

**POST-CABINET PRESS CONFERENCE: MONDAY, 29 MAY 2023  
HANSARD TRANSCRIPT**

**PM:** Kia ora, everybody. Can I begin by acknowledging that today is Everest Day. Today marks the 70<sup>th</sup> anniversary of the first complete ascent of Mount Everest, in 1953, by Sir Edmund Hillary and Tenzing Norgay. I know that New Zealanders continue to reflect on that feat with enormous pride.

Over the past week, I've been out and about promoting the Government's Budget and our key cost of living measures, such as free prescriptions, 20 hours' free early childhood education, and free and half-price public transport for children and young New Zealanders. I've also been drawing out some of the big differences between Labour and National and what's at stake if the "Coalition of Cuts", including their threats to superannuation and investment in trades training, was to happen.

One of the legacies of cuts that we inherited from the previous National Government was the effect that under-resourcing had had on our front-line police. When we took office, police numbers were falling. I'm proud of the Government's work to turn that around, and on Thursday I'll be attending the graduation of police wing 366, which will see us reach our goal of 1,800 extra police on the beat. New funding in this year's Budget ensures that the new ratio of at least 1 officer to every 480 New Zealanders will be maintained. That is a significant improvement on the ratio when we became the Government, which was one police officer to 544 New Zealanders.

In addition to more police on the front line, we're directly partnering with small businesses to make them safer. Today, I can announce that we're extending the fog cannon subsidy scheme, with an additional \$11 million in funding. Since it was introduced in November last year, the feedback and the roll-out of the scheme has been incredibly positive. Small retailers continue to tell us that the scheme is working well and that they feel safer knowing that they are better protected against things like ram raids and burglary. We have seen this in the increase in demand for fog cannons from retailers. The number of daily applications being received has increased significantly since April.

The immediate dense cloud of fog provides protection for those within the premises by making it much more difficult for criminals to see their way around. Since February, we've issued 1,664 subsidy vouchers to businesses. That's averaging roughly 110 approvals per week in April and May. Around a thousand of those fog cannons have either already been installed or are booked to be installed. The majority of those installations have been in Auckland. Most retail outlets that have taken up the subsidy are dairies and bottle stores, but there have also been installations in vape shops, jewellers, service stations, and pharmacies.

For many small retailers, I know that they can't always afford the upfront cost of something like a fog cannon, and that's particularly true for those who are renting premises, so I know that this scheme makes a difference for them. We've heard the value—the extra protection—that these devices offer, and today's announcement means that, if weekly approvals remain at the high levels that we're seeing at the moment, a further 3,350 fog cannons will be subsidised by the end of this year.

The retail crime spike that we have been experiencing is utterly unacceptable. Those business owners and their employees experiencing the spike first-hand should not have to be fearful when they go to work. Today's announcement is another step forward in supporting those at the affected businesses who are at risk of that sort of crime, but we're also going to be continuing prioritising other work on this issue, and I hope to have more to say on that soon.

To the week ahead: on Tuesday and Wednesday, I'll be here in Wellington and attending parliamentary question time. On Wednesday morning, I will be attending the investiture

ceremony that's being held at Government House for Sir Ashley Bloomfield for his services to public health. I'll be at the police graduation ceremony on Thursday, welcoming those further new recruits and acknowledging the 1,800 additional police milestone. On Friday, I will be in Dunedin, doing a number of post-Budget visits, with a particular focus on the investment that we're making in the gaming industry. I'll open for questions.

**Media:** Prime Minister, isn't it concerning that the number of applications for the fog cannon fund have increased since April, and doesn't it speak to the fact that small-business owners are feeling threatened by crime to the point that they need a fog cannon?

**PM:** I want to acknowledge the level of concern amongst our small business community. It isn't acceptable, the level of retail crime that we have seen. We've got to tackle this from both ends. We want to do things that provide those businesses with comfort and with a greater feeling of safety, but we also have got an unrelenting focus on making sure that we are tackling the causes of that offending. We want fewer victims in this space in the first place.

**Media:** But doesn't it speak to the fact that tackling the causes of the offending isn't working, so you're having to go to the preventative measures for the small-business owners?

**PM:** We've seen programmes like the turn-around programme, which is referring young offenders early on, now. That has reduced reoffending significantly: 70 percent of the kids who have ended up in the turn-around programme haven't gone on to reoffend. There is still reoffending, though, and so we've got to continue to ramp up our work in that space. I don't want those young offenders reoffending, but we've also got to do more to stop them offending in the first place. So, yes, I acknowledge that we have experienced a spike. The spike is not as high as it was towards the middle of last year, but it's still an unacceptable level, so we've still got more work to do.

**Media:** But do you accept that because those preventative measures aren't working, you're having to put more money into the fog cannon fund?

**PM:** They are working, but they are not delivering instantaneous results, and so, as a result, we need to make sure we're supporting businesses in the meantime.

**Media:** What's the Labour Party's view on a four-day working week, and is that something you would look at legislating for?

**PM:** Right now, I'd settle for a five-day working week! But we have focused as a Government on making sure that the arrangements for more-flexible working conditions do support businesses and workers to have those kinds of discussions. There's a lot of flexibility in our labour market environment and our employment laws at the moment for businesses and employees to agree those things. Right the way across the public sector, we are seeing more flexibility. I know, speaking to private sector businesses, that they are also encouraging more flexibility for their workers as well, and that might include a work-from-home day every week, and those sorts of things. I think that's really positive and healthy where that can be facilitated.

**Media:** But it's not something you'd make official?

**PM:** We don't actually have, officially, that many constraints in terms of—even the 40-hour working week isn't as enshrined and protected as it used to be now, so we would be stepping back to something much more regimented if we were to do that. The reality is, I think, what we are trying to do here is encourage and facilitate the environment where those sorts of things can happen. I'm confident that there is a good environment that does allow that to happen. It requires good will from the employees and the employers, and we're seeing increasing amounts of it, both in the public and the private sector. I think that's a good thing.

**Media:** The early childhood sector says that your Budget policy announcement about the 20-hour ECE scheme is completely unworkable. What's your response to that?

**PM:** There's a range of views within the early childhood sector about the best way to fund early childhood education, so I acknowledge one of the real tension points in the early

childhood sector is it's a very, very diverse sector. So you've got some very large chains, for example, who find the ability to absorb changes in the funding model relatively simple. Some of the smaller community-based centres, if they are employing relatively new and inexperienced teachers, will also find it relatively easy. If they are employing mostly very experienced and highly qualified teachers, then it's more challenging. The challenge for Government, when you're boiling it down to a "per-child, per-hour" funding amount, that's always going to be difficult. So we'll continue to talk with them about how we can better design a future funding system and how we can make sure that what we're doing in the meantime is actually working.

**Media:** But surely it's a concern that you've got such a big group—because the people that are representing the rest of the industry in this are very loud and vocally saying it's completely unworkable. Surely you're concerned that the flagship policy in your Budget has been completely lambasted by the people it's supposed to be helping?

**PM:** These concerns were raised 20 years ago, when 20 hours free was first introduced, so they're not new. There's always a tension within that sector about how best to design the funding system. There's nothing particularly new about that.

**Media:** With the Everest Day, would you look at making that official? Is that something that you would consider?

**PM:** I understand that the Nepalese community would certainly like to see that official. I mean, as a public holiday, no, it's not on the books, but there are ways of officially recognising days that aren't public holidays, and I'm certainly very open to that.

**Media:** With the changes to the Intelligence and Security Act that's just been tabled, do you think there's any appetite from any political parties to take the power away from the political sphere and give it to officials?

**PM:** We've only had one very preliminary conversation about the report so far. The commitment that I have made to the other parties in Parliament is—you know, I don't think there's any need for this to become a political football. I think, on national security matters, we should be able to be mature enough to have constructive conversations across the Parliament about these. The review panel has produced a challenging set of recommendations; it's a very comprehensive set of recommendations. I think we owe it to them to go through those, effectively, one by one and consider contestable advice on that. So I'd want advice, for example—if you look at the two warranting streams, for example, I'd want to get advice from the agencies who currently work within that framework around the practical implications of that. In terms of how we best structure parliamentary scrutiny of the intelligence agencies, yes, I think there is room for us to do that better, and I'm open to that conversation. Whether what the panel have come up with is the right way of doing that, I'm not convinced, but I certainly think there's room for discussion about how we can improve the robustness of the scrutiny of our intelligence agencies.

**Media:** Why are you not convinced?

**PM:** Because you'd potentially be putting a number of members of Parliament into a situation where they're overseeing the intelligence agencies who wouldn't have access to any kind of contestable strands of advice. So I think we'd have to consider overall how we would resource that committee, what that would involve. You know, in reality, the Ministers at the moment who are—well, me, as the Minister for National Security and Intelligence, and also the Leader of the Opposition, who has interaction with the security agencies and also international interaction in this space, can actually bring a different perspective that a backbench member of Parliament might not be able to, and my view is that that can enhance the scrutiny. I also do—and I'll be frank about this: I can also see the point of the panel, where having Ministers who have day-to-day responsibility for the intelligence and security agencies also involved in the scrutiny of those agencies can create a bit of a perception challenge as well. So I'm not taking things off the table. I think we need to actually work through those and—New Zealand's quite a small Parliament, so it's not—in the UK Parliament, you've got

many, many more MPs with a much greater depth and range of experience than we do here. So we've got to make sure that what we're doing isn't weakening the scrutiny, but, yes, I think we can do more things to improve the scrutiny.

**Media:** So do you agree, to an extent, that the committee does lack some independence?

**PM:** Look, I think we just need to work through carefully how best to improve the level of scrutiny. One of the challenges that has been identified, I think, is that the committee hasn't met all that often in the past, and that's something I know my predecessor was focused on improving; it's something that I'm focused on improving as well.

**Media:** Have you or anyone in the Government spoken with National since yesterday in regards to the housing density stuff or received any correspondence from them at all in regards to that?

**PM:** I haven't. I know that Dr Woods wrote to the Opposition, I think, a day before their announcement, indicating that we were willing to talk to them. I haven't, in the last few hours, had an update from her on whether she's had a response yet.

**Media:** So now that you've had a little bit more time to work out what it is that they're proposing and what's different about it, where have you landed in terms of, I guess, how far Labour, the Government, is prepared to budge—you know, to negotiate with them? How much could we see this policy change to make it bipartisan?

**PM:** We're open to that conversation with them. I note that, when this proposal was first put before the Parliament, the National Party were claiming it was all their idea and that this was something that they had pushed the Government to do, and there's an element of truth in that. They did come to the Government with a proposal to change the way our planning laws operated, in order to free up housing. The compromise arrangement that was reached had a lot in it that the National Party had been asking for, and now they've walked away from many of the proposals that they themselves were the ones pushing. So, if they're not willing to stand behind them, of course, we will take a moment to look at whether we're willing to stand behind things that they ultimately proposed in the first place.

**Media:** OK, but I mean, if you take what they actually put out on Sunday, you're looking at councils being able to opt out of the three-storey stuff; you know, the greenfield zones, being able to build there; still having the 30-year demand growth stuff in place; and still having higher density around transport hubs, etc. What in that is Labour not prepared to accept?

**PM:** Look, we'll have a look at all of what they've proposed. It's pretty light, but we will have a look at it. I'm not going to make up policy on the fly about it, but we'll certainly have a look at it. Our preference, though, as it has been, is that we provide greater certainty by not having this become a political football. The National Party proposed this; we worked with them to get something that in our view was workable. They've walked away from that now. What that's done is create huge uncertainty for landowners, for prospective homebuyers, for developers. We would rather give them back certainty, and so, if we can work with them to achieve that certainty, I think that would be a better outcome.

**Media:** I get the politics of it, and we've all heard that, but I'm just wondering, I mean, they're saying that they're not prepared to have a conversation—that this is their policy and if Labour wants to adopt or change any of it, then they welcome that. So can you say today that you are actually prepared to move in any of the areas that they have backed away from and support them to get that bipartisan deal?

**PM:** Well, I think there's some practical implications that we would want to work through about some of the aspects of their proposal. For example, if councils were forced to start zoning 30 years' worth of future developmental land, that could result in some farmers walking off the land because they couldn't afford to pay the rates bill until such time as the land had been developed. I don't know that they've really thought that through properly. So, I mean, I think we just want to make sure that we're working through the implications of what they're proposing carefully. I am absolutely open to addressing concerns that have arisen. It

was a bold set of changes, and if concerns have been raised that need to be worked through, then, of course, we will work through them, but I'd rather do that in a way that provides greater longer-term certainty.

**Media:** Just back on the ISA report, on the warrant stream aspect, why do you need, you know, sort of "conflicting advice" on that, or however you've phrased it? The report notes that the agencies agreed with the recommendation.

**PM:** Because I think a good process means, when you have an independent review, you then hear from the agencies involved; you want to make sure that the way that their views have been represented in the panel's report accurately reflects their views. But, like I've said, I think there's some really good, weighty, well-developed recommendations in there that we should take the time to work through.

**Media:** What's the status of the other national security reforms at the moment? You know, I think, in April there was supposed to be a Cabinet paper around the machinery of government aspect. Where is that at?

**PM:** Yeah, that has been a bit delayed as we continue to work through, again, the implications of all of that. These things are interconnected, so we continue to work through that, but I'm hopeful of landing something fairly soon in that space.

**Media:** Do you expect changes in—you know, your response to this report to come before the election?

**PM:** Certainly, I'd like to be able to flag the direction of travel well before the election.

**Media:** On the fog cannons, there's been no real, hard analysis on exactly what impact a fog cannon has on stopping an ag-rob or ag-burglary. Given it's a fairly decent investment today—you know, in a cost of living crisis—how can you be confident that it's worthwhile, and do you think it's a good idea that there should perhaps be some harder analysis of the actual impact of how fog cannons reduce crime?

**PM:** Yeah, we'll certainly continue to look at that analysis. When we—

**Media:** Well, there hasn't been any—

**PM:** Well, no, but when we made this decision last year—and I'm sure we can find you the Police advice on this last year—the Police advice was that those businesses that had been the victims of aggravated robbery, for example, and had a fog cannon installed have been less likely to be a subsequent victim of an aggravated robbery than those businesses who have not had a fog cannon installed. So the evidence at the time suggested that it was making a difference. Of course, as we extend this out more broadly, as we get a much larger number of businesses having them, we'll have a better base on which to evaluate what the overall effect of it is.

**Media:** Your police Minister said she's open to tweaking—or, you know, proposing that tweaking the law wasn't off the table as far as addressing youth offenders. Is that your position, and can you give some clarity of perhaps what that could be targeting?

**PM:** As I said, over the last six months or so—well, probably last year or so—we have been looking at a range of options. You've seen some legislative change coming through already, and I think I've been clear, over the last year, in the different ministerial roles that I've had, that this is a rolling piece of work and we know that more is required. So I'm not going to foreshadow what might be coming next, but certainly I have not taken further legislative change off the table.

**Media:** But specifically addressing youth offenders, though—you're not taking that off the table?

**PM:** No.

**Media:** Prime Minister, news out of Ukraine—that they're looking—oh, I've lost my train of thought, sorry.

**PM:** The Ukraine.

**Media:** The Ukraine—that they're wanting to join the CPTPP. The Canadian Government has backed their call. What's New Zealand's perspective on this? Will you back them joining as well?

**PM:** New Zealand, of course, at the moment, is chairing the CPTPP arrangements, and through that we have helped to facilitate other countries joining the CPTPP. As a trading nation, we'd want more countries subject to these kind of trade agreements. With every accession to the CPTPP, there are issues to work through in terms of what those countries want to protect, in terms of things like quota allocation within the existing arrangements, and so on, but we are certainly open and will facilitate as the chair—we'll facilitate those conversations.

**Media:** Can you actually go as far as saying that you'd back the call?

**PM:** Look, I think we'd certainly want to support the people of Ukraine. We're open to having that conversation. Until we know exactly what they are asking for, in terms of what they want to see in and what they want to see out, I don't want to draw lines in the sand. We're certainly very supportive, but I don't want to be specific and say we want to absolutely do it until we know exactly what that might look like.

**Media:** On vaping, there are increasing calls for action on regulations around vaping, and increasing support for following Australia's lead with making it prescription-only. Is that something that you would consider?

**PM:** I know Dr Verrall is working on a further range of proposals around vaping. I don't think any of us feel like the vaping policy settings at the moment are where they need to be, and Cabinet hasn't considered those proposals yet. Again, I think we will see more change in that area. I don't want, at this point, to start ruling things in or out before we've done that, but I think there's definitely scope for more change.

**Media:** Is there appetite within the Government to look at making it prescription-only?

**PM:** Maybe not—I might not go entirely that far, but I certainly think there's room for tightening up the regulations around vaping.

**Media:** And, on apprentices in the construction industry, besides the apprentice scheme, there are still broad shortages across the construction sector. What else are you doing to address those worker shortages, and would you look to be bringing in more migrant workers to fill the gaps in the construction industry?

**PM:** Well, we're already doing that, and so we are seeing a significant number of workers in that space coming through our immigration settings. But we've also got to do more to train locally as well. So part of our vocational education reforms have been driven by the desire to make sure that what we're training is actually meeting the industry need. Nothing is more heartbreaking to me than speaking to a young person who's gone through a course or a qualification only to find that that isn't actually what the prospective employers are looking for. So better matching what's being delivered in terms of the educational delivery and the skill needs of industry—that's a key driver for the vocational education reform programme.

**Media:** How disappointing was it to get that negative feedback about the early childhood subsidy extension?

**PM:** As I've indicated, it's not really new, and it's not universal. So, within the sector, you've got some people who are very enthusiastic and chomping at the bit to get on with it, and then there will be others who are less enthusiastic. We'll continue to work with the sector. In the time that I was the Minister of Education, I think some of the most robust conversations I had were around the early childhood education advisory committee's table, where we did work through these issues. They're not new, and we continue to just seek to make progress. I don't think we'll ever land something—because the sector is such a diverse sector, I don't

think we'll ever land anything that has everybody universally saying, "Hip, hip, hooray!", but I think we can resolve most of the issues.

**Media:** Two months ago today, you launched a review into communications between Stuart Nash and his donors. You said that'd take two months, so where is that review?

**PM:** My understanding is that the Cabinet secretary has asked for a couple more weeks just to go through the process of finalising it, to do the natural justice process of consulting those whose communications have been reviewed, and so on, and that we will then see something. So I have deliberately kept out of that because I think it's important that the Cabinet Office do that independently, which is the terms of reference that I have approved for them.

**Media:** Has she raised any concerns so far with you?

**PM:** No—I mean, I expect that I will get the full report. I haven't asked for progress updates or anything like that.

**Media:** Is the delay because there's just so much communication with so many donors?

**PM:** I have no idea. So I have not had any updates from the Cabinet secretary in terms of what the review might be finding, or anything like that. So I think we've just got to let the process run its course.

**Media:** Are you excited about supporting your mate getting knighted?

**PM:** I'm very excited. I think it'll be a lovely day for Ashley. He's served New Zealand incredibly well—became a bit of a cult figure across New Zealand—a notoriously bad poker face! But, you know, I think it will be a special moment for him, and I'm looking forward to being part of that.

**Media:** Are you going to do anything—just the two of you—to celebrate?

**PM:** No, I haven't actually spoken to him for the last little while, so I'll be looking forward to catching up with him at least—when we do it.

**Media:** What did you think of the change to Police's pursuit policy?

**PM:** When I was the Minister of Police, I did have a conversation with them. I think there were legitimate public safety concerns around the previous pursuits policy, but I also think that, by the time I became the Minister of Police, there was an acknowledgment that maybe they'd spun the pendulum a bit too far and, as a result, we were seeing increased numbers of fleeing drivers because they felt they had a sense of impunity. And so I know the police have been working really hard to get the balance right here. No one wants to see the police pursuits policy creating additional, unnecessary harm to public safety, but I also don't think we want to see fleeing drivers get away with it or feel that they can just put their foot down and get away with it. So I think the police are working to try and find more of a balance. And I want to be clear here too that the people who are putting public safety at risk are not the police; it is the people who are trying to outrun the police.

**Media:** Do you think it's going to have any impact on the wider discussion in the public at the moment around holding offenders to account?

**PM:** I think it's a clear signal that, from time to time, where the police's operational approach has changed, they do need to keep looking at that, and if they over-correct one way, they need to make sure they get the balance right, and I think that's what they've been working to do. These are ultimately decisions for the commissioner, so we don't instruct them around their pursuits policy, but I know that the commissioner—I understand from my conversations with him some months ago—I understand what he has been trying to achieve, and I certainly endorse his overall objectives here.

**Media:** And, just from those conversations, did the fact that the review was going on—and, obviously, your conversations with the commissioner and the public comments he made

signalling where, you know, the issues were—did that influence at all the Government's intention to push through this amendment targeting fleeing drivers?

**PM** Yes, they will—certainly the conversations were intertwined. So, when we had the conversation about increasing the penalties for fleeing drivers, sitting right alongside that was the fact that, at that time, the commissioner had started to consider the operational policy around fleeing drivers.

**Media:** A quick question on retirement: you've committed to keeping the age at 65. What makes you confident the Government can fund that, and can it fund it in perpetuity, or are you just kicking the can down the road?

**PM:** No, we believe that, with the right economic management, we can fund superannuation for the longer term, but it does involve things like contributing to the New Zealand Superannuation Fund. The super fund won't fund 100 percent of the cost of superannuation. It was never intended to do that. What it was intended to do was fill the gap that could be created if we didn't pre-prepare now for an increasing number of people over the age of 65. So it's why we have continued to fund the superannuation fund, and it's why we're confident that we can keep it at 65.

**Media:** For how long? How long is the medium term or the long term?

**PM:** I don't foreshadow—as long as we continue to plan for an increased number of retirees, I don't see a need in the future to change it.

**Media:** Was there any discussion about perhaps tying the age to the life expectancy of Māori men?

**PM:** We haven't had conversations around that. Sixty-five is what we've got now; 65 works well for New Zealand.

**Media:** Just on the bilingual road signs, which seems to have enraged a lot of people of late, what is your view on that? Do you have any concerns or preferences, I guess, about the layout, which words go where, whether there might be any distraction issues when people are only glancing for a second? What's your read on that?

**PM:** Bilingual road signs are not new. They might be new in New Zealand but, if you travel around the world, so many countries have bilingual road signs that look much the same as the bilingual road signs that are being talked about now. There's no additional cost to this, so these are—as signs come up for replacement, bilingual elements are being introduced into them. So it's not like there's a big a re-signage campaign going on. People will be seeing it at the moment because a number of those signs were damaged during the cyclone and, as they're being replaced, there's a bilingual element being added to them. I've got no problem with that. I don't think it creates public safety concerns. It doesn't in other countries around the world who have bilingual signs, and I don't think it needs to in New Zealand either.

**Media:** What was the process behind that? Is that a Government directive or was it a Waka Kotahi initiative? How did that come to be?

**PM:** I can't remember whether we approved it or whether we were simply consulted and informed about it. But I certainly recall having seen it go through the system, and I have no issue with it.

**Media:** What do you make of National trying to make it into a political football?

**PM:** Well, the current leader of the National Party tried to trademark "kia ora". So I'm not entirely sure where they're going with that unless it's just an outright dog whistle.

**Media:** ACT appear to be owning the term "Coalition of Cuts". Is that going to impact your use of it given that, you know, if you own that kind of nickname, it tends to take the sting out of it a little bit?



**PM:** I think it shows what a National-ACT Government would stand for. I think it's great that they're being upfront with the New Zealand public about it. I think they should be much more specific about exactly what it is that they are proposing to cut. Right; thanks, everybody.

**conclusion of press conference**