

POST-CABINET PRESS CONFERENCE: MONDAY, 3 OCTOBER 2022
HANSARD TRANSCRIPT

PM: Kia ora, and good afternoon. Today, I'm joined by Associate Minister of Health Dr *Ayesha Verrall to announce significant outcomes from the Government's *Healthy Homes Initiative. But, first, the week ahead: I'm in Auckland tomorrow, focused on our economic recovery, including meeting with the chairman of Lloyd's and a visit to the *Auckland Film Studios, which are seeing a healthy stream of productions.

On Wednesday, the end-of-year Crown accounts are released, covering the toughest period in our COVID response, including the responses to both Delta and Omicron. Without revealing the details, despite those challenges we know our current position is strong. Our economy is now 5 percent larger than before COVID. Unemployment is considerably lower than it was at the comparable period after the *global financial crisis, and we've managed to achieve this with a similar debt level to what National took on as a percentage of GDP during the GFC. That is despite the COVID economic crisis being even more severe. Our economic management has been purposeful. When COVID arrived, we set out to avoid the mistakes of the past, and we have, coming out of COVID in better shape than the comparable period of the GFC and better than most countries we compare ourselves to.

But, with the health emergency behind us, our focus must continue to be the ongoing economic impact. Our priority is to utilise our financial position to keep making the much needed investments to support New Zealanders through cost of living issues and make necessary investments in health, mental health, education, and housing. Minister *Robertson will set out more detail on Wednesday. One area we maintained investment in through COVID was child poverty reduction. The impact of that investment will be seen on Friday, when MSD release child poverty analysis and demonstrate that despite a one-in-100-year pandemic and economic shock, the delivery of ongoing improvements, especially to material deprivation.

On Thursday, I am in Northland, before heading back to Auckland for the *Kiwi Indian Hall of Fame Awards. Of significant mention here is the first visit to New Zealand in 20 years by a Foreign Minister of India, following visits last month by Ministers *O'Connor and *Whaitiri, which signals the strengthening of relationships between our two countries and the opportunities that exist there.

On Saturday, 8 October, the *Rugby World Cup begins, and I will be attending the opening match between our Black Ferns and Australia. I know that organisers have their eye on selling out Eden Park for that match, to fill all 47,000 seats, and I want to join them in encouraging everyone to get behind our amazing Black Ferns.

To today's announcement, the Healthy Homes Initiative provides low-income families with the likes of insulation, heaters, curtains, bedding, and minor repairs to make houses warm, dry, and healthy. We know that poor housing stock can make people sick, and so the key aim initially was to support families with children at risk of rheumatic fever. More recently, it was expanded to families with children under five years, and also pregnant women. When we came into Government, the scheme was in place across 11 regions of New Zealand, but our substantial investment of \$30 million in Budget 2021 will expand the programme to the whole country, and that will be completed by the end of the year. In the latest review of the programme, released today, you can see why it's such an important part of our work to address health disparities.

I'll now hand over to the Associate Minister of Health to set out the latest findings.

Hon Dr *Ayesha Verrall: Thank you, Prime Minister. More than 142,000 Kiwis have now benefited from warmer home interventions—that's 31,000 kids and 111,000 family members. In homes where these improvements were made, hospitalisations reduced by

almost 20 percent for both the child who was at risk and the wider family. Where people were hospitalised, it was for a shorter period, and it was less severe. We have also seen the rates of rheumatic fever hospitalisations drop by 40 percent in the 2021 year, compared to the previous year, and school attendance in the homes in the programme has increased by 3 percent, and employment of the adults in the home increased 4 percent. Ninety-four percent of the people who were in the programme were either Māori or Pacific.

The evaluation shows the social benefits of the programme exceeded the cost of the programme, through less burden on the health system, people able to remain in work, and the ongoing education and school connection for our young ones. The return on investment has actually been made in one year alone. That's a lot of money saved, but the human impact is greater still: a child's illness prevented, time off work and school avoided, and a reduction in pressure on the health system and the health workforce. It's our belief as a Government that everyone deserves a warm, dry, healthy home, especially our tamariki. New Zealand should be the best place in the world to be a child—all who deserve to live somewhere, and everyone deserves to live somewhere that doesn't make them sick. I know that many of the patients I cared for as a doctor came to hospital unwell as a result of the home they were in, and it feels really good to be able to discharge them into a place where they'll stay healthy. The reduction in risk of hospitalisation shows how important this programme is for improving the health and wellbeing of Kiwis. It also demonstrates a benefit of when we invest in preventive healthcare, rather than needing to spend it on treating people once they are unwell. Thank you, Prime Minister.

PM: Thank you, Dr Verrall. We're now happy to take your questions.

Media: Prime Minister, how concerning is it that we're in a country where 142,000 people need support for pretty basic housing rights?

PM: Now, we know that we, when we came into Government, had a situation where we did have housing stock in New Zealand that was making families sick. To see now the difference that this programme has made, and to see that significant reduction in the number who, as a result, have needed to go to hospital is really heartening, but it tells us we need to keep going.

Media: How much was spent on—total—on getting to those 142,000 people, and do you have a breakdown of how much was spent per household?

PM: Yeah, we could probably provide that to you. It will vary from household to household because of the different needs, because with those assessments you're assessing whether or not, you know—curtains, heaters, just to what extent those additional needs are, how far they go. But in some cases it's been as basic as making sure that people have the ability to heat their home. And so it will vary from house to house; we put in an extra 30 million, but I'd need to go back and look at the investment over time. But this is an investment that saves New Zealand money, in terms of reducing the pressure on our health system. But, actually, what's much more important is that children are staying well and healthy.

Media: Are you confident that all State homes across New Zealand are complying with these standards?

PM: No, not yet, of course, which is why we have the healthy homes standards* that need to apply to State houses as well. We need to make sure that the homes that we're providing, yes, to reduce the cost impact on low-income* families are available, but also that they're healthy. It's not just enough to provide a home; it needs to be a healthy home.

Media: But why aren't they all to standard right now? These are your homes.

PM: Because, of course, making sure that tens of thousands of homes are properly insulated—because, unfortunately, we did have a situation where not only did we have housing stock sold off, we had housing stock that wasn't up to scratch. So we've been rolling through tens of thousands of homes and refurbishing them. And I've visiting a few in

those refurbishment programmes; it's a significant undertaking, making sure that they have, in some cases, window frames being replaced, proper insulation, and a heating source.

Media: Do you know roughly how many are left?

PM: I could get that for you, but we have made good progress.

Media: There's a report out today that a pregnant woman died at Palmerston North Hospital after her admission to ICU was delayed. How concerned are you—both of you—about that hospital?

PM: Given the background and role of Dr Verrall, I'll ask her to respond.

Hon Dr Ayesha Verrall: Yeah, thank you. Clearly, it's a very tragic scenario for the families involved. Maternal and child deaths are extremely rare in New Zealand, and all of them are investigated. And, I guess, to answer your question, we really will have to see the result of the coroner and hospital's report into those deaths. But it's absolutely an expectation they're all investigated, plus we get a thematic report on maternal and perinatal mortality each year.

Media: There have been a number of concerns raised about the culture at that hospital. Are you seeking any assurances around the quality of care at the hospital given those concerns that've been raised?

Hon Dr Ayesha Verrall: Minister Little* is responding to this, but I think that those types of issues about culture and about how the escalation of how people who have sepsis are dealt with is precisely what that report should cover.

Media: It comes on the same day as a report that's being released about a woman who was given pain relief that she wasn't supposed to be given and then had an adverse reaction to it, and no one noticed. What is going on at Palmerston North Hospital?

Hon Dr Ayesha Verrall: Yeah, I'm not aware of that second complaint, but, of course, where those sorts of thematic concerns are raised, they will need to be acted on.

Media: How far away is a decision on the time line* around COVID boosters?

Hon Dr Ayesha Verrall: So there was some early study of that by the COVID vaccine TAG. I think the first thing to note is that, overall, we have identified the most at-risk group for the second booster, and our eligibility for the second booster in New Zealand is broadly in line with the rest of the world. The committee, however, has gone back for further clarification of that advice, and the issue relates to the additional benefit and risk balance for people in those younger age groups—so, whether the risk of side effects is balanced by any more people we can include and help.

Media: But at this point, the current advice is keep it as it is?

Hon Dr Ayesha Verrall: Correct.

Media: Why not open it up so that people can pay for it if they wish—if they want to knowingly take on the risks and are willing to pay for it, why not allow that to happen?

Hon Dr Ayesha Verrall: That would be a very unusual approach to vaccinations—

Media: Like the flu vaccine.

Hon Dr Ayesha Verrall: No, there would always be a decision on public health and safety grounds made first about who was eligible for a vaccine before we made a decision about how it was funded. We don't let you pay to expose yourself to more risk in the system.

PM: Because, for instance, everyone is determined to be eligible for flu—then we determine where the most advantage is, from a public health perspective, to have as much access as possible. So this is a question of who, clinically, should be eligible.

Media: On visitor visas, Prime Minister, are you concerned about the length of time that people are having to wait for their visitor visas, and how that could affect our tourism?

PM: Yeah, so, just to again reiterate: this group of visa applicants don't make up the majority of those who are coming into the country for tourism. So if you take out China from the numbers, it represents—about 12.5 percent* of our pre-COVID arrivals are represented in this group of visa applicants.

Then if we look at the processing time—so, of course, the majority of people coming in for tourism in New Zealand don't require a visa. So those who are coming in and applying for visas, they are from specific countries, and those specific countries make up about 12.5 percent of our tourists. We've taken out China simply because they are not tending to travel at present.

At the moment, from 1 August, they're being processed in a median of about 14 days; 95 percent were completed within 34 working days. Now, because I expect that many—the majority—are coming in to visit family and friends, I imagine many will be needing a bit of lead time in order to get their visa processed.

Media: But that's almost—you know, 95 percent are taking seven weeks, and those, as you say, family and friends—so those are people who have been split from the—split families, throughout the pandemic. Shouldn't they be processed more quickly, or shouldn't we have anticipated this?

PM: And it is speeding up. As I've said, from 1 August the median processing time was 14 working days. But, again, this is a cohort; of course, we had an initial surge of applications, but now we are seeing the speed in which they're being processed speeding up.

Media: There's also another immigration anomaly for chefs in that they have to have a very specific qualification, and this was identified at the start of August. Why has this not been fixed yet?

PM: This issue of chefs', cooks' qualifications has been an ongoing one that we've been working through, and one of the issues is we don't have the same internationally recognisable framework for qualifications. But we have identified it's an issue that needs to be resolved. The Minister for immigration is likely to make announcements on what we see as a temporary solution in the next week or so.

Media: Prime Minister, I was just wondering if you could give us a little bit of insight into your Instagram post endorsing Paul Eagle* for mayor*—we all knew that Labour did, but why this morning? Are you particularly worried about his chances; you've seen some polling?

PM: No, no—nothing particularly triggered it. I saw him on Friday. We're at a time now where we want to encourage everyone to get their voting papers through. It'll be clear to you who we're supporting; of course, he's obviously someone that's well-known to us as a member of our caucus. So no, nothing particular in the timing, other than the fact that we really need people, of course, to engage in the election.

Media: If he does happen to lose the mayoralty race, what's his future like in the Labour Party? Should he re-stand in Rongotai*?

PM: You know that I'm not going to get into hypotheticals. The focus at the moment, of course, for Paul is the mayoral campaign, and this week.

Media: We didn't see that endorsement till right at the end of the Instagram post. Do you think he's the best candidate?

PM: Yes, I do, and if I was here I'd be voting for him. Obviously, I'm enrolled in Auckland.

Media: Will you be making a similar endorsement of Efeso Collins* in Auckland?

PM: Obviously, he's also a Labour—these are Labour-supported candidates, and I think it's fairly clear.

Media: Do you plan to do a post? You've got a big Instagram following; are you going to give Efeso a similar level of full public support?

PM: Yes, I will—tomorrow.

Media: Are you worried, just generally, about turnout—local...?

PM: Yeah, I am, actually, but it's a bit hard to say, because, of course, traditionally, turnout we have seen trend relatively low until into that final period. It's hard to say where it will land, but I am worried, because you would of course want to see it a bit higher than it is now. But, equally, at the same time, we're reliant on postal for local government, and yet postal—the way people are engaging with postal information or, in this case, decision making has changed and declined. So I do think it's time for us to have to work with local government and say, from local government's perspective, "What do you think will bring the greatest engagement with your voters?"

Media: What's the lowest threshold—do you mean—for them to be valid?

PM: Oh, no, that's not for me—but, ultimately, of course we'd want as many people as possible participating in their local democracy.

Media: What are New Zealand's key priorities sitting down with the *Solomons foreign affairs Minister this week?

PM: Sorry, what was the—

Media: What are the key priorities for New Zealand sitting down engaging with the Solomons this week?

PM: Yeah, and similar to, for instance, a bilateral engagement I had with Prime Minister Sogavare* at the Pacific Islands Forum*, they're very much just sharing in person and seeking in person: how can New Zealand and the Solomons continue to strengthen its engagements? What's the nature of our ongoing cooperation? We have a particular focus at the moment on the presence and role of our *police force, which have a longstanding* history there. How can we make sure that we continue to play a supportive role in that regard—particularly the training around community policing—and just regional issues generally. So the same set of things we're engaging on others with.

Media: The Solomons didn't engage with the White House*, the US. Do you plan to raise that in terms of it continuing to be quite fractious—that relationship?

PM: Ultimately, the relationship between the Solomons and any other nation will be a matter for them—you know, we're very careful about not interfering in an individual country's diplomatic relations. What we do share, though, is just a general wider view around regional security matters. They're very familiar with New Zealand's position on any security arrangements, and any member of the Pacific may enter into and the impact on the wider region. It's where we see diplomatic engagement that impacts on all of us in that regard; that's where we take an interest.

Media: Can I ask about tax, because it seems to be emerging as a bit of a political football ahead of the election. National is pledging to repeal a bunch of taxes, including the Auckland light rail tax and regional fuel tax, and then what they call the jobs tax, the tenants' tax, the ute tax, and then we also had the KiwiSaver* tax. But do you think it's intellectually dishonest to re-badge some of these things as taxes?

PM: Well, you will have seen us challenge this directly, the way that some of these—you know, for instance, the work that we've done to ensure that the playing field is level for first-home buyers. For them to re-characterise those initiatives in that way—no, I don't think it's a fair representation of the action we've taken as a Government. But I think, more broadly, what I would say is there's a lesson to be learned when you look at some overseas

jurisdictions who have gone down the track of wide-ranging tax cuts—for instance, as we've seen around income tax and stamp duty in the UK* and the impact that has had on their market and the impact that it's had on pension funds, and so on. You can see that policy decisions and the time at which you make them can have much wider ramifications—particularly where it's seen as tax cuts for those who are wealthier—and it may have, therefore, inflationary impacts. There is a lesson in that. We've been very clear on where our focus has been as a Government. It's up to National to answer for their policies.

Media: Do you think that's really a fair comparison to make, between New Zealand—

PM: Yes, I do.

Media: —and the UK?

PM: Yeah—yeah, I do.

Media: Well, doesn't this just show how difficult it is to actually have these debates on tax—

PM: Well, no. No, I think—

Media: —without scaremongering on either side?

PM: Yeah, I agree we should be able to have the debates, but I don't think it's an unfair comparison, because what we have on the table here is \$3 billion worth of tax cuts, of course which affect those on the top tax rate. The removal of the top tax rate in New Zealand, and also the removal of work we've done to pivot away from incentivising investors in the housing market to incentivising new builds and first-home buyers. In the UK, you're seeing the top tax rate change and stamp duty change. So, no, I don't think it's unfair to draw those comparisons.

Media: Prime Minister, why is the Indian Foreign Minister choosing now to come to New Zealand? What's the timing of the visit centred around?

PM: Of course, it's always for a visiting dignitary to speak to their own priorities, but from our perspective, we have a significant community in New Zealand. We have an ongoing interest in increasing our trade ties. There's a number of reasons why it's an important relationship for us.

Media: I understand that it's important for us, but why is it now important for them?

PM: Yeah, again, you would need to—I could never speak on behalf of another visiting dignitary as to the basis of their visit. But I know, on our side, trade relationships, people-to-people relationships, a relationship in education—they're all really important.

Media: I'll ask another way, then: how significant is a visit of the Indian Foreign Minister* coming here to New Zealand for the first time in two decades?

PM: Yeah, I mean, the fact that we haven't had a Foreign Minister from India visit in 20 years I think does demonstrate this is important. New Zealand has a very important relationship with India, but we want it, particularly in trade terms, to strengthen, and this is where we'll certainly be seeking to make a bit more progress on the trading relationship.

Media: Prime Minister, would you rule out a residential land value tax or income tax switch?

PM: Sorry—

Media: TOP proposal from yesterday.

PM: Yeah, OK. So TOP's policy is for them. I will be happy to talk about our policy when it is completed and when it is released.

Media: But you've ruled out a capital gains tax and a wealth tax. What about a land value tax?

PM: Yeah, and, again, I'm going to leave their policy for them. We will discuss and debate our own when it's been completed and released.

Media: So what about a land value tax?

PM: I am happy to debate policy with you when ours is developed and released.

Media: But you're happy to comment on National's tax policies.

PM: Yes, indeed—because theirs is developed and released.

Media: So is TOP's. What's the difference?

PM: Again, because that's their policy for them, but I'm not getting—you're asking me for ours, and ours has not yet been developed and released.

Media: Prime Minister, would you consider making authentic Mexican food like burritos, quesadilla, tortillas, nachos a technical skill?

PM: Sorry, would you like to give me a little more context to that question?

Media: Immigration New Zealand has declined a chef coming to New Zealand because they don't consider their skills to be technical.

PM: So Immigration New Zealand are currently working to a qualification, and a qualification that is not universally held. We recognise this is an issue, so we're working now on solutions. The Minister for immigration will have more to say on that in the next week.

Media: Have you been following what's been going on in Iran—

PM: Yes, I have, yeah.

Media: —and what do you make of it, Prime Minister?

PM: Yes, I have, and I've been deeply concerned to see the loss of life and, of course, just generally what we would consider to be human rights issues as they relate to women and girls. The Ministry of Foreign Affairs and Trade met on Friday with Iran's ambassador in New Zealand to raise directly the concerns that New Zealand has. We've been consistent here, though. At the Human Rights Council we were raising these issues in 2021, and we have a direct human rights dialogue where we've also been raising these issues directly with Iran.

Media: How did that meeting go between MFAT and the ambassador?

PM: Again, an opportunity for New Zealand to put directly our concerns, directly the view of the need for restraint, and the importance of the rights of women and girls, and we really value the opportunity for New Zealand to do that face to face, to be very clear on where we stand as a nation. In the same way, we must be clear with the likes of the regime in Afghanistan, where we're equally seeing the rights of women and girls being curtailed or impacting on their daily lives.

Media: Just back to the story of the pregnant woman who died, Prime Minister—

PM: Yeah, and then I might start wrapping, unless I see any others—yeah, OK, and then I'll finish over with Thomas, then.

Media: How did you feel about that story when you heard about it, and is that the kind of care that should be happening in New Zealand?

PM: Yeah, the first thing that has stood out to me is the request for privacy from the family, and so I really take that to heart, because this is a devastating story, but it's really important that we understand fully what has happened here.

Media: Prime Minister, in the UK Liz Truss* has asked King Charles not to go to COP 27 in Egypt on behalf of the UK Government. Would you consider asking the King of New Zealand to attend the COP 27 climate summit on our behalf?

PM: It's a good question. It's not something I've given any consideration to. We, of course, will have New Zealand representatives at that important meeting.

Media: It would be good to get a bit of value out of the King, though, wouldn't it?

PM: I think we get plenty of value out of the King.

Media: Prime Minister, over the weekend—

PM: I did say I'd give Thomas—and then, Jason, how about I finish with you.

Media: Just on your remarks regarding tax before, is what you're saying about National's tax policy that it would lead to more inflation and, potentially, therefore, higher interest rates which would erode the value of what they're giving people because they'd be paying more in interest rates?

PM: Well, certainly, when you see, actually, Treasury generally—and in the UK as well—commentary over the inflationary impacts of such policy. And we are aware of that too, because when we went through the cost of living payment, we were very careful to be targeted and time-limited to try and reduce the inflationary impact that that policy may have. So, yes.

Media: And are you also saying that, you know, the example in the UK suggests that a fiscal intervention like that is a threat to people's savings because of the chaos that it unleashes in the markets?

PM: Certainly, you can observe what's happened in the UK. And so I just leave it as read; you see the analysis there and the impact that it's had there. Our main focus around the National Party's tax policy has been around whether the issue of a cut that will be primarily focused on the wealthiest New Zealanders that undoes all of the work we've done to try and improve the housing market, and at a time that could worsen inflation and reduce our ability to invest in health and education and essential services.

Media: Prime Minister, over the weekend we saw the *Opposition leader meet with a number of businesses that have been affected by *ram raids or smash-and-grabs; we've seen *David Seymour's done the same thing as well. Is it time for you to start meeting with some of these business owners?

PM: Look, again, as I've said, I have had occasion to speak with a business owner who's been affected and the implication. And, again, no one—no one—in this Parliament is saying what is happening right now is acceptable. Everyone is keen to find solutions to protect those business owners and prevent what has been an issue primarily in two parts of the country, and we continue to invest in those solutions. But the idea that somehow we've created an environment where this is acceptable, I totally reject that. That, in my mind, is just playing politics.

Media: But you've also set aside money—or *Chris Hipkins has—

PM: We have.

Media: —as police Minister—for a number of initiatives to prevent this, and so far we've seen very few of them actually come to fruition. Is it your message to the police to really start amping these up?

PM: It was Minister *Hipkins has talked directly—

Media: But is it yours?

PM: Oh, of course. We've had, I think, roughly—if I recall—40 assessments that may have taken place now, if my memory serves. But we've had the funding for up to 500. The flipside here is we've got to make sure the intervention works. So you can see why we've got to make sure that police have the ability to go and undertake those individual assessments and make sure that whatever it is—whether it's roller doors, whether or not it's bollards—that it is a solution that is going to have a lasting impact. But of course we want it to happen as quickly as possible. Thanks, everyone.

conclusion of press conference