

INDO-AUSTRALIAN

B U S I N E S S

The Business Magazine for Indo Australian Region

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"The Indian economy is likely to grow very strongly..."

Ross Garnaut
Australian
Economist



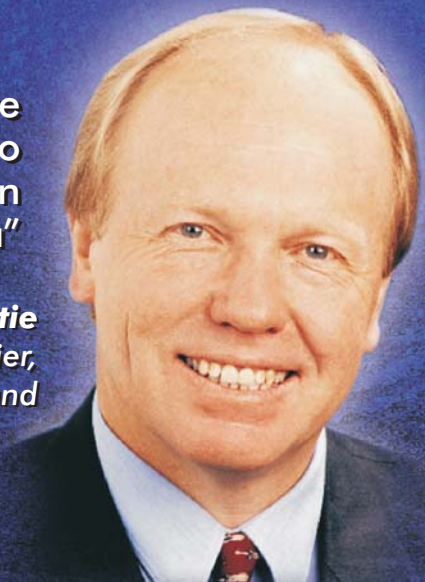
"India is the world's next economic giant"

Mike Rann
Premier,
South Australia



"We are keen to do business in India"

Peter Beattie
Premier,
Queensland



"India is a global partner of Australia"

Bob Carr
Premier,
New South Wales



NEW MEDIA

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Issue in This

Interview

**Education, Eco-tourism and
Software Technology
Queensland's thrust on 3 key
areas** - Hon. Peter Beattie



09

10



Interface

**Victoria, the Manufacturing
Hub of Australia** - Tim Holding

Education

**Exchange of Information
a Vital Task** - Stephanie Key



12

14



Face to face

**Free Economy has the Best
Chance of Success** - Ross Garnaut

Interaction

**Time to look beyond
Kangaroos and Naked
Fakirs** - Michael Abbott



18

22



Tourism

**A land of Engulfing
Beauty, Accessibility &
Experience** - Maggie White

Sports

**You must play for
enjoyment and follow
your dreams** - Steve Waugh



48



Dear Readers,

Greetings. We are delighted to present the first anniversary issue of Indo-Australian Business, which has grown from strength to strength since its launch in September 2003. The feedback is quite heartening. A reader of the stature of Queensland Premier Peter Beattie, sums up what the magazine is all about. Hon. Beattie says thus: 'Magazines like Indo-Australian Business give people the opportunity to read and the more you read the more you know.' We thank Hon. Beattie for this as well as for an exclusive interview he had granted us during his recent visit to India when he talked about education, eco-tourism and software technology being the areas of his interest in this country. The current issue also carries a face-to-face interaction with world-renowned Australian economist Ross Garnaut who predicts strong growth for the Indian economy in the next 10 years. We welcome South Australian Premier Mike Rann, who is visiting this country in October 2004. Ahead of his visit, Rann rightly visualizes the untapped potential of trade between his province and India, the gist of which we carry in a message form. In the field of industry, mining occupies a dominant position in Australia. We carry a detailed article on the mining sector. Bilateral trade is the growing bond between India and Australia and the current issue highlights this fact in an interview with Paresh Shah, Acting Senior Trade Advisor with Western Australian Trade office in India. Under insurance, AMP Sanmar's MD Graham Meyer, tells Indo-Australian Business about the key role that product innovations play in this competitive business. In finance, Consultant Devang Shah's message is clear, save now, so that you may live happily later. Read the article for the crucial tips. In recent years, Australia has quietly emerged as a destination of higher learning for Indian students in their quest for brighter careers. The current issue carries three articles on educational facilities in Australia, including Adelaide in the southern region where the best of learning is available at an affordable cost. In aviation, we have an interview with Khursheed Lam, Country Manager, Qantas, about Australia's leading airline's operations in India and its robust growth. In recent years, Australia has emerged as a leading tourist destination. Tourism Australia's Maggie White, GM, South & South East Asia, talks about the multifaceted role of tourism in her country. We also feature family-friendly Sunshine in Queensland, Coast and Melbourne, the city of fun, festivals and events. Among articles touching diverse topics is an interview with the Australian cricket legend Steve Waugh and his Indian connection. A trusted doctor tells us how to keep dementia at bay by drinking a glass of wine every day. Then there are other exclusive and regular features that cannot be missed. The issue is plentiful as well as colourful. Go and grab it.

Wish you happy reading



Satya Swaroop

Managing Editor

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**Premier of Queensland
and Minister for Trade**



Congratulations on a successful first year for the team at Indo-Australian Business Magazine.

Just as this publication looks forward to a dynamic future, the Queensland Government is excited about the ever-strengthening relations between India and Queensland.

My trade and investment mission to India in

September, which included the launch of a Queensland Government Trade and Investment Office, was a mark of our commitment to this booming nation. It was my second mission to India in 19 months, and I also made an official visit as Queensland Opposition Leader in 1996.

Queensland is the Smart State of Australia - outward-looking and focussed on trade as a lever for job creation.

We regard India as a waking giant with the potential to breathe more vigour into our already-robust export economy. India is our fifth largest export market, with total exports now exceeding \$A1 billion.

Queensland offers India Smart State expertise in a huge range of areas including aviation and aerospace, biotechnology, education, engineering, environmental management, film post-production, information and communication technology, medical sciences, mining technology, nanotechnology, telecommunications, tourism development and urban design.

Queensland also has high-quality and reliable resources like coal, metalliferous ores, cotton and legumes.

Plus – and by no means least – Queensland delivers some of the world's best tourism experiences.

Our government is the first Australian state government to open a trade office in Karnataka.

The office will service the whole of India, and we chose Bangalore as the headquarters because Karnataka and

Queensland have much in common. Both are engine rooms for economic and jobs growth, and both have a focus on policies that foster knowledge-based industries.

For Queensland, the whole nation of India is a land of opportunity. Both my trade and investment missions have included important meetings in the Mumbai region.

Importantly, India and Queensland are friends, with valuable family, social and cultural ties – not to mention our mutual love of cricket!

Education will be one important source of stronger relations between India and Queensland. In September I witnessed two memoranda of understanding between higher education centres in Queensland and Karnataka. Indian students are already the second-largest international group at Queensland universities, and such agreements will spur more education exchanges. They will also strengthen research collaboration between India and Queensland, and foster exchanges and friendships between students and staff.

Queensland businesses are renowned for being innovative and reliable. The

ranks of Queensland-based companies doing business with India are flourishing, and the trade and investment office will encourage further growth.

Knowing that personal relationships based on trust and respect are prerequisites for sound business in India, I am confident the new office - headed by Queensland Government Representative Mr David Belham - will help ensure that relations between Queensland and India go from strength to strength.

I look forward to continuing to have an active role in building partnerships that will benefit both Queensland and India.

Peter Beattie MP

Premier and Minister for Trade



Dear Readers,

I am excited about the huge opportunities that exist for future trade between South Australia and India. There are so many similarities between India and South Australia that it is difficult to believe we haven't had far greater trading ties in the past.

I am visiting Chennai, Bangalore and Mumbai with a delegation of South Australian companies from the wine, agriculture, tourism, manufacturing and post film production sectors to promote future trade with South Australia.

Apart from the obvious similarities of our love of cricket and movies, we are a relatively close market in proximity, we share many traditions based on our commonwealth connection, with common legal systems, language and democracies.

Increasingly, many people in India are seeking to send their children overseas for tertiary qualifications, they are broadening their tastes in food and wine and they are looking for new places to holiday.

The number of Indian students studying in Adelaide has increased rapidly over the last year increasing from 380 students in December 2003 to 800 in July this year and the potential for more students to study here bringing millions of dollars into our local economy cannot be underestimated.

I will be in India to promote the fact that South Australia has excellent universities that are now educating thousands of students from overseas, that we produce the best wine in the world, that our production of grains and fresh food produce is second to none and that we are an outstanding tourist destination.

South Australia is also home to many high-tech, high quality post film production houses that win contracts to work on some of the biggest Hollywood blockbuster movies, such as Lord of the Rings and Harry Potter movies.

We appreciate that in the past decade India has made huge structural changes to its economy which is expected to see a substantial growth in its domestic economy and an increase in its international trade.

It is no coincidence that the premiers of two other Australian States are visiting India this year on trade missions because they too have recognised like many others that India is the world's "next economic giant".

Mike Rann

Premier of South Australia

IMME 2004

Reflecting Aussies Interest in Black Gold

A lot many dimensions have been added to the relations between India and Australia. The latest is the growing interest of Australia in the prospects of mining coal gold here. This wave of interest is seen surging ahead from Las Vegas to China and now finally has arrived at Kolkata. The 7th International Mining and Machinery Exposition to be held in Kolkata and the interest that it has aroused in Australia is worth the notice.

The Australian Government, some Australian State Governments as well as several Australian companies are looking at substantial involvement at the main Mining Expositions in 2004, culminating in a major presence at IMME 2004, Kolkata, in end November 2004.

The 7th International Mining & Machinery Exhibition (IMME 2004) would be held at Kolkata, India, in the period 24th to 27th November, 2004 at the TAI Grounds. Organised by the Confederation of Indian Industry (CII), in association with the Ministry of Coal & Mines, Government of India, and Coal India Ltd, this would be the seventh in the series of successful triennial fairs, and would witness the convergence of the world mining fraternity to the historic Maidan in downtown Kolkata.

Coinciding with IMME 2004, a two day International Conference, the India Mining Summit, is also being organised by the CII and its associates. The Conference dates are the 25th and 26th of November, 2004, and the

conference would be held conveniently within the IMME 2004 venue.



The fair and the conference will serve as a focal point of

technologies emerging by the day, and provide opportunities that industry has to offer against the backdrop of the tremendous surge and pro-growth policies in the mining and mineral processing sectors in India.

Austrade has coordinated the "Australian Area" in Hall D of the exhibition, with its own booth and booths from

the New South Wales Government, Queensland Government and the Western Australian Trade Office. Booths have been confirmed in this area by Mincorp, Modular Mining Systems, Surpac Software and Thiess. Orica and BHP Billiton would be exhibiting in other halls/outdoors. In all, over 200 sq.m. of exhibition space would be attributable to Australia.

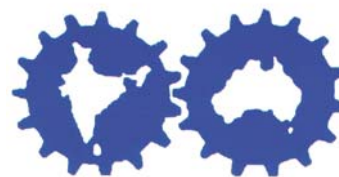


There are two confirmed speaking slots from Australia at the conference SIMTARS on Mine safety and Thiess on Private Sector Participation in Mining.

The Austrade Coal Washery and Mining Technology & Services Mission would commence just before the event, moving through New Delhi, Ranchi and Jamshedpur before terminating at Kolkata. The Mission would allow members to have an intense introduction, in just a few days, to the Indian Mining and minerals Processing scenario. The Queensland Government is also finalising a Mission which plans to cover Kolkata, Jamshedpur and Bhubaneswar.

Considering the advanced Mining Technologies & Services that Australia has to offer to the world, and given the high level of Australian interest in IMME 2004 at Kolkata, India, the event should lead to a high level of business successes for Australian organisations, which are already increasing their presence in India.

Further information would be available at:
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Indo-Australian Chamber of Commerce



The Anniversary of **Indo-Australian Business** magazine brings into focus a year of remarkable performance, a year, which saw a widening, and deepening of Indo-Australian business in every direction. Every issue of the magazine captured the flavour and spirit of these changes - the unfolding stories, the emerging trends, the underlying issues and the major players in all of these. For long the Indo-Australian, business community has felt the need of a magazine of this nature and **Indo-Australian Business** magazine admirably fills the gap. The success of the Magazine is essentially because it has brought together all the people and institutions connected with the bilateral trade in a single forum to facilitate a discussion on the issues with clarity, precision and a remarkable understanding of the dynamics of cross-country business relationships.

I wish **Indo-Australian Business** magazine all success and look forward to every new issue with expectation.

With best wishes,

C. Sarat Chandran

Director

Indo-Australian Chamber of Commerce

*Education, Eco-tourism and
software Technology*

Queensland's thrust on 3 key Areas

- Hon. Peter Beattie



In an exclusive interaction with the Premier of Queensland, Hon. Peter Beattie, during his recent visit to India this year, Rojita Padhy explored the reasons for his revisit and his preference for Bangalore as a city with greater opportunities. The text of the interview follows:

How do you feel about your trip to India?

My trip to India has been good. We have long-term plans and India has a lot of potential. Keeping this in mind, we are opening our office in Bangalore and the visit is also aimed at establishing personal relationship with companies like Sahara, Tata and other key industries like the movie industry. We will be signing an MoU in Bangalore on education.

Your tie-up with Sahara...

We did some work in Amby Valley and there are some Queensland companies who are also interested in designing work. There is a whole range of things that we are encouraging the Queensland companies to do and with Tatas, too, we are looking for certain options, especially in the tourism sector. We would like Taj Hotel to be opened in Queensland too. Talks are going on for that.

Tata Group does not have immediate plans to open a hotel in Queensland. But we are talking to some of the seniormost people of the Tata Group and it is encouraging on being able to share a long-term relationship with them.

Since your last visit to India, what are the developments that you have observed?

India is continuing to liberalize and it is so important for us. We can see so many opportunities in areas like coal, in the movie industry, eco-tourism, water management and environment management, and so on.

Cementing the two-nation partnership...

Within the tourism sector, we have opportunities for eco-tourism, where we have work quality and where there is scope for partnership. In the field of education, Queensland is a safe destination to send children. We also have a country of 20 million people and there is definitely scope for genuine and mutually beneficially partnership between India and Australia.

Any reason for selecting Karnataka as your field of action? Is it only IT?

It is a key factor in this regard, though not the only reason behind this. It is broader than that. Bangalore and Karnataka form an ideal location for us also. There are many industries. Software engineers are there and biotechnology is picking up there.

Finally, I would like to convey this message to the Indian business community that Queensland is a good place to do business and it is a good deal. We are keen to do business in India and we welcome the business community.

Victoria, the Manufacturing Hub of Australia



Tim Holding

Victoria's Manufacturing, Export and Finance Minister Tim Holding, during his recent visit to India spoke about Victoria as the manufacturing hub of Australia and its potential to collaborate with Indian business enterprises. The areas highlighted by him are financial services, automotive, aerospace, precision engineering, biotechnology, processed food, dairy and ICT. Here are excerpts of the interview of the Minister with Indo-Australian Business.

This is my first visit to India and Mumbai. I am very excited about being here. The purpose is to identify the areas of co-operations between Victorian companies and companies in India to both trade and investment. It is also to lead a delegation on aviation and aerospace companies, which we will be going in Delhi and Bangalore. We have been successful in building up close relation between Indian research organizations and Universities and a range of Victorian companies. I am very happy about that. Thirdly, the Victorian government, as part of the export strategy to promote - Exports around the world, has identified India as a market where there are greater opportunities, where we have not ventured into in history. Therefore, we are developing an India trade and investment strategy. So part of my visit is to build that relationship which will be useful for developing that strategy.

Discuss Advantage Victoria.

Victoria is very much the manufacturing hub of Australia. We see opportunities cross a range of sectors. The areas where Victoria has very competitive strength are in the automotive and automotive component sector particularly the design area. Aero space and aerospace designing area, precision engineering and tooling where Victorian and Indian companies are ready to work on some projects together. In food processing, of course Mr. Bob Cameron's visit to India before few months, was a good step. But Victoria has a very competitive horticulture industry and dairy industry, wine and ever-growing food industry to support India's growing hospitality sector and the growing focus on premium foods and all these products. We also have a strong ICT sector which India also is capable of. There are some complimentary attributes to those industries as well. But biotechnology, financial service sector and fund management are the sectors where we see the advantage of Victoria. Automotive, aerospace, precision engineering, biotechnology, processed food, dairy, ICT and financial services and in all these areas, we see possibility of co-operation and collaboration. What does Victoria has to offer to Indian companies in particular is, we have a very stable and secure regulations in political environment, which makes any investment, secure. We have very competitive infrastructure and good road network, good telecommunication; we have the biggest container port in Australia based in Melbourne and an airport, which is 24 hours curfew free and handles maximum number of flights. Therefore, we have the fantastic infrastructure if you want to run a business where transport, logistics, distribution is important. Finally, we have a highly skilled workforce, which is multi-cultural, adoptable and flexible. Therefore, whatever direction your business goes in, the workforce in Victoria will be able to support your investment. So, that's is really the investment attraction proposition of Victoria in Australia.

How do you establish a co-relation between the manufacturing, export and financial sectors simultaneously?

As I mentioned earlier that Victoria is the manufacturing hub in Australia. Manufacturing has always been important for Victoria than any other state. This is the largest single employer in the state and contributes a very large amount of our export

base. So, we are a state of about more than 350,000 people employed in the manufacturing sector, which is over 15% of the total state work force. About 1/3rd of our state export comes from our manufacturing. Hence, there is a connection between the manufacturing and the export sector. There is also a connection between manufacturing, export and financial services. The connection is the financial service is the key enabler of our economic activities. If you do not have a mature, sophisticated and vibrant financial services sector you will not be able to sustain a manufacturing sector or agriculture, bio-technology, professional services, education, because these are all dependent on a vibrant financial services. Victoria is keen to make sure that the discreet financial service capabilities would grow. Therefore, we are keen in promoting all those sectors, manufacturing, export and financial services and there are some logical synergies between them.

The other key areas of export are our services industries and in particular, tourism and education services. Two other areas are professional and technical services where now our capabilities have been seen in architectural designs, project management engineering, legal and financial services around the world.

Main focusing areas in the manufacturing sector:

Firstly, automotive, last year we exported 50 per cent of Australia's automotive exports, both cars and components worth about 2.4 billion Australian dollars. We export cars to Thailand, US, Malaysia, Middle East, UK. We actually export lot of textiles from Victoria. We do not have any partnership with India in textiles right now. Our focus has been in technical textiles and medical and surgical locations. The other important area is in processed food. We have set a target of 12 billions dollar in exports by 2010. I am well on track to achieve that target as well. We are seeing very strong growth in the dairy exports. Victoria produces half of Australia's dairy and dairy products and exports a phenomenal amount around the world. We export wine, which has grown up to about 11 % in the last 10 years. Also, areas like confectioneries, cereals and other products, horticultural products, canned and reserved foods.

What are the strengths of the financial sector in Victoria?

As I mentioned about two, the financial shared services (Back office) and funds management. Another area is financial service education and training. Many students are coming to Melbourne to study financial services and business management and other related courses. We are also marketing that capability in the region.

Could you highlight some of the special ventures undertaken during your tenure?

We have seen a lot of investment in the automotive

industry in the last couple of years. All of the big automotive companies - General Motors, and Ford, Toyota - have made their bases in Victoria. Ford has recently announced a new product development and invested up to half a billion dollar and General Motors have built a new engine plant in Victoria with a capital investment of 380 million dollars for building new V6 engines. Toyota has the head office at Melbourne for their Asia-Pacific region. So three big investments are there in the automotive giants. In the financial services area we saw the biggest announcement in the job history. That was the announcement by GE Capital. This Global financial service provider is in Victoria to establish their Asia-Pacific Training and Development Center in Melbourne. That will employ an additional 1500 people, which will give confidence to Melbourne as a center for training call center and back office activities connected with the financial sectors. We have seen major consolidation of national activities for the national Australian bank, the ANZ Bank that is among Australia's big banks. Therefore, there are significant new investments, which have taken place recently.

What kind of support would expect from the Indian govt. to get you collaborate with the companies in Victoria?

We are keen to built government to government relationship. Maharashtra has rich industries. There are many similarities between Victoria and Maharashtra's economy. We have to identify opportunities and build up relationship with chambers of commerce. We have to talk about the general investment points. To talk about special projects like 2010, the commonwealth games are going to happen in New Delhi and Melbourne is hosting this in 2006. Therefore, there are going to be areas of co-operation. We are having some meetings in this regard as well. This will help us in developing the trade and investment strategy.

Any message to the Indian business community?

My message would be this, Victoria is open for business. It is a very competitive location for investment. Victoria is very serious about building up trade relationship with Indian companies. We are very enthusiastic about the prospects and possibilities, we are also very keen to showcase our capabilities and build constructive relationships with Indian companies at the government level as well and to facilitate trade between two countries as well.

As part of our opening doors to export plans towards India, Victorian govt will be appointing a special trade envoy for India. The announcement will be made very shortly about it and I feel this is an important path in promoting trade between Victoria and India.

Exchange of Information a Vital Task

Objective of your visit to India...

The main reason I am leading this delegation to India is that we believe there are great opportunities for links between the universities from Adelaide in South Australia and India. We are very impressed by some of your prestigious institutions, particularly your universities, which have international reputations. We are not only interested in learning from you but we would also like to share with you some of our successes.

South Australia is a state and Adelaide is a city where we celebrate multiculturalism and diversity. So, what could be better for a South Australian delegation than being in India to experience the delights of your culture first-hand!

We have world-class education facilities at every link in the chain, with flexible pathways that make it easy for students to move between institutions and courses. In addition, we encourage overseas students to consider studying in Adelaide.

The quality of our education system, our low cost of living and the safety and security our city offers overseas students and Adelaide's compact city design -- all have a strong appeal for Indian students. So too do the migration credits potentially available to international students studying in Adelaide.

At the start of last year, we had 250 students from India. That has now risen to around 1,000 and we expect India will become the main source of our overseas students in



Stephanie Key, the Minister for education, employment, youth, status of women from South Australia, sees great potential in exchanging information and sharing experience with the universities in India and South Australia, especially those in Adelaide. She was on a visit to India for this purpose. In the following interview with **Rojita Padhy** she explains her views:

Please tell us something about South Australia as an education hub and a source of better employment opportunities.

South Australia gives high priority to education, and we have good employment outcomes for graduating students with our overall level of unemployment being relatively low, the current rate being 6%. We believe Adelaide our capital city offers the best learning environment in Australia. Not only does Adelaide have the quality education facilities you would expect to find in a major capital city, but also it is one of the most affordable places in the world to live, with a safe, friendly and relaxed lifestyle.

We are very proud of the fact that Adelaide is one of the best-planned cities in the world, with everything within easy reach. We have an education and cultural corridor in the city -- North Terrace -- that cannot be found anywhere else in the world and our higher education facilities are easily accessible compared with many cities.

South Australia by early 2006.

We have a challenge in South Australia. South Australia currently has a population of only 1.5 million and we have almost zero population growth.

We attract 7% to 9% of the national budget in line with our population share. The average age of our state population is also older than any other state.

Because of these trends, we are starting to face shortages of skilled workers, which will only increase unless we take action to reverse the trends.

We believe in being planned in our approach, not only to our economy, but also for the people who wish to live in South Australia. Our government has introduced a State Strategic Plan, for much we are one of the few places in the world to do that. The plan includes around 80 ambitious targets for our state, including doubling our Australian share of overseas students' over the next 10 years, increasing our population by 25% by 2050 and boosting the level of skilled migration to the state.

You have a varied range of portfolios under

you. From employment, youth and training to education and status of women. How could you establish a relation between them?

I am pleased to have this combination of portfolios. Because I believe that, our employment strategies and our training and further education strategies must include the whole community and obviously young people and women in our community fall quite often in disadvantageous situations.

Women in South Australia, like here in India, often have dual responsibilities. Working in a job as well as handling the household is a big issue for women in Australia.

I feel these are all complimentary portfolios to the employment portfolio. Our government has developed an approach to our public policies, which we call 'social inclusion'. This is very similar to what British Prime Minister Tony Blair calls 'social exclusion'. We have turned that name around to emphasize our efforts to embrace and include different groups in our society in everything we do. Our Premier (equivalent to your Chief Ministers), Mr. Mike Rann, is very keen on social inclusion and has made it a major area of focus in South Australia.

How beneficial are the awards like South Australian Training Awards for vocational education and training, and how are they helpful in encouraging vocational courses?

One of the areas we are looking at is school retention for young people who do not have the interest and aptitude to complete secondary school or go on to university. How can we encourage them to look at the alternatives? Throughout the world, there is a problem with people who lack job skills. There is also a challenge in encouraging young men and women not to just consider traditional, segregated occupations when planning their careers. This is the case in Australia and I think this is also the case in India as well. Young people have to rethink their career and life opportunities, particularly women.

One way of assisting in this process is by encouraging people in industry, employers, training providers and young people to be recognized for their excellent work in training. So, the training awards are a small step in that whole strategy. A plan to assist people not only to be 'work ready' through excellent training, but also to be happy and feel "fulfilled". The awards are very exciting because educators and employers are training students themselves get a chance to be recognized for achieving excellence in the training system.

You were a part of the MINCO (Australia and New Zealand Minister's Conference) on the Status of Women. How successful could be these associations in India?

It is very interesting that you asked this because, only this morning we visited the Women University in Mumbai and we could see a lot of potential areas of co-operation between South Australia and India...from education to research, and a lot more. MINCO is an acronym used to describe the ministers across Australia who share a common portfolio and who meet on a regular basis to discuss issues of national significance in their portfolio. So, we all sit down and discuss strategies as to how we can resolve issues, in a common plan at a national level. The other thing is that we discuss issues regionwise. So, we have representatives from New Zealand, Fiji and other places, depending on the MINCO and its area of portfolio focus.

MINCO provides a good opportunity to look at issues at a national level and I am sure they would be equally valuable in India. I certainly see very positive opportunities for links between South Australia and India as well.

How successful has been your visit?

We have been very much welcomed to the places we visited and we are impressed by the high standard of education available at all levels in India. Areas of particular discussion were issues of access and equity for students to the education system. Two of our universities -- the University of Adelaide and the Flinders University -- are signing a Memorandum of Understanding with the prestigious Indian Institute of Science in Bangalore designed to boost student and staff exchange programs with South Australia, which reflect common interests.

And we are confident there may be further opportunities arising from our tour of India for signing more MoUs between our universities and TAFE system in South Australia and a range of Indian universities.

Indo-Australian tie-ups in these fields?

There are a number of ways we can achieve tie-ups. We can make sure to have exchange programs for students and that exchange can be as flexible as we like. We can also have MoUs signed for training programs in vocational education and at all other levels of education and training, which I handle. We can also build on our special project collaborations with universities and other education organizations in India not only in research but also with education and student exchanges.

Anything else you would like to add.

The whole trip to India has been enlightening and inspirational. I am so glad to be here. It will start a whole lot of collaborations between India and South Australia.



Ross Garnaut

'Free Economy has the Best Chance of Success'

Australian economist **Ross Garnaut** was in India recently to deliver the "Sir John Crawford Lecture", sponsored by the National Council of Applied Economic

Research (NCAER) and the Australia-India Council, and annual lecture. He talked to **Satya Swaroop and Rojita Padhy** on a number of subjects such as the need for an open economy, free trade agreement, outsourcing and the exciting "adventure" of India and China trying to catch up with the West. He thinks that in a democracy, public education about economics is essential for the success of any economic policy. Again, he is of the view that signing free trade agreements as Australia has done with the US – will not solve all the problems of a country. He also noted with appreciation the remarkable increase in the number of Indian students going to Australia for higher studies. "This is a terrific thing for economic development because it means that Indians and Australians will come to know each other much better," he says in the interview, the text of which is given below:

My visit to India was to give the Crawford Lecture in New Delhi on 28 September. The sponsors conduct two lectures every year to promote Australia-India relations. The other one is the Narayanan Lecture, which is conducted every year in the Australia National University. As I am here, I would like to understand what is happening in India's economic reform and policy. In New Delhi I spent time talking to members of the government and economists in think tanks, universities, some business economists, trying to get a feel for the state of play on reforms. In Mumbai, I am meeting the Deputy Governor of the Reserve Bank of India and a number of people in business. In New Delhi, I learnt a lot from discussions with the Minister of Finance and the Deputy Chairman of the Planning Commission and many senior officials in different parts of the government. So it has been a good opportunity and an exciting time to catch up with India's development and thinking.

Out of your observation, could you comment on the economy existing now in India?

What has already happened in India under its reforms, especially since 1991, has transformed India's prospects. The transformation has given confidence to people. If the reforms go further, the results will be better. Despite the political complications, I feel that

under this government, market-oriented and internationally-oriented reforms will continue at quite a strong pace. And the economy will respond very strongly to that. So the Indian economy is likely to grow very strongly in the next ten years.

How far do you think better understanding of economics can help in better implementation of the policy and development of a nation?

Well, I think that the job of economics is to explain some important realities about economic development that are not understood by the general public but which are necessary for successful economic development. Some ideas of economics are beyond general people's knowledge. For example, the idea that you get richer by opening up your market or by free trade is true, but not commonly understood. Through understanding of economics, you get to know the consequences of economic policies. In a democracy, it is not enough for the leaders of policy to have a clear idea about the way economics works. It is necessary for the community to have some understanding. So public education and information on economics becomes an important input in the development of policy in a democracy. In my lecture in New Delhi, I spoke about how important this has been to reform in Australia. Australia made a very big mistake in its economic policy in the early decades of the last century. In the early stages after Federation, we closed our economy in damaging ways. By discriminatory immigration policies and high protection in trade, we turned our back on the international economy. But in the last 40 years of immigration and last 20 years of trade and investment, we have opened things up completely. And that has greatly improved the Australian economy. In the years of the closed economy, of high protection, Australia performed badly. With the liberalization first of immigration policies and later of trade and investment, we have become one of the top performers in the developed economies in the world. And it would not have been possible without much public education and discussion about how protection was hurting the economy. We have an institution called the Productivity Commission. It is a government-funded body, but independent. Its job is to study the effects of economic policies specially trade policies and publish reports to inform the public so that our community can be less suspicious about economic reforms. In a democracy, public education about economics is an essential input for the success of any economic policy.

There have been talks about signing a free trade agreement between Australia and China. Please tell us something about it.

The talks are going on for assessing the merits of a free trade agreement. We recently signed a free trade agreement with the US. To be honest, I have my doubts about bilateral free trade agreements. I think the best thing is global free trade. That was the path Australia was on until recently. With an FTA you reduce protection for just your partner you are dealing with, but for others you do not reduce protection. So you end up discriminating against other countries. My personal opinion (not the Australian government opinion) is that it is not a good way to go. Now that we have done that with the US, some people say that we require FTAs with other countries as well to avoid discriminating against them. For example, they say that we need an FTA with China so the FTA with the United States does not discriminate against China. But it won't solve problems just by signing more FTAs with more countries. I think we must talk about how to reduce protection against everyone. In that way, we can all relate to each other according to comparative advantage in international trade. I do not think the bilateral FTA approach takes care of the modern globalization of production. With FTA, we have rules of origin. With our FTA with US, clothing designers have to use US fabrics even if better fabrics are available more cheaply from Japan, Thailand, China, India or Korea or any other Asian countries. So this actually restricts globalization. With modern globalization, you are most competitive if your manufacturers can draw materials from wherever they are most competitive. Bilateral FTAs get in the way of that. So the problem caused by the US FTA for China might be helped by having an FTA with China, but that increases the discrimination against India, Japan, Indonesia and other countries. We can only avoid the problem by reducing trade barriers against imports from all countries, and not just FTA partners.

What are your views about the Indo-Australian economic relations, the changes and developments and the areas where both the countries can collaborate?

I think there is a great opportunity of trade between India and Australia. There was a lot of trade between us in the 19th century before you became a more closed economy and before we became a more closed economy. We both ruined our trade by both of us becoming inward-looking. Now it is changing. The potential for two-way trade is coming out now. So far, the bigger increases have been on the Australian export side. Australia now is a relatively open economy with low protection. There is still significant protection in textiles, cars, clothing, and footwear. It is good for our trade for us to get rid of that, as India has a comparative advantage in many of these products. India still has high protection for many things. But India could be a major supplier to Australia in many things. It will

become more competitive in its exports the more it reduces its protection against imports. India has a very developed skill base for many sophisticated, higher technology industries. Those industries have become export industries in India since the reforms began. Potential for export is realised after reforms.

On the Australian side, we are globally competitive in agriculture and mining products but also in the wide range of service industries including many services, which are in demand for Indian development. Some specialized engineering services and medical services, education including many others. We are globally competitive in quite a number of niche industries involving very sophisticated technologies based on research and development. Specialized engineering products, telecommunication equipments and medical equipments also have potential for export from Australia. So there is complementarity in the two economies that will come out as vigorous trade expansion as we each reduce our barriers to trade. I am expecting continued strong growth in trade.

One important recent development is the increase in number of students and migration from India to Australia. This is a terrific thing for economic development because it means that Indians and Australians will come to know each other much better and all trade relations in the end depend on personal relations and trust. The movement of students and migration bring deeper relations.

Australia is the seventh biggest partner and student inflow from India to Australia has gone up to 18,000. The flow of investment to Australia has also gone up. Looking at the political aspect, what policy suggestions would you give to both the governments to accelerate bilateral trade?

First, open trade is very important for investment. Whenever investment comes it comes with trade. Open trade is necessary to bring in equipment and other inputs that are required for investment. So the more we go in opening our trade, the more we welcome investment. In terms of the regulation of foreign investment itself, on the Australian side it is very liberal. We do have a foreign investment review board procedure for large investments. There have been a few cases when a high-profile politically sensitive investment has been stopped. On the Indian side, the main problem is that the transaction costs in business are still very high. The uncertainty about rules and unpredictable bureaucracy affect transaction costs. But the situation is changing and with the open economy and reforms the transaction costs have also been reduced.

You have a lot of experience with China, particularly in the field of outsourcing, which is the buzzword today. India has emerged as a

hub for that. This service provider is also compared with China. You know the competencies of both the countries, where we both stand and how big is the Outsourcing market for us?

You are a big base for outsourcing. Early this year, I attended a conference in the US about outsourcing, where they were mainly talking about India. And the Americans are very nervous about that. It is not the same with Australia, where so far it has not been a big issue. If you compare India and China, on outsourcing India has advantages. China is not very well organized for this. More people speak English in India than in China. Many outsourcing industries require many communications and language is important. So this is the big advantage, which India has. Also outsourcing usually depends on sophisticated IT connections and related communication connections. China's IT capacity is good, but India has it better at this moment. So, for a range of reasons, India has advantages for outsourcing and China has advantages for a wide range of manufacturing activities. It has also been able to attract a lot of foreign investment, which is important for upgrading productivity and export activities. But we should not be thinking of the world of trade opportunities being India versus China. In a number of industries and areas, they could complement each other. China's growth has also helped India grow. China and India's growth will help growth in other countries.

What do you feel about Asia acting as the service provider for outsourcing to rest of the world?

To think only of being a provider is the wrong way to look at it. If countries are running sensible economic policies and if they have been very successful exporters, they will be also be importers for many other things. Therefore, you should not be talking only about being a service provider to the world. You also should think that you are a market for the world. For Asia as a whole, I am not sure that there is a special advantage in outsourcing. Besides India, the Philippines has some advantages. But you can't say that the whole of Asia has these advantages.

These days we find a thin line between developed and developing countries. What are the growth indicators for defining growth?

In recent times a number of big developing countries in Asia have been growing fast. That is reducing the gap between developing countries and developed countries. We have the success stories of Korea, Taiwan, Hong Kong, Singapore, Malaysia, Thailand and China. India is now performing well. Hence, quite a few Asian countries are catching up in development. But we cannot say the scene is good for the whole world, as there are many countries that are not catching up in development. A few countries in Africa, South Pacific

and Latin America. So when you say that the dividing line between developing and developed countries is vanishing, unfortunately you cannot say the same for the whole world. We should only be happy when all of them develop. When I started studying economics in the 1960s, I was especially interested in development economics. I used to think about whether we could make it possible for the countries in Asia where the population is high and incomes low, to ever catch up with the developed countries. Especially countries like China, India and Indonesia, with their large number of poor people. It is a wonderful thing now to see the success of development happening. Open trade and access to good technology are helping these countries to catch up, though it will take time.

One thing you find is that at a certain point of economic development, when you have had a certain amount of modern sector development, labour starts to become scarce and wages start rising. That accelerates the catching up. For example, Japan, after the War, was a poor country and people were very pessimistic about economic growth. But once they started doing well, catching up became easier than everyone had been thinking. Korea and Taiwan were very poor countries in the early 1950s. They started to develop labour-intensive manufacturing industries and in the '70s, when labour became scarce, the catching up accelerated. The same thing will happen with China and India.

When one country accelerates catching up, it helps other countries to develop. Japan first grew rapidly by exporting labor-intensive manufactures like clothing, toys, furniture, and very simple electronic products. But once labour started to become scarce in the 1960s Japan lost competitiveness in those areas. The next generation of the East Asian countries like Korea, Taiwan, Hong Kong and Singapore took over the markets that had been supplied by Japan. They grew very rapidly. After a couple of decades, they were so successful that their wages started to rise and they lost competitiveness in labour-intensive products, and this made it easier for China to develop. Now, in coastal China, labour is becoming scarce and wages are rising. So this will help inland China and also other countries. Now that China and India are firmly on export-oriented paths, we will see quite rapid progress. Catching up with the west will happen sooner than most people think. It will happen earlier in China because they started earlier. China's reaching that level will help India to reach that level.

Which are the areas where China and India can collaborate?

There are many. If both countries have free trade, most Indians will find it surprising to hear from me that India will be a supplier for quite a few agricultural products to China. India will become a big supplier of the same sorts of things that they are supplying to the US and Australia, including those sophisticated IT-related

products. With complete free trade, India would probably also be a supplier for some labour-intensive products to coastal China, where wage rates are going higher and labour is becoming scarce. China is going to be the cost-effective supplier for more capital-intensive goods. We are often surprised to see how new industries flourish with free trade.

After a country develops, it reaches the saturation point. Then how does it sustain its growth?

It is never a complete saturation point. New technology and more investment can sustain growth even in the United States, with its advanced economy. One of the ways developed countries sustain growth is by discovering new products and upgrading the existing system. One of the oldest human needs is housing. In the developed countries, you continually upgrade your housing, and this generates more investments and innovation. So development does not stop once you become rich, but it does slow down. The exciting period is when you are catching up, as India is doing right now.

Lastly, you have been an academician also. Do you think simplifying the study of economics can help better understanding of economics for the common people?

I think public understanding of the main lessons of economics is essential for good economic policy in a democracy. We have founded in Australia a

Productivity Commission, which is an independent body, which studies and examines the policy changes and its effects. It is independent of governmental control. Having an independent group of economists giving authoritative public studies of policy changes and reforms can help maintain good economic policies in a democracy. Australia maintained high protection for three quarters of a century, which was quite damaging for our development. Public education and discussion were very important for bringing that to an end.

Anything else you would like to add...

It is a very exciting time to be in India. I think that the international situation is quite favourable for rapid growth in India at the moment if the government maintains a very vigorous approach to reforms, open up the market and reduce the barriers to the outside world. There is a discussion over the problems of the people who are left behind. It is important to deliver good services to villagers in ways that do not damage economic development. Resistance to economic reforms, maintaining protection, will not be helpful for development. The discussion of improved education, health and other services to poor people, alongside vigorous reforms is needed. That way reforms to promote more development can be put in place alongside measures that are directly helpful to reducing poverty.

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Time to Look Beyond Kangaroos and Naked Fakirs

The Australia-India Council has been acting as a medium to bridge the gap in cultural relations between Australia and India. Taking forward its activities, the council has introduced, scholarship programmes for students, fellowship programmes, exhibitions, etc. "The council has a strong desire to promote art and culture between the two countries for facilitating Australians to come to India to experience on their own and Indians to come to Australia and do studies, work and understand the people", says Carol Robertson, the Director of AIC. The Chairman, Michael Abbott QC, says, "the days are gone when Indians just used to think Australia as a land of Kangaroos and Australians used to think India as the country of naked fakirs". In the interview below the Chairman and Director of AIC (Australia-India Council) talks about the council, how it has been helpful in promoting the bilateral trade between India and Australia and the steps to enhance it.

Michael Abbott:

AIC is an initiative taken by the Australian government, which was started in 1992 because of the importance the labour government attached to the bilateral trade between countries. Successive governments no matter which political party they belong to, have successfully endorsed and supported this and extended help for the development of AIC. Based on that there would be a board and a chairperson. A directorate, which is part of the foreign Affairs, is mentioned in the MoU. The board has members, part time volunteers who are of high profile Australians giving their time willingly to work. Improve the bilateral relationship between Australia and India. Through the Department of Foreign Affairs, the Australian government makes available funding and after a policy decision has been taken by the board it is implemented by our director. Our staff in Canberra and our staff with the High Commissioner's office in New Delhi consists Asha Das as the country Manager who assists Carol Robertson, our director. Members of the board have been chosen for their singular abilities. For example: Professor, Suzanne Crowe who is on the board and a professor at the Burnet Center is working on the AIDS related projects. With relation to the HIV AIDS topics, the council has initiated and carried out two projects. First, one is training the trainers project which is now in its 3rd year. When we started this idea, we brought experts in AIDS treatment. So the project not only relates to those who are really affected by AIDS but it also trains the doctors in India to administer the right cocktail of the anti-bacterial viral drugs and how to manage the AIDS patients. For too long there has been a lack of awareness about what is necessary to treat an AIDS patient, which often was a problem to cure. The possibility today is, the drug resistant standard of AIDS might have emerged in India. Therefore, this particular

project started with Australian experts training Indian doctors who have interest in doing treatments for AIDS patients. Those doctors are again training other doctors. So on and so forth. Hence, we hope by the next year there will be 2000 doctors trained already. They have the support and great assistance of the CII with whom we work closely and of course under the aegis of the National AIDS Combating Organisation (NACO). We work within the existing structure. The other project that we initiated with the Australian expertise is the low cost diagnosis of the right amount of the anti-bacterial viral drugs; it is initially tried and tested in Australia and in other countries. We have made it freely available to Indians through a testing organization with specified field. That is an example of how one member has been able to bring Australian expertise to India. So, we are trying to leverage off this particular skill of each member. Sandy Hollway who is also in the council member list was the Mr. Olympics of the 2000 Olympics. He was in charge of the assembling of thousands of volunteers who were essentially returned by the other games specially Doha and other places. We brought him to India to lecture on volunteering. There are many organizations with volunteers in India harnessing the goodwill that exists to work. We try to use the funding and we do not handle a large amount of money to any organization. We insist that there is a close relation between the project that we look at and the bilateral relations. So that a project has to have a purpose which has an Australian content and should help Indians in achieving specific sense. We do not do commercial projects. We obviously have saleable projects, which has commercial flavour. The IT or technology that we use may have the commercial tinge. I being the Chairman for over six years have given all my time to the council and it is a wonderful experience. I see in India the profile for Australia is gradually increasing. The profile is so enormous and diverse in

India. We have also played our role by raising the profile of India in Australia. We have come a long way from Indians just thinking Australia, a land of Kangaroos and Australians thinking India as the country of naked fakirs and hippie clothing. Therefore, it was indeed a shock to the Australian business world when they got to know that there were two Indian companies who were listed on Nasdaq. No Australian company was listed at that time on Nasdaq. Of course India's IT success has made Australian business sit up. Because we have to, in some extent compete with India in that direction. Australia has been far too long a country full of natural resources. But we are not going to survive just on the basis of natural resources in a globalised world. So, we have to get smarter. Australia is undergoing a huge change and I think you will find it also. India's economy is growing at a rate of 8 per cent but ours is growing at the rate of 4 to 5 per cent. And I think great ties could bind Australia and India. For example, we both have a common heritage of British Law. Indian cases and the court judgments for example, has received respect from Australian courts as they use some cases for their research work as well. The legal ties also were proposed to be increased between Australia and India.

The recognition by Australia that India is the second fastest growing economy in the world can no longer be ignored. We have not been ignoring India also since the setting up of Australia-India Council. The council helps in cultural ties, exchanges, and people-to-people contacts which makes two countries to understand each other through trade happenings. Since the Pokhran Test, I think the relationship has blossomed under the BJP government. and I think it will also grow under the Congress government.

One experience, which I cannot forget while being in AIC...

Living with Indian people at all levels is one experience, which I will cherish. The scenic beauty here is fantastic. Come to India and you will fall in love with the country. I am a textile expert and I love collecting Indian and Asian textiles and I like going to places where they are designed, I go to Orissa, Kutch. The people do not know me, I go there and I try to interact with them and the knowledge of textile they have is tremendous.

One area we should improve is the work of the governments in developing the tourism relations. But it is improving. We have to promote Australia in India as a tourism and education destination. Introduction of direct flights is a significant step.

One of the important aspects of the council is the second tracked operation. Via High Commissioner in the first track, we are affiliated with and are indeed paid for and supported by the Australian Government which enables us to operate in a second tracked way. Some of the restrictions are applied to both the High

Commissioners office. During the Pokhran Test, when the relationship between Australia and India was not so good, the Australia-India Council played a major role because we were able to talk to all the people. The bilateral relationship has picked up pace after AIC started operation and keeping that in mind, the Indian govt also started India-Australia Council. Dr.Jamshed Irani, a prominent businessman, now heads the council. We look forward to work closely with Dr.Irani and the council, which is actively supported by CII (Confederation of Indian Industries).

My message to the business community will be to invite Indians to come to Australia because to Australians India now is in the map. Its not a place just to see temples and holy men but also, a place must to have contact with. This is a new vision Australians have for India. The Indian businessmen and tourists should come to Australia and experience the people of Australia.

Carol Robertson, Director of AIC:

I am with the Australia-India Business Council to help develop the business relationship to allow young Australian executives to come to India and Indians to go to Australia and learn how business is done. We are trying to encourage young people to know about each other's culture. In the field of education, Indian Universities have included Australian courses in their curriculum. The Open University IGNOU will have a Post Graduation Diploma in Australian Studies. This is increasing the interests of the people to go to Australia and to look at what we are doing.

We also have a strong desire to promote art and culture between the two countries for facilitating Australians to come to India to experience these and Indians to come to Australia to study and work. The Western Australian Art gallery had hosted an exhibition on Indian Contemporary in September. So, many things are happening and its not just business but also education and culture which underpins the relationship between two countries. We are building the people linkages and organization linkages. Professor exchanges, biotechnology scientist exchanges something that the council has been supporting as well. We have an Australian study fellowship programme to enable up to six post graduate academics to come to Australia and do research and to build first hand contacts.

We are happy to know that you have incorporated our newsletter in your magazine. Your magazine is devoted to more on the business side, and I would suggest you to also include art and culture in it. A two-way exchange in this regard is required. Dances, Drama, Textiles all are the most interesting fields. The Indian modern art and writers are appreciated in Australia. We also expect Australian wines, which has gained a significant place in the world will also find a place in India as well.

Basics about Australia's Visa Policy

Australia has a non-discriminatory visa policy, which has encouraged many talented men and women from India and other countries to migrate to Australia, the land of immense opportunities. This open policy has the twin aims of furthering the interests of the emigrants as well as those of Australia itself as is explained by **Susan Pullar**, A/g Consul Immigration Officer, in the following interview.

Could you please explain your role as a visa officer?

The role of the visa officer overseas is to process and decide visa applications efficiently and effectively in the Australian national interests and undertake other visa-related functions as required.

Please tell us about the visa facilities and the terms and conditions for business promotion between India and Australia.

- The 'Business Skills' visa class of Australia's migration program encourages successful business people to settle in Australia and use their proven business attributes to develop business activity in Australia.
- The majority of 'Business Skills' migrants enter Australia initially on a 'Business Skills (Provisional)' temporary visa, valid for four years and after satisfactory evidence of a specified level of business or investment activity, the holders of such visas may apply for permanent residence.
- The pathway to permanent residence is designed to give clarity and certainty to provisional business migrants and relies upon the establishment and management of genuine business activity in Australia. 'Business Skills' arrangements provide for the entry of business owners, senior executives and investors.
- There is also provision for high calibre business migrants under the 'Business Talent' visa to obtain direct permanent residence if they have high level business attributes and are sponsored by a state or territory government. Australia is actively encouraging 'Business Skills' entrants to set up businesses in

regional, rural or low growth areas of Australia.

- To assist this objective, State/Territory government sponsorship is available for each visa category. Concessional criteria apply to applicants who have obtained State/Territory sponsorship.
- The sponsorship arrangements provide State and Territory governments with a mechanism to attract business migrants in accordance with their regional development plans and to assist business entrants whom they believe will bring benefit to their jurisdiction.

Do you face any difficulty in granting visa to students, who are interested in higher education and who would like to take up part-time jobs in Australia?

Students and their family members do not automatically have permission to work in Australia. They can only apply for permission to work after they arrive in Australia and the students have commenced their course of study.

Students who are granted visas with permission to work are limited to 20 hours work per week while their course is in session. They may work full-time during formal holiday periods. Student visa holders found to be working in excess of their limited work rights are subject to mandatory visa cancellation.

What improvements would you suggest to help tourists in the tourist visas segment?

Australia's unique visa system has been the envy of many countries over the past few years, especially those with a heavy influx of tourists. It provides quick

and simplified immigration clearance once tourists reach Australia.

Nevertheless, we are always looking for ways to improve our services and to this end earlier this year the Australian Government put in place new arrangements to make it easier for Indians to apply for a tourist or business visa. This new user-friendly system is helping us manage the growth in visas from India and provide a better service to the community.

Indians who wish to travel to Australia for tourism or business no longer need apply directly to the Australian High Commission in New Delhi or Consulate General in Mumbai, which sometimes involves significant travel and some inconvenience. They are now able to lodge their applications at visa application and collection centres in New Delhi, Mumbai, Chennai, Hyderabad and Bangalore.

How far do you think the liberal visa policies will be helpful in strengthening the bilateral trade relationship between India and Australia?

Transparent and effective visa systems, such as those in place for Indians seeking to go to Australia, directly assist bilateral relations. Australia's effective visa system continues to facilitate the increasing number of Indians successfully travelling to study, to holiday or do business in Australia.

The links generated by these visits, in turn, have a demonstrable effect in strengthening the trade, investment and broad people-to-people ties between our two countries to the mutual benefit of both.

Australia has a non-discriminatory immigration policy, which means that anyone from any country can apply to migrate, regardless of their ethnic origin, their gender, colour or religion.

There are different criteria for different categories of migrants, as set out in Australia's Migration Regulations.

If a person satisfies Australia's selection criteria, he or she stands an equal chance of being selected, unless there is a cap imposed on the number of visas allocated to the particular category.

All applicants for permanent entry to Australia must be assessed against Australia's health and character requirements, which are designed to exclude any person whose presence in Australia would not be in the interest of the Australian community.

More information about the various types of visas can be found in India's website at: <http://www.ausgovindia.com/immigration/index.htm>

at the Australian Embassy.

DIMIA has two Visa Offices in India: **New Delhi** and **Mumbai**. DIMIA's Visa Offices provide the following services:

Information about visa requirements for Australia.

Information about Australian citizenship requirements

Processing of applications for most classes of visa.

Processing of some citizenship applications.

TT Services have been appointed to collect certain applications on behalf of the Australian Government's visa offices. The following applications from all states in India and Nepal should be lodged at TT services collection centers in New Delhi, Mumbai, Chennai, Bangalore, Kolkata and Hyderabad:

Visitor, transit and resident return visa applications;

Student visa applications from individual students who are not using an education agent in the following subclasses:

- Independent ELICOS Sector (subclass 570)
- Schools Sector (subclass 571)
- Vocational Education and Training Sector (subclass 572)
- Higher Education Sector (subclass 573)
- Postgraduate Research Sector (subclass 574)
- Non-Award Sector (subclass 575)
- Student Guardian (subclass 580);

Social/cultural temporary residence visa applications except for applications in the medical practitioner, entertainment and special program categories; and Temporary business - long stay (subclass 457) visas, where a business in India or Nepal has lodged a sponsorship application with the New Delhi or Mumbai Visa Office and the visa application is under that sponsorship.

All other temporary business - long stay visa applications must be lodged in Australia or over the Internet. Applications for social/cultural temporary residence visas in the medical practitioner, entertainment and special program categories must also be lodged in Australia. Applicants who have been granted a visa by a processing centre in Australia and advised to submit their passports for insertion of a visa label should also lodge their passports at the collection centres.

TT Services collection centres are open from 9 a.m. to 5 p.m. Monday to Friday.



Maggie White

A Land of Engulfing Beauty, Accessibility & Experience

*Tourism is not just one of the many boons Australia has been blessed with. It is much more than that. It is a link that is providing connectivity to Australia with countries across the globe. India is an intrinsic region in this link. **Maggie White**, General Manager South & South East Asia, Tourism Australia, in the interview below tells us of the multifaceted role of tourism in general and about Tourism Australia in particular. Excerpts:*

Discuss the role of tourism in general in strengthening relation between two countries and TOURISM AUSTRALIA'S role in specific in enhancing bilateral trade and commerce between India & Australia.

Tourism not only serves the purpose of visiting the attractions and going to places of interest, but also spreads goodwill and passion about the destination through people to people interaction.

Whilst on a tour to newer destinations, one learns about the culture, tradition, history, and a wide gamut of significant facts. One learns about different people and how they live together with their distinctive attitudes and behavior.

friends and relatives help generate better understanding of a country and its people.

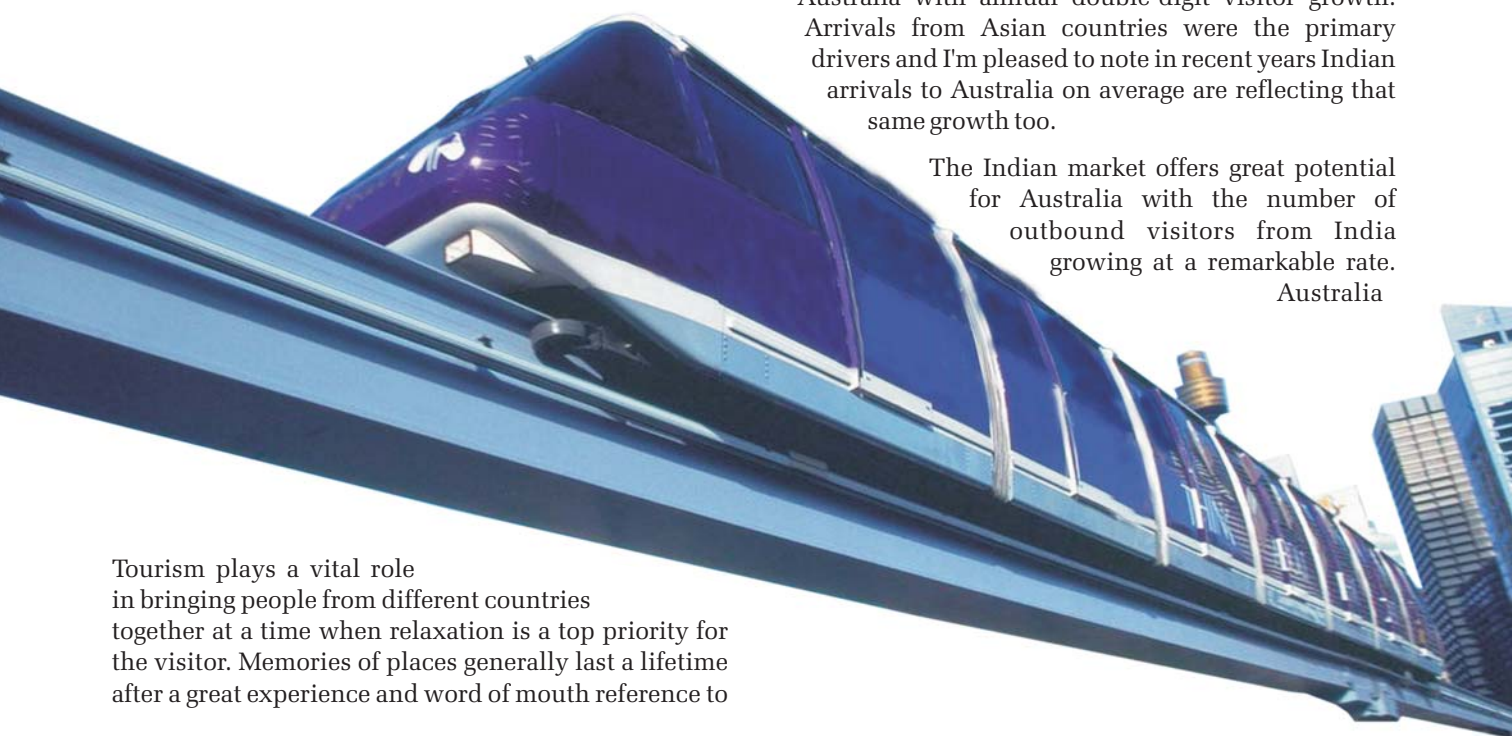
Business Tourism including conferences, meetings and incentives also strengthen bilateral trade and commerce between countries.

Since how long have you been associated with TOURISM AUSTRALIA (TA) and what is your observation about the Indian tourists in recent days?

Much of my career has been in tourism and in that time I've witnessed extraordinary growth in inbound tourism not only to Australia but also to many other destinations. The nineties were an exciting time for Australia with annual double-digit visitor growth. Arrivals from Asian countries were the primary drivers and I'm pleased to note in recent years Indian arrivals to Australia on average are reflecting that same growth too.

The Indian market offers great potential for Australia with the number of outbound visitors from India growing at a remarkable rate.
Australia

Tourism plays a vital role in bringing people from different countries together at a time when relaxation is a top priority for the visitor. Memories of places generally last a lifetime after a great experience and word of mouth reference to



has become an aspirational destination in the minds of Indian consumers. We can attribute this to the increased awareness of Australia as a holiday destination as well as the stabilizing and steadily growing Indian economy. This has resulted in a rising per capita income and an increasing purchasing power of Indians for a holiday to a long haul destination such as Australia.

With increased air services and capacity by the Asian airline carriers, the recent introduction of Qantas direct non stop Mumbai Sydney services, more options for financing a holiday to Australia and tailored holiday packages by Aussie specialist agents, the number of Indian tourists to Australia has been steadily increasing. The Indian traveler in particular, seeks to indulge in good shopping, hip nightlife, fine dining and of course soft adventure travel experiences.

Indians connect with the warmth and friendliness of Australians, which easily make one feel at home. Indians are progressively seeing Australia as a world-class destination, combining easily accessible city and beyond travel experiences.

What are the remarkable steps that have been taken during your tenure in TA to promote tourism Australia?

Tourism Australia's (TA) [formerly Australian Tourist Commission (ATC)] expedient ventures in promoting Australia tourism have been dynamic and innovative.

Three years ago as a result of research TA focused its efforts on targeting segments, which best represented the greatest opportunity for Australia. A public relations agency Corporate Voice Weber Shandwick was appointed to spearhead this strategy in conjunction with Tourism Australia's South/SE Asia Regional office. The agency has worked diligently with the media and other partners to raise Australia's awareness.

Identifying travel partners and training travel agents to sell the destination was another integral part of this strategy. An Industry Servicing Manager was engaged via TLC Marketing to carry out this role.

A number of innovative measures were introduced; these included launching the Aussie Specialist Program (ASP) an on line training program with a number of benefits to the agent and also destination.

Annual travel missions to Australia and India, which facilitate business opportunities between Australian suppliers and Indian travel agents, have been very successful. In the past 12 months TA has partnered with Dept of Immigration and Multicultural Affairs offering a tailored training program and preferential servicing for ASP agent's visa applications.

What is the present number of Indian tourists visiting Australia? And what are your future plans?

Indians and Asian visitors flocking to Australia are fuelling a strong recovery for Australian tourism with high growth from the India market. A boom in overseas travel from India prompted a dramatic 38% boost, with 29,600 visitors to Australia in the first six months of 2004. The boom in part can be attributed to the increased profile Australia is now enjoying in India as a result of a number of initiatives by Tourism Australia and its partners. These include the high profile Balaji drama series: *Kahaani Ghar Ghar Kii*, *Kyun Ki Saas Bhi Kabhi Bahu Thi*, *Kasauti Zindagi Kii*, *Travelogue Musafir Hoon Yaaron* filmed in Melbourne and Sydney over the past 12 months, celebrity shoots with Femina and Cosmopolitan magazines, Celebrating Vivaha bridal show, ESPN & STAR Sports color tourism stories, Visiting Journalist Programs, Feature stories, Hoarding campaigns, editorials and an array of such initiatives.

The recent out sourcing of visa collection by the Dept of Immigration and Multicultural Affairs to TT Services





and the introduction of the preferred Aussie Specialist agent scheme for visa applications is all contributing to the ease agents have in selling Australia.

The tourism industry in Asia is showing signs of a healthy rebound following last year's turbulent global events. Tourism Australia is particularly encouraged by the growth in markets like India where the tourism industry is going through rapid expansion and change. India's healthy 38% growth is also another positive indication of growth in South Asia a trend we expect to continue to grow.

Indian Visitor Arrivals to Australia

- In the year ending **31st December 2003** there were **45,600** visitors an **increase of 1 per cent** compared to the last year.

- Of the total arrivals of visitors from India in **2003**, a high proportion was visiting Australia for holiday (20,400), visiting friends and relatives (8,900), business (10,000) & others (6,300).

- In the year ending **30th June 2004** there were **53,800** visitors an **increase of 30 per cent** compared to the last year.

- In this year in

- o The month of **June 2004** there were **4,370** visitors an increase of **23 per cent**, as compared to the last year.

- o The month of **May 2004** there were **7,300** visitors an increase of **71 per cent**, as compared to the last year.

- o The month of **April 2004** there were **4,500** visitors an increase of **46 per cent**, as compared to the last year.

- o The month of **March 2004** there were **4,200** visitors an increase of **11 percent**, as compared to the last year.

- o The month of **February 2004** there were **5,300** visitors an increase of **46 per cent**, as compared to the last year.

- o The month of **January 2004** there were **3,800** an increase of **27 per cent**, as compared to the last year.

- **Six months to June 2004** there were **29,600** visitors an increase of **38 per cent**, as compared to the same duration last year.

Tourism Australia will continue to promote Australia aggressively to its target audience in India using public relations and working closely with the industry including 83 travel agencies who are Aussie Specialists. A list of these agents can be found on www.australia.com

The recent increase in air capacity to Australia is a bonus and very encouraging for future growth. Indian clients now have a number of airlines to choose from including a direct service three times weekly to Sydney with Qantas ex Mumbai or via Asian destinations including Singapore, Kuala Lumpur, Bangkok or Hong Kong with a selection of the respective National Carriers. Traveling via Dubai on Emirates is also another option to Australia.

Please tell us what steps the Indian government could take to facilitate more inflow of Australian tourists to India.

The Indian Tourism authority is the best organization to address this issue. However the recent commencement by Qantas of non-stop flights between Sydney and Mumbai will certainly reduce the traveling time for Australians wishing to visit this marvelous country.



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Victoria, one of the jewels in the crown of Australia, amazes one and all by its beauty, its history and the staggering wealth of fashion, sporting and cultural events. Nowhere can you find this better encapsulated than in Melbourne, the capital city of this state. Read to know more and discover the best of this land.

Melbourne is a land where natural beauty abounds, a place where food and wine, great events and art at its best, converge.

Geography changes swiftly in Victoria. Half an hour from Melbourne and you will find the Dandenongs, ranges, that are dotted with romantic hill top villages, lush green tall forests and man made gardens. These ranges are home to spectacular fauna and flora. The Philip Island Nature park is a treat for nature lovers, who can observe at every dusk, pranks of the penguins, seals and koalas from a close range. Daylesford and Macedon Ranges are centres of pure indulgence, where one can take a break from the mundane daily life in the spa retreats. The island is also host to international motorcycle races. Talking about the physical features, one cannot ignore the Yarra Valley, which is well known for its world class wineries that produce wine to suit the different shades of the temperate climate. The place is also celebrated for its string of restaurants and wonders of art. The western districts of Melbourne are no less enticing. In the Geelong and Bellarine Peninsula, are some of the best fishing grounds and brilliant beaches. The Morington Peninsula has a mighty expanse of ocean to the south and protected bays on either side.

Having mentioned art, it becomes imperative to take the names of the wonders that Melbourne beholds in this field. From South bank to the city of Carlton Gardens, is the 'cultural corridor' of Melbourne, which includes the Australian Centre for Contemporary Art, NGV International and the Arts Centre. Cultural treasures can be found all along the Federation Square, which is home to the Australian Centre for Moving Image and The Ian Potter Centre. Historic theatres like Her Majesty's and the



Princess amongst others are living testimonies to the thriving art and culture scenario.

Melbourne is one of the greatest wine destinations of the world. The sun-drenched climate of Victoria is best suited for wine production. At the cellar doors of the wineries you can stop to taste and buy the local product and meet the wine maker. The Yarra Valley is home to the Domaine Chandon's Australian headquarters. The Melbourne Food and Wine Festival is one event that celebrates to the hilt the culinary expertise of the region.

Can sports and sporting events be left outside the bracket of fitness? Keeping in mind the obvious answer, let us see what Melbourne has to offer in this regard. Golf is one of the most favoured sports in the region. Most of Victoria's top public and private golf courses are in Melbourne. Some of them are Royal Melbourne, Kingston Heath, Metropolitan, etc. These world-class courses have been designed by world famous architects and play a host to international tournaments like the Heineken Classic, Australian Open and Australian Masters. Talk of sports and it must be said that Victoria will be host to the XVIII th Commonwealth Games in March 2006.

Melbourne is shoppers' paradise undoubtedly. The quality and range of merchandise available here is high and diverse. Important fashion events hosted by



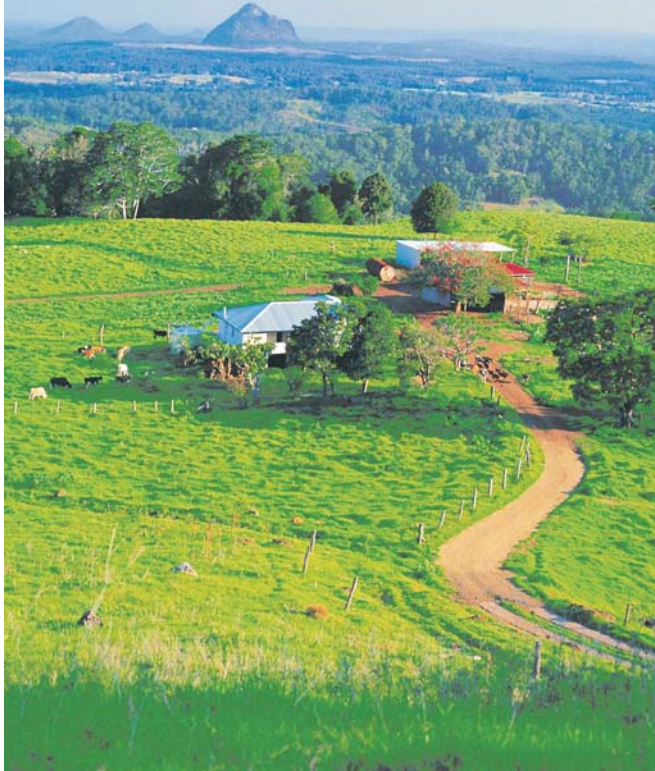
Melbourne are the L'Oreal Melbourne Fashion Festival and the Melbourne Fashion Week. Some of the famous shopping destinations are The Block, Royal and Centreway arcades. Different places within the city are known for different manufactures. One of its legendary markets is the Queen Victoria market.

Some of the major attractions, which no visitor should miss, are Rialto, the tallest office building in the southern hemisphere, the Crown Entertainment Complex across the Yarra River, the Melbourne Cricket Ground and the Immigration Museum among others.

Last of all it must be said that Melbourne is a capital of Events. The Spring Racing Carnival, The Australian International Air show, Melbourne International Comedy Festival, the Melbourne Food and Wine Festival and the Australian Football League Final Series are some of the prominent events that this city has been hosting and which have in turn rendered to it a rare distinction.



Family - Friendly Sunshine Coast



Now, I'm the first to admit that the lure of the "Crocodile Hunter" Steve Irwin drew me to his zoo on the Sunshine Coast one hour north of Brisbane in the Australian state of Queensland. But, far from just paying homage to Steve & his crocodiles, I was delighted to find that Australia Zoo offered much, much more.

I once read that Steve and his wife Terri vowed that if they ever made a profit from their documentary making, that they would put the money back into wildlife conservation. It is obvious when you walk into the gates of the zoo that they've poured some serious money into this place.

If you have kids, take them to Australia Zoo! They will love the place. It is fun, healthy, safe and yes parents, it is educational!

The highlights are the daily crocodile feeding shows. If you are lucky (like during Australian summer school holidays), Steve himself might do the croc feeding demonstration. This man is so full of energy and enthusiasm it is contagious!

But the crocs are not the only attraction at Australia Zoo.

Australian native animals are what we really wanted to see and we weren't disappointed. There are numerous paddocks of kangaroos and wallabies (small Kangaroos) and because of the amount of land, you are interacting with the animals in natural surrounds. Unlike many 'wildlife' parks where the ground is so well trodden by both animals and their visitors that it is devoid of vegetation, the animals lazily wander on grassy grounds. It makes for a better background in photos too!

Speaking of photos, make sure to have your photo taken with a Koala while you are at the zoo. Queensland is actually the only state that hasn't outlawed the holding of Koalas by visitors, so make the most of the visit and get up close to one of these soft furry, Eucalyptus smelling creatures!

Snakes, birds, dingos, wombats, emus and now elephants can also be found at the zoo, but one exhibit housing a lovely old creature will be sure to catch your attention.

Her name is Harriett and she is a 172-year-old tortoise! Tracing back her history led to the discovery that she once belonged to Charles Darwin. If only Harriett could talk, wouldn't she have more than a tale or two to tell? Living history indeed!

The even better news is that Australia Zoo (www.australiazoo.com.au) is not the only top-class attraction on the Sunshine Coast.

You can hire a car, pack up the kids and make a real family holiday on the Sunshine Coast. Head up to Noosa (about two hours north of Brisbane) and set up home in one of the apartments or hotels that line Hastings Street. Hastings Street is lined with cafes, restaurants and boutique shopping, with the sheltered north-facing beach on one side.

Be sure to book yourselves on a full day trip to Fraser Island while staying in Noosa. After all, so close to the world's largest sand island, not to mention a World Heritage listed area, it would be a shame not to make a visit. 'Fraser Island Excursions' operates out of Sheraton Noosa Resort right in Noosa and also offers





catering by Sheraton Noosa Resort. This means your morning, afternoon teas and sumptuous lunch are all of 5-star resort quality!

The day starts by zooming along Noosa's north shore beach, which sets the tone for the rest of the day—wind in the hair, carefree, fun and relaxed. You'll warm up to the friendly driver/guide straight away. Throw any questions at them. I did and there wasn't one question our driver Barry couldn't answer!

The fresh water lakes perched in the middle of this sand island are what fascinated me the most. Crystal clear, they are stunning and your guide will patiently wait while you take a refreshing dip. Keep your eyes out for the local to the island—the dingo. The dingo on Fraser Island I learnt from Barry, is one of the purest strains of the animal around thanks to the dog's isolation from the mainland and therefore lack of cross breeding with domestic dogs.



Your journey to Fraser Island is a long day, but the experience is well worth returning to Noosa a little weary. The vehicle size limits the number on the trip to 6 people, which is about perfect for the Singaporean extended family size so it is just like a private charter! **www.fraserislandexcursion.com.au**

Wondering about the shopping yet? Tip of the story is don't miss Eumundi markets. Operating on Wednesday and Saturday mornings, they are crammed full of

top quality arts, crafts and hours of wandering. But one more tip—get there early and partake of breakfast at 'Eat' located at the front of the markets. The freshness of the bacon and eggs is palatable and the size of the servings will get you through all the walking involved at the markets!

Before you leave the Sunshine Coast, be sure you make a visit to Mooloolaba, a wonderful locale with almost as many fabulous alfresco dining choices as in Noosa. Located on a surf beach, it has long been a favourite holiday spot for Aussie families, so you'll love the atmosphere.

Wander across to The Wharf complex, which also houses an 'Underwater World' complex that has a seal show, which will enthral the little ones! Not far from Mooloolaba is Superbee Honey Factory. With free entry, beekeeping demonstrations and over 30 different honeys on tap for a taste test, the kids will be occupied while you fill the shopping basket with Royal Jelly products. The difference in price between Singapore and Australia is significant enough that if you tell your Aunties you are traveling to a honey factory, they'll be giving you a list to buy from! www.superbee.com.au

Getting to and around the Sunshine Coast is easy as the roads are smooth and well signposted. Brisbane airport hosts most of the major hire car companies and they will all provide a book of detailed maps with the car and also offer plenty of advice and point you in the direction of the Sunshine Coast if you need it. Just always give yourself enough time to get to your destination and if you are a nervous driver, try to start off by avoiding peak hour traffic, which is before and after work. But most of all just relax and get into the Sunshine Coast spirit of things and you too will soon be 'just coasting'!

For more information go to: www.queensland.com.sg or www.sunshinecoast.org

(Story by Lee Yun Hui)



Joyce Pereira

Australia - The Melting Pot of Art and Culture

It is not without reason that Australia is called the cradle of the oldest cultural traditions of the world. Different cultures of different groups that migrated, have merged well to form one mainstream culture in this melting pot, retaining their individual shades all the same. Joyce Pereira, Executive Assistant and Consular Officer at Australian Trade Commission, tells us about the island and its uniqueness in this regard.

In the field of visual arts, artists from the Aboriginal and Torres Strait regions have given new forms of expression to their art and culture in a way to internationalise it. One such striking example is the transfer of Dreaming designs from sand paintings to boards and canvases by Pintupi elders in the central desert community of Papunya in 1971. The credit of this art form is that it provided a connectivity between the indigenous and non-indigenous Australians. Artists of the genre of Rover Thomas, Emily Kngwarreye have created contemporary art that has risen from the bed of the spiritual traditions of Aboriginal and Torres Strait Islander cultures.

While Non-Indigenous artists have concentrated on Australia's unique physical and social environment, immigrant artists have brought new perspectives on the natural and urban environments.

The performing arts in Australia are characterized by vigour, vitality and elegance of movements. Indigenous companies like Bangarra Dance Theatre and the Aboriginal and Islander Dance Theatres, are popular the world over and exhibit contemporary work encapsulated in ceremony and performance. What has further endorsed these companies is their association with artists like Choreographer Stephen Page, actor Deborah Mailman and Christine Anu, who have time and again worked with these companies and incorporated their traditions.

If you want to see the range and extravaganza of Australian dance then what can be better than looking at the works of the Australian Ballet and Sydney Dance Company. The work of Australian choreographers like Lucy Guerin and Gideon Obarzanek in producing dance forms to suit the environment of unconventional venues such as night clubs is only serving to infuse more life in these art forms.

Enriched by postwar immigration, **Australian music**, shines with the Australian Orchestra collaborating with master musicians from South India. Judged best in the world, the symphony orchestras weave some of the best strains of the music. One cannot ignore the importance of organisations such as Musica Viva that promote a wide range of classical and serious contemporary music events.

Australian composers who have gained international acclaim are Percy Grainger, Larry Sitsky amongst others.

Can Australian Opera ever be ignored when we talk of art and culture? The spectacular Sydney Opera House is a living testimony of operatic legends being passed on from one generation of artists to another.

What is increasingly becoming noticeable is the original style of **Australian rock music**. Personalities in this field include celebrities like Kylie Minogue and Savage Garden to name a few.

Australian literature is as flourishing and rich as its art and culture. International accolades come naturally to Australia starting right from Patrick White, the Nobel prize winner in 1973 to Helen Garner, David Malouf and Tim Winton. Leading poets of past and present include A.B. ('Banjo') Paterson, A.D. Hope, Judith Wright, Bruce Dawe and Geoff Page. Australian literature is again as cosmopolitan, as vibrant as its culture.

While it has the works of authors of migrant background such as Brian Castro, it also enshrines those of Oodgeroo Noonuccal, who brings an aboriginal flavour to the reader. International bestsellers include Morris West and Bryce Courtenay amongst a host of others.

The cinema industry in Australia is as replete with talent as is any other field. Some of the top most Academy Awards and nominations have been won by Australian films. *The Piano* (1993), *Priscilla, Queen of the Desert* (1994), *Babe* (1995) and *Shine* (1996) are films that have made it big in the international awards section. Peter Weir and Bruce Beresford are film makers and, actors such as Geoffrey Rush, Nicole Kidman, Mel Gibson, Judy Davis and Cate Blanchett are Australians who have won fame internationally.

If you thought that Australian art and culture had got nothing to do with economics, then you are wrong. Art and culture generate 2.5% of GDP, there has been considerable growth in the export of cultural goods and services from Australia, and nothing can sum this up better than the Australian government's direct support for art and culture facilities in the form of funds through the Australia Council.

Understanding product needs is crucial in International Trade

For seven years, he has been with Indo-Australian business. His journey in this field started with the Australian Trade Commission the Federal government in 1997. An expert on the trade between India and Australia, Paresh Shah, is now acting Senior Trade Advisor with Western Australian Trade office in India. In an interview, he shares his experience and views with Indo-Australian Business.



Paresh Shah

Australians do not hesitate to adopt modernity and technology...

I see a lot of change in the business scenario since last five years all over the world and Australia is no exception. Australian businessmen are very forward looking; do not hesitate in investing and using modern technology particularly information technology, communication gadgets as well as any other modern technology. The opening ceremony of Sydney Olympics is the latest example, which has set a benchmark and is being followed by many other events doing similar job. Unlike other markets, the Australian market has become highly competitive and hence product quality level and customer's expectations have gone higher. The product life cycle has shortened,

resulting in continuous up-gradation of the design and technology as a must strategy to survive in business.

Australia puts lot of efforts and resources into research and development especially in the areas of alternative energy, building and construction products, health and medical, agricultural research and this continues to be a major step towards maintaining an edge over other products from the world.

Technology for India and SMEs for Australia...

Australia is a very strong resource based country. Their trade with India has been increasing every year. In fact, it is now the 8th largest trading partners with India from being the 12th only a couple of years ago. Coal, gold, copper, wool, pulses and other minerals are major

commodities that are traded in huge volumes. The potential of these commodities will continue to grow significantly with an emerging market like India. Additionally, there exists a great business potential for special purpose technologies in the areas of environment, special purpose training in oil & gas, mining, tele-communication, agricultural sector, high-end building and construction product, software solutions of mining and communication, food processing, health and medical equipment, fertilizers and infrastructure design and development from Australia to India. Lately, there has been great interest from bollywood for post-production facilities and animation effects. These niche technologies have to be identified appropriately for the business ventures. Australia has been a supplier for such niche products and technologies to the Indian market.

On the other side, Australia's major imports from India are Crustaceans, Tea, Jewellery, Footwear and leather products, clothing and garments, toys & games and sporting goods etc. Australia has a very small population. So the overall market size is quite smaller compared to the US, UK or European countries. As a result, Indian business has not concentrated their marketing efforts in Australia. Though volume of business is small, there is a great potential for Indian SMEs in the areas of IT services, engineering goods, castings and forgings, auto components.

I always enjoyed working with Australian businessmen....

Like the Australian cricket team, I find Australian businessmen having strong belief in themselves, high level of confidence, very presentable, transparent, honest, polite, and diplomatic. They take calculated risk, with a much focused approach and work towards the goal very professionally. They love Indian food and willing to try new things. They feel comfortable with people having similar approach be it Indian or any other country's businessmen. In today's information age, there is no success in the business without the teamwork. I have had excellent team support from my colleagues and superiors through out my work span, which contributed, to my achievements. In the last seven years, I have had reasonably good success promoting Australian business in India. Without giving any specific names, I have been instrumental in inviting investment over A\$ 500 Mn in Western Australia, establishing a joint ventures in engineering industry, supply of tooling to the Indian automotives sector, setting up an operational unit of a major Indian IT company in Sydney, technology for LPG dispensing equipment, assisted a marketing and advertising company in establishing it's office in India just name a

few. I am sorry I cannot disclose much for the reasons of confidentiality.

Western Australian Trade Office...

WATO is there to enhance bilateral trade between Western Australia and India. This could be by way of direct export, inviting investments in to WA and joint venture avenues. Besides facilitating WA company's requirement, my specific role is advisory in nature in line with the corporate objective which is to encourage, motivate and assist them for their market entry market strategy, identification of marketing partner or distributor, preliminary advises on Indian commercial laws and regulation for joint ventures in Western Australia and India, or establishing their own offices besides Indian direct and indirect tax structures. I advise WA companies on prevailing value chain, pricing structures, margins of specific products besides Indian business culture and etiquette, business psychology, the way to approach the Indian companies etc. In short, I advise WA companies how to successfully do business with Indian companies to have a win-win situation for both.

Indian businessmen must develop products suitable to the market before visiting or participating in an exhibition abroad...

India is a big market not only in volume but also very wide spread geographically. The market characteristics, taste and preferences differ substantially from region to region. I would advise Australian company to carry out comprehensive survey, focused regional approach with a long-term perspective. A person on the ground will make huge difference to make the presence felt and will give an impression of commitment to the market be it for buying or selling. They will be in a better position to decide their long-term strategy, which can prove to be effective and result oriented. For Indian exporters, understanding product requirement in a foreign market is very crucial. Similar approach is advisable to Indian companies also before entering into international arena. The Indian businessmen must develop products suitable to the market before visiting or participating in an exhibition abroad. It is highly essential that the potential businessmen is export ready in terms of consistent production capabilities (not just prototype sample), consistent quality standards, following world accepted testing procedures to meet quality standards. For both, a serious effort with willingness to invest in marketing resources and means is the key to the success in international market.

(The views mentioned above are the author's personal views and has nothing to do with the organization)

AMP SANMAR PRODUCT INNOVATION IS THE KEY



Mr. Graham Meyer

AMP Sanmar, the well-known Australian insurance company, has been in India only for a few years. But it has made a great impact on the insurance business in this country through its highly focused marketing strategy. The company has been able to achieve greater penetration, thanks to their expertise in product development. As Mr. Graham Meyer, Managing Director, stated in an interview with Rojita Padhy, AMP has incorporated a number of product innovations to meet the specific needs of their customers. The following is the text of the interview.

How has been the operation of AMP Sanmar since it started in India?

Our growth has been very satisfactory. In the current fiscal till March 2004, we have recorded over 200% growth in all key parameters, including premium income, lives covered and advisor strength, over the last year same period. Now we are further stepping up the pace of growth and are looking at growing even more strongly in FY 2004-05. To achieve our targets,

we intend strengthening the key factors reach, products and client service. Our advisor strength is slated to grow by 100% to over 9000 and our branch network to 68 (currently 50 spread across the four southern states and the states of Maharashtra and Gujarat). We have covered over 1,06,000 lives as of end March 2004 (grew to over 1,20,000 lives as of end June 2004) and we aim at extending life cover to 2,50,000 lives by the end of this fiscal. The premium income is expected to be Rs. 800 million for the fiscal 2004-2005 (Rs. 311 million for 2003-2004).

With a view to establishing our presence in the institutional group products business, the company has also put in place a dedicated team to cover the six metros (including Delhi and Kolkata, where the company does not have immediate plans for the retail segment).

What are your views about the Indian insurance sector? Could you do a comparison of the Indian and Australian insurance sector?

The Australian insurance sector is a very mature market and strictly cannot be compared to the current Indian conditions. Also to note is the free market



elements of Australia like the floating currency, free movement of capital, etc. The Indian insurance sector, though in a nascent stage, is fast catching up with global markets after the opening up of the sector to the private players and the phased liberalization of the economy. The upside is that because of these conditions, the Indian insurance sector offers tremendous potential -- and hence the interest -- by all major global players. Another related segment to watch is the pension market, which is set to see a liberal policy regime shortly.

How far will the Indian Government's decision to hike FDI from 26% to 74% affect investment in the insurance sector in this country?

The increase in FDI in the Indian insurance sector is a very positive step and will help speed up insurance penetration. However, the first step would be the increase to 49% FDI. Increase to 74% is probably a distance away.

AMP Sanmar has been focusing on the southern and western regions of India. What is the purpose behind it and do you have any plan to extend it to the northern and eastern regions in the near future?

As far as retail distribution through agency force is concerned, our business plan deliberately focuses on depth of reach and not on spreading wide. In the first phase of our operations, we focused on establishing presence and gaining substantial market share in the four southern states. This also helped us capitalize on the Sanmar brand equity. Once our growth was stabilized here, we moved into the western markets, where we see excellent growth potential. Currently, our focus remains consolidation in the south and increasing penetration in the west. Our recent tie-up with New India for cross-selling each other's products, we expect, will give us enhanced reach in these regions.

There is big competition in the insurance sector with a number of foreign players investing in the Indian market. How is AMP Sanmar different from the rest?

The reply to this query is in two parts *one in terms of our business plan and the other on the product front.*

The differentiation in our business plan is answered in the earlier queries, i.e., our phased expansion plan and focus on B & C class centers more than other players in the industry.

In terms of products, India's life insurance market offers little scope for strikingly different products. However, we have leveraged our actuarial strengths and AMP's expertise in product development and have



Nurturing Lives

incorporated product innovations, which meet specific customer needs:

- Our Money Back Plan **Dhana Shree** is one of the very few in the market, which commences money back from the fourth year and every three years thereafter, which gives higher frequency and more flexibility than the regular five-year money-back period.
- **Raksha Shree Plus** is a unique term cover product, which offers large high levels of insurance at low premium and returns the basic premium on survival.
- Similarly, **Vani Shree Plus** is our Loan Cover Term Assurance Plan, which returns basic premiums on survival. This feature has been built into these policies to offer a comfort factor of returning basic premium invested.

Any more information you would like to add...

AMP Sanmar is the only insurance company to have a cricketing brand ambassador -- popular Australian cricket icon Steve Waugh. Steve Waugh is a widely recognized icon across the rural and urban segments in the country. He represents commendable values like leadership, team spirit, perseverance, will-to-win, etc. He is also known for his philanthropic activities in India. As these are the characteristics AMP Sanmar too stands for, it is a perfect fit and strong brand value. We have been able to use the association effectively with our brand ambassador for building name recall through mass media advertising and also through high involvement events at all our key markets.

How to **Save** and **Live Happily** Ever After ...

If you live and work across two countries, you are very likely to be the kind of a person for whom the search for opportunities and solutions is not hindered by traditional boundaries. You are probably amongst the few who take pleasure in exploring the unknown and creating opportunities for others and yourself. Given the peculiar nature of your work, your income and your legal status, in all likelihood the concern of managing your personal finances would have touched you often, regardless of whether your profession has anything to do with finance or not.

If you are an Australian working in India, you could be wondering how personal financial issues, and their implications, are different in India as compared to Australia. If you are an Indian working in Australia, you too will want to understand the differences and create a

returns, the Australian economy is growing at around 3.5% p.a. and shares are currently returning a dividend of about 5%, so combining the two numbers a return of 8.5% p.a. would be a conservative starting point.

The real growth rate of India has been estimated over 7% per annum. Inflation has hovered around 5% in the recent years. It is important to understand that the agro-economy is growing at a much slower pace. This means that the industrial and service sector, which represents the destination for the equity markets, is growing faster than the average of 7%. While historical (nominal) equity returns have been over 20% p.a., keeping in mind higher historical inflation, it would be realistic to expect a post inflation return of about 12% p.a.

What are the key tax rates in both economies?

The highest marginal income tax for an individual in India is 30%. Long-Term Capital Gains (LTCG) Tax was scrapped in the last budget is now zero and income earned out of foreign exchange assets (for non-residents) is taxed at 20%. Investment in listed equity shares is considered long term if held for more than 12 months. Short Term Capital Gains (STCG) is taxed at 10%. There is now a securities transaction tax on listed equity of 0.15% (Fifteen basis points).

The highest marginal income tax rate for an individual in Australia is 47% and capital gains get taxed at the income tax rate applicable to the individual. Both countries do not have estate duties or death taxes.

Mutual Funds tax treatment and popularity as an investment vehicle.

As an investment vehicle of growing popularity, Mutual



Mr. Devang Shah

Devang Shah is a (CFPTM) practitioner, an MBA from IIM Ahmedabad and is a qualified Cost Accountant. He is a member of the Financial Planning Association (FPA), USA. He is presently on the advisory Council of the Association of the Financial Planners (AFP), India. AFP, India is an affiliate of the International CFP Board, USA and is primarily responsible for awarding the CFPTM designation here in India. He is a member of the Asia Pacific Geographic Focus group of FPA, USA and is a member of the Capital Markets Committee of the Indian Merchants' Chamber.

solution for your personal financial matters. As you can imagine, the area of knowledge that would encompass all the personal financial issues between the two countries is very large. More importantly, given the vast scope, what would be of interest to one person may not be relevant to another. Yet, there may be certain peculiarities, issues and facts that may be of interest for all readers. We have jointly tried to provide a glimpse of some such contrasts.

How are the two economies different?

The difference in lifestyles and cultures of the two countries is easily appreciated. However, it is the differences in the economies of the two countries, which underline the differences in investment opportunities.

Inflation in Australia is low at between 2-3% p.a. As keeping the inflation rate at these levels is the primary focus of the Reserve Bank, it seems likely that inflation will remain around these levels. As for predicting investment

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Mr. Damian Cullen

Funds (MF) are catching the fancy of the Indian investor. Indian MF investment products are virtually tax-deferred vehicles. If one does not opt for dividend payouts or dividend reinvestments i.e. if the investor opts to let the investment income accumulate, then there are no taxes payable on the investment income either by the Mutual Fund or the investor until the investor sells/redeems the Mutual Fund investment. On redemption, the investor becomes liable to capital gains taxes. Even when an investor opts for dividends, these are tax free in his hands. Only when a debt-oriented Mutual Fund pays dividends, the fund has to pay a 12.8125% dividend tax for individuals. The recent budget has hiked the dividend tax on dividends paid to Corporate to 20%.

With maturity of the financial markets as well as the professionalisation of the financial services industry, the urban India is looking increasingly towards MFs as the preferred route of channelling their savings into the stock as well as debt markets.

Mutual Funds in Australia are a very popular investment vehicle, and have been a major investment product for many Australians for the last ten years or so. The funds have a 'flow through' tax structure. That is all transactions and dividends that are taxable in the fund are passed through to the investor, so the fund offers no protection from tax. The funds are seen as a way of investing in markets with the assistance of an investment professional and in a well structured and diversified manner.

D. Retirement Funding, common avenues of savings and investments

The way that Australians save for their retirements is varied. However, there are some common themes. Importantly, for about 75% of the population they do not do it successfully and these people will need some government assistance to survive in retirement. Coincidentally, about the same number of Australians do not have a financial plan to map out their future.

Traditionally, many people saved by using bank term deposits as it was seen as a no risk way to get a better return than a bank account. Investment in property has been a favourite for many Australians, particularly residential houses or units. The recent real estate boom saw interest in this area rise to feverish levels. A smaller but growing band of investors uses the stock market as a way of building wealth. The evolution of managed funds and the Financial Planning industry over the last 15 years has hastened this process.

Government mandated superannuation has been in place for over a decade now, and the money pool is constantly growing. While the forced saving will help to fund workers retirements, the 9% of income that has to be invested will not be enough to fully fund an individual's retirement even for those who are just starting work now. The fact is that most Australian's are ambivalent towards it until they are close to retirement.

An important vehicle of saving for retirement for those in the organized sector, in India, has been the Employees Provident Fund (EPF) governed by the Employees' Provident Funds

and Miscellaneous Provisions Act, 1952. This act provides for compulsory contributory fund for the future of an employee (his retirement) or for his dependents in case of his early death.

This is in some ways like the superannuation of Australia. It is compulsory for businesses having 20 or more employees to offer the EPF facility to their employees. Employees having a monthly salary of up to Rs.6,500 have to invest 12% of their salary compulsorily and the employers have to match the same. Employees and employers may contribute more than 12% each voluntarily. Employees with higher emoluments may opt for contributing as well. The amount contributed by an employee has certain tax benefits if his annual income is below Rs. 8 lakhs.

The returns on EPF are government regulated but presently are an attractive 9% per annum. What makes this very attractive is that the returns are tax-free. In other words when an employee retires and withdraws the amount accumulated in his EPF, he pays no tax. Employer's contribution is also exempt from tax up to 12% of the salary, beyond which it is taxable in the hands of the employee.

A key weakness is that EPF funds are invested only in government securities. This money is largely prohibited from being invested in equity markets. Which allows for very little risk management and therefore whether you are 25 years old or 50 years old, the risk and return on your investment remain the same.

The pensions sector is going to see tremendous reforms in the coming years with privatisation of pension funds. The Indian financial markets are also likely to see structural changes with long-term money being channelled into them.

Double Taxation Agreement between Australia and India.

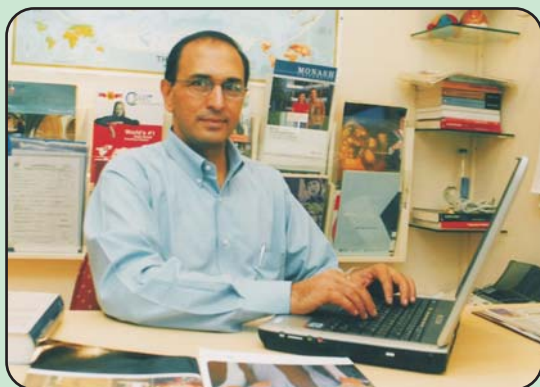
The double taxation agreement between Australia and India helps assesses in reducing the tax incidence and is available by choice to the taxpayer. What that means is that a taxpayer may choose to ignore the treaty if it does not work in his or her favour. For example, a resident company in India would be liable to pay Indian taxes on all its income. If it has income out of property in Australia, the said company would have to pay taxes in Australia as well. However, this company could take shelter under the Double Taxation Agreement and avoid paying this tax twice, if it so chooses.

There are other facets unique to each country, which may be of importance a person living and working in the two countries such as the inheritance laws in India which are governed by the Indian Succession Act, the Hindu Succession Act and the Muslim Law depending upon the religion of the person. In Australia, you have a single Act that covers all people. These laws are set by each state government, but are very similar across the nation.

Usually, the key to personal financial management boils down to effective co-ordination of between one's income, assets and liabilities in both the countries. It would help to keep a broad perspective and not get bogged down by the differences. The real benefit would be in the ability to diversify across both the countries and enjoy the best of both worlds!

IAEC

A Guide and Guardian of Indian Students



Shailesh Patel, Educational Consultant & Director of Indo-Australian Education Center (IAEC), Mumbai Office, specializes in guiding students for study in Australia at various levels.

He helps them in processing their applications and renders visa guidance and many more services. Shailesh Patel, a qualified chartered accountant, has been counseling for academic programs and career selection for the past many years. He helps to build up confidence among the students and ensures that all the apprehensions of the students and their families about study abroad are dealt with to their best satisfaction.

With continuing efforts from Mr. Patel, a series of university visits are organized from Australia. Representatives from these universities are invited exclusively to interview students of Indian origin and offer spot admissions to deserving students. To coordinate Mr. Patel's efforts IAEC's Mumbai office is managed by a team of like-minded counselors, who prove not only their excellence in this field but also the efficiency and promptness in their service. They help students with not only the entire application process to the universities but also assist them in obtaining bank loans, overseas insurance and preparation of all the necessary financial documents required to be presented to the Australian High Commission while applying for visas.

The personalized attention that a student and his parents receive at IAEC's Mumbai office is definitely commendable. This is reflected in the number of satisfied students we have built over the years. Mr. Patel talks about IAEC's wide-ranging activities in the following interview with Indo-Australian Business.

Tell us something about Indo-Australian Education Center and its role?

Indo-Australian Education Center was set up with the sole purpose of promoting Australia as one of the major education destinations among the Indian students who aspire to earn an international degree. The Center has sent hundreds of students in the past 11 years of its existence.

IAEC is also one of the founder members of the "Association of Australian Education Representatives in India" (AAERI) maintaining a high level of ethical standards in the profession of counseling and students recruitment for Australia. Students today aspire to be global managers and look forward to exposure at international level. Avenues for such students are abundant if a timely and accurate decision is taken. The following are its main activities.

IAEC conducts a wide range of activities related to the student.

- It is actively involved in promoting a consortium of government-sponsored technical institutes and universities offering diverse courses for students.
- It aids students with counseling facilities, processing of students' applications and helps in selecting appropriate courses in accredited universities.
- It assists students in securing educational loans, financial aids, scholarships and grants.
- It prepares the visa file to be sent to the Australian High Commission according to the formalities and procedures.
- It also arranges reception at Australia and provides temporary accommodation.

IAEC is basically a facilitating body, which plays an important link between the students in India and the universities in Australia. To bridge this gap IAEC organizes seminars and educational fairs, interacts with the deans and various academic officers of all the universities to familiarize with their needs, and helps the representatives of these universities conduct one-to-one interview sessions with the students to give firsthand information to the students directly from the university representatives.

With its global office located in Melbourne, IAEC is the backbone of its activities in Australia and is responsible for interaction with the universities in Australia. It is also responsible for the follow-up of all the admissions, arranging temporary accommodation, assisting IAEC students all over Australia in getting part-time jobs and keeping in touch with all IAEC students throughout their stay while they are studying in Australia. This espousal provided by the IAEC Melbourne office gives its students the necessary confidence and backing required in a country away from home. This office is in charge of IAEC's Managing Director, Ms Seema Shah, who herself has completed her Masters from Monash University, one of the leading Universities in Australia.

Which are the Australian Universities you have tie up with?

Indo Australian Education Center represents the following universities/Colleges in Australia.

1) New South Wales

- University of Western Sydney • University of Wollongong • Southern Cross University • Central Queensland University • Charles Sturt University • Le Cordon Bleu • Martin College • Taylors College • Sydney Institute of Business and Technology • Billy Blue Schools • Unilearn Institute • Charles Stuart University • Study Group Australia

2) Queensland

- Griffith University • Central Queensland University • James Cook University • Queensland Institute of Business and Technology • Martin College

3) South Australia

- University of Adelaide • Le Cordon Bleu • University of South Australia

4) Victoria

- Monash University • Monash College • RMIT • Swinburne University of Technology • Victoria University • LaTrobe University • Central Queensland University • University of Ballarat • Box hill Institute of TAFE • William Angliss Institute of TAFE • Melbourne Institute of Business and Technology • Melbourne Institute of Technology • Melbourne Institute of Tourism and Hospitality • Australian College of Tourism and Hospitality • Taylors College • Meridian School

5) Western Australia

- Edith Cowan University • Curtin University • Perth Institute of Business and Technology • Murdoch University • Australian Institute for University Studies (AIUS) • Kingston College

6) Tasmania

University of Tasmania

What is the specialty of IAEC that makes it stand tall among other centers promoting Australian education?

IAEC boasts of some significant features, a combination of some of those exclusive features are:

1. An overall very strong counseling team headed by highly qualified and experienced individuals, both in India and Australia to competently guide students into selection of Universities and the Programs best suited to their profile and which could result in successful career opportunities.
2. A full-fledged office in Melbourne, headed by our Managing Director, Ms Seema Shah, with many years of counseling for Australian Educational Programs, which renders all kinds of support to students after he lands in Australia. All issues from temporary accommodation, university enrollments, permanent accommodation, local information of any type, guidance on part-time jobs, just about anything which a student needs to get him underway in a new land.
3. An Alumni of IAEC students already in Australia, who are always willing to help out potential IAEC students by way of information on various aspects including courses, accommodation assistance, weather, etc. Frequent get-togethers of IAEC students organized



by our Melbourne office keep their spirits high during the process of settling down with a new system.

4. A comprehensive package of services to students aspiring to study in Australia, all under one roof and more importantly, personalized.

5. The oldest and the most trusted name in Australian education, IAEC has been successfully sending students during the last 11 years to Australia.

What are the services and assistance provided to the students by IAEC?

Personalised, genuine and sincere counselling:

The following are some of the key activities IAEC help the student and his family for:

1. IAEC is actively involved in promoting a consortium of government-sponsored technical institutes and universities offering diverse courses for students.

2. Aids students with counseling facility including selection of the appropriate course at the best university where the student qualifies with his profile.

3. Comprehensive guidance in preparing the documents as per the requirements and demands of the universities.

4. Processing of student's application and obtaining admissions.

5. Assist in obtaining bank loans, financial aid, scholarships and grants where feasible based on academic merits, organizing finance if needed.

6. Handles student visa formalities and procedures including preparation of visa file with necessary financial documents required as per visa rules.

7. Arranging airport pickup and temporary accommodation.

8. Assistance on any other personal or academic issue while in Australia by their Melbourne office.

VISA FILE ASSISTANCE BY EXPERT:

The Mumbai office assists visa file preparation and assistance in preparing financial documents and organizing the finance required to be shown as per visa rule requirements professionally. This enables preparing of financial documents and the visa file in the required manner, which has eventually resulted in all their students getting the Australia student visa.

SCHOLARSHIPS:

IAEC assists students in applying for scholarships, fellowships and fee waivers. They also help in credit transfers and waivers of pre-qualifying programs, which is in itself a reduction in the cost of education.

IAEC helps in applying for scholarships, meeting the deadlines for the same and the relevant documentation.

Following up by our Melbourne office personally goes a long way in achieving success in eligible cases.

Apart from scholarships as one of the methods of funding studies, IAEC Melbourne office helps students in securing part-time jobs, which all international students are entitled to. The earning from these studies vastly subsidizes the total cost of education in Australia.

How do you think the student exchange programs and scholarships are helpful in promoting Indo-Australian relations?

There is no doubt in my mind that student exchange programs and scholarships will give a tremendous boost to Indo-Australian relations. With Australia now being rated as one of the new emerging destinations, such student exchange programs would mean more cultural integration, and with the highly-skilled student community from India going for further studies, including research programs, it could translate into furthering further business opportunities between the two countries.

Which Australian courses are mostly in demand among the Indian students?

Some of the most popular courses which are sought after by Indian students and for which we have sent students to Australian Universities are

- Engineering • Business Studies • Hospitality Studies
- Biotechnology and Biomedical Sciences • Art, Design and Communication Studies • Health Administration Programs

Any message you would like to give to the students in India who aspire to study in Australia?

Australia is now emerging as one of the most emerging destinations for further studies, as the country sets out on a growth path with investments forecasted in infrastructure and technology, which leads to potential growth in business and cultural studies. Most of all, the high level of international exposure that a student gets in his quest for excellence in education prepares him to face the challenges of life and in work places.

It is never an easy journey when a student sets out in a new land and my advice is to be prepared for all the obstacles that may come in the form of new people, new culture, new system of education and new environment, not to mention Australia's unpredictable weather. It is this successful transition that makes brave men out of them. We help them by opening up the doors of their future at one of the best destinations in every sense. It is up to them to grab this opportunity with both hands and create their pathway for a successful future.

For further information contact: 022-2417 4780
email: iaec_gec@yahoo.com

Adelaide offers Australia's best learning facilities

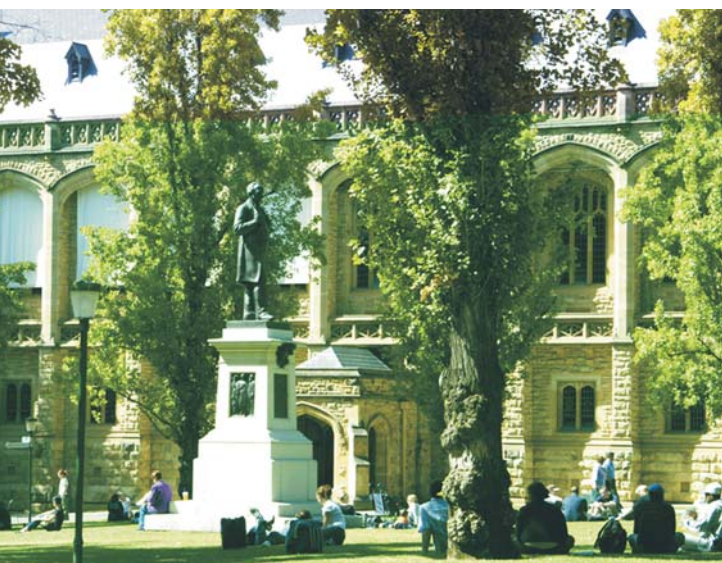
Each year, thousands of international students consider coming to Australia to study. They search for the perfect place in which to learn, a place that offers a world-class education in a safe and comfortable environment and allows them to enjoy life away from study as well. A combination of all these factors ensures that the students will not only achieve internationally recognised academic qualifications, but also enjoy the experience and perhaps learn a little more about themselves and what they can achieve in the world. This ideal learning environment can be hard to find ... until one reaches Adelaide.



A sophisticated, cosmopolitan city of around 1.2 million people, Adelaide has three internationally recognised universities, an extensive vocational training system, a wide range of specialised tertiary institutions and a highly regarded primary and secondary school sector. It is also the ideal environment in which to learn English, the increasingly important language of commerce and communications.

Close collaboration between these institutions has fostered a seamless working relationship that has created many flexible pathways for students to move easily between institutions, courses, levels of study and education sectors, and receive credit for studies completed at each stage.

Quality education



Adelaide's well-resourced institutions are at the cutting edge of many fields. For example, university and commercially-based research and development have generated internationally recognised advances in biotechnology, agriculture, winemaking, animal science and information technology. Adelaide has become a destination of choice for experts and specialists in these fields and continues to attract experts in other disciplines.

Students can acquire internationally-recognised qualifications learning from industry leaders and specialists in world-class facilities, while being exposed to a variety of learning experiences. They are studying in a supported, connected environment based on a culture of learning from the best.

English language courses are available at many Adelaide government and private education institutions and many international students choose to complete their school education in Adelaide before pursuing tertiary options. South Australian government and non-government schools provide students with quality learning standards which are internationally recognised.

Adelaide's vocational education and training system (VET) reflects a long tradition in technical education that emphasises professional and practical vocational learning. VET courses are flexible and responsive to industry and student requirements. The VET system in Adelaide comprises TAFE South Australia with multiple campuses across the state and a wide variety of government-registered private training organisations.



Each of the three universities sets a consistently high world standard in education as well as offering key strengths in specific fields. They are respected internationally for the quality and range of study and research opportunities they provide.

Our universities are consistently ranked among Australia's top universities for research and providing a focus for research centres where industry, higher education and government work together on projects of national and international importance.

Many leading industries are based in Adelaide, including automotive, food, wine, IT and defence.

Accessible city

Adelaide's broad inner-city streets are well-planned, with the city centre surrounded by an attractive green belt of parklands that provide a relaxing feeling of

spaciousness. Adelaide is a welcoming city with a mild climate that encourages a relaxed lifestyle. There is a sense of comfort and convenience about Adelaide that is rarely found in large cities.

Adelaide's design is particularly well-suited for education. In the heart of the city is a central educational and cultural precinct that is unique to Australia. Along this boulevard are two of our three universities, several colleges, museums, State Library, Art Gallery, Botanic Gardens and the seat of government. This precinct offers easy access to the city's main shopping and business districts, accommodation and transport.

People rarely need to spend much time travelling when moving around Adelaide and its outer areas. Access to centres of learning outside of the city centre is easy, with virtually no venue more than a 20-minute drive away. From Flinders University in the south to the University of South Australia's Mawson Lakes Campus in the north, everything is within easy reach.

There is a range of accommodation options in and around the city, with many opportunities to live within walking distance or a quick bus, train or car journey from home to place of learning.

Adelaide's cosmopolitan character is reinforced by the many lively cafes and restaurants dotted throughout the city, reflecting the huge diversity of its ethnic communities and ensuring that visitors of all nationalities can feel at home.

International students have more time to study and to



enjoy Adelaide's lifestyle, because they aren't sitting in traffic jams or travelling long distances. Our students are more relaxed, allowing them to focus more energy on their study and the money saved in transport costs or high car parking fees can be spent on more enjoyable pursuits.

Affordable living

Adelaide is one of the most affordable Australian capital cities to live in. The latest international statistics show that it costs 18% more to live in Sydney, 15% more in Melbourne, 7% more in Perth and 5% more in Brisbane.



For an international student, this means they can do more with less. The affordability of Adelaide means more to spend on food, accommodation, supplies, travel and entertainment.

Adelaide's central location makes it an ideal gateway for holiday adventures throughout Australia, from the rugged coastline to the sunburnt Outback. Closer to home, the Flinders Ranges and Kangaroo Island are world-class tourist attractions.

There is no doubt that cost of living is an important consideration for students and their parents when deciding where to study, so why not choose Adelaide recently ranked by KPMG as the most affordable city in the Asia Pacific region.

Adelaide is an affordable, safe and friendly place in which to live, work and learn. It has a strong sense of heritage and traditional values, yet it also has a vibrant international and cosmopolitan character.

All of this combined with the highest quality in education services makes the choice for where to study in Australia a whole lot easier.

For more information about Adelaide, study options, accommodation, key questions, news and events, useful information and personal insights on living and studying in Adelaide visit the website at www.StudyAdelaide.com

And many miles to go...



It was a stuffy afternoon in July 2003. There were four of us talking about a whole lot of topics ranging from our own misery to the lofty national and world economic scenarios, over steaming cups of coffee. We had just finished Trade-Links, the fourth in the line of New Media publications. There was the usual banter, laughter and leg-pulling. It was the typical relaxing

time of the day. That was when suddenly the Boss dropped the bomb. 'We are going to have another magazine for Australia,' he said, as if it was a simple task of picking one off the shelf. Oh, no, not one more, I thought. We already had four and our hands were full. And to make matters worse for me, the Boss said, 'Rojita, it's going to be your baby.' My heart sank. God, how I wished I had taken a day off! Looking back after a year, I feel how lucky I am to be placed in charge of Indo-Australian Business. For all his easy-going nature, the Boss is a tough taskmaster when it comes to the deadlines. I quickly got down to the business of collecting information, co-ordinating with the consulate and finalizing write-ups in a breathless hurry. My initial interactions with Mr. Don Cairns, the Consul General, Austrade, Ms. Sonia Grincer, the Regional Director, WATO and correspondence with Mr. Sarat Chandran, IACC, Mr. Neville Roach, AIBC, encouraged me to venture into this new territory. And in the course of working on different issues of the magazine, I met Mr. Vinit Kapur, Australia-India Council, and Ms. Joyce Pereira from Austrade, who have been of great help in connecting me to the Australian business community and the charmed circle of diplomats. Some meetings and interviews have left a deep impact on me. Meetings with the Australian High Commissioner, Ms. Penelope Wensley and Mr. Shabbir Wahid, the ex-Consul General, still linger in my memory. Apart from generating content for the magazine I also made friends with some prominent businessmen and diplomats from Australia. Mr. Bahman Marzbani of Zeeman Wines and Ms. Loine Sweeny, Media Advisor of the South Australian Government are among them. The memory of the first taste of Red Wine I sipped at a function to mark the visit to India of the New South Wales's Premier last year still makes me heady. No wonder, the Australian wine is world famous. And that made me introduce a regular wine section called High-Spirits in our publication. As Indo-Australian Business completes one year, I would like to thank all those who have supported us, especially Mr. Brian Peck from End-End Software. On its part, the publication has done its bit to help Mr. Peck venture into the Indian market. To think of it at the end of the year, it has been a happy, fruitful journey.

- Rojita Padhy



You must play for enjoyment and follow your dreams

- Steve Waugh

*He is the most popular Australian in India and one of the best Captains the Australian Cricket Team has ever had. He is none other than the legendary cricket player Steve Waugh. His connections with India go far beyond his being a tourism ambassador to this country. From heading charity works to being the brand ambassador for an Indo-Australian Joint Venture, retirement and rest do not have a place in the ever-energetic Steve Waugh's life. In an exclusive interview, he reveals some interesting facts about himself and his love for India to **Rojita Padhy**.*

● **For Indians you are an iconic ambassador of Australia. You also have an exclusive segment of fan following in India...**

Actually, I have always had a great time in India and feel privileged to have many friends in India. If I can help build the link between India and Australia I will.

● **The most significant achievement in your career...**

I have two that I am particularly proud of when I was appointed as Captain of Australia and this year when I was appointed Australian of the Year.

● **Your next favourite sport after cricket and how good you are in that...**

I really enjoy football/soccer. In my youth I played semi professional and was selected in the Australian

schoolboys team. That being said, I love all sports.

● **The reason for your agreeing to be the ambassador of AMP Sanmar, an Indian Insurance joint venture...**

AMP is a wonderful Australian iconic company and Sanmar is similar in India. When they asked me to represent them as the joint venture Ambassador, it seemed a wonderful opportunity to link my love for Australia and India. I look forward to doing this for other joint ventures, as India and Australia get closer together in business.

● **With an extension to the previous, you are associated with a lot of charity works and NGOs in India...**

I feel that because of my profile, I have an obligation to help those less fortunate around the world. In India, I



have been able to help by working with children who are in dire straights. The relationship I find is very rewarding.

● **Tell us something about the book you are writing these days and your love for writing poems...**

I have written 11 books. The next book is the definitive 'Steve Waugh Story', which will be on sale next year.

● **You are born in Sydney and you are quite familiar with Mumbai now. These two cities are often compared with each other. What Steve Waugh thinks about it...**

Both cities are global icons, cosmopolitan, full of life, energy and opportunities. Both cities give me a great buzz.

● **Life, staying away from the pitch...**

I am very busy with charity work, business and family commitments. I will always be involved with cricket and follow it with a passion, and I will always look forward to giving back to the sport that has given me so much. What form that will take, I do not know

yet. At this particular point of time, I am just enjoying a break away from it, spending time with my family, and launching my business career.

● **Since your first visit to India in 1986-87, what kind of developments do you see in the country in general and in the popularity of Indo-Australian cricket matches in particular?**

Australia and India are getting closer as time goes by and I think cricket has a big part to play in this. The tradition of the India - Australia games has been established. The last test series was the greatest series I played in during my career, and I think the sporting rivalry is said to continue. The tour of India is something that is now eagerly anticipated by all Australian cricket players.

● **Message for the young cricketers in India...**

The advice I give to the young Indian cricket players is the same I give to young cricket players all around the world. You must play for enjoyment and follow your dreams. I also recommend that people do not over analyse

their game at an early stage, but just let their creative flair develop in a natural way.

● **The areas in cricket where Australia and India can collaborate...**

It is important that the great cricketing nations take the opportunity to develop the "minnows" of the game. This will guarantee the future of our game.



Australian Mining Industry-



A Multifaceted Orientation



Australia's mining sector is one of its most successful export industries. It employs over 78,000 people directly, and more than 250,000 indirectly. It accounts for about 30 per cent of Australia's total exports of goods and services. In the 2002-03 financial year, total exports of Australian mineral resources are estimated by the Australian Bureau of Agricultural and Resource Economics (ABARE) to have been just over AUD 55 billion.

The more apparent aspect of mining in Australia concerns mineral extraction and processing. The Australian continent comprises some of the most ancient geological formations anywhere on earth, a fact that has allowed the mining industry to pursue an astounding range of development opportunities to win bounty from these timeless soils and rocks. The extent of Australia's mineral wealth seems almost endless from diamonds to oil, opals to iron ore. Thus, as is well known, Australia is home to some of the world's biggest mining industries.

Australia is the world's largest producer of bauxite, alumina, lead and mineral sands and one of the largest exporters of black coal, bauxite, alumina, mineral sands and diamonds. In addition, Australia is a major exporter of iron ore, aluminium, lead, zinc, copper, gold, uranium, silver and other commercially valuable minerals.

What is less apparent, particularly to those outside the mining and geology community, is the very considerable, state-of-art, world beating Australian capability in Mining Technology and Services. However, the recognition has been growing.

The Mining Technology and Services Sector (MTS) covers a wide spectrum of products and services, from **software development to truck despatch systems**, from **exploration to extraction technologies**, from **general consultancy to contract mining**, from **environmental solutions to occupational health and safety**, from **mineral beneficiation to strata reinforcement**, from **niche equipments to consumables**, from **education and training to research services**, from **maintenance technology to logistics management** and from **analytical services to financial services**.

Australian mining equipment, technology and services are found in all parts of the world, especially where the environment and mineralisation require the world best solutions to allow mining operations to be undertaken in a sustainable, profitable fashion that satisfies all community standards.

As an example of the Australian capabilities in the Mining Technology and Services Sector, it is interesting to note that at least 60 per cent of the world's mines are now operating with Australian made and designed software.

Figures from the ABARE disclose that, in 2002, sales in the Mining Technology & Services Sector (MTS) reached AUD 3.1 billion, with projections of AUD 5.6 billion in 2005-06. Gross export sales revenue was AUD 611 million in 2000-01, with projections for a total of AUD 1.9 billion for 2005-06.

Clearly, Australia is no longer just a mineral exporting nation; it has become a trusted and sought-after leader in the export of mining equipment, technologies and services as well.

The above information has been culled largely from the Directory of Australian Mining Equipment, Technology And Services, Sixth Edition, published by AUSTMINE Limited.



Australia India Business Council



AUSTRALIA-INDIA FOCUS

Premier Beattie Promotes Queensland-India Trade and Investment

On 14 September, Queensland Premier Peter Beattie hosted an event for India's top movie stars, producers and executives in Mumbai to promote Queensland's expertise in film production, post-production and support crews. The Premier visited Mumbai during a 10-day trade and investment

mission to India and Japan. Targeting 'Bollywood' is part of a broader Queensland strategy to help the state benefit from the continuing growth of India's economy, population and global influence. Film production expenditure in Queensland has skyrocketed from \$10 million a year 10 years ago to average more than \$100 million a year today.

"Queensland has some of the world's most spectacular locations, which have begun to feature in Indian films and TV commercials over the past four years" said Premier Beattie. "Today I made sure some of Bollywood's top people know Queensland is also the best place for post-production, and that we have some of the smartest movie talent in the world."

"I want the steady stream of post-production work in Queensland to become a deluge - because it will create jobs for Queenslanders and spin off to encourage other industries such as tourism," the Premier said.

In Bangalore, the Premier officially opened the first Queensland Government Trade and Investment Office in India. Mr David Belham, an expert in international communications and information systems, has been announced as the Queensland Government representative. The Premier also witnessed the signing of two memoranda of understanding involving Australian and Indian education institutes.

Queensland's growing interest and engagement with India was reflected in strong participation in the latest Queensland—AIBC Breakfast Briefing, held at the Inchcolm Hotel in Brisbane on Thursday 5 August 2004.

The keynote speaker was His Excellency Mr PP Shukla, High Commissioner of India (Canberra) who provided an overview on India's recent elections and the policy direction of the new government.

Guest speakers were Professor Marika Vicziany, Director, Monash Asia Institute, Monash University, who discussed truths and misconceptions about India, and Ms Gayle O'Brien, who provided an overview on Queensland

Government trade initiatives for India. Hon Mike Ahern, Queensland Special Commissioner for India, was the Master of Ceremonies.

2004 AIBC India Independence Day Address

The inaugural Australia India Business Council "India Independence Day Address" was delivered by NSW Premier the Hon. Bob Carr MP on Wednesday 11 August at The Menzies Hotel in Sydney. The luncheon was principally sponsored by Ernst & Young and Qantas.

Chairman of the AIBC, Mr Neville Roach thanked the Premier for his support for the growing trade relationship between NSW and India.

Hon Henry Tsang OAM MLC, Chairman of the Asia Business Advisory Council (the NSW government's key business advisory body for Asia) remarked that the Premier's recent appointment of Mr Neville Roach to the Council acknowledged India's growing role as an export destination and source of investments to the state.

Premier Carr spoke of India's key successes since Independence:

- The recent election in India illustrates the fundamental starting point for India's success – India is a democracy and demonstrates that democracies work.
- India is now demonstrating a new development model, transforming its economy through high-skill services exports.
- India successfully manages multiculturalism – it holds together a bewildering diversity, sticking to a secular constitution and institutions of parliamentary democracy

Premier Carr acknowledged Australia's partnership role in India's growing prosperity. He outlined other areas for partnership between Australia and India, including in advancing regional and global security.

Reforms Offer Significant Opportunities for India: Professor Ross Garnaut

There is great opportunity for India to build on its achievements of the past few years by further dismantling barriers to international trade, according to eminent Australian economist, Professor Ross Garnaut AO.

Delivering the third Sir John Crawford lecture in New Delhi on 28 September, on the theme "India, China and Australia: Lessons from Different Paths in Economic Reform", Professor Garnaut, Professor of Economics at the Australian National University, said that conventional economic analysis had underforecast the full range of benefits flowing from economic reform in India, China and Australia.

Professor Garnaut said that the most pronounced effect of reforms had been the growth in exports in the three countries. "For the first extended period since independence, India has been rapidly increasing its share of global trade. From a level of around forty percent of Australian exports in 1980, Indian exports this year may exceed Australia's."

He noted that the early economic successes of Japan, Korea and Taiwan had been a demonstration to China's leaders of the value of economic reform. In turn, rising labour costs and demographic changes now emerging in China's coastal provinces meant that there were growing opportunities for India to expand its labour-intensive export performance.

In response to a question, Professor Garnaut noted that the most effective way to achieve high economic growth was to pursue reform of the domestic economy as well as reforming barriers to international trade.

The Sir John Crawford lecture series is organised jointly by the Australia-India Council (AIC), the Australian High Commission and the National Council of Applied Economic Research (NCAER) to commemorate the contributions of well-known Australian scientist, the late Sir John Crawford, who helped pioneer the Green Revolution in India.

The lecture and subsequent discussion was chaired by Dr Bimal Jalan, Member of Parliament in the Rajya Sabha and former Governor of the Reserve Bank of India. Professor Garnaut is currently Professor of Economics, Research School of Pacific and Asian Studies in the Australian National University. Besides serving as Australia's Ambassador to China from 1985-88, Professor Garnaut sits on the boards of international research organisations in Beijing, Washington, Australia and Indonesia and is also a board member of several large international companies.

For a full copy of Professor Garnaut's address please contact the AIC on ausindia.council@dfat.gov.au

Satyam Opens Global Development Centre in Melbourne

On 1 September Satyam Computer Services Limited, announced the opening of its largest global development centre outside of India at Melbourne Central. The Minister for Information and Communication Technology, Hon Marsha Thomson MP said the 300 seat state-of-the-art centre would position Victoria as a hub for Satyam's Asia-Pacific projects.

"The global development centre will perform software development work for local and international Satyam customers and plans are already underway to undertake

work for clients in the Asia-Pacific, including Japan, here in Australia," Ms Thomson said. "Companies like Satyam Computer Services are choosing Victoria over other international locations because of our key strengths in ICT skills development – we are Australia's leading producer of IT and computing graduates – and in cutting edge ICT research and development."

Ms Thomson said investments like the one by Satyam play an important part in internationalising the local ICT industry, providing access to cutting-edge technologies and global networks to make it more connected and competitive.

Indian Centres Help IELTS Australia Win Export Award Accolades

IELTS Australia Pty Ltd, a subsidiary of AIBC member IDP Education Australia and 14 Australian education institutions, has won the prestigious 2004 ACT Chief Minister's Education Export Award, with the help of India-based test centres. The ACT Export Award recognised the Canberra-headquartered company, first established in 1991, for administering, marketing and delivering the International English Language Testing System (IELTS) through operations in 33 countries around the world. The Export Award is recognition for the strong candidature growth of 49% in 2003 despite challenging international conditions, according to Ms Lindy Hyam, Chief Executive of IDP Education Australia and IELTS Australia.

"A powerful branding strategy, innovative marketing and promotion, and a focus on maintaining the integrity and security of the test to institutions, governments and professional associations has helped us significantly increase our share of the global English Language testing market in the last few years," said Ms Hyam. The award was based on some significant acceptance of the test at centres throughout India. The growth has been so strong that India looks set to become one of the major users of International English Language Tests. In India, a network of new IDP Learning Centres will offer short preparatory courses to students who are planning to sit for the IELTS test. The new IDP Learning Centres aim to provide thousands of Indian students increased access to Australian educational opportunities.

IELTS is used by students seeking entry into education institutions around the world, professionals seeking accreditation and recognition, organisations and governments for benchmarking to international standards and for immigration purposes, and by individuals seeking global mobility through migration and/or employment. IELTS Australia Pty Ltd administers, markets and delivers the International English Language Test (IELTS). The test is owned, managed and delivered in Australia and around the world via a partnership of IELTS Australia, the British Council and the University of Cambridge ESOL Examinations. It is an internationally recognised test of English language proficiency which assesses all four language skills: listening, reading, writing and speaking. For more information please visit the following website: www.idp.com/globalexaminationservices

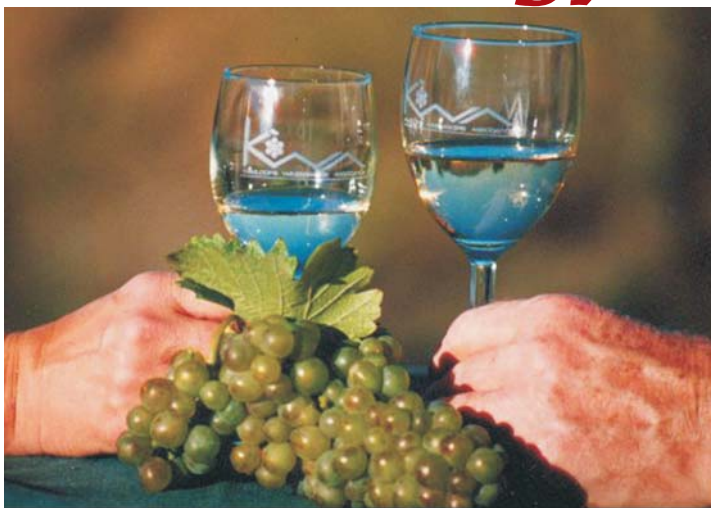
Australian duo test Indian market to sell technology

Mitch Hayhow:

Interfruit Company is formed to primarily export juice and wine from Australia. The core of our business at this point revolves around the prospect of doing business in India; essentially exporting fruit juice and finished products in bulk form to India. Interfruit is working on a technology that will enable us to transport grapes in unprocessed and unfermented mode.

Neale McQuire: Once the grapes are crushed, the juice remains in its juice form for a very small period before the process of fermentation sets in. It is a very volatile, natural substance. That is the technology Mitch is talking about and we are discussing about it here. This trip is essentially an introductory one and we have been testing the waters by talking to many wine makers here, mainly the large ones, and with distributors and supermarkets, to figure out the presence and performance of the wine industry in India. We are interested in knowing, one, whether the market is just at an entry level for the products we are bringing here, second, whether the technology that we are working on is going to reap rich benefits to the Indian wine market.

Mitch Hayhow: There is another aspect to the business. What are the ingredients that go into wine making such as winery design and project management. Australia is considered as the best place for winemaking technologies. The trends in designing pertain to design



Mitch Hayhow and Neale McQuire from Interfruit Grapes, Western Australia, have visited India recently and in an interaction with Indo-Australian Business they discuss their plans for doing business with Indian wine companies and have thrown some light upon the state of the wine market in India. The newly started company Interfruit pty ltd has international wine grape logistics; suppliers of premium grade wine grapes and they are the winemakers and wine making consultants as well.

Below is an informal interaction that Indo-Australian Business had with Mitch Hayhow and Neale McQuire.

of the facilities, equipment and process, which are the lesser tasks in wine making. There is another level of service our company offers, which is to upgrade the technology used in wine making to a world-class level.

The production process involves the primary processing of the grapes for white wine. The raw juice is extracted and fermented. Sugar is used to convert it into alcohol. With red wine, the juice is placed in contact with the outside skin of the berry, giving it a lot of its colours, character and consistency. Therefore, the process, depending upon the wine can take any time from a few months to several years. Most of the wines today that are drunk by a majority of consumers these days are generally one-year old from the time the grapes are picked up to the time they are bottled up.

Neale McQuire: It is a very young industry. Probably by 1980 the winemaking industry had picked up in

Australia. The Indian wine grower mainly caters to a definite demand followed by other consumers and sources of supply.

Interfruit is different from other wine making companies in western Australia...

Mitch Hayhow: Our ability lies in transporting unfermented red grapes of 100 per cent fruit quality. Our two economies could contribute in bringing down the winemaking costs in India, which could be achieved through a much greater involvement of the

Indian producers.

Therefore, we see it as a way of getting involved with the Indian wine industry on a long-term basis to provide the technology to the Indian wine industry to grow in a right direction. We understand that there are some large-scale viticulture programmes and vineyards being developed in India recently.

The areas where the vineyards are being developed in India...

We do not have any specific idea yet, though we are geared up in discovering much more in India. Back home we have done all the research that was needed and the rest we are hoping to know during this trip.

Our research work done about Indian wine market...

We have been directly in contact with some of the producers. We have had terrific support from the Western Australian Trade Offices and Austrade. And we have researched through various publications and papers that have done write-ups on the wine production in India. We have reached a point where we need to have a greater understanding and also ascertain the stage at which the industry is in. Therefore, we are here.

As you have done a lot of research work, what is the difference between a wine drinker in Australia and a wine drinker in India?

We would love to get hold of such a document or a study undertaken, indicating what are the differences of drinking styles and natures of Indian and Australians. Although we are not doing a full-scale marketing on this, we have to pick up some information during our travel on that subject. We have heard that there is an emerging market for wines that is gaining popularity. So we can be considered to be the mainstream premium quality table wine served to the young.

Where exactly is the vineyard and wine factory in Western Australia?

What we have done so far is to establish alliances with various vineyards and processing facilities. Therefore, we have access to fruits, and varieties and qualities of grapes from different regions. The region that we have greatest access to is the **Macquire River** which is considered to be one of the best grape growing regions not just in Western Australia but the whole of Australia.

Neale McQuire: The wine marketing in Australia is very well related to the Macquire region and 20 to 25 per cent of the premium quality wines come from this region only.

How big is Interfruit? When did it start?

It has been formulated recently. Most of our work has been in research and development in establishing our company, as a commercial trading one and that is the position it is right now. We have completed research and development from a technical side. The final piece of the equation is to complete marketing and trading

enquiries, taking Interfruit to the next level where we are expecting to be doing some major trade in the next six months.

Do you also export to any other country?

We have plans to go to other countries as well mainly in the South Asian region. We have had an interest in the Indian wine industry for a long time now. Most of our interest has been in developing some business in India. Although the circumstances are well balanced to justify the business. At this stage, we have not yet advanced with any other country except India.

Could you name the companies in India with whom you are planning to tie-up?

Though it is in quite an introductory stage, we are talking to the companies like Sula Wines having its entire winery in Maharashtra and a whole host of other companies. We are also going to Nashik, Sangli and then to Bangalore.

Mitch Hayhow: The Delhi visit will be a follow-up process in a few months from now. We will definitely look for some sort of a joint venture, which will take sometime before things can move in that direction. We need to create relationship with the people here who are already there in India in this business. We have to import the technology from Australia.

Neale McQuire:

In Portugal, Italy and most of Australia we have been developing this technique. We have the technology that handles the technical and practical side of wine making to world-class standards. The big producers can produce exceptional quality of wine with low processing costs. So there is a lot of stiff competition, which requires good planning, good raw materials, processing and technology to produce a product that can compete with others in the market.

What are your expectations from the government? What kind of support are you looking to from both the governments?

We have developed a business formula so that we do not expect any financial help from the government. The commercial model in itself is viable. I think the Indian government could help Indian producers by providing direct non-refundable subsidized rates in developing their own facilities. Financing them to develop their technology and make products of international standards. There are some who would prefer it this way but do not have the technology.

We feel awareness is to be created among Indian people about wine...

There are certain health benefits that can be derived from drinking wine as compared to other alcoholic beverages. It is an enjoyable and sociable drink linked to a certain life style. Different wines suit different climates and different people's taste. Hence, we see a bright future for the wine industry in India.

FDI ceiling must be stepped up to 74 pc



Tripat Oberoi

Tripat Oberoi, an electronics engineer by training, has deep understanding of the telecom sector worldwide. He passionately believes that a sustained telecom boom can boost the country's overall economic growth. Oberoi argues strongly in favour of the FDI.

The Indian government has rightly identified telecommunications as the sector that needs to be freed from the shackles of ceiling. But the proposal to step up the upper limit for foreign direct investment (FDI) from 49 per cent to 74 per cent has expectedly run into rough weather with the Left parties opposing the move on ideological grounds rather than practical. But the government hopes to pull it off. At India Investment Forum in New York held recently, Finance Minister P. Chidambaram assured foreign investors that his government would create a conducive investor friendly atmosphere in the country and iron out all the hurdles with regards to caps on the FDI. One hopes Chidambaram, with his charm and articulation will be able to convince the comrades of thinned of the hour to improve the infrastructure, especially in the telecommunication sector.

This relaxation is called for in India more than anywhere else as the country has set for itself the target of achieving 7-8 per cent annual growth in the GDP. It is needless to say that such a growth cannot be achieved through the domestic savings and foreign investment is badly needed. And foreign investors are eyeing India keenly as the country is in the right stage of absorbing funds from abroad on a large scale. Since the time the economic reforms were initiate in 1991, India has been identified as a potential investment destination. The progress of Indian telecom in the last three years has been exciting. The previous government, free from ideological pressures, had played a catalyst's role by reducing licensing fees and encouraging more competition. The players have put in huge investments, brought in latest technologies, improved the infrastructure, expanded their markets through their own strategies. The estimated foreign investment that had come into the country was a little less than \$3 billion.

It is unlikely that the requisite growth in the telecom infrastructure can take place through domestic savings alone. The growth achieved in 2003-04 was exceptional compared to previous years. This growth has to be sustained to provide affordable telephony to all parts of the country. Most of the subscriber growth has come from private sector investments and this trend is likely to be maintained. In future, the contribution of the private sector, along with the public sector, would have to be maintained at a high level. The sustainability of such growth to achieve 200 million subscribers by 2007 and a much larger base beyond 2007 is desirable and will require huge resources. FDI becomes a key resource in this context.

Slowing the growth momentum at this stage would lead to losing several direct and indirect benefits of telecom growth. According to the Working Group on the telecom sector, an investment of Rs 1,60,000 crore is required to be made in this sector during the 10th Plan period. Even if domestic capital of this magnitude were to become available, which is doubtful.

The estimated requirements of investment in the telecom sector for the period from 2002-07, based on current growth rate, will be \$11 billion. This would mean the requirement of FDI will be \$2.5 billion per annum.

Finally, the choice of the FDI regime is to be based on the country's own requirements, which in India's case are its security concerns. The most recent growth in the number of telephone connections has been exceptional, but sustaining this and to achieve a network coverage of 70 per cent as against the present 20 per cent will require investments on an unprecedented scale, which is possible only with FDI. The market tapped so far has been urban and semi-urban, which is estimated to be about a third of the total market. The two-thirds of the market, the rural segment is still to be tapped. That is where the FDI is needed.

Paranjape - A Builder With A Social Conscience



There are builders and builders but a few with a concern for social issues such as education, ecology and conservation of environment. Standing in the forefront among the builders with a social conscience is Paranjape Schemes of Pune. Shashank Paranjape, Director of the company talks about construction activity in general and the firm's future projects.

The very name Paranjape Schemes indicates that you are a builder with a difference and that you have special schemes designed for different sections of society. For instance, the scheme specially designed for senior citizens in Pune comes to mind. Could you elaborate on your various schemes?

As you are aware we are in this housing construction business for last three generations. We have built more than 20,000 homes for all classes of people. Our projects range from Rs. 3.0 - 40 lakhs. We not only construct exclusive flats but also build row-houses, bungalows, commercial projects, IT Parks & entertainment centers. We have our projects spread all over Pune and surrounding areas. Besides, we have construction activities in Mumbai, Kolhapur, Chiplun and Panchgani. We are glad to mention here about our 40 bungalows project in Melbourne, Australia. Soon we would be reaching the western shores too.

Apart from the scheme for senior citizens, you have also built Bhavan Paranjape Vidya Mandir for Bharatiya Vidya Bhavan at Pune. These two instances place the Paranjape Schemes on a different pedestal as a builder with a social conscience, So could you tell us what is your vision and mission as a builder and developer?

We have been very much inspired by our grandfather. The renowned Parle Tilak Vidyalyaya Association's schools and colleges were his brainchild. Today even we are involved with major institutions in Pune. We have donated to Symbiosis school for their Spa, to Maharashtra Vidya Mandal's pre-primary school, also constructed the "Natu Sabhagriha" for Bharatiya Vidya Bhavan, Model Colony, as you've mentioned we have also constructed the Bhavan's school in Kothrud. Our support was also extended to construct a small shelter icon within the Ferguson College premises. But this is not all, being a socially conscious builder / developer, we are keenly involved in tree plantation programs, you will appreciate that 90 per cent of our projects are landscaped, with useful trees and shrubbery. We have installed sewage treatment plants in our various projects to avoid water wastage, provided Vermiculture bins for garbage disposal, put rainwater harvesting

systems to conserve water and energy. We have also planned to set up Continuous Care Units, Day Care Centers and Respite homes and its expansion to other cities of India. The initial legwork for the same has already begun.

The phenomenal growth of the IT industry, followed by a boom in the BPO sector has put Pune on the world map and turned the city into a paradise for real estate developers. What has been your contribution to it and how do you look at the future prospects for Pune?

We have excellent housing projects being constructed in areas like Aundh, Baner and Pashan which are the invogue locales for the IT professional's dwellings as they are just a few kilometers away from the Hinjewadi Software Park.

It appears as if the growth of real estate between Mumbai and Pune has already given birth to the development of "Pumbai." Will it solve the problem of accommodation by offering cheaper office and residential areas?

I personally feel that the birth of "Pumbai" will only increase the number of migrants to the city. The ratio of the migrants to the city and the availability of accommodation may not match. I am sure all the builders / developers including us will look up for more business avenues.

You are also building eco-caring homes under the SciTech project of the Pune University, with a view to protecting and conserving environment. How different are your views from other builders as far as ecology is concerned?

We have from the onset been instrumental in building eco-caring homes, albeit a larger picture has been painted only recently with our tie-up with the SciTech project of Pune University. We have to our credit systems like "Vermiculture" for garbage disposal in all our projects, Rainwater Harvesting Systems and Sewage Treatment Plants, etc.

It is said that these eco-care buildings will go for accreditation of Leadership in Energy and Environment Design (LEED), a US-based organization

that sets standards for "green" buildings. What does this accreditation mean and how will it help Paranjape in its future plans?

Customers would certainly like the buildings to be green. We have established a tie-up with the SciTech project of Pune University and I will be attending the Conference on "Green Buildings" organized by the renowned "USAID" (United States Agency for International Development). We have also started taking steps in getting ISO Certificate 14001 in this regard. Our philosophy is that this is required not as a marketing gimmick but because we wish to support conservation of energy in the true sense.

You have branches in Singapore and other cities abroad, including the US. Have you been working on any collaboration arrangements for both funds and construction technology?

We have our branch office and construction activity only in Melbourne, Australia at the moment & not in Singapore or US or any other cities. But by 2005 December we would be looking up for some activity in the US too.

What kind of government policies are necessary to attract big-time direct foreign investment into this country, which is on the a fast track in economic development? One is compelled to cite the example of Shanghai here. How did that Chinese city get the kind of investments required for its mind-blowing growth?

Government has also well thought policies of waiving the ULC (Urban Land Ceiling Act) & other acts which restrict larger hold on properties, for attracting foreign investment.

The Maharashtra government believes that Mumbai could transform itself into a Shanghai in the next decade or so. What kind of infrastructure and governmental policies are required to materialize such a dream into reality?

When we talk of infrastructure naturally road, water and sewage are of paramount importance. Also development in new areas in Khaghar and Panvel are right steps being taken by the Government of Maharashtra.

What are your future plans for Pune as well as other Indian cities where you have construction interests? Could you also tell what these plans mean in terms of investment?

We feel that Pune is poised for construction and now is a sought out city for IT etc. Every 1000 sq.ft. of office space sold attracts investment in 5000 sq.ft. of residential areas and hence both will see tremendous growth. We are going in for large investments not only in Pune but also in major Metropolis of the country.

Sea Dragon Set to Woo the world with Calendula

The skin has always been a matter of concern for the health conscious. And there could not have been a better cure than the Australian herb, Calendula. The Western Australia-based company, Sea Dragon, has recently secured a deal with an Irish distributor to stock its all-natural skin products with chemists and in health food shops across the island. Let us take a look at the reason for this spate of success.

According to owner and partner Jasper Trendall, "The healing properties of this herb are well known in Europe; however, we discovered there were a few products that combined the qualities of Calendula with the unique aromatic properties of distinctive essential oils from the Australian bush." Trendall and partner herbalist Lindy Leggett developed their signature product "Skin Repair Balm Calendula" into a range of functional formulas. This includes 'Nursery Formula' for nappy rash, 'After Sun Formula' for sunburn and 'Farmers and Gardeners Formula' for outdoor work. They have set their eyes on the international market, however.

They established relationship with the distributor in Ireland, who has supported the product and taken upon himself to promote it strongly. Of particular interest to the Irish market is the Farmers and Gardeners Formula.

Mr. Trendall said. "As a small business, we simply don't have that sort of money to waste and can't afford to make trips around the world all the time hunting down buyers who may or may not be reliable." "Austrade has helped us to overcome these early worries and has been an invaluable resource in setting us up with new contacts, exposing our products to potential buyers and researching new markets."

Commenting further upon the help provided by Austrade, Mr Trendall said that it has helped them realize that export is not as complicated as it sounds. It provides assistance for businesses that are looking for expansion abroad.

Enrolled in Austrade's New Exporter Development Program (NEDP), Sea Dragon Medicinal Herbs is also a lucky recipient of a Qantas award for registering to receive Austrade's monthly publication Export Update electronically.

(Courtesy: Trademark, e-newsletter of Austrade)



Hon. Peter Beattie,
Premier of Queensland

Magazines like Indo-Australian Business give people the opportunity to read and the more you read the more you know.

This magazine is published in association with Austrade and the Australian High Commissioner was featured in this. We are very pleased that you are publishing this information and highlighting Australia-India business news. We think it is a great initiative and we strongly support this.



MR. MICHAEL MOIGNARD
*Minister Commercial,
Australian Trade Commission:*

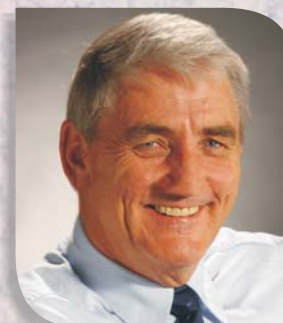


MR. NEVILLE J ROACH AO,
*Chairman, Australia India
Business Council:*

I appreciate the way the magazine has sustained itself even if the levels of business are relatively small. It is quite impressive that you are able to commercially sustain a magazine like this. You are covering good stories. I am happy to see that you have incorporated our newsletter, Australia-India Focus, in your magazine. Ultimately it is also increasing the readership. It is very good to see these magazines.

I would like to thank Indo-Australian Business for the tremendous support it has been giving to Western Australia and its education and business

- **Kucera** at the presentation of 'Holidays and Locations of a Different Nature' - Western Australia.



Hon. Robert Charles Kucera
*Western Australia's Minister for
Tourism, Sports and Recreation*

I am happy to know the range of business magazines New Media publishes. I have seen many of them at EXIM Bank. I am sure Indo-Australian Business fills an important gap and from the Chamber let me assure you all the support we can offer to make this venture a success.



Sarat Chandran
Director, Indo-Australian
Chamber of Commerce, Chennai



Ross Garnaut
Professor of Economics,
Australian National University

I am delighted to see this magazine. And glad to know that people here in India are interested in Australian economic relations to the extent that a magazine like Indo-Australian Business has been established. It is a sign of progress in the Indo-Australian relationship. The magazine will help expand the knowledge of new things and Indo-Australian relations.

This magazine is quite informative and covers good reports. And as the market grows, the revenue grows and the circulation will go higher. Currently our focus is to enhance the business between India and Australia and promote Australia as a business destination. And your magazine is serving the purpose well.



MR. GARRY DRAFFIN,
CEO, Invest Australia,
Australian Government



Arun Kanodia
Designer entrepreneur,
Silk & Fab

Thank you for the wonderful coverage of our company in the recent July-August issue of your publication. We must compliment that it is good, both, in terms of the content as well as presentation.

Western Australian Government Trade Office and the Western Australian Education Office



Western Australia

accounts for more than 29 percent
of Australia's total export earnings.

The Government of Western Australia operates
trade, investment and education offices throughout
the world to facilitate bi-lateral trade and investment.

Come and talk to us about doing business with Western Australia.



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