

Young Nationals International Breakfast

Hotel Realm – 25 October, 2008

Gentlemen and Ladies,

It is a pleasure to be here at the Young Nationals Breakfast and to share with you my thoughts on India-Australia relationship and what future may hold for our two countries. Where we are now and where we can plan to head towards. Thank you for inviting me with all of you today.

There are historical connections between India and Australia, going back to the early years of the first settlement at Sydney and perhaps even much earlier.

As a fellow colony of the British Raj, India played a central role in nourishing the young colony of Australia, which came to be an important element in the economy of the East India Company in Bengal. In fact, the first trade between India and Australia took place as early as 1792 when the first settlement in Sydney faced the prospect of food shortages and the Governor sent for food shipments from Bengal.

It is also interesting to note that the first shipment of coal from Australia, which was in 1799, was from Newcastle to Calcutta.

For the next half century, Australia's most immediate and spontaneous links were with India rather than London as chaplains, judges, bureaucrats and merchants moved between the two colonies.

By 1840, a ship was leaving Australia for India roughly every four days and Calcutta merchants scrambled to supply and profit from the new outpost. Calcutta was at the height of its golden age known as the City of Palaces or the St. Petersburg of the East; the British bridgehead in Bengal was the biggest, richest and the most elegant colonial city in the Orient.

Not only did Bengal supply Australia with food, from it also streamed retired colonials bringing Anglo-Indian furniture and architectural styles, and a taste for curry and spicy food.

If you look at a map of the Asia-pacific region or indeed of the world, you will see that India and Australia as littoral states of the Indian Ocean, are not countries that are far apart but actually countries in each other extended neighbourhood.

It is good to note that relations are firmly back on track after a rather protracted interregnum, when trade came down to few million dollars for various historical reasons to do with the Cold War.

Today, both India and Australia are at the epicentre of the new economic forces shaping the world, particularly in the Asia-Pacific region. India has emerged as the sixth-largest export market for Australia, and its tenth-largest trading partner.

Bilateral trade, at about A\$11.2 billion, of which our imports are about A\$10bn, making us Australia's 6th largest export destination, has grown by over 32% p.a. over the last four years, the fastest of Australia's major markets, for goods as well as services. With India's GDP set to continue growing at 8-9% rates, the possibilities in taking economic ties with Australia to much higher levels are numerous.

That both countries have agreed to set up a Joint Study Group to study the possibility of a FTA between India and Australia is a sign of the potential that we see for much closer economic interaction.

It is interesting to note that there have been seven high level Ministerial visits from India to Australia in the past seven months; our Minister for Science & Technology who addressed this same forum in February; our Commerce and Industry Minister, who was here in Melbourne for the Joint Ministerial Commission with Trade Minister Simon Crean in May, our Minister of State for Steel, our Minister for Civil Aviation and in June, our Minister for External Affairs.

All these visits were extremely successful. From Australia, Trade Minister Simon Crean and then Foreign Minister Stephen Smith visited India. Both visits went very well. We are looking forward to Prime Minister Rudd's visit towards the end of the year.

We have all these areas in which ties are growing and there is great promise all these growing even further.

In fact India-Australia relations have seen remarkable growth over the past decade. Prime Minister Howard's visit to India in 2000 and 2006 played a very important role in deepening and strengthening the relationship, which had seen a brief bump on the road following Australia's critical reaction on India's nuclear test in 1998. The Nationals have played a significant role in taking the relationship forward. I remember the role played by the Hon'ble Warren Truss, who has visited India several times in his capacity as and did a great deal to take our trade and economic engagements forward to the point that it has reached now.

In fact I would not be of the mark in seeing that there exists support across the board in Australia for taking relationship with India forward in virtually all the areas. There is of course one area where the Labor Government has views that

are different to that of previous Liberal coalition. However, that is not a issue that is central to the India-Australia relationship, which, in my view will only grow stronger, in the years to come, over every areas of our engagement.

In fact it was Foreign Minister Stephen Smith who noted that Perth and Chennai are closer to each other than Sydney is to Seoul, to Shanghai, or to Tokyo.

I strongly believe that there is great deal that India and Australia can do together.

Australia possesses expertise, technologies and products in a number of fields of interest to India; the potential is immense, for instance in mining, agriculture, healthcare, pharmaceuticals, infrastructure building, tourism, I.T., biotech, the retail sector, logistics, environmental technologies and renewable energy.

Education is another area where there is great potential. Australia is already the second-most preferred destination for Indian students travelling abroad for studies; vocational education in Australia is also an area of promise, and courses offered by Australian institutions such as TAFE are of significance to India's own developmental efforts.

Indian investment in Australia is rapidly increasing. Indian industries have invested in copper, coal and gold mines; Indian oil companies have in the past few years bid for exploration of natural gas off the north west coast of Australia. Indian I.T. companies have set up several development centres in Australia, providing employment to over a thousand two hundred people.

India is the second largest source for Australia of skilled professionals and students.

Defence cooperation is going well; in the past 18 months all three of our Service Chiefs visited Australia; They have also seen several incoming visits from Australia and the beginning of joint exercises. We have a common interest in the maintenance of maritime security on sea lanes of communication in the region and can work together productively in this area.

You will also be aware that there exists a strong bond in the form of our shared history, when Australians and Indian soldiers fought shoulder to shoulder during the two world wars, including at Gallipoli. The Commonwealth war cemeteries in Syria, Turkey, Egypt and in many places in South east Asia are testimonies to this.

In S&T we have a joint S&T Committee and have been cooperating in various focus areas including an early warning system for Tsunamis and on clean energy in the framework of AP6.

Finally, the large and growing Indian community of professionals and migrants in Australia, 234,000 and growing, and students, 67,000 and growing, has integrated well and made laudable contributions to building bridges of friendship between India and Australia

Australia's own evolution as a multicultural and multilingual society has contributed significantly to this process.

For a long time, there were the three 'Cs' that linked our two countries – Cricket, Curry and the Commonwealth. Many observers believed that India-Australia relations should move beyond the three 'Cs'. I am one of them; however, I do admit that during the India-Australia cricket test and one-day series last summer, I often felt that if our two countries could engage as intensely and passionately with each other at all levels in all other areas as we did on the cricket field, then there was a great future ahead for India-Australia relations.

As for the commonalities, there are several, beyond the 3 CS; Our proximity is underscored by our shared values of a democratic system, the rule of law based on the Westminster model of parliamentary democracy, a free press, an independent judiciary and a vibrant civil society; both our countries nurture a deep respect for fundamental rights and human freedoms; We are both multiethnic, multilingual and multi cultural societies; the common use of the English language facilitates communication and understanding by and large, (*except perhaps on the cricket field*) !

In the evolving geo-political and economic re-alignment in the world, perhaps we can visualise a situation in which Indian and Australian interests will increasingly intersect. With the shift in the centre of gravity of the world economy towards Asia, the Indian Ocean has greater economic and strategic value than before.

The fundamentals that are already in place, therefore, put us in a unique position to contribute to peace and prosperity of the Asia-Pacific region. Existing and emerging threats in the form of piracy, drug trafficking, etc. are of concern to both our countries. All these challenges demand concerted action. In the Indian Ocean and the Asia- Pacific region as a whole, our two countries are obvious partners. The challenge, therefore, is to quickly and effectively put enough ballast in our relationship.

I will end now with what our External Affairs Minister said in his opening remarks at the joint press conference following his recent framework dialogue with Foreign Minister Smith on 23 June :

Quote

"I told Foreign Minister Smith earlier this morning that my visit here, unfortunately, was very short, almost like a Twenty-Twenty encounter in cricketing terms !!! Cricket, in fact, is an essential element underpinning our relations and I want to place on record the great appreciation of the Indian supporters of the game for the performances of Australian cricketers during the just concluded Indian Premier League. Perhaps it was only fitting that an Australian cricketer, the legendary Shane Warne, led the winning team !!!"

Unquote

I find this sentiment a very positive indication of the inherent goodwill that exists between both the people and the policy makers of our two countries; and that after all the controversies that surrounded the Test series and One day matches between India and Australia last summer, that cricketers from both sides could come and play together under each others Captaincy and that all of India could cheer when the Rajasthan Royals led by Shane Warne won the IPL.

The IPL is in many ways emblematic of the new urban India. Let us hope that India and Australia, as two countries engaging increasingly with each other in the international arena, come together and 'play' together as fruitfully and constructively as their cricketers did, during the IPL.

Thank you.
