

# New Zealand keen on IT partnership with India

By G. Pramod Kumar

CHENNAI, NOV. 16. Indian students getting a job offer in New Zealand after completing their studies there will be able to stay on, according to the new immigration policy of the New Zealand Government.

"We are getting more liberal than before," said Mr. Jim Sutton, the New Zealand Minister for Trade Negotiations. "The chances of settling down is greater than in any other English speaking country," he said, speaking to *The Hindu*.

Mr. Sutton, who is on a week-long visit to India, said, his country was also looking at India for partnerships in IT and areas like food processing and infrastructure development.

"We are short of IT professionals and India is a leading IT country, second only to the U.S.. Any country short of IT professionals should look at India," he said.

At present, New Zealand had about 2,500 IT jobs in specialised categories. Asked if the jobs were just for "coding," he said his

country needed people at all levels.

People seeking IT jobs, unlike in countries like Germany, could



set up their own companies in New Zealand. With "least restrictions," his country was the second best to start businesses, Mr. Sutton said reiterating his Government's stand on entrepreneurship by foreigners. "If you

like us, you can stay with us. It is an invitation to stay on."

New Zealand, with an inherent strength in modern agriculture and food processing, offered India excellent opportunities in food industry. His Government was looking for centres of excellence in food technology for possible joint ventures.

For instance, a leading Kiwi company called "Fletcher Food" had signed a technology agreement in food processing with L and T. In India, Kiwi technology was already in use for processing food and dairy products.

New Zealand was a leader in infrastructure expertise too. It had a presence of 30 to 40 years in South East Asia. Kiwi companies had been engaged in water, road projects of World Bank and Asian Development Bank.

It was also interested in the development of the second airport in Chennai and would work with the Postal Department to conduct a pilot study on postal restructuring in New Delhi said the Minister whose personal interest included

livestock development and farm forestry.

Mr. Sutton, who had been a self-employed farmer from 1963 till he entered Parliament in 1984, said his Government would like the import-tariff on New Zealand apples and dairy products be lowered.

In this context, he referred to New Zealand's Closer Economic Partnership treaty with Singapore for duty-free access to each other's goods. The pact would be effective from January.

Another area that beckoned Indian presence was the stunning geography of the land of Kiwis, which had been termed as the "whole world in one country."

In the past two years, 45 films were shot in New Zealand and out of them, 20 were from Tamil Nadu.

From Christ Church, within a drive of one-and-half hours, one had a pacific beach, deep blue lakes, rivers, virgin snowy mountains and springs.

"We have surpassed Switzerland as the preferred shooting location."

THE HINDU

11 NOV 2000

# India, Austrāña to set up .IT' business network

By Our Special Correspondent

**NEW DELHI, OCT. 19.** India and Australia today embarked on a Government-Industry collaboration in the Information Technology sector by concluding a memorandum of understanding to promote investments and alliances. The MOU signed by the visiting Australian Trade and Industry Minister, Mr. Mark Vaile, and the Information Technology Minister, Mr. Pramod Mahajan, envisages cooperation in the high technology area of software, multimedia content development, e-commerce, internet and advanced communication technologies.

An important outcome of the MOU would be the formation of the Australia-India Information Industries Business Network to encourage business

collaboration between IT companies in the two countries. Mr. Vaile said he had already invited the chairman of Fujitsu Australia, Mr. Neville Roach, who is of Indian origin, to act as convener of the network on the Australian side. Mr. Vaile told presspersons today that the MOU and the creation of the business networks would be followed up in December by a visit of the Australian Communications, IT and Arts Minister who would be accompanied by a large delegation from the IT industry.

Australia has a shortage of skilled manpower while India has a vast pool of skilled personnel. Australia's IT market is the most developed in the Asia-Pacific region and has the second highest penetration of personal computers in the world.

Mr. Roach, chairman of the Australia-

India Business Council, said there were big opportunities for industry to initiate projects in Third World countries. Australia was very advanced in application of technology. "The big challenge is to lift our image of each other," he felt.

In Australia, there was not yet sufficient realisation that India was now at the cutting edge of technology. It could benefit from this expertise as well as investment by Indian IT firms, he said. A labour agreement between the Australian Information Industries Association and the Department of Immigration to provide help for small and medium business enterprises facing problems in meeting visa requirements for business visits is likely to finalise shortly. However, he stressed that the visa regime was liberal for genuine

business visitors. There was no cap on work visas as in some other countries and rules for temporary entry were among the most liberal in the world, he said.

On bilateral talks, Mr. Vaile said issues related to the proposed new round of the World Trade Organisation were discussed during his meeting with the Commerce and Industry Minister, Mr. Murasoli Maran.

The two countries shared common concerns in the area of agriculture liberalisation, linkage of trade with labour, environment and animal welfare issues. In the latter case, he said Australia shared the Indian viewpoint that labour standards, environment and animal welfare concerns should not form part of core trade negotiations.

## Implementation, key to launch of a new WTO round

**By C. Rammanohar Reddy**  
**GENEVA, OCT. 19.** When the World Trade Organisation can launch the next round of talks on further trade liberalisation depends not so much on the rich countries sorting out their differences over the negotiating agenda as on how and when the major powers address the developing countries' concerns about existing WTO agreements.

Since the collapse last December at the Seattle ministerial conference — where the impasse over the "implementation issues," as the developing countries' concerns are referred to, was one reason for the failure to start a new round — Mr. Mike Moore, Director-General of the WTO, has made progress in this area a cornerstone of his efforts to rebuild "confidence" in what appeared a shattered institution. But after months of talks here, patience is wearing thin on all sides — among the developing countries, the U.S., the European Union and the influential Cairns Group of agricultural exporting

nations in South America and Australasia — that a resolution is still not in sight.

The developing countries have made over 50 proposals to modify some of the provisions in 15 agreements contained in the broader 1994 pact that was the outcome of seven years of negotiations during the Uruguay Round of the old GATT (General Agreement on Tariffs and Trade). Concerns that the 1994 deal overly reflected the interests of the rich countries have prompted a diverse group of developing countries to fashion, largely under India's leadership, a body of demands to first alter the existing agreements before proceeding with further liberalisation. Some of the demands are for an extension of the transition periods, as for patent protection periods. Some demands are for specific provisions like a rapid phasing-out of barriers to textile imports into the rich countries and less flexibility to impose anti-dumping duties on developing country exports. And while the poor countries want some demands to be

covered for inaction, is that as many WTO/GATT provisions are already written into national laws by their Parliaments they cannot easily make commitments to rewrite these laws.

For now the focus at the WTO has been on identifying a list of "doable" commitments — those issues that can be sorted out immediately — leaving the rest for later. The objective is to produce some results before the next ministerial meeting, scheduled for late 2001, so that an agreement can then be made to begin a new round. However, the developing countries are unhappy with how the Geneva process has been proceeding. "The U.S. and the E.U. are willing to make general and not specific commitments, which are of no value to us," said one delegate from a large developing country. Nobody, neither WTO officials nor delegates from the member-countries, is willing to say when a compromise will be reached, though all agree that without some deal on implementation there will be no new round.

Trade officials from the devel-

oping countries acknowledge that outside a larger round of talks, there can at best be an agreement on no more than "five to ten per cent" of their demands on implementation. Their complaint is that even this is not on the horizon. Officials from the rich countries privately talk of the developing countries using implementation as an excuse to slow down trade liberalisation and agricultural exporters like Argentina have begun saying the WTO is spending far too much time on implementation and that it is time to move on to other issues. Yet, all agree on one thing. As the ambassador of one developing country put it, "For perhaps the first time the developing countries have managed to engage the majors in negotiations over a coherent set of proposals, demonstrating to them that their writ does not always run in this institution. Even if we do not go far in implementation, this experience will serve us in good stead in future WTO negotiations. That in itself is a concrete gain from this tussle."

# Australia sees deeper dimension in relations with India

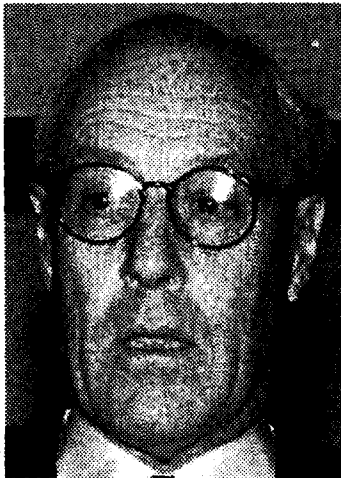
By P. S. Suryanarayana

CHENNAI, SEPT. 7. India and Australia "will put propositions to each other" after "looking at what is the best way of going forward" in a bid to "put in place" an "infrastructure" for regular bilateral discussions on strategic affairs. Indicating this, the Australian High Commissioner to India, Mr. Rob Laurie, said in a conversation during his visit here that the two sides were now "in a sort of exploratory phase" in this respect.

Outlining the follow-up to the recent official visit to India by the Australian Prime Minister, Mr. John Howard, Mr. Laurie expressed confidence that a deeper dimension "is going to emerge" in bilateral ties "whether it's a new strategic outlook or whether it's a dialogue that leads to a more intense understanding of the respective positions, to the extent there is mutual interest or mutual approach to particular considerations".

However, "what we have not yet got is a structure, what you might call security dialogue," he noted. "That's something that we (Australians) are quite keen to get under way", he emphasised. Citing the latest move by India and Japan for a bilateral security dialogue at the official level, Mr. Laurie said the present "period of exploration" by Canberra and New Delhi should be seen in a "positive sense" for possible exchanges of views in the future on strategic issues of interest to both sides.

As for the current political lull in New Delhi in regard to the



question whether and when India might sign the Comprehensive Test Ban Treaty (CTBT), Mr. Laurie quipped that he had not seen much about a national consensus on this issue in "the Hansard" or the records of the latest parliamentary proceedings. However, he underlined that Australia was not seeing India's diplomatic pace in regard to the CTBT issue as a "hindrance" to an active interaction between the two countries on strategic matters.

Canberra would, of course, like India to sign the CTBT "as soon as possible". Without commenting, though, on what is seen in some quarters as a strategic pause by India to ponder over the deeper implications of the CTBT, the High Commissioner conceded that New Delhi saw the other sphere of international law on this subject, the one defined by the Nuclear Non-Proliferation Treaty, as a "no-go" area.

Updating Canberra's economic interaction with New Delhi, Mr. Laurie said that "all things being equal" the two sides would sign a Memorandum of Understanding on information technology (IT) during a prospective visit to India by the Australian Trade Minister next month. While the MoU could serve as a "framework" for the two Governments, it would "provide a network for Australian and Indian IT businesses and enterprises to discover opportunities for joint ventures or investments in each other's country."

Identifying some potential areas of new IT-related cooperation, he said that Australia was "very good" in the software sub-sectors of mining and agri-business, while India had already built "huge strengths" in some other areas. Australia could tap India's expertise in "education software and solutions" as an operational IT area, he said.

## Security for Olympics

On the issue of a secure environment for the Sydney Olympics beginning next week, the Australian High Commissioner said: "I think it's fair to say that everything that could be reasonably done to ensure the security of the athletes and the population generally has been done".

As for possible threats to the Games from diverse quarters including that of Osama bin Laden, Mr. Laurie noted that even terrorists could adopt "creative approaches". But "we (the Australian authorities) believe that every conceivable measure has been taken" for the security of the Games.

# India, Australia sign MoU on IT sector

By Our Special Correspondent

**CHENNAI, SEPT. 6.** The Indian and Australian governments have concluded negotiations on a memorandum of understanding (MoU) on cooperation in the information technology (IT) sector, the Australian High Commissioner, Mr. Rob Lawrie, said here today.

Addressing the annual general meeting of the Indo-Australian Chamber of Commerce, Mr. Lawrie said the MoU, to be signed during the visit of the Australian Minister for Trade in October, would help establish a "business network" for creating contact points and facilitation mechanisms.

The High Commissioner said IT was among the areas where India and Australia had complementarities. The proposed network would identify key industry leaders from both sides who could act as facilitators for promotion of cooperation in the IT industry.

Mr. Lawrie said contrary to the image of Australia as a mainly commodity and agriculture-based economy, the reality was that the services sector accounted for 64 per cent of the country's gross domestic product (GDP), while manufacturing accounted for 12 per cent and agriculture three per cent. Information and communi-

cation sectors together contributed seven per cent to Australia's GDP. Thus Indo-Australian cooperation had sufficient scope in "new economy" sectors, besides the traditional agricultural and mining sectors.

Indian professionals had made a "significant" contribution to solving the Y2K problem in Australian establishments. The 11,000-strong Indian student community in Australian universities, covering "a wide and very eclectic range of specialisations", would help attack the weakest point in bilateral economic cooperation — mutual lack of awareness about the economies.

The High Commissioner said the synergy between the two economies was underlined by the fact that Australia's premier exports, including textile raw material and LNG and other fuel, could help boost India's export production substantially.

Representing the fifth fastest growing economy as per OECD (Organisation for Economic Cooperation and Development) statistics, Australia's investment cooperation in India was expanding to different sectors including ports and shipping and IT. Similarly, Indian companies were seeing more opportunities in

Australia. It was not an accident that it was an Indian company (Pentasoftware) which was sponsoring the first ever indoor cricket event between Australia and South Africa, Mr. Lawrie said. He said the two countries had scope for cooperation in the negotiations on agriculture under the World Trade Organisation (WTO). While the agriculture policy announced recently by India was a good "signpost", it needed the right "specifics" to exploit India's potential fully.

Mr. M. K. Kumar, President of the chamber, said India's essential strength lay in "people-related skills" and this should be combined with Australia's strengths. While joint production centres could be located in India, the management control could be in Australian cities with their focus on infrastructure and global marketing.

● **CHENNAI:** The Andhra Pradesh based Ambica Group's Best Western Ambica Empire hotel is planning to construct a convention centre which can accommodate 1,000 persons, a swimming pool and Health club. The hotel located in the city has completed one year and had achieved an occupancy of 90 per cent rate till now. — Our Staff Reporter.

THE HINDU

11/9/97

# Howard for new vigour in ties with India

By C. Raja Mohan

NEW DELHI, JUL. 11. The Australian Prime Minister, Mr. John Howard, ended his fence-mending mission to India today with a promise to inaugurate a new phase of bilateral engagement.

Addressing a press conference here after consultations with the Indian leaders over the last two days, Mr. Howard said "the time has come to put a new vigour and energy into a relationship which has often been taken for granted". Mr. Howard's visit caps a sustained diplomatic effort by Australia to revive Indo-Australian ties that went into a deep freeze after India's nuclear tests in May 1998.

Conceding that "the nuclear tests did impose a strain", Mr. Howard said that Australia had now decided to "move on" and not "allow any one issue to contaminate the whole relationship".

Australia continued to believe that it would be a "good idea" for India to sign the Comprehensive Test Ban Treaty (CTBT), but was not pressing the point too hard. The issue figured in Mr. Howard's talks with his Indian interlocutors, including the Leader of Opposition, Ms. Sonia Gandhi. Mr. Howard told the press that he was aware of the Indian efforts to "develop a national consensus" on signing the CTBT.

The situation in Fiji came up for a detailed consideration in the talks between Mr. Howard and the Prime Minister, Mr. Atal Behari Vajpayee, on Monday. Both leaders, according to a Foreign Office spokesman, "reaffirmed their faith in the need for a democratic and non-racial political setup in Fiji".

## Pressure on Fiji

On the Australian plans to impose economic sanctions against Suva to encourage a return to the rule of law, Mr. Howard said, "We will continue to exert pressure" on Fiji.

Pointing to the "very delicate" situation in the South Pacific island nation, Mr. Howard refused to get drawn into a discussion of any specific actions

against Fiji. He emphasised that both India and Australia agreed that the immediate objective "is to get the hostages out of the clutches of the rebels", led by Mr. George Speight.

The Foreign Office spokesman said that Mr. Howard did not raise the question of the growing at-



The Australian Prime Minister, Mr. John Howard, during a press conference in New Delhi on Tuesday. — AP

tacks on the Christian minority in India. But the brutal murder of the Australian missionary, Graham Staines, and his two sons last year did come up in the talks between the two Prime Ministers.

The spokesman said the two leaders agreed that the murder was "a tragic crime and that the law was taking its course, backed up by a strong and independent judiciary".

Common cause on trade barriers: Page 13

THE HINDU

12 JUL 2000

# Howard seeks India's help to break US, EU barriers

Our Delhi Bureau

NEW DELHI 11 JULY

**A**USTRALIAN PRIME Minister John Howard on Tuesday expressed willingness to join hands with India for breaking down the protective trade barriers put up by United States and the European Union (EU) in the respective markets.

"Both Australia and India are interested in breaking down protective barriers put up by the EU and US. We can have a joint approach for this common cause," Mr Howard said in his address to the Confederation of Indian Industry (CII).

"It has been a common complaint of both India and Australia that while a country cannot get away from commitments made in the areas of trade and industry, it can get away from commitments made in agricultural services," Mr Howard said, adding that both countries were interested in a

world organisation which enables trade in a fair and just way.

While reduction in trade barriers was necessary to get the benefits of globalisation, criticism from the domestic front was inevitable. However, governments would have to push through progressive reduction in tariffs, he said.

Assuring India of help in its developmental efforts, Mr Howard said Australia was close to finalising an A\$18.5-million programme over five years to help India combat HIV/AIDS. He added that Australia will give further assistance to India's national calamity fund, which is utilised for droughts and cyclones.

"While India and Australia have different viewpoints on foreign policy, the fact that India has attracted the attention of some Australian businessmen and

investments is a measure of respect and recognition for India's place in the world economy," he said.

When asked about the political problems faced by Australia in their privatisation drive, Mr Howard said they had done well for themselves on that front. He said the government owned 50.1 per cent of Telstra, but wanted more private ownership of the telecom firm. "We see no value at all in the government owning Telstra," he said. Mr Howard said the present Australian government was an "essential privatiser" and not "fanatical privatiser". For instance, it would not privatise the post office in Australia, he explained.

Although Australia had not withdrawn its views regarding India's nuclear tests, it wanted to strengthen its relationship with India, the differences notwithstanding, he said.

*The Economic Times*

## Delhi, Canberra review Fiji situation

By C. Raja Mohan

NEW DELHI, JULY. 10. India and Australia today reviewed the current political situation in Fiji and agreed to stay in close touch in finding ways to promote a return to constitutional rule there.

The latest developments in Fiji figured prominently in the discussions late this evening here between the visiting Australian Prime Minister, Mr. John Howard, and Mr. Atal Behari Vajpayee.

India and Australia had adopted a similar approach to the crisis in Fiji demanding the release of hostages, and a return to rule of law under the 1997 multi-racial constitution.

The two leaders agreed to closely monitor the developments over the next few days, in particular the implementation of the accord between the military and the rebel leader, Mr. George Speight, in the South Pacific island nation.

The two leaders will consult each other in the coming days with a view to developing an effective international strategy to facilitate a return to democratic governance in Fiji.

Mr. Howard's mission to New Delhi had a broader objective of conveying the new political determina-

tion in Canberra to elevate bilateral relationship with New Delhi.

Mr. Howard, who arrived here this morning, called on the President, Mr. K. R. Narayanan, and the Vice President, Mr. Krishan Kant. The External Affairs Minister, Mr. Jaswant Singh, met Mr. Howard this afternoon and had a round of consultations on various bilateral, regional and international issues.

The visiting Prime Minister and his Indian interlocutors agreed to put aside the recent bitterness over nuclear issues, and committed themselves to a productive engagement.

Although differences on the nuclear issue remain, the two sides are now focused on building a more broad-based relationship. Australia is keen to see India sign the Comprehensive Test Ban Treaty, and the Government informed Mr. Howard of its efforts to build national consensus on the issue.

While the focus of Mr. Howard's interaction today was on political issues, the emphasis tomorrow will be on economic and commercial cooperation.

Mr. Howard will meet the Finance Minister, Mr. Yashwant Sinha, the Commerce Minister, Mr. Mura-soli Maran, and the Minister for Information Technology, Mr. Pramod Mahajan.

THE HINDU

**GUESTS OF HONOUR BRING GOOD TIDINGS FOR ECONOMY, INTERNAL SECURITY**

# India, Australia agree on closer relations

New Delhi

10 JULY

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THE AUSTRALIAN Prime Minister, John Howard, who is on a two-day official visit, called on President K.R. Narayanan on Monday. Ahead of his visit, Mr Howard had stated that his visit was aimed at improving Australia's economic and political partnership with India.

Australia's links with India has grown considerably with the opening up of the Indian economy. He said Australia recognised India as an increasingly important player in regional and international affairs, and would pursue an enhanced dialogue with New Delhi on economic and strategic issues of mutual interest.

The two sides underscored the potential for broader commercial cooperation and improved trade between India and Australia.

Given the size of India's emerging market and the complementarity between the two economies, it was felt that there were significant opportunities for Australian companies interested in India.

— PTI



**A BUSY DAY: Prime Minister Atal Behari Vajpayee welcomes Australian Prime Minister John Howard (left) and Thai foreign minister Surin Pitsuwan in New Delhi on Monday**

AFP

*The Economic Times*



# We should 'move on': Howard

By P. S. Suryanarayana

**CANBERRA, JUNE 26.** The Australian Prime Minister, Mr. John Howard, will seek to exchange views with his Indian counterpart, Mr. Atal Behari Vajpayee, in a conscious endeavour to identify the "extent" of "a common ground" in their "strategic outlook" on world affairs. The spotlight will be turned on the issues concerning the Indian Ocean as also the inter-related regions.

In an interview to *The Hindu* at the Parliament House here on a glorious 'southern' winter day late last week, Mr. Howard said his objective was to "move on" with India on the bilateral front without really having to "retreat"



from Australia's earlier position of taking a dim view of India's nuclear tests in 1998. Affirming at the same time that the nuclear question "won't be the main subject" during his talks with Mr. Vajpayee in New Delhi on July 10 and 11, Mr. Howard outlined his reasoning in a vocabulary of political thought. According to him, India's status as a sustained democracy "is something that transcends" Canberra's known differences with New Delhi over the Pokhran-II detonations. Aus-

tralia had, in 1998, drawn attention to its role in fast-forwarding the international agenda in regard to the Comprehensive Test Ban Treaty as the context for condemning India's action.

In Mr. Howard's calculus for establishing a new and "vigorous" economic and political partnership with India at this stage, it "is a little premature" still to "start talking about formal understandings". He likened his new India-related initiative to Australia's constant effort at finding commonalities in ties with the U.S. despite the "points of violent disagreement" in their bilateral and multilateral interactions on trade matters.

**Text of interview: Page 14**

THE HINDU

27 JUN 2000

# Australia, India search for solution

By P. S. Suryanarayana

SINGAPORE, JUNE 1. Australia and India today explored ways of evolving a coordinated approach aimed at ending the constitutional crisis in Fiji.

Senior Indian diplomat, Mr. S. T. Devare, Secretary (Economic Relations), and India's High Commissioner to Australia, Mr. C. P. Ravindranathan, today called on the Australian Foreign Minister, Mr. Alexander Downer, in Canberra. The talks were described as consultations on how to work together within

the Commonwealth forum on securing the release of the Fijian political hostages as a priority concern. Mr. Devare and Mr. Ravindranathan will travel to Fiji tomorrow for a diplomatic view of the current tensions there.

But the primary objective of the tour would be to ascertain the needs of the small Indian community in the country, as distinct from the Fijian-Indians, and assess the mood and morale of the Indian diplomatic mission in Suva in the present circumstances.

India had called for the

restoration of Fiji's duly elected government, while Australia has been harping, in its capacity as a prime member of a Commonwealth core group on democratic governance, that a constitutional solution be reached to end the crisis.

Mr. Downer, who would be travelling shortly to London to participate in the deliberations of a Commonwealth panel in regard to the restoration of democracy in Fiji, maintained that Mr. Speight was now left with the hostages as the only card up his sleeve.

THE HINDU

2 JUN 2000

# 100-A Australia's turn to discover India

By Sushma Ramachandran

**MELBOURNE, APRIL 23.** India and Australia seem to be charting a path towards a long-term relationship based on mutual economic interests, reversing the post-Pokhran chill between the two countries. Seeking to upgrade ties, the Australian Prime Minister, Mr. John Howard, is planning to visit India next year.

Replying to a question, he told *The Hindu* at the Liberal Party convention that the trip will definitely take place before the Commonwealth Heads of Government (CHOGM) meeting being held in Australia in the latter half of 2001.

Mr. Howard, considered to be firmly pro-U.S. in foreign policy, is seen here as following the U.S. line in this latest discovery of India. Academic and business circles alike point to the sudden softening of the Australian Government's approach to the nuclear issue and the appreciation of India's security concerns shortly after the India visit of the U.S. President, Mr. Bill Clinton.

But there is no doubt the sea-change in attitude is not only because of a perceived U.S. "tilt" towards India, but also because of a realisation that other developed countries have stolen a march over Australia in entering the Indian market.

## Market logic

In this context, it is recognised that American business has been the driving force behind the media celebration of India during the Clinton visit.

Australian industry, which has till now been focusing more on China and Southeast Asia, feels it may have got left behind in the

race to exploit the Indian market.

This feeling has intensified recently as Australian investments in China are not yielding expected returns. Representatives of industry attending the recent India-Australia Joint Business Council concede companies are not making profits in China-based projects.

The view is increasingly gaining ground that India would be worth exploring following the economic reforms with the added advantages of its legal system, a common language and the democratic polity.

Mr. Howard, who made it a point to talk to visiting Indian journalists

even in the midst of the

hectic Liberal Party convention last week, was also keen to demonstrate support for the local community of Indian origin.

The two major political parties here — Liberal and Labour — are furiously wooing ethnic voters of all hues with an eye on the impending elections due October next year. The more conservative Liberal Party is trying to take a more centrist position in a bid to endear itself to the growing community of Asians in the country.

The Australian Government's anxiety to put bilateral ties with India on a new footing is thus based a several political and economic considerations.

The visit of the Commerce and Industry Minister, Mr. Murrasoli Maran, became an occasion to showcase the various dimensions of Australia's newfound interest in the relationship. One of these is in the area of information tech-

nology and a joint study on IT cooperation was launched by Mr. Maran and the Australian Trade Minister, Mr. Mark Vaile.

The emergence of India as an IT superpower has come somewhat as a surprise to a country whose perception of India is largely as a poverty-stricken society with a closed economy.

It is now scrambling to make sure that it will also have a foothold in India's 'new economy'.

No wonder then, officials of the Department of Foreign Affairs and Trade (DFAT) say Australia sees the relationship with India as being much "broader" than in the past. They say India is being

accorded higher priority than ever before.

## TIES WITH AUSTRALIA- I

The visit of the Foreign Minister, Mr. Alexander Downer, last month was a move in this direction.

## N-issue, CTBT

On the nuclear issue, they say Australia would like to take an "encouraging" approach rather than a "condemnatory" one. The Indian Government's decision to seek a consensus on the Comprehensive Test Ban Treaty has been welcomed and the effort is seen as a contribution not just to global but regional security.

Officials point out that even after the Pokhran tests, Australia had done nothing to obstruct the progress of normal bilateral commercial relations. Bilateral trade growth has been "healthy" but even more significant is the fact that strategic opportunities are now being looked at in the Indian economy.

Australian business is consider-

ing linkages and joint ventures in many sectors.

The meeting of the Joint Working Group on Energy and Minerals, coinciding with the JBC and Joint Ministerial Commission meetings, was the first time such projects were discussed and follow-up is expected over the next 12 to 18 months.

In the area of the old economy, Australian companies are poised to make investments in the mining industry, especially coal handling, infrastructure and development of ports, and pipelines for LNG (Liquefied Natural Gas). Banks such as ANZ Grindlay are also looking to expand and deny market speculation about sale of their Indian interests.

Similarly, there are complementarities in the New Economy of IT and telecom. "Companies have started to think strategically rather than to view India simply as a market," officials say.

Australia is also looking for support from India to strengthen the nascent Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). Being pushed initially by the Australian authorities, the association is seen as a way to promote trade with emerging economies in the region.

The pivots of the group are South Africa, India and Australia, but the East African region is viewed as a high-growth area in the long run. The IRO was evidently part of the previous Australian Government's look-West policy to develop ties with Asia.

But the present Government may not have the same enthusiasm, given its pro-U.S. inclinations to push forward with the alliance.

24 MAR 2000

4 APR 2000

# Indo-Australian ties enter new phase

10-12

By Sushma Ramachandran

**CANBERRA (AUSTRALIA), APRIL 12.** India and Australia appear to be on the brink of a new phase in bilateral ties, freed from the handover of cold war alliances with economic relations being given top priority. Describing the sea-change in attitudes, the Australian Foreign Minister, Mr. Alexander Downer, said "a dormant relationship with India is finally awakening". He felt that the new India of the open economy can be Australia's natural partner in this region.

Mr. Downer was speaking to Indian journalists shortly after the conclusion of the Indo-Australian Joint Ministerial Commission as well as the launch of a report on "Emerging Opportunities in Information Technology for Australia and India", jointly by Austrade and Ernst and Young.

Highlighting the thaw in relations between the two countries which had gone into deep freeze after the Pokhran nuclear tests, he said the visiting Commerce and Industry Minister, Mr. Murasoli Maran, had met the Australian Prime Minister, Mr. John Howard. Mr. Downer emphasised that it was not the usual practice for the Prime Minister to meet visiting

Cabinet Ministers but this meeting was arranged in view of "the special circumstances" and the importance being attached to ties with India now.

## 'No over-reaction'

Mr. Downer was not prepared to relent, however, on the issue of Australia's opposition to India's nuclear tests and denied there had been any "over-reaction" by his Government. At the same time, he said defence relations are now being resumed with an official delegation from the Australian Defence Department going to India in a few weeks. The two countries have also decided, for the first time, to appoint defence attaches in their missions to upgrade the strategic relationship.

Mr. Downer's views on building up a new relationship with India were echoed by the Australian Trade Minister, Mr. Mark Vaile, who pointed out that there was considerable convergence between the two countries on both bilateral and multilateral issues.

On World Trade Organisation (WTO) matters, he noted that talks with Mr. Maran centered around the need for the launch of a new round of negotiations "but not at any cost".

Regarding the linkage of trade

with labour standards, he said Australia had always taken the stance that this is an issue to be taken up by the International Labour Organisation (ILO) and not by the WTO. "Labour standards should not be part of core trade negotiations," he said.

## 'A healthy relationship'

Mr. Vaile, who described bilateral trade ties as "quite healthy", conceded that some "perennial issues" like peak tariffs and quarantine issues were taken up at the JMC. To implement the proposals, a Trade Policy Task Force is proposed to be set up at the official level to monitor progress over the next 12 months.

Mr. Maran was equally upbeat about bilateral talks held alongside the JMC meeting. But he said the issue of lesser market access for Indian garments and leather products as well as easing of quarantine restrictions for fruits, especially mangoes, was taken up with the Indian side.

During the meeting with the Australian Prime Minister, he had taken up the need to phase out tariffs on textiles and leather from this year instead of 2005.

Earlier, at the launch of the IT report, Mr. Maran said the report would build a base for synergy be-

tween the two countries in this sector. He indicated that a memorandum of understanding or working group would be set up as a follow-up to the report.

## Religious harmony award presented

**NEW YORK, APRIL 12.** Two Indian human rights activists have shared the first award for religious harmony instituted in memory of the Australian missionary, Graham Stuart Staines, who was burnt alive by a mob in Orissa last year.

Archbishop Alan Basil de Lastic of Delhi and human rights activist, Mr. John Dayal, president and national convenor respectively of the United Christian Forum for Human Rights, were honoured here yesterday. The award, established by the International Council of Evangelical Churches and the Global Centre for Indian Churches, was given to them by the executive director of the U.S. Commission on Religious Freedom, Mr. Steven McFarland.

Present among the audience was the wife of Staines, Gladys Staines, whose forgiveness for the killers was mentioned in the citation. — PTI

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# Economic cooperation with Australia to be upgraded

Mr. Ramachandran

By Sushma Ramachandran

NEW DELHI, APRIL 7. Indo-Australian economic ties are set to be upgraded as the chill in bilateral relations after the Pokhran tests seems to be finally thawing.

A three-tier programme is being organised to ensure greater government and industry interaction. The Joint Business Council meeting is being held on April 11 and it will be followed by a Joint Ministerial Commission session on April 12 in Canberra. A comprehensive presentation, titled "Destination India" will also be made by the Indian delegation to attract investors.

The convening of the Joint Commission comes on the heels of the Australian Foreign Minister, Mr. Alexander Downer's visit, which appeared to signal the resumption of normal ties between the two countries. Official sources say the improved relations stem from a recognition by the Australian government that the reaction to the Pokhran tests was "excessive". In any case, there is also the realisation that political and economic relations should be kept on separate track, they say.

The high-level official delegation for the meetings is being led by the Commerce and Industry Minister, Mr. Murasoli Maran, who will also lead the team for a Joint Commission meeting in New Zealand on April 13.

According to the Industry Secretary, Mr. Ajit Kumar, for the first time the Government-level Commission meetings and industry-level JBC are being held in coordination. In the past, these were always held on different dates. He said it was at Mr. Maran's initiative that the

official and business delegations would hold talks at the same time. Simultaneously, it was decided to organise the "Destination India" presentation.

Briefing newsmen, he said the new structure of holding the Joint Commission and JBC meetings together would be continued for other countries. The same pattern would be followed for meetings to be held in France and the Netherlands in May, in Germany during June and subsequently in the U.S.

In the earlier "stand-alone" approach, the entire effort at luring investors became diluted. For the first time, three different events were being dove-tailed into one major event, encompassing dialogue at the political level, business level meetings in these countries and interaction between government officials and investors. This multi-dimensional interaction would comprehensively cover all aspects of trade and investments.

Mr. Kumar said past efforts at attracting investment relied heavily on making presentations on India's investment policies and climate in a highly focussed way. For the forthcoming visit, the focus would be broadened to include inputs on India's macro-economic fundamentals, the recently-liberalised policy regime, the existing business environment and efforts being made to improve ground level working conditions for business.

More presentations do not carry conviction and so the meetings would be highly interactive. In the "Destination India" presentation, the Ministry would show prospective investors a video film of interaction between Australian investors and the Commerce Min-

ister. This would include candid statements about the problems of operating in this country. The aim was to inject a "new realism" in the presentation for foreign investors.

It would give prospective investors a more realistic assessment of the Indian market instead of merely trying to project a rosy picture, Mr. Kumar pointed out. The meeting with Mr. Maran had been arranged as part of the process of reviewing and monitoring foreign investments by the recently-established Foreign Investment Implementation Authority (FIIA). It was the first time that investors were able to interact directly with a Cabinet Minister about problems being faced in implementation.

In this context, Mr. Kumar said the delegation would also include representatives of Andhra Pradesh, Karnataka, Gujarat and Bihar governments. The aim was to give investors direct access to officials at the State-level to enable them to be in touch with implementation authorities.

THURSDAY, MARCH 30, 2000

## REALISING INDIA'S POTENTIAL

*S. Anandale*

IN WHAT WAS probably a badly timed visit, coinciding with the U.S. President, Mr. Bill Clinton's historic tour of India, the Australian Foreign Minister, Mr. Alexander Downer, has tried to revive bilateral relations. Ties with Australia, as with some of the Western countries, took a beating after the nuclear tests in May 1998. After two years, Australia has perhaps realised that it cannot afford to ignore an economy like India's. Its investors have got a feel of the market and opportunities here and do not want to miss the openings that the second generation of reforms may throw up. Investors from Down Under have already entered the port sector and now taken a stake in a telecommunications company. A number of projects in the power, mines, environment and information technology sectors are in the pipeline and may materialise in the near future. Though last week may not have been the best time for Mr. Downer to visit India and meet up with the political leadership, he has managed to accomplish quite a lot during this trip. With the Commerce and Industry Minister, Mr. Murasoli Maran, scheduled to lead a delegation to Australia next month and also co-chair the Joint Commission meeting, the time appears ripe to strengthen economic cooperation.

Even four years ago Australia made a determined bid to provide a new focus to its ties with Asia, by moving west of Southeast Asia and forging a bond with India. Several Ministerial visits have provided that focus and the private sector from Down Under has taken a good look at India and the opportunities it offers. Bilateral trade has gained momentum. The two countries have been working together in various international fora, notably the WTO, the Commonwealth, Indian Ocean Rim and ASEAN. They have common perceptions on certain issues and agreed to disagree on others. Mr. Downer's endorsement of India's position of opposing the linking of labour and environ-

mental standards to trade in the WTO marks a new appreciation of the concern of developing economies. The failure of the WTO Ministerial meeting in Seattle because of the lack of consensus and the anxiety of countries such as Australia to launch a new round of multilateral negotiations under the WTO may be responsible for the understanding of these concerns. Whatever the reason, if a majority of the industrialised countries agree to keep these sensitive issues out of the WTO and confine its agenda to genuine trade issues, it may be able to show better results.

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During Mr. Downer's visit at least three key areas for cooperation have been identified — IT, telecommunications and defence. Australia has agreed to revive its defence ties and cooperation with New Delhi, after suspending these programmes in the post-Pokhran phase. But it is in IT and telecom that the Australians are looking for partnership. Having missed the first round of openings in the telecom sector, leading Australian firms must be eager to get a foothold in the vast Indian market. Similarly, sensing that Indian IT companies have spread their wings to Southeast Asia, Canberra may be hoping to create a web of joint ventures with leading Indian software companies to tap into the expanding Asia Pacific market. Some of the new Indian IT companies may also welcome Australian capital and a Sydney base to expand their horizons. It may cut costs to operate out of India and provide software solutions to the East Asian and south Pacific markets too. Making use of this renewed Australian interest, New Delhi must seek Canberra's support and cooperation in making the Indian Ocean Rim Association for Regional Cooperation a success. Except for the growth in its membership, not much progress is being made in the forum. It badly needs some focus, direction and leadership, which India and Australia together can provide.

# India, Australia begin revival of ties

By Our Special Correspondent

**NEW DELHI, MARCH 23.** India and Australia today agreed to quickly restore their relationship, affected by the Pokhran nuclear tests and planned a series of meetings to push forward their multifaceted ties.

Talks between the visiting Australian Foreign Minister, Mr. Alexander Downer, and the External Affairs Minister, Mr. Jaswant Singh, saw both leaders stressing the need for an improvement of the Indo-Australian relationship. Mr. Singh pointed out that the Indian Ocean joins and not divides the two countries.

Both leaders discussed in detail the situation in the region. Mr. Singh briefed Mr. Downer about the visit to India by President Wahid of Indonesia — a neighbour to both countries. The visit of the

U.S. President, Mr. Bill Clinton, was also discussed. Mr. Downer expressed his horror about the massacre of Sikhs in Jammu and Kashmir while exchanging notes on the subject of international terrorism. Both countries today expressed their keenness to expand economic ties. The Commerce Minister, Mr. Murasoli Maran, will visit Australia next month to participate in the meeting of the Indo-Australian joint commission. Mr. Singh was also invited to visit Australia. The dates of the visit will be fixed through diplomatic channels.

Mr. Downer is expected to call on the Prime Minister, Mr. A.B. Vajpayee, and hold discussions with the National Security Adviser, Mr. Brajesh Mishra. Both sides today agreed in principle to restore their defence relationship.

**THE HINDU**

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