

40 years of diplomatic relations between NZ and China

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On 22 December, China and New Zealand marked forty years of diplomatic relations. The changes in both of our countries over this period have been remarkable. China in 1972 was only beginning to emerge from a period of self-imposed isolation. Our first diplomats crossed into mainland China on foot from Hong Kong because of a lack of international flights. Today, there are daily flights linking our two countries and China has become the world's second largest economy.

This change is reflected in New Zealand-China bilateral trade: China is now our second largest export market, our number one source of imported goods, and second only to Australia as a trade partner. China is the largest source of our international students, with around 23,000 young Chinese studying in New Zealand each year and all contributing to long-term links between our countries. In the last three years, China has overtaken Japan, the United States and now the UK to become New Zealand's second largest tourism market. Short-term visitor arrivals from China have grown by over 30 per cent in each of the last two years and have this year have passed 170,000 visitors.

New Zealand has changed dramatically over the past forty years. In 1972, the UK – which had yet to enter the Common Market – was our economic lifeline. Our traditional ties are still very important, but New Zealand also identifies very strongly as a country of the Asia-Pacific region. This goes beyond economics - New Zealand and China now have cultural and community connections that did not exist forty years ago.

In April next year, New Zealand and China have another anniversary to celebrate: five years will have passed since the signing of our Free Trade Agreement. Since then, the international community has endured a global financial and economic crisis, the effects of which remain raw. New Zealand's FTA with China has made a critical and positive difference to the New Zealand economy over this period. During the four years since the signing of the FTA, New Zealand has exported more to China than during the entire preceding 20 years.

The challenge for both countries in the years ahead is to sustain and build on this positive trajectory. The FTA was a 'first' for China. Five years on, it remains the only FTA China has negotiated and signed with a developed country. There are other new forms of cooperation being developed too.

New Zealand is working with China and the Cook Islands to deliver fresh drinking water to households in Rarotonga – a project that will make a tangible difference to the tourism industry, the backbone of the Cook Islands’ economy. In working together in this way for the first time, New Zealand and China are showing a shared commitment to the sustainable development of the Pacific.

The differences in scale between New Zealand and China can be daunting, but there are areas of common interest on which we can work. These are wide-ranging, from public sector reform and tackling the challenges of an aging society, through to agricultural development and agri-tech opportunities. Peace and stability in our regional neighbourhood is also not just a matter of rhetoric; it is critical for all our livelihoods. New Zealand is an active participant in Asia-Pacific regional groupings, because what happens in the region in terms of economic development and security has a bearing on our future. China is also a major part of this regional landscape and we maintain an active dialogue on issues of mutual interest – such as China’s chairing of APEC in 2014.

Inter-governmental exchanges will be supported by the continued connections being forged between the people of our countries. The anniversary year has seen two exhibitions from Te Papa Tongarewa’s collections shown to popular acclaim at Beijing’s National Museum of China. Next year, the world-class Royal New Zealand Ballet will tour China. In sport, the All Whites recently played the Chinese national team in Shanghai (with a diplomatic 1-1 outcome), and some of our rugby coaches are working with Chinese Sevens players as they prepare for the 2016 Olympics in Rio de Janeiro.

The New Zealand Government welcomes these exchanges because they broaden our understanding of China, and vice versa. Building understanding is important because we come from vastly different cultural backgrounds with few shared traditions.

The Government has launched two important initiatives for carrying the relationship forward in this 40th anniversary year. One is the New Zealand Inc China Strategy, launched by the Prime Minister in February, which coordinates government engagement with China and sets clear targets for achievement in the relationship. The second is the New Zealand China Council, which provides a means to increase sharing of China knowledge, including between business, academia, science, culture and education. The Council’s mandate is to act as a source of expertise on China in New Zealand, supporting engagement, and generating ideas for broadening the relationship across a range of sectors.

The 40th anniversary year has been an opportunity to reflect on the achievements in the relationship. To rise to future challenges as we have to those of the past, we recognise we need to build strength and resilience into the relationship. As China's regional and global role continues to grow, we will continue to work hard to ensure that New Zealand's priorities and interests are secured and new opportunities identified for New Zealand and New Zealanders.