

The Australia New Zealand Leadership Forums

The Australia New Zealand Leadership Forums from 2004 were both a sign of the Tasman gap closing and a set of encounters where continuing differences were sharply pointed up. When one looks at the apparent erosion of high profile trans Tasman relationships in the 1990s, annual get togethers might seem an unlikely occurrence – or a desperate measure. There had been a hardening of attitudes by Paul Keating's Australian Labor government as understandings around the defence relationship soured and it was Keating's office that had unilaterally quashed agreement on a single aviation market.¹ An agreement on Social Security for New Zealand migrants to Australia, pushed on the New Zealand government by John Howard's government, was accompanied by some tensions over the Trans Travel Arrangement.² CER itself, while evidence of considerable integration of both countries' trade, had not led to the establishment of common frameworks of policy in other areas of financial investment and taxation.

Political attitudes did not spell a closer, warmer future and the media claimed the two were drifting apart as the twenty first century dawned. But the personal relationships of leading politicians over the years and the accumulating contacts between business men and officials of government on both sides of the Tasman had always driven trans Tasman encounters forward. Australia's Doug Anthony and John Howard, New Zealand's Brian Talboys, Robert Muldoon and Helen Clark stand out among politicians. A further kinship of officials and 'backroom boys' attached to ministries and committees exchanging information across the Tasman kept the bonds closer than appeared to the public eye. But the inspiration for a high level, formal dialogue between politicians, the business community, officials and academics came most immediately in 2002 from the report of the New Zealand Parliamentary Select Committee on Foreign Affairs, Defence and Trade into the economic and trade relationship with Australia. That report, in celebrating the successes of CER – but with one eye on the deterioration that had occurred in trans Tasman feelings – concluded that '[t]here is no substitute for an intensive, disciplined exchange of views'³ and recommended the establishment of an Australia New Zealand Economic Community, a new cabinet position dedicated to strengthening the relationship, the establishment of think-tanks on both sides of the Tasman with the same aim, and crucially, annual meetings of senior political, industry and academic leaders modelled on the Königswinter conferences between British and German leaders and commentators.

Helen Clark's Labour government, while 'welcoming' and 'supporting' many of the recommendations, left 'almost unlimited room for tactical withdrawal should nothing eventuate'.⁴ But it did respond positively to the idea of regular, cross-Tasman, senior level meetings and promised to discuss the initiative with the Australian government.⁵ Clark already had a good relationship with John Howard, Australia's Prime Minister, who had taken the initiative to diarise an annual meeting with the New Zealand Prime Minister. Cordial personal relationships existed between Foreign Ministers, New Zealand's Phil Goff and Australia's Alexander Downer, as well as the Treasurers of both countries. The twentieth anniversary of CER in 2003 intensified government-to-government contacts and produced several key statements on closer ties by prominent figures such as Clark and Allan Hawke, the newly appointed Australian High Commissioner to Wellington. Hawke had warned soon after his arrival that the relationship was on the cusp – it could go either way he believed.⁶ The desire for broader community contacts was also spurred by the Knowledge Wave conference – also dubbed 'the leadership forum' – in Auckland, February 2003, and by public broadcasting events like the 'Australasia talks back'

programme, a three-week radio conversation between Aussies and Kiwis on the national radio networks of both countries in April 2003.

The ‘communities of interest’ that Sir John Hall had identified as early as 1890 were drawing the two sides together in the rapidly globalising world a century later, despite the points of divergence that remained. In early 2004, two key business people were charged with organising a first formal exchange of elite policy and opinion makers. Kerry McDonald, Chairman of the Bank of New Zealand, and Margaret Jackson, Chair of Qantas, also agreed that the relationship had ‘plateaued’ and lost its development momentum, at a time when other economies were accelerating.⁷

The familiar worries about the bullying tactics of Australia in any deal with New Zealand soon surfaced as the teams were put together. New Zealand, host of the inaugural Forum at Government House, Wellington, was already on the back foot according to the *New Zealand Herald*, as McDonald strove desperately to match the Aussies who were organising key personnel to push a national agenda. ‘Australia Inc’ wanted a single Australasian economic market, with one competition regime, a single regulatory framework in commerce and banking, a merged stock exchange and, according to Jackson, a common currency – Australia’s of course.⁸ Certainly the Australians were upfront in their aspirations but McDonald was determined to push a broader conversation while emphasising the key business issues that needed to be resolved. Two thirds of the Australian delegation were business or industry representatives while around half the New Zealand delegation came from government departments, policy institutes and academic and cultural areas. McDonald framed an agenda that started with an historical perspective by a leading historian and provided follow-up space for commentary by non-business delegates on the state of the relationship and its role in the regional and global landscape. McDonald intended to be an active Chair, enforcing short presentations, general participation and avoiding narrow national arguments.

The briefing paper provided for New Zealand delegates by the Ministry of Foreign Affairs and Trade ranged across a broad spectrum of themes in accord with McDonald’s approach. It recognised the different orders of priority in the relationship, surveyed the perspectives of each country toward the other and addressed the potential problem of lessening New Zealand’s relevance to Australia by supporting enhanced security cooperation with Australia, targeted streamlining of business processes, strengthening New Zealand relationships with the Australian states and more research into areas of difference. The Australian briefing paper for delegates, on the other hand, took a more direct route to the questions of the hour for an Australian business community that saw a seamless Australasian economic market as the only future were the two countries not to drift further apart. It was basically up to New Zealand to decide what it could or should do to engage Australia in its own future. The early interventions by senior Australian business leaders bluntly reinforced the message: the future of the relationship was hard-wired into the needs of business for smoother, leaner processes for doing business both ways. A senior Australian minister made it clear that even if a single economic market were to eventuate, Australia’s national interest would determine its relationship with New Zealand and that meant working to the country’s advantage primarily in a global economy; a common currency, unless it were Australia’s, was not high on the list of priorities.

The New Zealand business and industry delegates were basically in agreement with the thrust for a single market; indeed the briefing papers that came from New Zealand’s business community presented the clearest picture of the obstacles and barriers that

bedevilled growth in economic relations (especially regarding taxation, investment and banking policies). But New Zealand was more conscious of the potential loss of sovereignty in any advance from CER to something closer. Delegates spoke for a greater harmonizing of regulatory systems across the Tasman rather than for one system, while not forgetting the 'third force' – globalisation – that was driving both countries towards convergence. Sovereignty issues should be shelved.⁹

By now the Forum was into its second day and interventions by the trade union delegates reminded the business moguls that the mobility of labour across the Tasman gap needed to be on the table for discussion, including how to harmonise skills standards and working conditions. This strengthened the co-chairs' decision to depart from the agenda and arrange a series of break-out groups to discuss in small numbers questions of labour regulation, common border issues, trade and industry, and business regulation. These discussions of single issues by interested parties became a strong element in subsequent Forums and in structuring the agendas for trans Tasman working groups between Forums. They also indicated that the fulcrum of trans Tasman dialogue lay predominantly on the side of the business community, which wished to craft a stronger relationship largely in its own image. Only gradually, and with some difficulty, did the recognition gradually emerge – kept alive by the energetic Kerry McDonald – that the communities of citizens on both sides of the ditch needed to be engaged if a Tasman world were truly to grow. For the most part, arts, community and cultural interests took a back seat during this first Forum. Sport (under the umbrella title 'Sport, Arts and Culture') provided the lunchtime entertainment through a witty speech that identified early, common Australasian heroes, but did not escape rehearsing the stereotypes and tensions that underpin popular perceptions.

If these exchanges took place on an increasingly equal footing, a key difference between the two countries came out during the last afternoon session on political security and defence. The tensions of New Zealand's inherently different strategic perception of regional and world threats collided head on with Australia's less comfortable, more proactive stance. Senior Australian officials pointed up arguments for the national interest, the move to bilateral alliances, the billions of dollars required of defence expenditure. In stark contrast the New Zealand speaker presented a softer, reasoned argument for multilateralism, with an implied questioning whether Australia's approach was making for a safer world. The dismissive response by a senior Australian politician expressed better than anything the different positioning of each country, even if and when all other issues found their resolution.

The Forum ended with a gracious summing up by one of the Australian delegates, which paid respect to the past visions of the Tasman partners and turned thoughts to the practical, larger questions of enhancing the prosperity of citizens on both sides of the Tasman. He cleverly summarised the poles of argument during the two days as between those calling for 'complete integration' of the two economies and those for whom 'a little harmonization' was a sufficient vision. This slight caricature underscored both the limits and the limitations of this first official trans Tasman conversation: it remained largely a business event, the proponents and beneficiaries of CER driving it forward, providing the framework, the organising energy and the concrete ideas for taking the economic relationship to another level. They crafted valuable new working parties on vexed questions of trade, tax, banking, immigration and labour. Messages from both sides may well have been mixed, differences in detail may indeed have shown up, but the affiliation networks among business and economic policy elites were undoubtedly strengthened by

the two days of contact and argument, reinforcing the business domain as the heart of the high profile trans Tasman association.

But if the trans Tasman relationship was about becoming more than an increasingly efficient business venture between two small economies and more about creating an integrated Tasman world, then a range of serious questions were left over, or not broached at all. These had to do, first, with the composition of the Forum's 'leaders'. Though it was not designed to be a representative, parliamentary-style encounter, the absence of delegates from Australia's ethnically diverse communities and New Zealand's bicultural community was noticeable. The 'everydayness' of the trans Tasman relationship is expressed in the relations of a more diverse set of community leaders than was conspicuous at the Leadership Forum. Their presence would not only have broadened the range of relevant issues but also highlighted the changing population and demographic trends in each country. In turn, that would have concentrated minds on issues that must exercise any future Tasman world, such as the implications around the Treaty of Waitangi and Australia's Aboriginal policies, and the notion of a borderless Tasman world in a globally insecure environment. Second, there was little or no attention to combating the general community ignorance about one another's countries, the precondition for any more substantial integration beyond business and trade efficiencies. It remained an open question whether the wider citizenry of both countries noticed or cared about the thickening of Tasman ties. Can such elite dialogues counter the weight of the cartoon history that lies so heavily on each country's notions of the other? Thirdly, the focus on 'internal' Tasman issues tended to deflect attention from the question how the comportment of a region, comprising Australia, New Zealand and their Pacific 'outliers', towards the rest of the world will determine the region's future within a massively shifting Asia Pacific.

This was the point of departure for the next year's Forum, on the Australian side of the Tasman at Government House, Melbourne. In a neat symbolism it took place a week after Anzac Day, April 2005. In the intervening twelve months, twenty-three working groups on both sides of the Tasman had worked through some of the issues that had grabbed most attention in Wellington. But reports back from New Zealand participants indicated that in some areas, such as taxation and changes to immigration procedures at Australia's borders, bureaucratic resistance had stalled any progress. McDonald and Jackson were again in charge of preparations, both of them keen to maintain the width in the conversation. McDonald in particular wanted the focus to shift away from economic issues, which he felt should occupy no more than twenty percent of discussions in Melbourne.¹⁰ He wanted delegates to explore the political relationship, the values and institutions that moulded each country, that bound the Tasman cousins together or divided them. McDonald was a passionate advocate of a Tasman world. How might obstacles be removed to bring New Zealand and Australia closer?

One of the ways was perhaps to build different scenarios of how the future might look; what would constitute improvement; what implications were there for a relatively weaker or stronger relationship? To provide the raw material for such discussions the New Zealand side commissioned several briefing papers dealing with the broader 'communities of interest' that bound the countries together as well as the vexed issues of security, defence and the enhancement of political ties.¹¹ Over a dozen solid papers were circulated to delegates on both sides, a significant advance on the 2004 Forum preparations. The direction of Forum discussions depended of course on who was chosen to lead the talk about these things, for they had the influence to capture the agenda and determine the

outcomes. McDonald and Jackson organised for the Foreign Ministers of both countries, Alexander Downer and Phil Goff, to open proceedings. They mused about the 'strategic architecture' emerging in Asia with the growth of the Chinese and Indian economies. Two eminent strategic and defence thinkers, Hugh White, Professor of Strategic Studies at the Australian National University in Canberra, and Zhang Yongjin, from Asian Studies at the University of Auckland, followed them to detail the choices Australia and New Zealand faced as this 'architecture' took form and substance.

But the rest of the first day of the Forum was devoted to discussing the Single Economic Market idea. It was inevitable that economic integration and harmonisation would remain the centrepiece for discussions thereafter. In early March the New Zealand Minister of Finance, Michael Cullen, had reinforced the urgency of achieving closer economic integration in a major speech in Sydney, which was circulated to Forum delegates. Cullen spoke of the two tasks that faced the present generation of business and political leaders. The first was creating a 'common citizenship for business' that would bring closer a 'single domestic economy' between the two nations. The second was a more expansive goal – to connect the economic strengths of both countries so as to trade as 'Australasia Inc' in the global economy.¹² In addition, the New Zealand delegation to the 2005 Forum was bolstered by the inclusion of a number of business 'big hitters' with a high trans Tasman profile (Rod Deane, Chairman of Telecom New Zealand and John Palmer, Chairman of Air New Zealand, among others). Their active interventions kept the single economic market as the main game.

The descriptions and meanings given to the concept had undergone several 'makeovers' since its emergence from the early days of CER as the logical future for developments between New Zealand and Australia. It had become variously known as the Single Australasian Market (SAM), the Tasman Economic Area (TEA), a Single Economic Market (SEM) and CER+.¹³ What it meant, according to one, dry definition by the New Zealand Treasury, was 'a geographic area ... in which there is no significant discrimination in the markets of each country arising from differences in the policies and regulations adopted by each country.'¹⁴ The key was to remove or soften as far as possible 'behind the border' regulation of the movement of goods, services, labour, capital and ideas. Its advocates at the Leadership Forums of 2004 and 2005 understood it as entailing integration of competition regimes across the Tasman, a single set of accounting standards, harmonised taxation policies that did not disadvantage citizens of either country, and – a key point of conflict – a seamless banking environment.

In sharp contrast to the 2004 Forum, it was the New Zealand business leaders rather than the Australians who adopted the more aggressive stance in favour of the single market. They expressed impatience with the 'talkfest' nature of the Forum: they wanted instead to see a series of small groups, led by business and government, with officials off to the side, to deal out 'regulation' and 'harmonisation' in favour of less regulation, fewer rules, and an attention to the 'big issues' across the board – common currency, security and defence integration, visa free reciprocal entry and a common immigration policy, labour market integration, taxation, and environmental standards. This was more than Cullen's 'common business citizenship' and voices were raised against such a 'crash through' approach. The implications for New Zealand's sovereignty were again at the centre of the reservations, though the Australians gave the cautious no comfort. A senior minister was quite explicit: if New Zealand wanted a single economic market, it would have to concede a prudential regulation regime for banking that put Australia basically in charge of its massive investment in banks across the Tasman. The New Zealand delegates were confronted by a

smug sense that the Australian government would know how to overcome any common market worries since it had been dealing with a *de facto* SEM in its relations with the Australian states for many years. New Zealand was invited to trust its cross Tasman partner, the quality which aroused most suspicion when relations between the two countries were put to the test.

The second day continued this testy series of exchanges, despite the attempt by Kerry McDonald to claw back the wider agenda of conversation in an emergency meeting of the New Zealand delegation at the end of day one. One New Zealand presenter championed closer integration on a number of fronts, but tried to explain Kiwis' fears of an enforced *Anschluss* with Australia as CER developed stronger tentacles around the New Zealand economy. It drew an expression of frustration from the Australian side at 'New Zealand paranoia and isolationism'; the country had to move on, with the strong implication that Australia should set the pace. Other speakers from both sides stressed the regional potential, and the need for both countries to look outwards together to tap into the accelerating East Asian economy.

At this point in the evolution of the Leadership Forums, it was clear that two types of conversation had taken shape, and several tiers of the relationship between New Zealand and Australia were being confused in the exchanges. The 'main game' was the sharper debate about closing the gaps in the immediate business environment between the two countries (and the implications for workers' rights and conditions as the union speakers on both sides of the Tasman continued to insist). This drove the Forums forward, and the break out into working groups around business regulation, labour markets, a common border, and education and research proved once again that smaller groups working on common problems were a more dynamic way to explore issues and set harder-edged, immediate goals. One of the results of the 2005 Forum was to set up these working groups with joint trans Tasman memberships to try to bring consensus views to the 2006 Forum.

The second set of conversations were the historical and strategic accounts of the world in which Australia and New Zealand reside. Presenters and respondents gave articulate and persuasive arguments for looking at trans Tasman relations over longer time frames and in relation to more far reaching geographic transformations. These contained the seeds of debates that the first two Forums declined to engage with, over the question of how separately and together both societies were changing internally in ways that would affect the future of integration; and how the Tasman world [or Australasia?] should react to the geopolitical shifts centred on Asia in the twenty first century. Background papers for the 2005 Forum supplied graphic evidence of the internal changes occurring – the Australian government provided a survey of changing population trends and a paper on the economic implications of an ageing Australia.¹⁵ The papers asked stark questions about the implications for the tax base, the national debt and the choices people might or might not have as services became more expensive. The New Zealand political commentator Colin James wrote a paper entitled 'The Pacific dimension in NZ demographics'.¹⁶ Starting from New Zealand's lack of a population policy, James detailed the statistical projections for the country's future – Asian ethnicity doubling from its present 7% by 2021; Maori numbers rising from 12.9% in 1991 to 15.1% in 2001 to 16.6% in 2021; Pacific Islanders becoming 9.2% of the population by 2021. Overall Maori and Pacific Islanders would account for more than a quarter of the population in that year, and around 30% of the work force between 2030 and 2035. The implications for the economy were obvious, and for the education system, in which Maori and Pacific Islanders were not yet

represented in the same numbers as the general population, worrying. In a speech to the Sydney Institute in February, James had talked about the 'Pacific-ation' of New Zealand: how Aotearoa was being re-indigenised at a rate that Australia would never experience with its Aboriginal population, how public policy must assuredly deal with this phenomenon, and why New Zealanders were becoming 'Pacific in our heads' which would make the country even more incomprehensible to Australians.¹⁷

The 2006 Leadership Forum in Auckland continued the pattern of two tiered discussions, though the future format of the meetings rapidly emerged as a central issue in the minds of organizers and participants. The Auckland forum began in a lower key than its predecessors, partly due to the lack of pre-meeting publicity and the relative dearth of briefing papers, but also, according to Kerry McDonald, New Zealand Chair for the last time, to a new maturity in the trans Tasman relationship which accepted the aspiration for closer relations across the business and social board as a distinct benefit to both sides. The Foreign Ministers of both countries, Winston Peters and Alexander Downer, pointed to real progress in a range of areas since 2004. The single economic market concept had been advanced through a treaty on the mutual recognition of securities offerings, a memorandum of understanding on business law, and agreements around better cooperation in banking supervision, competition regulation and mutual enforcement of regulatory regimes. CER in trade was continually being enhanced through new rules of origin, easing capital flows and staying in close dialogue on each other's free trade negotiations with Asian countries. Border control reforms had resulted in common immigration queues for Australian and New Zealand passport holders in both countries – a direct 'win' for Forum lobbying – improved access to each other's passport databases and cooperation with the USA in a system for tracking doubtful travel documents. And both Ministers made much of Anzac cooperation in a range of security environments from Afghanistan to the Pacific Islands.¹⁸

The pattern of the 2005 Forum, opening proceedings with a range of broader presentations on government perspectives, economic trends and strategic issues for the region, was repeated and extended to cover the whole of the first day, indeed into the second day with a session on 'the China factor'. But the real work in 2006 took place in the break-out groups where working parties reported on the trans Tasman negotiations that had taken place over twelve months in areas of competition regulation, taxation, company and accounting standards, common border issues, labour market projections and education, research and development. Genuine joint working parties, some ten, had clearly become the engine for doing business – and culture – ever more closely together, on the principle enunciated more than once by several speakers, that the status quo in relations between New Zealand and Australia was no longer an option: both economies would fall behind on a global scale if they did not work together to improve their competitiveness in the fast growing Asian region. Business was concerned both with 'looking in' – to greater harmonization of regulations, taxation, investment policies and labour flows between the Tasman cousins; and 'looking out' – to the world, where the question was continually and anxiously framed: are Australia and New Zealand positioned to be competitive or will the world pass them both by?

Security, especially in the immediate Pacific region, was a topic discussed almost in the same breath, with the Solomon Islands plunging back into political and ethnic conflict and a continuing question mark over the remainder of the Melanesian 'arc of instability'. Bleak assessments predicted that the Pacific would continue to suck in both countries' security and economic resources for the foreseeable future, though ironically this was the area

where a new-old police and military partnership had already proven itself and had the brightest future.

Over all hung the shadow of China and its fabulous growth to the north of the Tasman world. Robust briefings and a battery of statistics on the size of China's provincial economies and its emerging middle class left no doubt that north Asia is changing irrevocably the environment in which the Tasman world operates. The message was urgent: New Zealand and Australia find themselves in the twenty first century in the same position China occupied in the nineteenth century – in danger of being defined by the rest of the world if they do not adapt, at risk of falling behind as transfers of wealth in Asia and the Middle East continue to accelerate.

It was this urgency that drove the 2006 Leadership Forum at its end. Senior business leaders wanted the focus to settle on hard, achievable targets for integrating the Tasman economies, with roadmaps set out for each area of concern and guidelines on how long it would take to reach their objectives; one banker even wondered out loud whether, now that major irritants between the two countries had disappeared, the Forums should not simply disband.

In the spirit of the shrinking Tasman gap that was a suggestion put hastily aside. The Forums have become a successful symbol of trans Tasman togetherness. They provide a venue for networks of business and policy elites to listen to one another, and to generate energy for the task of creating a single economic market, though the markets will continue to be confronted by New Zealand concerns about becoming a branch office in the Australian economy. But politicians on both sides remain committed, indeed enthusiastic, and key figures have dominated perceptions of the Forums' importance to the future of the Tasman world. Prime Ministers Clark and Howard and ministers Phil Goff and Alexander Downer stand at the centre of the process. Another is the former Australian High Commissioner to New Zealand, Allan Hawke, who has gone on to become Chancellor of Australia's leading research university at the heart of government in Canberra, the Australian National University.

As High Commissioner in Wellington 2003-2005, Hawke had travelled from the headline 'Once were mates now rivals' that announced his earliest view of where the relationship stood, to 'A great mate' as he prepared to cross back over the Tasman at the start of 2006.¹⁹ His reading of the competing tensions of participants in Leadership Forum 2004 – 'The Australian side was keen to get some concrete outcomes, whereas the Kiwi side was more inclined to foreplay'²⁰ – and his acknowledgement of an anti-SEM brigade among a 'significant proportion of elite business opinion',²¹ did not prevent Hawke from celebrating the progress made towards solving common border issues and establishing more regular high level meetings of ministers and officials. Though 'big business' dominates the story of the Forums, Hawke emphasises that they are intended to be more than just another Business Council and spotlights the 'heroes and heroines' across broad fields of trans Tasman endeavour that should move citizens of both countries to celebration. Hawke perceived himself as a bridge across to Tasman cousins, very much in the Anzac spirit of old.²² John Howard's commitment to trans Tasman dialogue derives from the same inspiration. Several commentators have remarked in passing that no guarantee exists that a younger generation of politicians on both sides of the Tasman, less schooled in and persuaded by those lessons of the past, will continue to honour a commitment to closer, regular dialogue. Nor will they necessarily enjoy the personal regard that underpins the current strength of the Tasman relationship between political leaders; Hawke is very much

of a mind to emphasise the importance of such relationships.²³ Attending the 2006 Forum, Hawke made it clear he considered the relationship between the two countries had now settled on a more cooperative plane, their common values offsetting their very real differences as social communities and nations. 'Recognising difference' as independent states, with different population compositions and subtly varying cultures was a healthy approach for the Tasman partners in the next stage of creating a joint world.²⁴

The business agenda will continue to dominate the Forum's meetings but the Tasman world will reach beyond simply doing closer business together. James Strong, the new Chair on the Australian side of the Leadership Forum and organizer for the 2007 Forum in Sydney, wants it to be held in conjunction with Anzac Day, a deliberate gesture towards the community bonds that unite Tasman citizens. Various calls have been made on both sides of the Tasman for the creation of one 'Anzac community' with merged sovereignties.²⁵ Already Australia and New Zealand have the makings of a single population, which work on smoothing out a common border will only facilitate. The re-education of trans Tasman communities about each other remains a pressing, if partly invisible task. Understanding New Zealand's biculturalism versus Australia's multiculturalism, knowledge of and access to each other's cultural expressions in literature and art, and improved media coverage are crucial to any serious attempt to overcome the deep incuriosity of each country's citizens about the other's.²⁶ The Australia New Zealand Leadership Forums are a high level step towards a joint future of a certain kind. They are not representative, parliamentary assemblies, but if they are broadened to include delegates from the fast changing, non-Anglo Celtic communities, the very language of the trans Tasman conversation will change and the cultural mission will come to share more attention with the markets.

Peter Hempenstall
NZAC Research Centre
University of Canterbury

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¹ Allan Hawke, 'The Single Economic Market – What does it mean?', address to CPA Australia New Zealand Branch, Auckland, 8 July 2004.

² Frank Holmes, *An Anzac Union?* IPS Policy Paper, Institute of Policy Studies, Victoria University of Wellington, 14, 2002, pp. 3-5.

³ Foreign affairs, Defence and Trade Committee, *Inquiry into New Zealand's Economic and Trade Relationship with Australia*, Wellington, 2002, p.11.

⁴ Simon Upton's 'Upton-on-line Diaspora Edition', 26 October 2002.

⁵ IPS Newsletter by Sir Frank Holmes on the NZ Government's response, n.d., p.1.

⁶ Hawke quoted in 'Once were mates, now rivals', *Dominion*, 23 September 2003.

⁷ Joint letter to Helen Clark 18 June 2004, copy in author's possession.

⁸ Fran O'Sullivan, 'Qantas chair gets behind single Australasian market', *NZ Herald*, 10 May 2004 and 'NZ Inc quickly set up', *NZ Herald*, 14 May 2004. See also 'It's time for the Tasman Economic Area (TEA)', address by Margaret Jackson, Trans Tasman Business Council, 12 May 2004.

⁹ A good summary of this attitude is contained in Forum reports in *Open*, the NZX magazine, 2, 2004.

¹⁰ Kerry McDonald, 'Discussion Note Australia New Zealand Leadership Forum. Issues for 2005'.

¹¹ The New Zealand Australia Connections (NZAC) Research Centre at the University of Canterbury produced three papers on these themes.

¹² Address to NZ Gala Day Dinner, Sydney Foundation Hall, Museum of Contemporary Art, 10 March 2005.

¹³ See *NZ Herald*, 10 May and 14 May 2004; addresses by Allan Hawke: 'From CER to One Market', CPA Australia New Zealand Branch, Wellington, 30 June 2004; and 'The Single Economic Market – What does it mean?', CPA Australia New Zealand Branch, Auckland, 8 July 2004.

¹⁴ NZ Treasury, 'Progress on the Single Economic Market', Discussion Paper for Australia New Zealand Leadership Forum, 29-30 April 2005.

¹⁵ Dept of Communications, Information Technology and the Arts, *Australia's Demographic Challenges*, Canberra 2004; Productivity Commission, *Economic Implications of an Ageing Australia*, Research report, Canberra, 24 March 2005.

¹⁶ Background paper, Leadership Forum, 29-30 April 2005.

¹⁷ Colin James, 'The Pacific-ation of New Zealand', Speech to the Sydney Institute, 3 February 2005. In conversations after the Forum, a prominent member of the New Zealand Maori tribe (*imi*) Ngai Tahu, pointed out how the tribe's corporate development strategies for its resources and people already had a global reach.

¹⁸ These details are in the Ministers' Joint Letter to Co-Chairs, Australia New Zealand Leadership Forum, May 2006 with an 'Overview of Key Recent Developments in the Trans Tasman Relationship'.

¹⁹ Tim Pankhurst, 'A great mate. High Commissioner Allan Hawke proved himself a good friend to New Zealanders', *The Press*, 4 February 2006, D4.

²⁰ Allan Hawke, 'New Zealand and Australia: three years later', *NZIR*, xxxi/2, March/April 2006, p.17.

²¹ *Ibid.*, p.18. See also Mark Weldon in the *NZX* magazine, *Open*, 2, 2004, p.5 who divides NZ business attitudes to a SEM into three camps – the Acolytes, the Cynics and the Pragmatists.

²² Allan Hawke, 'The Anzacs', Address to University of Canterbury Dept of Political Science, 21 April 2005, p.17.

²³ Joanne Black, 'The Last Post', *Listener*, January 28 2006, pp. 22-23.

²⁴ Political commentators on both sides of the Tasman agreed at the 2006 Forum that the 'Anzac relationship' was less finely poised around disagreements than in previous years.

²⁵ Frank Holmes, *An Anzac Union?*, pp.10-12. See also Justice Michael Kirby's challenge to create a trans-Tasman Council which would consider hard integration of the two countries beyond 2015, the centenary of ANZAC, *Australia & New Zealand – Past, Passing & to Come*, Knowledge Wave conference, Auckland, 19 February 2003.

²⁶ Philippa Mein Smith and Peter Hempenstall, 'Changing community attitudes to the New Zealand/Australia relationship', Background paper, Leadership Forum 2005.