

POST-CABINET PRESS CONFERENCE: MONDAY, 22 AUGUST 2022
HANSARD TRANSCRIPT

PM: Kia ora koutou katoa, and good afternoon. Today, I am joined by the finance Minister, Grant Robertson, to talk more about this morning's news of the Government's action to ensure Kiwibank will remain 100 percent New Zealand-owned. But before I do, I wanted to share an update on weather events around the country and my visit to Nelson-Tasman last evening and this morning.

I am always mindful that visits into significant weather events or natural disasters will only give you a snapshot in time—you see the roads, sometimes after they have been cleared, or the houses after they have been assessed. You talk to people, but often several days into the response and before the hard work of recovery really hits home. With all of that in mind, there is no question that the rain in the region has been devastating. Homes have either become uninhabitable or they have large slips sitting precariously behind them. There's no question also that the recovery will take some time. And yet, in amongst all of that, I still heard and saw a very tightknit community working hard to support one another—stories of people showing up from other parts of Nelson to help out those flood affected, the scones being brought to workers, the women who deliver chocolates to the digger operators. I asked one woman if her home was OK. "Yeah, we're absolutely fine," she said, "except for the car hanging above it." It transpired that she couldn't return home, but she seemed much more worried about everyone else, much more so than herself. We can never, and should never, however, rely on community alone in these situations. People will become fatigued, and resources run out. We must keep up a consistent effort and ensure local and central government continue to work together throughout.

Today, at Cabinet, we discussed what comes next, with Minister McAnulty reporting in from the Marlborough region. In the very short time he had on the ground, he conveyed that local leaders and emergency responders were only now hearing the full extent of the impact, with contact being made with those who may have been cut off from the usual transport routes. This is one of our biggest concerns at present in the Marlborough region, with this weather event happening at a particularly difficult time for our rural communities. Minister McAnulty will be sharing more insights with us at the conclusion of that visit, as will, I'm sure, Mayor Leggett also.

In the meantime, following discussion with Minister McAnulty, who is in close contact with the mayors in both regions, we will be kicking in the Mayoral Relief Fund in Marlborough, with an initial \$100,000. We expect this to be extended. We've also received advice from the Mayor of Nelson that their relief fund should be extended by a further \$100,000, taking it to \$300,000. A reminder: the Mayoral Relief Fund is not intended to be a full recovery fund; far from it. They're, instead, highly discretionary funds that mayors can use as they see fit on the needs they identify in their areas. They sit separately to the funding that goes, for instance, into roading, welfare needs provided through the likes of MSD, targeted accommodation support, and so on. It is highly discretionary, though, and it's intended to get money into mayoral relief funds quickly to support recovery in very short order. In the meantime, we will continue to work with all affected mayors and local councils on the response and recovery, and I know, as extra weather comes through, albeit with less magnitude than last week, we'll continue to support the teams on the ground.

If I may, I'd now like to canvass the week ahead. This week, I'm in the House on Tuesday and Wednesday. I'm in Auckland on Thursday, including a visit to Costco ahead of its opening. And, on Friday, I'm attending a meeting with Te Arawa River Iwi Trust here at Parliament. Also, on Wednesday, the Government takes further significant steps to increase competition in the supermarket sector, as decisions are made around the wholesale regulatory backstop—the way in which the supermarkets' backroom is opened up to other

parties. This is a big and important step ensuring New Zealanders and their families get a fair deal at the tills and that this country's grocery sector is effective and operates fairly.

This morning, you will have seen news in a similar vein, ensuring competition and a good deal for New Zealanders in the banking sector. Twenty years after it was launched via New Zealand Post, Kiwibank is now able to boast over 1 million customers. And it's both exciting and reassuring that today the Government has secured Kiwibank's long-term future and New Zealand ownership. Not only will this safeguard all future profits to stay in the country, unlike the Australian-owned banks, it will also continue to enhance competition in the banking sector. The Government is fully committed to ensuring Kiwibank is supported to meet its full potential, and that includes ensuring access to capital so the bank can be a genuine and credible competitor, a competitor which, obviously, operates independently to the Government but that is able to compete on a level playing field with the big Aussie operators. I'll hand over to Minister Robertson now to talk more about the details.

Hon Grant Robertson: Thank you, Prime Minister. The outcome today honours the purpose and intent of Kiwibank when it was set up in 2002: a locally owned and locally run bank that provides a credible, commercially viable alternative with all the profits remaining here in New Zealand.

This transaction has come about as the circumstances for the shareholders since 2016: New Zealand Post, ACC, and the New Zealand Super Fund—all Crown-owned. Their interests in Kiwibank have diverged, however, since this time. As I have said previously, New Zealand Post's focus is now on growing its core delivery business, and owning part of a bank does not fit with that. For ACC, its long-term investment strategy has evolved beyond a stake in Kiwibank. Both indicated to us a desire to sell their holdings when we commenced discussions late last year. The New Zealand Super Fund had been interested in purchasing a majority holding in Kiwi Group Holdings. However, they ultimately withdrew their interest as it did not align to the Government's ownership objectives of New Zealand and public ownership. This is a bottom line for us, and I would note it was also a bottom line for the previous National Government when the current arrangements were established in 2016.

With the Government becoming the 100 percent shareholder, which is of course subject to regulatory approval by the Reserve Bank, this simplifies the Crown's ability to fully support Kiwibank to be an effective competitor in a banking sector, as the Prime Minister said, dominated by the Australian-owned banks and, indeed, to drive better outcomes for New Zealanders.

Kiwibank will continue to operate independently and at arm's length from the Government with the Crown's ownership of Kiwi Group Holdings through a newly incorporated Schedule 4A company, Kiwi Group Capital. Kiwi Group Capital will be independently governed by a board of directors who, with the appropriate mix of skills, expertise, and experience, will support Kiwibank and New Zealand Home Loans. The shares in this company are held by shareholding Ministers: myself, as the Minister of Finance, and the Minister for State Owned Enterprises. The transaction values Kiwi Group Holdings at \$2.1 billion.

At one level, the acquisition is a straightforward transfer of assets and it does not change the overall value of the Crown's consolidated balance sheet and net worth. The Government does have to fund this transaction, and this will be through the Government's multi-year capital allowance. This means that the cost to purchase is already reflected in the borrowing programme we announced at Budget 2022 and has no impact on the Crown's overall debt forecasts.

As part of the transaction, New Zealand Post intends paying the Crown a special dividend, which has yet to be determined by the New Zealand Post Board.

While the ownership structure is changing, it is business as usual for both Kiwibank and New Zealand Home Loans staff and customers. New Zealanders can continue to bank with a trusted and credible and competitive banking option that will remain fully locally owned, with

all profits remaining here. With a significant commitment from the Government to invest in the bank's future success, Kiwis can be assured that Kiwibank has a very bright future.

Prime Minister.

PM: Right, thank you, Minister. After 20 years of operation, it is indeed an exciting milestone.

Happy to have some questions. Jessica.

Media: Prime Minister, will you or any of your Ministers engage with the protesters tomorrow at Parliament?

PM: Oh look, that's certainly not my intention; I haven't heard that intention from any of our other members. But what I can say is Parliament is a place where, of course, over many years we have welcome peaceful and lawful protest, and we want to see that ability resume. But of course what's most important is that it remains peaceful and lawful.

Media: Do you think that Parliament is responding appropriately? We've got black-out curtains across the bridge and around the Banquet Hall and bollards set up. It definitely feels like the pendulum has swung the other way from perhaps not being prepared for the last one.

PM: But the grounds are open. So I think here you can see Parliament working very hard to make sure that we're balancing our responsibilities as a democracy that has historically and will continue to welcome peaceful and lawful protest. It's part of who we are as a nation. But, of course, we did have a recent experience that came at great expense to Parliament and its grounds, so it's only natural to see those extra assurances in place to make sure that that protest occurs in a way that doesn't leave significant damage in the aftermath.

Yeah, Imogen.

Media: Online, the Freedom and Rights Coalition say that tomorrow, they'll be holding a people's court in which the New Zealand Government will be tried for crimes against humanity. Have you got an updated security threat or concerns about tomorrow and the messaging that they're sending out?

PM: Look, ultimately the way in which a protest conducts itself will ultimately be for the organisers. What we're making clear is that Parliament is a place where we will, of course, continue to welcome peaceful and lawful protests. But, again, we're really imploring people—peaceful and lawful. It's, I think, the best foundation for us to make sure that we have, again, a rigorous democracy but one that doesn't undermine the security of the people who work in this place but also those who work and live in the surrounding areas of Wellington. On my own individual circumstance: you can imagine that wouldn't be something that we would tend to comment on, but I'll be treating it as business as usual and you'll be seeing me here all day as per usual on a Tuesday.

Media: They're calling for a snap election. Is that anything you'd be interested in doing?

PM: No. Perhaps you might wish to ask them: on what basis? I'm not entirely sure actually of the purpose of the protest tomorrow either. But that's for them. Barry.

Media: The Labour caucus, of course, tomorrow will consider the Gaurav Sharma expulsion. Why don't you simply set up an inquiry? Allegations have been made on both sides and yet neither side has been tested in terms of information—hard information—out there in the public arena.

PM: Well, actually, I'd like to think that we've stuck just simply the issue at hand throughout, Barry, rather than getting into allegations. But ultimately, as I've said here a number of times, there has been no basis to the claims that have been made, and I think we do need to have thresholds before we launch into things like inquiries that, of course, come at considerable expense and stress and anxiety to the staff that would be drawn in. And if I may, that is the reason we are having this conversation in the first place. We had a member

of Parliament that work was done to performance manage, because there were complaints about their behaviour within their office. We seem to have lost very quickly the focus on that core reason in the first place.

Media: Have you made inquiries as to who the MP that he says he spoke to was?

PM: No, as in talked to—well, obviously the caucus hasn't met, but actually, Barry, my take on that issue as a whole, I don't want to get into a tit for tat over a secret recording. I don't think the fact that it happened in the first place was appropriate. Also, it happens to be my personal opinion this was most likely someone who believed that they were helping in what is a very difficult situation for the Labour team.

Media: Doesn't it show, though, that you could have more trouble on the backbench than what you anticipate?

PM: No, I don't believe so, and, again, we have a very large caucus but a team that we've all worked very hard to make sure they are well supported. We've been discussing in recent days some of the professional development that we work on, for instance, and the fact that we have this situation in the first place actually demonstrates the hard work we've been doing to make sure that we have the best and most well-functioning team we can. But, again, issues will arise. We continue to do what we can to deal with them most appropriately. Caucus will make its decisions tomorrow.

Media: Dr Sharma has provided screen shots of the Labour caucus WhatsApp group which says that the message from Kiri Allan saying correspondence to Ministers' offices under their ministerial hats is less than desirable because it can be OIA'd.

PM: I've read the message and I'm not sure I would characterise it in that way.

Media: Right. But he's sort of suggested that proves that backbench MPs are being told not to put stuff in writing.

PM: Absolutely not. In fact, what you can see there is a Minister who is concerned, as a decision-making Minister—she's a Minister of Conservation, remember. She makes decisions often where she needs to ensure that no one seeks to compromise that decision making. It's only appropriate to remind MPs that it wouldn't be appropriate to lobby a decision-making Minister, and if you do, of course, that would be information that would be released. So you can see, actually, there, clarity that should that occur, it will be public information.

Media: What would these MPs be talking to the Minister about?

PM: A lot of things. Remember, decision-making Ministers might, for instance, have signing rights on decisions like fast-track resource consenting, just for example. And there are certain things that you've got to be careful around the lobbying that occurs there. So there's nothing inappropriate with reminding MPs around what is the most appropriate way to deal with a Minister who has decision-making rights. And when you're a conservation Minister, there's a few areas of that nature.

Media: Doesn't the lobbying still happen, though—it's just that there's no paper trail and therefore people aren't informed about what happens.

PM: No, that's a really cynical interpretation. That's why Ministers work really hard to make sure that where they do have decision-making rights, that they treat those situations very carefully. We take our job seriously. We often can be judicially reviewed on the basis on which we make decisions. We do need to make sure that we undertake those decisions with due caution, and it's important to make sure colleagues know how seriously we take that as well.

Media: Just back to the professional development session on that Monday, 8 August. In that panel discussion about the LLO versus ministerial offices, were MPs in that meeting told to not make a paper trail so it couldn't be OIA'd?

PM: So we'll be releasing the response that we'll provide the Ombudsman. Look, and if I may say, if I was the Ombudsman and I heard allegations of that nature, I probably would have raised questions with us too. The fact is, though, that what has occurred in this professional training session has been completely misrepresented. It will provide some more context, but in it, for instance, it acknowledges that a question was asked where an MP raised a situation where a constituent's personal information was released in an OIA, and concern about that. You can imagine that in responding to that we would talk about where the law takes effect, and where it does not. This is information that MPs need to know. And so, again, unfortunately we find ourselves in a conversation where we've got a complete misrepresentation of the situation.

Media: And just ahead of that caucus meeting tomorrow—is there any way that Dr Gaurav Sharma won't be expelled from the caucus tomorrow?

PM: It's a decision for caucus, and in the same way that the meeting he chose not to attend was a decision for caucus, I cannot give you a final position until that meeting occurs.

Media: Will he be attending tomorrow?

PM: I do not know. Our caucus rules are very, very clear, though, that, for an issue of expulsion, a member has to be given the right to attend and speak, and of course we follow our rules closely.

Media: Would you encourage him to come along?

PM: Oh, of course, as I would for the last meeting as well. I think a natural process—a justice process—really is dependent on someone engaging in it. Unfortunately, he has chosen not to today, and nor has he chosen to engage in the offer of independent mediation. I would prefer to engage directly, though, than through—

Media: In terms of that process itself, what exactly to the layperson does that look like? So you go into a room, let's say he's there, one person stands up and says, "This is my view." What does that process look like?

PM: Well, that might be something we'll have to wait until after the fact. I'm not going to theatrically script a meeting with, ultimately, people who are his colleagues.

Media: Given there is a possibility that Dr Sharma might turn up tomorrow, how do you go about having conversations with the caucus that you don't want to get out into the public? Obviously there was a meeting [*Inaudible*] ahead of the suspension meeting, do you anticipate doing that again?

PM: No, because, keep in mind, the reason for that was because at that point there had been no discussion on the rules—how issues like this are dealt with. Keep in mind, this is a caucus who have not had an experience of this nature over the last two terms, and so that was an opportunity to ask questions, to answer them, to explore the rules and how they apply; there's no need to do that again.

Media: And in terms of, if you're looking at expulsion, there will be caucus members who will have views on that either way, and you don't have the means to do that in a potentially non-public way if Dr Sharma turns up—

PM: No, that is correct.

Media: —so are you going to address that?

PM: No, that is correct. We will still, however, operate in a way where people are able to contribute. But I imagine that there will be those who will make a judgement on what they say because, given we've had messages and secret recordings—that it doesn't create an open environment. And that is the reason that we will be considering the rules which very clearly state that you are meant to have confidential caucus conversations.

Media: Are you going to have a meeting tonight?

PM: No, we have nothing that we have planned except our caucus meeting, Barry.

Media: Lastly, can I just come back to Ben's question earlier, in terms of the lobbying. I'm just struggling a little bit with, if MPs are being asked not to lobby Ministers on paper, but have a viewpoint which—it seems from that text message that's gone public, what that message that's gone public, that the suggestion is to talk to the Minister. So what's the differentiation between lobbying in person—

PM: The suggestion is, understand whether or not it compromises the Minister's decision-making rights. So have an understanding of whether or not it's an issue where it is appropriate to write with your concerns, or whether or not it may compromise the Minister.

Media: So the verbal conversation that Minister Allan was asking to take place was to be able to make a judgment call about whether that conversation—

PM: —It was appropriate—

Media: —was appropriate or not?

PM: That is my understanding, yes.

Media: Should the expulsion motion pass tomorrow, is it Labour's rules that that will automatically go to the board to cancel his membership? And then, what's the process—

PM: No, good question. Separate process. So, caucus would need to make a decision to refer the matter to the party, and, of course, that referral doesn't just—or couldn't just—come from caucus, it can come from members as well.

Media: And would the electoral integrity act—would that have to be brought up within caucus, would that have to be voted on? How does that—

PM: That is not something that, at this stage, that we are intending to discuss, or indeed to trigger. Top of mind for us is not to cause undue expense to the taxpayer.

Media: And there's also been a YouTuber from Australia that says that they've been denied entry into New Zealand. Have you been briefed on the situation?

PM: I've—only what I have seen in the public domain. And just to be absolutely clear, this is not something that, as I understand, would come up to a ministerial-level decision. I understand that it is solely for immigration, and it's not something I had any awareness of until I saw some commentary online.

Media: Prime Minister, just on that if I may. How concerned is the Government at the potential for people coming from overseas to be part of these protests—

PM: How what, sorry?

Media: How concerned is the Government that people might come from overseas to join these protests, given the sort of amorphous—

PM: Again, for us, it's not about where people have come from; it's simply whether they're willing to engage in peaceful and lawful protest.

Media: Just to that point, how concerned are you about radical right-wing fringe elements—neo-Nazis—piggybacking on the sort of anti-everything agenda of the Freedom and Rights Coalition to parade outside Parliament?

PM: My primary concern at this point is peaceful and lawful protest. And, of course—yeah, of course there's concern if you look out and you see—as we've seen in the past, you know—hateful messaging, derogatory messaging around our ethnic or religious communities or, indeed, complete disinformation. Of course that is of concern, and there are a number of things that we need to think about around how do we ensure that we have a society where there is no place for such derogatory and hateful statements. But, again, real focus tomorrow on peaceful and lawful.

Media: Prime Minister, you talk about peaceful and lawful. The last protest had signs and chanted threats to kill you and members of the Cabinet and a bunch of us as well. Is that something that should be investigated and prosecuted if done again?

PM: And here you'll know, of course, that I, you know, particularly—and this is not to diminish what happens for politicians, because some of the escalation I've seen and some of the language around politicians—particularly, in recent time, local government, as they come up to the elections—is deeply concerning. But the addition of journalists also gives me grave concern. You know, we know that we're going to venture into spaces where we will encounter some of that; that doesn't make it OK. But to then start bringing into question the independence of media, which we rely on people to be able to have trust in, that deeply concerns me. And I've seen the security that's had to be provided; I've seen the attacks on journalists as well. And so for me that is an extra layer again. In terms of following that up, though, we do rely on the Police making those decisions. Of course, we wouldn't want an environment where politicians are directly involved in prompting prosecution on individual matters, but I have confidence in them that they take that duty seriously [*Media inaudible*]. They do, and the one thing I would say is, of course, they do rely on referral; they do rely on complaints being raised and information by those who may be the subject of those threats as well. But, again, I can't tell you what their process is where they see a sign, for instance. But, again, it does mean that we are asking for people who are the subject of those threats to help the Police. I will come back to you, John. I'll let you finish here, Bernard, with just this last one.

Media: So they were threatening to kill you and members of the Government. Did you lodge complaints with the—

PM: No, no, but of course it would be unusual for me to do that because I do have a specific set of protection services who you will have seen there have been prosecutions around that. So they individually pursue those issues, and often that's not something that I tend to be directly engaged with. As you can imagine, I don't go through every single file. I imagine it would be quite hard to do your job if you did. Yeah, Jane.

Media: Gaurav Sharma, if he is expelled tomorrow, are you signalling that you would err not on the side of the party-hopping legislation, just for that comment about taxpayer expense in by-elections?

PM: Yes. Yip. But again that doesn't predetermine the decision that will be taken by caucus, but at this stage, we haven't, for instance, got any intention to discuss that legislation or to discuss triggering it. And one of the concerns in my mind is unnecessary expense for taxpayers.

Media: Would that depend down the line—if he is expelled and becomes an independent MP, would that depend on his conduct somewhat and in terms of voting as well?

PM: That's my view as it stands, so I won't project into the future, but that's my view as it stands.

Media: Prime Minister, last week two children were tragically found dead in suitcases in Auckland. If I may, especially as a parent, what did you make of that?

PM: I will be cautious because these are very current lines of investigation, and we need to let the Police do their job. I find any reporting that involves children very, very difficult, but I think everyone does—our kids.

Media: Just one for Minister Robertson, the Kiwibank purchase—

PM: Great—yeah, thank you.

Hon Grant Robertson: Oh, kia ora.

Media: The Kiwibank purchase—is it a bail-out in disguise because of the diminishing business model of New Zealand Post?

Hon Grant Robertson: Absolutely not. What this is is making sure that a banking institution that we think has got a really important role in New Zealand stays Kiwi-owned, and when the five-year exit limit came off last year, we began discussions. Two of the shareholders didn't want to carry on, because their investment strategies had now changed.

The super fund had some interest in carrying on but they wanted a level of flexibility which, effectively, would have been around the potential for foreign ownership or final sale to foreign entities that we simply couldn't do because our bottom line was to stay Kiwi-owned. Kiwibank's doing well. It's a good business. It performs an important role in giving New Zealanders a viable alternative for a New Zealand-owned bank, but also can play that role of disruptor and making sure that the other banks play ball. So, no; far from it.

Media: It's for Mr Robertson as well. There's heaps of competition in the banking industry. Why does the Government need to own a bank?

Hon Grant Robertson: Because we strongly believe that a New Zealand-owned bank that can compete—and it's not as big as the big four; we all acknowledge that. But it can play an important role. A lot of New Zealanders want to have their banking with a bank where they know that all the profits stay here in New Zealand. We'd also be having a very, very different conversation today if the outcome of the discussions had been that we had allowed Kiwibank not to be majority New Zealand-owned or 100 percent New Zealand-owned even because that would have been against our commitments that we've made as a political party. I think it remains an important part of New Zealand's banking landscape and I'm really proud, actually, that as a Government, we've stepped up and said we will keep 100 percent Kiwi ownership.

PM: Jo? Because you had one for—

Media: Not on Kiwibank but for Minister Robertson. There has been some commentary about the role of deputies within parties in terms of being approached when there are issues—obviously, when the Prime Minister, Labour leader is particularly busy and got a lot on—not saying you're not busy. But either in your Deputy Prime Minister role or, I guess, have you had conversations with Kelvin Davis as deputy leader—have you ever felt that you should take on that role of, I guess, being accessible to MPs if there are issues in the same way that the commentary has said, you know, Annette King played that role for a number of years? Do you see yourself as being needed to play that role?

PM: Minister Davis does play that role as well, but I'll let Minister Robertson speak for himself.

Hon Grant Robertson: Yeah, I mean, I think all the senior Ministers in our party are accessible. All of us have relationships of different types with MPs from multiple intakes. We operate, you know, some de facto buddy systems and so on where people work closely with MPs. Kelvin is the deputy leader of the party and so, therefore, he does have a particular role in that regard and he does play a role where there are issues that need to be dealt with. The Prime Minister also does and has made that point multiple times to our caucus, that her door—or even if it's sometimes a virtual door—is open. So that does happen.

PM: I think that's one thing that's worth reflecting on. I think there might be an assumption that it's like taking on a new job and that you come into a new workplace not really knowing anyone. That's not the case for Labour MPs to be in the position to often—this is not always the case—be selected as candidates either locally or for the list. It's because they've usually spent a reasonable amount of time in the party, they're known to individuals, they have relationships with individuals, and that does mean that once they are in our caucus we've got pre-existing relationships that we can use to make sure that we're staying in touch.

Media: Sure, but, I mean, everyone knows that that 2020 caucus was particularly big. So did you take note and put in anything different or extra because of how aware you were of that group coming in in terms of what they need?

PM: Yes, and you can see we've extensively—and I think the whips have shared extensively a number of the new initiatives that we had as a team to support our new members. And one of the events you've raised with me was one of those. I, for instance, went down and spent the evening with the class of 2020, just an open discussion around how everyone was doing, how their experience was. So I had a session that evening for—

Media: What did Gaurav say?

PM: He wasn't there.

Hon Grant Robertson: I was just going to add for Jo that the experience that the Prime Minister and I had when we came in to Parliament in 2008, there was very, very little of this kind of support provided, and over the years I think our caucus—and, I suspect, others as well—have learned that, actually, we do need to do more, especially when you get a big intake. So, actually, there's been significantly more support provided to the 2020 intake than I can remember of any intake before it, and, most definitely, 12 or so years earlier with us.

PM: And that includes support in terms of managing people, which actually is at the heart of this issue in the first place. Yeah, Luke, you had—oh sorry and then—

Media: Has this episode over the last 10 days made you and the Labour Party think a bit about candidate selection?

PM: Oh, look, no more than we always do. You know, actually, something I've always been mindful of is that these are such important roles that, as much as possible, knowing candidates, having a good sense of their connection to community—we've got a number of processes in place to help us with that, but, you know, there's always things that we can do to improve them. The party, in particular, of course has a key role; my role tends more to be involved as a member of a list moderating committee, but I know Claire Szabó's done a lot of thinking on how we can improve them. But, ultimately, with such a large caucus, I think that we by and large have an exceptional team, and it's generally worked very well. Jess.

Media: Do you think that the concept of independent MPs are fair, because they, effectively, come in under the Labour umbrella and then are sitting there in Parliament outside of Labour? So, in principle, is that fair?

PM: It's a good question. It's been at the heart of some of the debates that have been in Parliament over legislation like, for instance, waka jumping. Look, my hope had, ultimately, been that we wouldn't be in this position in the first place. We've created a number of opportunities to work with Gaurav. We used suspension rather than expulsion. We offered independent mediation. We have tried very hard, because in our view, yes, people in Hamilton West weren't just giving their vote to an individual; they were giving a vote to Labour representation. We've taken that seriously. Unfortunately, the member has chosen not to engage.

Media: That 2020 [*Inaudible*] that you were talking about that you attended—is that the meeting that he referred to where the OIA was discussed and are you saying he wasn't at that, or is that a different one?

PM: Same evening, different session.

Media: But was he at the other?

PM: I am told, yes, later on. Yep.

Media: How are you sort of feeling personally about the issues that have been raised in the last week? You've been called a liar, essentially, and serious allegations have been made about the way that your office has run, and the relationship with one of your MPs has, I'm guessing, been destroyed—well, how has that made you reflect on how you're feeling about the relationship with that MP?

PM: Tom, I think—you know, I think the thing that, if I'm honest, I've found the most difficult is that we've seen these just blatantly incorrect statements made about people who I see work very, very hard. And I see them operate up close, and they go out of their way to be supportive and helpful. I cannot reconcile the way that these individuals have been described by Gaurav Sharma. And I find it very hard to see them being attacked. When it comes to me, I rely on the fact that I hope that, over time, people have gotten to know me. But, of course, I, at the same time, reject the statements that have been made.

The final point: it actually has reminded me of what otherwise a fantastic team we have. I've been in caucuses where we've had repeat issues. We have not. We have one situation which

I consider hugely unfortunate because there's been ample opportunities to resolve this and we haven't been able to, so I'm very sad about that, but I'm also sad for the people who are being attacked.

Media: Issues about defamation have been raised over the weekend with regard to some of the things that Dr Sharma's been saying. Do you expect to see any more of that, and would you be talking to your caucus if they feel defamed by him?

PM: Well, I am concerned about the idea you can simply make statements that are just incorrect and they can then just sit there. But, look, no, from my perspective, no, but I do have concerns for staff members, but nothing formal or anything like that. Really, I would just ask, you know, we're members of the Labour Party. Our job is to look after the people who work for us. He'd do well to think about that.

Media: Just on the protest, Brian Tamaki and the coalition have been clear that they are going to hold their people's court and then deliver their verdict and then go. And they have claimed that they will themselves condemn violence. So are you receiving a different expectation from police given the response because if we're looking at people who are just going to come, give a verdict, and go, the response seems not very proportionate?

PM: I think it's just wise to be prepared. When you think about the impact—and of course, that's for those who are talking about their intention to attend. There may be others; we don't know. But here, I think you would otherwise—were that not in place, you might raise questions as to whether or not enough preparation and thought was going in, given the consequences of last time.

We have to think about the children and young people who access these grounds, the workers who go to work, the businesses who try to operate, and the people who try and—or need vehicle access. I mean, I still remember the struggle to get an ambulance to the grounds. No one wants to see a repeat of that, so I think it's a balanced and cautious approach while still allowing people to come to the grounds.

Media: Mr Tamaki has said that he will announce details about his “umbrella party”. What's your response to that?

PM: That's a matter for him.

Media: So just with your Wellington Central hat, with the Parliament protest questions, I've just been watching you, and you seem quite, sort of—you obviously have spoken before about how that was—

PM: Were you not using a poker face?

Hon Grant Robertson: Yeah, no. Failing completely.

PM: OK. Ha, ha!

Media: How that was one of the most difficult things for you in your entire career and how it was personal. How are you feeling about tomorrow, and do you think that the efforts that have gone in around the place are proportionate in terms of what we're expecting?

Hon Grant Robertson: I'd really just reiterate what the Prime Minister said: peaceful and lawful protest at Parliament is part of our history and needs to be part of our future.

We do, however, have the experience of February and March on all of our minds. And I bet, Jo, it's on yours and the gallery's as well, because you all had to put up with that as well. So the response that I've seen from the police and from the Parliamentary Service, I do think it proportionate, given what's happened, but I also really hope that there can be peaceful protests out there.

I've said it before: I've led them on to the grounds of Parliament. I think it is an important thing. But yeah, it was a really distressing time for the people who live here, who have businesses here, the children who go to school here, and there's no way any of us want to see a repeat of that.

Media: Prime Minister, can I just ask on the Sharma stuff but at a different sort of angle. Does it make you reflect at all on the power balance in caucus and in Parliament, and how much power is actually given to the backbench and whether they're able to speak their minds of different issues? Because in Australia, there's obviously a grand tradition of backbenchers speaking out; it doesn't happen so much here because of the electoral system and other reasons. It struck my mind reading our departed colleague Henry Cooke's column in the Manchester *Guardian* about, you know, "ruling with an iron fist", and it did strike me that that's actually, that's close to the line when it comes to—

PM: I'd like to think that no one would characterise me in that way. You know, it's one of the things that I've really wanted to ensure is that we have a really open caucus environment, and I have been thinking about what more can we do to always encourage that, because I think that's just healthy; always reflect on that no matter where you are in the cycle. Because I've been in caucuses that haven't always been great environments. So look, I will always keep thinking about how we can create that environment for everyone; constantly mindful of making sure that we are not hierarchical in our caucuses, regardless of who is a Minister and who is even a new MP. And I think, by and large, we do pretty well at creating that environment.

One thing I would say, though: the rules say that caucus is place where you raise anything. That's what it's for: so that people can just share their view, and I wish that had happened.

Media: It's interesting though, isn't it? The rule that he broke was speaking out, wasn't it?

PM: Well, no. Actually, no. It's actually, at the heart of the issue is not necessarily the original communication but all the conduct thereafter. You can see that after the first statements I made after that original article—very much concerned about how we can resolve the issue, then even the decision to suspend. Again, trying to offer independent mediation; trying to resolve the issue. It's been the conduct thereafter that's been really difficult.

Media: Just for the finance Minister on inflation: yesterday's decision to change some of the migration settings and set the wage levels for a couple of years at below median wage. Were you concerned about or thinking about keeping wage inflation and inflation generally low when the Cabinet made that decision?

Hon Grant Robertson: No, not particularly. What that consideration was, was, in fact, the labour supply constraints that have been holding up a number of sectors. And, obviously, as Minister Wood has said, we want to see wages rise over a period of a couple of years. We're giving these sectors where there are real challenges for getting the staff that we need a little bit of a grace period as they move forward from there, but it wasn't a particular conversation about wage inflation; it was much more simply about sectors that have been really struggling to get people.

PM: Thanks everyone.

conclusion of press conference