

## **Australia and New Zealand join forces on standard setting**

Australia and New Zealand are looking to combine their efforts to maintain global relevance in accounting standards in future years, according to the chairman of New Zealand's peak accounting regulator.

Warwick Hunt, the chairman of New Zealand's Accounting Standards Review Board, told a conference held in Auckland last week that the two countries were conscious of the challenge of maintaining their profile in setting accounting standards in an environment where the International Accounting Standards Board was subject to the influences of countries such as the US.

Mr Hunt, who is also the chief executive of PriceWaterhouseCoopers New Zealand, said there had already been one meeting between the ASRB and Australia's Financial Reporting Council to determine how the two countries can work more closely.

One measure that was flagged by Mr Hunt was the creation of common membership of both the ASRB and FRC as well as the standard-setting bodies they oversee.

He said there were plans for each organisation to have one representative of the other to formalise what had been going on informally for many years as a part of closer economic relations (CER) program that has been in place for more than a decade.

The CER program has meant that the two sets of accounting regulators were obliged to ensure they generally harmonised with each other but this has been replaced in recent years with a focus on achieving a single global accounting framework by working with the IASB.

Relationships between the standard-setting bodies of both countries also resulted in the development of a landmark accounting standard on life insurance during the 1990s.

This article was supplied by Tom Ravlic. Tom Ravlic is a financial journalist who has spent the past seven years covering the accounting profession, accounting and audit standard setting and corporate governance. His work has appeared in various publications including *Business Review Weekly*, *Personal Investment* (now *Personal Investor*), *The Age*, *CFO Magazine*, the *Australian CPA*, the *Company Director Journal* and the newsletters of the internationally renowned Lafferty Group. In addition to his freelance commitment to a wide range of publications, Tom has recently accepted an appointment to be editor of *Chartac Accountancy News*, published by Melbourne-based publisher Crown Content