

**POST-CABINET PRESS CONFERENCE: MONDAY, 1 MAY 2023**  
**HANSARD TRANSCRIPT**

**PM:** All right, kia ora everybody. I hope to keep this reasonably brief today because this evening, I'm flying to the UK for the coronation of King Charles III. As I've previously said, trade and securing improved trade access for New Zealand exporters has been a foreign policy priority for me this year, and it will be a focus of my visit, ahead of the coronation itself.

The UK is one of our closest trading partners and our free-trade agreement with them is a gold-standard agreement. The UK is our eighth largest trading partner. It's also a key source of investment and migrants and tourists. Virtually all of our current trade will be duty free from the entry into force of the FTA, including duty-free quotas for key products like meat, butter, and cheese. It's estimated that the FTA will see New Zealand goods exports to the UK increase by over 50 percent, potentially boosting New Zealand's annual GDP by up to \$1 billion a year, and the agreement could save around \$37 million per year on tariff elimination from day one. Therefore, gaining entry into force as soon as possible will be of the focuses of the trip.

To that end I will be meeting with the Prime Minister, Rishi Sunak, on Friday evening New Zealand time, where we will be discussing trade, our enhanced working holiday scheme, the war in Ukraine, and the UK's role in the Indo-Pacific region. I also intend to catch up with UK Foreign Secretary Cleverly after our meeting in New Zealand had to be cancelled due to the outbreak of war in Sudan and his return home as a result of that. Prior to these meetings, I'll be promoting New Zealand's trade interests through a series of visits and events that aim to raise the profile of our export goods in the UK market.

The UK free-trade agreement is one of seven that has been either secured or upgraded since 2017, and trade has been and will continue to be a critical component of our economic recovery from COVID-19. Added to this is the substantial conclusion of negotiations over the UK's accession to the CPTPP. This is a really important piece of regional economic architecture, and the UK's accession will provide another pathway for New Zealand exporters to access the UK market.

Last year alone, we grew our exports to record levels, of nearly \$90 billion, so the UK FTA will be a most welcome addition to our export-led recovery. Our agricultural goods are one of the biggest exports, and their vulnerability to extreme weather events and climate change has been highlighted by the recent extreme weather we've had. While in London I'll be convening a round-table discussion on climate change, with a particular focus on adaptation and the resilience of horticulture and agriculture. Participants in that will include Lord Deben, the chair of the UK's independent committee on climate change, and former British High Commissioner to New Zealand Laura Clarke, who is now the CEO of ClientEarth, an environmental law organisation.

Another focus of the trip will be our ongoing commitment to the Ukraine. I'll be visiting New Zealand Defence Force personnel training Ukrainian troops just outside of London. That visit will be hosted by the UK's Minister for the Armed Forces, James Heappey, and while there I'll be making announcements about additional support New Zealand will make to the defence of the Ukraine. I also have a call with President Zelenskyy this evening, and on that call I'll be restating New Zealand's solidarity with Ukraine and our ongoing condemnation of Russia's egregious actions.

Rounding out the trip, I'll be holding bilateral meetings with the Prime Ministers of Tonga and Canada, as well as representing New Zealand at a range of official coronation engagements. And I'm happy to open up for questions.

**Media:** Prime Minister, with Ukraine, will you be promising more money or more support, or something tangible?

**PM:** New Zealand is committed to providing ongoing support to Ukraine. I intend to outline to the President in my call this evening what shape that additional support that we're going to provide will be, and then we'll certainly share that once I've had the opportunity to share it with Ukraine first.

**Media:** Have you see international media reports about your travel to Papua New Guinea, and can you confirm that you will be going when Jo Biden goes?

**PM:** Yeah, I'm aware of the speculation on that, though—so that event itself hasn't yet been confirmed, and therefore no invitation has been received. But certainly, if the event is confirmed and an invitation is received, unless there is a good reason not to go, it would certainly be my intention to go.

**Media:** Is it unusual that you haven't been invited yet?

**PM:** No. Often these things happen quite last minute, so that's not unusual. But certainly, if the event does take place, it's something that New Zealand would welcome. We've encouraged the US to be more active in the Pacific area, and we certainly would want to be part of those conversations. So, you know, if the opportunity arises, it's one that I'll be looking very favourably on, yeah.

**Media:** You said you haven't been formally invited yet. Does that mean that there is some back-channel correspondence between officials where they're, basically, talking about it going ahead?

**PM:** With all of these things, before—events like that don't just happen out of nowhere, so there's always conversations about them.

**Media:** So are those conversations at this point making it seem likely that it will happen?

**PM:** Oh, I don't want to get into speculation. Ultimately, if an invitation is received to that event, as I've indicated, unless there's a very good reason not to—i.e., timing and logistics—then it would be my intention to go.

**Media:** Have you invited President Biden to visit Wellington while he's in Australia, or on this trip?

**PM:** Look, I think it would be fair to say US Presidents—if they wish to visit New Zealand, they'd always be welcome. So I'm not aware of whether the formal invitation was issued by my predecessor, but, generally speaking, we don't sort of reveal details of those types of conversations until something's been confirmed.

**Media:** Would you make inquiries about whether he'd be interested?

**PM:** As I've indicated, I don't want to get into speculative discussions. There's always discussions about international engagement.

**Media:** Would you go to Sydney to have meetings alongside the Quad meeting that's happening there?

**PM:** As I've indicated, you know, it's not necessarily something that I would expect an invitation to, but I'd consider it if one came.

**Media:** Why haven't you invited Biden to come here?

**PM:** As I've indicated, you don't just drop invitations willy-nilly out of nowhere. Generally, they're the subject of some conversation before you'd issue an invitation.

Jo.

**Media:** So why not in this instance? He's in the region—I mean—

**PM:** Generally, you'd issue an invitation if there was a signal that it would be accepted.

Jo.

**Media:** Sorry, I'm going to change topic completely. The winter energy payment is launched again today. David Seymour is saying that you could save \$379 million if you gave it to beneficiaries and those over 65 with community services cards. Did you give any consideration, given the climate that we're in—a cost of living crisis—making that payment more targeted this year?

**PM:** If an ACT-National Government wants to campaign on means testing superannuation and the things that are allocated that are based on eligibility for superannuation such as the winter energy payment, then of course they can do that, and we will oppose that. Superannuitants receive the winter energy payment on the same basis they receive New Zealand Superannuation; I don't intend to start means testing that. It could explain, however, why the National Party have been somewhat cagey about the ongoing commitments to the New Zealand Superannuation Fund, because if they're not going to fund that, then subsequently, at some point in the future, they'll have to reduce the cost of that. That could be one of the ways they're planning on doing it.

**Media:** Can we park superannuation, because that is a policy that has existed for a long time and I get that it's political suicide to do anything with that. We're talking about the winter energy payment here. Do you accept that there are a large number of New Zealanders who do not need that winter energy payment, and you could use that \$379 million to help out pensioners and the elderly who are living on the breadline?

**PM:** We've made the decision to make the winter energy payment available to New Zealand superannuitants on the basis of their eligibility for New Zealand Superannuation, and I don't intend to change that.

**Media:** Do you accept that there are a number of elderly living in poverty?

**PM:** I accept that it's a very difficult living environment for a number of New Zealanders, and you've seen the recent changes that we made to significantly boost New Zealand Superannuation to recognise the effect that the rising cost of living has on a range of New Zealanders.

**Media:** Do you accept in the cost of living crisis at the moment that there are still a number of elderly living in poverty, because your Minister Ginny Andersen accepts that and says that she's fighting to get more for them. So will this Budget, which is a no-frills budget, as you've called it, do anything to help the elderly living in poverty?

**PM:** I'm not making any further Budget announcements today.

**Media:** Do you accept they are living in poverty?

**PM:** I accept that there's a number of New Zealanders who are finding the cost of living a very big challenge at the moment, and that is something that the Government is committed to addressing.

**Media:** And you don't think \$379 million that could be saved by not giving the winter energy payment to those who don't need it could be used in a more targeted way?

**PM:** I'm absolutely ruling out means testing for superannuation or the winter energy payment, which is allocated based on eligibility for New Zealand Superannuation.

**Media:** Has your Government considered that at all? Has it considered—in any review of the energy payment—

**PM:** Not to my knowledge.

**Media:** —did you consider targeting—

**PM:** Certainly not to my knowledge. If there has been any at officials' level, I have not seen it.

**Media:** Prime Minister, on the KiwiRail disruptions in Wellington—this is a State-owned enterprise, after all. How much responsibility does the Government take for these failures?

**PM:** As you will have seen, I think if a statement hasn't been issued, it will be very shortly, but we are going to be conducting a review into how KiwiRail found themselves in this position. It isn't acceptable. It is a core responsibility of KiwiRail to maintain the tracks such that the commuter rail services can be delivered in a timely and reliable manner, and clearly they've dropped the ball here. It's very important that we quickly understand why that happened and that they work as quickly as they can to make sure that those rail services are restored to their normal levels as quickly as possible.

**Media:** Well, we know why it happened. They had a specific piece of equipment that broke down because they only had one of them. There could be critics that say the Government should be funding KiwiRail more so this doesn't happen. How would you respond to that?

**PM:** Around billions of dollars a year—oh, sorry, billions of dollars over the time that we have been in Government have been put into KiwiRail for things like basic track maintenance. Lack of funding isn't an excuse. So if they have one piece of machinery that they're reliant on, one would think that they would have taken steps to make sure they've got some back-up in the event that something happens there.

**Media:** So this is a question around resource allocation from KiwiRail, then?

**PM:** It is ultimately an operational consideration for KiwiRail. That's one of the reasons why we've asked for a review very quickly, to identify exactly how this has happened.

**Media:** Why is it so frequently that your Government is doing rapid reviews into things and not seeing the problem coming? Are your Ministers driving those ministries and SOEs enough for the answers that you need before it gets to a point where we're at a crisis, if you're spraying billions of dollars at them?

**PM:** It's absolutely fair to say that over a long period of time—several decades—our rail system has been run down. Our Government has put billions of dollars into upgrading the rail network. I wouldn't expect to be seeing the sort of disruption that Wellington commuters are currently seeing when we have invested such a lot of money into improving maintenance and reliability.

**Media:** Money doesn't magic up results. Are your Ministers checking where that money is going? Do they have oversight—if you're spraying billions of dollars at the problem, do you have oversight that that problem is actually being addressed?

**PM:** I wouldn't expect Ministers to know whether there's one machine or multiple machines who do the checking of the tracks. I would think that that is something that KiwiRail should accept responsibility for.

**Media:** Just back on the coronation, how are you feeling about travelling for that event, and what's the significance, if any, to New Zealand of the coronation of the King?

**PM:** Oh, the coronation is certainly a significant international event, and I think it's important that New Zealand is well represented at the coronation. The King is our head of State, and until New Zealanders take a decision otherwise, it will continue to be.

**Media:** Are you excited?

**PM:** Yeah, it's a significant part of history. These things don't happen very often. It'll be—for most New Zealanders, it'll be the first time there's been a coronation in their lifetimes. *[Interruption]* Gosh, that prompted a lot of extra questions!

**Media:** Are you a monarchist or a republican?

**PM:** I think I'm on record as being a republican—you know, I think I've never made any secret of that—but I've also indicated it's not a priority for me. It's not something I intend to push. I think when New Zealanders are ready to have a debate about whether or not they want to become a republic, then, you know, I will just be one vote in that. But I don't intend—it's not something that I intend to prioritise.

**Media:** When would you—*[Inaudible]*—now is that time, right?

**PM:** I don't believe it's the right time to do it.

**Media:** The ceremony includes a pledge of loyalty to the King. Will you take that pledge of loyalty to him?

**PM:** As a New Zealander, yes, I will, because the King is our head of State—as I've taken pledges previously to the Queen and, subsequently, to the King. When I became Prime Minister, I believe I was the first New Zealand Prime Minister to take that pledge already.

**Media:** Would you be encouraging New Zealanders to take that pledge as well during the coronation?

**PM:** That's a matter for New Zealanders. But in terms of our oaths and affirmations that we have in New Zealand, our oaths and affirmations do involve a pledge of loyalty to the reigning monarch, which in this case is King Charles III.

**Media:** Have you had any proposals to tax the wealthy more, either through a CGT or some kind of wealth tax? Have any of those come to Cabinet at all this year?

**PM:** Sorry, what was that?

**Media:** Have you had any proposals to tax wealthy people more, either in the form of a wealth tax or a CGT, or something along those lines? Have any of those proposals gone to Cabinet this year?

**PM:** As I indicated last week, we consider a range of issues around tax as part of the Budget process, and we'll be releasing all of that as part of the post-Budget information release. I've made it very clear where we stand between now and the election, and then the Labour Party will release its tax policy prior to the election. I'm not going to get into the "what was and wasn't considered as part of the Budget process" discussion until after the Budget.

**Media:** Nicola Willis on Q+A this weekend said that something did go to Cabinet, and your answer there suggests that something did go to Cabinet in that process but it was rejected.

**PM:** I'm not going to get into a commentary of what Nicola Willis has said, unless, of course, you want to ask me about some of the other outrageous claims that she made, but—

**Media:** But is she completely wrong that something went to Cabinet and it was rejected?

**PM:** As I've indicated, we don't talk about what the Cabinet did and didn't consider as part of the Budget process until after the Budget. It's only a couple more weeks to go, and then you'll get all of those answers.

**Media:** But if you didn't consider a wealth tax or a capital gains tax at Cabinet, then you'd just be able to say no to that question, wouldn't you?

**PM:** Very clearly, I've ruled out either of those things happening in the Budget.

**Media:** Community pharmacists have said that the \$5 co-payment is stopping, obviously, the poorest New Zealanders from accessing the medicines they need. Will your Government do anything about this?

**PM:** I certainly acknowledge the effect that the co-payment has on the pharmacists but also on some, often, low-income New Zealanders who do have to pay that. I'm not making any announcements on that today, but I do acknowledge that it is a real issue.

**Media:** But surely it would take a lot of pressure off the health system, and it's a great cost of living boost for people, if that is a substantial amount of money for them? That seems like a no-brainer.

**PM:** Yeah, look, as I've indicated, I'm not making any announcements on that today, but I acknowledge the issues that have been raised.

**Media:** On your republicanism, you've just said it's not a priority for your Government. Might it be a priority for a second-term Hipkins Government?

**PM:** No, I can't envisage doing it; it's certainly not in the next term. To do something like that, my view is that that's a significant constitutional decision and, therefore, it would be a decision for New Zealanders to make by way of a referendum. I don't intend to propose one at the next election or during the next term.

**Media:** OK, so you call yourself a republican, but you're one of the few people in the country that could do something about that and you're choosing not to. Why?

**PM:** Because I don't regard it as a priority at the moment. The constitutional arrangements that we have are working quite soundly at the moment. A decision to become a republic would involve a whole lot of other potential decisions that could be quite distracting at a time when I think New Zealanders have indicated they want us focused on much more pressing issues.

**Media:** Why are you a republican, then?

**PM:** Look, ideally, I think, in time New Zealand will become a fully independent country. We'll stand on our own two feet in the world, as we by and large do now. I don't think that changing—swapping out the Governor-General for some other form of head of State is necessarily an urgent priority right now, though.

**Media:** Yeah, but why are you a republican—why do you believe in that?

**PM:** Because I believe that we should, ultimately, be an independent country.

**Media:** So why don't you do something about it?

**PM:** Look, as I've indicated, I don't see it as a huge priority for me or for New Zealand right at the moment.

**Media:** First on that, what would it take to prompt that. Like, would you have to have every third person that talks to you out on the street say "I want a referendum."—like, you and former Prime Minister Jacinda Ardern are in the same position, but are not prepared to do anything about it, so what would it take to do something?

**PM:** Honestly, I think it is something for New Zealanders to instigate a discussion on and there isn't a groundswell of support for having this particular debate right at the moment, and I don't particularly have any interest in pushing that debate on New Zealanders at the moment.

**Media:** Two questions from RNZ Pacific: are you aware that there's a new hostage negotiator for Philip Mehrstens in West Papua? Have you had any briefings, or is there any new information on that situation?

**PM:** I've been getting regular briefings on the hostage situation, and the New Zealand Government is absolutely committed to doing what we can to secure his release and his return to his family, and to do as much as we can in supporting his family and him—obviously, we don't have access to him—through what is a very difficult situation. We absolutely condemn hostage-taking. Our foreign policy position is not now, nor never will be, affected or altered in any way by actions such as this. So I don't want to comment on the specifics of who's talking to whom or what negotiations may or may not be happening, but I do want to—other than to say that some of the information that's in the public domain is incorrect.

**Media:** So that's not correct that there is a new—because that was published by ABC.

**PM:** Yeah, as I've indicated, I don't want to comment on specifics. Some of the—if I get into, you know, saying which information is correct and which isn't, then I'm going to be getting into a level of detail which I'm not comfortable doing, given that this is a very sensitive matter and, obviously, our first and foremost consideration has to be the security and safety of the hostage, and a significant public discussion of that is not likely to be in his best interests.

**Media:** And just a second question from RNZI, have you seen the report there was a lawyer—a community lawyer in Auckland that was alleging his client, an alleged overstayer, had been apprehended by police through Dawn Raid tactics recently?

**PM:** I haven't received a detailed briefing on that yet, other than some quick analysis of the public reporting of that. That does concern me—those aren't the sorts of tactics that I would expect us to be using in New Zealand. I have received assurance that no Ministers were aware that that was going to take place, and I understand that the Associate Minister of Immigration is reviewing the case of the individual concerned. So, obviously, that's a decision that now sits with that Minister, but those sorts of tactics aren't the ones that I would expect New Zealand officials to be engaging in.

**Media:** Especially after the apology for the Dawn Raids—right?

**PM:** That is quite right, and so the fact that something appears to have happened here without any knowledge of the Ministers is something that I am very concerned about.

**Media:** Granted you've probably got a few things on this week, have you managed to secure any face time with the King or any members of the royal family, and is that something you would expect to have if you were going over?

**PM:** Yes, I do. I am not sharing the details of that right at the moment, but, yes, I will be meeting with several members of the royal family including, well—I just have, haven't I?—including the King.

**Media:** So you will be meeting with the King. Are you bringing a gift on behalf of New Zealand, and what would that be?

**PM:** I'm not confirming all the details of the bilateral discussions that I'm going to be having, or what may or may not be exchanged. So I'm not confirming details of specific engagement with members of the royal family today.

**Media:** So are you having a one-on-one meeting with King Charles?

**PM:** I'm not confirming any specifics. We'll let you know well in advance of anything such as that happening.

**Media:** That sounds like you've let the cat out of the bag there, so can you give us a little bit of what you plan to say to him, or—

**PM:** No.

**Media:** Last year, the Climate Change Commission released its report on the second emissions budget. It's quite critical of the Government's progress for its meeting that target as well as what the Government has done to the ETS. What was your response or reaction to that?

**PM:** That there's nothing particularly new in the commission's report. The commission's report contains a lot of recommendations and a lot of advice for things the Government is doing already. In some areas, it doesn't take into account more recent developments, and it certainly doesn't take into account some of the stuff that we haven't yet announced. So there's more to come in this space.

**Media:** Prime Minister, there have been reports about changes to the car discount. Do you—why do we need to rethink this?

**PM:** Well, of course, it's been an incredibly successful scheme. We're very pleased that we've seen a much larger uptake of renewable energy vehicles—electric vehicles in particular—as a result of that scheme. We've got to make sure that the scheme is sustainable, and we've got to make sure that we're getting the best bang for buck out of it. So that does involve periodically reviewing the criteria, and we'll be making announcements on that shortly.

**Media:** Are you concerned—*[Inaudible]*—a major overhaul? Does it need big changes to happen to keep it being effective?

**PM:** There will be some changes. I'm not announcing them today, but there will be some changes.

**Media:** Are you concerned that removing the low-emitting petrol vehicles from that scheme will discourage people from those low-emissions vehicles into maybe medium-emission?

**PM:** I know you're—I see what you're trying to do there. You're trying to get me to comment on changes that we haven't announced, so I'm not going to.

**Media:** Do you drive an electric vehicle?

**PM:** Yes.

**Media:** Do you feel comfortable that cars specifically for wheelchair users come under the clean-car standard and don't have an exemption?

**PM:** That is something that we've canvassed as part of the forthcoming changes that we'll be announcing, and so there'll be more detail coming on those.

**Media:** Are you hopeful of getting an entry into force date for the UK and New Zealand free-trade agreement?

**PM:** I'm optimistic.

**Media:** Does that mean it's already in the bag?

**PM:** I'm optimistic.

**Media:** You've got quite a detailed travel schedule this year, despite saying you wanted to keep it slim. Do you also hope to head to Ukraine at some point—is that on your list of wants to go?

**PM:** Not currently.

**Media:** Prime Minister, what's your message going to be to the King when you have your one-on-one with him?

**PM:** I haven't confirmed that.

**Media:** If President Zelenskyy invited you to Ukraine while you were at the NATO meeting, would you go?

**PM:** Sorry, what was the question again?

**Media:** President Zelenskyy—you're going to talk to him this evening, I believe. If he invited you to visit Ukraine while you were attending the NATO meeting, or either side of that meeting, would you go?

**PM:** I've got a relatively busy travel schedule, and, of course, quite a lot that I need to attend back in New Zealand. I wouldn't rule out ever doing it, but scheduling wise, I think it's looking unlikely in the next few months.

**Media:** It's quite nearby. It's a lot closer—Ukraine is—to Lithuania than it is to New Zealand. You could—

**PM:** You're asking me hypothetical questions.

Jo.

**Media:** Why was the cost of living payment means tested?

**PM:** Sorry?

**Media:** The cost of living payment—why was that means tested?

**PM:** Well, that was a decision that we took at the time.

**Media:** Do you think that it was appropriate to means test the cost of living payment?

**PM:** Yes.



**Media:** Your speech last week said that there would be no major tax changes in the Budget. That leaves the door open to minor tax changes. Are there minor tax changes in the Budget?

**PM:** I'm not going to start announcing the Budget today, but good on you—good on you for being persistent.

**Media:** Are you ruling out any tax changes in the Budget?

**PM:** I'm not going to announce the Budget today. I'm not going to tell you what is or isn't in it, but—

**Media:** But you've already ruled out a capital gains tax, a wealth tax, and the cyclone levy. Will you rule out any tax package—

**PM:** I'm not adding to the comments I made last week. And I'm going to—I'm just trying to look at the clock. I've got another minute or two.

**Media:** Who's the Minister in charge of—well, who is the leading Minister when it comes to the discussions around Pillar II of AUKUS?

**PM:** That would ultimately be me.

**Media:** OK. But underneath you, is it Nanaia Mahuta or Andrew Little?

**PM:** Look, at the moment, discussions around Pillar II are purely hypothetical. So at this point the scope of Pillar II is not yet fully known, and the process for discussions with other countries who may or may not join Pillar II is also not yet known, so it's all very hypothetical at this point.

**Media:** Are your Cabinet Ministers on the same page, though, do you think, because Andrew Little seems a little bit more enthusiastic and Nanaia Mahuta a little more reticent. Has there been any—

**PM:** I don't think there's any real difference between them at all. The reality is it's an entirely hypothetical conversation at the moment because the scope of Pillar II isn't even yet known. So I think at this point, everything is speculative.

**Media:** But it's more than hypothetical, though, isn't it, because Kurt Campbell explicitly said that New Zealand would—there would be discussions with New Zealand about whether we would like to join. So it's not hypothetical—they've said it.

**PM:** So if you take the topics that we understand to be part of Pillar II—so things around cyber-security, around foreign interference, and so on—those are issues that we do look to work with like-minded international partners on, and we currently do that now. We work with the US, the UK, Australia, Canada, and a range of other international partners on these issues, and we'll continue to take opportunities to do that where appropriate. In terms of specifically around AUKUS, as I've indicated, it's very hypothetical at this point because there isn't a formal invitation on the table. There's also—it's not entirely clear what we would or wouldn't be invited to, so I think, as I've indicated, these are all very hypothetical questions.

**Media:** Have you made any decisions about New Zealand's engagement in any AUKUS-related matters since Andrew Little said that he had basically agreed with the US to explore having a conversation about AUKUS because access to defence technology alongside the nuclear elements that would be part of Pillar II was important?

**PM:** I'm not quite sure what the question that you're getting to is, but—

**Media:** Have you made any determinations around AUKUS-related discussions since Kurt Campbell's visit?

**PM:** There have been no formal decisions on any New Zealand engagement around AUKUS. At this point, any conversations are purely at the hypothetical, very informal end of it.

**Media:** Do you think on the clean-car discount, are you confident that the changes that you're making to the scheme will now make the scheme revenue-neutral, as it was designed to be?

**PM:** I'm not making the announcements today.

**Media:** If you have an audience with the King, will you discuss your republicanism?

**PM:** No, I'm not making that announcement.

**Media:** No, but like what will you talk about?

**PM:** Again, there is a longstanding convention that where New Zealand Prime Ministers or Ministers meet with members of the royal family, the topics of conversation don't get disclosed other than in a very broad and general sense.

**Media:** Can I ask, also on the coronation, why is it important to you that the Opposition leader also goes? The Australian Prime Minister hasn't extended an invitation to the Australian Opposition leader.

**PM:** Well, we have to recognise it's election year in New Zealand, and so that does put us in a slightly different category to some of the other countries.

**Media:** So you're taking him because he could be Prime Minister in a few months?

**PM:** It is a possibility. I hope not, but, you know, it's a possibility.

**Media:** Would you ever introduce a tax-free threshold in New Zealand?

**PM:** I'm not playing the rule in or rule out game on tax today.

**Media:** In this Budget, would you do that?

**PM:** Sorry, what was that?

**Media:** Would you do that in this Budget?

**PM:** I'm not playing the rule in or rule out game today, and I'm not going to get into what may or may not be in the Budget, despite the fact that I made some quite clear statements last week which I stand by. I'm not adding to them today.

**Media:** You say you think New Zealand should be an independent country. How would New Zealand benefit from being an independent country from the monarchy?

**PM:** Look, I actually think at a practical level that the change for New Zealand could be quite a minor one, but, like I said, it's just not a priority for debate at the moment in my view.

All right, we're done. Very good.

**Media:** When Cabinet—sorry.

**PM:** Last question to Claire.

**Media:** When Cabinet settled on the possibly minor tax changes in the Budget, was David Parker's heart broken a lot or just a little bit?

**PM:** That's a very cruel question. Cabinet collective responsibility has certainly applied to all of the decisions that we've taken around the Budget.

Thanks, everybody.

**conclusion of press conference**