

INDIA-CANADA RELATIONS: CURRENT TRENDS AND A WAY FORWARD

Canada is home to approximately 4 per cent of people of Indian origin, the deep cultural and political ties between Canada and India are strengthened by a growing network of official dialogues, agreements, MoUs and working groups. This paper throws light on the diplomatic relations between India and Canada and how they have been evolved in the recent years--right from historical to political, economic, educational and scientific engagements between the two nations, the challenges that have emerged and caused disruption between the two nations and a suitable way forward.

In-depth analysis of bilateral relations

India established its diplomatic relations with Canada in 1947, based on strong democratic values, pluralism, culture and people-to-people contact. The bilateral relations witnessed a positive push during Nehru's visit in 1949 and Canada's assistance in the field of nuclear technology, i.e. CIRUS (Canadian-Indian Reactor, US) in 1954 (Budhwar, 2018). However, the ties saw some grey clouds in 1948 when Canada supported a plebiscite in the Indian state of Kashmir (Mehta, 2019). It has been widely noticed that few speed bumps in bilateral relations were witnessed in the following years. The first one came in 1974 when India carried out its first nuclear test and our Canadian counterpart believed that these tests were carried out with the help of the CIRUS reactor which was against their ideology of peaceful use of nuclear energy. The second, came during the 1980s when Punjab was going through a militancy phase and India expressed its reservations regarding the activities of Khalistan in Canada (Mehta, 2019), the third blow came in 1998 again during India's Pokhran Nuclear test. The fourth was linked with the crash of Kanishka airline which killed all 329 passengers on board. And the final nail in the coffin came with Canadian Prime Minister Trudeau's remarks on the Indian farmers' protest in December 2020 which further deteriorated the bilateral ties (Singh, 2022).

The visit of Canadian Prime Minister Jean Chretien in 2003 turned out to be a landmark event between the two nations which was followed by Prime Minister Stephen Harper's visit in 2009 and 2012 which was complimented by Dr. Manmohan Singh, the then Prime Minister of India in 2010. Both nations started working to improve their bilateral relations of mutual importance. However, our bilateral ties with Canada witnessed a significant transformation during Prime Minister Modi's visit to Canada in April 2015 which was the first in 42 years when any Indian Prime Minister visited Canada for bilateral ties (Foreign Policy of Modi, O.P. Ralhan). This visit turned out to be fruitful as various MoUs with respect to the Canadian space agency, ISRO, transportation, biotech, education, energy, mining, sustainable technology and Saskatchewan-based Cameco (Canada) which is the largest supplier of Uranium would supply 7 million pounds of uranium to India. Gradually the relationship between the two nations saw an uptick when they decided to pursue joint devel-



opment projects on various fronts such as-- on the economic front. In 2021, India was Canada's 14th largest export partner and 13th largest trading partner. To further expand trade and economies, both India and Canada are working to forge a Comprehensive Economic Partnership Agreement and a Foreign Investment Promotion and Protection Agreement (FIPA) to explore more ways for Trade and Investment. In the future, as Canada is planning to strengthen its economic links in the Indo-Pacific, India can act as an important trade partner under a new, comprehensive strategy for the region (Mehta, 2019). Further, there are ample opportunities for Canada and India to push their economies upwards, some of them are; first, Canada can assist India in energy security, renewable energy, clean technology, bio-energy, solar, wind and sewerage treatment technology/plants which can benefit India in its Intended Nationally Determined Contribution (INDC) targets and Swachh Bharat Mission. Second, trade complementarities between India and Canada can further strengthen our commercial bond through cooperation in areas such as Agriculture products, Chemicals, Automobiles, Energy, Electronics, Textiles Minerals and Information Technology. Third, in a recent ministerial meeting, Canada has agreed to examine the request for Conformity Verification Body (CVB) status to APEDA (Agricultural and Processed Food Products Export Development Authority) for hassle-free export of Indian organic products. Fourth, in recent times we have witnessed the significant movement of professionals, skilled workers, students, and business travelers between the two countries which can immensely contribute to enhancing the bilateral economic partnership of both countries. Fifth, public health sector is another domain where India can act and support Canada as a reliable partner in supplying generic medicines and affordable pharmaceutical products. Finally, even after the economic crash due to the Covid-19 pandemic, our bilateral economic trade in 2021 in goods was around US\$ 6.29 billion with a positive growth rate of 12 per cent as compared to 2020. Canada and India have taken various initiatives to make our business environment more investor-friendly and thus in the last six years, there has been an increase from US\$ 5 billion to more than US\$ 55 billion in portfolio investments from Canada to India (MEA Annual Report 2021-22). The above-mentioned measures if implemented in letter and spirit will surely strengthen the economic relations between the two democracies which will further help each other to grow and lead the world.



Similarly, on education (Edu) front, India is the largest source country for international students as approximately 230,000 Indian students are studying in Canada. To further strengthen this Edu-bond, a pragmatic and progressive engagement with India in the education sector should be a priority for Canada where the focus should lie on skill training and education through collaboration between educational and technical skills institutions of Canada and India. Under the Global Initiative of Academic Works (GIAN) Programme, around 69 Canadian faculty members visited India for teaching assignments in Indian institutions and worked on 19 projects under Scheme for promotion of Academic and Research Collaboration (SPARC) to improve research ecosystems in India's higher education institutions. Last but not the least, a perfect example of academic exchange is the greatest contribution of Michael Becher, a Professor of Political Science and International Relations with the creation of the Shastri Indo-Canadian Institute in 1966, with joint headquarters in Calgary and New Delhi. The Institute was named after India's former Prime Minister Lal Bahadur Shastri following his untimely death in 1966. Hundreds of Indians and Canadians exchange visits to India and Canada for academic exchanges. It is a rare success story of ongoing inter-state academic exchanges between the two countries.

On Science and Tech platform both countries are working continuously to develop a low-cost solution to support healthy communities. One such example is of India-Canada Centre for Innovative Multidisciplinary Partnership to Accelerate Community Transformation and Sustainability (IC-IMPACTS) and Mitacs which are working in sectors of integrated water management, safe and sustainable infrastructure, and public health (MEA Annual Report, 2021-22). Under the "Mission Innovation" programme, India has collaborated with Canada on Sustainable Biofuels (IC4). The Biotechnology Industry Research Assistance Council, DBT and Canada are working under Grand Challenges Canada programme which funds innovations focusing on maternal and child health. In addition, on People to People contact, Canada hosts one of the largest Indian diasporas



in the world, numbering 1.6 million Person of Indian origin and Non-Residential Indi-ans which account for more than four percent of its total population. The diaspora is concentrated in the Greater Toronto area, the Greater Vancouver area, Montreal (Quebec), Calgary (Alberta), Ottawa (Ontario) and Winnipeg (Manitoba). In the field of politics, in the present House of Commons out of total 338/22, Members of Parliament are of Indian origin. To further promote tourism and eco-nomic activities, Air India has started its direct flight Amritsar-Delhi-Toronto and Air Canada operates a non-stop direct flight between Mumbai-Toronto, Delhi-Toronto and Delhi-Vancouver.

Challenges

With regard to different opinions over market access and tariff reduction, the formal negotiations for CEPA between India and Canada never turned fruitful. Canada's relationship with China is going through a rough patch due to geopolitical storms, economic constraints and hostage diplomacy that have jolted Canada's confidence in engaging with China (Majumdar,2021). Trade sanctions imposed on Canadian pork, beef and soyabean have created troubles for Sino-Canada relations. While India offers a large market, rules-based order, and young population which is central to Canada's national interest, still Canada-India relations are going south despite the long-standing ties between the two nations. Other issues such as land acquisition, supply-chain mismatch, high tariffs and other restrictions also need to be addressed.

It is widely known that India followed an unbiased approach in the Russia-Ukraine conflict however, the West including Canada marked economic and geopolitical sanctions on Russia (HinduTimesCanada,2022). The destructive role played by some fundamentalists in Canada to promote negativity and hatred towards India via fake media reports, false rumours through social media platforms resulted in the derailment of the progress made in the bilateral relations.

Way forward

As per reports, India has been steadily moving north in its "Ease of Doing Business" rankings. The implementation of Goods and Ser-vices Tax, debt and insolvency law, as well as Production Linked Incentive scheme, have proved beneficial for Canadian businesses in India (Nandi,2022). As witnessed recently, China is increasingly expanding its aggressive policies in the Indo-Pacific and particularly in the South China Sea. To overcome this challenge, an initiative was taken by the former Prime Minister of Japan Shinzo Abe in which the US, India, Japan and Australia came together to form an informal strategic forum to counter Chinese expansion plans. Though, not a member of the Quadrilateral Security dialogue (QUAD), it could be an opportunity for Canada to devise its nascent Indo-Pacific strat-egy and strengthen its ties with India as India is an active member of the QUAD (HinduTimesCanada, 2022). Both nations are also working on the Open skies agreement, which permits unlimited flights between the two countries.

Both Canadian and Indian governments have not done well in past however, with the current trends of geopolitical waves there is a good chance to revive negotiations for comprehensive trade. The Canadian presence in the Pacific

with respect to humanitarian assistance, diaspora, strategic naval exercises and being a member of the Five Eyes can assist India to gather intelligence on terror networks. India, which is a multicultural federation with a strong and professional military that has faced intense Chinese aggression can come out as a solution to Canada's pivot to the Indo-Pacific. The Commonwealth platform can also turn out to be an ideal forum for both India and Canada to highlight the global geopolitical issues and trade and non-trade barriers which act as obstacles for the world to progress as one family. Members of both the Canadian parliament and the Indian Diaspora can play a constructive role to cement the bilateral ties between the two nations.

Conclusion

Canada should focus on India as its most important economic trade partner as India is a budding economic powerhouse in Asia with immense opportunities in the coming times. Within the next five to seven years, around twenty per cent population of the working age group will be comprised of Indians and in the next one and a half decades or so, the economic magnitude of a few Indian cities will be comparable with middle-income countries. The bilateral trade with the joint efforts of both Indian and Canadian governments has reached around C\$ 8 billion which is a win-win situation for both democratic nations. Moreover, the constructive Track 1.5 Dialogue will further explore the possibility of cooperation and the progressive future of both nations.

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