programs in place within their own jurisdictions.

7.1.3 Young Australians in Asia Program (YAA)

The program aims to provide 1% of the total Year 12 cohort with the opportunity to spend 12 months at the end of Year 12 studying and living in an Asian country. This program will produce graduates with the highest level of language proficiency and cultural skills targeted under this strategy. Table 25 provides indicative costings for the program, net of existing provision.

Table 25 Costing of YAA(\$million)

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
0	0	0.7	1.4	2.1	2.7	3.4	4.1	4.8	5.5	6.2	6.9	6.9

The key assumptions on which the costings for this program are based are that:

- The program will supplement current initiatives undertaken by jurisdictions in this area. The Commonwealth already has a number of programs in place, while at State and Territory level there are also programs which involve student exchanges.
- The costings provide for a 50% contribution by Government towards return airfares, a small living allowance and tuition costs only. Students will be required to contribute the remaining 50% of total costs.
- It will rely on service clubs, tertiary institutions and other private sector organisations to participate in the implementation of the program through the provision of some cadetships which may cover additional costs or assistance in the arrangement of homestays in the target countries through service clubs.

- It is intended that of the total number of placements, 30% would visit Japan, China and Indonesia respectively. The remaining 10% of post Year 12 students would visit Korea.

Table 26 shows the indicative cost per person for a 42 week stay in Japan, China, Indonesia and Korea respectively, the cost of which is to be shared between Government and the participating student. Living and tuition expenses in Japan and China were available from the Queensland *LOTE Initiative* data and the index used by the Commonwealth Department of Industrial Relations as a measure of the cost of living in overseas countries was applied to derive cost estimates for Korea and Indonesia. Queensland's experience suggests that post Year 12 students would be able to enrol in secondary classes in Japan at no cost. As tuition fees for a Japanese language course are estimated to be around \$6,000 per person, enrolment in a secondary school provides the more cost-effective alternative. Costs would need to be reviewed if fees were to apply to Australian students enrolling in Japanese schools. The option to enrol in secondary schools in the remaining three countries appears uncertain, and costings include a provision for tuition fees in these countries.

Table 26 Per Person Costs for YAA (\$)

	Japan	China	Indonesia	Korea
Living Expenses	5,580	2,500	2,400	2,520
Tuition	0	1,750	1,750	1,750
Airfares	2,000	2,000	1,300	1,600
Incidentals (inc Insurance)	500	500	500	500
TOTAL	8,080	6,750	5,950	6,370

7.1.4 Implementation Machinery

The costings in Table 27 for the implementation machinery covers:

- the appointment of a permanent part-time Chair of the Steering Committee from 1 July 1995;
- modest travel and administrative costs for the part-time Chair.

Secretariat staff to support the Asian Languages and Cultures Steering Committee would be provided on a secondment basis by participating jurisdictions. These officers will be expected to co-ordinate within jurisdictions students placements in Asia, oversight curriculum and resource development and co-ordinate the provision of tertiary based teacher training.

Table 27 Costings for the Implementation Machinery (\$M)

1995	1996	1997	1998	1999	2000	2001	2002/ Ongoing
0.1	0.1	0.1	0.1	0.1	0.1	0.1	0

7.2 Non-Government School Funding Requirement

The funding estimates outlined in this chapter have been determined using total forecast enrolments in both Government and non-Government schools throughout Australia. In effect this means that the non-Government school funding requirement is incorporated into the foregoing estimates. It is recognised that difficulties may be experienced by a number of small independent primary schools in implementing the strategy within the costing parameters. These schools are encouraged to adopt the teacher substitution model, employing, within existing establishment, a primary teacher with expertise in the teaching of a priority Asian language. This teacher can exchange classes with other generalist teachers to deliver the program to all the Asian language classes within the school. The shortage of primary teachers with proficiency in a priority Asian language is an initial obstacle which must be overcome. As a consequence of this initial teacher shortage, it may take longer for program targets to be achieved in the non-government school sector.

7.3 Cost of Current Provision

The foregoing indicative costings have taken into account programs and expenditures currently provided by the various jurisdictions on particular elements of the strategy. As evidenced in Chapter 4, particular jurisdictions are currently delivering a number of elements of this strategy. Estimates of the current expenditures of States and other jurisdictions on particular elements of the strategy have been developed and factored into the costings.

No systematic national data collection on funding for Asian language programs is available and individual States and jurisdictions do not collate estimates specifically of their spending on Asian language programs. Funding data that is available is not comprehensive and relates primarily to second language programs in general, rather than Asian programs specifically.

While a methodology to determine existing provision has been formulated, the resulting estimate of existing provision must be treated with caution. The lack of definitive funding data in all States and Territories necessitated a number of broad assumptions being made in order to estimate this level of current provision of the particular elements of the strategy.

Key features of the methodology are outlined below:

- Inputs currently provided by each State and Territory for the prescribed elements of the strategy were determined through a detailed questionnaire completed by each State/Territory.

- Where States and Territories provided an estimate of actual levels of current expenditure on particular elements of the program, such estimates were reflected directly in the calculation of current provision.
- Where States and Territories were unable to provide funding estimates for particular elements, input data was converted to a funding allocation by applying the same cost parameters used to determine the strategy's funding requirement (eg converting the number of teacher exchangees to dollars by multiplying by the strategy's estimated cost per teacher exchange).
- Where jurisdictions are providing prescribed program outputs such as delivering a substantive language program to a known number of primary and secondary students, deemed inputs were calculated again using the relevant parameters which underpinned the costings for the national strategy. (eg the conversion of student enrolments into classes and teacher requirements by applying the strategy's average class sizes and average number of classes per teacher);

This approach provides a mechanism to convert outputs into inputs on a basis which is consistent with the approach used to determine the strategy's funding requirements.

- In the absence of funding data from the non-Government sector, it has been assumed that estimates of the level of current provision in this sector broadly equates with that of the State sectors. Total State and Territory provision has, therefore been extrapolated to a national provision on the basis of 1992 student enrolments across Years 3 to 12 in both Government and non-Government schools. The 1992 student enrolments were used as all data on existing provision related to the 1992 school year. The working group believes this may result in some over estimates of the level of current provision to the non-Government sector. It should also be appreciated that the level of existing provision may vary significantly across individual schools within the sector. Specifically, existing provision across secondary schools is likely to be higher than across the primary sector. The extent to which such disparity in the level of current provision is taken into account in the distribution of any funding provided by government for the implementation of the strategy in individual non-government schools is a matter for the Commonwealth and individual State and Territory governments to determine.

On the basis of this methodology, Table 28 provides indicative estimates of the level of current provision in Government and non-Government schools for the prescribed elements of the strategy.

The current provision is comprised of two types of expenditure:

- establishment costs consisting of the initial provision of a telecommunication network and initial provision of course materials; and

- recurrent costs for the other elements of the program, including the maintenance and replacement of telecommunication equipment and course materials.

With the schools program being introduced over a 3-5 year period to all schools, the outlays by States and Territories on establishing telecommunication requirements have been pro rated over the initial three years of the program in order to provide a discount in calculating the net additional funding requirements. The initial provision of materials to schools has been pro rated over a five year period. Without such an approach, the existing provision would more than offset the cost of particular elements of the strategy in the first two years of the program's implementation, thereby indicating that no additional funding would be required in this period to meet program targets. However, without such additional funding, provision for Year 3 classes in 1996 and 1997 would be impossible unless other areas of existing provision were denied which would be self-defeating.

A similar approach has been adopted with regard to ongoing recurrent costs. Where program outputs (such as the number of Asian language classes) are being phased in over time, the matching costings elements of the existing provision are incrementally increased over time in line with the implementation timeframe for the strategy, with the full level of existing provision being available as a discount to total ongoing strategy costs. The existing provision relates primarily to Asian language classes in the upper primary and secondary school sectors. A significant element of the initial program costs relates to the introduction of Asian language classes to Year 3. Very little of the existing provision relates to Year 3 Asian language classes and it would be inappropriate to discount the strategy's funding requirement by the full level of existing provision, most particularly in this introductory period.

It must be noted, however, that where existing provision relates to expenditures such as the central network and the teacher exchange program, which do not have a phased period of implementation, the total level of existing provision for these elements is deemed to provide an effective discount from the outset of the program. Further, where particular elements are discontinued (eg. executive support units in each State and Territory after 2006), the existing funding for these units is no longer shown as an ongoing discount for the strategy.

Funding for existing teacher exchange programs significantly exceeds the cost identified within the strategy. Therefore, existing provision has been factored into the costings as a discount only to the extent of the required funding level.

Table 28 Estimate of Current Provision (\$M)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
ALSAS	3.1	12.0	16.3	22.3	27.2	33.2	35.7	41.6	49.0	59.3	68.5	68.5
ALI	0	0	0	0	0	0	0.7	0.7	0.7	0.7	0.7	0.7
YAA	0	0	0	0	0	0	0	0	0	0	0	0
Implementation Machinery	0	0	0	0	0	0	0	0	0	0	0	0
Total	3.1	12.0	16.3	22.3	27.2	33.2	36.4	42.3	49.7	60.0	69.2	69.2

7.4 Commonwealth Current Provision

Chapter 4 details current Commonwealth expenditure on Asian language study. The estimates of current expenditure by the State and non-State sectors will include both own-sourced funding and funding from specific Commonwealth programs, however it has not been possible to disaggregate these two funding sources. Therefore Commonwealth funding available to schools for Asian language programs prescribed by the national strategy has been incorporated into the estimates of current provision in Table 28.

In addition, the strategy proposes that tertiary training requirements for this strategy will be funded within the existing provision for higher education teacher training.

7.5 Proposed Funding Arrangements

Table 22 summarised the estimated net resourcing gap which must be funded if the outcomes of the strategy are to be met. The net resourcing gap peaks at \$207.8M in 2005 and stabilises at \$202.2M from 2010.

It is the view of Commonwealth officials that the recommendations which follow in relation to the overall funding requirement of the strategy and, in that context, the funding responsibility of the Commonwealth, will need to be considered in the context of the Commonwealth's overall budgetary circumstances. The Commonwealth therefore reserves its position on these matters.

The working group recommends that the identified resourcing gap for the Government sector be met by a 50% contribution from the Commonwealth, with a matching contribution necessary to achieve program outcomes being met by the States/Territories. It is further suggested that the distributional considerations for Commonwealth funding to the States and Territories be determined at the 1994 Financial Premiers' Conference. It should be noted that some elements of the strategy (eg. national curriculum development, student reporting frameworks, minimum skills profiles) will require the pooling of funds for application by appropriate Commonwealth/State co-ordinating bodies as indicated elsewhere in this report.

For the non-Government sector, the working group considered that State/Territory funding support for the implementation of the strategy in this sector should be consistent with existing funding mechanisms and arrangements applying in each jurisdiction.

Consistent with the proposed Commonwealth funding arrangements to the States and Territories, it is suggested that the Commonwealth contribute 50% of the cost of implementing the strategy in the non-Government sector.

The working group is conscious of the need for detailed consultation with the non-Government sector and that there will be implementation issues specific to the non-Government sector which will need to be carefully addressed. Accordingly, it is suggested that each State and Territory establish joint working groups with the non-Government sector to deal with implementation issues.

Consistent with the reporting arrangement outlined in Chapter 6, ongoing funding of the strategy should be linked to the achievement of agreed quantitative and qualitative outcomes.

RECOMMENDATION 7A

It is recommended that:*

- **COAG endorse the indicative net funding estimates of the National Asian Languages in Australian Schools Strategy as detailed in Table 22;**
- **each year's funding requirement for implementation of the strategy be met by a 50% contribution from the Commonwealth, with a matching contribution necessary to achieve program outcomes being met by the States, with the distributional considerations determined at the 1994 Financial Premiers' Conference;**
- **in this context the funding requirement for implementation in the non-Government school sector be supported by:**
 - **a 50% contribution by the Commonwealth Government; and**
 - **a State Government contribution to be determined in accordance with the principles of existing funding mechanisms and arrangements for the support of the non-Government sector;**
- **ongoing funding of the strategy be linked to the achievement of agreed quantitative and qualitative outcomes as endorsed by MCEETYA.**
- **The Commonwealth reserves its position on this recommendation.**

ATTACHMENT A

THE COUNCIL OF AUSTRALIAN GOVERNMENTS WORKING GROUP ON ASIAN LANGUAGES AND CULTURES

(i) MEMBERSHIP

CHAIR

Kevin Rudd (Queensland)

MEMBERS

Katrina Edwards (Commonwealth)
Dr Alan Stretton (Commonwealth)
Anna Kamarul (Commonwealth)
Mary Lovett (Commonwealth)
Alison Weekes (Commonwealth)
Naomi Kronenberg (Commonwealth)
Ali Jalayer (Commonwealth)
John Grant (New South Wales)
Phillip Reed (New South Wales)
Warren Grimshaw (New South Wales)
Ivana Smaniotto (New South Wales)
Heather Martin (New South Wales)
Dina Guest (Victoria)
Lorraine Langley (Victoria)
Carol Treloar (South Australia)
Kostas Fotiadis (South Australia)
Dr Stephen FitzGerald (Consultant)

Trish Wood (Western Australia)
Patrice Judge (Western Australia)
Pam Moss (Western Australia)
Graham Fish (Tasmania)
Tim Doe (Tasmania)
Brian Dooley (ACT)
Fiona Arthur (ACT) for Diane Kerr
Max Sawatzki (ACT)
Anne Wait (Northern Territory)
David Lillee (Northern Territory)
Tim Spencer (Queensland)
Andrew Harris (Queensland)
Allan Langdon (Queensland)
Walter Ivessa (Queensland)
Norelle Deeth (Queensland)
Warwick Powell (Queensland)
Nicole Stehn (Queensland)

(ii) MEETING DATES

First Working Group Meeting	25 May 1993
Second Working Group Meeting	28 July 1993
Third Working Group Meeting	29 September 1993
Fourth Working Group Meeting	19 November 1993
Fifth Working Group Meeting	26 November 1993
Sixth Working Group Meeting	6 December 1993
Seventh Working Group Meeting	8 February 1994

**COUNCIL OF AUSTRALIAN GOVERNMENTS WORKING GROUP:
SUBMISSIONS RECEIVED**

Peak Industry Bodies

Business Council of Australia
National Farmers' Federation
Economic Development Authority of South Australia
Chamber of Manufacturers of New South Wales
Retail Traders Association of New South Wales
Tasmanian Chamber of Mines
South Australia Tourism Commission
Australian Mines and Metals Association
Australian Tourism Industry Association

Government Education Sectors

New South Wales
Victoria
 . Victorian Directorate of School Education
Queensland
Western Australia
 . Ministry of Education
South Australia
Tasmania
 . Tasmanian Education Council
Australian Capital Territory
Northern Territory
 . Northern Territory Council of Government Schools Association

Non-Government School Sector

Association of Independent Schools of Victoria
National Catholic Education Commission - Queensland
Association of Independent Schools of Tasmania
The Friends' School -Tasmania
Association of Independent Schools of Western Australia
South Australia Independent Schools Board Association
Queensland Catholic Education Commission
The Association of Independent Schools of Queensland Inc.
Catholic Education Office - Archdiocese of Canberra and Goulburn
Catholic Education Office - Sydney, New South Wales
Catholic Education Office - Melbourne, Victoria
Catholic Education Office of Western Australia
Ethnic Schools Association of Victoria
Association of Independent Schools of New South Wales
Victorian Non-Government, Non-Catholic sector

Technical and Further Education Sector

North-West Regional College of TAFE - Tasmania

TAFE-TEQ Language Services of Queensland

Royal Melbourne Institute of TAFE - Victoria

Broadmeadows College of TAFE - Victoria

Council of Adult Education - Victoria

Western Australian Department of Employment, Vocational Education and Training (for the TAFE sector)

Drysdale Hospitality College - Tasmania

National Board of Employment, Education and Training

Department of Employment and Training - Australian Capital Territory

Parent Bodies

Tasmanian Council of State Schools Parents and Friends Association

Parents and Friends Federation of Western Australia (Inc)

State Councillor, Western Australian Council of State School Organisations

Higher Education

Murdoch University

. Asia Research Centre

Edith Cowan University

. Faculty of Arts

Curtin University of Technology

. School of Social Science

University of Western Australia

. Centre for Asian Studies

University of Queensland

University of Central Queensland

University of Southern Queensland

Griffith University

. Key Centre for Asian Languages Studies

. Applied Linguistic and Languages Centre

University of Tasmania

University of Adelaide

. South Australia Institute of Languages

University of Melbourne

Monash University

. Faculty of Arts

. Faculty of Education

Latrobe University

. Menzies College

. Department of Linguistics

. School of Education

. Pro Vice Chancellor (International)

Deakin University

Victoria University of Technology

Swinburne University of Technology

Australian Catholic University

Ballarat University College
James Cook University
Queensland University of Technology
University of South Australia
Northern Territory University
Royal Melbourne Institute of Technology

Teachers' Associations

Independent Schools Salaried Officers' Association of Western Australia
President, Westralian Indonesian Language Teachers' Association
Chinese Language Teachers' Association of Western Australia
President, Japanese Language Teachers' Association of Western Australia
The Independent Education Union - Queensland
Modern Teachers' Association of South Australia
Victorian Secondary Teachers' Association
Victorian Principals' Federation
Australian Federation of Modern Language Teachers' Association - letter in response
New South Wales Teachers' Federation
South Australian Institute of Teachers

Others

National Languages and Literacy Institute of Australia
Local Government Association of South Australia
Languages and Multicultural Unit - South Australia
Centre for Language Teaching and Research - South Australia
Australian Language and Literacy Council
Asia Education Foundation
Australia-Japan Foundation
Australia-Indonesia Foundation

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Appendix

Questionnaire

1 INTRODUCTION & OBJECTIVES

The Council of Australian Governments has established a working group to report on:

- ⇒ current efforts of the Commonwealth and the States in Asian language and culture education
- ⇒ the development of a strategic framework for the implementation of a comprehensive Asian languages and culture program in Australian schools.

The working group comprises representatives from Commonwealth, State and Territory Governments and is chaired by Queensland. On behalf of the group, the Queensland Office of The Cabinet commissioned a research study to ascertain the demand for Asian language skills and knowledge of Asian cultures amongst Australian businesses.

AGB McNair was commissioned to conduct a telephone survey of 1100 businesses across Australia, to meet the following information objectives:

- * The extent to which the business community believes a greater knowledge of Asian languages would assist in conducting business in the Asia-Pacific region
 - for different elements of the business cycle (market identification, product promotion, contract negotiations, post-sales services);
 - for companies engaged in different types of economic activity (merchandise trade, services, investment).

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- * The extent to which the business community believes a greater knowledge of Asian cultures would assist in conducting business in the Asia-Pacific region
 - for different elements of the business cycle;
 - for companies engaged in different types of economic activity.
- * Asian languages considered useful by business.
- * The level of fluency in Asian languages considered desirable by business.
- * Level of knowledge of Asian cultures considered desirable by business.
- * Whether the business community believes that Asian languages and cultures training should be provided through the education system or by business itself.

2 EXECUTIVE SUMMARY

- * An estimated 46% of Australian businesses with twenty or more employees have some interest in or connection with South East/North East Asia.
- * One quarter (25%) of businesses dealing with South East/North East Asia (or 10% of total businesses) are currently using Asian languages for some aspects of their operations. Current usage increases to almost half (46%) businesses with 500 or more employees.

Half (49%) of those businesses currently using Asian languages are doing so "on a regular, ongoing basis".
- * The Asian language currently of most importance to business operations is Mandarin (nominated by 58% of those using an Asian language), followed by Japanese (35%) and Indonesian (30%).
- * Two-thirds (64%) of current users have people with Asian language skills employed in their companies. Only 16% rely entirely on outside services for interpretation/translation.
- * Four in ten (43%) businesses dealing with Asia anticipate a need for Asian language skills either "on a regular ongoing basis" (19%) or "from time to time" (24%). The largest businesses, and those already using Asian languages, are most likely to anticipate a regular need for these skills.

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- * Businesses dealing with Asia are equally split as to whether knowledge of Asian languages/societies will be important (43%) or unimportant (43%) in enhancing their company's business in the region. These results are equivalent to an estimated two in ten (18%) businesses where managers believe Asian languages/society knowledge to be of some importance to the development of their business in the Asian region.

Perceived importance of language skills increases with company size. It is also related to the type of business activity. Those with merchandise trading links with Asia (likely to be smaller companies) are less likely than those engaged in service trade or investment to perceive the importance of Asian language skills.

- * The ten Asian languages are rated as follows, in decreasing order of usefulness:

Chinese (Mandarin) - most useful
Indonesian
Japanese
Cantonese
Malay
Korean
Thai
Vietnamese
Tagalog
Khmer - least useful.

- * Irrespective of whether companies are engaged in merchandise or services trading, the point in the business cycle where knowledge of Asian languages and/or Asian societies is most likely to be perceived as beneficial is in negotiating contracts. In merchandise trade, additional areas perceived to benefit are promoting products and after sales service.

Whilst fewer companies have investment links with Asia, identifying opportunities and partners for investment are also areas where knowledge of Asian languages/societies is perceived to be beneficial.

- * Negotiation of contracts is the point in the business cycle for which the highest level of language fluency and knowledge about Asian societies is perceived to be required. This is followed by identifying investment opportunities and possible investment partners, and then by promoting products or services.
- * Nine in ten (89%) businesses acknowledging the importance of Asian languages/society knowledge claim they would give some priority to funding company training of their staff.

Perceived responsibility for training is evenly split between the education system (51%) and the companies themselves (46%). The smallest companies are more likely to place reliance on the education system, with the majority of larger companies believing the responsibility lies with themselves.

3 RESEARCH DESIGN

A telephone survey was conducted during September 1993 amongst a random sample of businesses with 20 or more employees in each of the five mainland capital cities. The sample and questionnaire were both carefully planned to meet two specific requirements:

- (a) To generate a meaningful measure of demand in relation to the relevant business community
- (b) To interview sufficient businesses dealing with or having some interest in South East/North East Asia to allow reliable analysis.

The sampling frame selected to meet requirement (a) was AGB McNair's electronic data base of 920,000 Australian businesses, drawn from Yellow/White Pages telephone directory entries. This listing is compiled (and up-dated) by Australian Business Information, and classifies businesses by Australian Standard Industry Classification (ASIC) and by company size (number of employees).

Duplicate entries were screened out of the sampling frame to ensure that branch offices and divisional units were not included, in addition to Head Office.

For the purpose of this study, relevant businesses were defined as those being within the following ASIC categories:

- Agriculture, forestry, fishing and hunting
- Mining
- Manufacturing
- Construction
- Wholesale and retail trade
- Transport and storage
- Communication
- Finance, property and business services
- Recreation, personal and other services.

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ASIC categories excluded from the scope of the sample, as not anticipated to yield many businesses with any involvement in Asia, were Electricity, Gas and Water; Public Administration and Defence; Community Services; Non-Classified Economic Units. Collectively, these constitute less than 12% of all businesses.

Given the distribution of business types in the data base, it was anticipated that a random selection would result in a sample concentrated mainly in the Manufacturing, Wholesale/Retail and Finance ASIC categories.

The following sample design, stratified by company size and by capital city was adopted:

	<u>Company Size</u>		
	20-99 employees	100-499 employees	500+ employees
Sydney	336	387	284
Melbourne	322	346	191
Brisbane	98	82	36
Adelaide	84	67	38
Perth	114	72	43
Total (2500)	954	954	592

Businesses with under twenty employees were excluded from the scope, as listings tend to be very unstable and little interest in involvement with Asia was anticipated at this company size.

Cities are represented in proportion to their distribution within the total business data base. The selections within city/size categories were made systematically after a random start in order to ensure a representative sample across all ASIC types.

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The sample over-represents businesses with 100-499 employees and with 500+ employees, to ensure sufficient numbers of larger businesses for reliable analysis. Data were post-weighted by company size to bring the total results back into line with the actual distribution of businesses in the data base. (The rationale for over-sampling of larger businesses was based on the hypothesis that their demand for Asian language skills might well exceed that of the smaller companies, who constitute the largest numerical share of the business community. This hypothesis was supported in the survey results).

The sample design produced 2500 records available for contact. A minimum quota of 500 businesses with some interest in dealings with Asia was set (to generate results accurate to within $\pm 4.5\%$ at the 95% level of confidence).

In fact, 529 interviews were obtained (from 1590 actual contacts), using a series of screening questions to eliminate those businesses having no dealings with or interest in the South East/North East Asian region (see Appendix for questionnaire).

Interviews were conducted during business hours on the CATI facility in each capital city, following a standardised questionnaire. The questionnaire was divided into three parts:

- Part A** - Screening questions (1147 respondents).
- Part B** - Need for and use of Asian language skills (529 respondents).
- Part C** - Detailed questions on need for knowledge of Asian languages/societies at different points of the business cycle (266 respondents).

Interviews were sought with managerial level staff who would be able to answer questions about the business's connections with Asia (see questionnaire). Where the correct respondent was not available, up to two call-backs were made, and appointments were arranged for convenient interview times.

Respondents were asked to answer for all sections of the business, as far as they were able.

4 RESEARCH FINDINGS

4.1 PROFILE OF BUSINESSES

To enable estimation of the demand for Asian language skills across Australia, AGB McNair conducted a stratified random survey of 1147 businesses across the five mainland capital cities. (See section 3 for a detailed description of the sampling frame and sample design). Of this total, 46% (or 529 businesses) qualified as having some dealings with North East or South East Asia and so completed an interview.

The types of businesses contacted and those having some dealings with Asia were as follows:

<u>Businesses Surveyed</u>		
	Total (n=1147)	Dealing with Asia (n=529)
Wholesale/Retail Trade	24%	25%
Finance, Property, Recreation	21%	21%
Manufacturing	41%	46%
Other (Mining, Agriculture, Construction, Transport/Storage, Communication)	14%	8%

Manufacturing companies appear to be the most likely to have dealings with North East and South East Asia, when "dealings" are defined very broadly as "any contact with customers, other companies, investors or the purchase of materials".

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The businesses contacted were distributed across the five mainland capital cities as follows:

Location of Businesses

	Total (n=1147)	Dealing With Asia (n=529)
Sydney	42%	42%
Melbourne	35%	33%
Brisbane	10%	9%
Adelaide	9%	7%
Perth	4%	9%

Interviews were requested with "someone at management level; like the General Manager, Operations Manager, Export Manager or Finance Director or someone else who could answer some questions about the company's connections with Asia". Most interviews were conducted with executives at Managing Director or General Manager level, or with managers in the Marketing/Sales or Finance areas.

Positions of Executives Interviewed

(n=529)

Chief Executive/Proprietor/General Manager	29%
Marketing/Sales/Business Development	23%
Finance/Company Secretary/Investment	18%
Operations/Administration/Commercial/Business Manager	13%
Export/Import Manager, Executive	8%
Group/Corporate/State Manager	2%

Other at 1% or less:

Public Affairs, PR; Supplies/Materials; Human Resources; Engineering/Technical; International Manager; Pacific Group Manager; Not established	3%
--	----

4.2 BUSINESS INVOLVEMENT WITH ASIA

Those 529 businesses which, on the basis of initial screening, qualified as having some level of interest in countries in South East or North East Asia were asked to classify the type of contact with the region. The following alternatives were read out to the managers/executives interviewed:

- Have customers in or from any of these Asian countries
- Use Asian distributors
- Invest in these Asian countries
- Participate in joint ventures with any of these Asian countries
- Obtain supplies from these Asian countries
- Have any other sort of connection with these Asian countries.

The most likely types of contact were to have Asian customers and to obtain supplies from South East or North East Asia. The likelihood of joint venture participation and investment in Asia increased substantially with the size of the business.

The following table shows the types of contact for the businesses interviewed, according to company size (measured by number of employees). It also shows the results as a proportion of all businesses originally contacted.

Types of Business Contact with Asia

	Dealings with Asia (n=529)	Employee Numbers			Total Businesses (n=1147)
		20-99 (n=192)	100-499 (n=183)	500+ (n=154)	
Customers in/from Asian countries	75%	72%	80%	86%	30%
Obtain Supplies	56%	56%	58%	59%	23%
Asian distributors	39%	37%	45%	45%	16%
Joint ventures	31%	26%	40%	42%	12%
Invest in Asia	19%	14%	28%	41%	8%
Other	11%	11%	12%	8%	5%
Don't know	1%	1%	3%	1%	-

* Note: Percentages do not add to 100% as multiple responses were given.

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The type of contact also varied with the type of business (measured by ASIC category).

The companies most likely to have customers in or from South East/North East Asia were in finance/property/recreation (85%).

Wholesale/retail traders were most likely to obtain supplies from Asia (70%).

Manufacturing companies were most likely to use Asian distributors (48%).

Joint venture participation was most likely in "other" business classifications (53%; but n=45) and finance/property/recreation (40%).

Business representatives were asked to classify their company's links with Asia into:

- merchandise trade (buying or selling products)
- trade in services (buying or selling services)
- investment (plant, equipment and joint ventures).

Two thirds (68%) of the businesses dealing with Asia did so mainly in connection with merchandise trading activities. Businesses engaged in merchandise trading were more likely than others to be at the smaller end of the size spectrum. The reverse was true with investment activities, which were more likely to be the province of the larger companies.

General Nature of Business Activity Connected with Asia

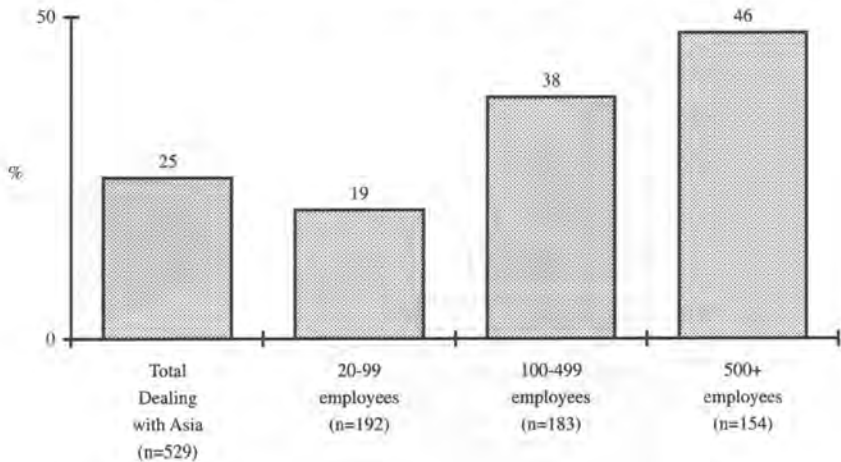
	Dealings with Asia (n=529)	Employee Numbers			Total Businesses (n=1147)
		20-99 (n=192)	100-499 (n=183)	500+ (n=154)	
Merchandise trade	68%	69%	67%	60%	27%
Trade in services	28%	29%	25%	32%	11%
Investment	14%	11%	20%	21%	6%
None of these	3%	4%	4%	1%	1%

* Note: Percentages do not add to 100% as multiple responses were given.

4.3 CURRENT USE OF ASIAN LANGUAGES

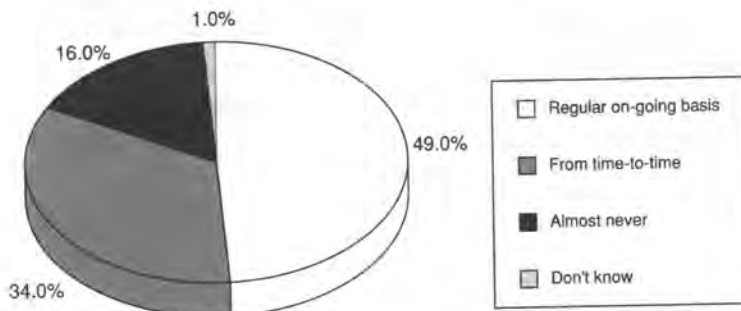
One quarter (25%) of those businesses dealing with Asia (equivalent to 10% of total businesses) reported currently using Asian languages in some aspects of their operations. Likelihood of usage increased with the size of the company.

Businesses Currently Using Asian Languages



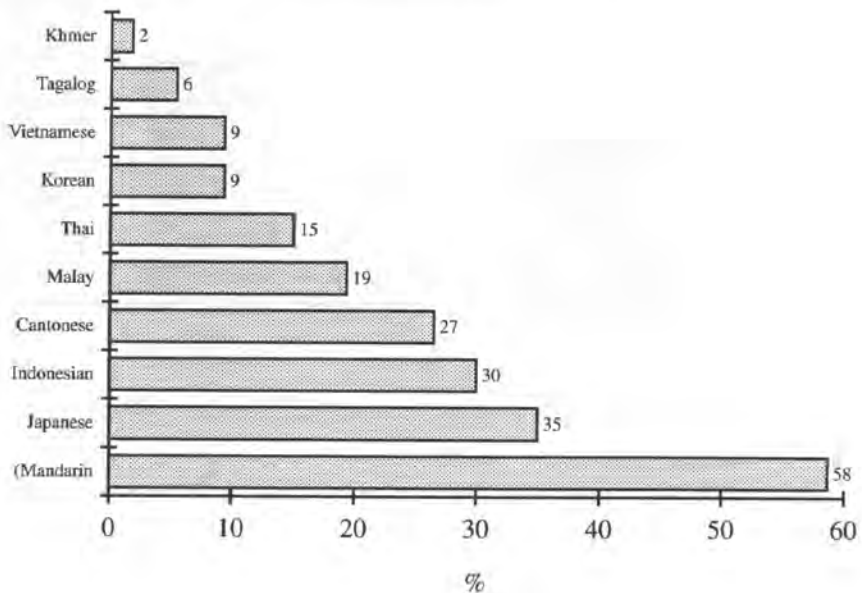
Half of the current users (49%) were making use of Asian languages "on a regular ongoing basis".

Frequency of Asian Language Use
(Base = 174 users)



The Asian language most likely to be of greatest importance to current business operations was Mandarin. Over half (58%) of those using an Asian language nominated Mandarin, followed by one third (35%) Japanese and one third Indonesian (30%).

Most Important Asian Languages in Current Usage
(n=174 current users)

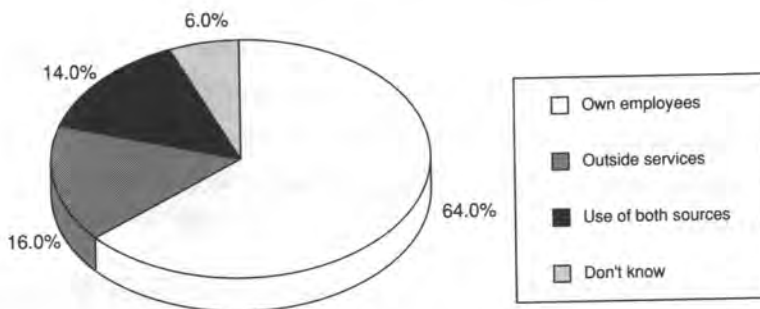


Whilst Mandarin remained the most important Asian language for businesses of all sizes, it appeared that Japanese was more likely to be of significance to the largest companies. Amongst the seventy-one companies with 500 or more employees, Japanese was nominated as an important language (in current use) by approximately half (48%).

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Two thirds (64%) of those businesses currently using Asian languages had people with those skills employed in their company. Only 16% relied entirely on outside interpreters/translating services. This predominance of language skills within the ranks of employees did not vary significantly with company size.

Internal/External Sourcing of Language Skills (n=174 current users)



4.4 GENERAL NEED FOR ASIAN LANGUAGES IN FUTURE

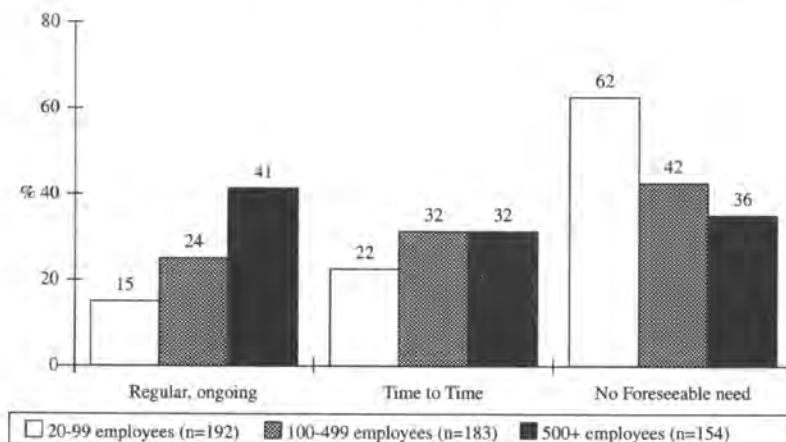
All those respondents whose businesses had some interest in South East/North East Asia were asked whether their company would have any future need for Asian languages "on a regular ongoing basis" or "from time to time". Four in ten (43%) businesses claimed they would have some future need; a substantial increase over the 22% reporting similar levels of current usage.

Future Usage of Asian Languages (n=529)

	Future	Current
On a regular, ongoing basis	19% }	13% }
	}	} 43%
From time to time	24% }	9% }
	}	} 22%
Not in foreseeable future (almost never/never)	56%	78%
Don't know	1%	-

Future need was related to company size and to current usage of language skills. The largest businesses were three times more likely to anticipate regular usage (41%) than the smallest businesses(15%).

Future Usage of Asian Languages by Company Size



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Those 174 companies already using Asian languages in their business operations were much more likely than non-users to anticipate regular future use. Four in ten (43%) current users expected to have a future "regular, ongoing" need for these skills.

All representatives of businesses dealing with South East/North East Asia were asked to estimate the degree of importance that knowledge of Asian languages and societies would have in enhancing their company's business in this region of Asia. Four in ten (43%) believed such knowledge was of importance to their companies; for one fifth (20%), this knowledge was rated as "very important".

Extrapolating this measure of need for Asian language/societies knowledge back to the total businesses sample base, results in an estimated two in ten (18%) businesses for whom such knowledge is either "quite important" (10%) or "very important" (8%).

The perceived importance of Asian language and societies knowledge was strongly correlated to the size of the business, as illustrated in the following table:

Perceived Importance of Knowledge, as a Function of Company Size*

		Dealings with Asia (n=529)	Employee Numbers		
			20-99 (n=192)	100-499 (n=183)	500+ (n=154)
Very important	(2)	20%	17%	26%	37%
Quite important	(1)	23%	21%	30%	31%
Neither	(0)	12%	12%	13%	15%
Not very important	(-1)	27%	30%	21%	16%
Not at all important	(-2)	16%	20%	10%	-
Don't know		2%	-	-	1%
Total Important		43%	38%	56%	68%
Total not Important		43%	50%	31%	16%
Mean Importance		0.05	-0.16	0.42	0.89

* Note: The mean importance is a summary statistic compiled by allocating the values in brackets to the five points of the scale.

This relationship with company size is likely to have a bearing on the finding that businesses having merchandise trading links with Asia were less likely than other businesses to perceive the importance of Asian languages and societies knowledge.

**Perceived Importance of Knowledge, as a
Function of Business Activity**

		TYPE OF ACTIVITY			
		Dealings with Asia (n=529)	Merchandise Trade (n=363)	Service Trade (n=131)	Investment (n=88)
Very important	(2)	20%	21%	20%	24%
Quite important	(1)	23%	22%	35%	23%
Neither	(0)	12%	12%	13%	19%
Not very important	(-1)	27%	27%	21%	27%
Not at all important	(-2)	16%	18%	11%	7%
Don't know		2%	-	-	-
Total Important		43%	43%	55%	47%
Total Not Important		43%	45%	32%	34%
Mean Importance		0.05	0.00	0.34	0.32

Only those businesses acknowledging that Asian language/society skills would be quite/very important proceeded further with the survey, which examined the need for such skills in more detail.

The remaining 266 respondents were asked to choose from a list of ten Asian languages the first, second, third and fourth most useful for their company's business activities in Asia. Although this was a different question from the spontaneous nomination of languages which were currently important to businesses (see Section 4.3), the results were very similar.

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Mandarin remained the language for which there was the most widespread need, across all company sizes. Japanese, Indonesian, Cantonese, Malay followed - all at fairly similar levels of demand. Languages for which there was a small perceived need were Korean, Vietnamese, Thai, Tagalog. Khmer was not identified by any of the respondents as having any use to business activities in Asia.

Most Useful Asian Languages

(n=266)

	Most Useful	Second Most Useful
Chinese (Mandarin)	34%	16%
Japanese	20%	12%
Indonesian	17%	15%
Cantonese	11%	13%
Malay	10%	10%
Vietnamese	3%	3%
Korean	2%	7%
Thai	2%	5%
Tagalog	-	3%
No others	-	14%
Don't know	2%	5%

Taking all four responses into account, an overall ordering from the most useful language to the least useful can be achieved using mean scores.

This results in the following ordering - Mandarin (1.98), Indonesian (1.36), Japanese (1.31), Cantonese (1.00), Malay (0.93), Korean (0.52), Thai (0.35), Vietnamese (0.34). Tagalog (0.11), Khmer (0.00).

4.5 NEED FOR ASIAN LANGUAGE/SOCIETY SKILLS AT DIFFERENT POINTS OF BUSINESS CYCLE

4.5.1 Merchandise Trading Activities

Those 181 managers remaining in the survey whose businesses were involved in merchandise trading were asked to select from four points of the business cycle those activities which would benefit from staff having firstly, Asian language skills and, secondly, knowledge of Asian societies. The four business activities were:

- Identifying markets
- Promoting products
- Negotiating contracts
- After sales service

Respondents were also given the opportunity to nominate other aspects of their merchandise trade which could benefit.

Language skills were most likely to be perceived as beneficial in negotiating contracts. This was not so clearly the case in relation to knowledge of Asian societies, which was more likely to have a broader perceived application.

Merchandise Trade Activities to Benefit from Asian Language/Societies Knowledge

	Language (n=181)	Society (n=181)
Negotiating contracts	75%	69%
Promoting products	65%	69%
After sales service	63%	56%
Identifying markets	44%	47%
Other (Communications; Technical design; locating suppliers; customer liaison; product instructions)	8%	1%
None	4%	5%
Don't know	2%	1%

* Note: Percentages do not add to 100% as multiple responses were given

4.5.2 Service Trading Activities

The eighty respondents whose business dealings with Asia involved trade in services were given four points of the business cycle to select where staff knowledge of Asian languages and/or societies would be beneficial.

The four activities from which they selected were:

- Identifying markets
- Promoting services
- Negotiating contracts
- Service delivery

Negotiating contracts was the activity most frequently selected as benefiting from skills in Asian languages and knowledge of Asian societies.

Service Trade Activities to Benefit from Asian Languages/Societies knowledge

	Language (n=80)	Society (n=80)
Negotiating contracts	83%	76%
Identifying markets	47%	46%
Promoting services	47%	51%
Service delivery	39%	43%
Other (Sales; building rapport; research)	3%	2%
None	2%	3%

4.5.3 Investment Activities

The fifty respondents whose businesses had some investment-related links with Asia were asked which of three aspects of these activities would benefit most from language/society knowledge.

The three investment activities were:

- Identification of investment opportunities
- Identification of possible investment partners
- Negotiating contracts.

When compared with aspects of merchandise and service trading activities, all aspects of investment activity were likely to be seen as benefiting from knowledge of Asian languages or societies.

Investment Activities to Benefit from Asian Languages/Societies Knowledge

	Language (n=50)	Society (n=50)
Negotiating contracts	74%	81%
Identifying investment opportunities	67%	78%
Identifying possible investment partners	66%	74%
Other (Running a business; choice of location; identifying local regulatory requirements)	4%	3%
None	11%	3%
Don't know	1%	3%

4.5.4 Required Levels of Fluency in Asian Languages

All those respondents remaining in the survey (ie those placing some importance on Asian language/societies knowledge) were asked to indicate the required level of language fluency for seven different business activities:

- Identifying markets in Asia
- Promoting products or services
- Negotiating contracts
- After sales service
- Service delivery
- Identifying investment opportunities
- Identifying possible investment partners

The following definitions of high, medium and low fluency levels were read out to respondents for reference in their answers.

High fluency means "being able to speak, read and write fluently and conduct business entirely in the language".

Medium fluency means "to have a basic understanding of speech, reading and writing".

Low fluency means "being able to speak at the level of social interaction only".

Despite variations in the level of fluency, between seven in ten and eight in ten respondents claimed that some level of fluency was necessary for each of these seven business activities.

The business activity for which highest language fluency was most likely to be required was negotiating contracts (37% high fluency needed). Although approximately three in ten of these businesses did not undertake investment activities in Asia, the identification of investment opportunities and possible investment partners were areas in which a medium level of fluency was required.

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Level of Fluency in Asian Languages Required

(n=266)

	High Fluency	Some* Fluency	No Need/ Not Applicable	Mean# Fluency Level
Identifying markets in Asia	14%	76%	23%	1.50
Promoting products or services	26%	79%	21%	1.84
Negotiating contracts	37%	86%	14%	2.06
After sales service	19%	80%	20%	1.83
Service delivery	20%	74%	25%	1.79
Identifying investment opportunities	26%	71%	28%	1.89
Identifying possible investment partners	27%	68%	32%	1.93

* This column represents the total for High, Medium and Low fluency. It therefore includes the previous column.

Mean fluency levels were calculated by allocating numerical values to the various fluency levels - High (3), Medium (2), Low (1), No need (0).

4.5.5 Required Levels of Knowledge About Asian Societies

Using the same questioning format as for language fluency, respondents were asked to identify the level of knowledge about Asian societies required for the seven specified business activities. The following definitions of high, medium and low knowledge levels were used:

A high level means "an in-depth knowledge of different Asian societies"

A medium level means "an understanding of significant aspects of Asian societies"

A low level means "a basic knowledge of Asian societies, as compared with Australian"

Overall, between seven in ten and nine in ten respondents identified a need for some knowledge of Asian societies in relation to each of the business activities specified.

Once again, negotiating contracts emerged as the activity requiring the highest level of knowledge (33% - high level needed). However, particularly given the substantial proportions of businesses for whom investment activities were not part of their links with Asia, there was also a strong requirement for medium - high levels of knowledge in order to identify investment opportunities and/or partners.

Level of Knowledge of Asian Societies Required (n=266)

	High Fluency	Some Fluency	No Need/ Not Applicable/ Don't know	Mean Fluency Level
Identifying markets in Asia	17%	82%	18%	1.81
Promoting products or services	19%	83%	17%	1.94
Negotiating contracts	33%	92%	8%	2.08
After sales service	14%	82%	18%	1.76
Service delivery	14%	80%	20%	1.74
Identifying investment opportunities	26%	71%	29%	1.99
Identifying possible investment partners	29%	72%	28%	2.03

4.5.6 Skilling of Technical Staff

In the case of both languages (58%) and knowledge about Asian societies (54%), a majority of respondents believed it would assist their company's business to have technical staff equipped with these skills. This perception applied, irrespective of company size.

Necessity for Skilling of Technical Staff

(n=266)

	Language	Society
Would assist business	58%	54%
Not necessary	35%	36%
Depends/don't know	5%	7%
No technical staff	2%	3%

4.6 TRAINING OF STAFF

Respondents were asked to allocate a priority (between very high and none) to training, in the following question:

"If you were determining priorities for company-funded training, how much priority would you give to training your company's staff in Asian languages and societies?"

Whilst nine in ten (89%) respondents claimed they would give some priority to this type of training, the average priority was of a low-medium level. Two in ten (21%) said they would give it a high (or very high - 4%) priority. The priority allocated to company-funded training in Asian language/society skills was slightly higher than the norm in those businesses employing 500 or more people.

Priority to Company-Funded Training

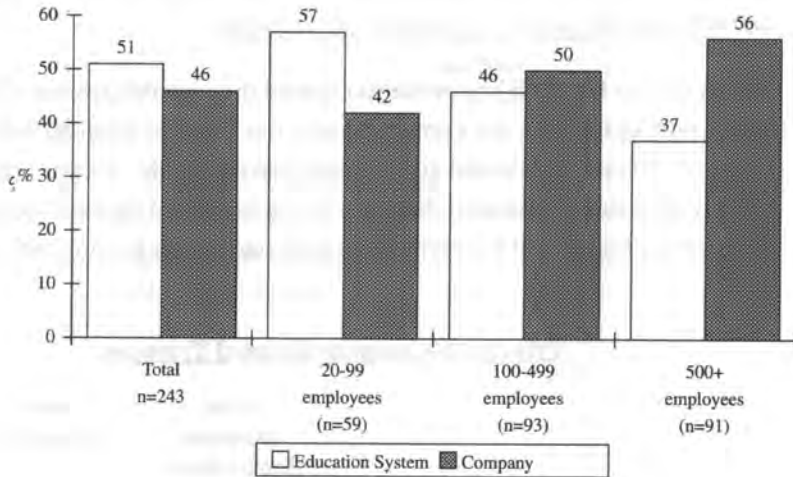
	Total remaining Respondents (n=266)	500+ Employees (n=99)
Very high priority	4%	6%
High priority	17%	20%
Medium priority	27%	30%
Low priority	41%	36%
No priority	10%	7%
Don't know	1%	1%
Mean priority	1.63	1.81

Those 243 business representatives who did acknowledge they would give some priority to company-funded training were asked whether they believed, in general, that

"the responsibility for providing and paying for training of staff in Asian languages and societies should lie primarily with the education system or with your company".

Businesses were evenly split on this question, with less reliance on the education system as the size of the company increased.

Should Responsibility for Training Lie with Education System or Company?



If those companies who gave no priority to company-funded training are added in, support for relying on the education system increases to 56% of businesses for whom Asian language/society knowledge is important.

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All work conducted on behalf of AGB McNair is confidential. Under the Code of Ethics of the Market Research Society of Australia no information about this project, questionnaire or respondents should be disclosed to any third party.

ASIAN LANGUAGES - BUSINESS SURVEY **FINAL QUESTIONNAIRE - JOB NO.: NG9095**

INTRODUCTION

Good morning/afternoon. I'm from AGB McNair, the market research company. We are conducting a study of Australian businesses for the Commonwealth, State and Territory Governments, and we need to know which countries outside Australia your company has some interest in. As well as Australia, which parts of the world does your company have dealings with[READ OUT CODES 1-3 MULTIPLE RESPONSE] ["Dealings" means any contact with customers, other companies, investors or the purchase of materials.]

- 1 Europe
- 2 Asia
- 3 North or South America
- 4 Nowhere/somewhere else
- 9 Don't know ASK SQ2

PART A

SQ1 Does your company (any branch or division) have any dealings at all with countries in South-East or North-East Asia like, for example, Indonesia, Vietnam, China, Japan, or countries nearby? ["Dealings" means any contact with customers, other companies, investors or the purchase of materials.]

- 1 Yes ASK SQ3 [QUOTA]
- 2 No (Definite) TERMINATE
- 3 Don't know ASK SQ2

SQ2 Could I please speak to someone in the company who would be able to answer this question and, possibly, some other questions about the company's dealings with Asia? Someone at management level, like the General Manager, Operations Manager, Marketing Manager, Export Manager or Finance Director.

REINTRODUCE:

Good morning/afternoon. I'm from AGB McNair, the market research company. We are conducting a study on behalf of the Commonwealth, State and Territory Governments to ascertain the business community's need for Asian language skills. Your answers will be completely confidential. Does your company (any branch or division) have any dealings at all with countries in South-East or North-East Asia like, for example, Indonesia, Vietnam, China, Japan or countries nearby? ["Dealings" means any contact with customers, other companies, investors, or the purchase of materials.]

- 1 Yes [QUOTA] PROCEED TO Q1
- 2 No TERMINATE

PART B

- SQ3** Could I please speak to either the General Manager, Operations Manager, Marketing Manager, Export Manager, Finance Director or someone else who could answer some questions about your company's connections with Asia.
IF UNAVAILABLE, MAKE APPOINTMENT.

REINTRODUCE YOURSELF AND EXPLAIN AS FOLLOWS:

Good morning/afternoon. I'm from AGB McNair, the market research company. We are conducting a study on behalf of the Commonwealth, State and Territory Governments to ascertain the business community's need for Asian language skills. I understand your company has some connections with countries in South East or North East Asia and would be grateful if you could help with some questions about the role of Asian languages in your business. Your answers will be completely confidential.

- Q1** In asking about "your company", we mean the organisation as a whole, including branches or divisions. The countries in Asia with which we are concerned include Japan, China, Korea, Taiwan, Hong Kong, Vietnam, Laos, Cambodia, Thailand, Malaysia, Singapore, Indonesia, Brunei and the Philippines. Does your company
READ OUT AND ENTER FOR 'YES'. MULTIPLE RESPONSE

- 1 Have customers in or from any of these Asian countries
- 2 Use Asian distributors
- 3 Invest in these Asian countries
- 4 Participate in joint ventures with any of these Asian countries
- 5 Obtain supplies from these Asian countries
- 6 Have any other sort of connection with these Asian countries [SPECIFY]
- 9 No connection/Don't know - SKIP TO Q3a [DO NOT READ OUT]

- Q2 ASK CODES 1-6 IN Q1.**

Would you say your company's links with Asia are mainly in connection with
READ OUT CODES 1-3. MULTIPLE RESPONSE

- 1 Merchandise trade (buying or selling products)
- 2 Trade in services (buying or selling services)
- 3 Investment, such as plant and equipment and joint ventures
- 7 None of these DO NOT READ OUT

- Q3a ASK ALL**

Does your firm currently use Asian languages in any aspects of its operation?

- 1 Yes
- 2 No] SKIP TO
- 9 Don't know] Q6

- Q3b ASK CODE 1 IN Q3a**

How often would you say your company uses Asian languages? **READ OUT**

- 1 On a regular ongoing basis
- 2 From time to time
- 3 Almost never
- 9 Don't Know DO NOT READ OUT

Q4 Which Asian languages are currently most important to your business? **DO NOT READ OUT. MULTIPLE RESPONSE**

- 01 Cantonese
- 02 Chinese (Mandarin)
- 03 Indonesian
- 04 Japanese
- 05 Khmer
- 06 Korean
- 07 Malay
- 08 Tagalog
- 09 Thai
- 10 Vietnamese
- 98 Other [SPECIFY]
- 99 Don't know

Q5 Do you have people with Asian language skills employed in the company or do you use interpreters or translating services from outside?

- 1 Own employees
- 2 Use outside services
- 3 Both
- 9 Don't know

Q6 ASK ALL

In the future, do you see your company having any need to use Asian language skills..... **READ OUT**

- 1 On a regular ongoing basis
- 2 From time to time
- 3 Not in the foreseeable future
- 9 Don't know **DO NOT READ OUT**

Q7 How important or unimportant would you say that knowledge of Asian languages and societies is likely to be to your company in enhancing its business in the South-East/North-East Asian region? **READ OUT AND ROTATE TOP TO BOTTOM**

- 1 Very important] QUOTA
- 2 Quite important] QUOTA
- 3 Neither important nor unimportant]
- 4 Not very important] SKIP
- 5 Not at all important] TO Q17
- 9 Don't know **DO NOT READ OUT**]

PART C

ASK CODES 1, 2 IN Q7, IF QUOTA OPEN. OTHERS GO TO Q17

The remaining questions are about the need for knowledge of Asian languages and societies at different points in the business cycle, [PAUSE] such as market identification, promotional activity, contract negotiations and investment.

IF RESPONDENT IS UNABLE TO ANSWER THESE QUESTIONS, ASK TO SPEAK TO APPROPRIATE MANAGER. MAKE APPOINTMENT IF UNAVAILABLE

Q8a Which one of the following Asian languages would be most useful for your company's business activities in Asia? READ OUT

Q8b And which would be the second most useful?

Q8c Any others? SINGLE RESPONSE

Q8d Any others? SINGLE RESPONSE

	S/R Q8a	S/R Q8b	S/R Q8c	S/R Q8d
Cantonese	01	01	01	01
Chinese (Mandarin)	02	02	02	02
Indonesian	03	03	03	03
Japanese	04	04	04	04
Khmer	05	05	05	05
Korean	06	06	06	06
Malay	07	07	07	07
Tagalog	08	08	08	08
Thai	09	09	09	09
Vietnamese	10	10	10	10
None of these DO NOT READ	97	97	97	97
No others DO NOT READ	98	98	98	98
Don't know DO NOT READ	99	99	99	99

I'd now like to ask you separate questions which relate purely to Asian **languages** and then to knowledge of Asian **societies**, such as their geography, history and culture.

ASK CODE 1 IN Q2

Q9a Thinking of Asian **languages**, which, if any, of the following aspects of your merchandise trading (buying and selling products) activities would benefit from staff with Asian language skills? READ OUT MULTIPLE RESPONSE

- 1 Identifying markets
- 2 Promoting products
- 3 Negotiating contracts
- 4 After sales service
- 5 Other aspects [SPECIFY]
- 7 None DO NOT READ
- 9 Don't Know DO NOT READ

Q9b And what about knowledge of Asian **societies**? Which aspects of your merchandise trading activities would benefit most from staff having this knowledge? READ OUT
MULTIPLE RESPONSE

- 1 Identifying markets
- 2 Promoting products
- 3 Negotiating contracts
- 4 After sales service
- 5 Other aspects [SPECIFY]
- 7 None DO NOT READ
- 9 Don't Know DO NOT READ

ASK CODE 2 IN Q2

Q10a Thinking of Asian **languages**, which, if any, of the following aspects of your trade in services would benefit from staff with Asian language skills? READ OUT
MULTIPLE RESPONSE

- 1 Identifying markets
- 2 Promoting services
- 3 Negotiating contracts
- 4 Service delivery
- 5 Other aspects [SPECIFY]
- 7 None DO NOT READ
- 9 Don't Know DO NOT READ

Q10b And what about knowledge of Asian **societies**? Which aspects of your trade in services would benefit most from staff having this knowledge? READ OUT
MULTIPLE RESPONSE

- 1 Identifying markets
- 2 Promoting services
- 3 Negotiating contracts
- 4 Service delivery
- 5 Other aspects [SPECIFY]
- 7 None DO NOT READ
- 9 Don't Know DO NOT READ

ASK CODE 3 IN Q2

Q11a Thinking of Asian **languages**, which, if any, of the following investment activities would benefit from staff with Asian language skills? READ OUT MULTIPLE
RESPONSE

- 1 Identification of investment opportunities
- 2 Identification of possible investment partners
- 3 Negotiating contracts
- 4 Other aspects [SPECIFY]
- 7 None DO NOT READ
- 9 Don't Know DO NOT READ

Q11b And what about knowledge of Asian **societies**? Which aspects of your investment activities would benefit most from staff having this knowledge? **READ OUT**
MULTIPLE RESPONSE

- 1 Identification of investment opportunities
- 2 Identification of possible investment partners
- 3 Negotiating contracts
- 4 Other aspects [SPECIFY]
- 7 None DO NOT READ
- 9 Don't Know DO NOT READ

ASK ALL PART B RESPONDENTS

Q12 I'd like you to consider different aspects of your business and the level of fluency in Asian languages that you believe they require. If the aspects I read out are not relevant to your company, or if Asian language skills are not needed at all, please say so.

First, I'm going to read out the definitions of high, medium, and low fluency. It would help if you could note them down.

High fluency means "being able to speak, read and write fluently and conduct business entirely in the language"

[PAUSE]

Medium fluency means "to have a basic understanding of speech, reading and writing".

[PAUSE]

Low fluency means "being able to speak at the level of social interaction only"

[PAUSE]

Firstly, what level of fluency in Asian languages amongst staff does your company need for identifying markets in Asia - a high, medium or low level of fluency? And what about**RÉPEAT FOR EACH ITEM**

	High Fluency	Medium Fluency	Low Fluency	No Need	Not Applicable	Don't Know
• Promoting products or services	1	2	3	4	5	6
• Negotiating contracts	1	2	3	4	5	6
• After sales service	1	2	3	4	5	6
• Service delivery	1	2	3	4	5	6
• Identifying investment opportunities	1	2	3	4	5	6
• Identifying possible investment partners	1	2	3	4	5	6

Q13 And what level of knowledge of Asian **societies**, as distinct from language skills, is required for different aspects of your business?

The definitions of levels of knowledge you might note down are

A high level means "an in-depth knowledge of different Asian societies"

[PAUSE]

A medium level means "an understanding of significant aspects of Asian societies"

[PAUSE]

A low level means "a basic knowledge of Asian societies, as compared with Australian"

[PAUSE]

Firstly, what level of knowledge of Asian societies amongst staff does your company need for identifying markets in Asia - a high, medium or low level of knowledge?

And what about REPEAT FOR EACH ITEM

	High Level	Medium Level	Low Level	No Need	Not Applicable	Don't Know
♦ Promoting products or services	1	2	3	4	5	6
♦ Negotiating contracts	1	2	3	4	5	6
♦ After sales service	1	2	3	4	5	6
♦ Service delivery	1	2	3	4	5	6
♦ Identifying investment opportunities	1	2	3	4	5	6
♦ Identifying possible investment partners	1	2	3	4	5	6

Q14a Would it assist your company's business to have technical staff, with Asian **language** skills, or would this not be necessary? DO NOT READ

- 1 Yes, would assist
- 2 No, not necessary
- 3 It depends
- 4 No technical staff
- 9 Don't know

Q14b Would it assist your company's business to have technical staff with knowledge of Asian **societies**? DO NOT READ

- 1 Yes, would assist
- 2 No, not necessary
- 3 It depends
- 4 No technical staff
- 9 Don't know

Q15 If you were determining priorities for company-funded training, how much priority would you give to training your company's staff in Asian languages and societies? Would you give this [READ OUT CODES 1-5, ROTATING START POINT BETWEEN 1 AND 5]

- 1 A very high priority
- 2 A high priority
- 3 A medium priority
- 4 A low priority
- 5 No priority at all
- 6 Other [SPECIFY]
- 9 Don't know DO NOT READ OUT

ASK CODES 1-4, 6, 9 IN Q15

Q16 In general, do you believe that the responsibility for providing and paying for training of your staff in Asian languages and societies should lie primarily with ...
READ OUT IN ROTATED ORDER

- 1 The education system
- 2 Your company
- 9 Don't know DO NOT READ OUT

ASK ALL

Q17 And could I check your position in the company again, please? CLARIFY WITH RESPONDENT CORRECT CODE IF NECESSARY

- 1 Chief Executive, General Manager
- 2 Operations Manager/Executive
- 3 Marketing/Sales Manager/Executive
- 4 Export/Import Manager
- 5 Finance Director, Financial Controller, Investment Manager/Company Secretary
- 6 Other [SPECIFY]

Thank you for taking part in this survey. Just in case you missed it, my name is from AGB McNair, the national market research company.

Q18 ENTER ASIC CODE FROM SAMPLE

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Q19 RECORD COMPANY SIZE FROM SAMPLE

- 1 500+ employees
- 2 100-499 employees
- 3 20-99 employees

INTERVIEWER DECLARATION

I have conducted this interview. It is a full and, to the best of my knowledge, an accurate recording and has been completed in accordance with my interviewing and ICC/ESOMAR guidelines.

Interviewer:.....

ID

--	--	--	--	--	--

Date: / /

**QUANTIFICATION OF FUTURE DEMAND FOR ASIAN
LANGUAGES/CULTURES SKILLS**

The working group attempted to provide broad quantification of the likely future demand for employees with Asian languages/cultures skills. It should be noted, however, that labour force planning exercises of this nature present a number of methodological difficulties. These estimates of future demand should therefore be regarded as broad indicative scenarios only.

The quantification of future demand was undertaken by:

- extrapolating from the results of the AGB McNair survey of Australian businesses in terms of the percentage of firms expressing an interest in the region;
- applying this to those categories of employees (employing the ABS Standard Classification of Occupations) within firms most likely to have need for communications skills in dealing with regional markets.

While methodologically highly problematic, no other methods were identified as capable of providing indicative demand targets which might be in any way useful.

The AGB McNair survey indicated that some 46% of Australian businesses with 20 or more employees have some interest in or connection with East Asia. There are just under 2.7 million employees employed in Australian firms with 20 or more employees. 46% of this number suggest that some 1.2 million employees may currently be employed in firms that have some interest in East Asia (ie. nearly 30% of total private sector employment).

Estimates of the number of employees in these firms by and category occupation can be roughly gauged by applying data from the Australian Standard Classification of Occupations. This is necessary because obviously not all categories of employees in these firms will have a need for Asian languages/cultures skills - irrespective of whether firms have dealings with the region. The working group concluded that those occupational categories with some potential to use Asian languages and/or an awareness or knowledge of Asian societies are those classified Managers, Administrators, Professionals, Paraprofessionals and Salespersons. In 1993 these categories of employees account for some 574 000 of the total employees of firms with a projected interest in Asia (ie. 13.8 per cent of total private sector employment). If employees in firms employing less than 20 employees and with an involvement in Asia are considered as well, the total number of employees in occupational categories currently with some involvement in Asia is likely to be considerably higher.

Projecting these figures out to the year 2010 suggests (assuming 1.5% annual growth in employment) that in firms with more than 20 employees, up to 740 000 employees could be in positions in firms with a potential involvement in East Asia.

**Projected East Asia Related Employment in Firms
Employing more than 20 Employees by Occupational Category**

Occupation	1993	2000	2005	2010
Managers and Administrators	141 933	157 523	169 697	182 812
Professionals	169 976	188 647	203 227	218 933
Para-professionals	73 477	81 548	87 850	94 639
Salespersons and Personal Service Workers	188 825	209 577	225 774	243 224
SUB-TOTAL (East Asia-related)	574 211	637 295	686 548	739 608
Tradespersons	184 182	204 413	220 221	237 230
Clerks	200 836	222 897	240 124	258 681
Plant and Machine Operators	84 743	94 052	101 321	109 151
Labourers and Related Workers	180 630	200 472	215 965	232 656
TOTAL	1 224 612	1 359 129	1 464 169	1 577 326

Source: ABS Catalogue No 6428.0, "Employed Wage and Salary Earners", March Quarter 1993; Working group Estimates.

Given the particular importance of tourism as Australia's largest export and the growth potential of the East Asian market, the working group sought to quantify the future demand for Asian languages/cultures skills in this sector.

Projections of employment in tourism and the demand for language and culture knowledge skills to the year 2000 are provided in a report by the National Centre for Studies in Travel and Tourism and R T Kinniard and Associates, *Tourism 2000: Key Directions for Human Resource Development*. The projections in this report have been extrapolated to the year 2010 by the working group. These projections indicate that by 2010, up to 200 000 people may be employed in the tourism industry as a direct result of East Asian tourism. Of these over half may be employed in the key occupational categories of Managers and Administrators, Professionals, Para-professionals, Salespersons and Personal Service - ie. those categories with greatest potential for intensive people-to-people contact with East Asian visitors and therefore with greatest potential need for East Asian languages/cultures skills.

Projected Direct Employment Generated by Tourism Growth: 1991 - 2010

SECTOR	1991	2000	2005	2010
Japan	N/A	42 050	59 770	82 650
Other Asia	N/A	61 625	87 590	121 125
TOTAL East Asia	N/A	103 675	147 370	203 775
Other International	N/A	157 325	223 630	309 225
TOTAL INTERNATIONAL	111 000	261 000	371 000	513 000
DOMESTIC	252 000	310 000	344 000	382 000
TOTAL TOURISM JOBS	363 000	571 000	715 000	895 000

Source: The National Centre for Studies in Travel and Tourism, R T Kinniard and Associates (June 1992) "Tourism 2000: Key Directions for Human Resource Development"

Projected Employment Growth Generated by East Asian Tourism by Occupation 2000 - 2010

OCCUPATION	2000	2005 (e)	2010 (e)
Managers and Administrators	18 879	26 836	37 107
Para-professionals	2 913	4 141	5 726
Professionals	4 178	5 939	8 212
Salespersons and Personal Service Workers	31 953	45 420	62 803
SUB-TOTAL (East Asia-related)	57 923	82 336	113 848
Tradespersons	14 525	20 646	28 550
Clerks	9 714	13 160	18 197
Plant and Machine Operators	6 532	9 284	12 838
Labourers and Related Workers	15 437	21 943	30 342
TOTAL	103 675	147 369	203 775

Source: The National Centre for Studies in Travel and Tourism, (June 1992);
Working group Estimates

Obviously this calculation for tourism is again at best indicative. It does not represent a net addition to the equally indicative calculations made above for the whole economy. Rather it represents a component of that overall calculation - albeit a calculation based on a different methodology.

ATTACHMENT E

The declared priority languages in each State and Territory for the purposes of the Commonwealth's Australian Languages and Literacy Policy for 1993 were:

NEW SOUTH WALES

Arabic
Chinese (Mandarin)
French
German
Italian
Japanese
Modern Greek
Spanish

SOUTH AUSTRALIA

Chinese (Mandarin)
French
German
Indonesian
Italian
Japanese
Modern Greek
Vietnamese

VICTORIA

Chinese (Mandarin)
French
German
Indonesian
Italian
Japanese
Modern Greek
Vietnamese

TASMANIA

Chinese (Mandarin)
French
German
Indonesian
Italian
Japanese
Modern Greek
Spanish

QUEENSLAND

Chinese (Mandarin)
French
German
Indonesian
Italian
Japanese
Spanish
Vietnamese

NORTHERN TERRITORY

Aboriginal Languages
Chinese (Mandarin)
French
German
Indonesian
Italian
Japanese
Modern Greek

WESTERN AUSTRALIA

Aboriginal Languages
Chinese (Mandarin)
French
German
Indonesian
Italian
Japanese
Modern Greek

AUSTRALIAN CAPITAL TERRITORY

Chinese (Mandarin)
French
German
Indonesian
Italian
Japanese
Modern Greek
Spanish

SISTER CITY ARRANGEMENTS*

. Affiliations with Japan

Adelaide (SA)	Himeji
Altona (Vic)	Anjo
Ballarat (Vic)	Inagawa
Bankstown (NSW)	Suita
Bellarine and Geelong (Vic)	Izumiotstu, Osaka
Belmont (WA)	Adachi
Blue Mountains (NSW)	Sanda
Bowral (NSW)	Tonami
Box Hill (Vic)	Matsudo
Brisbane (Qld)	Kobe
Broadmeadows (Vic)	Nagareyama
Cairns (Qld)	Hiwasi
Campbelltown (NSW)	Koshigaya
Caulfield (Vic)	Ogaki
Clare (SA)	Yoshinaga
Clarence (Tas)	Akkeshi
Coburg (Vic)	Nagasaki
Coffs Harbour (NSW)	Sasebo
Cooma-Monaro (NSW)	Kumamoto
Dubbo (NSW)	Minokamo
Frankston (Vic)	Susono
Fremantle (WA)	Yokosuka
Gold Coast (Qld)	Kanagawa
Gosford (NSW)	Edogawa
Hawkesbury (NSW)	Tamba
Hobart (Tas)	Yaizu
Lake Macquarie (NSW)	Hakodate
Launceston (Tas)	Ikedu
Lismore (NSW)	Yamatotakada
Manly (NSW)	Taito-Ku
Mackay (Qld)	Matsura
Melbourne (Vic)	Osaka
Mildura (NSW)	Kumatori
Newcastle (NSW)	Ube
Orange (NSW)	Ushiku
Penrith (NSW)	Fujieda
Perth (WA)	Kagoshima
Port Macquarie (NSW)	Handa
Portland (Vic)	Uchiura-Machi
Redcliffe (Qld)	Onoda
Rockhampton (QLD)	Ibusuki

• **Japan continued**

Shepparton (Vic)	Esashi
South Barwon (Vic)	Sumida
Sutherland (NSW)	Chuo
Swan Hill (Vic)	Yamagata
Sydney (NSW)	Nagoya
Toowoomba (Qld)	Takatsuki
Townsville (Qld)	Iwaki and Tokuyama
Wollongong (NSW)	Kawasaki
Yarrawonga (Vic)	Katsuyama-Mura

• **Affiliations with China**

Bendigo (Vic)	Taishan
Brisbane (Qld)	Shenzhen
Corio (Vic)	Dalian and Lianyungang
Darwin (NT)	Haikou
Melbourne (Vic)	Tianjin
Rockhampton (Qld)	Nantong (not formalised)
Shoalhaven (NSW)	Jiamusi
Toowoomba (Qld)	Jingmen (to be formalised)
Wagga Wagga (NSW)	Kunming

• **Affiliations with Republic of Korea**

Belrose (NSW)	Kapyong
Canterbury (NSW)	Eunpyong-gu

• **Affiliations with Indonesia**

Bega Valley (NSW)	Bandung
Darwin (NT)	Ambon
Lismore (NSW)	Ujung Pandang
Brisbane (Qld)	Semarang, Central Java

* based on 1992 collation; 1993 publication imminent.

SISTER STATE AFFILIATIONS

• **Affiliations with China**

New South Wales	Guangdong Province
South Australia	Shandong Province
Tasmania	Fujian Province
Victoria	Jiangsu Province
Western Australia	Zhejiang Province
Queensland	Shanghai

. **Affiliations with Japan**

New South Wales	Tokyo Metropolis
Queensland	Saitama Prefecture;
Osaka Victoria	Aichi Prefecture
Western Australia	Hyogo Prefecture
South Australia	Okuyama Prefecture

. **Affiliations with Indonesia**

Queensland	Central Java
Western Australia	East Java Province
Northern Territory	Nusa Tenggara

. **Affiliations with Malaysia**

South Australia	Several Malaysian States
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. **Affiliations with Republic of Korea**

New South Wales	Municipality of Seoul
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Glossary of Terms

ABS	Australian Bureau of Statistics
AEC/MOVEET	Australian Education Council/Ministers of Vocational Education, Employment and Training
AES	Applied Economic Solutions
ALL	Australian Language and Literacy Policy
ALI	Asian Language Immersion Program
ALSAS	Asian Languages/Studies in Australian Schools Program
ALSC	Asian Language and Studies Centres
ALSIN	Asian languages/Studies Implementation Network
ANTA	Australian National Training Authority
APEC	Asia Pacific Economic Co-operation
ASEAN	Association of South East Asian Nations
ASC	Asian Studies Council
ASLPR	Australian Second Language Proficiency Rating Scales
AVCC	Australian Vice-Chancellors' Committee
BOTB	British Overseas Trade Board
COAG	Council of Australian Governments
DEET	Commonwealth Department of Employment, Education and Training
DFAT	Commonwealth Department of Foreign Affairs and Trade
DPRK	Democratic People's Republic of Korea
EAAU	East Asia Analytical Unit, Department of Foreign Affairs and Trade
EC	European Community
EU	European Union
EIU	Economist Intelligence Unit
EPAC	Economic Planning Advisory Council
ETMs	Elaborately Transformed Manufactures
GDP	Gross Domestic Product
G7	Group of Seven Nations - United States, Japan, Germany, France, Italy, United Kingdom and Canada
ILOTES	Innovative Languages Other Than English In Schools Program
IMF	International Monetary Fund
L2	Learning a second language
LOTE	Languages other than English
MCEETYA	Ministerial Council on Employment, Education and Training and Youth Affairs

NALSAS	Asian Language/Studies Strategy for Australian Schools
NLP	National LOTE Profile
NESB	Non-English Speaking Background
NIEs	Newly industrialising economies
OECD	Organisation for Economic Co-operation and Development
ROK	Republic of Korea
STMs	Simply Transformed Manufactures
SME	Small to Medium Enterprises
TAFE	Technical and Further Education
UMAP	University Mobility in Asia and the Pacific
YAAP	Young Australians in Asia Program

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