

Pillar of Changed Relationship? Australia’s New Indian Diaspora

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Summary

The Indian diaspora in Australia has expanded rapidly in the last 20 years to 750,000 people today. This has been possible due to India’s own economic reforms in the 1990s and Australia becoming an attractive education destination to Indians. While, in the past, these two countries did not share a flourishing bilateral relationship, the time now seems ripe to build strong links between them.

No feature of Australia’s demography has changed so rapidly as the expansion of the Indian diaspora. In 2020, people of Indian birth or origin number about 750,000 of Australia’s 25 million people, an increase of five times in 20 years. This means an increased presence on the radar screens of the government and the general public, and an ambition to create a more dynamic relationship between India and Australia.

When Peter Varghese, former Australian High Commissioner to India, and later head of Australia’s Foreign Service, wrote a report on the future of the relationship in 2018, he set great store by the possibilities. “The Australian Indian diaspora is a national economic asset,” the Varghese Report advised, “and should be engaged and deployed as such.”¹ In its shorthand title alone, the ‘Varghese Report’ underlines the key change in Australia-India relations. Varghese comes from a family whose origins were in central Kerala. However, if pressed about his origins, he would probably describe himself as “a proud Queenslander.” These days, he is the Chancellor of the University of Queensland, his alma mater and one of Australia’s oldest and wealthiest universities.

In the past 20 years, people of Indian origin whose parents came to Australia in the 1960s and 1970s have become important figures in Australian public life. However, it is the second wave – the young people arriving since the beginning of the 21st century – who are providing the broad base that is changing the relationship.

The increase in numbers, as calculated in the Varghese Report, is striking. In 17 years from the beginning of the 21st century, four times as many Indians migrated to Australia as in the previous 60 years (Table 1).

Table 1: Indian Migration to Australia, 1941-2017

Indian migration	1941-61	1961-80	1981-2000	2001-2017
Number of Indians migrating to Australia	3,991	21,914	54,424	398,225

Source: Varghese Report, p. 364, drawing on Australian Bureau of Statistics data.

¹ Peter N Varghese, *An India Economic Strategy to 2035. Navigating from Potential to Delivery* (Canberra: Department of Foreign Affairs and Trade, 2018), p. 356 (<http://indiaeconomicstrategy.dfat.gov.au>). (Hereafter referred to as Varghese Report).

History

For the past 70 years, politicians' speeches about the India-Australia relationship often celebrated the shared interests that should bind the two countries: the English language, Westminster-style democracy and cricket. However, such emphasis "is deeply misleading", as Kama Maclean points out in her new book, *British India, White Australia*. "Each colony pulled in a different direction." Australia "resonated with enthusiastic support for imperialism", while Indians struggled for independence.²

Although Australia had a small Indian population in the 19th century,³ one of the first acts of the new Australian dominion in 1901 was to pass the Immigration Restriction Act to enforce the infamous 'White Australia' policy. One of its features was the "dictation test", devilishly designed to block English-speaking non-whites. The test required immigrants to demonstrate competence in a European language. The presiding official could choose the language, always ensuring that the applicant did not speak it.⁴ The 'White Australia' policy was finally buried in the early 1970s⁵ but, by 1981, the Indian-origin population, excluding Anglo-Indians and retired British, was still estimated at only 15,000.⁶ In the 1970s, it was difficult to find an Indian restaurant in Melbourne or Sydney. In the 1980s, it was a treat when a new restaurant in a distant Melbourne suburb offered a Sunday special – the exotic *dosa*. Today, three *dosa* specialists within 100 metres of each other in Melbourne's King Street were doing roaring trade before the COVID-19 pandemic.

The Australian Prime Minister, Scott Morrison, who presents himself as a hearty Australian family man, fondly refers to his love of "curries", his readiness to whip one up and the importance of the right blend of herbs and spices. His curry-love is so much a part of his patter about the joys of Australian life; it has become a television joke.⁷

Demography, Education and Economics

Two factors came together to explain the large, rapid increase in the Indian-origin population in the 21st century. First, the economic reforms in India which began in 1991 increased economic activity, opened areas of the economy to foreign participation and made foreign exchange easier to come by. A growing Indian middle class looked for ways to invest in the education of its children, and banks became willing to provide loans to finance education overseas.

² Kama Maclean, *British India, White Australia: Overseas Indians, Intercolonial Relations and the Empire* (Sydney: UNSW Press, 2020), pp. 1-2; and Meg Gurry, *Australia and India: Mapping the Journey, 1944-2014* (Melbourne: Melbourne University Press, 2015), pp. 2-7.

³ Samia Khatun, *Australianama. The South Asian Odyssey in Australia* (London: Hurst and Company, 2018),

⁴ Maclean, *British India, White Australia*, pp. 79-88.

⁵ Gwenda Tavan, *The Long Slow Death of White Australia* (Melbourne: Scribe Publications, 2005), pp. 199-205.

⁶ Purusottama Bilimoria and Ruchira Ganguly-Scrase, *Indians in Victoria (Australia)* (Melbourne: Victoria Ethnic Affairs Commission, 1988), pp. 36-7. In these calculations, Anglo-Indians and Europeans born in India were estimated to form the majority of pre-1981 migrants from India.

⁷ <https://iview.abc.net.au/show/insiders> or <https://twitter.com/ScottMorrisonMP/status/1266952463464071171?s=09> and <https://food.ndtv.com/news/australian-pm-makes-scomosas-with-mango-chutney-looks-delicious-says-pm-narendra-modi-2238617>.

In Australia, major changes in the organisation of higher education created larger universities, and governments encouraged them to seek fee-paying overseas students to generate revenue. Australian universities had cost, climate and proximity advantages, even though they trailed American and British institutions in India's perceptions of prestige.

The John Howard government in 1997 changed visa rules to give preference to "skills" rather than "family reunions" for the right to work and live in Australia. For potential fee-paying students, the attraction was the opportunity of working in Australia for two years or more after completing a course in a designated skill. There was also a longer-term possibility of permanent residence and citizenship.⁸

By 2006, Indian student enrollments in Australia reached 25,000; they were 45,000 by 2016 and more than 100,000 by 2019 before the COVID-19 disruption (Table 2).

Table 2: Higher education enrolments, Indian and Chinese students, 2002-2019

	2002	2006	2016	2019
Indian students	11,000	25,000	45,000	107,000
Chinese students	48,000	90,000	196,000	170,000

Source: Australian Government, International Education, "Market Indicator Data" for relevant years. Numbers are rounded.

For Australian universities, student recruitment received a major setback in 2009 with a crisis over the attacks on Indian students. Vulnerable young Indians returning to remote suburbs at night, with valuable mobile phones and perhaps cash in their pockets from casual jobs, were targeted by opportunist thugs. Matt Wade, the experienced South Asian correspondent of Melbourne's *The Age*, summed up the immediate results. "Millions of Indians probably assume you're a racist", he told his Australian readers, as he explained how the attacks had been portrayed in Indian media.⁹ It took three years of public relations, diplomacy, police work and sweetening of visa regulations to make that perception fade and student arrivals to shoot up.

The first wave of Indian migration from the 1970s to the 1990s was composed largely of engineers, scientists, educators and business and medical people. They were usually established in their professions when they arrived.¹⁰ The composition of the second wave of the 21st century differed markedly. These arrivals have been much younger and less qualified, often having just achieved a vocational or university credential. The median age of the Indian-origin population is only 33, five years younger than the national median and 11 years younger than the median age for overseas-born residents as a whole.

Australia's 2016 census found that people born in India had a median weekly income of A\$785 (S\$759), 100 dollars more than the median for the nation. Eighty per cent of the

⁸ Harriet Spinks, "Overseas students: immigration policy changes, 1997-2015," *Parliamentary Library Research Paper*, 25 February 2016,

⁹ Matt Wade, "Too little, too late as India loses patience," *The Age*, 25 September 2009, p. 15.

¹⁰ Vijaya Joshi, *Indian Daughters Abroad. Growing Up in Australia* (New Delhi: Sterling Publishers for the Asian Studies Association of Australia, 2000), p. 18 and throughout.

India-born population had a post-school education qualification (60 per cent for Australians as a whole) and 77 per cent were working (65 per cent for the nation).¹¹

Second wavers, however, may be paying off loans or contributing towards family obligations in India. They may also be studying and holding down casual, low-paid jobs. One frequent employment pathway involves a first job as a part-time driver of a cab or delivery van, then acquiring one's own vehicle and later owning two or three vehicles and employing drivers. Among India-born people recorded as "entrepreneurs" in the 2016 census, close to 30 per cent were in the category of "transport, postal and warehousing". The second largest category (about 15 per cent) was in "health care and social assistance".¹²

If the owner-operator delivery van represents an entry-level entrepreneur, Riverina Oils and Bio Energy (ROBE) is the opposite – a pin-up success story. ROBE is a A\$150 million (S\$145 million) processing plant for vegetable oils based in Wagga Wagga, a country town 460 kilometres from Sydney and Melbourne. D D Saxena, an engineer trained at the Indian Institute of Technology, Kanpur, now a permanent resident of Australia, was a driver of the project and has become an exemplar of successful Indo-Australian collaborations.¹³

A young diaspora increasingly needs education for its families. In the state of Victoria, where the largest concentration of Indian-origin people lives, a government primary school has taught Hindi to all its students since 2012.¹⁴ The Victorian School of Languages, a government body, now offers Hindi, Malayalam, Punjabi and Tamil at the Year 11 and 12 levels and Gujarati, Kannada and Telugu up to Year 10.¹⁵

The 2016 census recorded 140,000 Hindi speakers, 120,000 Punjabi speakers with Gujarati and Malayalam at about 50,000 each.¹⁶

Comparative Diasporas

Two sets of comparisons help to understand the position of Indian-origin people in Australia relative to migrant communities elsewhere and in Australia itself. The first comparison is with the Indian diasporas in the United Kingdom (UK), the United States (US) and Canada; the second, with Australia's Chinese diaspora.

In the past, the Indian diaspora in Australia was a smaller proportion of the population and grew more slowly than in the three English-speaking comparisons. That situation, however, changed dramatically in the past 15 years, as Table 3 indicates.

¹¹ Australian Bureau of Statistics, "India-born. Community Information Summary," 2018.

¹² Ibid, p. 367.

¹³ Varghese Report, p. 121.

¹⁴ Mosiqi Acharya, "Rangebank Primary School in Melbourne is Victoria's first government school that started teaching Hindi to its students 2012," *SBS Hindi*, 26 August 2019, <https://www.sbs.com.au/language/english/love-for-hindi-prominent-at-this-primary-school-in-australia>.

¹⁵ <https://www.vsl.vic.edu.au/Languages.aspx>.

¹⁶ Varghese Report.

Table 3: Indian origin population in English-speaking countries

	Indian-origin population	Percent of total population
Australia	0.7 million (2017)	2.8
Canada	1.4 million (2016)	4.0
United Kingdom	1.5 million (2011)	2.3
United States	4.0 million (2017)	1.2

Source: Varghese Report, pp. 360, 362-3.

The west coast of Canada and the US attracted Punjabis, especially Sikhs, for railway building and timber industries before the First World War – 5,000 in British Columbia by 1914.¹⁷ However, from the 1910s to the 1950s, the US and Canadian governments made life hard for such families in the hope they would be forced to leave. Those that endured prospered quietly and took a role in public life when attitudes and laws changed in the 1960s.

Canadians have been electing Indian-origin members of parliament, especially Sikhs, since the 1990s. There are four in the current cabinet of Justin Trudeau, three of them Sikhs, including the Defence Minister. British Columbia got its first Indian-origin premier in 2000. The US has had two Indian-origin state governors.¹⁸

In the UK, immigration from India soared in the 1950s to supply labour for rebuilding the British economy. UK Prime Minister Boris Johnson filled the two most important positions in his new cabinet with ministers whose family background was in India – Priti Patel (Gujarati grandparents via East Africa) as Home Secretary and Rishi Sunak (Punjabi grandparents via East Africa) as Chancellor of the Exchequer.

In Australia, the Chinese diaspora has had a larger presence than its Indian equivalent. Until the past 15 years, people of Chinese origin in Australia outnumbered those from India by more than four to one. The reasons go back to the gold rush of the 1850s which brought 50,000 Chinese prospectors to Victoria and New South Wales. Half of them at least stayed on in spite of the racism of ‘White Australia’.

By the time Australia achieved semi-independent “dominion status” in 1901, Chinese businesses had strong roots in Sydney. The owners operated across Southeast Asia and built “some of the largest commercial conglomerates in Hong Kong, Canton and Shanghai”, as John Fitzgerald writes in *Big White Lie*, a study of Australia’s Chinese diaspora.¹⁹

The census of 1921 recorded 2,000 Chinese “born in Australia”, 230 “Hindus” and 3,000 “Mahommedans”, as well as 3,500 Chinese and 600 Hindu “half castes”. Sikhs did not get an entry.²⁰

¹⁷ Sarjeet Singh Jagpal (ed.), *Becoming Canadians. Pioneer Sikhs in their Own Words* (Vancouver: Harbour Publishing, 1994), p. 23.

¹⁸ Bobby Jindal of Louisiana and Nikki Haley of South Carolina.

¹⁹ John Fitzgerald, *Big White Lie. Chinese Australians in White Australia* (Sydney: UNSW Press, 2007), p. 7.

²⁰ *Census of the Commonwealth of Australia, 1921*, vol. 1, Parts III, V and VI, <https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2111.01921?OpenDocument>.

The Chinese diaspora in the early days was concentrated in Melbourne and Sydney, and because some members were wealthy, had connections and influence in their homeland. They were also citizens of a sovereign government. The old Chinese empire and its successors may have been weak, but they nevertheless had to be factored into the international relations of the British Empire and its Australian dominion.

In contrast, the men (almost all) from “British India” who endured the attempts of Australian governments to ease them out were dispersed around the country and worked as camel drivers, itinerant pedlars and a few as agriculturalists. They lacked the concentration, or the influence in their homeland, of Chinese concentrated in Sydney and Melbourne.²¹

Politics

The first Australian mayor of Chinese ancestry was elected in Darwin in 1966, and Melbourne’s mayor from 2001 to 2008 was born in China. “Why”, Mumbai’s *Economic Times* asked in 2019, “is the large Indian-Australian community under-represented in Parliament?”²²

In Australia’s national elections in 2019, out of 1,500 candidates, 27 were of Indian origin, according to research by Surjeet Dhanji of the University of Melbourne. Only one won – an Australian ex-diplomat, born in British Columbia in Canada of an Indian father.

Dhanji calculates that in the most recent local government elections in New South Wales and Victoria, the two largest states, only three candidates with Indian backgrounds out of 2,200 competitors were elected. Dhanji’s research estimates that in elections at all levels of government in New South Wales and Victoria since 2016, only six Indian-origin candidates have been elected.²³

Part of the reason lies in the fact that the first wave of professionals from the 1970s was few in numbers and had enough to do to establish careers and overcome suspicion about their abilities. Members of the more numerous second wave are usually younger, less credentialed and equally concerned with establishing themselves and their families.

There are also structural factors. The Indian community is diverse. In the state of Victoria alone, there are two overarching associations intended to bring together various language and cultural groups. The Australia-India Society of Victoria, founded in 1963, aims to be an organisation open to all Indians,²⁴ while the Federation of Indian Associations of Victoria has 29 member associations, including two Tamil, two Malayali and two Punjabi groups.²⁵ The

²¹ Maclean, *British India, White Australia*, pp. 31-5.

²² *Economic Times*, 18 May 2019, <https://economictimes.indiatimes.com/nri/nris-in-news/why-in-the-large-indian-australian-community-under-represented-in-parliament/articleshow/69390073.cms>.

²³ Surjeet Dhanji, “Political Representation of Indian-Australians in the Three Tiers of Government in Australia: Interrogating the ‘Representation Gap’” (Melbourne: Asia Institute, Faculty of Arts, University of Melbourne, forthcoming 2020). Quoted with permission of Dr Dhanji.

²⁴ <http://aisv.org.au/index.php>.

²⁵ <https://fiav.org.au/member-associations/>.

Indian consulate in Melbourne has 84 Indian associations on its books in the state of Victoria alone.²⁶

Commentators in Australia sometimes refer to an “ethnic vote”, for example, the “Greek vote” or “Chinese vote”, to describe constituencies where a particular group is sufficiently concentrated to swing an election. Because it is more differentiated, the Indian diaspora is more problematic for such roles, though the major political parties have units attempting to attract promising “ethnic” candidates.²⁷

Diasporas can be embroiled in politics in a home country. Australia in 2020 is alive with speculation about attempts of the Chinese Communist Party attempts to use the diaspora to further the end of the People’s Republic of China. It is a potential only no Indian political party could yet aspire to.²⁸

Conclusion

The Varghese Report of 2018 rehearsed the “three pillars” of a flourishing bilateral relationship – economics, geopolitics and people.²⁹ Relationships that scored a bull’s eye on all three measures were rare, and Australia and India have mostly missed all three targets since 1947. Australia has been too close to the US for India’s liking; there was not a lot of deep or diverse trade and investment; and few people moved back and forth until the past 20 years.

Now, however, Varghese postulated, so much of that has changed. India is more comfortable with the US; expansion of trade and commerce look more possible; and tens of thousands of young, eager people make daily connections of one kind or another between the two countries. The diaspora, the report contended, “can go into the nooks and crannies of a relationship where governments cannot. ...And they create personal links, in business, the arts, education and civil society which can help anchor the relationship.”³⁰

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²⁶ <https://www.cgimelbourne.gov.in/pages/display/8713-Indian-Diaspora-in-Western-Australia-and-Northern-Territory>.

²⁷ The Australian Labor Party runs a “poliversity” (<https://poliversity.org.au/>). The Liberal Party in has “prospective candidates’ training” programs. *Sydney Morning Herald*, 31 January 2020, <https://www.smh.com.au/national/pawn-or-player-the-competing-narratives-about-controversial-liberal-mp-gladys-liu-20191205-p53h94.html>.

²⁸ There is a Friends of the Bharatiya Janata Party Australia with a somewhat dated website (<http://www.ofbjp.org.au/>).

²⁹ Varghese Report, pp. 6-7.

³⁰ Varghese Report, pp. 6-7 and 356.