

India Australia Relations [Latest News]

India and Australia share general good relations, both countries bound by the same ethos of democracy and pluralism. Both countries were part of the British Empire and are currently members of the British Commonwealth. There are many commonalities such as the English language and the love for the game of cricket, which bring the people of both countries together. In this article, you can read about the relations between India and Australia in terms of political, economic, commercial, cultural, military and sporting ties. India's foreign relations with other countries is an important part of the [UPSC syllabus](#), in the International Relations segment.

You can be asked questions in both the [UPSC Mains](#) and the prelims based on India's foreign relations.

India-Australia Relations Latest Developments

In Feb 2023, Australian Education Minister, Jason Clare, led a delegation of higher education leaders to India to promote collaborations between the two countries.

Key details:

- The delegation, which comprises Vice Chancellors and other higher-education leaders representing nearly 11 Australian universities, will attend a student exchange program and a series of meetings with Union Education Minister Dharmendra Pradhan.
- During the visit, the Australian and Indian Ministers will sign the **Mechanism for the Mutual Recognition of Qualifications**.
- The agreement locks in the rules for mutual recognition of qualifications to access education in both countries.
- According to the Australian Minister, this will be the broadest and most favourable recognition agreement India has signed with another country, and it will enhance student mobility between both countries.

Opportunities for Collaboration:

- Minister Clare believes India's [National Education Policy](#) provides a genuine opportunity for Australian education providers to collaborate with India.
- The National Education Policy sets a target of raising enrolment in higher education and vocational education to 50% by 2035.

Announcement of Independent Foreign Campus:

- **Australia's Deakin University** is set to announce an independent foreign campus in **Gujarat's GIFT City** during Prime Minister Albanese's visit to India.

- This would make Deakin University the **first international university to set up an offshore campus in Gujarat's GIFT City**.

India-Australia relations background

Ties between India and Australia started right from the time when European settlement began in Australia. When New South Wales was founded as a penal colony, all trade with the colony was controlled by the British East India Company. Before the Commonwealth of Australia was formed in 1901, many migrant workers and labourers were taken from the Indian subcontinent to Australia.

Diplomatic Ties

India established a Trade Office in Sydney in 1941. After independence, in 1950, Robert Menzies became the first Australian Prime Minister to visit India. He had earlier supported India's admission into the Commonwealth as a republic.

In 2009, a 'Strategic Partnership' was established between the two countries and relations have significantly expanded since then. In 2013, A K Antony became the first-ever Indian Defence Minister to visit Australia. The current PM Narendra Modi visited Australia in November 2014, a few months after he was appointed the PM.

Growing people-to-people ties

- There are many citizens in Australia with Indian origins. Out of the country's 24 million people, about half a million are of Indian origin.
- The fastest-growing language in Australia is Punjabi.
- As of 2017, more than 60000 students from India are studying in Australia.
- More than 2 lakh Indians visit Australia every year.

India - Australia Economic Relations

As of the year 2016, the bilateral trade between the two nations is worth A\$21.9 billion. This has grown significantly since 2003 when the figure stood at A\$ 4.3 billion. India's export of goods to Australia in 2011-12 was A\$ 2.49 bn (US\$ 2.60 bn) and India's import of goods was A\$ 13.11 bn (US\$ 13.71 bn). India's export of services was A\$ 0.80 bn (US\$ 0.84 bn) and import of services was A\$ 1.9 bn. (A\$ 2.0 bn). India is Australia's largest export market for gold and chickpeas, the second-largest market for coal and copper ores and the third-largest market for lead and wool. Four products – coal, non-monetary gold, copper ores & concentrates and petroleum – accounted for over 80 per cent of India's imports from Australia, with coal and gold being the dominant imports in 2011-12. India is Australia's tenth largest trading partner and the fifth-largest export market.

Major Australian Imports to India

- Coal
- Services (chiefly education)
- Gold
- Copper ores and concentrates
- Vegetables for consumption by consumers

Major Indian exports to Australia

- Refined petroleum
- Services (such as outsourcing)
- Pearls
- Gems
- Jewellery
- Medicaments

Both countries have established a **Strategic Research Fund** for \$100 million.

Uranium Import

In 2017, Australia shipped its first supply of uranium to India, after a deal which was signed in 2014. This is significant and can go a long way towards strengthening the relationship between the two countries. This is the first instance in which Australia is supplying uranium to a country that has not signed the [Non-proliferation Treaty \(NPT\)](#). This is also significant for satisfying India's increasing energy requirements.

India - Australia Military Relations

A joint naval exercise called **AUSINDEX** is carried out between India and Australia every year.

In 2007, Australia was a participant in the [Malabar Exercise](#) which is an annual trilateral naval exercise between India, the USA and Japan.

Indian diaspora in Australia

There is a fast-growing Indian community of nearly 295,000 residing in Australia. This is not including the people of Indian origin from other countries such as South Africa, Fiji, Malaysia, Kenya, etc. who have migrated to Australia. They are significant contributors to the Australian economy as teachers, accountants, doctors, engineers and I.T. professionals. India is now the third-largest source of immigrants to Australia, after the UK and New Zealand and the second-largest source of skilled professionals.

India Australia Prospects and Future Challenges

- **Energy sector** - Australia is poised to overtake Qatar as the largest exporter of Liquefied Natural Gas (LNG). India can diversify the sourcing of its LNG supply with Australia (reducing dependency on West Asian countries) and reap huge benefits from a long-term relationship. This is in addition to the already-blooming relations in the nuclear fuel supply domain.
- **Comprehensive Economic Cooperation Agreement (CECA)** - Negotiations for a CECA started in 2001. If this is materialised, India will have better access to the world's 12th largest economy. Half of India's exports to Australia face stiff tariffs, and if the CECA is made, Indian businesses would be in the same footing as other FTA partners of Australia such as China. This would also improve investments from Australia, which has the third-largest pool of investment funds under management in the world.
- Why CECA is in a deadlock
 - India is opposed to greater access for Australian businesses in the sector of dairy and agricultural markets in the interests of its small and marginal farmers and people working in the dairy industry.
 - India wants greater free movement and relaxed visa norms for its IT professionals, which Australia is reluctant to agree to cite local unemployment as the reason.
 - India wants Australia to soften its high non-trade barriers for Indian products.
 - India is reluctant to open up its doors for legal services from Australia.
 - There is also no concrete agreement on greater market access for Australia's wine, meat, auto components and financial services industries.
 - Both countries also differ in their preference towards Rules of Origin (ROO) in fixing the tariff lines for goods.
- India can seek Australia's expertise in the food processing industry.
- Australia has good experience in paddy cultivation in relatively arid lands. India can learn much from its technology and experience in this regard.
- Mining technology and clean coal technology are two other areas where India can collaborate with Australia.
- Another domain in which cooperation can be fostered is solar energy. Australia has joined the [International Solar Alliance](#), which is sponsored by India and France.

FAQ about India - Australia relations

Q. Is India an ally of Australia?

Ans. Australia is in India's extended neighbourhood. Both are strong, vibrant, secular and multicultural democracies. They also share political, economic, security, lingual and sporting ties. Before independence, Australia and India were both part of the British Empire. Both are members of the Commonwealth of Nations.

Q. Is Australia an observer of SAARC?

Ans. Yes, in 2008, it became an Observer in SAARC.

