Leveraging Australia’s Indian diaspora for deeper bilateral trade and investment relations with India

SURJEET DOGRA DHANJII
HARIPRIYA RANGAN
January 2018
LEVERAGING AUSTRALIA’S INDIAN DIASPORA FOR DEEPER BILATERAL TRADE AND INVESTMENT RELATIONS WITH INDIA

A commissioned study contributing to
A Report to the Australian Government by Mr Peter N Varghese AO
‘An India Economic Strategy to 2035: Navigating from Potential to Delivery’

Suggested Citation

Note
The views expressed in this study are of the authors, and do not reflect the views of the Australia India Institute, Department of Foreign Affairs and Trade, or Mr Peter M. Varghese, AO.
Executive Summary

This study is guided by two questions: How can the Indian diaspora in Australia be mobilised as an asset for building deeper bilateral trade and investment relations with India? What are the institutional frameworks and industry linkages that require facilitation by the Australian government to enable its Indian diaspora to build dynamic and productive bilateral economic relations with India?

The study adopts a comparative approach to answer these questions, looking first at the Indian government’s engagement with its global diaspora, and then at the role played by the Indian diaspora in USA, Canada, the UK and Singapore in building trade and investment links between these countries and India. For each country case, the study provides an overview of its Indian diaspora population and their participation in the economy; their remittances and investments in India; attracting investments from India; and their organisations promoting stronger economic and political relations with India. The overview of the Australian-Indian diaspora follows, with a closer analysis of their demographic profile, economic participation and their business organisations. The final section draws together observations from the Australian experience and country case studies to propose strategies that can mobilise the Australian-Indian diaspora to play a more dynamic role in deepening economic relations between the countries.

The salient observations from the study are:

The Government of India’s engagement with its global Indian diaspora has undergone a major paradigm shift from the mid-1980s onwards. It no longer considers overseas migration of Indian skilled professionals as ‘brain drain’, but instead as ‘brain circulation’ that enhances India’s global image and contributes to ‘brain gain’ in India through innovation, investment, and business expansion. Today, the Indian government is a strong advocate for mobility of Indian technology professionals to advanced economies and has strategically energised its institutions and business chambers to deepen diaspora engagement and investment in India’s economic growth.

The Indian diaspora comprises a comparatively small proportion of the population of USA, Canada and the UK, ranging between 1.5 and 3 percent, and about 9 percent of the total population of Singapore. It has made significant intellectual and entrepreneurial achievements and prosperity in all four countries.

Although there has been a long history of migration from India to these countries, the largest flows of Indian skilled migrants and technology professionals has occurred since the 1990s.

The US-Indian diaspora has been immensely successful in establishing a visible presence in the leading technology, innovation, and entrepreneurship sectors in the USA. It has developed strong professional bodies, alumni and business associations, and industry links and uses these organisations and networks to lobby for stronger political relations with India and expansion of trade and investment in Indian industry.

Singapore is the largest recipient of Indian FDI in the ASEAN region, and Singapore is India’s second largest source of FDI. Singapore’s expanded immigration program since the 1990s has attracted talented Indian professionals and students to its priority growth sectors such as IT, banking and financial services, biotechnology, pharmaceuticals and medicine. Business and industry chambers of both countries actively link with platforms such as Network India and Indian diaspora IIT and IIM Alumni Associations to build strong bilateral business and investment connections. Angel investor networks in India and Singapore collaborate with each other to fund and mentor new start-ups in both countries.

The Indo-Canadian community has strong visibility across all sectors of the Canadian economy. The diaspora’s political representation in Canadian national and provincial governments has been key to furthering the bilateral relationship. The Canadian Government has been extremely proactive in improving its visibility and credibility in India through its immigration policies and by supporting new Indian diaspora-led organisations such as the ICBC for increasing bilateral trade and investment in emerging growth sectors. The number of Canadian companies in India has grown threefold since 2010 and Indian companies have increased their investments in Canada.

The UK-Indian diaspora has deep links with India at all levels of industry, government and education. Its leaders are well-recognised for their distinguished contributions and services to their adopted country and in India. They are politically active in lobbying for increased trade and FDI and easier migration of skilled professionals between
the two countries. British Indian business associations are well-represented in national business organisations and promote British and Indian SMEs in emerging growth sectors through their overlapping connections across academic, business, trade and alumni associations. They play a critical role in enabling partnerships between British and Indian industry and facilitating R&D collaborations between leading UK universities and Indian industry.

Australia’s relationship with India has strengthened considerably over the past two decades. Australia’s Indian diaspora has grown rapidly since the mid-2000s and is relatively newer and younger in comparison to its counterparts in the USA, Singapore, and Canada.

Bilateral trade and investment, however, has not yet achieved its potential due to weak visibility of Australia’s competitive growth sectors in India; limited connectivity to Indian business networks and between Indian diaspora business organisations; and lack of Indian diaspora leadership in establishing Australia’s credibility for attracting Indian FDI and forging SME partnerships in key growth sectors.

To mobilise the Indian diaspora in Australia as an asset for expanding trade and investment relations with India, it must become the face representing Australia’s global competitiveness, its excellence in cutting-edge R&D in frontier technologies, and innovative industries in India.

CEOs of successful Indian diaspora businesses, Indian diaspora professionals in high-level executive positions in Australian companies, and leading Indian diaspora researchers at Australian universities need to be present with government officials and ministers in the bilateral dialogues, delegations, and B2B engagement between India and Australia.

There needs to be clearer signalling and alignment of highly desirable skilled migration for growing Australia’s globally competitive industry sectors and opportunities for highly talented Indian students to receive scholarships to study in these competitive fields at Australian universities.

There needs to be an overarching Indian Australian Confederation of Industry which functions as the platform for diaspora linkage and interaction with Australian industry bodies such as ACCI and AIG and Indian industry bodies such as CII and FICCI. An India-based and Indian diaspora-led organisation modelled along the lines of the Indo-Canadian Business Chamber should be established, with regional committees and industry advisory groups.

An innovative academic consortium approach, modelled in the spirit of establishing the early IITs, should be set up to build research and teaching relationships between Australian and young and dynamic Indian universities and leading higher education and research institutions. These would focus on interdisciplinary areas aligned with Australia and India’s competitive industry sectors, promote and support exchange of teaching staff, scholarships for talented Indian and Australian students to pursue postgraduate coursework programs, and build research excellence.

Collaborative centres of business excellence should be set up with CII in important areas where Australia can demonstrate global leadership and competitive advantage.

India-focused courses and teaching of Hindi and major Indian languages must be expanded in Australian universities and TAFEs.

An Indian diaspora industry and research mapping exercise, similar to the Science and Technology mapping project of the Shastri Indo Canadian Institute, should be carried in collaboration with university partners, diaspora alumni associations and business organisations. Such a database would maintain a common platform/hub for an updated Indian diaspora profile, R&D expertise, industry-focused professional association memberships and businesses.
1. INTRODUCTION

There has been a significant global shift in perception over the past three decades regarding the role of the Indian diaspora. Today, Indian diaspora communities are regarded in many advanced economies as key assets in facilitating trade and investment between their countries of residence and origin. This view is in stark contrast to the period from WWII to the 1960s, when the Indian diaspora was regarded as either filling the needs for low-skilled labour in agriculture and manufacturing in receiving countries or, as in India during the 1970s and 1980s, representing a ‘brain drain’ of highly-trained and talented young professionals to advanced economies in Europe and North America. From the 1990s onwards, a more nuanced and positive view of India’s professional diaspora as ‘brain circulation’ agents (Saxenian, 1999) and ‘opportunity entrepreneurs’ (Newland and Tanaka, 2010) has emerged. They are regarded as innovative and entrepreneurial actors that forge links, invest in, and mentor high value technology ventures between their countries of residence and origin. The successful achievements of the Indian diaspora in countries like the US, Singapore, UK, and Canada offer valuable insights for recognising the contributions and emerging potential of opportunity entrepreneurs within Australia’s rapidly growing Indian diaspora community.

2. THE GOVERNMENT OF INDIA’S APPROACH TOWARDS ITS DIASPORA

There is no widely accepted universal definition of “diaspora”. In fact, the term is used to signify many different types of human migrations. In this study we use the working definition of diasporas proposed by the International Organization for Migration (IOM), which is:

“Emigrants and their descendants, who live outside the country of their birth or ancestry, either on a temporary or permanent basis, yet still maintain affective and material ties to their countries of origin.”

India has the largest diaspora population in the world, with over 17 million living outside the country (UN, 2017). The largest concentrations of persons of Indian origin are in countries of the Middle East and Southeast Asia, followed by the USA and Canada in North America, the UK in Europe, South Africa and Mauritius in Africa; and Australia, Fiji, and New Zealand in Oceania (NRI Online).

Since the mid-1980s, the Government of India has made concerted efforts to target and engage the global Indian diaspora in boosting India’s economic growth and development (Kapur, 2003; Khadria, 2012; MOIA, 2012). Many initiatives and schemes were introduced during the 2000s to enable non-resident Indians and persons of Indian origin feel emotionally committed to, and maintain ties with, India. These included:

- The High-Level Committee on the Indian Diaspora in 2000.
- The Ministry of Overseas Indian Affairs (MOIA) in 2004 to tap the ‘investible diasporic community’ for knowledge and resources in diversified economic, social and cultural areas (MOIA, 2012).
- Persons of Indian Origin (PIO) and Overseas Citizen of India (OCI) card schemes. These schemes allow OCI/PIO card holders a multiple entry and multipurpose life-long visa to visit India, and all rights equivalent to Non-Resident citizens of India (NRIs), excluding the right to own agricultural and plantation properties, seek public service employment, vote in elections or hold political office. According to the latest MOIA annual report, more than 1 million individuals of Indian origin have successfully applied for OCI status (Lum, 2012). More
recently, Prime Minister Narendra Modi has raised the possibility of extending voting rights to the Indian diaspora.

- The Pravasi Bharatiya Divas (Overseas Indian Day) to celebrate the achievements of diaspora Indians.
- Various financial bond and deposit schemes offered by Indian banks to attract remittance savings and investment from non-resident Indians (NRIs).

During the 2000s, the Government of India also sought to create an enabling environment for attracting diaspora investment in the country. It offered infrastructure incentives such as software technology parks (export processing zones), guaranteed access to high-speed satellite links, reliable power, ready-to-use office space equipped with communication facilities including internet access and permissions to import all equipment without duty or import licences. It offered tax exemptions and permitted 100% foreign ownership in exchange for sizeable export obligations (Saxenian 2002a:173). Such incentives were important for the rapid expansion of ITES and BPO services in India and increase in return-migration of overseas Indians who were guaranteed superior salaries and benefits.

The Global Indian Network of Knowledge (Global-INK) was established to facilitate knowledge transfer aimed at leveraging the expertise, skills and experience of overseas Indians in key focus areas such as healthcare, science & technology, and the environment. The Science and Engineering Research Board (SERB) and the Department of Biotechnology (DBT) offer prestigious fellowships to attract highly-skilled Non-Resident Indian (NRI) and foreign researchers to conduct their work in leading science and biotechnology institutions in India. The Indian government has also introduced Know India and Study India programs, and a Scholarship Programs for Diaspora Children (SPDC) to pursue their undergraduate education in educational institutions in India (MOIA, 2012; Lum 2012).

**International and diaspora activities of Indian business and Industry Associations**

There are many national- and state-level Indian business associations that work closely with the Government and Indian diaspora. The Confederation of Indian Industry (CII) and the Federation of Indian Chambers of Commerce and Industry (FICCI) lead the charge in representing Indian business interests globally and engaging Indian diaspora entrepreneurs to invest in India. The National Association of Software and Services Companies (NASSCOM) is another powerful pan-India business association representing one of the largest export industries and segments of private sector employment.

**Confederation of Indian Industry (CII)**

CII is a non-government, industry-led and industry-managed business association with over 8500 members from the private and public sectors, from small and medium enterprises (SMEs) to multinational corporations (MNCs). It offers a range of initiatives and programs through its national Councils, Committees and Task Forces to foster the space for entrepreneurial activities. It supports its membership in a variety of ways, including services for business development, training and consultancy programs. The MOIA and the Confederation of Indian Industry (CII) established the Overseas Indian Facilitation Centre (OIFC) as a public-private partnership for diaspora engagement in the Indian economy and as a clearing house for their investments.

CII has 67 offices across all Indian states and Union Territories. It partners with central and state governments and their departments to organise investor meetings under its ‘Building National Competitiveness’ agenda. It has set up an R&D fund and moving public research from autonomous Government Institute to higher education institutes, in ease of doing business and sectoral and infrastructure policies. There are 9 CII Centres of Excellence for successful entrepreneurship in areas of emerging importance for Indian industry including social corporate responsibility initiatives (CII Activity Report, 2016: 2). CII Foundation works in conjunction with corporate donors in various urban
and rural development initiatives of the Indian government in education, sanitation, skills and livelihoods, women empowerment and, disaster relief & rehabilitation.

CII has overseas offices in Australia, Bahrain, China, Egypt, France, Germany, Iran, Singapore, South Africa, UK, and USA, and institutional partnerships with 355 counterpart organizations in 126 countries. It maintains relationships with multilateral development and funding organisations such as UNDP, ADB, UNIDO, IFC, the World Bank, and cooperates with agencies such as USAID, Ford Foundation in the USA. It has institutional co-operation agreements with organisations like the US-India Business Council, The Indo-British Partnership, Commonwealth Business Council, Singapore Business Federation, Singapore Chinese Chamber of Commerce & Industry, and the InfoComm Development Authority, Singapore. As part of its global business networking initiatives, CII organises large international business summits and partnership forums within India and other countries for expanding beneficial investment opportunities for Indian SMEs.

**Federation of Indian Chambers of Commerce and Industry (FICCI)**

FICCI is a large and old peak business organisation in India that provides a platform for networking and consensus building within and across Indian industry, policy makers and the international business community. It encompasses diverse regional chambers of commerce and industry across all Indian states and Union Territories and has a membership base of over 250,000 companies (FICCI, 2017).

Like the CII, FICCI offers its members a wide range of support for business expansion and networks for international trade and investment. Following the Government of India’s Act East policy, it has taken a lead role in building networks in the ASEAN region and Pacific Island Countries and promoting it as a preferred trade and investment destination for Indian businesses. FICCI serves as the Indian secretariat for both the ASEAN India Business Council and the India-Singapore CEO’s Forum and the FICCI President is Co-Chair of both associations.

**National Association of Software and Services Companies (NASSCOM)**

NASSCOM, a not-for-profit industry association established in 1988, is the apex body for the IT business process manufacturing (BMP) industry in India. It has a membership of over 2,220 ITES and business solutions companies that constitute 90% of the Indian IT industry revenue. NASSCOM provides global visibility, trust, and connections for Indian companies seeking to enter or establish their international presence in diverse markets. It is a powerful lobby for the IT industry with the Indian government and has succeeding in obtaining many concessions for the software export sector.

The Indian diaspora has emerged as powerful economic players in the USA, Singapore, Canada and the UK and in helping strengthen bilateral relationships through investment and trade with India. Its members are recognised for contributing to innovation and entrepreneurship, spurring competition, economic growth and job creation (Pande 2014; Khadria 2012; Kapur 2003). They have established dynamic professional and business associations that create economic, social, and political capital through global networks (Pande, 2014). Their prominence in leading industry sectors and engagement through business associations in their countries of residence have mobilised trust for expanding trade and investment in India (Ramamurti, 2004). They provide insights into India’s cultural and language diversity and business norms and facilitate connections with state governments and industry bodies. They lobby their home country governments for stronger political and business alliances with India and promote frequent visits, delegations and conferences across all government levels, sectors and industry organisations.

The following profiles of the Indian diaspora in these countries provide key perspectives of the political context, immigration policies, business institutions and initiatives contributing to their achievements.
3. **THE INDIAN DIASPORA IN THE USA**

There are around 4 million persons of Indian origin in the USA, comprising India-born and those claiming Indian ancestry (MPI, 2017). They represent 1.2% of the total US population. The major spurt in growth of the Indian diaspora has occurred over the past three decades. Until 1990, Indians did not feature among the top ten immigrant groups to the USA. By 2000, however, they were part of the top ten, and formed 3.3% of the total immigrant population. In 2010, this proportion rose to 4.5% and in 2015, Indians comprised 5.5% of all immigrants.

The US-Indian diaspora is from diverse linguistic backgrounds, states and Union Territories of India. They are comparatively younger than the overall foreign-born population (39 years: 44 years) and older than the overall US-born population (39 years: 36 years). They have higher proficiency in English than the overall foreign-born population in the USA. They also have attained higher levels of education overall when compared to both foreign- and U.S.-born populations. In 2015, 77% of Indian-Americans aged above 25 years had a bachelor’s degree or higher qualification compared to 29% of all immigrants and 31% of native-born adults, and more than half of these college-educated Indian-Americans had master’s or doctoral degrees in STEM-related disciplines and professional fields such as business management, finance, law and social sciences (MPI, 2017).

Participation of Indian-Americans in the labour force (2015 estimates) is around 68%, which is slightly higher than the overall foreign- (66%) and native-born US populations (62%). The majority are employed in high-skilled STEM related industry occupations and management, business, finance, law, and higher education (73%) compared to overall foreign-born (31%) and native-born populations (31%). Indian-Americans are among the highest-earning ethnic group per capita in the USA, with more than 66% earning over US $100,000 per annum. The median annual household income for Indian-Americans is much higher (US $107,000) than the overall foreign- (US $51,000) and native-born populations (US $56,000) (MPI, 2017).

The Indian diaspora is distributed across all states and major cities of the US, but more than half (2.1 million, roughly 54%) reside in five states: California (20%); New Jersey (11%); Texas (9%); New York and Illinois (7% each). Ten counties within these states contain the largest concentrations of Indian diaspora: Santa Clara, Alameda, and Los Angeles Counties in California; Middlesex and Hudson Counties in New Jersey; Harris and Dallas Counties in Texas; Queens County in New York; and Cook and DuPage Counties in Illinois. These ten counties account for 25% of the total Indian diaspora population in the US (MPI, 2017).

**Immigration trends from India to USA**

Immigration of Indian citizens to the USA increased following the legislative changes of the Immigration and Naturalization Act of 1965. This Act abolished quota systems, which limited immigration from non-white countries and moved to a system based on family unification and worker skills.

By the 1970s, the USA became the preferred destination for an emerging professional middle class in India. Indian migrants included engineers and medical doctors, many of whom won scholarships to pursue postgraduate and doctoral studies at leading US universities. Due to limited professional opportunities in India during the 1970s and 1980s, a large proportion of the migrants stayed on in the USA after completing their studies, and took up jobs in the engineering, medicine and other technology sectors. This trend continues to the present day.

The USA continues to be the destination of choice for postgraduate and doctoral study for talented students graduating from elite public and private institutions in India. Indians form the second largest group (after China) of international students pursuing postgraduate and doctoral degrees in US
colleges and universities. In 2015, they comprised 13.6 % of global international students, and formed 14% of all temporary student visa (F-1) holders pursuing doctoral degrees. About 80% are enrolled in STEM majors (MPI, 2017). According to the Survey of Earned Doctorates, 85% indicated their intention to stay in the US upon completion of their studies.

The introduction of the H-1B visa program in 1990 was a key factor contributing to the massive spurt in migration from India to the USA. This replaced the older 1965 H-1 visa program targeted for “Aliens of Distinguished Merit and Ability” and expanded it to address the high demand for talented and skilled professionals in the rapidly expanding advanced technology sectors. The H-1B program provides temporary visas for up to six years, for people in ‘specialty occupations’ tied to a specific employer.

The 1990s were the longest period of sustained economic and job growth in the USA, particularly in the information economy sector. The numbers of H-1B visas issued increased from 65,000 in 1998 to 115,000 in 1999 and 2000 to meet the demand for solving Y2K issues. A significant proportion of Indian professionals in computing sciences and programming were recruited on H-1B visas by US employers to address this need (Pandey et al. 2006).

In 2000, the American Competitiveness in the 21st Century Act was passed to meet the demand for skilled immigrants in STEM specialities and enable employers to fill jobs in the post-industrial technology sectors. To deal with the enormous backlog of H1B visa applications, the Act allowed a temporary increase in the H1-B visa quota to 195,000 for 2001, 2002 and 2003, and retroactively raise the caps for 1999 and 2000 to include all cases approved before 2000. By the mid-2000s, Indian technology professionals were granted more than two-thirds of the total quota of H-1B visas (Batalova, 2010; Parthasarathy, 2010).

At present, the H1-B visa quotas have dropped to about 85,000. Of these, around 65,000 visas were for direct offshore recruitment of foreign professionals (back to 1998 levels), and 20,000 visas for onshore recruitment of foreign nationals on other temporary visa categories. The H-1B visas for foreign students holding advanced degrees from US universities remain uncapped. Indian professionals continue to be the largest proportion of H-1B visa holders (Sebastian, 2017).

**Diaspora remittances and investment in India’s key sectors**

Remittances from the USA to India were estimated at US $10.96bn (Pew Research Center 2015). These were directed towards family support and savings, education and investment in family businesses. According to Kapur (2010), between 1991 and 2004, the Indian diaspora made almost $3 billion worth of FDI in in select industry sectors such as IT, biotech, and health, comprising 7% of all FDI. Remittances are also invested in: (1) Real estate; (2) Philanthropy and support for religious charities; and (3) US dollar denominated investments for relatively short periods, partly due to the Government of India’s regulations on foreign investment related compliance issues.

**US-Indian Diaspora associations and lobbies for expanding bilateral trade and investment**

As one of the wealthiest ethnic groups in the USA, Indian-Americans are targets for political candidates seeking financial support for elections. Many Indian-Americans have also run for office at federal, state, and local levels. The Indian-American lobby is professional and well-funded and now exercises a powerful presence in Capitol Hill. The US India Political Action Committee (USINPAC) was formed in 2002. The US India Civil Nuclear Cooperation deal was pushed by lobbies in both countries (Kirk, 2008). A US $60bn military deal between the two countries was signed with lobbying efforts of both the defence industry and Indian-American groups, with the former making the business case and the latter the emotional case for defence cooperation.
The interactions between the two countries is through diverse channels and networks. These include large and regular traffic between government representatives at federal, state, sectoral and industry levels involved in strategic consultations, political exchanges and dialogues. There are more than 50 dialogue mechanisms between the two countries that take place annually. Indian-American business and political groups contribute to the current Strategic and Commercial Dialogue between the foreign affairs departments across a range of sectors such as Energy and Climate Change; Education and Development; Economy, Trade and Agriculture; Science and Technology; and Health and Innovation (see Embassy of India USA, 2018 for full details).

The US India Business Council (USIBC)
The USIBC was established in 1975 by the US Chamber of Commerce by the then-Secretary of State Henry Kissinger to promote better business ties between the two nations. The USIBC is one of the largest of 15 bilateral business groups under the US Chamber of Commerce. The USIBC plays a major role in representing at the federal level the interests of Indian-American professional bodies and business associations and is part of the India lobby alongside the USINPAC. It offers members access to high level briefings and representation in bilateral meetings between the US and Indian governments.

The USIBC promotes linkages among business, government and research leaders to expand US and India cooperation in eleven key sectors: aerospace and defence; digital economy; energy and environment; financial services; food and agriculture; hospitality and tourism; legal services; life sciences; logistics; manufacturing; media and entertainment; and real estate. Each issue is overseen by an executive committee and provides business intelligence, advocacy, networking, and branding opportunities to member companies operating in these sectors (USIBC, 2018). The USIBC works with umbrella partners such as CII and FICCI to facilitate business networking initiatives, conferences and joint venture possibilities.

In 2017, a number of CEOs of US and Indian multinational companies established the US-India Strategic Partnership Forum (USISPF). The USISPF aims to strengthen economic and commercial ties through policy advocacy focused on inclusive economic growth, employment creation, innovation and entrepreneurship. More than half of the US CEO board members belong to the Indian diaspora (USISPF, 2018).

International Diaspora Engagement Alliance (IdEA)
Recognizing that immigrants are informal ambassadors for the US in their countries of origin, the US Secretary’s Office of Global Partnerships (S/GP) in collaboration with USAID launched the International Diaspora Engagement Alliance (IdEA) in 2011. IdEA is a non-partisan program that engages with global diaspora communities via public-private partnership between the US Department of State and the USAID. Some of its more significant initiatives include The Diaspora Map, Global Innovation Exchange and Global Diaspora Week (GDW) through which IdEA continues to expand its diaspora transnational connections.

IdEA works with Calvert Impact Capital, a not-for-profit investment firm, to attract diaspora capital for projects and businesses delivering social and environmental benefits to communities in their countries of origin (IdEA, 2016). Calvert’s India Investment Initiative channels funds to private financing companies in India that lend to small and growing businesses in the social enterprise sector (Calvert 2018). One such company, Intellegrow, provides loans to small businesses that are working across six sectors: agricultural supply chain, clean energy, education, financial inclusion, affordable healthcare, water & sanitation (Intellegrow, 2018). Another, company, Varthana, provides loans to entrepreneurs seeking to set up ‘Affordable Private Schools’ (APS) in India (Varthana, 2018). There are many other charitable organisations set up by Indian-Americans, such as the American India Foundation, which support health, women’s empowerment, volunteering, poverty alleviation, and social entrepreneurship programs (AIF, 2017).
Silicon Valley Indian Professionals Association (SIPA)
SIPA was founded in 1987 to foster growth and support for Indian professionals in the US IT industry. It has more than 30,000 technology and business members from almost every major company in the Silicon Valley and facilitates connections and strategic alliances with more than 5,000 corporate leaders, entrepreneurs, and venture capitalists in the area (SIPA, 2018).

PANIIT-USA
PANIIT-USA was set up in 2002 as an umbrella alumni organisation covering all alumni of the Indian Institutes of Technology. It has 13 chapters across the USA, and alumni associations based in major US University campuses. It holds annual conferences in the USA and in India. The goals of PANIIT-USA are to enhance the IIT brand reputation, offer alumni networking opportunities, and provide an advocacy forum. PANIIT offers its US alumni members a range of services, including newsletters, free registration of events and access to its US membership database; connections to IIT alumni chapters in other regions of the world; IIT women groups; and loans and grants to local chapters for launching events and conferences (PANIIT-USA, 2018).

Diaspora role in attracting inward investment to USA from India
The US-India bilateral trade was around US$ 67bn in 2017 (US Census Bureau, 2018). According to the US Department of Commerce’s initiative SelectUSA, India ranked as the 8th fastest-growing source of FDI in the USA. The CII survey (2014) highlights growing presence of Indian industry investments in the USA and ranks it one of the top five destinations for Indian FDI. More than a hundred major Indian companies invested US $15.3 bn across a range of sectors including: IT, ITES and telecom (40%); life sciences, pharmaceuticals and health care (14%); mining, materials and manufacturing (14%); financial services (6%); design, engineering and construction (5%), media and entertainment (5%), others (4%); automotive (4%); energy (4%); tourism and hospitality (2%) and food and agriculture (2%). The survey indicates that tangible investments across 35 American States generated more than 91,000 jobs (Financial Express, 2015).

Indian companies have made greenfield and brownfield investments through mergers and acquisitions, joint ventures, and other business collaborations with US companies (SelectUSA-CII, 2015). The top five states receiving Indian FDI were Texas ($3.84bn); Pennsylvania ($3.56bn); Minnesota ($1.8bn); New York ($1.01bn) and New Jersey ($1bn).

The major attraction for Indian investors in US industry is the dynamism of the Indian diaspora in founding engineering and technology companies (Wadhwa et al, 2012). A 2012 study showed that Indians outnumbered the next seven immigrant groups combined in launching 33% of all immigrant start-ups. While their success in Silicon Valley is well-known, they also lead in Massachusetts, New York, New Jersey, Texas and Florida in starting up companies in biosciences, manufacturing innovation-related services, computers/communications, semiconductors, software, environmental and aerospace/defence (Forbes, 2012).

INDIAN DIASPORA SUCCESS IN THE US INFORMATION TECHNOLOGY INDUSTRY

The success of the Indian diaspora in Silicon Valley and their contribution to India's successful growth of the IT industry sector has been globally recognised by scholars and policymakers. They are regarded as the exemplar for industry and diaspora-induced economic development that mutually reinforces growth in trade, investment, knowledge-exchange between the two countries. These successes stem from a combination of several factors, including long-term relationships in technology education, global trends in technological change and innovation, national migration and economic policy shifts in both countries, the role of industry associations and diaspora professional networks, R&D and venture capital investments.
The long-term relationship in technology education between India and USA goes back to the 1950s, when the Government of India sought to establish major institutions for undergraduate and graduate education for research in engineering and science. It established the first Indian Institute of Technology in 1951 in the country’s east in Kharagpur, West Bengal, modelled along the lines of the Massachusetts Institute of Technology (MIT), and targeted four more IITs to be set up in the west (Bombay), centre (Kanpur), south (Madras), and north (Delhi). IIT-Bombay was established in 1958, funded by UNESCO with technical support and expertise from the former Soviet Union. In 1959, IIT-Madras was established with support from the (West) German government and leading German universities and IIT-Kanpur with US government support.

IIT-Delhi was set up in 1961 with support from the British Government.

The Kanpur-Indo American Program, a consortium of 10 US educational institutions, assisted in the development of IIT Kanpur in 1959. The participating institutions included California Institute of Technology (Caltech), University of California Berkeley, Princeton University, University of Michigan, MIT, Carnegie Institute of Technology (now Carnegie Mellon University), Case Institute of Technology (now Case Western University), Ohio State University, Purdue University, and Educational Services Inc. (ESI). Each consortium member participated in three components of the program, which involved: 1) consortium faculty teaching at IIT-Kanpur; 2) IIT-Kanpur faculty receiving on-the-job experience in consortium institutions; and 3) planning and procuring equipment and materials for research infrastructure in IIT-Kanpur (KIAP, 1964).

The close relationship and academic exchange between the Consortium universities and IIT-Kanpur established the foundation for attracting bright engineering and technology graduates to pursue postgraduate and doctoral degrees at these institutions. Following changes to the Immigration and Naturalization Act of 1965, many more graduates from IITs and leading engineering colleges in India applied to study at US universities. From the 1970s onwards, the US IT industry, specifically in the Silicon Valley region of California, experienced rapid growth, attracting a substantial number of talented individuals from around the world. It became the destination of choice for technology graduates from India. Given the relatively closed economy and limited job opportunities in India during the 1970s and 80s, most of the Indian students remained in the US after obtaining their degrees and rose to senior positions in many of the leading Silicon Valley technology firms.

In 1984, the Government of India set out its Computer Policy which recognised ‘software’ as an ‘industry’ entitled to investment and incentives as well as reduced import tariffs. Until this time, the computer hardware and software industries were limited in number and focused on import substitution and defence technologies. Tata Consultancy Services (TCS), established in the 1960s, was the sole player in the field during the 1970s and early 80s, offering low-end, labour-intensive computing and software testing services for major US corporations (Parthasarathy, 2004).

In 1986, the Indian government introduced the Computer Software Development and Training Policy which liberalized access to technology and software tools, invited foreign investment, and supported access to venture capital. It invited leading industry professionals of the US Indian diaspora to advise the Department of Electronics and to invest in the development of the Indian software industry. The diaspora professionals and associations actively contributed to policy reform in areas of telecommunication regulation, science and technology policy, reform of educational institutions and capital markets (Pandey et al., 2006; Saxenian, 2004; Saxenian et al., 2012). This led to the growth of Indian software solution companies such as TCS, Infosys, and Wipro that benefited from the encouragement given by Indian diaspora in US engineering companies to hire Indian IT professionals for short-term projects (Parthasarathy, 2004; Saxenian, 2008).

The US Government’s immigration policy revision of H-1 visas and introduction of the H-1B visa program in 1990 was a critical contributor to the US technology boom, and fuelled the success of Silicon Valley, the Indian diaspora, and the Indian IT industry. The policy shift enabled the large Indian software service providers like Wipro and Infosys to widen their clientele base and set up divisional headquarters in Silicon Valley and establish their presence in the market. Large US technology firms, in turn, established their presence in India in the special Software Technology Parks (STP) set up by the Government of India as
export processing zones, drawing on the large pool of Indian engineers to work on software product development for US and global markets.

Through the 1990s, the Indian diaspora functioned as intermediaries for knowledge transfer between US and Indian technology firms. US and Indian IT companies established centres in the STPs to develop software applications and solutions for Y2K and the introduction of the Euro. The huge demand for software professionals for solving Y2K issues increased the traffic of Indian IT engineers between the two countries. Many of them returned to India after their visas expired and took up positions in US and Indian IT firms; some proceeded to develop IT businesses closely integrated with the firms where they had worked. In 1998, the Indian Government offered additional incentives for promoting the software industry in India. It offered Indian software companies exemptions from import duties on computer and software packages and a 10-year tax holiday on export earnings. It also offered incentives to multinational firms to set up IT R&D centres in India (Rajaraman 2012). By the mid-2000s, most major US IT firms had established R&D offices and labs in India for product development across both high end and low-end segments of the market (Parthasarathy and Aoyama, 2006).

Diaspora professional associations such as SIPA and The Indus Entrepreneurs (TiE) grew as the numbers of Indian IT engineers increased, and they helped forge a common, pan-Indian identity in the US. They served as mentors for Indian engineers studying and working in the US and played a key role in ensuring international quality and performance standards, including providing new business contacts and new markets in both countries (Saxenian, 2002b; Parthasarathy, 2004). They collaborated with Indian industry organisations like CII and NASSCOM and IIT Alumni Associations to celebrate technology entrepreneurship in the US and India.

TiE, founded in 1992 by successful Indian diaspora entrepreneurs, corporate executives and senior professionals, has become one of the largest not-for-profit global network for fostering entrepreneurship through mentoring, networking and education. (It is also present in Melbourne and Sydney). It plays an important role in mobilising its networks to raise venture capital and function as angel investor for start-ups and social enterprises in India, providing them unparalleled access to Silicon Valley companies and professional networks, and helping them reformulate strategies, IP, pricing and contracts. TiE has also helped build IT training centres in India (see Chakravarty 2001 cited in Hunger 2004), developed special programs for women entrepreneurs, providing them software and technical support, networking, mentoring services. Although TiE’s roots are in the ICT industry, it is branching out into clean energy, agricultural technology, and life sciences using a characteristic model: a group of its senior members from each industry is being asked to mentor at least five entrepreneurial ventures in that industry (Newland and Tanaka, 2010).

In summary, Indian Americans, the Indian professionals who returned to India after working in the USA, and Indians who never emigrated, together fostered the growth of the IT industry in India and the USA. They continue to play a critical role in the R&D and start-up innovations for addressing domestic demand within India and generating new products for developing economies and emerging markets. Their model is also reflected in the development of the biotechnology sector in India and the USA over the past decade. The dynamic they have established between the two countries has taken on a productive life of its own. It is robust and resilient and looks to continue to thrive and benefit both countries well into the future (Parthasarathy, 2017).

**Highlights of the US-Indian diaspora**

The successes of the Indian diaspora in the USA stem from a combination of factors spanning six decades: the US-India bilateral relations of cooperation in technology education in the 1950s and 1960s; global trends in technological change and innovation during the 1970s and 1980s; national migration and economic policy shifts in both countries during the 1980s and 1990s; and the deepened role of industry associations and diaspora professional networks, R&D and venture capital investments since 2000s.
Top US universities that offered scholarships to talented Indian engineering and science graduates for postgraduate and doctoral studies set the trend for subsequent generations of high-achieving Indian students to see the USA as the most favoured destination for higher study and research. Their success at these universities also established the reputation of Indians as highly-skilled researchers and hardworking professionals. This reputation and building of trust in the expertise of Indian technology professionals was a critical factor in the expanded migration from India under the H-1B visa during the 1990s and 2000s.

The introduction of the H-1B visa in 1990 was crucial in expanding the ties between the US and Indian IT sectors in the following two decades. The US-Indians in senior executive and research roles in Silicon Valley were successful in building networks with the Indian IT software and services industry. They made a conscious effort to mentor Indian students at US universities and Indian software service companies. In this manner, they enhanced the image of competency and visibility of Indians in the IT sector in the USA.

One-third (33.2%) of the total of immigrant-founded companies have been founded by the Indian diaspora in the USA. Indian professionals in the USA have not experienced discrimination or glassceilings in their professional careers compared to other ethnic or foreign-born migrant groups. They head up some of Silicon Valley’s leading companies, like Google, Microsoft, Adobe, Sun Microsystems. Many Indians who have returned to India after working in the USA have successfully founded companies and lead R&D divisions of global technology corporations in the digital and biotechnology sectors.

The Indian diaspora professional associations within leading US industry sectors (e.g., IT and biotech) are highly active in building networks with industry bodies in India and lobbying for collaborations between US and Indian companies. They have representatives in the USIBC and are part of the Indian Political Action Committees lobbying the US governments on migration and investment between India and USA.
4. THE INDIAN DIASPORA IN SINGAPORE

Singapore is a multi-racial and multi-lingual country with a population of around 5.6 million. About 30% of this population comprises non-residents. Ethnic Indians constitute approximately 7.4% of the resident population (Singapore Department of Statistics, 2017). In addition, 21% of the 1.65 million foreigners in Singapore are Indian expatriates holding Indian passports. Around 40% are migrant workers, and the rest comprise professionals in financial services, IT, construction and marine sectors, and students. (High Commission of India, Singapore, 2017).

Indians are the third largest ethnic group in Singapore after the Chinese and Malays. The Indian community is well established and commercially and politically very important. Commercial, cultural, and migration ties between southern and eastern India and Southeast Asia extend back several millennia, but most of Singapore’s Indian population arrived after the British established the colonial Straits Settlement on the island (Turnbull, 2009). Singapore has longstanding diaspora ties with southern Indian states, with regular mobility and circulation of businessmen between the two countries.

Singapore was set up as a trading port in 1819 by the colonial administration of British India in Calcutta. British administrators used Indian labour for building the city, agriculture and recruited Indians to serve as troops for their army battalions in Singapore (Turnbull 2009). Many Indian professionals in the navy and naval architecture migrated to Singapore during the 1970s when it rose as a major global port and logistics hub. The contemporary wave of Indian migration follows the changes to immigration and economic policies in Singapore since the 1990s.

Immigration trends from India to Singapore
Immigration of Indians to Singapore in recent decades has been largely concentrated in financial services, IT, tertiary education, construction, and marine sectors. There is significant variance in terms of job scope, salaries, and upward career mobility for Indian immigrants in these sectors (Khadria, 2001, 1999).

From the 1990s, the Singapore government introduced immigration policies akin to the USA to attract Indian professionals in IT, biotechnology, biomedical sciences, banking and finance. Indian professionals were offered permanent residency in Singapore and full rights (excluding the vote) to work, start business, and access government housing (Chan, 1999; Chew 1995; MPI 2007).

Singapore has a strong reputation in India as a country offering good career opportunities. It attracts talented Indian students with scholarships for pursuing their postgraduate and doctoral studies at its leading universities (Kaur, 2008). Graduates of India’s prestigious IITs and IIMs have high visibility in the corporate industry sectors and consider it a favourable destination with close ties and easy access to India.

Indian diaspora participation in leading economic sectors of Singapore
Indians are owners of small and medium businesses, as well as senior executives of multinational companies with regional headquarters in Singapore. Many IIT and IIM alumni that moved to Singapore during the 1990s and 2000s have established businesses in IT, commodities trading, shipping, agribusiness and launched start-ups in new service industries like multi-media marketing and e-commerce. There are nearly 100 enterprises set up by IIT alumni in Singapore (IITAAS, 2018). Well known global IT applications and management solution companies like Emerio and Optimum
were founded by Indian-Singaporean entrepreneurs. Indian diaspora remittances from Singapore to India in were around US$828,000 in 2015 (Pew, 2015).

Singapore’s ability to attract a critical mass of professional Indian talent has enabled engagement with India across multiple levels of business, tourism and investment. About 8,000 Indian companies are registered in Singapore. Indian IT companies like TCS and NIIT Technologies launched their regional HQ there, and many Indian companies use Singapore as their base for raising funds for their global operations. Six of India’s major Public-Sector Undertakings (PSUs) and nine of its national banks are present in Singapore. For PSUs, Singapore is an attractive destination for pre-marketisation discussions as well as road shows during IPO/FPO.

**Singaporean investment in India’s key sectors**

Singapore is considered an excellent launch pad for global companies seeking to establish a foothold in India. The Indian PM Modi described Singapore as the “Incubator to India's laboratory” (Modi, 2015) for his new goal of making India the new destination for global manufacturing facilities. He assured Singaporean companies that his government was committed to make it easier for them to do business in India.

More than 440 companies from Singapore are registered in India. Two major Singaporean banks, International Enterprise Singapore (IE), and the Singapore Tourism Board have their offices in India. On 28 August 2017, DBS Bank India received approval of the RBI to become locally incorporated wholly owned subsidiary. Singapore Telcom (SingTel) has invested US$400m in India’s Bharti Group, the largest single foreign investment in the Indian telecom market.

Singapore is India’s second largest trading partner after Indonesia in the ASEAN region, and the second largest source of FDI for India. The two countries have numerous agreements that facilitate cooperation between governments, business communities and people-to-people exchanges. Following the signing of a Comprehensive Economic Cooperation Agreement in 2005, the bilateral trade between the countries increased from US$ 6.7bn in 2004-05 to US$ 16.7bn.

**Indian investment in Singapore’s key sectors**

Singapore is one of the top destinations for outward Indian FDI. The sectors in which Indian companies have invested are in IT, manufacturing, construction, real estate, renewable energy and pharmaceuticals. More than 80% of the listed offshore bonds issued by Indian issuers are listed in the Singapore Stock Exchange. Singapore-based investors have more than US$ 100 billion in assets under management in India (GoI-MEA, 2017).

**Indian diaspora organisations for expanding bilateral trade and investment**

The relations between the two countries is deep and is maintained by more than 20 annual bilateral mechanisms, dialogues and exercises. In 2014, the governments identified five areas of cooperation – referred to as the 5S Plank – to enhance bilateral relations. The 5S Planks are: Scale-up trade and investment; Speed up connectivity; Smart Cities and Urban Rejuvenation; Skill Development; and State focus (urban projects and skill development relationships with Indian states).

The close trade and investment relationship between Singapore and India has been facilitated by industry organisations. The CII, FICCI, and other Indian industry organisations have offices in Singapore and work closely with their counterpart bodies like SICCI. In addition, government-facilitation of organisations like Network India helps Singaporean companies link up with their counterparts in India. Expatriate Indians working in Singaporean companies are part of this network and involved in planning and helping smoothen the pathways with their first-hand market knowledge
and wealth of connections within Indian industry (Baman, 2009). Together, SICCI and Network India offer strong connections between native Singaporean Indians and the new Indian diaspora.

Other key diaspora organisations in Singapore are the IIT and IIM Alumni Associations. Both are extremely active in serving as networking platforms. The IIT Alumni Association of Singapore comprises the second largest overseas alumni community with 3500 members. Its Industry Interaction Initiative organises regional events and conferences. The IIT Alumni Association offers active and popular platforms for interaction between successful entrepreneurs, young start-ups, students and corporate leaders across banking, IT, shipping, manufacturing, logistics and retail sectors.

India’s IITs and IIMs and other leading institutions of Information Technology (IIITs) maintain close ties with NUS, NTU and other top-level institutes of technology through research collaborations, faculty and student exchange programs. Many Indian academics and researchers from these Indian institutes are employed in Singaporean universities. Leading Indian technology companies hold innovation and start up competitions and offer internship opportunities for university students in Singapore. Some private Indian universities and schools of business management have also set up their campuses in Singapore.

**Highlights of the Singaporean-Indian Diaspora**

There are deep historical relationships of trade and circulation of people between both countries and familiarity with regional business cultures. Singapore is India’s second largest trading partner in the ASEAN region, the second largest source of FDI in India, and a top destination for Indian FDI (GoI MEA, 2017).

The CECA and cooperation initiatives like the 5S Planks have focused efforts and deeper connections in specific sectors. There is direct air connectivity between Singapore and 16 cities in India, with 484 weekly flights, and India is the fourth largest source of tourism for Singapore.

Singapore’s expanded immigration program since the 1990s has attracted talented Indian professionals and students to its priority growth sectors such as IT, banking and financial services, biotechnology, pharmaceuticals and medicine (Kaur, 2008; Baman, 2009; Khadria, 2001). Universities offer attractive scholarships to high-achieving Indian students for postgraduate and doctoral studies in these sectors.

SICCI and Network India work well together to help Singaporean companies link with their counterparts in India. Indian diaspora IIT and IIM Alumni Associations in Singapore are powerful platforms for building business connections between both countries. Angel investor networks in India and Singapore collaborate with each other to fund and mentor new start-ups in both countries.
5. THE INDIAN DIASPORA IN CANADA

Canada’s population was 35.1 million in 2016, with migration contributing to 5% growth between 2011 and 2016. There are 1.4 million Indo-Canadians, also referred to as East Indians that constitute around 4% of the total population. India is the second largest source country from Asia after China. Most Indo-Canadians live in the large metropolitan areas of Toronto, Vancouver, Montreal, Calgary and Edmonton (Statistics Canada, 2016; 2012; Asia Pacific Foundation, 2013).

More than 75% of Indian immigrants in Canada today are highly educated professionals, skilled workers, businessmen and entrepreneurs. The core age of recent immigrant arrivals from India is 25-54 years, with the majority being fluent in English. Their tertiary education levels are higher than the overall population. Around 45% of Indo-Canadians hold university degrees compared to 26% for the overall population. This is roughly inverse with qualifications in trades, where 27% of Indo-Canadians hold certificates in trades, compared to 38% for the total population. Their naturalisation rate of 74% (Statistics Canada, 2011; 2011a) is comparable to that of the USA (around 80% in 2017; Pew Research Center, 2018), and higher than in Australia (around 48%; ABS, 2016).

Immigration trends from India to Canada
Indian immigration to Canada has a long history extending back to the late 19th century, when Sikhs from Punjab came to work in the timber and sawmill industries in British Columbia (Johnston, 1984; Walton-Roberts, 2003; Bhat & Sahoo, 2003). Many more were recruited for manual work in the railways and farms. In 1908, the Canadian government passed legislation against Asian immigration. Many Indian immigrants were forced to return to India. During the 1950s, immigration laws were changed to allow small numbers of migrants from Asia. Between 1962 and 1967, Canadian immigration regulations were further liberalized, and entry categories reclassified to skilled class and family class. In 1967, after immigration quotas were introduced based on points rather than ethnicity, more Indians began to arrive in Canada. The 1970s and 1980s saw increase in ethnic East Indian diaspora migrants from East and Southern Africa, and from the UK.

Overall, the major growth in immigration from India occurred after the 1980s and grew substantially from the 1990s with more than 20,000 migrating each year. While migration in the 1980s had a large quota for family class, from the 1990s onwards, the immigration policy emphasised skilled migration and entrepreneur development in the knowledge economy and information technology sectors and potential business investors (Jha, 2005). Since the 2000s, this number has increased to more than 30,000 per year. The gender ratio has been evenly balanced across these different cohorts (Agrawal and Lovell, 2010). The Canadian government has improved ease of skilled migration and qualifications for securing permanent residency and citizenship.

In addition to skilled migration, there has been a huge increase since the 1990s in international students coming to study at Canadian universities and other higher education institutions. Indian students are the second largest group following those from China (ICEF Monitor, 2017). Their numbers crossed 100,000 in 2017. The government has made it easier for international students at Canadian universities to remain in the country after graduation and work towards securing permanent residency (Hou and Lu, 2017).

Indian diaspora participation in leading economic sectors of Canada
There is a noticeable difference within the Indo-Canadian diaspora between those who arrived before the 1990s and after. Among those that arrived before 1990, there are two broad streams: those who
achieved upward economic mobility with time, and those who did not experience much economic success over longer periods of stay in Canada. A small proportion of Indo-Canadians that arrived before 1990 have become very wealthy and successful in business; they typically settled before the age of 35, had university degrees and were proficient in English. A larger proportion of the pre-1990 immigrants have low incomes, higher unemployment and poverty levels than the national average (Lindsay, 2007; Lee, 2000). Many were employed in manual labour and industry sectors that have declined, such as manufacturing, transportation, or are stagnant such financial and insurance services and waste management (Statistics Canada, 2011). However, the proportion of Indo-Canadians on low incomes reduced by more than half after 1990s, indicating both improved economic conditions and generational shift in opportunities with longer period of stay (Agrawal and Lovell, 2010).

The Indo-Canadians who arrived after 1990 are mostly employed in professional and technical services occupations across diverse industry sectors. Their employment levels are higher than the overall population, but they tend to receive lower incomes than the national average (Block and Galabuzi 2011). However, most of the post-1990 Indian immigrants also show economic mobility over three to five tax years of their arrival (Agrawal and Lovell, 2010).

There are significant disparities between the employment match rates for foreign-born and educated professionals and Canadian-born and educated professionals; for physicians it was 42% for foreign born and educated compared with 80% for Canadian-born and educated; nurses (18% compared with 62%); engineers (42% compared with 70%); accountants (34% compared with 75%); and teachers (31% compared with 55%) (Augustine 2015). The wage and employment match disparities have been attributed to factors such as market segmentation, ethnic penalty (Pendakur & Pendakur, 2002; Mata & Pendakur, 1999), and accreditation of overseas qualifications (Hawthorne, 2008).

Since 2001, self-employment in Canada has risen alongside intermittent declines in labour market alternatives and stagnant or dwindling wages (Moore & Mueller 2002). Almost 20% of all high-income Indo-Canadians over the past decade have gained their wealth by becoming entrepreneurs. At one end of the entrepreneurial spectrum are those who have entered mining, IT software, educational software, and ventured into health care technology innovations in applications and manufactures. Several have also made a major impact on the real estate and hotel industry. At the other end of the spectrum, many Indian immigrants have set up small- and medium-sized groceries, restaurants and other businesses that service the consumption needs of the Indian diaspora.

**Canadian and Indian investment in key sectors**

Canada’s trade and investment in India was fairly limited until the mid-1990s, when the Canadian government recognised the potential of India as a huge emerging market opportunity. Bilateral trade steadily increased during the 2000s, growing by 14% between 2005 and 2010. In 2010, following a major political breakthrough and signing of a Nuclear Cooperation Agreement between the governments, the trade relations were further strengthened. The bilateral trade has nearly doubled from C$ 4.2bn to C$ 8.02bn between 2010 and 2016.

Diaspora remittances to India in 2015 was around US$ 2.71bn (Pew, 2015), and Canadian FDI in India was around US$ 900 million in 2016. Indian FDI in Canada is more than double at just over US$ 2bn (Statistics Canada, 2016). Indian companies have invested in the IT, software, steel, natural resources sectors. Canadian financial and asset management investors such as CPPIB, Brookfield and the Indo-Canadian owned Fairfax Financial Holdings invested nearly US$ 4bn in 2014 (Goold, 2015). Currently, more than 1000 Canadian companies and organizations are registered with the Canadian High Commission in New Delhi, and of these, around 400 are physically present and operating in India.

**Indian diaspora organisations for expanding bilateral trade and investment**
Since 2010, the relations between Canada and India have grown stronger through regular high-level political interactions. There are currently around 15 annual high-level delegations, meetings and dialogues held in both countries and numerous mechanisms have been introduced to strengthen bilateral cooperation in food security, energy, technology for infrastructure development, education, and space science and satellite launch services (Global Affairs Canada, 2017). The Canadian Parliament has constituted a Canada-India Parliamentary Friendship Group with over 80 MPs from both Houses of Parliament and across political parties. The India-Canada CEO Forum was set up in 2013 to improve bilateral investment flows in priority sectors such as ICT, infrastructure, education, natural resources, and financial services (GoI MEA, 2017).

Indo-Canadians have strong representation in federal and provincial legislatures. There are currently 21 MPs of Indian origin in the House of Commons and four hold cabinet positions. The growing numbers of Indo-Canadian politicians, successful businessmen and entrepreneurs have increased the visibility and credibility of Canada in India through goodwill and business to business exchanges (Chand, 2014). The Canadian Bank of Commerce has leveraged the social networks and cultural knowledge of Indo-Canadians to catalyse the investment flows in both directions and seize emerging opportunities in India (Bhattacharya, 2017).

The Indo-Canadian business community is very active and is represented by at least six high-profile groups: the Canada-India Business Council (CIBC); the Indo-Canada Chamber of Commerce (I-CCC); the Canada Indian Foundation (CIF); The Indus Entrepreneurs (TiE), the global entrepreneurship group; the IIT Alumni Association of Canada; and the Indo-Canadian Business Chamber (ICBC).

The Indo-Canada Chamber of Commerce (I-CCC) has established MoUs with the India’s CII, FICCI, and the Indian Merchants Chamber to jointly support opportunities for trade and bilateral investments. In September 2008, the Business Council of Canada and the CII prepared a report focussing on the diverse strategic partnerships that could be developed through the linkages between Indo-Canadian industry leaders and Indian counterparts. This led Indo-Canadian investors to expand their investment horizons and establish offices in India for pursuing direct, multi-level ‘government-industry’ opportunities.

In parallel to the activities of these business groups, the Canadian Advisory Council of the Shastri Indo-Canadian Institute (SICI) conducted the Canada-India Science and Technology Mapping Study in collaboration with the University of Waterloo (SICI, 2017). The findings formed the basis of the Science and Technology Agreement between Canada and India. The IIT Alumni Association of Canada played a critical role in injecting a sense of urgency in deepening bilateral ties in new technology sectors. TiE in Canada has partnered with the Consulate General of India in Toronto to organise monthly sessions on “Doing Business in India,” and invites CEOs of Canadian businesses to information exchange sessions (Goold, 2015).

The most important factor driving these activities is Canadian government’s determination to build visibility and credibility in its economic engagement with India. Although Canada was known as a migration destination, its economic and social achievements were relatively unknown in comparison to the USA. The action plan that emerged from two Canada-India dialogues was to pursue a coordinated strategy that specifically involved Indo-Canadians in the formulation of policies for expanding trade and investment, cooperation in science and technology, increasing cultural exchange, and engaging with the NGO sector in India. Organisations such as the I-CCC, CIBC and SICI joined together with the ICBC to raise awareness in India about the work and achievements of Indo-Canadians through business events, seminars and symposia.

The ICBC has played a vital role in deepening the relations between Canada and India and increasing Canada’s visibility in India as a committed and reliable trade partner, an attractive investment
destination for Indian companies, a collaborator with India in leading technology sectors, and a welcoming place for skilled Indian professionals, innovators and entrepreneurs.

**INDO CANADIAN BUSINESS CHAMBER (ICBC)**

The ICBC was established in 1994 in partnership with the Canadian Trade Commission Services (CTCS). It is the only Indo-Canadian organisation that is headquartered in India. Its primary objective is to foster, strengthen and promote trade and business relations between the countries through the Indo-Canadian community. Its long-term strategy is to develop lasting business relationships by facilitating and implementing the needs of its members and to celebrate their achievements.

ICBC is a bridge organisation that provides resources to companies in India and Canada through its networks and facilitates exchanges of knowledge between government and businesses. In addition to partnering with the CTCS, it works closely with the High Commission of Canada in India and maintains strong connections with the Indo-Canada Chamber of Commerce and the Canada-India Business Council.

The ICBC has a National Board based in New Delhi, and five offices for its regional councils covering North India (New Delhi), Gujarat (Ahmedabad), Maharashtra (Mumbai), South India (Bengaluru) and East and Northeast India (Kolkata). The leadership at the national and regional council levels are made up of Indo-Canadian representatives of leading Canadian companies with business interests in these regions, representatives of CII and CEOs of major Indian companies operating in these regions, and a CTCS representative.

The ICBC has five committees and sub-sector focus groups that focus on key industry sectors: Infrastructure; ICT and Legal Services; Aerospace; Education and Advanced Skills Training (EAST); and Media & Entertainment. The objectives of the committees and sub-sector focus groups are to explore opportunities for new partnerships and collaborations between Indian and Canadian companies to share ideas on innovations and best practices in governance and expand bilateral trade. The ICBC targets Canadian and Indian small-and medium enterprises operating in these sectors and connects them with each other. It helps them identify potential partners, arranges meetings, and assists in navigating the complexities of investing and doing business in both countries.

For its Canadian and Indian business members, the ICBC represents a trustworthy entity that understands the business environments and cultures of both countries. It is seen as a reservoir of valuable information for doing business, forming partnerships and collaborations. Its Committees have helped develop networks and inform policies at both regional and national levels in both countries. It has played a critical role in attracting leading Indian companies and medium enterprises to establish a presence and invest in Canada and vice-versa. For example, Canadian corporate members have partnered with the EAST Committee to address their skilling requirements. The Infrastructure Committee has partnered with Canadian and Indian companies to identify renewable energy, urban water, sanitation and transport projects. The Aerospace Committee has identified key space science and satellite launch companies for knowledge exchange, collaborative R&D, and highlighted key policies and tax regimes that need to be addressed by both governments.

**Highlights of Canadian-Indian Diaspora**

The Indo-Canadian diaspora population is large and has a long history in the country. The community has a strong sense of belonging and visibility across all sectors of the Canadian economy. Most Indo-Canadians feel at home in Canada and have a positive sense of contributing to their country through their work and their connections to India (Environics Institute, 2016). The diaspora’s political
representation in Canadian national and provincial governments has been important in furthering the bilateral relationship.

The Canadian Government has played a key role in enhancing Canadian visibility and credibility in India through its immigration policies, and by involving the Indo-Canadian diaspora to expand trade and investment in India as a strategy through various initiatives. The number of Canadian companies in India has grown more than threefold since 2010.

The Indo-Canadian business community is very active and is represented by at least six high-profile groups: the Canada-India Business Council (CIBC); the Indo-Canada Chamber of Commerce (ICCC); the Canada Indian Foundation (CIF); The Indus Entrepreneurs (TiE), the global entrepreneurship group; the IIT Alumni Association of Canada; and the Indo-Canadian Business Chamber (ICBC).

Organisations such as the Shastri Indo-Canadian Institute (SICI) have worked with universities, the IIT Alumni Associations and TiE to map networks and key areas of education, research and business collaboration between Canada and India.

Although Canada was a late starter for bilateral trade and investments in India, it has gained substantial visibility and momentum on both fronts in India through the ICBC. The ICBC is headquartered in India and headed by Indo-Canadians. It is:

- A catalyst for increasing trade and bilateral investments
- A diaspora-led voice for industry and policy development
- An initiator for discussions between governments, industry sectors, and community
- A capable ecosystem with B2B partnerships and Joint Ventures in key sectors and associations that deliver benefits at national and regional levels in both countries.
6. THE INDIAN DIASPORA IN THE UK

People of Indian origin in the UK are categorised as ‘British Indians’ and form the second largest non-white British ethnic group after the Afro-Caribbean community. According to the 2011 Census, the British Indian population was around 1.45 million and 2.3% of the total UK population. The 2016 Census reveals that India is among the two most common countries of birth: India and Poland. Of the 833,000 India-born residing in the UK in 2016, just over half (471,000 or 57%) are British nationals (Office for National Statistics, 2016), and the remaining 362,000 have Indian nationality.

The median age of the Indian diaspora is 32.9 years, less than the median age of 39 for the total population of England and Wales (Burn-Murdoch, 2013). Migrants from India arriving over the past two or more decades have high proficiency and fluency in English. They are also highly educated. More than 25% of Indians in England attend elite universities, and enter professions such as medicine, law, pharmacy and accountancy. Students from India are an important part of the Indian diaspora in the UK. Indians are also well represented in universities and research institutions in science and technology disciplines. In 2011, India-born (199,000) and Polish-born (133,000) resident populations were leaders in highly skilled occupations such as doctors, engineers, solicitors, chartered accountants, academics, and ICT experts. The unemployment rate for Indian migrants is lower than for other ethnic groups in the UK (Office for National Statistics, 2011).

The 2016 population survey reveals that India-born mainly reside in London and greater London (296,000), West Midlands (97,000); East Midlands (86,000) and the South East (100,000) (Office for National Statistics, 2016). Although sizeable in proportion to the total population, Indians are not in the majority in these areas. Most non-UK born Indians own their homes.

Immigration trends from India to UK
The movement of people between UK and India has a long history linked to trade and British colonialism in the subcontinent. During the 19th and 20th centuries, small numbers of Indian students travelled to study at Britain’s prestigious institutions. Following the two World Wars, Indians who had served in the British armed forces settled in the UK. During the 1950s and 1960s, many Indians migration to work as labourers in the post-war reconstruction of British industries. In the 1970s, Indians from East Africa migrated to the UK following targeting and expulsion by country governments. During the recessions in the 1980s and 1990s, many second-generation British Indians with professional qualifications migrated to USA and Canada.

From the late 1990s onwards, immigration of Indians to the UK increased, with many arriving on skilled professional and student visas. In 2001, there were just over 1 million British Indians, but by 2011, the number had increased by over 400,000 to 1.45 million. Poland, India and Pakistan are the three main countries of the foreign-born population, accounting respectively for 9.5%, 9.0% and 5.9% of the UK’s total foreign-born population. Polish and Indian citizens are also the main foreign nationalities in the UK, with Poles accounting for 15.7% of foreign citizens and Indians 6.4% (The Migration Observatory, 2017).

Indian diaspora participation in leading economic sectors of UK
Indians in the UK play an important role in all spheres of commerce and industry. Third and fourth-generation British Indians have businesses across a wide spectrum of commercial, manufacturing, finance and service sectors. Many non-resident Indians also have a significant business presence as entrepreneurs and professionals in sectors such as steel, oil, banking, telecom, hotels, agribusiness and IT. Indian IT professionals comprise 60% of all foreign IT professionals arriving in the UK. Many of the IT professionals arriving from the USA, Canada, Australia and South Africa to the UK are of Indian origin.
A significant percentage of hospital doctors, general practitioners, and consultants are British Indian and Indian immigrants. Around 12% of all doctors in the National Health Service (NHS) are Indian (Kirkup, 2015). Indians also account for 40% of the retail sector and small and medium-scale businesses related to the health sector.

**UK-India trade and investment in key economic sectors**

Diaspora remittances from the UK to India in 2015 amounted to US$ 3.165bn (Pew, 2015). The overall bilateral trade between UK and India has been declining over the past two decades. In 1999-2000, the UK was India’s third largest trading partner, but in 2016-17 ranked as its 16th among India’s top 25 trading partners. The trade between the two countries declined from a high of US$ 15.83bn in 2013-14 to US$ 12.21bn in 2016-17. The trade between the two countries is largely in manufactures, machinery and equipment, and high end professional and technical services (GoI MEA, 2017).

The Indian government has raised investment capital through various types of bonds through the London Stock Exchange International Securities market. Both governments have made anchor investments of £120 million each in the India-UK Sub-Fund under the National Investment and Infrastructure fund. The UK government will contribute £20 million to a Start-up India Venture Capital Fund in addition to investing £160 million across 75 start-up enterprises in India (GoI MEA, 2017).

The UK is the fourth largest contributor of FDI in India, following Mauritius, Singapore and Japan (GoI MEA, 2017). Sectors that have traditionally attracted UK FDI in India are chemicals, pharmaceuticals, food processing, services and petroleum and natural gas (CII, 2017). The bulk of UK FDI was in the chemical sector (US$6.1b or 25%) followed by unclassified sectors (US$4.9m or 20.35%) and drugs and pharmaceuticals (US$3.2bn or 13.29%) (DIPP, 2016). There are many large British firms with Indian subsidiaries in these sectors as well as new growth industries in IT and biotechnology.

India is the third largest foreign investor in the UK, and Indian companies based there have created more than 110,000 jobs. There are roughly 800 Indian and India-focused companies based in the UK, and 10% of these are listed in the London Stock Exchange (GoI MEA, 2017). Many of these are in the IT and telecoms sector, and the rest are in the pharmaceuticals, business services, financial services, engineering, and energy sectors (CII, 2017; NDTV, 2017). Of the 55 fastest-growing Indian companies in the UK, 32 were new entrants in 2015, and 23 were new entrants in 2016. Large Indian conglomerates such as the Tata Group continue to maintain their massive investments and manufacturing operations in the UK.

Indian companies have generally regarded the UK as a good base for gaining entry to the European Union market (Tejada et al. 2014). Following the UK’s decision to leave the European Union, the PM Theresa May made her first overseas bilateral visit outside Europe to India in November 2016 to reiterate the strategic importance of the relationship between the countries. She was accompanied by SME business delegates who signed contracts worth £1.2bn with Indian companies (GoI MEA, 2017).

**Indian diaspora organisations for expanding bilateral trade and investment**

The Indian diaspora is politically active across all parties and is a strong lobby for bilateral trade and cooperation. In the most recent UK elections, 12 persons of Indian origin were elected to the House of Commons. There are more than 40 bilateral engagements and interactions that take place annually, covering issues such as trade, education, science and technology, defence and international relations.

There are numerous Indian diaspora business organisations representing UK-based Indian-companies and UK-owned companies operating in India. The London-based India Inc. has created networks between UK and Indian industry federations, public sector undertakings, private sector companies,
and banking and finance organisations. The India Business Group (IBG) and CII-PIO UK chapters have overlapping links in the UK and India and provide market intelligence and analysis of various industry sectors and help with market-entry in both contexts (India Global Business, 2017). The UK Trade & Investment (UKTI) works with CII to organise conferences on UK-India collaboration in healthcare, manufacturing and infrastructure. The UKTI and British Council also provide support and advice to UK firms seeking to do business in India.

In addition to these organisations, UK universities and Indian higher education institutions play a key role in linking the two countries in various fields of research. Many leading Indian engineering and manufacturing companies and UK subsidiaries in India have R&D partnerships with elite UK universities. The Imperial College has identified areas of R&D co-operation in aeronautics, automotive, water, bio-inspired technology, climate change, earth science and engineering, innovation and entrepreneurship, nanoscience, nanotechnology, energy, materials and health sectors.

The Cambridge Judge Business School at the University of Cambridge launched the Centre for India & Global Business in March 2009 to support the study of India’s rapidly expanding role in the global knowledge economy. Its primary focus is to understand, promote and engage with innovators on India’s leading role in the global knowledge economy. The Centre acts as a platform for research collaboration and engagement with key partners in industry, academia and policy in India, the UK and across the world. Its areas of research focus and engagement are: the global innovation and R&D activities of multinationals in India; the internationalisation strategies of Indian firms; and co-innovation with people at the bottom of the socio-economic pyramid in India (CJBS, 2017).

**Highlights of the UK-Indian Diaspora**

The UK-Indian diaspora has deep links with India at all levels of industry, government and education. Its leaders are well-recognised for their distinguished contributions and services to their adopted country and in India. They are politically active in lobbying for increased trade and FDI between the two countries.

Although the bilateral trade between UK and India is surpassed by the US-India bilateral trade, the extent of UK FDI in India is much larger than that of the USA. The Indian diaspora and UK businesses in India have played a critical role in lobby for relaxation of FDI regulations in key industry sectors to enable increased investment (PWC, 2017).

There is a strong presence of Indian and UK-British Indian and British PIO-led business associations in the UK. British and Indian SMEs are well-represented through their overlapping links in academic, business, trade and alumni associations.

The UKTI, CII, and other organisations host numerous conferences and delegations between the countries to explore opportunities for business partnerships in emerging growth sectors such as healthcare, infrastructure, and energy. Leading UK universities are also active in R&D collaboration with Indian industry.

Following the decision to exit from the European Union, the UK government is seeking to strengthen its strategic trade and cooperation relationship with India. It is also seeking to attract Indian SMEs to set up businesses in the country.

The UK-Indian diaspora will continue to play a powerful role in attracting Indian businesses and investment to UK and lobbying for easier movement of skilled professionals between the two countries (Ahmed, 2015; The Economic Times, 2016; Karnik 2016).
7. THE INDIAN DIASPORA IN AUSTRALIA

The following profile of the Indian diaspora in Australia is based on ABS Census data. The Indian diaspora includes immigrants and citizens that were born in India and people of Indian ancestry from countries other than India. Together, they numbered 675,630 or 2.8% of Australia’s total population in 2016. The India-born population constitutes 455,389 or 1.9% of the country’s total population (Figure 1). The top three largest overseas-born migrant communities are from UK/England, New Zealand, and China (Figure 2). The India-born are the fourth largest, and one of the fastest growing, migrant community in Australia (ABS, 2017).

Figure 1


Data Source: ABS

Figure 2

Top 4 Countries of birth for overseas-born residents (2016)

Data Source: ABS
The largest concentrations of the India-born diaspora are in Victoria, New South Wales, and Queensland, with the majority living in the Melbourne, Sydney, and Brisbane metropolitan areas (Figure 3).

**Figure 3**

India-born population by state (2016)

Data Source: ABS

Within the India-born population in Australia, approximately 48% are Australian citizens. The remaining 52% non-citizens are residents on various visa categories and sub-classes. Students form one-third of the India-born, non-citizen resident population (Figure 4).

**Figure 4**

India-born Population by Residency Status (2016)

Data Source: ABS
The India-born community is among the highest educated ethnic groups in Australia. Nearly 80% have high proficiency in English. Around 58% hold a bachelor’s degree or higher qualification, compared to 22% of the total Australian population (ABS QuickStats, 2016). More than 11% of India-born hold a diploma or advanced diploma, compared to around 9% of total Australian population.

The largest numbers of India-born are in the age ranges 25-34 years and 35-44 years, and part of the working age population contributing to the Australian economy (Figure 5). There are more men (54%) than women (46%), and 76% are married. More than half of all primary visa holders are men; women are the majority of secondary visa holders.

Figure 5

Age distribution of India-born versus Australian-born populations (2016)

Data Source: ABS

Around 88% of the working age, India-born population are employed, with 61% in full-time work and 27% in part-time work. Unemployment for the India-born working age population is 8%, which is 2 points higher than for the total Australian population. This difference is due to poorer employment outcomes for spouses and partners of primary applicants of Skill or Provisional visas (ABS, 2016).

The personal, family, and household median incomes of the India-born group is higher than other Overseas-born, Australian-born, and total Australian populations. India-born migrants were the second highest proportion of tax payers after UK-born migrants. They generated $7.9bn in 2011-2012 and $11.9bn in 2013-2014 of total income in the Australian economy.

About 30% of India-born employees are in food and accommodation services, retail and wholesale trade, and transport services; roughly 10% work in manufacturing, agriculture and construction sectors. More than 50% are employed in professional, managerial, administrative, and technical service occupations. The main industry categories for India-born employees are IT systems design and enabled services, accountancy, medicine and health services (Figure 7).

Most Indian migrant businesses are SMEs. Transport, postal and warehousing sector businesses have grown substantially between 2006 and 2016, followed by professional and technical services, health care and social assistance, and other service sector categories. Indian-owned businesses in agriculture, manufacturing, construction and real estate, although proportionally small, have increased over the past decade (Figure 7).
Immigration trends from India to Australia

Australia and India have an history of migration extending back to the 19th century under British colonial rule. However, migration reduced following federation, when the Immigration Restriction Act of 1901 effectively established the White Australia Policy. Immigration from India resumed in late 1960s and early 1970s after dismantling of the White Australia Policy.

Indian immigrants in the 1960s and 1970s were mainly highly-qualified professionals in well-paying jobs in medicine, engineering and business. Many who came on Colombo Plan scholarships to study in Australian universities subsequently returned to settle in Australia and pursued successful careers.

During 1980s and 1990s, Indian engineers and IT specialists arrived under the skilled-migrant program and settled to pursue careers in the country’s emerging knowledge-based economy (Voight-Graf C. & Siew-Ean Khoo, 2004). These numbers grew steadily until the mid-2000s. Skilled migration and education-related migration from India increased dramatically between 2006 and 2016, more than doubling the numbers of the India-born population (ABS 2016).

Education-related migration from India

From 2000 onwards, vigorous marketing of Australian tertiary and VET sector education in India attracted large numbers of students. There was a sharp decline between 2009 and 2012 due to a
combination of factors that included high exchange rates for the Australian dollar and violence against Indian students in a few major cities. There has been strong recovery in university enrolments from 2013 onwards, but enrolments in VET courses have been relatively flat (Figure 8).

Figure 8

Trends in Indian student enrolments in Australian Higher Education and VET courses (2002-2016)

Data Source: ABS

Indian students form the second largest international cohort (15%) in Australian universities, following students from China (34%). The majority are enrolled in master’s coursework degrees. The top four preferred fields of higher education for Indian students are: Management and Commerce (48%), IT (24%), Engineering and Related Technologies (11%), and Health (6%) (Figures 9AB).
In contrast to the university sector, there are proportionally more Indian students in the VET sector (15%) than Chinese students (7%). The majority are enrolled in diploma courses in Management and Commerce (49%), Food, Hospitality and Personal Services (31%), Engineering and Related Technologies (9%), and IT (3%) (Figure 10AB).
Indian student enrolments in VET by broad fields of education

Indian student enrolments in VET by level of study

Data Source: ABS
**The role of Indian diaspora in bilateral trade and investment**

Although the numbers of migrants from India have been rising since 2001, the most significant growth has occurred between 2006 and 2016. This makes the Indian diaspora in Australia a relatively younger community compared to the UK, Canada, Singapore and the USA.

Diaspora remittances from Australia to India in 2015 amounted to $1,796,000 (Pew, 2015). There is no noticeable correlation between the overall growth in trade with India and increase in migrants from 2006 to 2016 (Figure 11). There also appears to be no direct relationship between Australia’s major exports to India and the industry categories in which Indian migrants have been employed during this period (see Figure 7). Australia’s exports of goods and services to India fluctuated during this decade, rising from $10.3bn in 2006 to $19.5bn in 2010, declining to $11.3bn in 2014, then rising again to $14.6bn in 2016. Merchandise exports comprised 80% and included primary goods such as coal, minerals, vegetables, cotton and a small share of ‘simply transformed’ and ‘elaborately transformed’ manufactured goods (Austrade, 2017).

**Figure 11**

*Changes in bilateral trade and investment and Indian-Australian diaspora population*

Data Sources: ABS and Austrade
Service exports formed the remaining 20%, three-fourths of which came under ‘education-related travel’, followed by tourism (Austrade, 2017). There is a clear relationship between Australia’s exports to India and the enrolment of Indian students in Australian higher education and VET institutions (Figure 12).

Figure 12

Changes in Indian student enrolments in higher education and VET and Australia’s export trade to India

Data Sources: ABS and Austrade

India’s exports of goods and services to Australia have risen steadily from $1.7 billion in 2006 to $6.1 billion in 2016 (see Figure 11). Around 70% of these are goods such as refined petroleum, jewellery, gemstones, and medications. The remaining 30% comprise services, of which ‘professional, technical and other business’ make up one-third. This services export category most likely correlates with the rising numbers of Indian migrant employees and entrepreneurs, particularly between 2011 and 2016, categorised under professional, scientific, and technical services (see Figure 7; mostly in IT and business solutions).

Indian investments in Australia have risen from $609m to $13.52bn between 2006 and 2016, but FDI has been very limited, ranging between $1.3bn in 2012 and $0.9bn in 2016. More than 75% of Indian FDI is in coal, oil, gas, and alternative/renewable energy. The remaining proportion is invested across a wide range of sectors including software and IT services; communication; financial and business services; automotive industries; transportation, and biotechnology. Australian investments in India show a similar pattern, growing from $2.4bn to $10.3bn between 2006 and 2016. Australian FDI in India is also small and limited to financial services, coal, gas, and metals (ATIC, 2017).

Indian diaspora organisations for promoting bilateral trade and investment

The Australia-India bilateral relationship at the high-level government and corporate levels has grown over the past decade, as Australia has recognised India’s strategic importance for regional security and trade opportunity. There are several institutional mechanisms to promote annual interactions at high levels of government and business such as dialogues, committees, forums, and delegations centred on trade, defence, civil nuclear cooperation, science and technology, energy, resources and
environment, and education. A few people-to-people exchanges also take place annually through the Australia-India Leadership Dialogue and the Australia India Youth Dialogue.

There are two key Indian-Australian business organisations, the Australia-India Business Council (AIBC) and the Indo-Australian Chamber of Commerce (IACC), both founded in 1986, which aim to facilitate commerce and trade between Australia and India.

The AIBC is an Australian-based national body with chapters in major Australian cities. Its membership is largely made up of diaspora professionals employed in multinationals or large corporations and small business owners. Its stated mission is to foster bilateral trade and create networking opportunities for members seeking to establish businesses in either country (AIBC, 2016). AIBC chapters host roundtables, networking events and conferences for its members in Australia. It sends its representatives on large business delegations to India and helps host Indian business delegations in Australia.

The IACC was the vision of Prime Minister Bob Hawke and Prime Minister Rajiv Gandhi as a springboard for expanding trade relations. The Chamber is headquartered in Chennai, India. Its membership includes over 500 SMEs and large businesses of both countries across a wide range of sectors: automobile, building and construction, food processing, agri-business, mining and energy, textiles, banking and financial services, healthcare, software and business process outsourcing, logistics, migration, tourism and entertainment (IACC, 2017).

The IACC’s role is to assist Indian and Australian companies seeking to establish businesses in each other’s countries, and to help expand bilateral business linkages, joint ventures, associations and collaborations. It works with Austrade (which set up an office in Chennai in 2006) and several Australian-based Chambers: the Perth-based Chamber of Commerce and Industry Western Australia (CCIWA), Adelaide-based Business S.A. and Melbourne-based Victoria Employers’ Chamber of Commerce and Industry (VECCI).

The IACC organises annual business missions for Indian members to Australia and vice-versa, for Australian members to India. It offers drop-in services for Australian businesses and provides support to IDP Education Australia for Indian students aiming to study in Australia. It has helped Australian SMEs such as Cookieman, Unibic, Heat & Control, Attra, Infotech, IPP Technologies and Gemcom Software to successfully set up businesses in India (IACC, 2017).

In addition to the above organisations, the India Australia Business & Community Awards (IABCA) (IABCA, 2016) was set up 2013 to showcase success stories of Indian Australian business leaders and high-achievers among the Indian diaspora community. There is the IIT Alumni Association of Australia (IIT-AAA), which has around 400 members, and is a member of the Pan-IIT Global Coordinating Council that links IIT graduates across the globe. The IIT-AAA offers networking opportunities for alumni working in various technical and professional organisations, academia, business and government across Australia and globally in advanced technology sectors.

The Confederation of Indian Industry (CII) has an international office in Melbourne to help facilitate direct links between emerging businesses in key growth industries in both countries (CII, 2017). (CII, 2017). FICCI maintains a similar presence in Sydney.

**Highlights of the Indian-Australian diaspora**
The India-born community has grown substantially in the past decade and constitutes almost 2% percent of Australia’s total population. Together with persons of Indian ancestry born in Australia and in other countries, the Indian diaspora comprises 3 percent of the country’s population.
Despite being of relatively recent vintage compared to the diaspora communities in UK, USA, Singapore and Canada, the Indian community in Australia has shown similar entrepreneurial spirit and capacity to contribute to the country’s economy. The India-born migrants were the second highest proportion (after UK-born) of overseas-born tax payers, generating close to $12bn income for the country’s economy.

A majority of recent India-born migrants in Australia are employed in professional, managerial, administrative, and scientific and technical service occupations. Many India-born researchers have led R&D and innovation in Australia’s competitive and advanced technology sectors, and some Indian entrepreneurs have launched successful ventures and start-ups in these areas. Roughly 1 in 10 of the working age population has set up small- or medium-sized businesses across a range of sectors and generated employment.

Compared to the professional Indian diaspora in UK, USA, Canada, and Singapore, the Indian professional diaspora in Australia lacks presence and influence in higher levels of state and federal politics, policymaking, universities, large Australian corporations and peak industry bodies (Bagshaw, 2017). Their entrepreneurial ventures and contributions in Australia’s globally competitive industry sectors have not been adequately highlighted and leveraged in the Australia India relationship.

The numbers of Indian international students in postgraduate courses in Australian universities have been growing rapidly since 2014. However, most are enrolled in master’s courses in oversupplied fields (Hawthorne and To, 2014), rather than in programs focused on advanced fields, technologies, and economic sectors where Australia has a global competitive edge.

As a diaspora business organisation, the Australia India Business Council has limited presence among peak industry bodies in India and Australia. While it serves as a representative body for the Indian business diaspora and participates in bilateral trade delegations, it does not have an explicit advocacy strategy to promote diaspora presence and leadership in the key chambers of Australian commerce and industry. It has not yet developed a profile of diaspora entrepreneurship in Australia’s competitive industry sectors or coordinated with the Indo Australian Chamber of Commerce to attract Indian mid-size enterprises to invest in tie-ups in these industry sectors.

8. INDIAN DIASPORA REFLECTIONS ON EFFECTIVE BILATERAL ENGAGEMENT

Leaders of successful diaspora businesses and members and representatives of diaspora business associations were interviewed for their views on expanding trade and investment between Australia and India (See Appendix). Their responses highlighted three key features needed for achieving effective bilateral engagement: visibility, connectivity, and credibility.

Visibility
All interviewees pointed out that Australia is low on the business radar in India, and very few members of the peak business and industry associations are aware of Australia’s potential in sectors other than mining and tourism. India’s burgeoning SMEs in agriculture, manufacturing and advanced services have greater exposure and knowledge of the competitive industry sectors in USA, Canada UK, Singapore, Germany, Japan, and Korea, but know very little about Australia’s competitive edge in similar or other advanced technology sectors. They are also not aware of the sectors in which Indian Australians have achieved recognition for their innovation and entrepreneurship. The interviewees suggested that Australia’s innovative industries and research fields could gain greater visibility in India by coordinating with CII to take industry-focused delegations beyond Delhi and Mumbai to other states and regional industrial and research centres.
Many pointed out that although a large proportion of the Indians in Australia have arrived within the past decade, numerous diaspora entrepreneurs and professionals that arrived in the 1990s and early 2000s established successful businesses and forged new opportunities and competitive advantages in Australia’s leading industry sectors. They suggested that high-profile showcasing of Indian Australian expertise and successes in advanced technology and high growth sectors would increase awareness of Australia’s competitive advantages and attract greater attention of Indian industry and business investors.

Connectivity
Several people observed that the AIBC has limited capacity to help Indian Australian professionals, researchers, and diaspora businesses to create networks and form industry-specific associations that could directly link up with counterpart organisations in India. They offered as an example the role played by USIBC in assisting the Silicon Valley Indian Professionals Association forge links with CII and NASSCOM in India, and how this US-Indian diaspora network and connectivity has been so successful in generating innovation and investment opportunities in both countries.

Some expressed the need to set up industry-focused diaspora reference groups for highlighting opportunities for collaboration between medium-sized Indian and Australian firms to pursue R&D in product innovation and development not solely for each other’s markets, but for markets in other countries in the Indo-Pacific region. They suggested that each industry reference group could be made up of a few high-level executives of diaspora businesses, a high-level representative from the relevant government department, an industry body representative, and diaspora academic researchers. Such an industry reference group could connect with similar central or state-level industry reference groups in India and showcase Australia’s competitive advantages and diaspora talent in leading industry sectors. The reference groups could advise Indian investors and businesses about Australian businesses that could potentially partner with them for product development, R&D, or extending their market reach.

A few people commented that a large proportion of the Indian international students at Australian universities were enrolled in master’s courses that offered very limited opportunities for employment in Australia’s competitive industry sectors. They suggested that diaspora business associations and industry reference groups could develop networks with diaspora professionals and companies to mentor students and create internship opportunities in these sectors. They pointed out that IIT Alumni Associations and global Indian diaspora organisations like TiE could help mentor students and mobilise person-to-person connections in both countries. They could encourage graduates to pursue innovative ideas for start-ups in cutting edge technologies and leading sectors and link them to Indian diaspora angel investors for funding their ventures.

Credibility
Many interviewees observed that the Austrade’s labelling of India as a difficult place to do business essentially signalled an unwillingness on the government’s part to commit effort or resources towards understanding India’s regional and cultural diversity and helping Australian businesses build successful relationships with their Indian counterparts. They pointed out that launching and running a business is not easy in one’s own country, leave alone others. They noted that Indian business people do not assume they can go to other countries and set up companies without investing time and effort to build local networks and understand the political and cultural nuances of doing business in these places.

All interviewees underscored the need for Australian companies seeking partnerships with Indian companies to learn about the diversity of business cultures across India and build proficiency in Hindi or other major Indian languages. (This point has also been emphasised in the AIBS 2015 findings).
They pointed out that while English is one of India's official languages, less than 10% of its population speaks Indian English fluently, and even fewer speak 'International Business' English. They observed that Australian companies also consider China and Indonesia as difficult markets but recognise that to be successful they need to learn some Mandarin Chinese and Bahasa to work with interpreters and build trust with their local partners.

Some people mentioned that several Indian multinationals and medium-sized Indian companies seeking to internationalise their activities have established their presence in Australia in the past decade. They have invested in Australia's economy and learned how to do business with Australian clients and partners. Some of the large Indian companies are already well-established in North America and Europe and have entered Australia to establish a strategic presence in the Asia-Pacific region. Other mid-sized Indian companies do not have a presence in these large markets and see Australia as a valuable staging post for expanding their businesses to these markets and across countries in the Asia-Pacific region.

The interviewees offered examples of successful Indian diaspora companies in Australia and Australian companies that have succeeded in India. Some of these examples are summarised here.

**INDIAN DIASPORA COMPANIES IN AUSTRALIA**

**Dairy Industry: Longwarry Food Park in Gippsland, South-East Victoria**

Rakesh Aggarwal obtained his engineering degree from IIT-BHU and worked for several large private and public-sector companies in India and Saudi Arabia. He migrated with his family to Australia in 1992 and took up an engineering position at Bonlac, a dairy company in Gippsland. In 1997, he decided to start his own engineering consultancy company, Saurin, specializing in equipment manufacture for the food and dairy processing industry. In 2001, When Bonlac decided to sell the Longwarry milk powder plant, Rakesh decided to put in a bid. None of the major banks were willing to finance him. He managed to raise the necessary capital by investing his savings and borrowing $100,000 from family and friends to start the business.

With business support from VECCI and grants offered by the Victorian government, Rakesh revamped the old plant into a state-of-the-art, green technology park, reducing energy use by 30% and water use by about 50%. Within its first year of operation, Longwarry Food Park achieved sales of $17m. The global financial crisis led to a downturn in sales, but he managed to ride it through with support from his bank. Rakesh's son Saurabh, a former investment banker, joined his father to help diversify the business from milk powder manufacturing to include production of fresh milk, long-life UHT milk, and cream cheese for domestic and global markets. Sales multiplied but experienced a short downturn when the plant was shut for repairs following a fire but recovered quickly after production resumed.

Agarwal sold a highly profitable Longwarry Food Park to the global company Parmalat in November 2017. He maintains Saurin, his engineering firm, and is currently helping his son set up a milk powder plant in India.

**Health Care Education and Training Industry: HCI Australia**

Founding Managing Director, Mr. Bijo Kunnumpurath established Health Careers International (HCI) in 2007 and has trained over 5,000 students through IHNA, its RTO division. His experience in diverse health-related fields in India, Brunei, Malaysia and Australia spurred him to set up the MWT Education Consultancy to provide training for nurses.
Bijo launched the Health Careers Institute in 2011 with the aim of providing world-class nursing education and training in Australia and improving the overall standards of nursing in India. Today, HCI is a corporate group with 7 subsidiary companies that deliver allied health services education through international partnerships and campuses in Melbourne, Sydney, and Perth.

The Institute of Health and Management (IHM) specializes in the provision of post-graduate higher education courses in nursing and nursing specializations. Its HCI Learning Hub platform supports online learning for healthcare students globally. Healthcare Staffing Solutions (HSS), its placement arm, partners with hospitals and healthcare institutions to provide on-the-job training and opens career pathways for qualified healthcare practitioners. In working across healthcare – from education to employment – the HCI Group has become a reputed global provider of healthcare education and research. In 2016, its Institute of Health and Nursing Australia (IHNA) was a finalist for the Victorian Training Provider of the Year Award.

**Film and Communication Industry: Mind Blowing Films**

Mitu Bhowmick Lange moved to Australia after having worked with leading production houses in the Bombay film industry. Finding it difficult to break into the Australian film and television industry, she set up her own film production and distribution company. She began by launching the annual Indian Film Festival of Melbourne, screening popular and critically acclaimed Indian films, and bringing well-known actors and directors to speak at the festival. She succeeded in convincing one of Bollywood’s leading film producers to shoot an entire Hindi film in Australia with her team of Australian and Australian-Indian cast and technicians. The film ‘Salaam Namaste’ was a hit with Indian and Indian diaspora audiences and brought in a wave of tourism from India. Several more Indian movies were shot in Australia with Mind Blowing Films, including 13 episodes of India’s long-running, popular TV serial *Kahani Ghar Ghar Kii* (like the Australian TV soap opera *Neighbours*).

Mind Blowing Films produces numerous TV commercials with international cricketeers for the Indian market. Mitu is producing a four-part series called ‘New India’. The first part, ‘Spice Girls of India’, has been selected for the Feminist Film Festival of London. She is also the official representative and curator of Australian and New Zealand films in the International Film Festival of India held annually in Goa.

**Agribusiness: Riverina Oils & BioEnergy (ROBE)**

Dhruv Saxena was born in India, studied in the USA, and completed his engineering degree at IIT Kanpur. He worked for multinational corporations such as Unilever and headed a US$ 1 billion company owned by the Indonesian conglomerate, Bakrie Group.

Dhruv started his own entrepreneurial career in Bangalore-based company called UNIBIC biscuits that produced individually-wrapped Anzac biscuits for international airline companies flying to Australia. Following frequent work visits, Saxena decided to make Australia his home. He became an Australian permanent resident in 1990s, and ventured into ‘soft oils’ canola, soybean and sunflower.

When none of the major Australian banks were willing to lend him money, Saxena invested his savings and succeeded in obtaining loans from two Indian banks and financing from Indian and Chinese investors and US venture capital funds to start up ROBE. The regulatory barriers for setting up the plant were long-drawn. The approval process took more than 3 years, blowing out costs by almost 50%. ROBE has a fully integrated oilseed crushing and refining plant in Wagga Wagga that processes over 165,000 tonnes of oilseed a year. Since beginning production, ROBE has been the largest value-added investments in the agri-food processing sector in regional Australia.
ROBE exports to India, Korea, Malaysia, New Zealand, and USA, and is expanding its export markets to Japan and the Middle East. Dhruv Saxena won the IABCA’s 2015 Indian Australian Ambassador of the Year Award, the Asia Pacific Entrepreneur of the Year Award in 2016, and the Indian Investment in Australian Market Award in 2017 for developing business opportunities between India and Australia.

AUSTRALIAN-INDIAN DIASPORA COMPANIES WITH BUSINESS OPERATIONS IN INDIA

Business Solutions and ITES industry: IPP Technologies
IPP is an Indian diaspora company established in 1993 in Australia and now one of Australia’s leading IT Services and Solution Providers. IPP provides custom built business centric technology solutions through collaborative partnerships with industry. It works for Government Ministries, Corporate and Private Sector, Banking and Insurance, Education and Universities as well as Philanthropy and Social Organisations providing integrated multiple IT systems that cater to different functions, departments and stages in product lifecycles.

IPP Technologies established a Centre of Excellence in 2007 in Hyderabad, India, and BPO and call centre operations in the Philippines and Middle East in 2008.

Fintech industry: Attra Infotech
Attra provides a range of IT services focussing on banking, finance and payments industry covering mobility and business intelligence across the sector predominantly in areas of cards and payments, switching, fraud and risk, core financials, leasing and lending. Its main offices in Australia are in Surrey Hills, NSW, and Victoria. It has set up branch offices in Pune, Bangalore and Hyderabad in India.

Attra has a team of over 1500 professionals that provide solutions to multinational banks, financial institutions and third-party payment processors. Attra services 19 countries and 5 continents through its presence in USA, Canada, UK, UAE, Singapore and Poland.

Fruit industry: The Oz Group Driscoll blueberries
Coffs Harbour, once famous for bananas, is today responsible for 80% of blueberry production in Australia. The Oz Group was founded in 2001 as a small partnership by a few Punjabi Sikh Australian farmers. The Sidhu family that migrated in 1981 from Punjab in India founded the partnership, which later expanded into a Cooperative. The covers 700 hectares of blueberry bushes, with production of 3,300 tonnes in 2016-17 and a turnover around $85m. It sorts, packs, chills, distributes and markets blueberries locally and globally. The Cooperative began exporting to Hong Kong, Singapore and the Middle East and has since expanded into new markets in Canada and India. In addition to automated packaging, the Oz Group employs more than 100 packers and overall over 3000 pickers annually.

A critical success factor is the Oz Group’s relationship with its marketing partner, Driscoll, which sells the Cooperative’s blueberries to local and international supermarkets local. It has recently expanded its marketing to Chennai and Delhi with the assistance of Austrade.

AUSTRALIAN COMPANIES IN INDIA

Food industry: Cookie Man
Cookie Man was founded by Kevin Hicks who started his business selling his Grandma’s fresh-baked cookies door-to-door. His first store opened in the Myer Department Store in Melbourne in 1958 and
became a successful franchise soon after. The Cookie Man launched its cookies in India in January 2000 through Australian Foods Pvt Ltd.

Australian Foods developed an efficient and successful franchising model and partnership to rapidly expand its operations in India. Cookie Man now operates 60 outlets in 28 major cities across the length and breadth of the country, providing more than 50 cookie varieties including the famous Anzac cookie.

**Equipment manufacturing industry: Heat & Control**

H&C was established in San Francisco, USA in 1950, and is one of the global leaders in equipment manufacture, processing and packaging solutions for food and non-food industries. It provides equipment but also engineering and applications assistance, project management, installation and training plus service and support staff at all its plants. It has manufacturing centres in the US, Mexico, China, Australia and South Africa to cover all territories and customers. India represents a huge market for its products, and the Brisbane manufacturing centre has set up a manufacturing and export unit in Chennai.

**INDIAN COMPANIES IN AUSTRALIA**

**Pharmaceutical industry: CIPLA**

In 2013, CIPLA, one of India’s giant pharmaceutical manufacturers, opened its Melbourne headquarters, a first regional office outside of India. Cipla established its Asia-Pacific headquarters in Melbourne to build partnerships with leading research and development facilities and expertise in stem cell, infectious diseases, cancer, neuroscience and agricultural biotechnology. It also aims to expand its services in Australia’s health and pharmaceutical sectors and build its customer base and markets for future products.

**Alternative Energy industry: Suzlon Group**

The Suzlon Group is one of India’s largest renewable energy solutions provider with its world headquarters in Pune, India. It has built a consolidated presence in 18 countries and has a global footprint across Asia, Australia, Europe, Africa, North and South America. Suzlon’s global wind installations have helped reduce 21m tonnes of CO₂ emissions every year. It has 15 manufacturing facilities across India and China (JV) and other countries.

Suzlon Energy Australia (SEA) was established in 2004 and commenced its operations with two employees. It now employs over 350 people in Australia. In 2005, Suzlon secured its first deal Hallett with AGL. Today, SEA covers 25% of the Australian wind-energy market and provides world class expertise from its Monitoring Centre in Australia. SEA has installed 362 units of wind turbines and several larger prototypes, making it a leader in wind-farm construction and sustainable renewable energy in Australia.

**Management Education: S P Jain School of Global Management**

The DCW business group of Sahu Jain family and Dalmia Group started from small beginnings setting up India’s first soda ash factory in 1925 in the regional town of Dhrangadhra in Gujarat. In 1939, the company became the Dhrangadhra Chemical Works (DCW), and by 1965, DCW expanded to a group of twelve companies. The DCW group ventured into education outside of India by setting up a world-class business school campus in Dubai in 2004. In the following year, the Singapore Government invited the group to establish a campus in Singapore. After setting up the Singapore campus, SP Jain launched its third campus in Sydney in 2012, and then in 2015, set up its Mumbai CBD campus. The SP Jain School of Global Management offers undergraduate, graduate and post-graduate business courses with educational learning experiences and student mobility across its four campuses.
**Agriculture and Irrigation Engineering: NaanDan Jain Irrigation Ltd**

Jain Irrigation is a multinational company founded in the regional town of Jalgaon in Maharashtra, India, with offices in Mumbai, USA, UK, Turkey, Peru, Spain, and Italy. It is one of the largest manufacturers of all drip irrigation components for the agriculture sector. It established its subsidiary NaanDan Jain Australia (NDJA), in Dandenong, Victoria in 2004 to cover the Australasian market. NDJA provides total solutions for irrigation including design, filtration, control valves and importantly, high quality subsurface drip for orchard and field applications.

9. **RECOMMENDATIONS FOR A DIASPORA STRATEGY**

The case studies of Indian diaspora in the USA, Singapore, Canada and the UK highlight four key variables that have contributed to their remarkable success in these countries and in building long-term and robust bilateral trade and investment relationships. These are:

1) Instituting skilled immigration categories for attracting highly talented professionals to work in new and competitive frontiers of technology and innovation;

2) Attracting talented and highly competitive graduates from top-level Indian higher education institutions with scholarships and other incentives linked to career advancement and entrepreneurship opportunities in such sectors;

3) Building and leveraging diaspora networks and institutional linkages with business-to-business organisations for growing inward FDI and expanding trade with India; and

4) Enabling SMEs to partner with Indian SMEs for expanding into regional or third country markets.

With these four variables at play, Indian diaspora organisations in these countries have evolved and reconfigured in new ways to take advantage of shifts in global economic activity, new technologies and knowledge frontiers to benefit both their countries of residence and origin. They have succeeded in bringing diverse diaspora stakeholders from business, government, academia, and politics to establish industry-focused groups and work with their counterparts in India. These efforts have been strengthened further by involving high-level Indian diaspora leaders in politics, business and R&D in competitive industry sectors in consultations between industry groups and associations, trade delegations and bilateral dialogues. By working primarily with their Indian diaspora leaders and organisations, these countries have gained greater visibility and credibility in India and built deep and resilient relations of trust as the basis for expanding bilateral trade and investment.

The Indian diaspora in Australia is relatively young compared to its counterparts in the UK, Canada, Singapore and the USA. Nevertheless, the growth of Indian businesses within the past decade in Australia demonstrates the entrepreneurial spirit and capacity to exploit new opportunities and to leverage their personal and business networks to succeed. The Australian-Indian professional diaspora is highly qualified and active in all leading industry sectors and R&D. In 2013-2014, India-born migrants were the second highest proportion of overseas-born taxpayers (after UK-born migrants) and contributed nearly $12bn to the Australian economy. There is every likelihood that new economic data will show much larger tax contributions of the India-born diaspora.
Australia’s relationship with India has strengthened considerably over the past two decades and is partly reflected in the large flows of skilled migrants and international Indian students to Australia over ten years to the present. Bilateral trade and investment, however, has not yet achieved its potential due to weak visibility of Australia’s competitive growth sectors in India; limited connectivity to Indian business networks and between Indian diaspora business organisations; and lack of Indian diaspora leadership in establishing Australia’s credibility for attracting Indian FDI and forging SME partnerships in key growth sectors.

The short answer to the two questions that have guided this study is that there needs to be a significant paradigm shift in Australian perspectives towards the Indian diaspora.

To answer the first question, if the Indian diaspora in Australia is to be mobilised as an asset for building deeper bilateral trade and investment relations with India, then it must be physically presented in India as such.

- The Indian diaspora must become the face representing Australia’s global competitiveness, its excellence in cutting-edge R&D in frontier technologies, and innovative industries in India.
- CEOs of successful Indian diaspora businesses, Indian diaspora professionals in high-level executive positions in Australian companies, and leading Indian diaspora researchers at Australian universities need to be present with government officials and ministers in the bilateral dialogues, delegations, and B2B engagement between India and Australia.
- There need to be more diaspora-led industry-focused delegations that travel beyond Delhi and Mumbai to establish connections with states that are seeking FDI to grow their economies, SMEs that are interested in internationalising their activities and partnerships for growing their markets; and regional R&D institutions and universities that are looking for collaborations to develop new technologies and products for solving India’s grand challenges.
- There needs to be clearer signalling and alignment of highly desirable skilled migration for growing Australia’s globally competitive industry sectors and opportunities for highly talented Indian students to receive scholarships to study in these competitive fields at Australian universities.

To answer the second question, the Indian diaspora business organisations in Australia need to be reorganised and repurposed under a new architecture to build dynamic, productive and resilient bilateral economic relations with India.

- There needs to be an overarching Indian Australian Confederation of Industry which functions as the platform for diaspora linkage and interaction with Australian industry bodies such as ACCI and AIG and Indian industry bodies such as CII and FICCI.
- Establish an India-based and Indian diaspora-led organisation modelled along the lines of the Indo-Canadian Business Chamber (see Canada ICBC case study for details). Such an organisation would set up regional councils and industry-focused Advisory Groups that include Indian diaspora representatives of Australian companies, Indian Australian SMEs, Australian universities, Indian industry bodies, leading Indian companies, and Austrade.
- Set up an innovative academic consortium approach, modelled in the spirit of establishing the early IITs, to build research and teaching relationships between Australian and young and dynamic Indian universities and leading higher education and research institutions. These would focus on interdisciplinary areas aligned with Australia and India’s competitive industry sectors, promote and support exchange of teaching staff, scholarships for talented Indian and
Australian students to pursue postgraduate coursework programs, and build research excellence.

- Set up collaborative centres of business excellence with CII in important areas where Australia can demonstrate leadership and competitive advantage such as:
  - Women Entrepreneurship and innovation
  - Creative Industries
  - Sport-related industries
  - Warehousing and Logistics

- Expand teaching of India-focused courses and Hindi and major Indian languages in Australian universities and TAFEs.

- Conduct an Indian diaspora industry and research mapping exercise, along the lines of the Science and Technology mapping project of the Shastri Indo Canadian Institute, in collaboration with university partners, diaspora alumni associations and business organisations. Such a database would maintain a common platform/hub for an updated Indian diaspora profile, R&D expertise, industry-focused professional association memberships and businesses.
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Appendix I

Australia case study

Diaspora interviews conducted in Melbourne
1. Confederation of Indian Industries in Australia
2. VicInvest: Trade links from Bangalore to Melbourne
3. Businessman IT sector, links to companies in India
4. Businessman Energy sector, links to export of minerals to India
5. SME entrepreneur property, sales and lease managements plus links to property investment in India
6. SME education pathways entrepreneur: offices in Melbourne plus in various cities in India plus neighbouring countries
7. Dairy sector Australia
8. Food technology Sector Australia

Exchange of emails with diaspora entrepreneurs travelling overseas
9. University sector Australia
10. Health sector Australia-India
11. IIT/IIAM groups