I would like to thank the University of Adelaide and the Australia India Institute for inviting me to be part of this dialogue. Constituting as they do some 80% or more of Australian GDP and 50% or more of India’s GDP, services collectively should be the biggest and, arguably the most strategic, segment of the bilateral relationship. Yet, when we look at today’s reality, 80% of total bilateral trade is merchandise, while services are just 20%! Clearly, services demand more study and research. So it’s good to have the best part of today focused exclusively on services. I would further advocate that we try and make the Australia India Services Dialogue we are engaged in today an annual event, ideally run alternately in India and Australia.

While I am delighted to be part of the Dialogue, I must confess that, as a simple businessman, I feel somewhat daunted speaking in the company of so many distinguished academic and research experts from both countries. However, I hope I can make a useful contribution because of I have an insider’s view of the sector’s I want to focus on, namely Information Communications and Technology or ICT in short and Education. I have spent most of my life working in the ICT industry, during which, it transformed itself from a manufacturing to a services industry. I helped drive this change in Fujitsu Australia and New Zealand when I led as Chairman and CEO for over a decade, and I am now privileged to chair an Advisory Board in this region for Tata Consultancy Services or TCS, India’s largest ICT company, with the biggest market cap in the world among pure services companies. I have also long taken an active interest in education and R&D, having been founding chairman of National ICT Australia, or NICTA, Australia’s pre-eminent ICT research organisation, the Smart Internet and Smart
Services Cooperative Research Centres, as well as of TAFE Global, the export marketing arm of TAFE New South Wales, Australia’s largest provider of Vocational Education and Training.

So, to make sure I only talk about something I have some knowledge of, I will stick to the knitting whose pattern I at least know the pattern of and focus almost entirely on ICT and Education services. As it turns out, these are by far the largest contributors to Australia-India bilateral trade.

Before I discuss these services, however, I would first like to make a few comments on the general state of the Australia-India relationship. In my view, the relationship has never been in better shape. The reason I say this is that for most of the 51 years I have lived in Australia, having come here from my home, India, the country in which I was born and which gave me my education and my underlying values and sentiments, the bilateral relationship has been fraught with numerous differences, misunderstandings, irritants, stereotypical negative views of each other, which have continually soured what should always have been a close and positive partnership. In 1961, Australia still had a White Australia policy, making it impossible for Indians like me to even contemplate settling here permanently. The international climate then was dominated by the Cold War during which Australia was well and truly tied to the US alliance, while newly-independent India, believing it was not in its best interests to become embroiled in the Cold War, chose non-alignment. Also, the Australian Government, especially in the long period that Robert Menzies was Prime Minister, was locked in a colonial mindset, while India, having won freedom herself, championed the cause of independence from colonial rule around the world. As a result, the two countries found themselves frequently at odds with each other. These differences were epitomised by the frequent disagreements, including one celebrated public clash at the United Nations, between Menzies and the equally long-serving Indian Prime Minister Jawaharlal Nehru, who differed on almost everything, South Africa, Suez, India’s continued membership of the Commonwealth after it became a republic, recognition of China
and more. The stress in the relationship was exacerbated by Pakistan’s eager embrace of US-led defence pacts, which meant that, generally, and particularly during the Kashmir and Bangladeshi wars, Australia, followed the US lead and tilted towards Pakistan.

India’s nuclear tests in 1998 caused another seismic shock, with Australia strident, almost hysterical, critic, more so than any other country. More recently, we had the infamous Sydney Test match of 2008, the Rudd Government’s reversal of the Howard Government’s policy to follow the US lead in favour of nuclear trade with India, and the attacks on Indian students in 2009-11. The cumulative effect of these problems was to take the bilateral relationship to the lowest point it probably had ever been.

Yet, just a couple of years later, these issues no longer seem to rankle. Under Julia Gillard’s courageous leadership, long-held ALP policy not to export uranium to non-NPT signatory, India, was reversed, and the Indian cricket team did so disastrously on its tour down under in 2011-12, that Indian fans shifted their anger from the behaviour of the Aussies to the performance of the Indians! Mercifully too, India’s News TV channels, whose vitriolic attacks on Australia in 2010 and 2011 on the student issue, made Alan Jones seem the very model of restraint, no longer have Australia in their sights. Credit for this must go to significant measures taken by Australian and State Governments to address student safety, the firm yet restrained approach on that vexing issue by the Indian Government and its diplomats in Australia, and the indefatigable efforts by Australia’s diplomats in India, led by John McCarthy and Peter Varghese.

So, in the words of the old song, we have been able to eliminate the negative, at least in the most part. Better still, we have been able to accentuate the positive! I know directly from the Indian Prime Minister how warmly he regards Prime Minister Gillard, when he asked me to convey to her his personal appreciation for her stance on the export of uranium to India. Gillard’s recent visit to India was a great success, especially her commitment to move India to
the top tier of Australia’s international relationships, alongside the US and China. And earlier this week, in releasing the Asian Century White Paper, the PM said one of the priority languages for study in Australia would be Hindi!

So, without pretending that there are no remaining challenges – there always will be, even among the best of friends – I repeat my personal view that the bilateral relationship is better than it has ever been.

The current goodwill is very relevant to our discussions today, because it gives us an unprecedented opportunity to make the significant changes in attitude, approach and policy that both countries will need to make if we are to maximise the huge potential benefit we both can derive from the services sector.

Returning to the ICT and education services sectors, I would like to discuss the location of the customer and the supplier. Does the customer go to the supplier’s country to receive the services or does the supplier go to the customer’s country to deliver them? Or, in these days of global service delivery through the use of technology, do both the supplier and the customer do business without leaving home? The answer, of course, is that of all these options have their merits and an optimal mix of them should be developed by suppliers and customers in both sectors and in both countries.

Turning to education first, where Australia is the supplier and India the customer, virtually all the services are currently delivered in Australia. On the face of it, this seems a very good proposition for Australia, with Indian students underwriting our financially deprived education system by paying full fees and contributing further to the Australian economy, by paying for their accommodation and living expenses. In addition, their parents, relatives and friends visit Australia to be with them at various times, before, during and on completion of their studies, significantly boosting our tourism earnings. Moreover, delivering education services in Australia
is relatively easy and inexpensive for our educational institutions, because there is minimal extra effort or cost required to cater to the needs of the overseas students, who, in most cases, just fill the excess capacity for courses that are already provided to local students.

For the customer, however, the cost is extremely high. This clearly limits the demand to those who are well off, or whose parents are willing to make an enormous sacrifice to give their children the opportunity of an overseas education.

The supplier also faces limits because the capacity of Australia to provide places in educational institutions as well as the accommodation, transportation and other services that overseas students need, is also limited. So, even though Australia’s education and education related tourism constitute our third largest exports, only exceeded by coal and iron ore, their potential for growth is severely constrained by both demand and supply side factors.

The lost opportunity to both Australia and India resulting from this constraint is massive because the size of India’s education pie is virtually unlimited, and the share that Australia currently gets of it, is miniscule. The size of India’s VET needs can be imagined from this quote from the website of the Ministry of Human Resource Development. “Only about 2.5 million vocational training seats are available in the country whereas about 12.8 million persons enter the labour market every year. About 90 per cent of employment opportunities require vocational skills, something that is not being imparted on a large scale in schools and colleges.” The same shortage applies to university education. Kapil Sibal, when Minister for Human Resource Development, said that 800 to 1000 new universities would be needed within the next ten years, (a tripling of numbers from today’s 400 or so), if the number of students going on to higher education is to rise from its present 12 per cent to 30 per cent. From Kiran Bedi’s comments at the plenary session of the Australia India Institute Annual Conference in Melbourne on November 1, these numbers might be a fraction of the real needs. The whole world doesn’t
have enough capacity to meet India’s virtually unlimited demand! Nor could 90+% of the Indian students who need education, afford to go overseas to obtain it. The only solution is for most of the demand to be met in India itself.

Difficult as it might seem, I do not think it is impossible for courses developed in Australia to be delivered in India. Achieving this will need considerable creativity and flexibility, as well as significant collaboration. The challenge is to make education the education services delivered in India, affordable for Indian customers and profitable for Australian suppliers. This challenge has already been met in several other business sectors. The underlying secret is simple. Come up with the right price point without sacrificing quality, and there’s a fortune to be made from the millions who are, in the words of the renowned management guru, the late C K Prahalad, at the bottom of the pyramid.

Perhaps the best example of an industry that has done this quite spectacularly is mobile telephony. There was almost no demand in India when the charges for mobile handsets and calls were among the highest in the world. They are now among the lowest in the world, and 800 million phones have been sold! Clearly at least a few hundred million of these have been bought by people that are near or even below the poverty line. And, despite the very low charges, both handset suppliers and telcos are highly profitable.

I don’t want to suggest that delivering education in volume and at the right price point in India is going to be easy. There are numerous legal, logistical, regulatory and other impediments that make the task very difficult and seemingly impossible. In the VET sector, for example, you need to deliver the courses in the some or all of the 22 official regional languages spoken around the country. You need to train local trainers, as expats are prohibitively expensive. You must find a way to provide on the job training and assessment, in a country where most experienced tradesmen do not have formal qualifications themselves. You should be willing to make
intellectual property developed for students in Australia available at no charge, or only on a marginal cost basis. Despite all these hurdles, given that there are lottery-sized prizes to be won, and the needs of the country make the odds of winning reasonable, surely it is worth trying to make the effort. As they say, you’ve got to be in it to win it!

I personally know one very good example of how Australian education skills and knowhow has been used to establish a large education empire in India. It is the Kangaroo Kids Preschool and Billabong High International School chain. Its founder is Lina Asher, an Australian of Indian origin, whose family and mine have been friends since she was a young school girl in Melbourne. She acquired her Bachelor’s degree and education skills and knowhow at Melbourne’s Victoria University. She set up her first preschool in 1993 with just 13 students in Bandra, a Mumbai suburb, which by coincidence, was where my home was before I left for Australia. From this modest beginning, she now has 55 Kangaroo Kids Preschools, and 18 Billabong High International Schools, across 24 different cities in India, as well as in Dubai and the Maldives. And with the model now proven and replicable, she has started franchising, which will result in even more and faster expansion. I realise that Lena’s education services cater to relatively well off families. But, there’s no reason why a similar model can’t be successful in the VET and University sectors.

With the university sector, there are still restrictions on the entry of foreign institutions, although, despite this, I understand a few hundred foreign institutions are said to have a presence there by finding ways to work within the restrictive regulations, mainly through collaboration with local institutions and other creative structures. The big news is that India has recently announced that it will allow entry to high standing overseas universities. To ensure that the highest quality standards are maintained, only those foreign institutions that figure in the top 500 of the Times Higher Education World University Ranking or the Shanghai Jiaotong ranking will be allowed to collaborate. I know British, US, Canadian and even European universities are poised to enter
the Indian market as soon as the rules are clarified. Are Australian universities preparing themselves to take the plunge?

Distance learning using modern technology is another way to provide education services in India on-line. This is an excellent option because it lowers the price point, can be delivered from either Australia or India, and can be accessed by very large numbers of students. A spectacular example of what is now possible was reported on in the New York Times of July 18, 2012. At the May announcement of edX, the Harvard-M.I.T. partnership that will offer free online courses with a certificate of completion, Susan Hockfield, the president of M.I.T., declared: “Fasten your seat belts.” If anyone was ready for the ride — the $60 million venture aims to reach a billion people — it was Anant Agarwal, the director of M.I.T.’s Computer Science and Artificial Intelligence Laboratory. Well, if an Indian in the US can do it, why shouldn’t Australians with Indians in both Australia and India be able to do it as well? I am not aware of any serious Australian initiative. The danger of this inertia is that not only will we miss out on the massive market opening up in India and around the globe, but we will risk losing a big chunk of our current very lucrative overseas student business to more convenient and effective, and less expensive, offerings on the web.

Whatever approach is taken to enter the Indian education market, it will need vision, ambition, courage, entrepreneurial skill and, most of all, commitment. It is also essential to build strong strategic connections in India. One obvious way to do this is to access the wealth of Indian talent available in the 400,000 strong Indian diaspora in Australia and find people like Lena Asher. Sadly, there are few Indians in sufficiently senior positions in Australia’s education establishment one needs to be in to be able to add value in the engagement with India.

Another alternative to the use of talent available in Australia is to engage skilled resources in India or find strategic partners there. Local partners can help navigate the complexities of the
Indian market and regulatory environment. They can also organise the localisation of Australian materials and translation of Australian courseware into India’s regional languages.

In talking up the opportunity for education services in India, I don’t want to downplay the importance of the current overseas student model. It has served Australia well and, despite the setbacks of recent years, will continue to be a big export earner for us. In a few years, I am sure volumes can return to earlier levels and above because there will always be significant demand from India, sufficient, I believe, to fill most of the available capacity in the Australian education industry. Of course, to achieve this potential, we must ensure that the education we offer is world class and delivers on its promises. It is also essential to provide the necessary ancillary services, like affordable and comfortable accommodation, travel concessions and pastoral care for students.

We also need to treat overseas students, first and foremost, as valued customers. This is not Colombo Plan Mark II. We are not providing aid to India. If anything, India is helping us by allowing its citizens to use valuable foreign exchange to pay full fees for their study in Australia. This helps fill the serious shortfall in revenues earned by our institutions from the education of Australian students.

I also strongly believe that we should treat all students who come here as potential migrants and even woo them to become one of us. Here again, we must abandon the patronising Colombo Plan attitude, which required overseas students to return home after completing their studies, saying to them as we wished them goodbye, our chests swollen with pride, “Your country needs you more than we do”! Closer to the truth was the fact that, under the White Australia policy which prevailed during the Colombo plan years, Asian, including, Indian students couldn’t stay and, if we are honest with ourselves, we really didn’t want them to stay!
Australia will, I am sure, always need migrants to meet its skill shortages. We currently welcome 150,000 or more every year. The intake may well increase as the ageing of our population accelerates and more and more of our people move from productive work to needing to be cared for.

Evidence of the seriousness of Australia’s deficiency of skills in numerous sectors can be gauged by the fact that the Department of Immigration and Citizenship runs regular “Skills Australia Needs Expos” in several overseas locations, including Houston, London, Berlin and Athens. To quote from the DIAC site, the expo in Houston was “to target skilled workers” and, “to help link Australian employers with skilled workers in the US to fill skill shortages in key sectors”.

To get the best value from our migration program, we should always try to attract the best and brightest. One of the best ways to do this is to persuade overseas students to call Australia home. After all, they have locally recognised qualifications, which not only didn’t cost us a sent but actually delivered good profits to us in the bargain. They are also most likely to be positive and successful migrants because they have already settled into Australian society. As the saying goes, they know us and we know them.

Given the added benefit that students give us by staying on as migrants, the recent decision in reaction to the overseas student crisis of de-coupling education and migration does not seem to be in Australia’s best interests. Apart from reducing the number of Australian-trained migrants, it will also deprive our education services industry of arguably its strongest competitive advantages. The opportunity to qualify for permanent residence is, I believe, the most significant selling point to get Indian, or for that matter, most Asian, students to choose Australia. It may not be good for our ego, but we need to realise that, without that carrot, many, maybe most, overseas students would probably choose the US, Canada and the UK before us.
Worse still for the Australian education industry, and Australia’s relationship with India generally, has been the decision to apply a new set of immigration rules to students already here. These changes have made it much harder for them to gain permanent residence without finding a sponsor, or doing another course, to be eligible. This can be a massive burden in terms of both time and cost, well beyond the financial capacity of many of the students, whose families have already sold part of the farm or borrowed heavily to invest in their education here. Every student who ends up being deported or giving up and going home because it’s all too hard and uncertain, will inevitably feel hardly done by. In turn this negative sentiment towards Australia could spread to the student’s family and friends and the wider Indian community. Using an amnesty or a grandfather clause to cover the students, who found themselves in limbo following the sudden change, would have been a win win outcome for them and for us. It may be too late for many students, but a change in policy to apply from now on should be seriously considered.

We must also abandon our strange, judgmental attitude that overseas students are somehow doing something wrong, if their primary reason for choosing a particular course is that it could lead to permanent residence, rather than for its education value per se. I can’t see why this should be an issue for us as education providers. What could possibly be wrong if they choose course that gives them skills that are officially on the Migration Occupations in Demand List (MODL), pay their fees and complete those courses successfully? After all, we wouldn’t take exception to an Australian student using substantially taxpayer funded education to study in, say, law, and then, after qualifying, deciding to become a merchant banker!

Another attitudinal problem that arose during the recent boom in students taking trade-related courses, including hospitality, cooking and hairdressing is somewhat curious for a country whose egalitarian culture has long been one of its most attractive qualities. In Australia all trades should be regarded as honourable jobs, which contribute to our standard of living and quality of life. Thanks to the seemingly never-ending boom, and the growth of rampant
consumerism, the hospitality and personal grooming sectors experienced severe shortages. Some of these shortages, especially of qualified chefs, still exist. Again, meeting these business needs through locally qualified students makes great economic and social sense.

Before I move on to the industry I have worked in for nearly 50 years, namely ICT, and, within it, ICT and ICT-enabled services, I must declare my vested interest. Because of my close connection to Tata Consultancy Services (TCS), my views could well be seen to be favouring that company. All I can say is that I had similar views when I worked for IBM and Fujitsu. The reason is that whatever I have advocated has always been consistent with my own self-imposed ‘benefit to Australia’ test.

Unlike education, with ICT services, India is the supplier and Australia is the customer. Also, unlike education, the customer stays in Australia, with the supplier either coming here or delivering the services from India or other offshore location.

Given Australia’s chronic skill shortage and the relentless demand for ICT solutions to improve our productivity, on the one hand; and India’s abundant supply of ICT resources, with a proven track record of implementing sophisticated ICT systems around the world, on the other, you would think that tying the ICT knot would be a match made in heaven. And, over the past 5-10 years, there has been a kind of honeymoon, with Indian ICT companies in Australia growing at 30+% per annum. But this growth has been on a relatively low base and their market share is still much lower than what they have enjoyed in North America and Europe for some time.

Part of the reason for this, is that Indian ICT companies, until recently, neglected the Australian market, which they saw as relatively small. Moreover, with our dollar worth between 50 and 70 US cents, it was not a very profitable market either.

However, following the dot com bust and the aftershocks of 9/11, Indian companies found themselves vulnerable to sudden shifts in US demand. This made them decide to spread their
bets in order to reduce their severe dependency on the US. In the process, they discovered Australia, which they found to have a surprisingly large ICT market, notwithstanding our low population. Australia’s demand for ICT services has also grown substantially, thanks to our long period of growth and the mining boom. And the rise of our dollar to parity with the US dollar or higher, has made our market far more profitable.

Although recent growth has been encouraging, the business that Indian ICT firms do in Australia is still well short of the potential. I believe that the main reason for this is continuing negative attitudes to offshoring and the perception that if work is given to Indian companies, all the work will all be done offshore, while if it is awarded to US companies like IBM, HP or Accenture, it would all be done in Australia.

Actually, nothing could be further from the truth. Indian companies would be more than happy to do all the work in Australia, if that is what the customer wants and is willing to pay for any extra costs that might arise. In turn, US companies are increasingly sending work offshore, which explains why IBM now has 120,000 staff in India, with HP and Accenture not far behind. For Australian customers, the most sensible way to manage the onshore-offshore question is to specify what they want done in Australia and what they want to be delivered from offshore. To ensure they get the best deal and are comparing apples with apples, they should ask all potential suppliers to provide alternative prices and project schedules for various onshore-offshore options.

Mind you, a considerable body of research in the US has clearly shown that the view that the only result of offshoring is a loss of jobs in the customer’s economy is overly simplistic. In fact, the customer’s economy benefits much more from offshoring than the supplier’s economy. Researchers engaged in this dialogue would do well to do similar studies in the Australia-India context.
In the long term, Australia will have to come to terms with offshoring, just as we have come to terms with most of our manufacturing going overseas, particularly to East Asia. It is now generally agreed that allowing most of our manufacturing to wind down, and focusing on a few selected areas of manufacturing where we can sustain our competitive position, was the smart thing to do. Examples of manufacturing that are doing well in Australia are niche industries like medical devices, where companies like Cochlear and Resmed, have leading edge intellectual property; or manufacture of equipment linked to industries where we have natural advantages and global leadership, such as mining equipment or food processing. Of course, we may choose to prop up some manufacturing, which we consider to be strategic or essential to maintaining strategic skills, such as the automobile industry or defence production.

The offshoring of manufacturing has paved the way for Australia to transform itself into a resources and services economy. Our per capita income has gone up and, while there is no question that many workers in the manufacturing sector lost their jobs and faced short-term and, in some cases, long term hardship, overall employment has gone up and unemployment rates have remained low. Businesses that use manufactured goods as inputs, and consumers, have all benefited enormously from substantially lower costs and higher quality. The net result is a much higher standard of living than when we had a large manufacturing sector underpinned by high prices, subsidies, tariffs and import bans or restrictive quotas. The credit for managing this change must be given to the Hawke and Keating governments, which cushioned the blow to manufacturing workers with several reforms, including lower taxes, employer superannuation contributions, the Accord and the Button Car Plan. They also made us more competitive with financial deregulation, floating of the dollar and implementing stronger competition policy.

The same adjustment will inevitably have to be made with the services sector. Discouraging offshoring or subsidising local services, will preserve local jobs for a while, but, as happened with Mitsubishi motors, will only cost a lot of money and eventually fail. Meanwhile, someone
will also have to pay for the higher costs, whether it is the ICT customer or the end consumer. Worst of all, major productivity gains from the greater use of ICT will be lost or, at the very least, delayed, as the business case for ICT projects is weakened due to higher costs and resource constraints.

For a country with chronic skill shortages, arguably the greatest benefit of offshoring is resource availability on a flexible just-in-time basis. The supplier takes the risk of rise and fall in the demand for skilled resources that regularly fluctuates during project cycles. The supplier also manages the challenge of keeping resources with the skills to maintain legacy systems, while at the same time, having to meet the sudden demand for new skills caused by frequent and increasingly unexpected technological change.

Of course, Australian customers have every right to insist on some or all of the work being done on-shore. When they do so, the abundant resource pool that is employed and trained by Indian ICT suppliers can similarly be drawn upon for just-in-time supply via the 457 visa system. I must confess that I have a soft spot for, and some pride in, the 457 visa, because I had the privilege of chairing the committee that brought it in 1996. In fact, in its early years it was called the Roach visa in the immigration trade! The 457 visa also gets occasional bad headlines for seeming to give jobs to guest rather than local workers. But the scheme has built in safeguards requiring employers who use it to commit to significant local employment and education and training for Australian staff. To minimise downward pressure on local wages, employers are also required to pay workers they bring in Australian market rates. On balance, there can be no doubt that the 457 visa scheme has served Australia very well, not just for major ICT projects, but also for mega mining projects, most of which could not have been done without the skilled resources that came here on 457 visas.
And, just as I advocated in the case of overseas students, we should maximise the value of 457 visa entrants by treating them as potential migrants and getting as many of them as possible to stay here for the long term.

Another argument against offshoring is that it entails serious risks that mission critical systems might suddenly become unavailable, that sensitive data could be accessed by unauthorised users, and that precious intellectual property is vulnerable to theft. While no one would claim that offshoring carries no risks, there are sound reasons why it reduces rather than increases risk. The highest security risk in ICT occurs when it is done in house, when it is easy to be complacent and lax and to let familiarity breed excessive trust. Security improves with local outsourcing, because the service provider has contractual responsibility with heavy penalties for any lapse. Security improves again when the service provider is overseas, not only because the contractual responsibility is even more stringent, but also because the offshore supplier, especially the major ICT companies, Indian or otherwise, know that their business could collapse totally and their brand destroyed permanently, if there were a security breach. One has only to visit a major development centre overseas to see that they are more secure than Fort Knox! Frankly, exaggeration of the negative impacts and risks involved in offshoring is often a thinly disguised veil for good old fashioned protectionism!

Just as in the case of manufacturing, Australia will have to undergo significant adjustment to meet the challenges of the fast developing era of global services delivery. It should be easier than it has been with manufacturing, because many services will continue to require local delivery, whereas almost all manufactured goods could theoretically be imported. However, the adjustment will still be substantial and, in some service sectors, severe. Governments will need to implement policy changes and establish special programs to cushion the blow that many workers will face. They will have to spend much more on education at every level. Workers displaced by global competition will have to be re-trained to undertake the new jobs that
technological and demographic change will create. Business will have to do its share too, giving newly trained students their first job, investing in the training of employees instead of just retrenching them when their current skills become obsolete, enabling older staff to stay in the workforce longer, and giving all employees who wish to do courses of their own choosing and at their own cost the flexibility to undertake them.

Global services companies operating in Australia will also have to play their part. Governments and customers should encourage them to contribute to the Australian economy and community, especially by creating local jobs, investing in the skills of their local employees and offering Australian employees the opportunity for a global career. I have always had a strong belief that transnational companies need to be good corporate citizens and do the right thing by the country in which they earn revenue and make a profit.

In conclusion, I would like to urge significantly more collaborative research between Australia and India into education and ICT services. I realise that I have made statements and made many claims today that are probably not in keeping with conventional wisdom or bias. I am confident in my views because they are the result of nearly 50 years of experience and critical observation. However, the radical changes in policy and attitudes that I have advocated will only come about if a compelling case, based on rigorous and objective research, is made for them. I believe that this is a challenge that the eminent researchers in this room are well equipped to meet and should rise up to. Establishing an ongoing Australia India Services Dialogue will ensure that bilateral services receive the attention, study, research and debate they deserve, with due attention to the business and technological environment that we know will keep changing continuously and in many unexpected ways. I am sure that this Dialogue will significantly benefit both India and Australia and the bilateral relationship.

Thank you