

ECONOMICS AND INDUSTRY STANDING COMMITTEE

**INQUIRY INTO WESTERN AUSTRALIA'S ECONOMIC
RELATIONSHIP WITH THE REPUBLIC OF INDIA**



**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
WEDNESDAY, 9 SEPTEMBER 2020**

SESSION FOUR

Members

**Ms J.J. Shaw (Chair)
Dr D.J. Honey
Mr Y. Mubarakai
Mr S.J. Price
Mr D.T. Redman**

Hearing commenced at 11.20 am

Mr KARTHIK PASUMARTHY

Engineer and Business Owner, examined:

Mr MANOJ KASARE

President, Ambedkarite Buddhist Community, examined:

Mr ANURAG SAXENA

Business Analyst, examined:

Mr JAGPREET WALIA

Private Citizen, examined:

Mr SARVESH MALI

Community Service Partner, Ambedkarite Buddhist Community, examined:

The CHAIR: Good morning. We are going to have to whip through this very quickly because we need to be across the road very shortly to attend Parliament. On behalf of the committee, I would like to thank you for providing a public deposition to the committee's inquiry into Western Australia's economic relationship with the Republic of India. My name is Jessica Shaw and I am Chair of the Economics and Industry Standing Committee. I would like to introduce the other members of the committee. To my right is the Deputy Chair, Terry Redman, member for Warren–Blackwood, and Yaz Mubarakai, member for Jandakot. To my left is Stephen Price, member for Forrestfield, and David Honey, member for Cottesloe.

It is important that you understand that any deliberate misleading of this committee may be regarded as a contempt of Parliament. Your evidence is protected by parliamentary privilege. However, this privilege does not apply to anything you might say outside of today's proceedings. When it is your turn to talk, please sit at the table and state your name and the capacity in which you appear. You can then make your statement. You each have five minutes. To hear from as many people as possible this morning, I do need to be strict in enforcing the time limit. I will give you a signal at four minutes and then indicate when your five minutes is finished. Thank you very much. Thanks for appearing this morning. Please go ahead.

Mr PASUMARTHY: Good morning. Before I start, I would like to acknowledge the traditional owners of the land, the Whadjuk people of the Noongar nation and pay my respects to the elders, present, past and future. I also thank the committee for giving me this opportunity today. Just to give you a brief background about myself, I was born and brought up in Andhra Pradesh and I did my medical engineering in South Australia. I have been working for the Department of Health for the past nine years and I also run my own business in WA. I am representing myself, not anyone else.

It is pretty clear the need for us to diversify our market. The strategy plan is out there. I want to address some of the key things we can do to facilitate more trade between the countries. The first thing is that we need to have increased collaboration between the WA business community and the Indian business community. As part of the collaboration, it could be online platforms, so where businesses can advertise their tenders, requirements et cetera, and the government can actually

help to facilitate cutting down the red tape. Once COVID goes away, there could be expos and conferences connecting business communities.

The second thing is that we need to market ourselves really well. There is a rule of seven in marketing where you need to be seen seven times so some businesses register in your subconscious mind. This can be a unique selling point, such as the Indian Ocean coastline: how safe WA is and how great the weather is. And hit the ground in India where you are advertising yourself, or WA, in social media and news, radio, TV channels et cetera. We should also diversify our businesses in WA and create more innovations and start-ups in some of the emerging market trends in India, which is agricultural, water management and the medical device industry. I think we need to take a two-pronged approach and visit our research labs and universities et cetera so you can accelerate some of the prototypes that are sitting in labs collecting dust. It could revolutionise our economy and not just put all our eggs in one basket.

I would also like to see the WA business becoming more robust. A classic line we follow in engineering is that highly optimised systems are extremely brittle. Businesses are often driven by profit, so they have their processes and systems in place where there is really small wriggle room and it often leads to a single point failure in their supply chains like we have just seen with COVID. It would be great if the state government can incentivise businesses that are looking to diversify their markets so they have that confidence and they are not relying just on trade with China alone.

I have read some of the submissions and have seen some of the videos that are on the website. Thanks for sharing all of that information. It is pretty clear that it is a collated effort from the commonwealth government, state government and local business industries. It is a mammoth task ahead of us. I would like to see the state government take more of a leadership role, be the driving force behind it, and bring all these parties together. And also India being such a big country, where do we start? Where is a good starting point? I like the idea that we have to start local and think global. In our case, we start statewide and think national. There are existing sister-state relationships with AP and also we have an office in Mumbai. Let us try to reinforce these relationships and provide them with the workforce, which would help the WA business community like ours to navigate the complex landscape of India et cetera. Any questions?

The CHAIR: No, that is perfect; thank you very much. Thanks for your contribution—fascinating.

Mr Kasare, good morning.

Mr KASARE: Good morning. Thanks, committee, for allowing these public depositions. I am here as president of the Ambedkarite Buddhist Community, a community for humanity, equality, love, liberty and peace. Having studied in India, I firmly believe that the Indian primary and secondary education is great, which creates a strong base for the young students to succeed in their career. It does not mean that the Australian education is not good; in fact, Australian higher and secondary or degree education is excellent, which is more practical and research-based. Therefore, I think that both countries need to take advantage of such a rich culture and provide opportunities to the students to take quality education through teacher–student exchange programs.

Now the question might come in your mind of how this program is going to enhance the economic relationship, so I would like to take your attention to the statistical data. There are various statistics. I have taken some. Approximately 200 000 Indian students enrol every year in the top five study destinations—Canada, US, Australia, UK and NZ. As per the StudyPerth June 2020 report, in the year 2020, 122 979 students enrolled and 38 715 students commenced studies in Australia, which is only 18 per cent. That means that 82 per cent of students selected other countries as their study destination. Out of 38 715, only 2 450 students commenced studies in WA, which is only 6 per cent. The statistics show that WA has got an opportunity to grab 82 per cent of the Indian student market

from the other four destinations, and 94 per cent from the Australian market. These are huge numbers which I believe cannot be achieved through the normal marketing strategies. Therefore, it requires a system. So I believe that the teacher–student exchange program is a systematic link that will set the relationship between India and WA. The WA government shall form a working committee to establish engagement through this program to increase WA’s market share.

My second point of submission is allowing a working holiday visa for Indian students. It is a dream of every Indian parent to provide quality education to their children. The statistics show that 35 million Indian students are ready to take higher education studies; however, due to financial constraints, parents are unable to send their children abroad for higher education. Therefore, it is my view that WA universities shall open their faculties in Indian metro cities. This initiative will give many benefits to both nations; such as, Indian students will be able to take international studies, international education, in their home country at a lower cost. It will automatically increase the enrolment volume.

After completing the WA accredited degree course, the WA government shall allow a working holiday visa for Indian students for a minimum of 12 months. The initiative will enable WA to get a qualified workforce and meet labour demand. It will create employment opportunities for the Indian students, which will be a trade-off for India to allow WA universities to open their branches in India.

My last point of the submission is allowing visa on arrival in India for Australians and in Australia for the Indian passport holders. We Indians have made Australia as our second home. Our families and friends like to visit Australia. However, due to the current lengthy tourist visa process, not many can travel frequently. As per the Department of Jobs, Tourism, Science and Innovation, Western Australia had only 31 000 visitors from India in 2019. Over 372 000 Indian tourists visited Australia in 2018–19 and 20 000 Australians visited India in 2018.

The CHAIR: One minute.

Mr SAXENA: I am just finishing now.

If the visa is issued on arrival, the tourist numbers between the two countries will increase in millions, which will boost the transport and hospitality industry. Many Indian families will travel to Australia, visit families, explore multicultural society and beautiful beaches. Similarly, Australian visitors will enjoy great Indian hospitality and tasty food. Thank you.

[11.30 am]

The CHAIR: Thank you very much. Mr Saxena.

Mr SAXENA: Thank you for giving me this opportunity. My topic is based on medical tourism. This submission is based on individual capacity. As I said, my subject is medical tourism in India. Before I elaborate on my presentation, I wish to verify whether the points stated in my presentation, the first slide especially, really points to a potential problem or an important need for Australians based on which we could consider tying up with medical facilities in India. I do believe that long-term partnerships should have a win–win situation for both parties. What are the challenges for medical tourism? Why medical tourism? The first challenge is the long waitlist for elective procedures. There is enough evidence which shows increasing waiting time. The second challenge is the huge expenses incurred by insurance companies and also out-of-pocket spending by consumers, leading to dissatisfaction. We all know that we have not seen insurance premiums go down—it keeps on increasing. The third issue is the paucity of super specialists leading up to long waiting times to be seen by experts. This is already an issue and there will be a catch-up issue in the coming years as well. These are the three drivers based on which I have formulated my business case.

First, is there a long waitlist for elective procedures? Yes. Based on the data from the Australian Institute of Health and Welfare from last year's data and considering data from major hospitals, large metropolitan hospitals and medium regional hospitals, there is a wait time of about half a month to three months for semi-urgent surgeries. There is a wait time for urgent elective surgeries from three days to three weeks. Now that is a long time for any patient. If nothing else kills, it is the stress and the anxiety doing the wait times which can be more detrimental to the health of a patient. The question is: will this average waiting time ever come down in the coming years and will the insurance premium ever come down? The chances are, no. It is practical to assume that with the ageing population in the coming years, the pressure on the medical facilities is only going to go upwards, and unless we find a plan B wherein some of the load can be shared by an equivalent medical services provider, the situation can cause a bottleneck and eventually will risk the health of Australians. I do want to highlight that such an arrangement, if in place, is not done by outsourcing but by managing the overflow with an equivalent competent partner.

The second point about the expenses: is it going to be an expensive option for partnering with India? Based on very basic research from finder.com, it can be said that the medical costs in India are very competitive compared to Australia. An example is that a gastroscopy in Australia costs about \$2 000 to \$3 000, whereas in good hospitals in India, it is around \$200. It is a huge saving. For a group of patients from the USA who elect to be treated in India, the medical procedure of the same quality in the USA costs up to 10 times higher, so actually you can afford a second opinion and a third opinion with your insurance budget. The third point is the paucity of super specialists here. Patients can have access to highly experienced doctors at renowned medical hospitals in India at one-third of the cost.

Why should we embrace this medical tourism model? Is medical tourism really working in other countries and acceptable by western countries? Yes. This argument is already in practice around the world. Patients in the US travel to Mexico and other countries in South America for treatment. Patients from the UK, Africa and the Middle East travel to India for medical investigation and surgery, so this is a really practising model. We do not have to reinvent anything.

Why India of all the countries? Indian doctors are world-renowned for their expertise and form an integral part of the national health service in the UK, the USA and the African healthcare systems. Plus, there is proficiency in English, state-of-the-art facilities at par with western countries, advanced research facilities and a base for international pharmaceutical companies. Excluding the government system, the private companies in India work efficiently and are at par or sometimes superior to the same facilities in western countries. India is in fact ranked higher than Singapore, South Korea, Thailand and other countries.

The CHAIR: One minute.

Mr SAXENA: How does Australia benefit from partnering with India? It will reduce the waiting time to start with. It will reduce the burden on the hospitals and a reduction in insurance costs. Australian patients can afford a second opinion as affordability increases. Australia also has good research facilities and may also be more advanced in some of the medical procedures that will interest the medical facilities in India.

Finally, how do we move forward? Both the Indian and Australian governments need to get the medical fraternities or institutions to identify the strengths of their peers in these countries and could start with a small pilot project, initially by tying with one or two private medical facilities to see how the model can work between both countries.

The CHAIR: Thank you very much.

Mr Walia, good morning.

Mr WALIA: Good morning. Thank you very much. Thanks to the committee for this opportunity to present today. I am presenting today in a personal and individual capacity. It is not associated with any of my professional associations.

I would like to highlight one of the agendas that has already been briefly mentioned about starting local and thinking global. Very similar to the structure of government here in Australia, the constitution of India establishes government at three levels, which is federal, state and local—local being both at the urban as well as rural levels. Partnerships between similar levels of government are instrumental and a proven model for bilateral economic diplomacy between countries and are highly appreciated models in India. Based on my past experiences with various bilateral ODAs, or overseas development agencies—for example, the AFD, the French bilateral ODA; the KfW, the German bilateral ODA; and many others—I have seen partnerships between governments providing a win-win situation for both the economies. Working with the local government sector in Australia for the last five years, I have observed many such opportunities for partnerships at local government levels which exist, but have not been tapped yet. India is a growing economy and there are huge opportunities at the grassroots or local level that can be explored both by the government as well as the private sector working together and using a local government–city-based partnership model.

The sister-state relationship between the state government of WA and Andhra Pradesh is one such example at the state level and provides a solid foundation to establish similar partnerships at a local level, or the local government level, both in the urban as well as in the rural segment. This can be facilitated by state interventions and promoting opportunities for collaboration between local governments of the two countries. We can see a very vital and important role for economic development for the businesses in the local area. WA has approximately 160 local governments which are exemplary of the local businesses that help the local governments provide community services in their local area to satisfy the needs of the local communities. Australia's local government approach and infrastructure is well-established, innovative and community-centred. India is a rising economy on the other hand, and coupled with growing awareness, the community aspirations are ever-increasing, resulting in increasing demands for high quality local governance and infrastructure.

Increasing domestic wealth in India is creating a large, aspirational consumer class and increased discretionary spending in services. Expectation has exaggerated the burden on Indian local governments to improve their performances. Population growth is forcing the adoption of more sustainable instruments and infrastructure reforms at the local level and thus presents a huge opportunity for businesses in WA providing infrastructure and essential services to governments, specifically in sectors like reliable and clean energy, water, sanitation, drainage, transportation, landscaping, safety, telecommunication, services for community spaces—like leisure centres, libraries, parks and golf centres—education and wellness. These are just amazing here in Australia, which is something that the Indian consumer base aspires to.

Local city level partnerships will allow these businesses that are serving the local government sector in WA to demonstrate their offerings to Indian counterparts or set up pilots analogous to Australian solutions for Indian local governments in the urban as well as rural environments. A local level partnership not only enhances the trade opportunities, but also provides cultural bonding and a strong bilateral linkage at the core between the two communities.

This is a proven model for bilateral economic advocacy and has seen amazing results in the past; for example, the Kyoto–Varanasi partner-city agreement, which has seen huge endeavours happening

in Varanasi in India. My submission provides a very broad recommendation for the state to consider and support as deemed appropriate in this direction.

The CHAIR: Thank you very much. Mr Mali, hello.

Mr MALI: Good morning, and thank you for the opportunity given to me for the public deposition for the Economics and Industry Standing Committee. I am Sarvesh Mali, and I am from a background of the construction industry.

Today, I am representing myself for this. I would like to talk on three points—that is, growth in the education sector, new immigrants to Australia and visas for parents and relatives.

Adding to my earlier subordinate's help, this is a lot of what I am going to talk about, but this is what I would also like to put my view on.

[11.40 am]

India has a large number of young and highly skilled professionals. It has huge resources that could be tapped by sharing knowledge and skill between the two countries in sectors like engineering, commerce, IT, medical, agriculture and many more. Most of the professionals in India come from middle-economic families, and it is not possible financially for all to travel to Australia and upgrade their skills in compliance with Australian standards. Normally, they are highly educated, academically, but their skills sometimes do not match Australian standards, and that is why they cannot upgrade with the financial background that they have, such as in the example I would like to give. For a nursing licence, there are nurses who work in India for 10 years, 20 years and they would like to come and work in Australia, but financially they cannot manage it. Earlier there was a course for three months where the nurses could come here, they could train themselves and they could become a licensed nurse in Australia, but now it has changed to two years. The fees are affordable for the program, but they cannot afford to stay here, so what I would recommend is that there should be a kind of working visa as well as a studying visa so that they can work and they can afford to upgrade themselves. That could be a good advantage to both industries—India as well as here in Australia.

The second thing I would like to say is that a lot of professional staff from India are here after they come here on skilled migration. The biggest problem they face here is they do not get jobs or they do not even get rental homes because of not having references. That is where they have a backlog. A good professional spends two or three years of life just getting his right path in the industry, and that is why most of the Indian community people tend to opt for other countries, like Canada, America, New Zealand and all that, because they struggle to get jobs here. That could be another — Because when the visas are granted, it is always done on some checklist, and that should be building a bridge between the gap of having a reference; if you are an immigrant, it is known that you have been checked for everything before you come here. That is my second proposal.

And the third proposal is we Indians, sir, are always like family people. We always like to have our parents and relatives around us. If, as an Australian citizen, I get a visa on arrival where I can sponsor my relatives or my parents to come here on arrival or a quick process that would not only turn up a good tourism sector to Western Australia but to Australia as well. Other factors would be like, if there are functions, like marriages, it could become a destination marriage business or industry which may grow up here.

That is what I would like to conclude with.

The CHAIR: Thank you very much. Thank you everyone for your evidence to the committee.

A transcript of the public depositions will be emailed to you for the correction of minor errors. Any corrections to the transcript must be returned within seven days of receipt. If the transcript is not returned within this period, it will be deemed to be correct. New material cannot be added via these corrections, and the sense of your evidence cannot be altered. If you wish to provide additional information or elaborate on particular points, please provide a supplementary submission for the committee's consideration.

Thank you all so much for coming today.

Hearing concluded at 11.43 am
