

**POST-CABINET PRESS CONFERENCE: WEDNESDAY, 25 JANUARY 2023
HANSARD TRANSCRIPT**

PM: Kia ora koutou katoa. Good afternoon, and welcome to our first post-Cabinet press conference of the year and, of course, my first post-Cabinet press conference as Prime Minister. This morning, I was sworn in at Government House, taking the baton of responsibility from my good friend Jacinda Ardern and officially becoming the 41st Prime Minister of New Zealand. My deputy, Carmel Sepuloni, was also sworn in. It was an immensely proud moment for both of us and for our families, and I did take a few moments to enjoy that occasion and reflect on the incredible privilege and the responsibilities that come with this job. Now it's time to get on with it.

So I did chair my first Cabinet meeting, the first Cabinet meeting of 2023, this afternoon. At Cabinet, I reiterated my expectation that the reprioritisation work that I have signalled will be our absolute priority over the coming weeks. Today, that work started in earnest, and we had a good discussion about the next steps that we'll be taking to reprioritise, refresh, and refocus the Government's work programme so that we can move our resources where we need to to address the bread-and-butter issues that New Zealanders are most concerned about. I've already said publicly that we will be reining in some of our plans, putting them on a slower track, giving us more room to move and greater capacity to focus on the immediate priority issues facing New Zealand, particularly the cost of living pressures that have been caused by the global economic situation. My firm focus is on leading New Zealanders and their families through that. You can expect more detail in coming weeks, after the new Cabinet is in place.

Today's unchanged inflation figure confirms that this is the right and immediate focus for the Government that I lead. The inflation level that we are seeing is not unexpected nor unusual, with many economies around the world feeling the same economic effects. We stack up pretty well against most of them, with an inflation rate below the OECD average, but regardless of where we sit compared to the rest of the world, here in New Zealand household budgets are being stretched, and we do need to do as much as we possibly can to help with that. We've already taken active steps to address the underlying causes of high prices, including at the petrol pump and at the supermarket, and the Government is doing its bit to bring spending down to more normal levels so that we don't add to those inflationary pressures. That is having an impact. The Treasury is forecasting real Government consumption will fall by about 8.2 percent over the next couple of years, which they say indicates that fiscal policy is supporting monetary policy and dampening inflationary pressures. But there's more to do, and the fight must and will continue.

Tomorrow, I'll be meeting with business leaders in Auckland. It'll be my first major engagement as Prime Minister. I've met many of them before, but this is, obviously, our first of many engagements in my new role as PM. I'll be there to ask questions of them and to listen to them, in order to accelerate the important relationship that's needed between business and Government in order to benefit all New Zealanders and to continue to grow our economy. One of the main topics I'm expecting to come up is the global labour shortage that continues to put additional pressure on those New Zealand businesses who need additional workers. In recent months, we've made some significant changes to our immigration settings. Nurses were added to the straight to residency pathway at the end of last year, and 10 trades and professions were also added, such as teachers, drainlayers, and mechanics. It's too early to see the results of that yet—it was only a month ago that those changes were announced—but we've already heard positive feedback about them from businesses. Another example is the bus companies, which are in line to receive 100 additional drivers from overseas. As those changes flow through, it doesn't mean that we're done making others. We'll continue to listen and to assess both immigration settings and the underlying processes to meet New Zealand's needs.

So, just quickly looking to the rest of this week and the beginning of next, on Friday I'll continue to meet with Ministers and go over the reshuffle that I intend to announce next week. On Saturday, I will be in my electorate at the wonderful Trentham Racecourse for Wellington Cup Day, and then next week I will be back here again at Parliament, with further details to follow. I'm now happy to take your questions.

Jessica.

Media: Prime Minister, with New Zealanders sitting at home, they have heard from you a couple of times now that details of new policy are coming. Are you going to do tangible things to help them with the cost of living?

PM: Look, I've only had the job a couple of hours, and so I think New Zealanders won't be expecting to hear a lot from me today until I've had the opportunity to actually work through what our options are. But what I am saying is I acknowledge—I've said it's the number one issue that we're facing as a country, and, therefore, it will be the number one priority area of focus for the Government.

Media: What specifically are you looking at doing for working families?

PM: I'm not going to start making announcements only a couple of hours into the job, and so I think you'll accept that I will need to take a little bit of time to work through what our options are before I start speculating on what we may or may not do.

Media: The numbers that we saw today were from December, so that was sort of a month ago. So whilst the Government may not have been sitting and you may not have had the job, they have been expecting relief, and everyone we're talking to is turning to the Government for help—they need help right now. What are you going to do about it?

PM: Yeah, and the numbers that we've seen today, I think, underline the importance of the commitment that I have made over the last few days to place the cost of living and the economic situation that we face as our number one priority as a Government. Now, we've been here—I've only been here for a couple of hours, and I need to work through the options about what we do about that with my Ministerial colleagues, and I will do that. And we will be making haste, but I'm not going to be so hasty as to make things up on the fly.

Media: You talked about what you said is a pandemic of inflation. Given the numbers that we've seen today, are you willing to state a target for inflation that you would like to see or—obviously, the Reserve Bank wants to see between 1 and 3 percent, but are you willing to give your own time line, your own target on this?

PM: Well, that, of course, remains the Reserve Bank's target. We want to bring inflation down to sustainable levels. Clearly, the level of inflation that we have at the moment is not sustainable. We're not changing the Reserve Bank's target—that remains the target. But if you look at our overall rate of inflation—7.2 percent here in New Zealand, 7.8 percent in Australia, 10.5 percent in the United Kingdom, and the OECD average is 10.3 percent, the European Union is 11.1 percent—you know, New Zealand is not immune from those international pressures, and they will continue to have an impact on our rate of inflation. We will do everything we can to bring inflation down in New Zealand as much as we can, but acknowledging those international pressures, we will also be seeking to support New Zealanders through this.

Media: Does that mean that the Budget has to be completely rewritten? I mean—

PM: Well, the Budget hasn't been written yet. There is a process that we go through, and there will be a Budget in May.

Media: But the Budget bids have already been—they're already in; Ministers have already given those to the finance Minister. Does that mean you've asked Ministers to go back and have another look at those bids?

PM: Look, there are a range of bids in the Budget process, and I'm not going to go into the details of those—we never do that. But the prioritisation process of those Budget bids

hasn't yet concluded, so there is an opportunity for us to make sure the Budget reflects the priorities that I've set out.

Jane.

Media: As a general approach, are you willing to revisit some of those policies that had been taken off the table? And I hear what you say; you've only been in for a couple of hours, but you've had some time to think. CGT, superannuation age, tax cuts—are you willing to step back or are you leaving those off the table?

PM: Look, I believe we've had this conversation in the last sort of 48 hours or so, and I'm not going to make up policy on those things on the fly. What I will say is I will honour the commitments that have been made for this term of Parliament, and that people will be absolutely clear where we stand on that as we head towards the next election.

Media: So you're ruling out revisiting a CGT policy or an increasing the age of super policy for the rest of the term?

PM: Well, I mean all of those things would have very long lead times if there was to be any change in those. We've set out a policy for this term of Parliament. That doesn't change because there's been a change in Prime Minister, and we'll be very clear with New Zealanders what our policy is as we head into the next election for the next term of Parliament.

Media: Prime Minister, on the cost of living, is one of your options a reversal to the end of the fuel tax cut and half-price public transport, or is that decision taken and gone?

PM: I'm not ruling that in or out today either. We will work carefully through the options—we'll do that quickly. I'm aware that there's—you know, there are timing considerations with regard to that particular issue, but I'm not announcing anything in that regard today.

Media: On the back to basics sort of approach, is this best understood as a continuation of the process that Jacinda Ardern started in December when she said she was going to pare back Government priorities, or is this best understood as a new approach from you as of today?

PM: It's a very forward-looking approach.

Media: But did that previous work count for much?

PM: I think Jacinda Ardern indicated that, you know, the Government was going to take a look at its priorities. I think a new leader, a new Prime Minister, brings new eyes to that process.

Media: You think there are some New Zealanders who aren't contributing their fair share of taxes. Are you going to completely reform our tax system?

PM: Like I said, I'm not announcing tax policy today. We'll honour the commitments we made around tax at the last election; I absolutely stand by those commitments. And in terms of our tax policy for the next election, New Zealanders will know it well in advance of the election. I'm not going to announce a tax policy on day one.

Media: So it won't happen in this term of Prime Minister?

PM: Like I said, we'll honour the commitments we made in 2020, and New Zealanders will know well in advance what our commitments are around tax for the next term of Government.

Media: Some of Labour's base might be a little bit miffed by the fact that your first outing outside the beltway is to meet with businesses and not unions. What would you say to any of that criticism that might come up?

PM: I'll be meeting with a broad cross-section of the Auckland business community, and that will include some small business leaders, some ethnic business community leaders. We recognise that we all want New Zealanders to be in work, to be earning a good income

so that they can get ahead. I'll continue to meet with a large cross-section of people over the coming weeks and months. Of course, we have to recognise that I've put the economy front and centre of my priorities, and that is going to involve working closely with business.

Media: What conversations are you having with the Māori caucus, and particularly with Minister Willie Jackson, in terms of your Cabinet shuffle and ensuring that Māori voters are going to be pleased with your new Cabinet?

PM: I had a good conversation with our Māori caucus last night, as I've been meeting with other Labour MPs and talking to them about the reshuffle. In terms of Willie Jackson, I have regular conversations with him; I expect that those will continue.

Media: He's one of our greatest Māori strategists, you see? So to ensure that we keep those Māori votes and to ensure that you stick to your commitment that you made at Rātana—

PM: Willie is an absolutely passionate advocate for Māori; I expect him to continue to be so. He never leaves me in any doubt about what his views are, and I expect that he'll continue to do that.

Media: But those views are actually the views of Māori—they're the Labour Māori voters, that's the thing.

PM: Yeah, and, look—and I fully expect that he'll continue to put those forward very passionately. In fact, that's a really important role that he plays within our team.

Media: Prime Minister [*Inaudible*], what do you think, as well as the cost of living, are the top issues facing New Zealanders at the moment?

PM: Well, as I've indicated, I mean, I think cost of living is right at the top of the issues facing New Zealanders at the moment, because it has an impact on just about every other one of the issues that New Zealanders will care about. I have a lifelong commitment to quality public services for New Zealanders—health, education, making sure that we have housing. You know, we still have a housing crisis that we're working our way through. We've seen significant population growth and we haven't built the right number of houses to keep up with that. That's never going to turn around overnight, but we're making good progress; we've got to keep working our way through that. But all of these things are affected by the cost of living. So if you look at the inflationary figures today, the increased cost of building a new house is one of the things that's contributing to that. So it's all interlinked.

Media: So can the public expect any new measures, though, to ease the cost of living?

PM: Look, as I said, I'm not going to announce policies on the fly. We'll work through that, and we'll work through that with haste.

Media: Prime Minister, you said earlier that 7.2 percent inflation wasn't unusual. Surely it is unusual, because we wouldn't be talking about a cost of living crisis.

PM: Sorry, I said it wasn't unusual in the international context. It is too high; there's no question about that.

Media: I noticed earlier, Grant Robertson said that Labour had been doing various things to tackle the underlying drivers of high food prices. Can you name one thing that the Government has done that has actually reduced grocery prices today?

PM: Well, the work that we're doing around making sure that there is competition and fair regulation in the grocery sector is one of those things that don't deliver immediate returns, but they're the sorts of things that you need to do in order to make sure we've got fair prices in the supermarket. I do want to acknowledge one of the pressures that New Zealand and Australia are both feeling around food prices at the moment is caused by the weather, and there's a limited amount that the Government can do. So if you look at fresh fruit and vegetables, the weather's had an impact here and across the Tasman, and, you know, Governments can't do very much about that, but we will continue to strive to look for everything that we can do in that space.

Media: But, to date, you acknowledge that the moves that you've made on groceries and supermarket competition are things that may yield benefits in two, five, 10 years down the line, but haven't really now?

PM: We're not going to get a whole lot of extra competition in the grocery sector overnight; that is going to take a little bit longer.

Media: Acknowledging that you've said you're not announcing policies on the fly—we all understand that—but can you say to New Zealanders sitting at home that you will be announcing policies, tangible policies, that will help them with the cost of living when you do announce those?

PM: Look, New Zealanders will absolutely see in the coming weeks and months the cost of living is right at the heart of our work programme. It is the number one priority that we are facing as a Government, and they will see tangible evidence of that. Now, obviously, I'm not going to make it up on the fly, as I've already indicated, but New Zealanders will certainly see, in the coming weeks and months, evidence of the fact that we've made it our number one priority.

Media: Families can't afford, you know, anything fun for their children; they're literally living on the basics. Is weeks or maybe even months soon enough for the crisis that these families are in right now?

PM: I absolutely acknowledge the pressure that Kiwi families are feeling, and, of course, we're not starting from zero. We've done a lot over the last year or so as we've faced these cost of living challenges to support Kiwi families, and you've seen evidence of that in the work around fuel taxes, for example—you know, cutting fuel taxes. You're seeing evidence of that around the changes that we've made around benefit rates and so on. So we have been working to support New Zealanders through this and we'll continue to do that. Now, the inflation rates have stayed higher for longer and, therefore, we need to do more, and we'll continue to focus on it.

Media: Will you be announcing policy or perhaps streamlining policy programmes for businesses tomorrow, or is it more of a listening exercise?

PM: I'm certainly not going to be announcing policies tomorrow, but I'll certainly be having some good dialogue with them about what they see as the priority.

Media: Will you be announcing any of your streamlining of the policy programme tomorrow to businesses? And the tax rate—core Crown tax revenue, I think, is 30 percent this year with a 10 year high as a percentage of GDP. Do you think that is too high, given it's high historically?

PM: I'm not going to get into—and look, you've cut to the heart of the Budget process with your question, and I'm sure that you'll appreciate I'm not going to re-announce or change announcements that the Minister of Finance has already made or will make in the future right here today.

Media: Do you think that early childhood education is too expensive for families?

PM: I think that we should continue to look at what we can do to support families to access early childhood education. There has been an escalation in costs in early childhood education in the recent past. Wage and salary pressure has been a really big contributing cost to that, and that's been work that I've been leading as Minister of Education to make sure that we've got the funding model right so that we can meet that cost.

Media: Have you considered lowering the age of 20 hours free?

PM: That would be a significant and expensive commitment, and I'm certainly not going to make announcements or commitments on that today.

Media: But it would help a lot of families, right?

PM: Look, that would be a Budget consideration, and it's not something that I'm going to make any announcements on today.

Media: What do you think of the idea of a tax-free threshold? Do you think it's a good idea?

PM: Again, I'm not going to get into what is on the table or off the table or what might be a good idea or not when it comes to tax. What I've said is that we're honouring our tax commitments this term of Government, and people will know well in advance of the next election what our commitments are for the next term of Government.

Media: Is 45 cents in the dollar too high a tax rate—like the Australians?

PM: Like I said, I'm not going to get into announcing or speculating on tax policy today. Good try.

Media: Just on former familiar ground—COVID-19. There was supposed to be a relook at that every single month about the isolation periods. We haven't had that, or it hasn't been announced, for a couple of months now. Do you think the time is right to reduce the isolation period from seven days to five days, or even scrap it altogether?

PM: We do keep that under review. My understanding from Dr Verrall is that there was a review just before Christmas, I think, so we're due to be having another one shortly. We do do that every month. I haven't had a chance to talk to her about that. I haven't been involved in the day to day of that over the last couple of months.

Media: Do you think that people are still actually following the rules or at this point is it just sort of all void?

PM: I'd certainly encourage people to follow the rules—

Media: But do you think that they are?

PM: Bear in mind that the seven-day isolation period is designed to result in fewer people getting COVID-19 in the first place. I think one of things that businesses don't want to see happen is a whole lot of their workforce go down sick because someone who had COVID-19 came to work rather than staying home and isolating. So I think there's a reason for it. It is actually a pro-business, pro-employer reason, and that is that we don't want COVID-19 spreading rampantly and resulting in a whole lot of people getting unnecessarily sick.

Media: Prime Minister, co-governance came up at Rātana yesterday. You've spoken about confusion about what the term means and that others are misinterpreting it to raise fears. Does the Government have some responsibility for that for not explaining it properly, and what will you do to address that?

PM: Look, as I said yesterday, co-governance can mean different things in different situations. We should have a mature discussion about it, not one that's informed by bumper sticker slogans. We should make sure that we're informing New Zealanders what we're doing and why we are doing it. As I indicated yesterday, the last National Government entered a multitude of co-governance arrangements during their time in office; in fact, some of the co-governance—some of the examples put forward by the National Party yesterday of initiatives that they support have elements of co-governance within them. So if we think about, you know, kura kaupapa, for example, the wānanga, even Whānau Ora, there's elements of co-governance within that.

Media: Prime Minister, did you have the pleasure of having a relationship with Titewhai Harawira, who's just passed away?

PM: No, I didn't. I've only met her once or twice, normally at Waitangi. I do want to acknowledge her passing, and I do want to extend my condolences and my aroha to her whānau. Look, there'll be a lot of Kiwis who didn't agree with Titewhai Harawira, but no one could doubt her passion and her sincerity and her commitment to Māori—particularly to urban Māori. Over recent years, I know that she has played a significant role in transforming how we commemorate Waitangi Day, and she should be acknowledged for that as well. So I didn't

know her well and I won't claim to have, but I have had a few interactions with her, and, of course, I've had plenty of interactions with other members of her family—one in particular, when he was here at Parliament—and I just extend to them my condolences and my very best wishes at this point.

Media: And did you [*Inaudible*] Rātana as, you know, the incoming Prime Minister, in your first whaikōrero on the marae?

PM: Did I enjoy it, did you say? Yes, I did. It was a really warm day. I can tell you that over the nearly 20 years—19 years—that I've been visiting the Rātana Marae, I've always found it a really special day. It's always much warmer when you're there, even if it's raining, than perhaps the public might think. The conversation is always lively, but, actually, the goodwill has always been evident in that whole time, and that includes some pretty difficult years.

We'll come over here.

Media: Just going back to Ben's question about the fuel tax cuts, are you saying that it's possible that you could actually extend it, rather than—

PM: As I've indicated, I'm not making any commitments or—I'm not making any commitments or speculating on that today.

Down the front here.

Media: Do you have a plan for dairy owners affected by daily crime, especially ram raids?

PM: Yes, absolutely. We—the former Prime Minister and I—announced just late last year quite a significant amount of additional support for small-business owners—dairy owners, in particular—who have been affected by things like ram raids and aggravated robberies. That includes making fog cannons much more widely available. We have an uncapped fund available to subsidise fog cannons, to cover the vast bulk of the cost of those fog cannons. The Retail Crime Prevention Fund, which has been established to support businesses that were the victims of ram raids, has been extended to businesses that have been the victims of aggravated robbery. We'll continue to work hard to roll those out. We've put additional funding into partnering with local government on the sorts of initiatives that will help to keep those businesses safe and increase their safety—environmental design can have a significant impact there. And, of course, there is a whole-of-Government work programme—a big phrase that doesn't mean much to people at home—but we're making sure that we're doing everything that we can to identify who the young offenders are, to hold them accountable for their actions, and to actually stop that offending from continuing.

Media: Will that involve a law change, if necessary?

PM: Look, there's a lot that we can do within the existing law. I don't think that the existing laws that we have at the moment have necessarily been used to the full extent possible to make sure that we're getting these young kids out of trouble, and so this was some work that I was helping to lead before I became Prime Minister. I'll continue to have an active interest in it because I think it is a very important, a very significant priority, and you can be reassured that I won't be taking my eyes off that one.

Media: Have you been briefed on Andrew Bagshaw, and what was your response when you found out?

PM: I haven't been officially briefed. I have had a little bit of information just before I came down to the press conference, and I just want to extend my condolences to the Bagshaw family. I haven't had an opportunity to convey that to them personally yet. It's obviously a very tragic situation.

Media: Will the Government be doing anything to help bring his body back or supporting his family?

PM: Like I said, I haven't had a chance to talk to his family about what support they are seeking from us. It is a difficult situation because we have very limited—in fact, next to none in terms of consular support available in the Ukraine, and so, look, I haven't had a chance to really, kind of, get into the detail of that. I am aware of the situation. I do want to just extend my condolences to his family in what must be a very, very difficult time for them, and I understand they've issued a statement and I'll just refer you to that.

Media: On Ukraine, the United States and Germany seem to be on the cusp of sending more tanks—you know, military hardware—over there. Have we received any further requests from the Ukrainian authorities? Are we looking at sending more equipment?

PM: Look, haven't been briefed on that at this point. Obviously, New Zealand fully supports Ukraine. This is an unjust and unjustifiable war, so we absolutely stand with Ukraine and we'll continue to engage in international efforts to support the Ukrainians in their plight.

Media: Prime Minister, I think you said that you'd spoken with Anthony Albanese. Have you spoken to other world leaders over the last couple of days, and what have been the nature of—

PM: Not so far, no. I think, generally, there's a bit of an exception for our mates across the Tasman, but, generally, I think, other world leaders wait until you actually have the job before reaching out and making contact. So I suspect there'll be a little bit more of that now.

Media: Do you have somebody that to get in touch with, sort of, immediately once you're—who's the most important person that you need to—

PM: Oh, look, I'll just let that unfold as it does.

Media: Jacinda Ardern has a number of those world leaders' numbers in her phone book. Has she shared her phone book with you?

PM: Not so far, no, but then but also, you know, I'll make my own relationships on the international stage, as you would expect. But I'm sure Jacinda will put in a good word.

Media: And, just as a very recent education Minister, do you acknowledge that students, in particular, are finding it very tough with the cost of living at the moment?

PM: Look, I think all New Zealanders will be finding it tough with the cost of living at the moment, and any New Zealander who's on a fixed income or on a low income, and students—you know, tertiary students I assume is what you are referring to here—in particular, are often in that category. They'll be feeling that—there's no question about it—and so that is why I said, you know, I've made that the core focus of my Government to help New Zealanders through.

Now, here we go—over here.

Media: Thanks. On a high level, with inflation, do you believe that there's a role for the Government to provide temporary support to ease the pain of inflation, in addition to the things like supermarket regulation and all that stuff?

PM: Yeah, look, I don't want to speculate on what we may or may not decide in the coming weeks and months, but I just want to reassure New Zealanders that we've put this front and centre. I'll be looking across the range of options to see what more we can do to support Kiwis.

Yeah—over in the far corner.

Media: Thank you very much. On co-governance again, sorry, and the discussion around it, I mean, what will you and the Government do to have a more mature conversation about it? You refer to, you know, possibly people need to catch up with the waka. What will you do to ensure that that happens?

PM: I think we do need to take a little more time to articulate exactly what we're doing and why we're doing it in each situation, and, you know, let's let that unfold a little bit. But I just think, you know, I'm not sure that the Opposition's position on co-governance is

particularly clear or understandable either, so it is a complex issue, and I think we owe it to New Zealanders to be a little more thoughtful on our contributions than perhaps some of them have been in recent days.

Media: Are you going to pump the brakes on it? Are you going to, you know, lead an information campaign? How do you imagine it—

PM: Look, I don't intend to go back and revisit co-governance arrangements that have already been put in place, because there are many of them in place as a result of Treaty settlements and so on. Some of them have been in place a long, long time, and I'm not intending to go back and revisit those, but where there are decisions still to be made then, yes, we will make sure that we do that in a way that New Zealanders understand what we're doing, and why we are doing it.

Media: [*Inaudible*]

PM: That process is still under way so, yes, I do count that. Within that, we've still got work to do to make sure New Zealanders understand what we're doing and why we're doing it.

Media: On co-governance, it's been noticeable how much time in press conferences and at Rātana you've devoted to, sort of, explaining and outlining of some views on co-governance. Do you see it as your role as Prime Minister of New Zealand to take the temperature down on that debate, or to make it a more inclusive debate?

PM: I made a commitment yesterday—and it's a commitment that was easy to make—that I will never seek to use race relations in New Zealand to divide New Zealanders. I think that is totally unnecessary, it's totally unfair on the parts of our population that find themselves the subject of what can often be really unnecessary criticism and negative energy, shall we put it that way. I think we can handle these debates maturely and in a way that gives all New Zealanders an opportunity to understand what we're doing and why we're doing it. That's what I'm committed to.

Up the back there.

Media: You're saying that the Government's existing co-governance sort of work programme policy is still the policy, but you want to explain it better and bring people with you better—the policy isn't changing; the messaging around it is changing. Is that—

PM: No, what I've said is I'm not going to go back and revisit decisions that have already been made and that are already in effect. But we will, as I have said—things that are on our current work programme we're looking very closely at them.

Now, I'm going to wrap up shortly, but—

Media: Has Ashley Bloomfield spoken to you since you became—

PM: Sorry, what was that?

Media: Has Ashley Bloomfield offered his congratulations—

PM: Yeah, he has. I haven't had the chance to talk to him on the phone, but I did get a text message from him, and I also congratulated him, of course, over the new year on his honour—a well-deserved honour—and I'm sure he'll keep in regular contact.

Media: Did he make any reference to a certain non-mentionable—

PM: He didn't, but I did.

Media: So what did you say?

PM: I said that his eyebrows had helped to get me here!

Media: What can New Zealanders expect in terms of your leadership and your direction on climate change?

PM: They can expect to see a Government that is absolutely committed to addressing the challenge of climate change. The fact that we're dealing with a cost of living crisis and that we're dealing with a whole range of pressures that are immediate and now doesn't mean that climate change somehow moves off the agenda. It continues to be one of the biggest intergenerational challenges that we face. So expect to see my Government continuing to make sure, as we owe it to future generations, that we do everything we can to tackle that challenge.

Media: How do you feel when [*Inaudible*] and cost of living kind of butt heads? You know, we're subsidising fossil fuels and forms of cutting fuel tax in order to ease the cost of living pressure. How do you make that sort of judgment in the future if you come across it?

PM: Look, it's always a balance. One of the things that I know about governing and about being in politics is that very few things travel in a completely straight line.

OK, last question over here.

Media: Jacinda Ardern signalled early in her term things like climate change and child poverty reduction as the big legacy issues for her. What are your big legacy issues?

PM: Well, of course, child poverty is a cost of living issue, and so we absolutely will continue to address that, but it will be within the context of the work that we're doing to address the overall cost of living.

Media: So do you have—

PM: Climate change continues to be a focus. It sits underneath so much of the work that this Government is doing and it will continue to do so, because I think we owe it to future generations to make sure that we do that.

Media: Did you personally have these big legacy issues that you want to address—those are your two?

PM: I think Government's always a balance between addressing the pressures of today and making sure that you do, you know, continue to focus on the future and make sure that you leave New Zealand in a better state than you found it. That's absolutely my commitment.

Thanks, everybody.

Media: When you were talking about the Cabinet meeting, you said that it was time to "get on with it". What exactly did you get on with? It doesn't feel like much yet.

PM: Thank you.

conclusion of press conference