



## India and Canada Ties at a Downturn

This editorial is based on [Serious allegations: On Canadian Prime Minister Justin Trudeau's charges against India](#) which was published in The Hindu on 20/09/2023. It talks about the recent diplomatic challenges in Indo-Canadian relations.

**For Prelims:** [G20](#), [CEPA](#), [DIPP](#), [IPR](#), [NRI](#)

**For Mains:** [Significance of India Canada Relationship](#), Issue of Khalistan in Canada, India Canada Disputes, Effect of policies and politics of countries on India's interest

Recently, the **Canadian government expelled a senior Indian diplomat** accusing India for playing a role in the assassination of a prominent Sikh Canadian leader, Hardeep Singh Nijjar in Canada. In the aftermath, India swiftly retaliated by **issuing a statement that denied any involvement in the issue** and expelled a senior Canadian diplomat.

With these changes happening, let's dive into the **significance of Indo-Canadian relations and what difficulties they need to work on together to make their bilateral relationship** stronger and lasting

### What are the Significant Pillars of India Canada Relationship?

- **Political Relations:**
  - India established **diplomatic relations with Canada in 1947**.
  - India and Canada **have a long standing bilateral relationship based on shared principles** such as democracy, [human rights](#), rule of law, and pluralism.
- **Economic Cooperation:**
  - Until recently, bilateral trade between India and Canada amounted to **\$6 billion** annually, and Indian investment in Canada was valued at over **\$4 billion**.
  - According to Invest India, **Canada is the 18th largest foreign investor in India** with an overall investment of about \$3,306 million from April 2000 to March 2023.
  - Over **600 Canadian companies** have a presence in **India** and over **1,000 Canadian companies** are actively pursuing business in the **Indian market**.
  - Both countries are engaged in technical negotiations for a [Comprehensive Economic Partnership Agreement \(CEPA\)](#) including trade in goods, services, investment, and trade facilitation.
- **Diaspora Connections:**
  - Canada **hosts one of the largest Indian diasporas in the world**, numbering 16 lakh people of Indian origin, accounting for more than 3 % of the total Canadian population and 700,000 [Non Residential Indians \(NRIs\)](#).
- **Education and Innovation:**
  - Indian students studying in Canada now comprise **approximately 40% of the entire**

**population** of international students in Canada.

- Canada's Intellectual Property Office and India's **Department of Industrial Policy and Promotion (DIPP)** agreed to strengthen cooperation in the area of **Intellectual Property Rights (IPR)**.

▪ **Strategic Importance:**

- To diversify the Canadian economy, India is a critical partner under its **Indo-Pacific** strategy, given the country's growing economic and demographic importance in the region.

▪ **Science and Technology:**

- Department of Biotechnology **under IC-IMPACTS program implements joint research projects in health care, agri-biotech and waste management.**
  - IC-IMPACTS (the India-Canada Centre for Innovative Multidisciplinary Partnerships to Accelerate Community Transformation and Sustainability) is the first, and only, **Canada-India Research Centre of Excellence.**
- The Department of Earth Science and Polar Canada have started a **programme for exchange of knowledge and scientific research on Cold Climate (Arctic) Studies.**

▪ **Space:**

- **ISRO and Canadian Space Agency (CSA) have signed MOUs** in the field of exploration and utilization of outer space.
- **-ANTRIX**, the Commercial arm of **ISRO**, has launched several nanosatellites from Canada.
- ISRO in its 100th Satellite **PSLV (Polar Satellite Launch Vehicle)** launched in 2018, also flew Canadian first LEO (Low earth Orbit) satellite, from Indian spaceport Sriharikota.

## What are the Challenges of the India Canada Relationship?

▪ **Cultural Sensitivities:**

- India's leadership has expressed concerns about certain fringe groups within this community that continue to sympathize with the idea of an independent Sikh state, known as **Khalistan**, separate from India.
- Canada permitted a parade that depicted the 1984 assassination of the Indian Prime Minister Indira Gandhi by her bodyguards. This portrayal was seen as glorifying violence by Sikh separatist.
- **Michael Kugelman**, director of the South Asia Institute at the Wilson Center think-tank, says the combination of increasing Sikh activism in Canada, growing Indian pressure on Ottawa, and Ottawa's unwillingness to address Indian concerns has "plunged bilateral relations into a deep crisis today."

▪ **Visa and Immigration Policies:**

- In recent years, there have been reports of Indian students facing difficulties obtaining **visas** to study in Canada, which has caused dissatisfaction and raised concerns in India.

▪ **Differing Stances on International Issues:**

- Recently, during the **G20** meeting in New Delhi, Canada and India did not have bilateral talks, but instead met on the sidelines
- Differing opinions on issues such as the political situation in Kashmir have strained diplomatic ties.

▪ **Agricultural Trade Disputes:**

- Indian dairy and poultry producers have expressed **trade related concerns over Canadian exports** of products such as pulses and canola oil.

## What Should be the Way Forward?

▪ **Addressing Khalistan Issue:**

- Encourage **open and inclusive dialogue between all stakeholders** including members of the Sikh community, Indian government representatives and Canadian officials.
- Both countries should take **legal measures to address any political extremism.**

▪ **Economic Diversification:**

- Expanding trade beyond traditional sectors to include emerging technologies, **renewable energy**, and healthcare can open new avenues for cooperation and economic growth.

▪ **Cultural Exchange:**

- Promoting cultural exchange programs, art exhibitions, and film festivals can foster a deeper understanding of each other's cultures and traditions.

▪ **Environmental Cooperation:**

- Given the shared commitment to combat [climate change](#), India and Canada can work together on green technologies, sustainable development, and renewable energy initiatives.

▪ **Diplomatic Engagement:**

- Regular high-level diplomatic dialogues and exchanges can help align their positions on global issues and promote mutual understanding.

▪ **Security Cooperation:**

- Robust cooperation on counter terrorism issues particularly through the framework of the JWG on Counter Terrorism

## Conclusion

Both India and Canada must endeavor to transcend politically contentious issues and focus on areas of mutual cooperation and collaboration. The future holds great promise for this dynamic partnership, and both nations must seize the opportunities it presents.

### **Drishti Mains Question**

Q. How is the Khalistan Issue impacting the bilateral relationship between India and Canada? Discuss how both nations can enhance their strategic partnership for future.

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