

The Proposal for an Australia-China Commission  
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*The Australia-China Commission proposed in this paper would be an independent bi-national organisation devoted to supporting exchange programs between Australia and China across the continuum of government, education, and industry. This initiative would address the growing shortfall of leadership and sophisticated exchange in the bilateral relationship. Ultimately, the Australia-China Commission would help maximize the opportunities and mitigate the problems and risks associated with the system differences between the two economies and societies.*

## **Overview**

In this paper we discuss the proposal for the establishment of an Australia-China Commission ('the Commission'), recommended in the *Australia-China Joint Economic Report* (Drysdale & Zhang 2016). This paper follows on from 'The Australia-China Commission: A Preliminary Proposal' (Drysdale & Zhang 2017), and is designed to serve as a resource for both governments to assess the feasibility of the idea. Accordingly, the paper will identify the context, opportunities, challenges, precedents, and comparisons that might be associated with the Commission, as well as begin to outline a working model for its constitution, governance, and eventual implementation.

The Commission is designed to be an independent bi-national organisation that is a significant channel for government, political, academic, business, community, and cultural exchanges between Australia and China. The Commission would be established through a bilateral treaty or agreement, with core funding from the Australian and Chinese governments. It would also invite academic institutions, businesses, community foundations, prominent individuals, and sub-national governments to sponsor specific bilateral programs under its aegis—this is an especially important feature.

The model that is precedent in some respects for the Commission is the Australian–American Fulbright Commission (AAFC), but the Australia-China Commission aims to be broader and deeper. The Commission will foster investment in human capital, activities, and institutions across the spectrum of government, industry, and research. The Commission will place specific emphasis on the development of the highest-level competencies and networks that will be relevant to the future relationship between Australia and China.

The Commission is part of a critical policy response to the challenges and opportunities associated with the major changes in China's and Australia's economies and societies. The Commission is an opportunity for both governments to show leadership and shape the future course of the relationship in a deliberate, purposeful way, establishing

necessary infrastructure for husbanding and developing the relationship between Australia and China in the years to come.

## **The Context**

Australia and China, two vastly different nations, already have a huge and joint political, economic, and social investment in the success of their bilateral relationship. The future success of the bilateral relationship will rely on the ability of both countries to co-manage the structural changes taking place in both economies and societies in a global context of high volatility.

Australia's growth trajectory and livelihood in the 21st century has been and will continue to be importantly linked to China's enormous economy, its ongoing economic transformation, and its role in the future of the world order. For China, Australia is a strategic source of industrial raw materials and a range of advanced inputs, from education to quality foodstuffs. Australia is also an important partner to China in shaping the evolution of regional and global governance.

Such is the scale of China's economic growth that there is no conceivable future that will not involve comprehensive engagement between Australia and China in all areas of economic, social, and political life. China is the world's second largest economy and the largest in Asia, and likely soon to be the world's largest economy. The Chinese economy is in the midst of an enormous structural transition from 'production- to consumption-driven' growth. The expansion of China's middle class (one study indicates that China's rapidly expanding middle class will reach ~850 million by 2030) has and will continue to generate unprecedented demand for high-value services, as well as the regional infrastructure and global financial stability necessary to deliver these services reliably and efficiently.

The structural changes in the Chinese economy are accompanied and facilitated by large-scale domestic reform of China's political, social, and financial institutions, as well as China's increased participation in global and regional trade, investment, governance, and security initiatives. China faces a number of specific challenges that include addressing an estimated US\$8 trillion infrastructure deficit in Asia and the need for domestic financial reform, which requires a careful balance between capital account liberalization and management of financial volatility domestically and globally (Drysedale et al. 2017).

China has already begun to address the regional infrastructure deficit through the Belt and Road Initiative (BRI) and the formation of the Asia Infrastructure and Investment Bank (AIIB). Various risks are associated with this enormous regional and global investment, including the environmental sustainability, financial service and management, and local integration of infrastructure projects. China must invest in its capacity to mitigate these risks, and Australia is uniquely positioned—as an advanced economy and regional partner—to assist China in developing ways to manage domestic reform and international engagement.

As China's transition away from heavy industrial production reduces the growth of global demand for coal and iron ore (the traditional bedrock of the growth in the trade

relationship for the past 30 years), Australia's economy has been forced to recalibrate. Australia's economy is now shifting away from a reliance on the resources sector for economic growth, and future growth will rely increasingly on the services sector. Whereas Australia's geographical location and reliable institutions gave it a continuing competitive advantage in the export of resources to China, Australia has no such natural advantage when competing for China's markets in the services sector. Australia will thus rely on the quality and competitiveness of its services sector, particularly industries such as agriculture, tourism, education, and financial services, in order to drive economic growth. Australia's competitive advantage in China must come in the form of sophisticated skills, networks, and institutional knowledge.

In addition to the standard business risks and global financial risks associated with any bilateral economic engagement, the future of the Australia-China relationship faces considerable risks and uncertainties that derive from different histories of our respective political and social systems, and from the economic and institutional transformations that both systems are undergoing. Even as the process of economic reform is further advanced, fundamental differences will remain between Australia and China in relation to political and legal institutions. The right of China and of Australia to determine and maintain their own political institutions, and defend their national sovereignty, is a premise in their bilateral relationship.

The risks and frictions associated with system differences between Australia and China will need to be carefully managed and negotiated by both government and non-government actors. It is important to recognize frankly that engagement does not necessarily require complete agreement or coincidence of views on every issue. Hence, both governments have the responsibility to ensure that the bilateral relationship is sufficiently endowed with the people, capacities, networks, and institutions that will allow for deep and sophisticated exchange in managing their relations. The Australia-China relationship must be future-directed so that actors on both sides can preempt both the economic opportunities and political challenges that will inevitably arise as structural transitions play out in the future.

There is currently a distinct shortfall in the number, quality, and sophistication of actors, activities, and institutions across the continuum of the Australia-China relationship. The Commission is designed to help address this gap, by encouraging an investment in human capital, institutional knowledge, and deliberate political signaling and framing of the bilateral relationship.

## Existing Engagement

Assessment of the value of the Commission requires consideration of what arrangements already serve its possible purposes. One obvious alternative would be to maintain the status quo and invest in existing avenues of engagement that operate in the Australia-China relationship. In this section we will list the actors, institutions, and exchanges that currently exist in the relationship. Importantly, while various exchanges and institutions exist, none of these alternatives possess the power or comprehensive remit required to fill the critical gaps in human capital and understanding that exist in the relationship.

In addition to annual engagement between Australia and China according to their ‘strategic partnership’ status, there is also a range of existing official partnerships between Australia and China at the government or ‘1.5 track’ dialogue level. For instance, there are annual dialogues between the Australian Treasury and China’s National Development and Reform Commission, between the Reserve Bank of Australia and the People’s Bank of China, between The Australian National University and The Central Party School, and between the Australia and New Zealand School of Government and the Organisation Department of the Chinese Communist Party. These are important and beneficial exchanges that enhance familiarity between partner institutions.

On an institutional level, the Australia–China Council (ACC) was established by the Australian Government in 1978 with the Secretariat located within the Department of Foreign Affairs and Trade (DFAT). The ACC plays an important role in fostering bilateral cooperation and people-to-people relations by funding Australia–China initiatives that broaden and strengthen Australia’s engagement with China, Hong Kong, Macau and Taiwan in the priority areas of economic diplomacy, education, and arts and culture. The ACC has also been at the forefront of establishing private sector linkages to support Australian Studies through the creation of the Foundation for Australian Studies in China (FASIC), which supports the BHP Billiton Chair in Australian Studies at Peking University, along with a network of over 30 Australian Studies Centres in China.

In education, a signature initiative of the Australian Government is the New Colombo Plan, which aims to lift Australian knowledge of the region, including China, by supporting Australian undergraduates to study and undertake internships in partner countries, including China. The New Colombo Plan involves a scholarship program for study of up to one year plus internships or mentorships, and a flexible mobility grants program for both short and longer-term study, internships, mentorships, practicums, and research.

Additionally, Chinese Government Scholarships, China’s Confucius Institute Scholarships and Programs, and Australia’s Endeavour Awards offer those qualified the opportunity to study in each country. Yet none of these initiatives have a specifically bilateral focus. Notable contributions from the private sector to the promotion of Australia–China educational exchanges include the BHP Billiton Australia-China Scholarships, the Foundation for Australian Studies in Australia and the Westpac Bicentennial Foundation Asian Exchange Scholarships.

In the area of youth exchanges, the two countries have developed valuable bilateral organisations that connect young Australians and young Chinese across disciplines and

across linguistic divides. The Australia–China Youth Association (ACYA) is a volunteer organisation that promotes bilateral youth engagement and provides community, careers and education services for over 5000 Australian and Chinese students and young professionals across more than 20 chapters in both Australia and Greater China. The Australia–China Youth Dialogue (ACYD) is a marquee annual event that brings together emerging Australian and Chinese leaders from different fields to forge long-term professional networks and collaborations. The Australia–China Young Professionals Initiative (ACYPI) is the premier platform for young professionals in Australia and China to engage with the most significant issues of the bilateral relationship.

In business, Australia–China business dialogue is primarily driven through the Australia–China Business Council in Australia and the Australian Chambers of Commerce in China. These organisations are committed to advancing business and trade between Australia and China. They do so by providing business introductions and networks for members in both countries, lobbying governments to remove barriers to bilateral commerce and maintaining research programs that feed into events, advocacy and publications.

There are dedicated high-level business dialogues in the Australia–China CEO Roundtable, which held its first meeting in 2010, and the Senior Business Leaders Forum. The Roundtable meets on the side of leader-level state visits and discusses possibilities for deepening bilateral trade and investment. The CEO Roundtable has to this point lacked a secretariat or inter-sessional pursuit of agendas for enhancing cooperation. The Business Council of Australia and their Chinese counterpart, the China Development Bank, are seeking to build this infrastructure for business collaboration.

Thus, while there are already several important government and non-government organisations and individuals dedicated to improving Australia–China ties, there is no entity that is both bi-national and comprehensive.

The proposed Commission will have the depth and breadth to build, to lead, to develop, to bring together, and to accumulate knowledge through bilateral leadership and research initiatives that are evidenced-based, timely, and relevant. The Commission will add a new dimension to the bilateral relationship, which is otherwise unachievable.

## **Why a bi-national, independent, and comprehensive institutional initiative is needed**

The economic and social potential of the bilateral relationship will not be realised automatically. Indeed, the differences in the economic, social, and political institutions between Australia and China present considerable challenges, which can only be effectively mitigated by joint political leadership and sophisticated exchange throughout the full spectrum of the bilateral relationship.

The Australia-China relationship currently lacks the leadership across the community that is required for mature bilateral engagement grounded in ideals of equality, respect and mutual understanding. As described in the previous section, a number of actors, activities, and institutions are already involved in active exchanges. Despite considerable effort and goodwill from actors on both sides, investment in bilateral exchange remains disparate and unstructured. What is needed is a bi-national, independent institution capable of encouraging multiple interests across the continuum of the bilateral relationship to create joint programs that serve the public interests of both countries. In this way, the Commission would help maximize the opportunities and mitigate the problems and risks associated with the differences between the two economies and societies.

The critical function of the proposed Commission would thus be to facilitate the commitment of private resources from multiple partners to joint public programs dedicated to areas of mutual interest to both governments. Only a truly bi-national, independent organization, backed by both governments, capable of obviating charges of private or particular interests will be successful in executing this function. Likewise, only an organization with a comprehensive reach will be able to maximize the diversity of actors and institutions engaged in a joint framework for bilateral engagement.

The proposed Commission would function as both a driver for and a vehicle of long-term bilateral economic and political stability. The programs of the Commission would contribute to increasing the volume and sophistication of exchange in sectors beyond the traditional industrial resources bedrock of the economic relationship, such as in agriculture, tourism, technology and innovation, and the financial services sector. In the short term, the Commission would help reduce and manage risks associated with the development of the bilateral relationship, as well as facilitate cooperation around regional and global developments and management of issues relating to the provision of public goods, such as climate change. In this regard, Australia can act as an important test-bed for China to model processes of international engagement with other advanced democracies.

In sum, the system differences between Australia and China necessitate more nuanced understanding of the political, social, and commercial environments in each country. As a peak facilitator of 1.5 track dialogue and other exchanges between Australia and China, the Commission will service this need by coordinating diverse interests into public exchange programs. The programs supported by the Commission will help foster a high-powered network of leaders equipped with the skills and competencies to carry the relationship forward.

## **Precedent**

A model for the Australia–China Commission is drawn from the Australian–American Fulbright Commission (AAFC), which was established by Australia and the United States after World War II. The Fulbright program has played an important role in building up the research and scholarly exchange dimension of the Australia–US bilateral relationship. It was founded under the first official treaty between the Australian and US governments. Signed in 1949, the Fulbright Treaty came two years before the better-known ANZUS Treaty.

The AAFC ‘promotes education and cultural exchange between Australia and the United States’. It manages a bilateral exchange scholarship program for postgraduate students, postdoctoral researchers, senior scholars, and distinguished chair professors. Through these activities, the AAFC aims ‘to enhance mutual understanding and strengthen relations between the two countries’.

The AAFC is a bi-national non-profit organisation. It is governed through an independent Board of Directors consisting of five Australians and five Americans. The Australian Minister for Education and Training appoints Australian Directors under the delegated authority of the Australian Prime Minister, and the US Ambassador to Australia appoints American Directors. The Prime Minister and the US Ambassador serve as Honorary Co- Chairs of the Commission.

The AAFC operates an open funding model. Its principal sponsors are the Australian and United States governments, but it also receives funding from academic, corporate, individual, institutional, and state government partners to run scholarship and exchange programs across a range of scholarship categories — Distinguished Chairs, Senior Scholars, Professionals, Postdoctoral and Postgraduates. The AAFC’s core endowment funds exchanges across a broad range of academic disciplines, and its sponsored scholarships are directed at specific academic disciplines or particular target groups. In 2015, the AAFC reported revenues of A\$3.15 million, expenses of A\$3.14 million and net assets of A\$12.0 million.

The Australia–China Commission can draw upon the AAFC model in the development of its organisational framework, but its scope will be significantly broader. The vision of the AAFC is to ‘be the leading scholarship program’ between Australia and the US, whereas the vision of the Commission will be to administer not just academic and research scholarships but also a full range of bi-national policy, research, scientific, technology, and cultural exchanges between the two countries. Unlike the Fulbright initiative, the Commission would be explicitly bi-national, and its activities and programs would focus on the bilateral relationship in its global setting. Thus, the Commission will require its own unique governance structure.

## Comparisons

There are many international initiatives designed to develop leadership, skills, and capabilities through bilateral or international education, research, or professional exchange. Beginning with traditional scholarship programs such as the Rhodes Scholarships, various initiatives have since developed and diversified the scholarship/fellowship model and tailored it to specific needs and requirements. The Fulbright model is discussed above, but other notable initiatives include the Gates Foundation, Rotary Foundation, TED Fellows, and the MacArthur Fellows Program. Some of these models make a useful comparison in thinking through how the Commission might work in practice.

Recently, a number of notable initiatives have emerged in which engagement with China is positioned as the key strategic focus. Notable scholarship programs based in China include the Schwarzman Scholars Master's degree program at Tsinghua University, and the Yenching Academy program based at Peking University. The apparent aim of these programs is to foster a high-powered network of leaders capable of bridging differences in background, professions, and perspectives to help ensure peaceful and prosperous relationships between China and the rest of the world. Accordingly, these initiatives are modeled on a professional graduate degree program, in which the core goal of fostering a professional network of individuals is preferred over depth or rigour of academic exchange, or diversity of activities and institutions associated with the exchange.

Building a professional network of top future community leaders is a core feature of the aims of the Commission, and these programs serve as a useful comparison for this reason. The aims of the Commission, however, are both more specific (directed at the relationship between Australia and China) and more comprehensive (they span a continuum of government, industry, and research). Alternative models that allow for more depth and sophistication of engagement in a number of sectors and over longer timescales would need to complement this program and how they are covered needs to be considered.

In the context of the Australia-China relationship, a number of initiatives support academic and research exchanges, but very few have a deliberate bilateral focus on the Australia-China relationship. The China Australia Millennial Project (CAMP), an annual program that connects young leaders (aged 18-40) from Australia and China in bilateral innovation incubators, is an example of an effective bilateral exchange initiative worthy of further study when considering the design of the Commission and its selection of programs. CAMP consists of a 100-day program, during which participants co-create new businesses and business solutions, develop professional skills, and networks and forge personal relationships. In addition to administering CAMP's core program and fostering the professional network that accumulates from this core program, the organisation also consults to business and industry. CAMP is also developing a number of products, most of which are designed to engage and understand the behaviour, preferences, and mindset of 'millennials', particularly Chinese millennials (who number ~415 million and represent the world's most digitally engaged population).

Many elements of CAMP align with the aims of the Commission. CAMP fosters a network of young professionals between Australia and China by engaging delegates in specific, collaborative exercises. Collaborations focus on entrepreneurship and



innovation in a range of different industries, including energy, fintech, agriculture, tourism, health and wellbeing, education, and trade and investment. The dynamic and innovative curriculum of CAMP, its bilateral focus, and its ability to realise diverse streams of value from its alumni network are all aspects worthy of study for the eventual implementation of the Commission and the programs that it supports.

## **Working model**

The Commission, if properly designed and implemented, will have an important role in helping to fill a critical gap in human capital, leadership, and institutions. Central to the Commission will be its function as a platform from which the agencies of both governments can collaboratively trigger proposals for exchanges and conversations of important mutual interest to both countries, including bilateral affairs, but also encompassing regional and global interests, security matters, and management of public goods (such as the environment).

The Commission would need to be centrally administered, but its programs could engage multiple institutional partners across government, industry, and education. A multi-partner model will create a ‘multiplier effect’ of connectivity for the network of participants in the Commission's programs, encouraging novel processes of cross-pollination, innovation, and specialization within and between sectors. The benefits of the multiple partner model can be enhanced by the utilization of virtual networking platforms. A multi-partner model has the considerable additional advantage of the commitment of private resources through a joint public program that obviates charges of private or particular interests. In this way, the Commission will serve as a peak facilitator of 1.5 track dialogue and exchanges between Australia and China. It will foster a high-powered network of leaders equipped with the skills and competencies to carry the relationship forward, and it will serve to shape and nuance the conversations around Australia's and China's shared future.

### *Constitution and Structure*

The Commission should be constituted through a bilateral treaty or agreement between the governments of Australia and China. It would be an independent entity removed from the influence of either government in its operations but would liaise with both governments jointly through the Department of Prime Minister and Cabinet in Australia (PM&C) and the State Council in China. The two governments would each contribute a significant sum to establish an endowment that will serve as the base of ongoing Commission funding (see Funding below). A Board will govern the Commission. The Board will be responsible primarily for advancing the strategy, partnerships, and fundraising of the Commission and oversight of its programs. The Board will comprise persons of national and cultural distinction in both countries. The Australian Prime Minister and the Chinese Premier will be Honorary Co-Chairs of the Board. There will be one ex-officio Board Member from both Australia and China — the Secretary of the Department of Prime Minister and Cabinet (PM&C) in Australia and the Secretary-General of the State Council in China. The majority of the Board Members will be five Australian citizens based in Australia and five Chinese citizens based in China on the recommendation of, and in consultation between, both Governments. Board Members will be private citizens who are leaders in their fields and who have a distinguished interest in developing Australia–China relations. Board members would be appointed for two-years and have a maximum of two appointments.

The Chair of the Board will be rotated every two years between Australia and China. The Board will meet twice a year, with one meeting held in Australia and one meeting held in China. The Board will be responsible for presenting a public Annual Report in English

and Chinese on the activities and programs of the Commission. The Commission will be subject to an annual independent audit, which will meet Australian and Chinese standards.

A Secretariat will administer the Commission. The small Secretariat will be responsible for the operations, events, communications and liaisons of the Commission. The Secretariat will have offices in Canberra and Beijing. The Board will approve all Commission staffing decisions. The Board will appoint one Chief Executive Officer (CEO) for the Commission, who will split their time between Canberra and Beijing and provide unified leadership for the Secretariat and serve as the link point between the Secretariat and the Board. The Board will appoint two Chief Operating Officers (COO's) in charge of the Canberra and Beijing offices of the Commission. The Secretariat will undertake its responsibilities directly or through outsourcing specific tasks to service providers. While the inaugural Board will make the decision, the China Center for International Economic Exchanges (CCIEE) and The Australian National University are potential candidates for the initial hosting the offices of the Commission.

#### *Funding* <sup>[1]</sup> <sub>[SEP]</sub>

The initial funding for the Commission will be derived from a substantial endowment provided in equal parts by the governments of Australia and China. This will guarantee the long-term viability of the Commission's work and support an initial medium-term tranche of programs. While a full evaluation of outcomes and costs will be required in its determination, it is expected that the initial endowment will amount to at least A\$100 million (A\$50 million from each side), yielding an annual income of between A\$4 million and A\$8 million. The endowment will be professionally managed.

While both governments will continue to aid the Commission, its expanding suite of programs will be based on a 'partnerships' funding model. The Commission will be able to enter into partnerships with companies, official agencies, statutory authorities, sub-national governments, universities, research institutions, and individuals in Australia and China in mobilising donations and resources for programs of bilateral exchange, education, or collaboration that will be administered by the Commission in a manner that is consistent with its aims and Constitution. The Commission will conduct due diligence on the value of proposed programs, but once a program is embedded within the Commission it will become an accredited and impartial public interest initiative.

## Activities of the Commission

The wide range of activities facilitated through the Commission will fall under one of a number of themes: Policy, Education and Research, and Culture. Under each theme, programs will be directed towards increasing the evidence base for future exchange.

### *Policy*

The Commission will sponsor policy exchanges that produce future cohorts of political and government leaders in both countries who are familiar with the policymaking dynamics of the other country and have deep personal networks with their bilateral counterparts. The Commission's selection of specific programs will involve an open, competitive application process, and it is hoped that funding opportunities offered by the Commission will attract many more proposals than could be funded at any one time.

The Commission will support specific, targeted programs of official-level exchange that encompass government departments, the military, regional bodies, and multilateral institutions. This may involve professional secondments between Australia and China for particular purposes or projects, policy fellowships in Australian and Chinese research institutes, and joint training programs for Australian and Chinese officials in both countries. These endeavours will be squarely aimed at building long-term, self-sustaining partnerships to promote an ongoing agenda of consultation and collaboration towards mutual reform goals in domestic, bilateral, and international policy. Apart from the economic transformation in Australia and China, possible areas of focus might include regional economic diplomacy, multilateral initiatives, political system differences, governance, the rule of law, climate change, energy governance, nuclear nonproliferation, cyber security, and counterterrorism.

The Commission could also support programs of political level exchanges. Members and senators in the Australian Parliament, and members of the Central Committee of the Chinese Communist Party, should have an opportunity to visit the other country to meet with their counterparts and learn about the politics, governance and administration of their system. These visits should be multi-partisan and aimed at forging continuing relationships and ongoing cooperation. In order to encourage quality of exchange, these official-level engagements should be project-based and would be supported by the Commission through a competitive selection process.

The Commission could support programs like the National Parliamentary Fellowships Program that propose to see young Australian graduates spend a semester working in China's National People's Congress, through the agency of Peking University in Beijing, and young Chinese graduates spend a semester working at Australia's Parliament House. This Program is an unparalleled opportunity to work with top policy institutions, ministries, and research institutions.

The Commission may also encompass business and economic exchange programs to propel strategic collaboration on economic reform priorities that will help Australia and China to manage their economic and social transformation. This may include initiatives through the Australia–China CEO Roundtable, the Australia–China Business Council, the Australian Chambers of Commerce in China, and the Senior Business Leaders Forum.

### *Education and Research*

The Commission will manage both publicly and privately funded programs of academic exchange between Australia and China that include research and scientific exchanges, top-level undergraduate exchanges, postgraduate degree scholarships, postdoctoral fellowships, senior-level research placements, distinguished chair programs, and special visits programs. Through these activities, the Commission would seek to build long-term partnerships and strengthen relations between the research and intellectual communities of the two countries. The Commission may, for example, support and collaborate with the China Economy Program's exchanges and high-level conference activities and, specifically, its partnerships with government in policy-capacity building between Australia and China.

The Commission could encourage high-quality research and scientific exchange, for example, that reinforces the Australian Government's National Innovation and Science Agenda and the Chinese Government's priority focus on innovation in its 13th Five Year Plan.

The Commission will support high-level educational, scientific, and research collaborations between Australia and China. It may fund targeted research scholarship programs for postgraduate students, postdoctoral researchers, senior scholars, and distinguished chair professors. These collaborations will focus on STE(A)M disciplines, key areas of Australia–China relations such as economics, law and security, and global issues such as environment and energy. In this regard, the programs of the Commission would contribute to the development of skills necessary for the “future of work”---a priority area outlined by both governments (in the Australian government's National Innovation and Science Agenda (NISA), and Chinese government's emphases on innovation and technology outlined in the 13<sup>th</sup> Five Year Plan).

The Commission may assist in administering and expanding the program of bilateral collaboration on scientific research, technology development, and research commercialisation that is currently run by the Australia–China Science and Research Fund with initiatives such as Joint Research Centres, the Australia–China Young Scientists Exchange Program, and the Australia–China Science Academies Symposia Series.

### *Culture*

The Commission will foster initiatives that increase cultural understanding between Australia and China, with a diverse program across arts, culture, education, languages, media, and sports.

It will seek to increase the pool of Australia- and China-literate human capital across Australian and Chinese society by the promotion of language and cultural education at all levels through the formulation of bilateral strategies for cooperation and exchange on language education, the arts, media, and community organisations. This might be leveraged through Asialink Arts and national networks for Australian Studies in China and for Chinese Studies in Australia.

It will support the institutionalisation of the thriving bilateral youth exchanges, which encompasses entities such as the Australia–China Youth Association, Australia–China Youth Dialogue and Australia–China Young Professionals Initiative. These organisations are predominantly run on a part-time basis by teams of volunteers. But, if there were a comprehensive strategy supported by the two governments, the capabilities and services offered in this sector could be strengthened through the attraction of sponsorship and exploring possibilities around the establishment of a full-time secretariat that drives and encourages the development of an expanded suite of activities and services.

## **Conclusion and next steps**

This paper provides a basic framework for an Australia–China Commission. We believe that the exchanges that the Commission would support will cement an understanding of, and commitment to, the bilateral relationship from multiple actors across the continuum of the relationship. The Commission will help institutionalise bilateral cooperation and perpetuate both countries’ economic reform for many years to come.

In the near term, the Commission proposal will require further evaluation and development by Australian and Chinese governments and external stakeholders. The governance and implementation of the Commission will of course require careful consideration to ensure the transparency, efficacy, and longevity of the organization.