

41ST PARLIAMENT



Economics and Industry Standing Committee

Report 1

TURNING TO INDIA: INVESTING IN OUR FUTURE

*The findings and recommendations of Report No. 10 of the  
Economics and Industry Standing Committee in the 40th Parliament*

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Presented by  
Hon P.C. Tinley, MLA

June 2021

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## **Economics and Industry Standing Committee**

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# **Turning to India: Investing in our future**

The findings and recommendations of Report No. 10  
of the Economics and Industry Standing Committee in  
the 40<sup>th</sup> Parliament

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Report No. 1

Presented by

**Hon P.C. Tinley, MLA**

Laid on the Table of the Legislative Assembly on 17 June 2021



## Chair's Foreword

The report of the Economics and Industry Standing Committee in the 40<sup>th</sup> Parliament, *Turning to India: Investing in our future*, was laid on the Table of the Legislative Assembly on 19 November 2020. The report makes 124 findings and 37 recommendations to the Western Australian state government.

Details of the inquiry and the full report can be found on the previous committee's inquiry webpage.<sup>1</sup>

Due to the prorogation of the Parliament on 7 December 2020, the previous government did not have the opportunity to respond to the recommendations of the report. Given the importance of these recommendations, the current committee resolved to bring them to the new government's attention by tabling them in the 41<sup>st</sup> Parliament.

The report includes recommendations regarding:

- The contents of the (then) anticipated India Market Plan.
- Developing an Indian diaspora engagement strategy or plan, which could be part of the India Market Plan, to leverage the underused potential of the sizable Indian diaspora in Western Australia to grow the economic relationship.
- Initiatives to grow the economic relationship relating to each of the above noted sectors, and all sectors.

As noted by the previous Chair, Jessica Shaw MLA, in her foreword to the report, it is timely to consider where the state's economic future lies, and the steps Western Australia can take to leverage its unique position as we move through economic recovery following the COVID-19 pandemic. The previous Chair points out that the pandemic crystallised the importance of the state's economic relationship with India, as well as the need to diversify our industries and markets. The report makes it clear that India should receive prime focus when consideration is given to diversification and harnessing innovation potential and existing economic advantages.

The report also highlights the fact that the WA-India trade dynamic is different to those of other trading partners—the state government must pursue India with a bespoke, proactive, and long term engagement strategy in order to grow this economic relationship.

The report covers the complementary sectors in this relationship—including international education, tourism, minerals (including lithium), energy, renewable energy, mining and energy equipment, technology and services, and agribusiness and agriservices. It provides an overview of each sector's challenges, potential and opportunities in India.

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1 Economics and Industry Standing Committee (2017-2021), *Inquiry into Western Australia's economic relationship with the Republic of India*, <<https://www.parliament.wa.gov.au/Parliament/commit.nsf/PastEvidenceOnly/37574DC67EB34F8748258457000E36A6?opendocument#Details>>.

Given the difficulty in undertaking international travel just now, the advice of the previous committee, expressed in findings 123 and 124 of the report, is apt:

... there has never been a more important time to engage the Indian diaspora to reinforce relationships between our nations, maintain formal and informal pathways to market, understand opportunities for re-engagement and gather market intelligence. [...] The State Government should ensure that the development and implementation of its India Market Plan leverages the considerable capacity in the Indian diaspora and research community.

[...] The 'pause' in global trade offers opportunity to train and build business and government capacity in readiness for reopening. In addition to the work underway to develop the India Market Plan, now is an ideal time to roll-out initiatives aimed at improving business capability and increasing India literacy.

The current committee recognises the hardship presently faced by the Indian people due to COVID-19. We commend the actions of the state government in allocating \$2 million in relief funding to support those directly impacted by the COVID-19 crisis in India.

A handwritten signature in blue ink, appearing to read "P.C. Tinley". The signature is stylized and cursive, with a long horizontal line extending from the end.

HON P.C. TINLEY, MLA  
CHAIR

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## **Ministerial response**

In accordance with Standing Order 277(1) of the Standing Orders of the Legislative Assembly, the Economics and Industry Standing Committee directs that the Speaker of the Legislative Assembly; Premier; Minister for State Development, Jobs and Trade; Minister for Tourism; Minister for Small Business; Minister for Mines and Petroleum, Energy; Minister for Local Government; Parliamentary Secretary to the Minister for Education and Training; Parliamentary Secretary to the Minister for Regional Development, Agriculture and Food; report to the Assembly as to the action, if any, proposed to be taken by the government with respect to the recommendations of the committee.



**Findings and recommendations  
of the report tabled in the 40<sup>th</sup> Parliament**

***Turning to India: Investing in our future***

***Inquiry into Western Australia's economic relationship with the Republic of India***

**Chapter 2 – The opportunity of India**

**Finding 1**

Western Australia must diversify its trade base to ensure the future prosperity of the State:

- across export markets;
- across export sectors, beyond mineral and energy commodities;
- within sectors, including by expanding the products or services offered within one sector; and
- across foreign investment markets, beyond the United States, Western Europe, Japan and China.

India is an important market for economic diversification.

**Finding 2**

Currently, Western Australia enjoys a mutually beneficial and productive relationship with the People's Republic of China. Half of Western Australia's exports are bound for that market. Half of Western Australia's exports are in one commodity (iron ore). Diversifying export markets and sectors spreads risk.

The State Government has acknowledged the need to broaden Western Australia's range of partners and sectors in its economic development policy *Diversify WA: Strong Economy, Creating Jobs, Diverse Industries*.

**Finding 3**

In 1991, India began opening its economy to the world. Since then, liberalising reforms have seen the economy transform from a protectionist economy with slow growth to the world's fifth largest economy measured by gross domestic product. India is projected to have the third largest economy in the world by 2035.

**Finding 4**

The scale of India's economy is extraordinary. In 2019, India's gross domestic product (GDP) was US\$3 trillion. Prior to the outbreak of the COVID-19 pandemic, India's GDP was predicted to grow an average of at least six per cent each year over the next 20 years.

India's trajectory of liberalisation, trade openness, investment, and its aspirations to upskill its people generate a range of economic opportunities for Western Australia in the short, medium and long term. India's young population, urbanisation and growing middle class will continue to demand goods and services that Western Australia can supply.

**Finding 5**

Western Australia does not have a diverse or advanced economic relationship with India. Resource commodities account for the majority of merchandise exports, and the value of merchandise exports has declined by around 75 per cent in the last 10 years, mainly due to a decline in gold exports.

In 2019, the main commodity exports were petroleum, alumina and gold, and there was an annual decline of between 44 and 63 per cent in the value of these exports.

**Finding 6**

There is considerable potential for Western Australia to grow service exports to India, particularly in international education and tourism, and to export consulting and advisory services in mining, energy, renewable energy, and agriculture, among other sectors.

**Finding 7**

Measuring exports in their dollar value, and not in terms of jobs created, does not reflect the true value of service exports, including international education and tourism, to the Western Australian economy.

**Finding 8**

Narrow approaches to export valuation may cause policy makers to ignore important broader, but less quantifiable, factors in the development of trade initiatives, such as indirect jobs generation, establishing strategic relationships, and cultural links.

**Finding 9**

The Asialink Business, PwC Australia, and ANZ Banking Group publication *Australia's Jobs Future* advocates for a trade and value-added approach to measure the true value of exports, where the value of the exported product and the value of services embodied in its production are assessed. Measuring trade in value-added terms enables a better understanding of which industries generate the greatest returns from trade.

*Australia's Jobs Future* also argues that the value of the sales of Australian subsidiaries offshore should be taken into account when assessing the total value of trade to a country.

**Finding 10**

The services sector, particularly international education and tourism, is disproportionately affected by the COVID-19 pandemic.

**Finding 11**

Increased economic activity in one sector often increases activity in other sectors. This is particularly evident in the international education section, where onshore students increase tourism and people-to-people linkages between Western Australia and India.

**Finding 12**

There is a common misunderstanding that Western Australia's trade relationship with India will follow the same development pathway as the trade relationships with partners such as China, Japan and Korea.

Western Australia's trade dynamic with India differs from its other trading relationships. This affects the nature of the trading relationship, how we trade, and what we trade. In particular:

- India's system of government is complex. The Indian Government has a limited capacity to direct the economy and the policies of its 36 sub-national governments.
- India is able to meet much of its own demand for Western Australia's major exports.
- Western Australian exports often supplement the Indian market, and demand can often be volatile.
- A range of products is likely to underpin the relationship.
- Inbound and outbound capital investment is low. Relationships often begin with foreign investment in India.
- India is a consumption and services-driven economy. Its demand for services is significant.
- India is a crowded market, and may become more crowded in the future.

Western Australia must therefore employ a different, more layered and proactive engagement strategy with India. Western Australia must pursue India.

**Chapter 3 – The role of government****Finding 13**

All levels of government—national, state and local government—must strategically invest in developing the Western Australia–India economic relationship. The Department of Jobs, Tourism, Science and Innovation must liaise with other departments and coordinate State government policy.

**Finding 14**

State-level trade policy requires long-term planning and commitment and should ideally enjoy broad-based political support. A non-partisan approach to trade policy enables successive administrations to take strategic and ambitious approaches to policy and program development and assist in the development of stronger, long-term trading ties and relationships.

**Finding 15**

The State Government, businesses and institutions should collaborate and proactively engage with Commonwealth Government strategies, resources and engagement initiatives with India to raise Western Australia's profile, improve stakeholder relationships and promote our products and services.

### **Recommendation 1**

That the State Government ensure that Western Australia maintains a strong presence at high-level Commonwealth Government events and on advisory groups and entities promoting the bilateral economic relationship. Where practicable, ministers should represent the State at significant Commonwealth-led business missions and other trade delegations to India.

### **Finding 16**

The landmark *An India Economic Strategy to 2035: Navigating from Potential to Delivery* by Peter Varghese AO (Varghese Report), published in 2018 and endorsed by the Commonwealth Government, provides a national level roadmap on how to grow the economic relationship with India, and a detailed analysis of the complementarities of the Australian and Indian economies.

The Varghese Report:

- identifies 10 sectors in which Australia has competitive advantage;
- recommends prioritising 10 of the 36 Indian states and territories; and
- includes targets for Australia to triple exports to India by 2035 (from \$14.9 billion to \$45 billion), and increase tenfold outbound investment to India (from \$10.3 billion to over \$100 billion).

### **Finding 17**

The forthcoming *Australia Economic Strategy* is the Indian Government's response to Australia's *An India Economic Strategy to 2035: Navigating from Potential to Delivery*. The Strategy is expected to stimulate additional Indian interest in developing the trading relationship with Western Australia across a range of opportunities and sectors prioritised by the State Government.

### **Recommendation 2**

That the State Government examine the findings of the Indian Government's *Australia Economic Strategy* upon its release and explore how Western Australia can be a first-mover State with the Commonwealth and Indian governments in relevant areas of implementation.

### **Finding 18**

Western Australia's economic relationship with India can grow in the absence of a bilateral trade agreement between Australia and India; however, an agreement is likely to bolster bilateral trade and investment.

Australia and India commenced negotiating the bilateral Comprehensive Economic Cooperation Agreement (CECA) in May 2011, but after nine rounds of negotiation the process stalled in September 2015. However, in June 2020, Australia and India agreed to re-engage in negotiating CECA.

**Finding 19**

It is understandable that Western Australia and other states would promote a brand identity in overseas markets to elevate their profile. However, states projecting different brands in India may confuse and dilute the message of 'Brand Australia'.

**Finding 20**

No Australian state has the capacity to penetrate the Indian market alone. A combined effort between the states is likely to yield better outcomes for all.

**Recommendation 3**

That the State Government ensure that Western Australia's trade promotion activities and 'Brand WA' complements 'Brand Australia' in the Indian market.

**Recommendation 4**

That the State Government:

- continue to partner with and leverage the resources, networks and skills of India-focused institutions, such as the Perth USAsia Centre, the Chamber of Commerce and Industry of Western Australia, the Australia India Business Council: WA Chapter, and Asialink Business;
- maximise ministerial and agency engagement with India-based organisations and institutions that are relevant to opportunities in target sectors, and support and encourage Western Australian organisations to do so; and
- consider the viability of supporting business chambers and industry institutions based in India to establish a Perth office.

**Chapter 4 – A long-term, strategic approach****Finding 21**

The State Government's economic framework, *Diversify WA: Strong Economy, Creating Jobs, Diverse Industries*, and *Western Australia's Asian Engagement Strategy 2019–2030: Our future with Asia* take a sectoral approach towards developing the economy, focusing on the following six priority sectors:

- energy;
- tourism, events and creative industries;
- international education;
- mining and mining equipment, technology and services;
- technology and advanced manufacturing; and
- primary industries.

**Finding 22**

*Western Australia's Asian Engagement Strategy 2019–2030: Our future with Asia* applies to 23 countries. Under its auspices, Market Plans are being developed for 'key markets', including India.

**Finding 23**

The *Western Australia Investment and Trade Plan 2019–20* (Investment and Trade Plan) identifies priority subsectors in India that fall within Western Australia's six priority sectors. The website of the Government of Western Australia's India office lists further 'priority industry sectors' not identified in the Investment and Trade Plan.

**Finding 24**

Launched in November 2019, Invest and Trade Western Australia (ITWA), a section of the Department of Jobs, Tourism, Science and Innovation (JTSI), will be Western Australia's 'front door' for investment and trade prospects. The State Government is in the process of building ITWA's resources to the allocated 30 full time equivalents for all markets. It is developing an online presence (portal), which is an important tool to communicate with the public and advertise events.

JTSI has established a Business Advisory Forum and International Education Advisory Group. There is no India-focused group or committee.

**Recommendation 5**

That the State Government ensure that the Invest and Trade Western Australia website provides useful, practical and accessible information relevant to the Western Australia–India economic relationship such as:

- India market intelligence including market data and market sectors reports (see findings 102 and 103);
- workshops, programs and resources to build India capability (see finding 108);
- details of awareness-raising and networking events (see recommendations 30 and 33); and
- details of upcoming and past inbound, outgoing and virtual trade missions (see recommendation 31).

**Finding 25**

The Government of Western Australia's office in India based in Mumbai plays a very important role in growing the Western Australia–India economic relationship.

**Finding 26**

The Government of Western Australia's office in India (GoWA India) employs a Commissioner and seven locally-engaged staff, including four Business Development Managers.

The Committee supports a review of GoWA India's location and the viability of establishing a second office.

It is vital that GoWA India is resourced to proactively support Western Australian and Indian businesses seeking to trade with, invest or operate in the other market.

**Finding 27**

The State Government's commitment to India should be long term. Sustained, deep relationships between people, businesses and institutions matter in India. It is vital to view India as a trusted, equal partner to Western Australia.

**Finding 28**

The State Government is developing an India Market Plan. It has indicated its intent to release an 'external outlook' which will be publicly available.

**Finding 29**

The Commonwealth and other Australian governments have set targets for the Indian market, often expressed in dollar values. Targets, or measures of success, help deliver outcomes and ensure that resources and action are focused on achieving the target.

**Finding 30**

The large and growing Indian diaspora in Western Australia is an underused resource and could greatly assist Western Australia to strengthen its trading relationship with India. Members of the diaspora should have a prominent role in bilateral relations.

**Recommendation 6**

That the State Government consider developing an Indian diaspora engagement strategy or plan, which could be part of the India Market Plan, and:

- continue to fund Indian diaspora organisations;
- host and support networking events and diaspora-focused programs oriented to business and trade development between Western Australia and India;
- ensure that members of the Indian diaspora are given a prominent role in bilateral relationships, such as participating in outgoing and incoming trade missions and other events; and
- establish an India group or committee with diaspora membership to provide important intelligence, insight and knowledge to the State Government.

**Chapter 5 – The challenges of the economic relationship****Finding 31**

The Western Australia–India economic relationship has great potential, but also faces challenges. Challenges include the complexity of the Indian market, high tariffs, other regulatory and non-tariff barriers, a lack of business awareness of the opportunities of India, and lack of understanding of India's business culture.

**Finding 32**

Although they have declined 150 per cent since economic liberalisation began in 1991, India's tariffs remain amongst the highest in the world. This adversely affects Western Australia's agricultural commodity exports, where tariffs are particularly high.

**Finding 33**

The Indian Government is committed to improving the ease of doing business with India. In the last three years, its World Trade Organization ranking for ease of doing business has more than halved, from 130 to 63 (out of 190 nations).

**Finding 34**

Direct flights between Western Australia and India will be a catalyst to growing the Western Australia–India economic relationship in all sectors including tourism. The importance of direct flights cannot be understated.

**Chapter 6 – International education****Finding 35**

The international education sector has the potential to drive Western Australia’s future economic relationship with India. There are complementarities between the two jurisdictions and room for growth. The sector also produces a significant ‘multiplier effect’ and can assist to increase business capability or India literacy. For these reasons, the State Government should be ambitious, strategic and persistent in pursuing efforts to grow and diversify the international education sector.

**Finding 36**

Although the Commonwealth Government has primary responsibility for higher education services in the international education sector, the State Government can influence the international education sector by:

- advocating for changes to Commonwealth policies or settings that act as a barrier to the international education sector, such as federal visa settings;
- amending criteria for State Nominated Migration Program visas;
- promoting Western Australia as a destination for international education through:
  - the Government of Western Australia’s office in India;
  - ministerial visits;
  - the investment of resources;
  - State Government-hosted trade missions, which support engagement;
  - State parliamentary delegations; and
  - giving effect to Memoranda of Understanding (such as the sister state agreement with Andhra Pradesh) through specific project plans.
- identifying opportunities in the Indian international education market and communicating these to Western Australian providers; and
- providing the State’s international education sector with a clear strategic focus through the development of strategies, action plans, and associated funding programs.

**Finding 37**

In response to the COVID-19 pandemic and its impact on the international education sector, StudyPerth has begun a review of the *International Education Action Plan 2019–2025* and the Department of Jobs, Tourism, Science and Innovation is developing a Recovery and Renewal Plan.

The finalised action package should broaden its scope beyond re-establishing international student enrolments from India, to include the diversification of Western Australia’s international education offerings.

**Finding 38**

Prior to the COVID-19 pandemic, Western Australia’s education sector had generated significant revenue from international student recruitment. This placed the sector’s revenue at risk from external shocks affecting demand for international education.

**Finding 39**

The COVID-19 pandemic is the greatest external shock to affect the global economy in a century. The pandemic and the resulting government restrictions have had a devastating impact on onshore education.

Early estimates indicate that universities nationally face a loss of \$10 to \$19 billion between 2020 and 2023. The University of Western Australia, Curtin University and University of Notre Dame have estimated losses of \$64 million, \$60 million and \$25.5 million respectively. It is predicted that many onshore education providers will cease to exist. The scale of job losses in all onshore education sectors is unknown.

**Finding 40**

Western Australia must diversify its international education relationship with India beyond the recruitment of onshore students to deliver on the potential of the Western Australia–India economic relationship.

**Finding 41**

The 2018 and 2019 changes to visa settings at the federal and state levels are widely supported by stakeholders, although it is difficult to assess their impact because of how recently they were enacted and the ongoing effect of the COVID-19 pandemic.

**Finding 42**

The Indian education market is unaware of Western Australian education offerings because of the:

- significant size of the Indian market;
- smaller size of the Indian diaspora in Western Australia compared to larger states, which reduces the ‘network effect’; and
- lack of targeted, consistent, coordinated and well-resourced marketing.

There is significant opportunity for better coordination of marketing between Western Australian institutions.

**Finding 43**

Over the past two years, StudyPerth and the Department of Jobs, Tourism, Science and Innovation have begun implementing marketing initiatives to grow Western Australia's share of the international education market. These initiatives were still in their infancy when the COVID-19 pandemic began, and are being re-assessed as part of the State Government's COVID-19 response.

**Finding 44**

The International Education Advisory Group is a promising initiative. By bringing together the key international education stakeholders in Western Australia, it should support the development of a cohesive and coordinated brand for Western Australia.

This Group should be a forum for education experts to formulate new, ambitious and innovative initiatives to grow international education or respond to unexpected circumstances such as the COVID-19 pandemic.

**Finding 45**

Coordinating the marketing of Western Australia as a study destination so that it aligns with 'Brand Australia' allows the State to leverage the activities of other Australian jurisdictions, reduce duplication, and contribute to increased recognition of Australian educational offerings in the Indian market.

**Recommendation 7**

That the State Government continue working with StudyPerth and relevant Commonwealth bodies to align, as much as possible, the marketing of Western Australia as a study destination with 'Brand Australia'.

**Finding 46**

The International Student Hub, International Education Event Series and online portal ProsPER, implemented and/or developed by StudyPerth in 2019–20, recognised the importance of employability to international students when choosing a study destination. The initiatives aimed to support better employment outcomes for international students in Western Australia; however, their effectiveness and longevity are currently at risk due to the impact of the COVID-19 pandemic on the international education sector and its funding streams.

**Recommendation 8**

That the State Government pursue, in conjunction with StudyPerth, targeted, coordinated and consistent marketing of Western Australian education institutions in India. The International Education Advisory Group could provide strategic guidance for this initiative.

**Finding 47**

There is high demand for vocational education and training (VET) services in India, driven by the country's need to train hundreds of millions of people. This demand offers Western Australian VET providers with immense opportunities. To realise results, they will have to tailor their offerings to reflect the needs of the Indian market and to match its expected price points.

**Recommendation 9**

That the State Government explore opportunities to provide vocational education and training in India.

**Finding 48**

Student exchanges and study abroad programs are soft power initiatives that build people-to-people connections, help raise awareness of the quality of Western Australian education and the State more broadly, and can result in high-value business, tourism and community outcomes. Secondary school student exchanges can convert participants into international students in Western Australia.

**Finding 49**

Sister school relationships between Western Australian and Indian schools increase the India literacy of Western Australian students, and bolster their interest and enthusiasm for learning Indian languages.

Sister school relationships can also encourage student and teacher exchanges and build long-standing relationships between Western Australia and India. While the immediate outcome of sister school relationships is increased cultural familiarity amongst participating students, such relationships can convert Indian participants into international students in Western Australia and encourage tourism.

**Recommendation 10**

That the State Government create opportunities for Western Australian secondary schools to develop sister school relationships and participate in exchange and/or immersion programs with Indian schools. Schools in Indian states with tertiary student or business potential for Western Australia should be targeted.

**Recommendation 11**

That the State Government investigate ways to establish a scholarship program to support Western Australian tertiary students participating in student exchange or study abroad programs in India.

**Finding 50**

The COVID-19 pandemic has highlighted a range of online education opportunities for Western Australian education providers. Exploring these opportunities, and developing flexible programs that incorporate various forms of education delivery, are likely to become increasingly important.

**Finding 51**

Licensing Western Australia's curriculum to Indian schools has the potential to raise awareness of Western Australia as both a tourism destination and an education destination amongst participating students and their families in India.

Expanding the School Curriculum and Standards Authority's International Education Program to India will require an assessment of price sensitivities, regulation, and possible variances in students' English language skills and teaching methods (pedagogies).

**Recommendation 12**

That the State Government direct the School Curriculum and Standards Authority to assess the viability of licensing the Western Australian curriculum to Indian schools with a view to:

- identifying and attracting Indian schools that are interested and able to offer the Western Australian curriculum; and
- marketing Western Australia's onshore education offerings to Indian graduates of Western Australia's curriculum programs.

**Finding 52**

Attracting Indian PhD students to Western Australian universities builds people-to-people links and raises the reputation of the Western Australian higher education sector. This can drive new partnerships between Western Australian universities and Indian institutes of technology, and may assist Western Australia to increase its market share of Indian student enrolments.

**Recommendation 13**

That the State Government investigate measures to support or develop a scholarship program to increase the number of Indian higher degree by research students attending Western Australian universities. Scholarship programs should focus on the priority sectors identified in the State Government's economic agenda.

**Finding 53**

There is considerable scope for growing collaborative research between Indian and Western Australian researchers. Western Australia risks missing out on economic outcomes generated from collaboration if it does not pursue opportunities to collaborate with India's research talent in priority sectors.

**Finding 54**

The Indian Government is currently contributing more money to Australian and Indian research collaborations than Australia. Even partial contributions by the State Government would incentivise Western Australian academics to explore opportunities.

**Recommendation 14**

That the State Government investigate ways to support collaborative research projects between Western Australia and India that focus on the priority sectors identified by the State Government and/or sectors with future trade potential.

**Finding 55**

Attracting onshore international students to Western Australia, and diversifying the international education sector beyond onshore enrolments, requires a long-term, targeted and coordinated strategy. A strengthened international education relationship with India will drive future growth and develop partnerships in a number of sectors. Some benefits may not be immediate, but they will materialise in the longer term.

**Finding 56**

The State Government has developed a suite of strategic documents that identify priority sectors for economic development. International education could be a vehicle to pursue a range of broader outcomes in these priority sectors. Prior to the COVID-19 pandemic, the State Government's strategic documents and policies focused on international student recruitment and not on the contribution that research collaboration or other forms of international education engagement could make to the growth and diversification of the State's economy.

**Recommendation 15**

That the State Government, in conjunction with StudyPerth, review the Western Australian International Education Strategy, *Where bright futures begin: International education in Perth, Western Australia 2018–2025*, and expands its focus beyond onshore student recruitment.

The Strategy and StudyPerth's action plan should seek to increase Western Australia's share of student enrolments from key markets, such as India, while also diversifying the scope of Western Australia's International Education Strategy with India to extend to the other aspects of the relationship noted in this report.

This broadened scope should be reflected in the India Market Plan being developed.

**Chapter 7 – Tourism****Finding 57**

The number of Indian visitors to Western Australia has more than doubled over the past decade and Indian visitor spending has increased significantly. However, in 2019 India remained outside of Western Australia's top 10 international markets in visitor numbers and spend. A total of 31,000 Indian travellers visited Western Australia and spent \$62 million.

**Finding 58**

Western Australia is not receiving a nationally-reflective share of Indian business and holiday travellers. In the year to March 2020, over 62 per cent of all Indian visitors came to Western Australia to visit their friends and relatives compared to just 19.7 per cent who came for a holiday and 10.2 per cent who came for business.

**Finding 59**

Prior to the COVID-19 pandemic, Indians' appetite for travel was growing. While in 2017, 23 million Indians travelled overseas, it was predicted that this number would increase to almost 70 million by 2035. The number of Indian high net worth individuals travelling was expected to triple by 2030.

**Finding 60**

The uncertainty about future Indian visitation to Western Australia due to the COVID-19 pandemic reinforces the need for the State Government to have a strong strategic framework to support and guide the tourism sector.

**Finding 61**

Despite much commendable effort, the State Government has not secured a direct flight route between India and Western Australia. COVID-19 will undoubtedly affect the ability to secure a direct flight in the near term.

**Recommendation 16**

That the State Government continue to prioritise tourism strategies and marketing to attract Indian travellers to Western Australia even if direct flights between India and Western Australia are not forthcoming.

**Finding 62**

Visa issues are a barrier to growing Indian tourism to Western Australia. However, the State Government is not responsible for the processes relating to visitor visas and therefore cannot directly address the delays and costs that Indian travellers can experience when applying for a visa to visit Western Australia.

**Finding 63**

The China Ready Accreditation Program has enabled Western Australian tourism operators to better understand the cultural tastes, preferences and expectations of Chinese visitors. Although in its early stages in Western Australia, the India Host Program seeks to deliver similar benefits for operators pursuing the Indian market.

**Finding 64**

In recent years, the State Government allocated \$12 million to Tourism Western Australia to market the State to key South East Asia markets and long-haul destinations. Tourism Western Australia allocated around \$500,000 of this funding to marketing and resources in India in 2019–20.

**Finding 65**

Tourism Western Australia has put most of its international marketing activities on hold in response to the COVID-19 pandemic.

**Finding 66**

Tourism Australia's marketing campaigns have focused mainly on the United States, Europe and China. Tourism Western Australia leverages large Tourism Australia campaigns, which focus on one or two markets, by developing smaller initiatives to tie in with the campaigns.

**Finding 67**

The creation of the Tourism Western Australia Business Development Manager position based in the Government of Western Australia's office in India was supported by inquiry participants. While some evidence said that the tourism specialist was increasing Indian visitation to Western Australia, there was at least one suggestion that additional personnel were required.

**Finding 68**

Because Tourism Western Australia has only a limited budget for its ambassador and influencer strategy, it usually leverages the 'Friends of Australia' ambassador program run by Tourism Australia. This can increase awareness of Western Australia as a tourism destination, but restricts the State's ability to pursue the Indian market as it relies on Tourism Australia including Western Australia in the itineraries of ambassadors with large Indian followings.

**Finding 69**

Prior to the COVID-19 pandemic, the State Government was using a range of techniques to raise awareness of Western Australia amongst Indian travellers. It had:

- Begun formally and informally partnering with tourism stakeholders to amplify marketing messages.
- Added a position specialising in tourism to the Government of Western Australia's office in India, increasing the Tourism Western Australia presence in India.
- Leveraged cricket's popularity by:
  - Successfully bidding to host Women's and Men's T20 World Cup games in Perth.
  - Engaging former Australian cricketer Adam Gilchrist to participate in tourism promotion events and meetings that coincided with Premier Hon Mark McGowan's visit to India in November 2019.
  - Supporting influencers such as Indian cricket commentator and journalist Harsha Bhogle and cricketer Mithali Raj to visit WA for media shoots and actively promote the State through social media platforms.
- In conjunction with Tourism Australia, assessed potential media and public relations collaborations that could expose audiences with a propensity to travel to Western Australia.

Tourism Western Australia has a limited budget to market to India, which restricts its ability to pursue the Indian market. There is considerable unrealised opportunity to pursue potentially lucrative initiatives such as hosting a Bollywood film in Western Australia.

**Finding 70**

Tourism Western Australia has curtailed much of its marketing activity outside of Western Australia. Instead, Tourism Western Australia, in conjunction with Tourism Australia, have developed 'Project Green Light' to determine when it should recommence destination marketing overseas.

In contrast, Perth Airport made a persuasive case for the need for increased destination marketing regardless of the inability of visitors to travel to Western Australia. Evidence suggests that reduced marketing may cause Western Australia to fall off travellers' bucket list.

**Recommendation 17**

That the State Government be proactive during the COVID-19 travel restrictions and promote Western Australia as a tourism destination in the Indian market.

## Chapter 8 – Resources and minerals

### Finding 71

Sectors that present opportunities in the Western Australia–India economic relationship are not prominent in *An India Economic Strategy to 2035: Navigating from Potential to Delivery* (Varghese Report), perhaps reflecting the differences between national and state level priorities and economic structures. Western Australia and Australia’s strengths and competitive advantages do not always correlate.

### Finding 72

No single commodity will underpin the economic relationship between Western Australia and India. Its growth will depend on developing markets in a diverse range of goods and services.

### Finding 73

India’s economic growth creates opportunities for Western Australia to supply minerals including copper, gold and iron ore. In relation to:

- Gold: India is one of the world’s largest consumers of gold. It is forecast that out to 2035, India will remain heavily reliant on gold imports. There is an opportunity to export gold to India to 2035.
- Copper: India has limited copper reserves, and a growing demand. Where Western Australia is in a position to supply copper, India is a market of opportunity.
- Iron ore: India has about 30 billion tonnes of iron ore reserves, but the level of future domestic production is uncertain. There is a view that if domestic supply can be secured, India’s supply may approximately meet its demand. On the other hand, there is some confidence that India’s import needs may be significant in the longer term.

India’s need to secure a supply of iron ore and other minerals provides an opportunity to attract Indian investment to the Western Australian mining industry.

### Finding 74

Western Australia has significant reserves of the world’s critical minerals, including lithium. Global demand for lithium is growing. India needs to secure its supply of battery quality lithium and other critical minerals to grow its electric vehicle market, emerging renewable energy sector, manufacturing industry and technological production.

### Finding 75

India is seeking to grow its domestic battery manufacturing industry and become a global leader in battery technologies. There are opportunities for Western Australia along the battery production value chain, including research and development partnerships with India through the Future Battery Industries Cooperative Research Centre.

**Recommendation 18**

That the State Government prioritise exploring how Western Australia can:

- encourage India's investment in the exploration and mining of critical minerals, including lithium, in Western Australia;
- partner with India to process lithium; and
- attract other supply chain and value chain benefits presented by the growing demand for battery technologies.

**Finding 76**

Western Australia's mining equipment, technology and services (METS) sector is at the forefront of technological, regulatory and safety innovation in the global resources sector. There is significant opportunity to provide METS services to India in all these fields.

Western Australia needs to establish business-to-business contacts to leverage and build awareness of Western Australian METS expertise.

**Recommendation 19**

That the State Government advance existing and explore new Western Australia–India mining sector technology and capacity building programs, possibly led by the Department of Mines, Industry Regulation and Safety, with a view to supporting Western Australian mining and mining equipment, technology and services companies to export and operate in the Indian market.

**Finding 77**

The Western Australian resources and energy sector has benefitted greatly from foreign direct investment. There is considerable untapped potential to attract Indian investment into the Western Australian resources sector.

**Recommendation 20**

That the State Government develop a strategy to attract Indian investment to Western Australia's resource and energy sector, and consider mechanisms to support Indian companies seeking to invest in Western Australia.

**Finding 78**

There have not been large capital inflows into the Indian mining sector on account of a range of challenges within the industry.

**Finding 79**

Research and knowledge partnerships between Western Australia and India progress research, establish strategic relationships and create commercial opportunities in a number of sectors.

The mining equipment, technology and services (METS) sector offers collaborative opportunities. Relationships between Australian and Indian mining technology research institutions can be the precursor to joint commercialisation and METS exports.

## Chapter 9 – Energy and renewable energy

### Finding 80

India's increasing energy demand and undeveloped energy reserves create opportunities for Western Australia to supply liquefied natural gas (LNG) and petroleum equipment, technology and services to India. Despite the current challenges of the LNG market, India's import demand will grow, as may the potential of Indian investment in Western Australia's LNG assets.

### Finding 81

The State Government has accepted, in principle, the Economics and Industry Standing Committee's recommendation 20 in *Taking Charge: Western Australia's transition to a distributed energy future*, that it develop a microgrid commercialisation strategy, particularly targeting markets in India and South East Asia.

A commercialisation strategy has not yet been released and there appears to be an inconsistency between the *Western Australia Investment and Trade Plan 2019–20*, which notes India as a 'key market' for renewables, and the absence of renewables as a 'priority activity' of the Government of Western Australia's India office.

### Finding 82

India's electricity sector is undergoing a fundamental transformation and has the largest renewable energy expansion plan in the world.

With over 300 million people still lacking access to power in India, the Indian Government is eager to expand power generation capacity and connectivity to ensure 24/7 electricity access across the nation.

### Finding 83

Indian states and companies are seeking services and technologies to develop, install and operate energy generation, storage and distribution projects. Services are required for traditional centralised grids, large scale thermal and renewable generation projects, and microgrids.

India's services needs extend to smart technologies to optimise energy production and consumption, such as smart meters, blockchain technologies and advanced analytics, as well as energy storage.

### Finding 84

India's energy needs present a number of significant opportunities for Western Australia to collaborate and leverage our domestic industry's world-class expertise in renewable energy, microgrids and associated technologies.

There is particular opportunity to leverage Government Trading Enterprises' intellectual property, development and deployment capability, and operational know-how—often all developed in partnership with the private sector.

There are opportunities in research and development collaboration in renewable energy. Australia and India's commitment to bilateral cooperation in energy was set out in the Comprehensive Strategic Partnership signed in June 2020.

### **Recommendation 21**

Noting the recommendations made in the Economics and Industry Standing Committee's *Taking Charge: Western Australia's Transition to a Distributed Energy Future*, the State Government should:

- examine how Western Australia can pursue opportunities in renewable energy and associated technologies in India, leveraging Western Australia's public and private expertise;
- consider how the Government Trading Enterprises can commercialise and maximise their intellectual property and microgrid delivery capability, and investigate the viability of 'sister utility' relationships with Indian utilities, potentially brokered between state-level governments;
- ensure that renewable energy and Smart Cities are State Government priorities in India; and
- incorporate petroleum equipment, technology and services, electrical energy services, and renewable energy and microgrid technologies into its India Market Plan.

## **Chapter 10 – Agribusiness**

### **Finding 85**

India's protectionist trade policy, high tariffs and layers of regulation are barriers to trade and challenging for exporters of agricultural goods.

Despite these challenges, Western Australia cannot ignore the food sector of a major agricultural market and the soon-to-be most populous nation in the world.

### **Finding 86**

Despite its potential, India is currently not a major agricultural goods export market for Western Australia. In 2019, Western Australia exported agricultural goods to the value of \$50.4 million to India. Only wool, oats (including rolled oats) and lentil exports were valued at more than \$1 million.

While the value of agricultural goods exported to India is inconsistent, exports in 2019 were valued at less than half the value of goods exported in 2016–17.

### **Finding 87**

Opportunities to export agricultural goods to India exist in:

- wool;
- grains, including malting barley;
- pulses, when prohibitively high tariffs and regulatory barriers do not prohibit trade;
- counter-seasonal fruits and vegetables;
- gourmet products including avocado, sheep meat, and wine; and
- value-added and processed products including value-added oats, ready-to-eat snacks and meals, and fortified grains.

Export opportunities will materialise as the Indian market matures.

**Finding 88**

Western Australia's competitive strengths in agricultural technology and services align with India's needs. Western Australia can be an important partner in providing vital technical and scientific assistance to India, helping it to increase the productivity and efficiency of its industry.

Western Australia could provide a range of agricultural technology and services to India including, but not limited to, technology and services relating to:

- grains management and logistics;
- water management;
- dairy management;
- precision farming;
- hybrid technology;
- pre and post harvesting technologies; and
- supply chain infrastructure and logistics including cold storage facilities and transportation.

There are important strategic considerations. The Australian Export Grains Innovation Centre noted that 'we can facilitate improvement in [India's] production systems and create a competitor for ourselves'.

**Finding 89**

Partnerships, collaborations, and joint research and development between Western Australian and Indian universities and/or the private sector are important to grow agribusiness opportunities. The Department of Primary Industries and Regional Development acknowledged that the research sector 'does warrant some attention in terms of continuing to build on those bilateral relations'.

**Finding 90**

Western Australia's agribusiness industry is mostly comprised of small and medium-sized enterprises (SMEs), who can find it challenging to engage with the Indian market. State Government assistance to SMEs is important to grow and diversify agribusiness exports—both goods, and agricultural technology and services exports—to India.

The Department of Primary Industries and Regional Development acknowledges that its support for SMEs to build capacity in the Indian market is in its 'early stage'.

**Finding 91**

The work of the Australian Export Grains Innovation Centre (AEGIC), funded by the Department of Primary Industries and Regional Development, supports export market development, including technical capacity building activities and value-add initiatives, for the grains industry. Engaging AEGIC is essentially the kind of engagement recommended in *Western Australia's Overseas Trade and Investment Offices Review*. That is, a department using the expertise of an external entity for the benefit of the State.

**Recommendation 22**

That the State Government continue to fund export market development, including technical capacity building activities for the grains industry.

**Finding 92**

The cessation of AGWEST International in 2015 has removed a mechanism through which the State Government offered consultancy services in agribusiness to India. This may limit opportunities to develop relationships and obtain in-market intelligence. The Department of Primary Industries and Regional Development acknowledges that it does 'not have a lot of resources' dedicated to gathering information and pursuing agricultural services opportunities in India.

**Finding 93**

Based on the evidence presented to the Committee, it does not appear that the State Government is prioritising pursuing opportunities in 'exporting' agricultural technologies and services to India. It may be that the reward for effort may be greater relative to agricultural goods, given that there are few barriers to engaging with the Indian market in these agribusiness subsectors. The Department of Primary Industries and Regional Development may require funding to pursue these opportunities.

**Chapter 11 – Other sectors and bilateral investment****Finding 94**

A sustained, proactive effort is required to facilitate Indian investment in Western Australia. Particular emphasis should be placed on articulating and communicating investment opportunities and engaging and welcoming investment partners.

**Recommendation 23**

That the State Government:

- review Western Australia's strategy to attract Indian investment to Western Australia;
- develop and promote a tailored Investment Prospectus for Indian investment into Western Australia, focusing on priority sectors; and
- resource department/s to enable them to proactively identify and provide a high level of support to companies seeking to invest in Western Australia, particularly in priority sectors such as mining, renewable energy and agribusiness.

**Recommendation 24**

That the State Government explore opportunities to further integrate Western Australia's Business Migration Program with the State's broader Indian economic engagement and investment facilitation programs, to attract Indian investment to Western Australia.

**Finding 95**

While seven out of Australia's top ten trading partners are in Asia, seven out of the top 10 of Australia's investment destinations are *not* in Asia. Australian businesses traditionally invest in the United States or Europe.

Japan, South Korea, the United Kingdom and United States invest in India because they understand that they must be in the market to grow global sales. Indian operations have become the most valuable assets for many multinational corporations.

**Finding 96**

Western Australian investment in India by Western Australian businesses (foreign direct investment or equity investment) is important to grow the Western Australia–India economic relationship.

There is a lack of understanding in corporate Australia on how and where to invest in India. The State Government has a role in familiarising business about the Indian market and supporting investment in India.

**Chapter 12 – Initiatives to grow the economic relationship****Finding 97**

Australian and Indian state-to-state engagement is becoming increasingly important to unlock economic opportunities. There is considerable opportunity within the scope of the relationship between Andhra Pradesh and Western Australia.

**Finding 98**

There has been a change in the dynamic of the Western Australia and Andhra Pradesh sister state relationship following the election of a new government in Andhra Pradesh. However, there remains considerable potential in this relationship across a range of sectors and the State Government continues to engage to build new relationships.

**Recommendation 25**

That the State Government:

- provide greater transparency on trade and business engagement between Western Australia and Andhra Pradesh under the sister state relationship, and the opportunities in Andhra Pradesh, to the extent that this is possible; and
- examine how to enhance and support the sister state relationship to ensure that it is achieving maximum value for Western Australia.

**Finding 99**

Western Australian ministerial visits to India have historically been sporadic; while there were no ministerial-level visits between September 2009 and April 2015, there were 10 ministerial visits between April 2015 and November 2019.

This increased pattern of visits is a very positive step. Regular and sustained ministerial visits to India build high-level connections and facilitate trade and investment relationships. Ministerial visits and trade missions should continue, particularly in priority sectors.

**Finding 100**

It is important to encourage Indian ministers, departments, chambers of commerce, industry, and institutions to visit Western Australia.

**Recommendation 26**

That the State Government:

- develop an annual visits program that ensures a regular and sustained pattern of ministerial visits to India;
- consider inviting the Governor of Western Australia to lead or participate in visits;
- encourage Western Australian departments, chambers of commerce, industry, and institutions to visit India for the purpose of building relationships;
- encourage Indian ministers, departments, chambers of commerce, industry, and institutions to visit Western Australia;
- pursue virtual visits as an alternative to travelling to India (and vice versa) in the COVID-19 environment;
- ensure that members of the diaspora and, if appointed, a Western Australia Indian 'champion' participate in outbound and inbound visits; and
- focus visits on fostering trade and investment opportunities in priority sectors.

**Recommendation 27**

That the Parliament of Western Australia:

- increase the frequency of parliamentary delegations to India; and
- invite Indian state parliamentary delegations to visit Western Australia.

**Finding 101**

The Commonwealth Government and other Australian states have appointed India champions or similar positions.

**Recommendation 28**

That the State Government consider appointing India champion/s.

**Recommendation 29**

That the State Government provide relevant ministers and public sector employees, including appropriate local government officers, with access to training to build India capability.

**Finding 102**

Market intelligence is essential to identify complementarities between the Indian and Western Australian economies and opportunities for Western Australian business, and to assist business and institutions to effectively engage with India. Western Australian businesses want specific details about their areas of interest in India.

**Finding 103**

Unlike other jurisdictions, Western Australian government websites provide very limited market intelligence on the Indian market.

**Finding 104**

*Western Australia's Overseas Trade and Investment Offices Review* by the Overseas Trade and Investment Offices Review Panel recommended that the Department of Jobs, Tourism, Science and Innovation set up a unit that works with government and non-government stakeholders to 'develop a strong intelligence base and strategic planning capability to enable in-depth analysis of market potential over the forward years.' The State Government accepted all recommendations of the review.

**Finding 105**

A key barrier to growing trade and investment is the lack of market awareness about India. The State Government has an important role in raising awareness of the opportunities in India through dialogues, forums, webinars and other events.

**Recommendation 30**

That the State Government host and/or engage with India-focused institutions to deliver:

- dialogues such as the Australia India Leadership Dialogue and the Australia India Youth Dialogue in Perth and other prominent Australia–India events; and
- India trade and investment forums and other events including webinars.

The aim of such events should be to build awareness of the opportunities in India, with a focus on Western Australia's priority sectors.

**Finding 106**

In 2019, Australian businesses identified that the:

- main barriers to doing business with India are cultural challenges/capabilities, corruption and contract security issues, and identifying a partner; and
- most important information or services needed to effectively do business in India are India-specific market research, advice on local agents and partners, and information on local taxes and other regulations.

**Finding 107**

Trade missions play an important role in supporting businesses to expand into India by providing key opportunities to:

- build international connections, foster business relationships and identify partnering opportunities;
- enhance their international profile by entering new markets;
- attract foreign investment;
- secure local distributors and/or importers;
- acquire international orders for their products and/or services;
- develop skills and knowledge of international markets to enhance their global competitiveness; and
- understand regulatory requirements in international markets.

**Recommendation 31**

That the State Government:

- support and resource regular trade missions to India;
- ensure that trade missions are focused on priority sectors;
- ensure that members of the diaspora have opportunity to participate in outbound and inbound visits;
- encourage inbound trade missions; and
- deliver virtual trade missions and/or virtual sessions, especially while borders are closed.

**Finding 108**

Success in India requires a clear-eyed understanding of the business environment and differences in business culture. Asialink Business, Australia's national centre for Asia capability, submitted that Australian businesses 'urgently require a more sophisticated understanding of Indian culture' and 'it will be critical for the WA Government to support strategic initiatives which improve the India capabilities of WA-based organisations to enhance the state's relationship with India and generate greater trade and investment'.

In October 2020, the State Government launched Asia Business Capability Workshops including an India workshop.

**Finding 109**

The State Government has an important role fostering government, people and business links between Australia and India.

Ambassador Anil Wadhwa emphasised that setting up working groups following high-level meetings is the 'key' to delivering on opportunities identified during those meetings.

Western Australian businesses may need to collaborate with each other, and/or other businesses in other Australian states, to achieve scale and seize opportunities in India.

**Recommendation 32**

That the State Government establish working groups with Indian counterparts following high-level meetings that identify opportunities to engage with India.

**Recommendation 33**

That the State Government increase efforts to connect Western Australian people and businesses with each other, businesses from other Australian states, and Indian businesses or governments to seize opportunities in priority sectors in India. In particular, the State Government should:

- host, partner and/or engage with India-focused institutions to deliver networking events;
- publicise and leverage Commonwealth Government activities, events held in India, and other events that provide an opportunity to network;
- organise one-on-one or larger industry meetings between Western Australian businesses, Western Australian and Indian businesses and/or government to discuss particular opportunities; and
- ensure that the Western Australian government departments and businesses link with interstate businesses where a combined effort to seize opportunities in India will yield better outcomes.

**Finding 110**

Increasing Western Australians' proficiency of Indian languages, particularly Hindi, will help Western Australia build deeper ties with India.

**Finding 111**

There are few opportunities to learn Hindi in Western Australia.

**Finding 112**

There are opportunities within the Western Australian curriculum for students to learn about India, including in Year 6 Geography, Year 7 History, Year 9 Economics and Business, and Year 10 Civics and Citizenship; however, the uptake of these opportunities is not known.

**Finding 113**

Although there are various opportunities for the Western Australian public to attend events celebrating Indian cultures, history and heritage, the main festival showcasing India in Australia, *Confluence*, is a result of the efforts of the High Commission of India. The State Government does not currently offer culture and arts grants that specifically support cultural exchange and collaboration with Indian artists. Create X, which should include India in the future, has been suspended due to the COVID-19 pandemic and its funds redirected to other programs. It remains to be seen whether similar funding will be available for projects that contribute to increased cultural awareness between India and Western Australia in the near future.

**Finding 114**

Sister city agreements between Western Australian and Indian local governments are rare, even though such relationships have the potential to provide opportunities to strengthen bilateral relationships and support the State Government's efforts to diversify the State's economy.

**Recommendation 34**

That the State Government review the program developed by the Local Government Association of Queensland and Asialink Business and consider whether a similar program, focused on increasing India literacy amongst Western Australian local governments and encouraging appropriate sister city agreements with India, could be implemented in Western Australia.

**Finding 115**

Businesses with an interest in the Indian market may be eligible for a range of State and Commonwealth Government grants.

The Australia–India Council, a public grants body for enhancing the bilateral relationship attached to the Department of Foreign Affairs and Trade, has only awarded three grants to Western Australian projects in the last six years. Other states have leveraged the Australia–India Council to pursue sister state and offshore TAFE projects.

**Recommendation 35**

That the State Government consider mechanisms to support research and development partnerships with India, with a focus on partnerships that build strategic relationships and may create commercial opportunities in priority sectors. (See findings 53, 54, 56, 75, 79, 84, 89, 123, and recommendations 13 and 14).

**Recommendation 36**

That the State Government continue to pursue securing direct flights between Western Australia and India as a priority.

**Finding 116**

Western Australia has allocated very few business and investment visa nominations to Indian applicants over the past five years. It is not known whether this is in proportion to the level of interest from India in the Western Australia Business Migration Program.

**Recommendation 37**

That the State Government, working with the Small Business Commissioner, explore and support ways to increase the marketing of the Business Migration Program (including investment visas) in India, and ways to increase the number of Expressions of Interest in a Western Australian business and investment visa nomination.

**Finding 117**

Designated Area Migration Agreements offer regional areas of Western Australia with access to more overseas workers than is offered through the standard skilled migration program. No evidence was provided about their impact on Indian immigration to regional Western Australia or their potential impact on Western Australia’s economic relationship with India.

## Chapter 13 – The impact of the COVID-19 pandemic

### Finding 118

The COVID-19 pandemic has disrupted supply chains and increased export costs for Western Australian businesses.

### Finding 119

The COVID-19 pandemic and associated restrictions have had significant effects across the Western Australian economy. However, these effects have not been equally experienced and even within single sectors, demand and supply dynamics vary between services and commodities.

### Finding 120

Prior to the COVID-19 pandemic, the State Government’s major policy documents *Diversify WA: Strong Economy, Creating Jobs, Diverse Industries* and *Western Australia’s Asian Engagement Strategy 2019–2030: Our future with Asia* signalled its intent to broaden the State’s economic base, markets and trading partners.

In its response to the pandemic, the State Government has acknowledged the centrality of trade to COVID-19 recovery.

The path forward is uncertain—many factors affecting recovery will be beyond the State Government’s control. However, recovery will require:

- a sustained and elevated focus on trade: it is crucial that the State Government continue to emphasise Western Australia’s role in global supply lines and its status as a dependable partner;
- broad-based political consensus: as COVID-19’s impact on global and regional trade dynamics becomes clearer, Western Australia’s trade-related initiatives are more likely to meet with success if they enjoy broad-based political support;
- a long-term view: the Western Australia–India economic relationship in particular will require consistent and sustained engagement;
- the formation of strategic partnerships: some evidence to the inquiry suggested that the future prosperity of Western Australia’s manufacturing sector may hinge on its ability to integrate into international manufacturing supply lines and processes with trusted partners; and
- a ‘charm offensive’: Western Australia cannot rely on its historical approach to trade relationships, based on meeting our neighbour’s demand for minerals and energy. Our relationships with new partners will be conducted on very different terms. We will need to work harder and smarter to attract new markets and opportunities.

**Finding 121**

Policy making in the COVID-19 environment is fraught with uncertainty. The Market Plans the State Government has committed to develop under the Asian Engagement Strategy will be vital tools to assist government to understand and respond to challenges and opportunities in the regional trading environment.

The India Market Plan should:

- signal to the public and businesses the importance of India to Western Australia, and the State Government’s long-term commitment to India;
- set out the State Government’s vision and strategic objectives in India, and actions to achieve the vision;
- ensure a nuanced and tailored approach to the Indian market, reflecting Western Australia’s competitive strengths and the unique trade dynamic of the Western Australia–India economic relationship;
- identify discreet initiatives and develop resource plans to pursue opportunities in target sectors and markets; and
- include measures of success and targets.

**Finding 122**

The Asian Engagement Strategy lists a number of nations and the State Government is developing market plans for key markets. Given the extraordinary drain that the COVID-19 response will place on the State’s resources, it may be appropriate for the Government to identify and prioritise target markets for sustained focus and additional resourcing.

**Finding 123**

Given that international travel is extremely difficult, there has never been a more important time to engage the Indian diaspora to reinforce relationships between our nations, maintain formal and informal pathways to market, understand opportunities for re-engagement and gather market intelligence.

Research and development relationships can and will also continue. It will be vital to tap into and develop the networks and partnerships between universities, research institutions and academic communities. Research teams are used to collaborating across borders and can reinforce international links and help maintain pathways to the Indian market.

The State Government should ensure that the development and implementation of its India Market Plan leverages the considerable capacity in the Indian diaspora and research community.

**Finding 124**

The ‘pause’ in global trade offers opportunity to train and build business and government capacity in readiness for reopening. In addition to the work underway to develop the India Market Plan, now is an ideal time to roll-out initiatives aimed at improving business capability and increasing India literacy.



## Appendix One

### 384 Committee's functions and powers

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- 385 The functions of the Committee are to review and report to the Assembly on: -
- a) the outcomes and administration of the departments within the Committee's portfolio responsibilities;
  - b) annual reports of government departments laid on the Table of the House;
  - c) the adequacy of legislation and regulations within its jurisdiction; and
  - d) any matters referred to it by the Assembly including a bill, motion, petition, vote or expenditure, other financial matter, report or paper.
- 386 At the commencement of each Parliament and as often thereafter as the Speaker considers necessary, the Speaker will determine and table a schedule showing the portfolio responsibilities for each committee. Annual reports of government departments and authorities tabled in the Assembly will stand referred to the relevant committee for any inquiry the committee may make.
- 387 Whenever a committee receives or determines for itself fresh or amended terms of reference, the committee will forward them to each standing and select committee of the Assembly and Joint Committee of the Assembly and Council. The Speaker will announce them to the Assembly at the next opportunity and arrange for them to be placed on the notice boards of the Assembly.



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