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PRIME MINISTER

TRANS-TASMAN MUTUAL RECOGNITION ARRANGEMENT

Today's signing of the Trans-Tasman Mutual Recognition Arrangement (TTMRA) by the New Zealand Prime Minister, the Right Honourable James Bolger MP, completes the signing process begun at the meeting of the Council of Australian Governments (COAG) on 14 June 1996. At that meeting, the Premiers, Chief Ministers and I agreed to extend to New Zealand the principles of the existing Australian Mutual Recognition Agreement (MRA), which has reduced regulatory barriers to the movement of goods and service providers between Australian jurisdictions.

The TTMRA is intended to commence as early as possible in 1997 following the passage of Commonwealth, State, Territory and New Zealand legislation.

The TTMRA is based on two key principles. The first is that a good that can legally be sold in Australia can be sold in New Zealand and vice versa, regardless of differences in product standards and other regulatory requirements between jurisdictions. The second is that a person registered to practise an occupation in Australia will be entitled to practise an equivalent occupation in New Zealand and vice versa, without the need to undergo further testing or examination.

Trans-Tasman trade in all goods is now free of tariffs and this Arrangement will significantly reduce the remaining non-tariff barriers to trade. Australian and New Zealand citizens have liberal work rights in both countries under the Trans-Tasman Travel Arrangement and this further Arrangement will increase the mobility of persons employed in registered occupations.

Some areas of regulation, which would otherwise be covered by the mutual recognition principle, will be permanently exempted from the operation of the Arrangement. These relate to quarantine and endangered species, firearms, fireworks, gaming machines, indecent or pornographic material, ozone protection, and the registration of agricultural and veterinary chemicals.

Special exemptions from the Arrangement will also apply for several categories of goods that potentially involve risks to public health and safety and the environment, and which are subject to significant differences in regulation across the Tasman. These categories include therapeutic goods, hazardous substances, industrial chemicals and dangerous goods, electromagnetic compatibility and radio communications standards, road vehicles and gas appliances. In these areas, so-called Cooperation Programmes will allow an extended time

period for regulators to address differences in regulation and determine whether mutual recognition (i.e. different standards), harmonisation (ie. common but not necessarily identical standards), or permanent exemption should apply.

Under these Cooperation Programmes, a prime objective will be to align trans-Tasman standards with international standards and regulators will need to report annually on their progress to Heads of Government

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