GET-TOGETHER: John Key meets with his Australian counterpart Julia Gillard at her official residence in Canberra.

Australia's support for New Zealand during the tragic events of the past year will never be forgotten, Prime Minister John Key has told the Australian Federal Parliament.

Key is in Australia for a whirlwind two-day visit and this afternoon made history when he became the first New Zealand leader to address the Parliament.

Question time was postponed for Key's speech to a joint session of the Australian senate and House of Representatives.

He told MPs in Canberra Australia has shown New Zealand a degree of loyalty and support that only family can.

"For that we are truly grateful. When an explosion ripped through the Pike River Mine in November last year you sent your specialist experts, your machinery and your hope."
The deeds of Australia stuck a deep chord with the people of Christchurch, he said.

"When 300 members of the Australian Police arrived at Christchurch airport they were met by a spontaneous standing ovation.

"New Zealanders clapped for the Australian presence because it was such a moving and visual demonstration that we weren't on our own. You had our back."

Key thanked Australia on behalf of all New Zealanders.

"Your acts were living testament to the perpetual Anzac spirit."

New Zealand and Australia were now working together to prepare for the anniversary of Gallipoli in 2015, Key said.

When Australia was hit by bushfires in Victoria, and floods and cyclones in Queensland, New Zealanders felt their grief, he said.

"We came to you then, and we will come to you whenever we may be needed again."

Today the two countries walked a similar path, Key said.

"We have stood shoulder to shoulder in the face of challenges on the battlefield, at the negotiating table, and amid the debris of natural disaster."

**ABBOTT'S ANZUS MISTAKE**

Australian Opposition leader Tony Abbott congratulated Key on New Zealand restoring military ties with the United States - although it hasn't.
Australian counterpart to a bet on the Rugby World Cup – one that could leave a sour taste in the mouth of the loser.

Talking up the merits of the six-week long tournament during a press conference with Gillard today, Mr Key said the October 23 final could end up an Australia-New Zealand affair.

"We have been thinking about what could be a possible bet for the relevant prime minister – maybe the prime minister of the losing country has to eat an apple from the other country. Then spend 60 seconds describing the merits and benefits of that apple and why that was such a pleasurable and challenging experience."

Gillard said the challenge would certainly "spur the spirit of the Australian nation on".

'A DAY I WON'T FORGET'

Key arrived in Canberra last night and met with Australian Prime Minister Julia Gillard. The pair discussed the progress of negotiations towards the agreement which will open the door for New Zealand to the lucrative United States market.

There was hope the deal would be signed as early as November when leaders of the eight countries negotiating – Brunei, Chile, New Zealand, Singapore, Australia, Malaysia, Peru, the US and Vietnam – will be in Hawaii for APEC.

Key said while both Australia and New Zealand believed good progress was being made, neither country expected to be able to sign a deal in Hawaii, "but maybe soon after that".

Australia signed a free trade agreement with the US in 2004 but failed to achieve any significant gains for its dairy and sugar industries.

However, Key said Australia believed it could make further gains by joining the TPP.

"Obviously like us they see it as a linking mechanism to build out a regional trade agreement that can actually expand from there to hopefully one day include all the APEC countries."

Key today joined just eight other foreign leaders to address the Lower House in Canberra, including the former United States President George W Bush and former British Prime Minister Tony Blair.
Australian Prime Minister Julia Gillard and Abbott addressed the joint sitting of the Senate and House of Representatives before Key spoke.

Abbott congratulated Key for formally re-establishing military ties with the US.

"This has once again made the Anzus alliance a fully functioning working alliance. We are Anzac brothers in arms once more."

Military ties between New Zealand and the US under the Anzus Treaty were severed in 1984 when the then Labour government made New Zealand nuclear free and banned US frigates from its waters.

Relations between New Zealand and the US have thawed over recent years and last year intelligence ties were fully restored.

Key and the US Secretary of State Hilary Clinton last year signed the Wellington Declaration which signified a new era between the two countries.

Although there is co-operation in some military activities such as the war in Afghanistan, military ties with the United States have not been restored.

**WARM WELCOME**

Key was given a 19-gun salute during a ceremonial welcome to the Australian Federal Parliament.

A brass band played Waltzing Matilda as Key's seven-vehicle motorcade drove onto the forecourt at Parliament and a guard of Australian Army, Navy and Air Force soldiers stood to attention.

Key stood on a podium as the 19-gun salute blasted from six canons at the back of the forecourt.

As a head of government, Key was given a 19-gun salute as a 21-gun salute is reserved for heads of state such as the governor general and the Queen.

The brass band then played the New Zealand anthem before Key inspected the guard and the brass band.

Key and Australian Prime Minister Julia Gillard stood side by side on the podium while the band played Advance Australia Fair.
"It will be a day I'll never forget and truthfully in politics you have a lot of those but none probably as special as this."

Key said the speech was an opportunity to thank Australia for the efforts it has put into supporting New Zealand through the Pike River Mine disaster and the Christchurch earthquakes.

"So we're coming over to say thank you to Australia for the work they've done and to acknowledge the history that we share together all the way back to the Anzacs at Gallipoli.

"But we're also here to say New Zealand's an important partner with Australia and will continue to be in the future."

Australia was an "accepted middle power" in the world and Key acknowledged that created an imbalance in the trans-Tasman relationship.

"But actually collectively Australia and New Zealand are stronger for having each other.

"New Zealand is consistently a clear voice on the world stage, we're not afraid to step up and talk about what we think is right, and small countries can make a big difference."

Key's two-day visit to Australia comes at a trying time in domestic politics for Gillard.

A recent Herald/Nielson poll put support for her Australian Labor Party at just 27 percent, the lowest in 39 years.

Gillard is under fire for her plans to introduce a carbon tax and have Malaysia set up a detention centre to take refugees who arrive in Australia by boat.

This week marks one year since Gillard rolled former Australian prime minister Kevin Rudd who is being criticised for giving media interviews in the lead up to the anniversary.

EMISSIONS TRADING LINK

New Zealand and Australia are looking at linking the two country's emissions trading schemes.
the business community.

However, Australian Prime Minister Julia Gillard is under fire domestically for her attempts to put a price on carbon which has seen her Australian Labor Party plummet in the polls to 27 per cent, a 39 year low.
Gillard said Australia wanted to catch up with New Zealand and show the determination to address climate change. "If Kiwis had the guts to price carbon, why can't we?"
Australian and New Zealand officials are to begin work linking the two schemes.

**THERAPEUTIC PRODUCTS ANNOUNCEMENT**

Officials have also begun work on a therapeutic products regime that excludes natural health products – for now.

Prime Minister John Key announced the decision to proceed with the Australia New Zealand Therapeutic Products Agency today and said it would regulate medicines, medical devices and new medical interventions such as cellular therapy.

The announcement settles a long running disagreement between New Zealand and Australia over whether natural health products should be brought into the regime as well. Australia pressed for them to be brought under the umbrella of a stand-alone agency but National resisted in opposition and scuttled plans to do so in conjunction with the Greens.

Mr Key said both countries had agreed the creation of the joint agency was not dependent on natural health products being part of the joint regulatory arrangements.

But he left the door open to them being brought into the regime after a review in five years time.

The Government did not want to exclude this option from happening at some time in the future if both countries agreed, Mr Key said.

Officials on both sides of the Tasman would immediately begin work on the implementation of the new agency, he said.

The establishment of the Australia New Zealand Therapeutic Products Agency would take up to five years.

"New Zealand's regulatory arrangements for medicines and medical devices need to be updated and this is a cost effective and comprehensive way of achieving this."
used. Currently medicines are subject to this approval but medical
devises are listed on a notification database which should be improved—
the establishment of this new agency provides the opportunity to do
so.

Key is due to address the Australian Parliament this afternoon—an
historic first for a New Zealand prime minister.
But his visit has been overshadowed by domestic Australian politics
as Gillard celebrates her first anniversary since rolling predecessor
Kevin Rudd.

There is frenzied speculation over her leadership as the Australian
Labor party shed support over the emissions trading scheme, among
other policies, and Rudd—now foreign affairs minister—moves ahead
of her in the popularity stakes.

Stuff