

**Joint Statement by
Prime Ministers the Rt Hon Bill English and the Hon Malcolm Turnbull MP
Queenstown, 17 February 2017**

Prime Minister the Rt Hon Bill English and Prime Minister the Hon Malcolm Turnbull MP met in Queenstown on 17 February 2017 for the annual Australia-New Zealand Leaders' Meeting. Prime Minister English and Dr Mary English warmly welcomed Prime Minister Turnbull and Ms Lucy Turnbull to New Zealand. The visit is an opportunity for the leaders to discuss a wide range of issues, underlining the enduring strength and depth of trans-Tasman ties.

Prime Minister English also welcomed Australia's Treasurer Scott Morrison and the Australian Minister for Industry, Innovation and Science Senator the Hon Arthur Sinodinos AO. The Ministers, alongside their New Zealand counterparts Minister Steven Joyce and Minister Simon Bridges met with the Prime Ministers for a discussion of regional and bilateral economic issues.

The Prime Ministers noted that in a changing global economic and political environment, Australia and New Zealand should work together to promote a rules-based international order, including the benefits to all of trade liberalisation and strengthening regional and global security.

Prime Minister English thanked Prime Minister Turnbull for the significant contribution that the Australian Government made in response to the 14 November Kaikoura earthquake, including for the support that the *HMAS Darwin* provided to Kaikoura in the immediate aftermath of the earthquake, and for assistance with a hydrographic survey of the sea floor around Kaikoura using Australia's Laser Airborne Depth Sounder system.

Prime Minister English told Prime Minister Turnbull that New Zealand is very appreciative of the assistance Australia has offered to combat the fires affecting Christchurch this week. This was another example of the practical support which defines the trans-Tasman relationship.

Prime Minister Turnbull congratulated Prime Minister English on the completion of New Zealand's successful term on the UNSC during a particularly difficult period.

Regional and International Trade

Australia and New Zealand are two open trading economies with an outward focus. The Prime Ministers agreed to continue to push for open markets and regional economic integration, noting, with concern, growing anti-globalisation sentiment in many parts of the world. They also agreed to collaborate to emphasise the benefits a liberalised and rules-based international trading system can bring in generating jobs and lowering costs to consumers in New Zealand and Australia and, more broadly, throughout the region and the world.

The Prime Ministers recalled the role which Closer Economic Relations (CER) and the Single Economic Market (SEM) Agenda play in growing both countries' economies and driving prosperity. The trans-Tasman trade and economic relationship sets the benchmark for broad and deep economic integration. Australia and New Zealand will continue to build on this foundation as they engage together with other partners in the region.

The Trans-Pacific Partnership (TPP) is a key promoter of regional economic integration and a driver of economic growth, competition, innovation and productivity. TPP would provide significant benefits to its members both individually and collectively. In light of the intention of the United States not to ratify TPP, the two Prime Ministers agreed that Australia and New Zealand would work together to engage with other TPP partners on the way forward, over the coming months.

The Prime Ministers recognised that Australia and New Zealand will have broad areas of common interest in responding to the challenges and opportunities posed by the UK's

departure from the EU. They agreed that the discussions already initiated between their two countries in that regard should continue, in order to identify and elaborate potential areas for cooperation and collaboration. The Prime Ministers also noted that each country is continuing to advance its free trade discussions with the EU.

Australia and New Zealand remain strongly committed to advancing the Regional Comprehensive Economic Partnership (RCEP) negotiations which include ASEAN, China, India, Japan and Korea. The Prime Ministers underscored the need, following recent global events, for RCEP to be a modern, comprehensive, high quality agreement with commercially meaningful outcomes, in order to provide a strong boost to global economic confidence.

The Prime Ministers reaffirmed their commitment to conclude PACER Plus as soon as possible. They agreed that PACER Plus is a landmark trade and development agreement, presenting a unique opportunity for Pacific countries to use trade to alleviate poverty, increase living standards and meet the United Nations sustainable development goals.

Australia and New Zealand continue to value the World Trade Organisation (WTO) as a global forum for establishing rules, settling disputes and resolving issues that can only be addressed multilaterally. They are working together to secure a successful outcome from the 11th WTO Ministerial Conference to be held in December 2017.

Innovation and Science

The Prime Ministers welcomed the signature today of the Australia New Zealand Science, Research and Innovation Cooperation Agreement. The Agreement is a significant addition to the Single Economic Market agenda and a concrete demonstration of the way in which trans-Tasman ties continue to deepen and evolve.

The Agreement provides for a wide array of cooperative initiatives across our science, research and innovation systems - from a government-to-government level through to individual researcher collaboration. It will enable both countries to identify shared science, research and innovation priorities and pool resources and expertise to deliver better and bigger outcomes than each country could achieve alone. As such, it is an important foundation for the shared vision of a trans-Tasman "innovation eco-system".

Both Prime Ministers recognised that stronger collaboration on science, research and innovation offers opportunities to enhance welfare and prosperity and create jobs across their economies, including in new and traditional industries.

Australia and New Zealand have also agreed to an initial work programme of initiatives involving government, science agencies and stakeholder communities ([summary of science and innovation work programme](#)). The work programme includes activities to strengthen collaboration between Australian and New Zealand research organisations; strengthen cooperation and explore avenues to engage on genomics in healthcare; cooperate on research infrastructure planning and investment; and test a second-generation Satellite-Based Augmentation System in both countries.

The Prime Ministers agreed that Australia and New Zealand should explore opportunities to collaborate with third countries on science, innovation and research, for example through the Global Alliance on Chronic Disease.

The two countries have also continued their existing collaboration based on significant science infrastructure. New Zealand continues to invest in the Australian Synchrotron, which plays an important role in supporting science capability with applications across a wide range of economically-relevant research topics.

Trans-Tasman Economic Integration

In recent years Australia and New Zealand have made significant progress towards a more seamless economic environment, through the ambitious SEM agenda. This continues to benefit businesses and consumers on both sides of the Tasman, and provides a strong platform and model for regional economic integration. The Prime Ministers highlighted our countries' shared commitment to continuing to make trans-Tasman trade in goods and services more efficient to benefit all levels of Australian and New Zealand society.

The Australia New Zealand Leadership Forum (ANZLF) continues to provide support for trans-Tasman economic partnership, and direct business input into the SEM agenda. The Prime Ministers and Economic Ministers are meeting today with the Australian and New Zealand co-chairs of the ANZLF and with trans-Tasman business leaders to exchange ideas on trans-Tasman economic integration and on strengthening Australia and New Zealand's partnership in the Asia-Pacific region.

The Prime Ministers recalled the decision taken at the February 2016 Leaders Meeting to continue efforts to reinvigorate the agenda of the trans-Tasman SEM building on CER. They took note of the meeting of Australian and New Zealand economic Ministers held in Sydney in October 2016, which advanced work on the SEM. At that meeting, the Ministers endorsed a roadmap of SEM initiatives, and agreed to establish regular bilateral senior officials' discussions to oversee the progress of the SEM agenda, including its alignment with business priorities. The first officials' discussions took place in December. Leaders welcomed the work done to date and directed Ministers to continue efforts further to reinvigorate the SEM agenda.

Prime Ministers welcomed the formal launch by Ministers of the Australia & New Zealand Infrastructure Pipeline (ANZIP) in October 2016 during the ANZLF. They looked forward to the pipeline (<http://infrastructurepipeline.org/>) attracting international investment to the trans-Tasman economy as a means of underpinning future economic growth. The Pipeline is a first step towards a more integrated and innovative trans-Tasman infrastructure market. Australia and New Zealand are working jointly to promote the Infrastructure Pipeline through their offshore Post networks. The Leaders directed officials to look at opportunities to integrate markets further, such as through aligning pre-qualification requirements across Australia and New Zealand.

In July, the two countries agreed to mutual recognition between the Australian Trusted Trader program and the New Zealand Secure Exports Scheme, to provide reciprocal trade facilitation benefits to member businesses. Mutual recognition will reduce compliance costs and increase efficiency for businesses trading across the Tasman, and will enable border agencies to target resources at higher risk traders and goods. Building on this, Australia and New Zealand have agreed to test a "Fast Trade" pilot in 2017, which includes designing and trialling a proof of concept for a "Secure Trade Lane" for exports in 2017, "and an "E-commerce green lane" trial to explore ways of improving processing of merchandise ordered or purchased on-line and sent between the two countries by mail.

Prime Ministers, noting that some 2.5 million passenger movements took place across the Tasman each year, recognised the importance of providing a more streamlined and secure trans-Tasman travel experience. In 2017 the two countries will continue work to align border clearance processes, while managing respective border risks. Australia and New Zealand have agreed to explore options to trial new smart technologies to streamline the processing of trans-Tasman passengers prior to their arrival by air or by sea. Both countries are exploring options to get rid of paper based departure cards. At the same time, protecting our borders from biosecurity threats remains a priority for both countries.

Australia and New Zealand continue to work together closely on tax issues, especially in relation to the OECD base erosion and profit shifting (BEPS) project. For example, both countries contributed to the development of the OECD multilateral instrument to implement

tax treaty measures to prevent BEPS. Many countries expect to sign this in June 2017. Once in effect, the instrument will update the bilateral double tax agreement between Australia and New Zealand to prevent treaty abuse. Given the importance of the double tax agreement, officials will work together to ensure the smooth implementation of modifications made through the multilateral instrument.

Both countries are also interested in exploring collaboration on financial technology, including through the existing close links between New Zealand's Financial Markets Authority (FMA) and the Australian Securities and Investments Commission (ASIC). Financial technology initiatives will also be explored as part of the trans-Tasman Science and Innovation work programme.

Progress is also being made towards the mutual recognition of business identifiers (ABNs and NZBNs). This would provide benefits to the large number of businesses wishing to establish trans-Tasman operations.

Australia and New Zealand have agreed to closer collaboration between Australia's Foreign Investment Review Board (FIRB) and New Zealand's Overseas Investment Office (OIO).

The Prime Ministers also welcomed the commencement later this month of a joint registration for Australian and New Zealand patent attorneys. The joint regime minimises the regulatory and business compliance costs for patent attorneys to practise in Australia, New Zealand and between the two countries and facilitates competition in the market for patent attorneys' services.

2017 marks the 20th anniversary of the Australia New Zealand Government Procurement Agreement, which creates a single market for government procurement across New Zealand and Australia (including the Commonwealth of Australia, Australian states and territories and the New Zealand Government), and continues to be one of the most comprehensive agreements of its type. The agreement continues to maximise opportunities for Australian and New Zealand suppliers and reduces costs of doing business for both government and industry.

People and Social Policy

The pathway to citizenship for New Zealanders who are long-term residents in Australia, announced by Prime Minister Turnbull at the 2016 Leaders Meeting, will come into effect on 1 July 2017. Once open, the new pathway will offer an opportunity for many New Zealanders who have lived and contributed to Australia society for a long period of time to regularise their status. It provides them the ability, first, to achieve permanent residency and then citizenship. Prime Minister Turnbull announced that special flexibilities would be applied for particular individuals who are unable, for reasons such as breaks in employment as a result of injury or carer responsibilities, to meet the income test requirements to enter the pathway. The two Prime Ministers welcomed these additional flexibilities, and looked forward to the pathway being implemented in a manner sensitive to the real-life challenges faced by those on Special Category Visas.

Prime Minister Turnbull reiterated Australia's commitment to ensuring the process of visa cancellation, appeals and removals of New Zealand citizens who have been convicted of serious crimes in Australia is conducted as sensitively as possible. Prime Minister English in turn noted the cooperation Australia has provided in the management of these cases.

Australia and New Zealand are both implementing an investment approach to social policy, which looks at ways to improve social service delivery to focus more effectively on making a positive difference to peoples' lives, through targeted investment. The Prime Ministers recommended the two countries continue to work together to exchange best practice on social investment.

The Prime Ministers agreed on the importance of public data in driving innovation, improving government services, and transforming policy outcomes. There is scope to build stronger

cross-Tasman collaboration to facilitate knowledge sharing between the two countries, and find new and innovative ways to use and disseminate public data. The two Prime Ministers agreed that Australia and New Zealand will collaborate on public data initiatives to better align agendas, share lessons learnt on best practice, and work together on data commitments as part of the Open Government Partnership.

The revised Social Security Agreement between Australia and New Zealand is expected to come into effect from 1 July. The Agreement takes account of changes that have occurred in both countries' welfare systems since the current Agreement commenced in 2002. In line with changes to the qualifying age for the Australian Age Pension, the Agreement will lift the age at which New Zealand Superannuation is payable to New Zealanders living in Australia.

Security and Defence Cooperation

The Prime Ministers reaffirmed their commitment to Australia and New Zealand's ongoing defence and security cooperation. They welcomed the inaugural annual trans-Tasman National Security Dialogue which took place in October between the heads of Australian and New Zealand policy, intelligence and security agencies and helps strengthen the joint effort to respond to regional and international security challenges. The next National Security Dialogue will take place in New Zealand in 2017.

The Prime Ministers reaffirmed their deep concern at the conflict in Syria, which is entering its seventh year. They underlined that only a negotiated political solution in Syria could provide a lasting peace.

The two Prime Ministers recognised the valuable work of the joint Australia-New Zealand Building Partner Capacity (BPC) mission in Iraq. Over the past two years, the BPC mission has provided training to approaching 20,000 Iraqi Security Forces and has improved the ability and success of Iraqi troops in combatting ISIL/Daesh in Iraq, including in the efforts to liberate Mosul.

Both countries remain committed to cooperating to counter terrorism and violent extremism, including through the Australia-New Zealand Counter-Terrorism Committee, and alongside other partner governments in the region. They agreed that it is a priority to support countries across our region in community engagement, counter finance, law enforcement and border protection measures, in order to ensure that terrorism does not flourish in the Asia-Pacific.

The Prime Ministers reaffirmed Australia's and New Zealand's commitment to close cooperation on defence and security. They agreed on the benefits of enhancing interoperability between our countries' defence forces, recognising this would maximise the impact and effectiveness of our contributions to international peace and security and in response to regional emergencies. This cooperation extends to collaborative efforts to combat people smuggling and transnational crime threats in the region.

The Prime Ministers welcomed the East Asia Summit Statement on Non-Proliferation of 8 September 2016.

Cyber Security

Australia and New Zealand have a close and long-standing collaboration on cyber issues, and hold a six-monthly Cyber Policy Dialogue. Cyber security is of importance to business and communities in both countries. The Prime Ministers reaffirmed the joint commitment to improving cyber defences and championing an open, free and secure internet. In 2016, Australia and New Zealand undertook a joint cyber exercise. Such exercises give us insight into where we need to improve our response to cyber-attacks.

The Prime Ministers agreed to number of initiatives for 2017: exploring whether New Zealand's cyber credentials initiative for small and medium-sized businesses could be extended to both countries; working together on initiatives to build the cyber security

workforce, including a joint 'Women in Cyber' event; exploring joint initiatives to strengthen cyber security capacity and capability in the Pacific region; and working together to maximise the role of both CERTS in supporting businesses.

Regional and International Cooperation

The Prime Ministers noted the change of Administration in the United States, and welcomed President Trump's undertaking that the United States would remain committed to strong and active engagement in Asia. Australia and New Zealand see US engagement as a vital factor in the stability and prosperity of the Asia-Pacific region.

Recognising the central importance of a stable, secure Asia-Pacific to regional and international prosperity, the Prime Ministers expressed their ongoing concern about the situation in the South China Sea.

They underlined Australia's and New Zealand's shared interests in unimpeded trade and freedom of navigation and overflight, and reaffirmed the need for territorial disputes to be resolved peacefully in accordance with international law, including the UN Convention on the Law of the Sea (UNCLOS). The Prime Ministers called on all parties to exercise restraint and avoid actions that could erode trust and undermine efforts to manage tensions, including construction and militarisation activities on disputed features. They urged China and ASEAN to implement fully the Declaration on the Conduct of Parties in the South China Sea and to expedite the conclusion of an effective Code of Conduct for the South China Sea.

The Prime Ministers commended the close cooperation and engagement between New Zealand and Australia on Antarctica, noting the opportunities for greater collaboration on science and the role of Antarctic gateway states. Both leaders welcomed the establishment of the Ross Sea Region Marine Protected Area, which is a breakthrough in global marine protection. They expressed their hope that this would provide momentum for the discussion on the East Antarctica Regional System of Marine Protected Areas, and other marine protection proposals. Australia and New Zealand reiterated their commitment to a strong and effective Antarctic Treaty System.

The Prime Ministers reiterated their strong opposition to whaling in the Southern Ocean and urged Japan to respect the 2014 judgment of the International Court of Justice and the review processes of the International Whaling Commission. –They expressed their support for whale sanctuaries, in particular calling for the Southern Ocean Whale Sanctuary to be respected.

Prime Minister Turnbull thanked New Zealand for its support for Australia's candidacy for a term on the United Nations Human Rights Council in term in 2018-2020.

Cooperation in the Pacific

The Prime Ministers agreed that the Pacific is a high priority for Australia and New Zealand. They discussed the complexity of the challenges facing the region and agreed on the need for innovative approaches to Australian and New Zealand engagement with the Pacific. The Prime Ministers reaffirmed a joint commitment to promoting security, stability and economic resilience in the Pacific. Australia and New Zealand reiterated their support for the Pacific Islands Forum as the preeminent regional organisation.

The Prime Ministers also agreed that the two countries will work together to reduce the cost of remittances in the Pacific, in support of our Pacific neighbours.

The Prime Ministers recognised that the Paris Agreement on Climate Change marks a global commitment to taking climate action and sends a strong signal of the need for a swift transition to low-carbon and climate resilient economies. They also recognised the importance of responding to climate change for Pacific island countries and other small island developing states and agreed to continue to work together and with partners to implement the Paris Agreement.

Australia and New Zealand work closely with our neighbours in the Pacific in supporting climate change adaptation, clean energy, building disaster resilience and response capacities, and increasing access to climate finance from the Green Climate Fund. Australia and New Zealand will also work closely with Fiji as it undertakes the important role as COP President this year.

New Zealand and Australia recognised the importance of working together and with other Forum members to implement the *Framework for Resilient Development in the Pacific*, agreed by Pacific Islands Forum Leaders in 2016, to build resilience to climate change and disasters in the Pacific.

Australia and New Zealand are working together effectively to deter and eliminate illegal, unreported and unregulated fishing in the Southern and Pacific Oceans. Joint surveillance activities, information sharing and coordinated diplomatic outreach aimed at combating illegal fishing have been highly successful and will continue in 2017 and beyond. The two leaders also expressed their commitment to supporting the Pacific fisheries sector to achieve sustainable economic returns. Both Australia and New Zealand remain committed to supporting Pacific Island Countries and partners to protect and utilise regional marine resources.