

**POST-CABINET PRESS CONFERENCE: MONDAY, 31 AUGUST 2015**

**PM:** Guess we're about right. OK. So good afternoon. Firstly, let me start with a couple of economic reflections. You'll be aware that the next global dairy auction is this week, so people will be interested to see if that picks up.

Today's new data showed house construction in Auckland is strong, with more than a thousand building consents approved in July—the highest monthly total in a decade. Last week Standard and Poor's reaffirmed New Zealand's AA credit rating with a stable outlook. New Zealand also has a top Aa3 credit rating from Moody's and is rated AA with a positive outlook by Fitch. But today the ANZ issued a report about business confidence, which shows that there is a range of views about how things are tracking in New Zealand. Overall, I'd say New Zealand is not immune to world events, but we're well placed to withstand some economic ups and downs.

As you may know, the 46<sup>th</sup> Pacific Islands Forum gets underway on Tuesday of next week. As usual, I will attend the forum, which this year is being held in Port Moresby in Papua New Guinea. Leaders are likely to discuss a range of issues, including climate change and fisheries as well as wider development and political issues. The theme this year is "strengthening connections to enhance Pacific regionalism", which is about encouraging a strategic focus to regional issues. My attendance will also provide a good opportunity to meet bilaterally with Pacific regional leaders. I'll be accompanied by the Minister of Foreign Affairs, Murray McCully, and a number of Pacific Island leaders will also be travelling with us from New Zealand. I'll depart New Zealand next Tuesday, returning very late on Friday.

Finally, just in terms of my movements this week, I'll be in Wellington today and tomorrow morning, and then I'll head to Auckland for a number of visits and meetings. I'll be travelling to the Coromandel on Wednesday for a number of engagements. I'll head to Christchurch on Thursday for a regular visit. There'll be a range of events throughout the day. Questions?

**Media:** Prime Minister, I understand the final four flag designs are being released tomorrow. Is your favourite amongst the mix?

**PM:** Ah, well, you'll have to wait and see, but Cabinet got, I guess, the heads-up of what the four were like today. That's as per the process that was set out. We accepted those four recommendations made by the panel and they'll be released tomorrow morning for public discussion.

**Media:** Were you pleased with the four?

**PM:** Yeah, I think they're a good reflection of what was over 10,000 designs, ultimately, distilled down to 40 and then, ultimately, a final four chosen. So the process now is that New Zealanders will have a referendum at the latter part of this year. Over that period of that referendum they'll rank the flags in order of their top priority to their least preferred option. Ultimately, that will see one flag emerge as having the best score, if you like, and then there'll be a run-off in early 2016 against the current New Zealand flag.

**Media:** Can you imagine—when you look at those four, do you imagine one of those as the new flag?

**PM:** Yeah, I think there's two or three there, actually, that could potentially be a new New Zealand flag and, you know, I think it'll be for New Zealanders, obviously, to decide. But, you know, what I can tell you is I think there's movement happening in the debate. This isn't a debate that's new, as I've been pointing out in Parliament. I mean, Norman Kirk first started talking about the need for a new New Zealand flag.

I think over the last few months, obviously, there's been a bit of debate about the cost of the referendum process. I understand that, but equally, what I'd say is while I don't think about it in economic terms, I think ultimately if New Zealand had a new New Zealand flag and that better reflected the nation and we were more easily identified, there's huge economic benefits as well as other benefits for New Zealand. But in the end it's about, ultimately: do we have a flag for the future—one that is the best way of demonstrating our pride and passion for the nation? I think it is the right time to have that discussion, and I think New Zealanders will actively engage. My sense of talking to audiences is that there's quite a bit of movement happening. People who initially thought "Oh, I might stay with the old flag." now are starting to move over and say "Look, you know, I'll go with the newer."

**Media:** Of the 40, Prime Minister, would you have chosen any one of those four—would they have been your choice?

**PM:** Oh, there's always going to be a range. There'd be a few that I think should be in. There'd be a few that I might have something a bit different. But, look, every single person you talk to has a different view, and it alters.

**Media:** Do you think they're the best four though?

**PM:** Oh, I think they're four excellent ones, and in the end New Zealanders will decide.

**Media:** What about the silver fern versus the koru—is there a mix in there?

**PM:** Yeah, there's a mix. You'd expect there to be a mix. I mean, my preference has been around the silver fern simply because I think the story of New Zealand is based around that. It's been used in all sorts of ways by New Zealanders for a very long period of time, and, in my mind, a flag that's going to be successful going forward is one that is going to be instantly recognisable and one that we actually fly as we try and display to the world how proud and patriotic we are of New Zealand. And, in a way, our athletes over the last 100 or so years have put that silver fern very much in the minds of international audiences. So that's my own personal view, but I only get one vote. In the end there will be 2.5 million New Zealanders that will have the chance to decide, if they want to.

**Media:** Do you still have concern around the black flag and the link to ISIS?

**PM:** Well, again, you know, there's a range of views. One thing to realise about this debate is there's a whole range of views from what people think. In the end, I like the process that we have. The process will mean that we get a good chance to debate it, New Zealanders get a chance to rank them, and ultimately there's a run-off.

And I think people will always say "Well, why are there two referendums?" and all those things, but it comes back to the very point you're making. I think we've got to get to a point where they get a chance, as a nation, to decide what the contenders should be. And until you know what you might be potentially changing to, I think a whole lot of people would, well, probably sit on the fence. If ultimately one emerges that they believe better reflects how they feel about the country and the way that we're going to be presented, I actually do think you'll get quite a lot of New Zealanders that will move. But it will be dependent on whether, ultimately, a flag is chosen that they believe is better than the current New Zealand flag.

**Media:** Do you still have those private concerns though, about a black flag?

**PM:** Well, there's always—there's lots of different factors. All I can say is, you know, the committee did a good job. I think they've settled in a pretty good place. Let's see how it will go tomorrow.

**Media:** But previously—previously you've expressed concerns about the black flag and the links to ISIS. Do you still have those concerns?

**PM:** Well, truthfully, I've had a range of views, as I probably started thinking it should be a black flag and probably moved away from it a wee bit more. But wait and see, and see what you think tomorrow.

**Media:** So, Prime Minister, would you vote for one of these four over the current flag?

**PM:** Yep, three of the four I could potentially vote for.

**Media:** Over the current one?

**PM:** Yeah.

**Media:** How many times have you changed your mind about which is your favourite?

**PM:** Little bit—I just moved around a little bit. It's probably refined somewhat as you've seen the sort of, you know, what's been on offer and what the options are.

**Media:** If the flag was changed, might you find that you change your mind again after the fact?

**PM:** Well, I'm a strong proponent of change. I've got a strong view on why I think that's a good thing for the country to do. And, you know, I think there are lots of myths. I really—do you want to go and give me some free PR? I put out that Facebook post. Interestingly enough, it's reached about 1.8 million people. It's had over 700,000 views. It's been shared three times as much as any other Facebook post I've ever put up. So when people say, sometimes, "Well, there's not much interest", or whatever—there's a lot of interest. There's also a lot of views. But I think if people go and have a look at that, at least it will give them a chance to see why, you know, I think what I think.

**Media:** Prime Minister, today's the last day of August. You said that the August tranche of aid will be reviewed. Has the August tranche of aid been reviewed for Nauru and has it been paid?

**PM:** So, my understanding is that's a matter that the Minister of Foreign Affairs is considering. He's likely to make a call on that in the next 24 to 48 hours. I'll leave that for him to make the decision, but he's getting pretty close to making that call.

**Media:** Prime Minister, Kelvin Davis, who's the associate education spokesman for the Labour Party, attended a fund-raiser over the weekend for a charter school, and actually said that he just thought charter schools had some anomalies that needed to be ironed out, directly contrary to Labour policy. What do you make of that?

**PM:** Yeah, well, they seem to have a lot of policies, the Labour Party, where, on the one hand, they have a policy, but they do something completely different. They've got a policy to change the flag via a referendum. Apparently, at the moment, they're opposed. So, you know, the point is, I think, when it comes to charter schools there's a place for them. They're not going to be, you know, replacing wholesale the public system, but partnership schools have got a real role to play. They offer something a bit different.

And I think, you know, what, basically, Kelvin Davis is reflecting is that up north there have been some education issues and there have been some children falling between the cracks. And I'm not saying partnership schools are for everybody, but they can fill some important missing parts of the education equation. And I think he's quite rightly reflecting that if we continue to do what we've always done, we'll get what we've always got up north, and that is not good enough results for all children of Northland.

**Media:** Do you think Kelvin Davis is showing that there could be sections in the Labour Party that are interested in charter schools, particularly in Māori education?

**PM:** Well, that would be my sense, and there's certainly been a fair bit of interest from Māori providers, because they can see the advantage—I mean, notwithstanding that Whangaruru's had a few problems. I think people who understand the issues up there, understand both how complex it is and how they are looking after a group of children, some of whom have been excluded from their schools and come from pretty poor backgrounds.

It's, you know, it's very challenging territory, and hopefully they're making a difference for them.

**Media:** Andrew Little didn't want Kelvin Davis and Peeni Henare to go along, but they went anyway. What does that say?

**PM:** Well, it shows you that, you know, ultimately, they can see the merits of partnership schools, even if their boss can't.

**Media:** On the issue of Jetstar—the regional flights—do you have a view on whether Government departments, ministries, etc., should you know, choose between the airlines or should specify Air New Zealand? I mean, are we trying to encourage competition? It would be good to have them taking the cheapest flight, wouldn't it?

**PM:** Yeah, so when it comes to flights, in 2011 the Government went down a procurement model for a 5-year period, and it did that to get the best deal for the taxpayer. My understanding is that that included Air New Zealand and about four other carriers—one assumes because they're using them internationally. Jetstar chose not actually to be part of that process, and the estimated savings over that 5-year period, or up till now, are about \$28 million. So it's been a good deal for the New Zealand taxpayer.

It comes up for a renewal in 2016, and, of course, Jetstar, if they want to throw their hat in the ring, would be free to do so. There's also nothing stopping Government departments going outside of the bulk procurement. It's just that we get a better deal there.

**Media:** I understand they have to have 98 percent of flights with Air New Zealand though.

**PM:** Yeah, well, I think they are free to go outside it. I mean, it does come down, ultimately, you know, we fly on lots of different airlines at times because it's required and it suits us, but, you know, if Jetstar want to be part of the procurement process going forward in 2016, when that contract comes up, there'll be nothing stopping them putting their hat in the ring.

**Media:** But you guys are out there today saying this is great for the regions—

**PM:** Yeah, I think it is great.

**Media:** —and competition, and yet you are pretty much solely putting your business, which must be in the tens, if not hundreds, of millions of dollars with one provider.

**PM:** Yeah, and in fairness, that's because, in part, Air New Zealand both provides a very good international service for us. In terms of the domestic service, they've had more flights to different locations, and they've been servicing the regions. And Jetstar had the right to come and put their name into the ring in 2011, and it actively chose not to. That doesn't mean the situation can't and hasn't changed. I mean, Jetstar are now starting to roll out regional services. Come 2016 they may well put their hat in the ring, and it will be for those people that make that call to decide whether they should be selected or not.

**Media:** Would you like to see them there in the interests of, you know, having a competitive domestic airline business?

**PM:** Well, I went to the regional launch of Jetstar, notwithstanding that the Government is a 51 percent owner of Air New Zealand. I did so and said at the time that I thought competition was good. It's good for Air New Zealand. It's good for the consumer.

**Media:** Do you think the South Island was neglected with their routes?

**PM:** Yeah, I mean—look, they've gone through a process of selecting the four places. Obviously, it's been swinging—you know, I think one's Nelson, and then the others aren't there. So there'll be some disappointment in places like Invercargill, but let's see how it goes. I mean, there's competition in the marketplace now—or increased competition, at least—and that might lead to, you know, more services. Who knows?

**Media:** So on Child, Youth, and Family, how likely is it that parts of CYF, or a part of CYF, is privatised?

**PM:** I think reasonably unlikely, but the point I was trying to make this morning is that Child, Youth, and Family does outsource to the private sector already some contracts, and I think last year it was \$81 million worth of business that went to private sector contractors, so I can't get up and say there's no involvement with the private sector, because there already is that, and I haven't seen Paula Rebstock's report. I know it's coming, and I know it's pretty far reaching, so I can't tell you exactly what she's going to do. I think the provision of support for the most at risk children, which Child, Youth, and Family have the legal responsibility for, I think that's likely to stay in Government control, but I can't say that there won't be little adjunct parts of it that aren't handled by the private sector.

**Media:** Have you spoken to Minister Tolley about the content of that report yet?

**PM:** No, I've seen some advice from my officials that she's received the report, and the advice I got was that what we saw from the Children's Commissioner, Dr Wills', report was consistent with the area that they've covered off. I think it'd be pretty similar terrain.

**Media:** A lot of groups today have expressed concern about the possible privatisation of parts of CYF. Do you think they should be worried, given what we're seeing with Serco at Mt Eden prison?

**PM:** No, because I think it's really—if you go back and listen to the conversation I had with Guyon this morning on Morning Report, it was pretty clear. I mean, he asked me to rule out whether there could be any private sector involvement, and I can't do that because already we spend \$81 million, and if I say no to that question, then where that leads you is the next time they let out a contract for any sort of private sector things, I'll be back on Morning Report with them quoting me back saying I'd said there was no private sector involvement when there is, so it's really important to understand what I'm saying.

I'm not saying there will be wholesale outsourcing to the private sector of Child, Youth, and Family responsibilities. In fact, my view is that it's unlikely there'll be much, but there's already some, and I can't rule out there isn't more in the future.

**Media:** But you did give a quite strong hint this morning that the front end—you know, where there are all those assessments—that that might be farmed out, or contracted out, somewhere else, and yet, Dr Wills said that is the part that CYFS is actually doing rather well.

**PM:** I don't think that would be the way I would certainly recall it in my mind. I think the point I was making was that there's 150,000 calls, approximately, received by Child, Youth and Family. And one of the issues is whether all the calls that are made to them are going to the right agency, and their people are having to sort their way through that. Now, that's been one of the issues that was raised at the front end—that a lot of resource is put in there.

Quite a lot of resource is also put into the fact that, as I understand it, that it's really between children that are aged 2 that come into the notice of the service who sometimes go into care, ultimately, but that happens when they're 8. And they spend a lot of time going through the service between the ages 2 and 8. So I guess my point is there's just a lot of different things happening there. And Paula Rebstock has a wide-ranging brief, but it is to go and look at whether the structure of Child, Youth and Family is set up in the right way and whether the resources they're currently dedicated are going enough to the children in care that really need that help or whether too much is spent on administration—some bits another agency could handle.

**Media:** On petrol prices, margins have risen again to close to 40c a litre according to MB figures. Do you think there's a case for an inquiry or that petrol companies have increased their margins too much?

**PM:** Yeah, my understanding of that is that—well, firstly, you saw Simon Bridges earlier in the year, I think in February, really sort of send a shot across as a warning—or a warning across the bows of the oil companies. There may be a range of reasons why those

margins have gone up; we'd need to look into that. I think at the moment the Commerce Commission's considering the application that Z's got to buy—is it Caltex, or whatever—in New Zealand.

So, essentially, at the moment let's just let that process run. But, yup, in the end I think consumers are entitled to know that when oil prices fall that they will receive the benefit of that, because they certainly know they pay when oil prices go up. It's not a new debate. Just looking at some of the international media over the weekend there's been some discussion in a number of countries about whether those benefits are being passed on. It may partly be to do with the stock of oil that they hold and what they paid for it, and, vis-à-vis, what they pay now for stock they might receive a little later. But, yeah, ultimately the Commerce Commission could look at it if they thought they needed to, but I think they're dealing with the issue in the first instance around the Z purchase.

**Media:** Do you accept that the ANZ survey shows that the mood in the business sector is predominantly negative now?

**PM:** No, because it was net positive. So, if you have a look at it, it was lower than it normally is but it was still—it's at a 6-year low, but it's still net positive, 27 percent. The second thing is, you know—and this is the point that they make, ironically, even though they say there's a few things that, you know, could go wrong in the economy—they say it's really important we don't talk ourselves into a funk. I mean, that's exactly the point, isn't it? That, yeah, you run the risk of talking the economy down when actually, even if you have a look at the ANZ report, what they expect for their own business activity is much more optimistic than what they think for the overall economy.

So just generally I'd say, yeah, everyone can see the headwinds that are potentially there in dairy and maybe in China. Everyone understands that there's some issues. But they themselves need—say, I think, in the report that you need to keep Chicken Little at bay, and I think I'd tend to agree with them.

**Media:** They also say that the economy's at risk of stalling.

**PM:** Yeah, but they—I mean to say, I can only report their own thing back to them. I mean, you know, there's a range of views, but if you look at what the banks have generally been saying, and it's consistent with what the Treasury and the Reserve Bank are saying, they're saying “Yes, we'll grow at a slightly slower rate than we did last year.”, but they're still predicting positive growth of around 2 to 2.5 percent. And, actually, if you have a look at what Standard and Poor's said on Friday they, for the most part, have actually made some pretty positive comments about the future outlook in New Zealand.

**Media:** And do you think it'll be enough growth to actually push unemployment down? Because ANZ and others are saying it's likely to stay up.

**PM:** Well, as I've said before, that's always quite a tricky question to answer, because it depends on a number of factors—you know, what happens with participation, amongst others. So I can't answer that question. I don't know.

**Media:** Are you being selective about your figures? A net 29 percent of firms are pessimistic about the economy. That is the figure that's the lowest in 6 years.

**PM:** Well, from the numbers I have. It's still net positive. But, you know, there's a range of different data in there, but net on net, you know, they're still reasonably positive. You know, a net 12 percent of firms expect themselves to expand. This is positive, but it's a 6-year low, well below the net long-term average of plus-27 percent. It's still positive.

**Media:** It's 29 percent are pessimistic about the economy.

**PM:** Oh, well, they're more positive on their own outlook.

**Media:** Treasury, though, also today was leaning more towards 2 percent growth, isn't it, and it is saying unemployment will most likely go up if migration numbers stay where they're at?

**PM:** Yeah, there's so many different factors, isn't there? But the point is, you know, they're still expecting growth of around about 2 percent. Might be higher; might be less—I can't tell you. It depends on what happens with a lot of different factors. What I do know is we are just in so much better shape than we were 7 years ago. I mean, the books are largely back in order.

**Media:** But is it acceptable for unemployment to be allowed to go up under any circumstances when you could control it?

**PM:** Well, you can't necessarily control it easily, because it depends on a range of different factors. I mean, participation rate in New Zealand has been one of the highest in the OECD. We have one of the highest employment rates in the OECD, I think the fourth-highest in the OECD. We actually have, you know, broadly speaking, pretty good numbers, so it's not always directly the fact that we'll track up. It might track up a little bit; it might not. I don't know. It depends on a number of different factors. But what the Government can do is carry on doing what it's doing—keep flexibility in the economy, keep making sure we're integrated in the rest of the world, make sure that we have, you know, the lowest-cost, most flexible economy that we can have—and I think largely we're doing that.

**Media:** Do you think unemployment at 6 percent is as good as it's going to get? Because last time the economy was growing strong for a period of time it got down under 4.

**PM:** Yeah. And, actually, if you look at the Budget numbers that came out when Bill read the Budget in May, I think their long-term outlook for unemployment was lower than 6 percent.

**Media:** Today MoBIE put out an analysis of where they think unemployment is going, and it's based on the Budget figures. And they say unemployment will go to 5.2 percent, and that's what they're going to use to determine immigration rules. Is that acceptable to use an analysis from a time when the outlook was that much more positive than it is now?

**PM:** You'd have to go and ask them. I mean, they have armies of modellers that do all this stuff. You know, they present the advice to us; we don't present methodology to them. I can't tell you the answer to that. You know, that's why they get paid the big bucks for. But what I can tell you is that if you look at migration, when you say the policies have changed, they haven't changed. There's been a net setting of about plus-45,000, and, largely, we've been around in that order of magnitude. Most of the people, you know, when you talk about the skilled category are actually already in New Zealand. What's changed is the very point that we know—that more Australians, for instance, come to New Zealand and New Zealanders are going to Australia, and that's a massive turn-round from the 35,000 net that used to leave for Australia every year. Not a hell of a lot has actually changed; it's more on who leaves rather than who comes.

**Media:** So there'll be no paring back in those rules?

**PM:** Well, I didn't say that. What I said is I don't think that there's been a dramatic change, one way or the other, to net migration. It's been the same policy settings for a long period of time. We did make it much tougher in 2009 and, if we thought there was surplus skills, we would do that, and we put quite strong—and there already are very strong work testing on the categories that are given support by immigration to allow people to come in. And if we see surplus labour capacity in a sector like ICT or whatever, then it comes off the list of being approved.

**Media:** So is the Government looking at all at bringing down that 45k number or reassessing the [*Inaudible*]

**PM:** I haven't seen advice on that at the moment—no.

**Media:** The consultation document on withholding tax on properties is out today, and once again it's targeted only at foreigners, like the brightline—the Inland Revenue numbers. Why are you targeting only foreigners? What evidence have you got that they are the cause of the Auckland housing problem?

**PM:** We don't. The issue about withholding tax is because essentially it's the capacity for the IRD, if they get a positive ruling, to recover the funds. So in the case of a New Zealander that's domiciled and resident in New Zealand that buys themselves a property, says they are not subject to tax, and then it ultimately gets found that they are, we know where they are. We can track them down. We have the capacity to seize assets and to get the tax that we're owed. If they are in China or they're in, you know, some other far-flung part of the world, we can't actually necessarily do that. So the withholding tax is to give us the option of making sure that if they do owe the tax, we've already got it on hand. That's the issue.

**Media:** How can you track them down if you don't require that they provide an IRD number, as Inland Revenue proposed?

**PM:** They are required. That depends on, basically, if they're buying a primary residence, but if they're foreigners, they do have to provide an IRD number.

**Media:** No, I meant New Zealanders.

**PM:** Oh, New Zealanders—well, because, again, there are a whole series of conditions in there. If you're a New Zealander that buys more than, I think, three residential properties within a 2-year period, you'd show up. But, anyway, even without that, the IRD has a quite sophisticated capacity to see when properties are turning over and when they're being bought and sold. That's why all of this money that we spend on extra inspectors, as we've put in previous Budgets, has been so successful, because they can work out whether someone should owe tax, they go and talk to the taxpayer, and they more often than not get the tax if it's owed, and they have the capacity to do that.

This is all about your ability to successfully prosecute a legitimate claim on tax where it's owed. And if you're domiciled in New Zealand, that's relatively straightforward. If you're not, then it's not.

**Media:** So why didn't you accept the IRD advice to get everyone to declare their IRD number?

**PM:** Well, there'll be a whole bunch of people who would say, you know, they don't feel they should have to give their IRD number if they're buying, you know, their own residential property, because that would be spun by some people as saying the Government was about to bring in a stealth tax on your own primary residents when we're not.

**Media:** But you said you weren't going to extend it out beyond 2 years—

**PM:** We say lots of things—that doesn't stop people reporting them, because that's what's going to happen.

**Media:** Prime Minister, the refugee crisis seems to be growing, obviously, around the world. Have you given any more thought to New Zealand's quota and having discussions with world leaders? Given this is a growing global problem, New Zealand's got a seat on the UN Security Council, we should be doing something, shouldn't we?

**PM:** Well, I would argue with you we are doing something. We do take 750 people. We're consistent. We do a good job of that. The review period for that is every 3 years. So the next review takes place in 2016. We'll give a series of advice then about whether New Zealand should/could take more. As I've said in the past, I put a high premium on the fact that we do a good job of looking after people when they come here and give them a full wraparound service. And, you know, if we were ever going to increase that number, I'd have to be convinced that we can make sure we give the same level of service.

Because I think you do a disservice to people if you just bring them in and, literally, kind of half dump them on the street. You've got to give them that proper service. It's a long-term commitment. If you go and have a look at the results of refugees that we've resettled in New Zealand over now a long period of time, you'll see it takes quite a while and quite a lot



of support to, you know, basically get them up to speed. And that is as it should be, but I'm just saying we've got to make sure we do that job properly.

**Media:** But haven't events kind of overtaken—there's an urgency now, I mean, for a response from all global players?

**PM:** No, I think we can stick to the schedule. I mean, it's not that far away now. It's 2016, so we're 4 months, basically, from the end of the year. I mean, you know, I think everyone accepts the enormity of the challenge of what's taking place. But New Zealand can pride itself in the fact that it's one of the country's that's consistently taken refugees for a long period of time. There are quite a few countries, actually, that don't take refugees.

**Media:** Given that we've taken such a hard line on defence in Syria, would it be better to act rather than speak?

**PM:** Well, we have. We've done a number of things around support for Syria, and, you know, in the end that's part of those 750 refugees. We typically don't tell UNHCR who to give us and who not, but we can emphasise things. But look, in terms of the debate—I mean, there's been quite a bit of debate around, you know, whether the number should change. Some people think it should stay at 750; some people think it should go to 1,000 or 1,500. Even if we went to 1,000 or 1,500, people would still say, compared to the 52 million - plus people, they would say it's a pretty small thing.

**Media:** I think it's more that it hasn't changed in decades, so people are taking issue with it. So if there was a change at the margins people might—

**PM:** Well, there'd be a review in 2016 and we'll ask them for the advice of whether we can handle more.

**Media:** Amnesty proposed like an emergency quota, and, actually, I think 250, just given the circumstances. Is that something you would consider in the interim?

**PM:** I haven't seen any advice on that. No one's come to me with that proposal.

**Media:** But you wouldn't, off the top of your head, consider an emergency quota—

**PM:** Well, they didn't raise that with me when they saw me. I'm not saying they haven't suggested it, but they haven't raised it. They do raise with me a higher target, when they visited me, but they didn't raise an emergency one.

**Media:** Does that seem like a good idea to you, though—an emergency extension?

**PM:** Well, it all just comes back to the point I made earlier. You know, I think we've got to do a good job for people, so I don't know how far through the process of this year's numbers we are and the capacity to deal with it. OK.

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