

Trade deal with India may not be possible: Australian PM

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Canberra: Australian Prime Minister Malcolm Turnbull on Thursday said it might not be possible to reach a free trade deal with New Delhi, despite his and Indian Prime Minister Narendra Modi's attempts to revive talks.

Australian Prime Minister Malcolm Turnbull and Indian Prime Minister Narendra Modi

Turnbull visited India earlier this week, meeting with business leaders and politicians in the hope of furthering talks about striking a free trade deal between the two nations.

Turnbull, who returned to Canberra on Thursday following his visits to Mumbai and New Delhi, told the Australian Broadcasting Corporation that, at this point in time, a free trade agreement was not viable.

"It may be that the conclusion will be reached that the parties are too far apart to enable a deal to be reached at this time," Turnbull said.

"The fact is that the Indian offers have not been adequate to date. It has got to be a deal worth doing."

The Prime Minister said while talks would not stop between India and Australia, it would take time for India to internally review its stance on both free trade and protectionism.

"The fact is that there hasn't been enough progress, and so what we've agreed to do is to ensure that our negotiators get back to the table and they identify the respective claims so we can see where they're close, where they're far apart, and the issues that they're not addressing," he said.

"The important thing is that Prime Minister Modi and I have given our prime ministerial direction and leadership and impetus to ensure that the two sides will focus on the 'nitty gritty' of what the free trade agreement would involve."

Meanwhile, Australia has resisted India's push for it to relax some immigration restrictions - including on 457 visas - which would allow greater numbers of Indians to work in Australia, the Australian Broadcasting Corporation reported.

Turnbull refused to be drawn on what had prompted his predecessor Tony Abbott to say in late 2014 a deal could be completed by the end of 2015.

During his visit, Turnbull told business leaders Australia and India's \$20 billion two-way trade was "a fraction of what we should aspire to, given the many points of intersection between our economies".

On Wednesday night, the Prime Minister said he was confident that figure would grow, with or without a formal trade deal.

"Modi and I want the matter to be resolved and we have a great economic relationship and it's getting stronger all the time and it will grow whether or not there is a free-trade agreement, but it would obviously be enhanced if there was."

- (With IANS inputs)