

Address to Australian Naval Institute Annual Dinner 20<sup>th</sup> June 2023.

**'Australia New Zealand no two countries closer on the Planet'.**

Kia ora tātou nau mai haere mai, tēnā koutou....

Acknowledge Ngūnawal people on whose land we meet tonight ...

I am honoured to be invited to speak at the 2023 Vernon Parker Oration. I was to be joined by my husband Ray, who amongst other roles in a very successful career, was a former NZ army officer and a wonderful partner throughout my career.

So a big thank you to Ray who is on urgent grandfather duties. And a thank you to all the partners here tonight we could not do our jobs without you.

Thank you for the generous introduction.

**"Australia and New Zealand- no two countries closer on the Planet." Myth or reality?**

After almost 5 years as the NZ High Commissioner to Australia, numerous meetings, thousands of words written and many more spoken about the relationship between our two countries ,is it true that 'there are no two countries closer on the planet'? (Quote from Mckinsey Global Institute)

Tonight I will argue that our two countries ARE the closest on the planet. It's not a Pollyanna view nor have I been struck down by Stockholm Syndrome but based on history, values, culture, defence, trade, business, diplomatic, people to people relationships, sporting and travel arrangements.

This year we are celebrating the trifecta; 80 years of diplomatic relations; 50 years of the trans-Tasman travel arrangement and 40 years of Closer Economic relations, CER.

And every year the people of Australia and New Zealand vote that we are each other's best friends, in respective polls.

But as Kath and Kim would say **'Same but different'**.

What is the same and what is different and do the differences matter anyway?

Recently both our countries gathered for ANZAC Day. Since the 25<sup>th</sup> April 1915 a bugler has played the Last Post and together we have recited the Ode- 'We will remember them, lest we forget'.

We often chart our relationship from WW1 when a unique bond **was** formed. The ANZAC's. Today we talk of mate ship, with some good nature ribbing and rivalry. But the ANZAC's weren't always warm and fuzzy about each other. New Zealanders in the AIF were sometimes known as "Bill Massey's tourists". Bill Massey being NZ's PM during WW1.

CEW Bean, Australian official War Correspondent 1914-18, considered '**New Zealanders colourless, a pale imitation of Australians**' while Denis McLean, former NZ Diplomat wrote '**New Zealand troopers thought the Australian a bumptious fool who thinks nobody knows anything except himself**'.

Today we commemorate ANZAC Day together, playing both national anthems, joint wreath laying, marching together in veterans parades. ANZAC Bridge in Sydney flies both flags, ANZAC Parade in Canberra is flanked by Australian gum trees while NZ Hebe bushes are planted down the centre.

The Pukeahu National War Memorial Park in Wellington has a dedicated Australian section.

We hold this historical connection as the foundation of our relationship. But the Australia /New Zealand connection started decades before.

New Zealand was a sub colony of NSW until 1841 when New Zealand was separated and made a colony in its own right. History books tells us this ended almost 50 years of confusion over the governance of our Islands. And it happened after the signing of the Treaty of Waitangi between Māori tribes and the Crown, Queen Victoria in 1840.

This led to a difference in our constitutional arrangements.

The Treaty is our Nation's founding document. We do not have a written constitution and like the United Kingdom are a unitary state with parliamentary sovereignty, unlike Australia with the Federation made up of states and territories, upper and lower houses.

New Zealand is a unicameral Parliament, having dismantled the Upper House in 1951. We don't have the same complexities of state and federal government with most of our government agencies and policies covering the whole nation.

But we almost joined the Federation of Australia. New Zealand was involved in the discussions right up to 1900 when following a Royal Commission New Zealanders decided to be a separate country rather than a State.

Today the option to join remains as New Zealand is still written into the Australian Constitution, clause 6. The only foreign country mentioned.

An obvious difference has been the approach taken by both countries to our indigenous people. As I mentioned the national document of New Zealand is the Treaty of Waitangi. It has formed the basis of the relationship since 1840, was dishonoured by the early colonial government leading to the New Zealand Wars from 1843- 1872.

Conflict arose from the rapid growth in numbers in settlers and attempts by Maori Tribes (Iwi) to retain their land and sovereignty which they had never ceded.

Efforts to address the long standing grievances lead to the establishment of 4 Māori seats in Parliament in 1867, through the Māori Representation Act, recognition of the obligations under the Treaty. (Today there are 7 Māori seats)

It was not until the 1970s when redress for the injustice, confiscation of land, violence and repression was started to be taken seriously with the establishment of the Waitangi Tribunal, set up to hear claims by Māori for restitution, dating back to 1840.

The Tribunal is advisory and final decisions on claims are made between the affected tribe and the government. Most claims have now been settled with post settlement being the focus going forward. Today the Māori economy is an integral part of the New Zealand economy valued at over 70 billion dollars expected to reach \$100 billion by 2030.

Māori language became an official language of NZ in 1987 alongside English.

Australia is on the journey of addressing past wrongs for your indigenous people with far greater complexity, hundreds of different languages, scattered and remote communities. Having travelled to Australia for over 50 years I can see efforts being made to give recognition to the oldest living peoples on earth.

In February 2020 Australia and New Zealand signed the **Indigenous Collaboration Arrangement** which seeks to promote the economic, social and cultural advancement of our respective indigenous people.

We have much to learn from each other.

We watch with interest the outcome of the Voice.

Another difference between our two countries is our voting systems, a proportional system in New Zealand and a preferential one in Australia. But the outcome is the same, free and fair democratically elected governments through the ballot box. We both have a 3 year term of Parliament.

We are both governed by a constitutional monarchy, but even that will likely change. I believe if Australia becomes a republic New Zealand will not be far behind.

So we haven't formally joined together as one country but over the decades both our countries have worked on ways to strengthen the relationship, built on that history, values, culture, family connections and friendship.

At a government to government level, Australia's relationship with New Zealand is the closest and most comprehensive of all our bilateral relations.

The strength of the bond between New Zealanders and our Australian neighbours has become part of our identity as a nation from the early ANZACs to trade, business, defence, intelligence, diplomatic, sporting and travel arrangements of today.

We share liberal democratic values, a commitment to rules based order and its institutions, and a market based economic model.

We were together in 1919 at the signing of the Treaty of Versailles, founding members of the League of Nations 1920, and the United Nations, both signing 26<sup>th</sup> June 1945.

Today we are constant partners within the UN system. I saw first-hand how we work together at the World Health Assembly when Minister of Health. Australia and New Zealand were the key architects of the WHO Framework Convention on Tobacco Control which has

led to millions of lives saved from the harm of tobacco. We are together in the likeminded group of nations at the UN.

We cooperate closely in other global and regional fora, WTO, APEC, East Asia Summit, the ASEAN Regional Forum and the PIF.

We are both committed to helping build a stronger Pacific family through our long standing collaboration with Pacific Island partners

In defence we have been together in every conflict since the Boer war. But there were times when we differed.

NZ was involved in the Viet Nam war but our soldiers were volunteers with no conscription. What was similar was the strength of opposition in both our countries to our involvement in this war. Large protests were held across Australia and New Zealand.

To our shame we both shunned the men and women who went to Vietnam at the behest of their governments. It was decades before their contribution was acknowledged regardless of the rights or wrongs of involvement.

Another occasion was Prime Minister Helen Clark's refusal to join the 'Coalition of the willing' in Iraq 2003.

Australia is New Zealand's only formal ally. But we are not Australia's only ally. Formal expressions of our security partnership is found in the Canberra Pact 1944 and the 1951 ANZUS Treaty. Our bilateral defence relationship is underpinned by the 1991 Closer Defence Relations Agreement updated in 2018

New Zealand was suspended from the ANZUS Treaty by the USA on September 17, 1986 following the banning of a US nuclear powered and armed vessel into Wellington harbour. In 1987 New Zealand Parliament passed the **Nuclear Free Zone, Disarmament and Arms Control Legislation**. The legislation is now bed rock policy across the political divide in our country.

Although Australia was very annoyed with New Zealand at the time we remained as allies and over time the relationship with the USA has returned to a 'very, very, very close one', to quote President Obama.

A clear difference is our Anti-Nuclear legislation but both countries are signatories to the NPT (non-proliferation treaty)

I have been asked why New Zealand hasn't joined AUKUS. Obviously a country the size of Sydney is not in a position to buy nuclear submarines and our Nuclear Free policy does not permit such vessels into New Zealand waters. But we support Australia in **their** AUKUS decision and have backed Australia at the IAEA (International Atomic Energy Agency) and acknowledge their commitment to a nuclear free Pacific.

There will be other opportunities to join Pillar two of the AUKUS arrangement and we are awaiting further details.

I have experienced the closeness of the defence relationship during my time here. It arises not only from our military history together but from long lasting friendships forged through joint training, exercises and the trust we have in each other.

An example is at the end of July to the end of November, two HMNZS ships, Te Mana and Aotearoa will be in Australia. Australian Navy personnel will be on board giving support while we test new capability.

I'm told part of the exercise will involve a missile firing. I hope Australia hasn't beaten us in the Rugby World Cup or there could be unnecessary provocation!

The challenge now is how we go **forward together**.

Work is under way with the reviews taking place in both countries. New Zealand is looking at how we can be more interoperable and a multiplier to Australian defence capability.

In April this year Australia and New Zealand unveiled Plan ANZAC, a bilateral agreement to build on a history of cooperation, to strengthen our army to army relationship.

As the Chief of the New Zealand army said "Plan ANZAC will reflect a broader defence relationship, one that is open, based on mutual respect and is enduring".

The geostrategic situation in our region is making that work more urgent and important than it has been in the past where we believed we were living in a benign environment.

It must be time to place Pacific priorities at the centre of our engagement plans.

The Pacific has become a place of strategic competition with a growing number of partners wanting to work with them. China does offer an alternative to Australia and New Zealand. This is not to deny China has a legitimate place in the Pacific but there are growing areas of friction.

We need to avoid appearing to force PIC to choose sides as this is resented by Pacific leaders. Our two countries need to be the partners of choice based on our long term commitment, engagement, and investment and as part of the Pacific. Both our countries have increased our tempo of engagement, listening to Pacific needs and priorities.

A new initiative, “Partners in the Blue Pacific” was launched in June 2022. It is made up of Australia, New Zealand, US, UK, Japan, Germany, Canada, and South Korea with the EU, France and India as observers. It’s an informal mechanism intended to support prosperity, resilience and security in the Pacific and bolster Pacific regionalism providing opportunities for cooperation.

It’s too early to see how successful it will be but does demonstrate the level of interest in our backyard.

Our bilateral economic relationship is underpinned by the **Closer Economic Relationships Agreement** signed in 1983. As I said we are celebrating 40 years of the agreement this year. The agreement remains the WTO’s gold standard for Free Trade Agreements. We are proud we share that status together.

The breath of the integration it has achieved already has delivered transformational real benefits across NZ and Australia’s economy and society. It not just an agreement but a web of instruments.

But what was happening in our countries in 1983?

NZ played Australia in the Bensen and Hedges World series Cup ODI losing to brilliant bowling by debutant Carl Rackemann; Kiwi won the Melbourne Cup coming from last; Princess Di and Prince Charles visited both countries; Australia won the Americas cup and ‘Australiana’ was top of the pops.

I mention these highlights to show how much has changed in 40 years and why we are not only celebrating 40 years of CER but finding ways to embrace further change and make it stronger in another 40 years.

Since signing, we keep adding to the FTA and there are currently 80 supporting bilateral documents covering free trade in goods and services, free labour market, mutual recognition of goods and occupations and the movement of capital across the Tasman.

Australia is vital to the New Zealand economy, and New Zealand is a highly consequential actor in the Australian economy. Australia is our 2<sup>nd</sup> largest overall trading partner behind China; 3<sup>rd</sup> largest services export market. New Zealand is Australia's 2<sup>nd</sup> largest source of tourists and top export destination for Australian small and medium enterprises

Total trade with Australia in goods and services is \$22 billion a year: 50% of foreign direct investment in New Zealand comes from Australia with total investment \$197 billion invested in each country.

We share the same challenges of having China as our major trading partner and both countries are seeking diversification to reduce the risk of having too many eggs in one basket.

The year has been branded "FORWARD TOGETHER, celebrating the bonds that guide us"

If I was to summarise simply, Australia is New Zealand's most important partner. But we are not yours. Australia looks North to the USA and increasingly to other major countries in the region, India, Japan.

It means constantly showing our value to the relationship, making sure our voice and views are heard. After all we are a population of 5 million, compared to 25 million.

We may not be the most important partner but we are Australia's best friend and Australians consider New Zealanders as their best friend. I base this on the annual Lowy Institute Poll and the Asia NZ Foundation Survey where the people decide who they feel warm towards. In the latest polls, 86% of Australians named New Zealand, a position we have maintained over many years, and 84% New Zealanders named Australia.

Compare this to China at 33%, or India and Indonesia at 57%, Japan at 74% and the UK at 77%.



Hot off the press and still under embargo until tomorrow Asia NZ Foundation latest report asked the question; **'How important different regions of the world were to New Zealand's future' - 82% Australia ; 72% Asia; 67 % UK and 56% North America.**

In 2023 we are celebrating 50 years of the Trans-Tasman Travel Arrangement.

One of the things that has made us the closest countries on the planet is our people. Our people relationships are intertwined. The free flow of Australians and New Zealanders, living and working in each other's country has led to the closest of relationships, marriages, partners, children, relatives.

A day doesn't go by without being told of a NZ/AUS connection. Three of our four children live and work in Australia, all our grandchildren are here.

The trans-Tasman Travel arrangement formalised travel between both countries allowing our peoples to live and work in each other's country indefinitely with very little restriction. Access to services was reciprocal and citizenship was conferred on arrival.

I am old enough to remember coming here without a passport. It was the first overseas trip for most of us. I still recall sewing a special suit just to wear on the plane to fly to Sydney!

The arrangement was unbroken until 2001 when the Australian government of the day decided to change circumstances for New Zealanders arriving in Australia. There has been many reasons put forward as to why; Bondi bludgers, soft under belly of immigration, cost too much. New Zealand decided not to respond and left in place the rights and privileges for Australians coming to our country.

Over the years even more restrictions were placed on Kiwis coming here 2014, 2016. 2021.

It became a source of irritation and then over the years described as corrosive to the relationship. In fact the only real irritant to our long standing relationship.

Former Prime Ministers from both sides of politics in New Zealand argued to bring back reciprocity to the relationship, but it fell on deaf ears until the change of Government in 2022.

The Albanese Government were committed to restoring the Trans-Tasman Travel Arrangement and just before ANZAC day this year announced changes that bring back the same treatment of our nationals in each other's country.

It has become a habit for leaders on both side of the Tasman to refer to our two countries as 'family'. Within the last year PM Albanese and PM Hipkins have both done so. It feels more like it now than it has for many years.

We have reciprocal health and superannuation agreements meaning services are provided to our citizens regardless of which country we live in.

And we can buy homes in each other's countries and be treated as locals not as foreigners, liable to a foreigner's tax.

Even the Trans-Tasman political tree is deep rooted. We have furnished each other three Prime Ministers, (perhaps four if we count John Gorton who is said to have been born in New Zealand) At least two State Premiers, Jo Bjelke- Peterson and Mike Rann both came from New Zealand. (A former PM Minister, Sir Robert Muldoon famously claimed when Jo left New Zealand it improved the IQ of both countries!)

Barney Joyce was nominated by some way as New Zealander of the year after it was discovered he was a Kiwi by descent, he renounced his New Zealand citizenship and was no longer eligible!

There is no better example of closeness than in times of trouble. During COVID we shared data, experiences, daily contact through health officials, ministers and even shared vaccines.

We started the lock down on the same day. Our Prime Minister addressed the Australian National Cabinet, something that had not happen since WW2. We even tried to get a Trans-Tasman travel bubble going but the virus defeated us.

Hindsight is a wonderful thing... It's always easy to second guess after the fact and there have been many critics looking back claiming we could have done things differently or better. But the truth is both our countries saved thousands of lives through the actions of our governments and is why we sit as the most successful counties in the world in managing a pandemic for which there was no playbook.

Whether it is bush fires, floods, volcanic eruptions, disasters and tragedies, whatever comes along, we are there for each other. There are no more reliable partners.

We are both part of the Five Eyes Intelligence-sharing partnership.

And no relationship would be complete without areas of competition. We compete with each other in trade. We have both signed an FTA with the UK and New Zealand has completed an FTA with the EU, Australia has a FTA with the US and India. While we might compete we are also partners in the CPTPP agreement, Pacer Plus, and RCEP (Regional Comprehensive Economic Agreement.)

We compete in sport, furiously but are united whenever playing the UK. Go Aussie in the Ashes! This year we are jointly hosting one of the biggest sporting events ever held in our countries, the FIFA Women's World Cup, an event that will attract billions of viewers.

And of course we compete over lamingtons, Pavlova, Far Lap, and Crowded House. Not so much Russel Crowe!

We have some differences in language - Jandals vs thongs; chilly bins vs eskys, 'Marnaka' vs Manuka but we share a sense of humour some other countries don't understand.

'The Castle' is a New Zealand favourite and I think 'Hunt for the Wilder people' is enjoyed by Australians. We get each other's slang!

We have more in common than divides us. We may bicker at times as family members do, but you can't break the bonds that bind us. We **are** the closest countries on the planet.

Waiho i te toipoto, kaua i te toiroa

Let us keep close together, not far apart.