

Opening remarks at Australia-India dialogue Tuesday 18-3-14.

I am delighted to welcome everyone to this inaugural dialogue involving delegates from the Indian Council of World Affairs, the AIIA, the Australia India Institute of Melbourne University and other organisations, of which there are too many to name. Besides our Indian guests who I welcomed individually yesterday evening, we are particularly pleased to have with us today H.E. Biren Nanda, High Commissioner of India to Australia, Ms Manika Jain, Consul-General of India in Melbourne and Mr John Richardson, Victoria State Director of DFAT.

The aim of today's dialogue is to seek better understanding and promote co-operation by bringing together ICWA and AIIA delegations with academics, media, policy-makers and practitioners to develop new frameworks to enhance co-operation and collaboration between Australia and India. We anticipate that discussions will be frank and for that reason they will be held under the Chatham House Rule. The event will not be recorded or broadcast. However a rapporteur's report will be prepared and publicised.

There will be 4 sessions :

- 1) The International Situation
- 2) The Regional Situation :Indo-Pacific Region
- 3) The State of the Nations: Australia and India
- 4)The Bilateral Relationship: Political, Economic, Defence and Strategic issues.

In August 2011 the AIIA held a National President's Forum on the topic: **India 2020** in Parliament House in Perth. Two eminent Indians came to Perth for the Forum: Ambassador Lalit Mansingh, a former Foreign Secretary and T.N. Ninan from Business Spectator. The rapporteur's report of the proceedings prepared by Professor Gary Rodan provides some interesting insights into the relationship at that time and from which we can hope to build on in the future. The report concluded by saying that the AIIA will explore the possibility of holding a similar forum in conjunction with its counterparts in India to continue and expand this discussion - so that is one of the reasons we are all here today.

Although Australia and India share membership of the Commonwealth and a love of cricket, India has not really been a major focus of our engagement with Asia – but this is now changing. There have been significant knowledge gaps and imperfect understandings in the Australia-India relationship. One of the major problems in the relationship referred to in Prof. Rodan's report was the refusal of Australia to sell uranium to India – but this stumbling block was later removed by the Gillard government. There has also been a significant increase in ministerial visits to India in recent years and a defence ties are developing.

I look forward to learning today more about India's economy and whether what was predicted at the conference in 2011 will come about i.e. – that by 2020 it could be the 4<sup>th</sup> largest economy in the world, helped by demographic factors. India is now one of the BRICS and as such commands attention from all around the world, but judging by a conversation I had

recently with an international fund manager India still has a long way to go in attracting or welcoming foreign investment.

Recent years have seen remarkable growth in the trading relationship between our two countries, fuelled by complementarities between the two economies. Two-way trade has grown in value from \$3.3 billion in 2000 to \$17.4 billion in 2012. We are each amongst each other's top 10 trading partners.

The fact that the Australia India Institute was established with government funding shows how India has now become one of the most important countries as far as Australia is concerned in the "Asian Century". As Australia, and particularly Victoria, moves from being an industrial economy to a knowledge and service based economy- education has become one of our most important activities. In this regard we have benefited from the numbers of Indian students who have studied and are still studying in Australia. We very much regretted the attacks on some Indian students which caused great anguish in India and marred our relationship for some time. We sincerely hope that there will be no further incidents in this regard as they were not a reflection of mainstream opinion in this country. The recent creation of a New Colombo plan whereby Australian students will study in countries such as India should also help bridge the gap between our two countries as our students return home with positive stories to tell of their time in India.

In many ways we are very different countries starting with our populations: India over 1.2 billion and Australia 23 million. However we are both countries which border the Indian Ocean and where we can both play significant roles. Our first session this morning will also give us the opportunity to learn more about both countries' relationships with the USA and China.

In April and May this year India will hold a general election. Reports indicate that the ruling Congress party will be replaced by a BJP government led by Narendra Modi. No doubt we will hear today about the ramifications of a change of government. We will also look forward to the visit of the Indian PM to Australia for the G20 summit in Brisbane in November, as well as Indian delegates to the B20, C20 and other associated summits. At the same time as we learn more about the policies of a prospective new government in India I assume that our Indian guests will be looking to today's forum to deepen their knowledge about Australia under the Abbott government, which has now been in power for 6 months.

Professor Rodan concluded his report in 2011 by saying "if there is a seed to be sowed which is capable of producing more substantive enmeshment between Australia and India, it is trade and investment, the prospects of which appear bright". Let's hope this is still so. We all hope for a better world so that increasing prosperity for the people of India and Australia should be one of the long term goals underpinning discussions both today and in the future.