

## POST-CABINET PRESS CONFERENCE: MONDAY, 15 JUNE 2015

**PM:** OK, good afternoon. So, as you will have seen, the Minister of Finance and Foreign Affairs Minister have today announced the Government has agreed to become a founding member of the Asian Infrastructure Investment Bank. The bank is being set up to invest in new infrastructure projects across the Asian region. New Zealand was the first Western, developed nation to join negotiations to set up the bank, and our membership will enhance our already-strong economic, trade, and investment links in the region. Increased infrastructure investment will enhance the Asian region's growth, and that'll be good for New Zealand. It's expected the bank will have initial capital of around about US\$100 billion to invest. It'll be financed by individual country contributions based on their economic size. New Zealand paid-in capital will be around about \$125 million paid over five years.

Just in terms of the House this week, we intend to progress the tariff amendment bill, the exclusive economic zone and continental shelf amendment bill, and the appropriation bill. And just in terms of my whereabouts I'll be in Wellington tomorrow and Wednesday, as you would expect. On Thursday I'll be in Auckland, and on Friday I'm opening the Winter Festival in Queenstown.

**Media:** Did Cabinet discuss the bid by two iwi for joint legal action?

**PM:** No, not really. I mean, basically, in terms of what we've seen, I'd suppose I'd make a few comments. I mean, the first would be the Government is very sure of its legal position, and that is it's quite entitled to use existing Government land for a stated Government purpose, which, in this case, is the provision of housing. We've done this before; it's not new. So we did this in Christchurch, for instance, where Ngāi Tahu have first right of refusal, and carried on down this path. Secondly, it's probably just worth noting that Ngāti Whātua actually don't have a right of first refusal in their—in their Treaty settlement. It's bound up within the Tāmaki Collective, and the Minister's been talking to the Tāmaki Collective for quite some time.

Thirdly, in the end, we haven't actually identified, you know, the 400 to 500 hectares of land that we want to release in Auckland. There's over 150,000 there. So whether there would even be any land that they could even make a case, even if we don't believe there is an appropriate legal case to do this, is a very completely different issue. So from our point of view we're quite comfortable we've got the right legal advice, and we're quite within our rights to do what we want to do, which is to release more land for the provision of housing.

As the Minister said, or the Minister said to the Tāmaki Collective members yesterday, they're quite happy to work alongside iwi for the development of some of this land if it's something they're interested in doing. We did that, again, before. We've done that at Weymouth, and we're not opposed to doing that in the future, but we don't think the Government wanting to provide housing on existing Government land triggers the right of first refusal.

**Media:** So if they take legal action now, will you fight it?

**PM:** Sorry?

**Media:** If they take action now, will you fight it?

**PM:** Well, it's not so much a matter of fight it, I suppose, as that, you know, we can't stop and wouldn't stop someone exercising what they believe is their legal right. But I think it's really important to understand you can't just go to the courts for a declaratory judgment to say whether the Government's perspective on something is right or wrong. They would have to be, in fact, be taking a case. In other words, the Government would have to have a piece of land, which it would be wanting to basically develop as housing without triggering

the right of first refusal, that was land that Ngāti Whātua or Tainui believed they had right of first refusal over. They can't just do it as a random concept.

**Media:** So are you still open to this joint approach to the courts? Or are you ruling that out?

**PM:** The attorney's giving us advice on that about whether we would join, but, you know, as I said to you, they actually have to have it over a particular, particular piece of land.

**Media:** So at this stage you won't go for that joint approach?

**PM:** Well, we haven't made that call. Attorney's just giving us some advice on that, but it's fair to say we're very confident of our legal position.

**Media:** So are you saying then that those pieces of land identified—I think five pieces of land, May 29—that they're now not likely to be developed?

**PM:** Well, I'm not saying that. I'm just—I'm simply saying that, ultimately, you would have to look at pieces of land. The pieces of land would have to be land that, in theory, that the iwi believed were subject to right of first refusal, and they'd have to be ones that the Government then wanted to develop. There's no guarantee we would do that.

**Media:** Would you be prepared to identify a piece of land so that a test case could go ahead on that basis?

**PM:** Yeah, well, that's a very interesting question, and the question is we haven't—that's what we're getting a piece of advice on, on whether we would want to do that or not. But even if we didn't want to do it, wouldn't be because we didn't believe we could win. Our advice has been consistent the way through, and we believe, actually, our advice has worked in practice. We did this in Christchurch, where, actually, Ngāi Tahu were interested in right of first refusal on the land, and ultimately they weren't the successful bidder on it.

**Media:** Is that the Colombo Street development?

**PM:** It's the Awatea, I think, the Carrs Road or Awatea—Awatea, I think, from memory.

**Media:** If this ends up in court, are you concerned that it'll hold it up?

**PM:** Well, you're quite a way ahead of yourself, but, you know, hopefully not. And don't forget, even if it did it would be on a bespoke and specific piece of land. So there's a lot of land there; the Government hasn't even selected any of this land. What we've been going through is saying: "Conceptually, this is what we're interested in doing. Conceptually, there's 150,000 hectares of land." Clearly not all of that's available, but we are looking for a reasonably, you know, small group of that—amount of that land to use.

**Media:** Prime Minister, conceptually, you went to a specific piece of land, with a bunch of news media, which doesn't belong to the Government.

**PM:** Yeah, well, as I said, you know, that's all part of the demonstration of what's available, and my understanding is that piece of land is, actually, absolutely available for development. It was joint owned, that particular piece, and the council are fine with it.

**Media:** So those pieces of land which were presented to developers on that day—are you saying that they're—you haven't made a final decision to actually sell those pieces of land?

**PM:** Well, I don't know the particular bit you went to. I wasn't, obviously, on the tour, and I haven't seen the list of that. But what I'm saying to you is ultimately, once you move beyond an exercise of saying the Government wants to release land, you get into an exercise of the specific pieces of land. And no decision's been made yet, as I understand it, on specific pieces of land.

**Media:** Can I just get it clear, Prime Minister: Ngāti Whātua and Tainui have put out that invitation for a joint legal process with the Government. Are you ruling that out, or saying that's unlikely, or—

**PM:** No, all I'm simply saying to you is we're getting advice from that on the Attorney-General, and he didn't have that advice today.

**Media:** When do you expect to get that, or when will a decision be made?

**PM:** Don't know. You'd have to ask his office; he's just working his way through it.

**Media:** Because they're saying they want that as soon as possible so this can be cleared up. Can it be tomorrow, this week, next week—what are we talking about?

**PM:** I don't know; you'd need to ask him.

**Media:** It's such a fundamental concept in so many Treaty settlements, though. Isn't there some advantage in, you know, ensuring that both you and partners agree on what it means?

**PM:** There might be, but on the other side of the coin, as I said to you, actually in the Ngāti Whātua settlement they don't have right of first refusal. They have that bound up, insomuch they have it, through the Tāmaki Collective. And the Government's been in discussions quite prior to this process with the Tāmaki Collective and, actually, the meetings yesterday were with the Tāmaki Collective and none of them raised that. And we've done this stuff before, and, actually, we're confident of our legal position. So just because somebody says "I think I have a legal right" doesn't mean they do or they don't. We're quite comfortable that the law, if you go have a look at the law in this area, it quite clearly says the Government is free to carry out its stated aims and when it comes to housing it's quite free to use existing Government land for its stated aim: the provision of housing. It can do that.

**Media:** Yes, but Waikato-Tainui is another party to the action. They have a right of first refusal in their—in their agreement and, you know, that will be an ongoing issue. I mean, surely you want to sort that out with them. They have it in their contract.

**PM:** They do and, I mean, any land they have in Auckland I think is not really—I mean it's a—the limited amount I've seen, it's out of the main isthmus of Auckland, actually. But anyway, putting that all to one side, the Government's not confused about its position. According to the legal advice we have, we understand our position.

**Media:** Yet you've had several judicial reviews over the course of this Government, and you haven't won all of them. I mean, you lost a whole bunch in Christchurch over schools. I mean, your legal advice that you relied on previously hasn't necessarily been completely reliable. This would seem to be putting a spanner in the works of your plan in Auckland. I mean, you're not at all worried—

**PM:** Well, I think the main point would be that the Government is involved, for a variety of reasons, in a huge number of legal cases in any one given year, and our track record of winning them is, overwhelmingly, we win them as opposed to lose them. The advice we've had in this area and the work that we've done in this area in the past is to do exactly what we're proposing to do in Auckland, and we believe we're legally correct.

**Media:** How do you think Ngāti Whātua are going to take being told that they don't have any rights to—or to be parties to this discussion?

**PM:** Well, the main point is that it's important everybody understands the law. They're free to test their legal rights. In the event that the Government actually decided to, ultimately, sell or develop a piece of land, then they could take that action in relation to that piece of land if they wanted to. But it's not a theoretical discussion, it's in fact. And the question is whether we ultimately do that with a piece of land that they might want to claim that they've got a case with—whether ultimately we either don't, or whether they're a developer along the way.

**Media:** In the protocol to the Tāmaki Collective it does highlight the need for the Government to at least give iwi “first dibs”, as it’s being called, on any development. Would you be open for that? Are you prepared to do that?

**PM:** Well, as I’ve said, it’s always possible for us to go and talk to parties about whether they ultimately want to do that. I mean, in the case of the Ngāi Tahu land that we—in Christchurch, they did want to be the developer. We did put it up into open tender. Actually, Fletchers won the right to develop that, and Ngāi Tahu recognised, actually, they, despite the fact they would have wanted that, they didn’t actually have right of first refusal.

**Media:** But there are some caveats on that, which is the Government can reject that approach if it thinks it’s going delay it. And I can’t remember the precise wording, but it’s, essentially, if it affects the efficiency. Do you have any concerns that it would? Doing a deal over developing with iwi, would that cause a problem?

**PM:** I guess all I can tell you is, you know, there’s obviously—there’s lots of complexity, in terms of there are different settlements with different rights. Different land has different applications that can be made to them, and, you know, the Government takes its advice—takes it seriously. That’s the advice that we have, is that we’re in a legal position to do what we want to do.

**Media:** So, Prime Minister, you represent the rights of property owners whose views on their own property rights are very strong. Are these—it seems like you’re being dismissive about the property rights of these iwi.

**PM:** No, I’m just reflecting the legal interpretation that we have.

**Media:** Which is that their rights are sort of less than they think they are.

**PM:** No. It’s really, really important that you understand the law. The law is that right of first refusal is triggered when the Government no longer wishes to use land for a purpose that it stated.

**Media:** If it’s selling it to a developer to develop, or selling it to ordinary people—I mean, that’s developing it. I mean, that’s immediately—

**PM:** Go and have a look at the legal structure of what we did in Christchurch.

**Media:** Are you concerned any legal action here could affect other Treaty settlements—delay them because of concerns about what’s happening in other places?

**PM:** No. I mean, my understanding, anyway, of what happened at the meetings yesterday—because there are a number of iwi up there that haven’t actually settled—is that, you know, they were making very positive sounds of wanting to settle. We’ve settled, as you know, a huge number of Treaty claims in the time that we’ve been in Government. We’re looking to continue to do that.

**Media:** But if iwi are concerned about that, they could hold off till they wait to see the outcome of this legal action.

**PM:** Look, people are free to do whatever they want to do. But the important point is: something isn’t the way it is because someone wishes it’s like that; it’s because in law it’s like that. The Government always has the right to use land for an alternative purpose. We absolutely have the right, in our view, to develop that for housing. That’s been our established legal position, as we understand it. We’re not stopping someone taking a legal right to challenge that. That’s democracy, and they have—the judicial system allows them to do that if we ultimately decide to develop it. But our understanding of the law is that we’re quite free to do with what we’re doing.

**Media:** Their advice is that the purpose you want for that land is to privatise it, and that’s where you come up against your own law.

**PM:** Well, actually, go and have a look at the structure that was used in Awatea in Christchurch.

**Media:** Prime Minister, on the Asian infrastructure bank, a lot of other countries are concerned about the governance. Did you have concerns, or did you manage to negotiate anything into the agreement—

**PM:** Well, our main issue, like everybody else, was that a) we could see the logic in the idea. We could see the need for it, because it sits alongside the Asian Development Bank and others who operate in this space, but also we wanted to make sure that there was good governance in place, because there's New Zealand taxpayer dollars here that will be invested in these projects. We've played, I think, an instrumental part in being part of that governance project and process right from the start. We've been actively involved, and we've satisfied ourselves in the time that we've been involved that good governance provisions will be in place.

**Media:** Can you be specific as to what provisions?

**PM:** There's a whole—there's a whole range of things that people were looking at, but you can see the sort of countries that have come onstream. You know, they're—most countries you can name have now decided to become party to it, and they can see the need for, you know, infrastructure that will be developed.

**PM:** Prime Minister, the chief of defence staff is going to China. Is he going to discuss the situation in the South China Sea; and if so, what is he going to say New Zealand's position on that is?

**Media:** No idea. You'd have to ask his office, but in terms of the former, I didn't even know he was going, because I don't sign off on him going to China. I'm sure he reasonably regularly visits around the world, to a variety of countries. But he'll just be stating our longstanding position when it comes to the south China seas, which is a) we want the parties to try and find a negotiated and diplomatic solution; secondly, we believe in the law of the sea; and thirdly, we encourage the parties to start negotiating.

**Media:** Prime Minister, it would appear that the Ministry for the Environment and Treasury are both now suggesting that a review of our laws around genetic modification are required. We're losing a lot of competitive advantage. Is the Government open to a review of the current HSNO laws?

**PM:** Well, we haven't discussed that for a very long period of time. That's—I don't think that that view held by those ministries is new. I think for quite some time—

**Media:** Well, Gabriel Makhlouf obviously went on the record on Thursday at Fieldays and gave that issue quite a bit of prominence. There's clearly a view of your officials that this law needs to be changed.

**PM:** Yeah, I think for quite some time they've had—held the view that some change in this area and some clarification in this area would be important and beneficial to New Zealand. I think the point that I would simply make is that it's complex, it's quite—it's quite an emotive area, and it would be really important that people would understand the issues as we—as and if we went to either change the law or debated those issues.

**Media:** But would you consider at least a review as a first step?

**PM:** Well, I haven't seen any proposal that's come to me yet, other than in the wider sense. I'm pretty sure in the incoming briefings to Ministers and others that issue does get raised about HSNO—certainly, some of the thinktanks, like The New Zealand Initiative and others, have raised, you know, whether the law is workable, and you might remember there was a court case, I think either last year or the year before last, that at least threw into question some of the issues around GMO, or at least, you know, how it was going—

**Media:** But are you saying if it could be done in a careful way, including the public, you would be open to looking at addressing some of their concerns?

**PM:** I'd want to see what particular areas they were wanting to progress, and where their areas of concern were.

**Media:** Prime Minister, just looking at the health and safety legislation, do you feel that your Government is letting down workers with the delays in getting this into law?

**PM:** No. I mean, it's very important that we have law that is workable, practical, and actually achieves what it's intended to do. So we are progressing that law, and we are progressing it as rapidly as we can. But we have a responsibility to both workers and to the employers to make sure that the law is practical and works.

**Media:** Sure, but is it the case that, you know, so long after Pike River, now the delays are more for the employers, and things that they want out of the legislation, rather than what unions and some workers want out of the legislation.

**PM:** No, I don't think that's right. I think in the end it's a marriage between all of those parties.

**Media:** But you don't feel as if your backbench is taking the side of employers?

**PM:** No, I think you guys have got quite a different perspective on what the reality of this thing is. It's not driven by the backbench; I mean, there's been a number of Ministers, and quite a lot of us engage with people right across the country all the time, and the view of people has been wanting to make sure the law is workable. And you'll get that if you went to Fieldays, and you'll get that if you go to, you know, employers' chambers of commerce—commerce—and lots of other places. So, yep, all I can tell you is there will be change, we will be improving the law in this area, but it is really important that we get it right.

**Media:** What's not workable if the business leaders' safety forum, which represents almost 200 larger businesses, are saying "Get on with it."?

**PM:** Yeah, I think the large employers are largely comfortable with the moves we're making, and that's good, because those moves will be implemented. It's probably more in the smaller business space that we've had the major concerns raised.

**Media:** Prime Minister, it looks like there will be an inquiry into whether Australian officials paid asylum—sorry, people smugglers on New Zealand's behalf—effectively on New Zealand's behalf. Would you welcome such an inquiry; do you want to know if it was done?

**PM:** I don't think that's the right characterisation. Nothing was done "on New Zealand's behalf". My understanding of the advice I had was that boat was aiming to come to New Zealand. But I haven't either had any advice or ever been of the view that there was any, any, any view expressed by New Zealand about those issues. We've never done that.

**Media:** Have you spoken to Tony Abbott or anyone in the Australian Government about this?

**PM:** I haven't, no.

**Media:** So are you—what do you know of whether that payment was made?

**PM:** I don't have any—all I saw was the media reports over the weekend. I don't have any official information.

**Media:** You said at the time that our officials or authorities were involved in that situation. Have you asked any of them about it?

**PM:** Well, all I can tell you is that there's nobody on the New Zealand side that I've ever spoken to that's ever been involved in anything like that, so—

**Media:** You were briefed at it prior to the last post-Cabinet meeting, so we know that you clearly were informed about it.

**PM:** About the boat.

**Media:** Have you asked any of your fellow Cabinet Ministers whether they have had any discussions with anyone in Australia, or whether any of their Ministers have?

**PM:** We were knowledgeable about the boat. That's all we know about, and its intended destination to New Zealand.

**Media:** And, I mean, Katie's question was "Have you asked the Australians?", and the answer to that is no, you haven't—you don't—

**PM:** Correct. I haven't, no.

**Media:** Do you not, and the New Zealand Government doesn't, care whether the Australians are paying—bribing—

**PM:** Well, I don't—I don't know—I don't know whether it's true or not, but it's a matter for Australia whether it is, and I'm not going to—

**Media:** Don't you think that you, as a nation, given these people were on their way here, that we should try to find out whether or not the Australians bribed the people smugglers to take them back to Indonesia?

**PM:** It's a matter for Australia.

**Media:** Are you worried, though, that it'll undermine the, you know, so-called Pacific solution, because Indonesia seems particularly worried and concerned about it, if it happened?

**PM:** Well, I just don't have any details on it. All I know is that our engagement with that boat was the advice that we got that it was coming to New Zealand. That's it: nothing else.

**Media:** From who? Who advised us the boat was coming to New Zealand: ASIO? SIS? GCSB? Who? Defence Force? Navy?

**PM:** We're not in a position to go through those details.

**Media:** Prime Minister, has anybody in the New Zealand Government spoken to the Australian Government?

**PM:** Not as far as I'm aware, but I'm not engaged in every conversation they have.

**Media:** Prime Minister, can you please go through what are the problems with reviewing the rules around genetic modification? Why is it that you're being so cautious about it?

**PM:** Well, I just want to see, you know, HSNO covers a very wide area and there's been—there is an existing process for handling genetic modification and that's through ERMA, and as you're aware, there are limited situations in New Zealand where you could get a successful trial approved by ERMA. They're the body that do that. So I'm not saying that, you know, in the past that haven't been officials that have raised with us concerns about the workability of that legislation. And certainly from time to time you'll see businesses that do that, and there's certainly a belief from some people that we could make moves in that area that would be improving the legislation. But, equally, there'll be a lobby of people that would be strongly opposed to that. I just don't have advice on what it is they'd be looking to do, whether there'd be any merit behind it. All I can tell you is that there's been a recent court case which at least the officials believe might raise some issues, but it's very unclear at this point.

**Media:** Is it politics? I mean, are you worried about a political backlash?

**PM:** Well, also the question would be what, you know, what would be achieved out of it, and what would we be wanting to do, and, you know, what is the problem? None of those things are terribly well established. The fact that the Secretary of the Treasury thinks that the HSNO legislation might need upgrading—I mean, he might hold that view, but he represents, you know, essentially, in his day job, the views of the country from an economic perspective.

**Media:** Well, the Ministry for the Environment seems to suggest in its statement of intent that a review would also be timely.

**PM:** Yeah, well, as I said to you, for quite some time there've been the view from officials that that might be the case, but I could show you, you know, hundreds of people that believe there should be a review of the Overseas Investment Act, and it doesn't mean the Government's about to go and tackle that either. I'm not saying we will or we won't, I'm just simply saying I haven't had any advice on it that would specifically tell me what it is they'd be wanting to do.

**Media:** Prime Minister, may I ask you a question or two about the Battle of Baghak and the *3D Investigates* story last night?

**PM:** Yep.

**Media:** Was it acceptable, in your mind, that when the NZDF released video footage of that they released a highly edited 3-minute package that included some sounds of shots firing and what soldiers were saying actually deleted off it? Was that acceptable that that was what they put out—basically doctored footage for the public?

**PM:** Well, I think you really need to direct your questions to defence, because it's quite technical and there was a court of inquiry involved in it, and they looked at the whole process and they reported on that and I'm not going to sort of second-guess a court of inquiry. The only thing I would say is my understanding was that when they released the 3 minutes of footage they didn't pretend that was the only footage they had; they simply gave that as an example of people getting an understanding of the kind of environment that our soldiers were caught up in.

**Media:** Sure. And looking at the battle itself, are you satisfied with the inquiries that the NZDF has done into that battle in terms of how the soldiers ended up and what happened? Are you personally satisfied—

**PM:** Well, I don't think I'm the best person to judge that. I just don't have enough expertise or knowledge of that. All I can tell you is there was a court of inquiry. My understanding of the court of inquiry was it came away with a number of recommendations and defence have taken those recommendations on. What I do think is—if I could read this into it because I watched it last night—there seemed to be at least an implication that, because that was the situation in Afghanistan, that would be the situation repeated in Iraq. They're very different missions, in Afghanistan and Iraq. Afghanistan actually, by definition, was a provincial reconstruction team. People did move around, and we had northern bases, and there was a high degree of risk of IED attacks and insurgent attacks because of the way that they were out in a very open environment and a not very well-patrolled environment. In Iraq they're literally behind the wire; it's a very different situation.

**Media:** Sure. And in terms of the medals process, do you have any idea why nothing's happened—why no one, you know, including the people that died that day have been awarded medals?

**PM:** No idea, but defence makes the recommendations to us and in my experience when they make a recommendation—DSD recommendations—we almost always accept them. I can't recall us ever rejecting them, so I'm sure they haven't made them at this point.

**Media:** And no feeling from your Government that there should be an independent inquiry, so someone other than the military, to look at what happened that day?

**PM:** Nothing from what I saw last night would change the view that a court of inquiry was the wrong thing to do.

**Media:** Prime Minister, a couple of questions from the *Press* in Christchurch about the earthquake—survey of earthquake repairs.

**PM:** Yep.

**Media:** They ask you—they say MBIE allowed EQC and Housing New Zealand and private insurers to pre-select what homes would be included in the survey. Do you believe



that makes for independent and fair results, and would you consider another review with more independent—

**PM:** This was the one where there were 14 properties, wasn't it, and there were 13 of them failed the inspection. Is that—are we talking about the same one?

**Media:** Yes.

**PM:** OK. On the basis that we are, here are the answers. If they're wrong, you'll have to delete it, but—

**Media:** There were 400 or 200 and 100 were selected [*Inaudible*].

**PM:** Oh, OK, yeah. I don't have those details. On the ones where there were 13 of the 14, I mean, my understanding is they were ones that were selected because there was an identified problem. So by definition they don't reflect, you know, what happened in terms of all the repairs. They reflect, you know, a small subset where there were known issues.

**Media:** That was the first one. This is a second survey, which is now being done to follow up that first survey.

**PM:** Right. I don't have those details.

**Media:** And there's 200—was it 200 samples?

**Media:** This is the one where they had 200 and they winnowed it down to 100, but it was self-selected.

**PM:** I don't have those details, I'm sorry.

**Media:** There was a special criteria to narrow down the sample that was going to go into the survey, and that's their concern. They've sent you and a whole lot of Ministers an Official Information Act request about it.

**PM:** Don't have any details on that, sorry.

**Media:** Back to the Asian bank, were there any concerns around the politics of that in the sense of it being seen as a China push, particularly, I guess, as a counterweight against the IMF and the World Bank?

**PM:** Well, there's no question that it was a Chinese initiative. I mean, they'd raised it on numerous occasions, and we'd discussed it with Xi Jinping when he was in New Zealand. I think our view, overall, was that it was a bank that was likely to get up and running. There was clearly a need, and you can see that in the region. And as long as we were satisfied that the governance structure, you know, was appropriate, that there was a good selection of appropriate investments, that there was the right, I guess, undertakings given and reporting of all of that, and that there was good integrity in the systems, then we could see some merit in joining. And that was what we did in the early days—was get involved in that governance process. Lots of other countries joined. So I think in our view—I mean, there was always the argument, I think, that you could have expanded the Asian Development Bank, or you could have potentially expanded, you know, the World Bank in that area, or IMF, but, I mean, our general view was we could see some merit in another one.

**Media:** Does it have an interesting, though, counterweight if the Trans-Pacific Partnership does fall over, which, again, I guess, now is promoted as an American initiative, in terms of what has influence in the region. Do you—?

**PM:** Yeah, I think that they're quite different things, actually. We didn't see it in that way. We could certainly see, yep, the Chinese were interested in this particular initiative, but the main argument that the Chinese put up was that they wanted to do something on a collective basis with, hopefully, you know, every country that could afford to be involved. And their main argument was, yeah, sometimes, you know, there are comments made that they go out and undertake, you know, development or aid projects, and they're done in isolation. People want them to have, you know, to have more input in what they're doing,

and so we thought they raised a valid argument there. We just wanted to make sure the governance structures was right—was right.

**Media:** Does it concern you, though, that Beijing appears to have a veto over projects?

**PM:** No, I don't think that's right. In the end, I think, they'll be well and truly less than 50 percent of the bank. There'll be a wide-ranging number of countries involved in the governance of it, and, actually, we're quite comfortable that it's going to be professionally managed, and the projects will be both selected, administered, and reported in a professional and, you know, world-class sort of way.

**Media:** If the TPP falls over tomorrow night in Washington, do you have a contingency plan?

**PM:** Not really. I mean, ultimately, I can't control what the US Congress does, but I don't think it's quite as simple as the vote on Tuesday night. I think there are a number of options. I think the concerning factor would be if the US Congress couldn't progress the issue by the time they go into the summer recess. Then I think you've got real challenges, but, you know, as we've seen before, and as we saw when this went through the Senate, the TPA went through Senate and fell over the first time; eventually, they came back. And I'm sure there's a lot of phone calls being made and deals being done. We'll see how it all plays out.

**Media:** Prime Minister, this morning on the radio you said that you could see both sides of the story in relation to whether or not the boat people were bribed. What are the two sides of the story that you can see?

**PM:** Well, just listen to my audio.

**Media:** Well, I did listen to it, but it's not that clear. So, I mean, is there—what's the side of the story which would make it OK for them to have bribed the people smugglers?

**PM:** OK, we're all done. Thanks very much.

**Media:** Can I just ask one more question about the health and safety?

**PM:** Yeah, yeah, sure. Course you can.

**Media:** Are you any clearer this week than you were last week—I know you referred me to the select committee—but what is the Government planning to bring to the health and safety legislation? What do you still envisage changing? Or is this just a period of time for lobbyists to come and have another go?

**PM:** Well, it's still a bit too early, because it hasn't been reported back to us from the select committee yet.

**Media:** But you've delayed it for 2 months. What is the select committee going to do for that 2-month period?

**PM:** Look closely to make sure it's constructed in the right way and easily administered.

**Media:** So it'll only consider the legislation; it won't take further submissions or take—

**PM:** I don't think so.

**Media:** —representations from the Government as to what changes you want?

**PM:** Well, I mean, ultimately, it'll have to go to Cabinet. I mean, eventually the select committee will report back and Cabinet will have to consider a bill, as it always does.

**Media:** But Cabinet won't put recommendations to the select committee before it reports back.

**PM:** Well, I'm sure it'll be interested in what's going on, but we'll see how it goes.

**Media:** But it already proposed significant changes that people saw as watering down. So what else is there that you'd want to change?

**PM:** Well, you'll just have to wait and see. It's quite an expansive piece of legislation; I'm not going to run through it today.

**Media:** Prime Minister, would New Zealand ever consider, in any situation, paying people smugglers not to bring a boat to New Zealand?

**PM:** That's not something we'd likely get engaged in, no.

**Media:** Why not?

**PM:** Because it's just not something that we're likely to get engaged in. I mean, our involvement in this whole issue is just making sure we have the right legislative settings for the eventuality that a boat might come to New Zealand.

**Media:** Will you raise the matter with Tony Abbott next time you're talking to him?

**PM:** I don't think so. It's a matter for Australia. I don't know whether they've been involved or not involved, but it's a matter for them. If they're going to have their own inquiry, they'll have their own inquiry. It's just—on the advice I've had, it's certainly nothing even New Zealand's knowledgeable of or been involved in. All we've seen is media reports. I can't tell you whether they're correct or not. I just don't know.

**Media:** When you say it's not something we'd get involved in, do you mean that in practical terms or in terms of it's not something we would do if we were the ones intercepting?

**PM:** Well, it's—it's just not something practically we're either looking to do or I've ever had advice we should do. I mean, our engagement, in terms of people smuggling, has been that we think it's likely a boat's going to come to New Zealand. We believed our law needed strengthening, and when this most recent boat looked like it was going to come to New Zealand we had a process that we followed of—which, as I said before, led to a whole series of decision points where Ministers would've had to make a call on what happens next, because it's not exactly black and white; there are always different things you can do. But that's our level of involvement.

**Media:** So then you have no moral objection; it's only in practical terms?

**PM:** Well, as I said this morning, there'll always be an argument both ways.

**Media:** Did you not say to the Australians at the time "Please turn it back."?

**PM:** No. See you!

#### **conclusion of press conference**