

POST-CABINET PRESS CONFERENCE: MONDAY, 19 OCTOBER 2015

PM: OK, good afternoon. So I would like to take this opportunity to welcome Jonathan here today, because we are going to talk to you about our plan to reduce childhood obesity. I'll run through a few remarks—normal drill—he'll have a few things to say and ask if there's any questions on that, and then we'll just move on to the rest of the script and go from there.

But as you know, the Government is working hard to keep New Zealanders healthy. We're investing nearly \$16 billion a year into health, more than ever before. We've introduced free doctors visits for children under 13, reduced cancer treatment waiting times, increased elective surgery, and improving screening and disease prevention. Today we're announcing a plan to tackle obesity, starting with children. New Zealand has the third-highest rate of adult obesity among OECD countries; 10 percent of children aged between 2 and 14 and over 1 million New Zealanders are obese.

There is no single solution to fix obesity, so we have developed a range of initiatives across Government, private sectors, families, and schools. The plan we're announcing today focuses on children because that is where the evidence shows we can make the most difference. At the core of the plan is a new child obesity health target. Last year 1,400 children who received B4 School Checks were referred for obesity-related support. We expect that number to grow to over 4,000 by December 2017. We want to ensure those children and their families get the support they need so we've set a target. We want to see 95 percent of children identified in the B4 School Check as being obese referred to a health professional for an assessment by December 2017. This will allow them to access all the support they need, from family nutritional advice to help with activity and lifestyle changes that might be required. The earlier we can help educate young people about healthy living, the better chance we have of them adopting healthier lifestyles.

We know how important it is to encourage people to be active, so we are expanding initiatives targeted at children with Kiwisport and sport and education programmes in schools. Community programmes such as Healthy Families will also continue to be rolled out across the country. We're also working with the food industry on the role they can play, including appropriate advertising targeting children and food labelling. Childhood obesity is a serious issue and means some of our kids could end up having shorter lives than their parents. I am confident the range of measures announced today will go some way to improving the health of our young people. I'll hand over to Jonathan. As I say, he'll make a few remarks, take any questions, and we'll go from there.

Hon Dr Jonathan Coleman: Thanks very much, Prime Minister. So good afternoon everybody. Look, next year obesity is going to overtake tobacco as our largest preventable health risk, so this is obviously something we need concerted Government action on. The Prime Minister's been through the statistics. In terms of children, you know, one in 10 New Zealand kids are obese, but much higher in our Māori and Pacific Island communities, so 15 percent of Māori children and 25 percent Pasifika children are obese. So what we've come up here with is a comprehensive package. I've been working with my ministerial colleagues, also with officials, obviously, in my sport and health portfolios but also across education, food safety, MSD to come up with a range of initiatives which we think will make a real difference.

The thing about this package is it follows a whole life course approach, so it is looking at the factors affecting obesity from the time of conception, through those early childhood years, right up to age of 18. It is evidence based. We've had input from an expert advisory group. Boyd Swinburn has been on that group. We've also had Sir Peter Gluckman, who's chairing the WHO commission on obesity. I've been talking to him very regularly.

So at the heart of the package is the target, which the Prime Minister spoke about there. We have six health targets. This is going to replace the heart check and diabetes target, but what it signals is that this is a very, very important area for the Government. When you look at the effect those six health targets have had, they've directed action and they've delivered some real results over time. We think this will be the case with this package as well.

In terms of the package as a whole, we have 22 initiatives—11 of them are new, seven are expanded initiatives, and four are initiatives that are already under way. Now, they are in three different categories. There are targeted initiatives at those who are already obese, there's initiatives for those at real risk of becoming obese, and there are broad population-based strategies. This package will be implemented in a variety of settings, so the health setting is going to be very important, the education setting, there'll be broad public information put out there, and also we'll be working with industry.

So a couple of issues in the package which I'd like to touch on: we are not going to be implementing a sugar tax. There's often a lot of confusion about what a sugar tax actually is. That would be a tax on sugar in every type of food sold in New Zealand, and that is unworkable. There has been debate about tax on soft drinks. At the moment, the evidence on that is inconclusive. It's been implemented in Mexico, but there has been no direct causation shown with decreasing rates of obesity—there's only preliminary sales data.

We've looked at food in schools, and we will be working very closely with schools. I've requested that ERO goes and gives us a report on food and nutrition across the education system. You know, when you look at it, obesity varies in terms of the levels of prevalence in different schools, and that is often based on the socio-economic background of the kids going to those schools. So it's a different problem in different communities in different parts of the country, but we think the key here is going to be getting into those schools where there really are difficulties and making sure that we've got programmes that can help us intervene successfully.

The last part is that industry is a big part of the solution. We've got to make sure that they are fully engaged. One of the first things that I did was call industry together with health officials to make sure that they understood the extent of the issue. There are some initiatives under way, but we want to work much more closely with them in the coming months.

A very interesting part of the package will be bringing sport and health together. We've gone out and approached five high-profile New Zealand sports stars who are going to appear in promotional activity and a high-profile advertising campaign, which is going to be launched later next month.

So when you put this package together, it's a comprehensive set of interventions. It's based around a target, and it's going to be delivered in a wide range of settings. It's a very important initiative for New Zealand kids and this is going to mean that the future generation of New Zealanders hopefully are not going to suffer from the diseases most closely associated with obesity.

So thank you very much—very happy to take any questions you might have.

Media: Dr Coleman, you met with industry when—and health officials. How long ago?

Hon Dr Jonathan Coleman: Health officials would have met with industry probably 6 months ago.

Media: You met with them.

Hon Dr Jonathan Coleman: No, I addressed them via a teleconference to outline my vision for this obesity package.

Media: When was that?

Hon Dr Jonathan Coleman: I can give you the exact date. I haven't got it off the top of my head. It's probably 6 months ago.

Media: You said that sugary evidence is inconclusive—that sugary drinks cause obesity.

Hon Dr Jonathan Coleman: That's correct. So we've looked at the evidence—

Media: Was that—or did you say that evidence is inconclusive that sugary drinks result, or that a sugar tax would affect it?

Hon Dr Jonathan Coleman: So if you tax soft drinks—they have done some work in Mexico on this. They had a 9 percent tax. That showed a decrease in sales, but they weren't clear if that was just a correlation or if there was direct causation. So there's some work being done at Waikato University, also at the University of North Carolina, which is going to report later in 2017. So the evidence at the moment is definitely inconclusive, and there's a whole lot of factors in that Mexican case which I could take you through. But, you know, that is definitely the case.

The other point about a sugar tax is in terms of disability-adjusted life years saved. It's actually relatively low compared to some of these other interventions. So we've gone for the most effective suite of interventions.

Media: If it becomes conclusive, if the evidence from Waikato University shows it will make a difference, will you implement it?

Hon Dr Jonathan Coleman: We'll always be open-minded about considering the evidence but for the time being we're not doing a tax on soft drinks.

Media: Will you regulate the ability to sell or the prices of soft drinks ever?

Hon Dr Jonathan Coleman: Well, no, we won't.

Media: Why not?

Hon Dr Jonathan Coleman: What's that? Well, when you look at the elasticity of demand, I mean, it would be pretty difficult to say at what level increasing the cost of a soft drink would actually have an effect on obesity. So that's the key. If you look at this package, in the end, it's very closely based on the evidence as it is at this time.

Media: Soft drink is also destroying children's teeth, is it not? And is there conclusive evidence that it's destroying children's teeth?

Hon Dr Jonathan Coleman: Well, look, soft drink, obviously, taken in excessive amounts is not good. And one of the things the DHBs have actually done—they've taken the soft drinks out of DHBs, so they're not for sale there any longer. That doesn't mean a child shouldn't have an occasional soft drink. But getting back to the central point, there's no evidence that a tax on soft drinks would actually affect obesity at this point, right? So the evidence is being put together and assessed and reported back in 2007. So I think we've covered that pretty thoroughly.

Media: So you're targeting pregnant women as part of this. What's your issue there, and are they being unfairly targeted?

Hon Dr Jonathan Coleman: No. So the story with pregnant women is, at that time of life it's a time when people are prepared to modify behaviour. There's also a risk during pregnancy around gestational—so that's during pregnancy—diabetes mellitus. The hard drive for a human being—a lot of it is set in that perinatal period. And the evidence clearly shows that if a mother has gestational diabetes, there's a high likelihood that that child she gives birth to will go on to become obese in the long term.

So what we are doing here, we are standardising the testing of pregnant women for diabetes mellitus and we're making sure that they have access to the care and the resources they need. That's one of 22 initiatives, but it's a very important one. So it's not placing an onus on women in any way at all, but it is saying, look, we've got to do the testing, and if they are at risk or have developed it, we've got to make sure we've got the interventions available to support them.

Media: Who are the sports stars in your—

Hon Dr Jonathan Coleman: So there's five very high-profile sports stars, but we're not going to announce those today until we actually launch the package, which will be in November.

Media: What kind of numbers do you have from the advertising industry or the food industry about advertising?

Hon Dr Jonathan Coleman: Yup. So what we are doing—the ASA is going to prioritise a review of the advertising code as it applies to children. We're also going to have independent monitoring of that code. Already, industry has taken some initiatives off their own bat around things like formulations, salt, and fat content. So we're going to continue to work with them, but, I mean, they realise that in terms of, you know, remaining viable as businesses in the long term, it's going to be pretty important that they give consumers what they want—and consumers want healthier and better formulations.

Media: But if they said—if they committed not to target children, I mean what is the actual scope of what they said that they would do that they are, you know, that they're doing now?

Hon Dr Jonathan Coleman: So in terms of their targeting, if you look at television advertising, actually, there's a limited amount of television advertising during children's viewing hours that targets children. But what we're going to do is make sure that we've got that independent review of the code, and also independent monitoring is one of the things that Peter Gluckman was very clear that needed to be added into the regime.

Media: There's a lot of talk of targets and guidelines, but where's the actual tangible action? What are people actually going to see?

Hon Dr Jonathan Coleman: Well, if you go through those 22 actions, there's a lot there, but, I mean, if you look at what's happening, for instance, in the sport and education sector, so there's going to be, through the play.sport programme a boosting up of PE resources in schools. So we're starting that in two specific clusters, one in Wainuiōmata, one in Waitakere, where we will have PE advisers working with schools to try and build up the capability and capacity around PE teaching. So that would be one very specific example. There's also a redirection of Kiwisport resources to high-risk groups in Auckland. So, you know, there's a full range of things there. I believe you've got the information package. But there's some very tangible interventions.

Media: Just looking at the ERO side of things, will that be the ERO going to each school and assessing things, or will it be a sort of, in the first instance, an overall, overarching kind of review.

Hon Dr Jonathan Coleman: So that still has to be scoped out. I asked officials early on to tell me, you know, which schools had healthy eating programmes and which didn't, and they didn't actually have that info, so I'm very keen to actually get that picture so we know which ones we have to intervene with. ERO are going to look more broadly at nutrition and physical activity, and the state of that, but I am interested in what's happening in some of those individual schools.

Media: So there will be a kind of, for want of a better description, a stocktake of which schools have healthy eating and which schools don't?

Hon Dr Jonathan Coleman: That's what we're moving towards, but we've still got to write up the terms of reference.

Media: The threshold for obesity has often been criticised—that it's, you know, people might be overweight, not obese, and yet they're considered that the yardstick as being obese. Do you think that's fair?

Hon Dr Jonathan Coleman: Well, on a population basis it actually works, so BMI over 25 is considered overweight—this is for adults—and over 30 is obese. Now, you can take the All Blacks. They're all going to have BMIs that technically might make them look obese. So

taking the individual, yip, it probably doesn't work, but if you look at large population groups, the science and the evidence does support it.

Media: Why haven't you required the food industry to lower the amount of sugar and high fat products they put in their food?

Hon Dr Jonathan Coleman: We need to talk to them about that over time, but I mean they're very aware of the public pressure around that, and one of the very key things that we've brought in recently is the Health Star Rating, so people are going to have very clearly visible descriptions in plain English—basically through a star rating on packaged food. Now, it's voluntary initially, but I think you'll find, you know, there's 200 or 300 products on the shelves already that have it. It's not going to be launched officially til next March, and I think you're going to find there's more and more that do that.

Media: Do you think, though, that there is too much sugar in food?

Hon Dr Jonathan Coleman: Well, look, in some foods there's too much sugar, you know—there's no question about it. But I think you'll find over time that they will want to respond to consumer demand to bring that down.

Media: But why wait for consumer demand when you're saying you know that there's a problem?

Hon Dr Jonathan Coleman: Well, we're not going to regulate the amount of sugar in food, but I think it's very important that there's clear information that people can understand about the amount of sugar in food.

Media: Why aren't you going to regulate the amount of sugar in food? We know that sugar is killing people. We know it causes obesity. We know that conclusively it kills children and it destroys their teeth. Why are we not regulating the amount of sugar?

Hon Dr Jonathan Coleman: Ah, because there's lots and lots of things we could regulate, but in the end regulation won't work in that space.

Media: But sugar's almost like smoking. I mean, it is almost—

Hon Dr Jonathan Coleman: No, well, it's not. Actually, that's a very good point. It's not. So, look, some sugar is fine for you; no cigarette is good for you. Anyway, any more questions?

Media: Is it a not a no-brainer to at least get soft drinks out of schools? Isn't that quite a—

PM: Well, look, so Coca-Cola Amatil and Frucor have pledged—and have already done this, taken soft drinks out of schools. So there is some independent distributors who are still supplying schools, but they are not supplying schools directly. So I think over time it would be a good thing to see soft drinks out of schools. That doesn't mean that on a special occasion like, you know, a school barbecue or a fund-raiser kids shouldn't be allowed to drink Coke. But on a daily basis, you know, we want to see healthier options, and, very importantly, through education people making healthier choices not only about what they feed their kids but ultimately the kids wanting to take those healthy choices.

Media: Jonathan, Jonathan, most cereals in supermarkets contain between 17, 18, and 20—

Hon Dr Jonathan Coleman: We're not going to regulate them; I think we've covered that point, to be honest.

Media: No, no, no.

Hon Dr Jonathan Coleman: Has anybody else got any other questions?

Media: How can people not—

Hon Dr Jonathan Coleman: Yes?

Media: What consideration did you give to programmes like UK Healthy Start, where—particularly with lower socio-economic families who need help—they get vouchers for healthy foods to make sure that they—

Hon Dr Jonathan Coleman: Yip. So we didn't look at vouchers; we've placed the emphasis on education, also access to physical activity, and making sure that the information is available through the life course—zero to 18.

Media: Why not?

Hon Dr Jonathan Coleman: What's that? Well, there's many different ways you could deliver this but I don't actually think giving people vouchers in the end is going to change their attitudes to food. So, you know, yip, they might go and use that but, I mean, that would be a very, you know, prescriptive way for the State to intervene and that doesn't philosophically align with where we're at. And I don't think you'd find—well, maybe the Green Party might want to do it, but I very much doubt anyone else in Parliament would want to give people vouchers specifically prescribing what they've got to eat.

Media: But there could be similar sort of arguments made by virtue of the fact that, you know, if a 4-year-old's considered obese and needs intervention, the whole family needs a once over, is that not—

Hon Dr Jonathan Coleman: Now that is part of it, actually. So at the B4 School Check we're saying 95 percent of those children found to be obese will be referred for that specialist intervention, and it'll be a whole-of-family intervention. So it will be—but food vouchers are not going to be part of it.

Media: National rolled back rules about food in tuck shops in the first term, so has that made it worse? Where schools couldn't actually sell unhealthy food—that was repealed by National so hasn't this made child obesity worse?

Hon Dr Jonathan Coleman: Well, look, the fact is we did do that. We felt that, you know, if you've got the dairy outside the school selling Coke, actually that's not going to stop—having that guideline is not going to stop a child going and buying a Coke, so, I mean, we're looking at more long-term approaches. In the end you've got to make people want to change and you've got to make them understand what nutrition is about, and that's about education and changing habits.

Media: You don't think that policy made the situation for children worse?

Hon Dr Jonathan Coleman: Well despite having that policy, children were still getting bigger, so it wasn't delivering a silver bullet for obesity. And that's one of the points, you know, there is no single answer to this problem—

Media: Dr Coleman, will you—no, no, no. Final question—

PM: In the interests of time, I've got 20 minutes today, so we don't have any more final questions.

Hon Dr Jonathan Coleman: Thanks very much.

PM: Thanks very much. As you know, I hosted Australian Prime Minister Turnbull in Auckland over the weekend. Prime Minister Turnbull made a deliberate choice to make New Zealand his first overseas destination and expressed his commitment to deepening bilateral ties. We had a wide-ranging discussion covering a number of issues such as trade, the New Zealand and Australian economies, the rights of New Zealanders in Australia, the situation in Iraq, and various other local and international matters.

On the issue of deportations, I made it clear I felt a degree of compassion was needed for those New Zealanders who are not high risk and have a long-term community of interest in Australia. Mr Turnbull acknowledged the appeal process needs to take place much faster and has agreed to devote more resources to ensure that happens. This should help reduce

the number of New Zealanders being placed in detention centres and give them much more certainty about their future.

We also agreed that our respective immigration Ministers will review their arrangements and ensure the appeal process is being conducted in the most efficient and compassionate way. Prime Minister Turnbull and I will discuss the issue further at our annual leaders' talks in Australia early in next year.

In the House this week we look to advance a number of second readings and Committee stages on the Order Paper including the Organised Crime and Anti-corruption Legislation Bill and the Waitangi National Trust Board Amendment Bill.

In terms of my activities, I'm in Wellington tomorrow and on Wednesday, as usual. I'm in New Plymouth on Thursday, Hawke's Bay on Friday. As you know, I'll be travelling to Marrakesh, Brussels, and London so there'll be no post-Cabinet press conference next week.

Media: Prime Minister, should New Zealanders be detained on Christmas Island?

PM: My preference is no. I don't think New Zealanders should be going to detention centres, and what we've really agreed over the weekend is, one, that process should be eliminated because, effectively, any New Zealander is now free to come home and process their individual case from New Zealand. That's the first point.

Secondly, there'll be much more resource put into the sort of bow-wave of people that are there because of the threshold change and that will allow the process to be speeded up so again that process will happen much more quickly. But as a personal preference I would prefer New Zealanders aren't sent there.

Media: Sorry, did you say that you agreed at the weekend that that process wouldn't go on any further?

PM: What we agreed was that, (a) more resources would go in so it would be speeded up a lot more quickly. Secondly, as a matter of principle going forward, because we're just dealing with the bow-wave but over time when there's a normalised sample, all of these will be dealt with before the end of the sentence so there won't be an issue where people are going through the appeal process. And, thirdly, they made a change—it's not their law but their policy—to ensure that people were free to come home, in fact, they should come home, be in New Zealand and work through their appeal process. They're not disadvantaged by that.

Media: So Christmas Island in particular, do you think—you know, there's a lot of detention centres in Australia, but Christmas Island in particular, do you think New Zealanders should be there like those 50-odd guys are right now?

PM: Well, my preference is no, and that's because many of these people have families and they're further away from those families.

Media: So did you ask Malcolm Turnbull why the Kiwis are going all the way up to Christmas Island?

PM: Yeah, and he's got a range of views about why they're being sent there. I need to check with my office whether I'm able to give you that information or not.

Media: But you specifically asked him about Christmas Island?

PM: Specifically, yeah.

Media: You were worried about the thresholds as well. Was there any discussion about that? No movement, obviously, but what do you say about that?

PM: The main issues we're concerned about—ideally, we would like to go back to the old law, but their point is that law was supported by all sides of the Parliament in Australia. So that is a very difficult thing to change. His main argument is that in terms of the issues around community of interest, length of time, and severity of sentence they're covered off

through an appeals process. The broad indication so far is about a third of people who appeal are actually having their visas reinstated.

Media: And is that since December?

PM: Yip.

Media: So that third?

PM: Since the new process came in. Yip.

Media: —that's since the new process. Do you know how many people roughly that would be?

PM: I do, but we agreed we wouldn't talk about that number today.

Media: Doesn't that just show that, actually, the policy is Draconian and that when the Australian Government actually look it they go: "Oh well, actually you're fine, you can stay."?

PM: They have taken this blanket view of saying at 12 months' sentence or more your visa is revoked, and it's a blanket policy. But, as you say, that doesn't necessarily reflect that there shouldn't be a reason why someone might be able to stay in Australia, for instance, they have been there a very long time. They might have had multiple sentences that add up to 12 months—all of those kinds of factors. So, hopefully, with, I guess, the body of knowledge that they are now building up and the commitment that he gave us in the weekend that he will be reaffirming the fact that they should be taking a view of looking very closely at those factors, that at least some New Zealanders who are in this category will be able to stay in Australia.

Media: What about the people in Christmas Island? What were you told about how long they are going to be there? One of the things that they told us is the lack of information—they don't know how long they are going to be there, what the process is. I mean, what did he tell you about how those people will be treated from here on in?

PM: So his main argument is those people should today ask to come back to New Zealand and they will be immediately sent back.

Media: What if they don't have the resources or the ability to do that? I mean, not everyone is going to be able to—I mean, we heard about the person who was dropped at the airport with \$200. Is that realistic for every single person in Christmas Island?

PM: Well, realistically, yes. I mean they can come back to New Zealand and then we'll deal with the situation back here. We have a legal responsibility to do that.

Media: Is the New Zealand consulate geared up for dealing with all those inquiries if they start getting a flood of them though? We've heard stories of people who aren't getting responses at all.

PM: I would've thought so. I mean, in terms of the number of people in detention centres I think it is round about 200—isn't it—from memory. There is about 50 on Christmas Island. So, yeah, we can cope with that. In the end, his argument is you will not be disadvantaged if come back and have your application to have an appeal heard jeopardised because you're in New Zealand. Now, some of those people might take the view, look, out of sight, out of mind, and therefore might not want to come back. That might be the perception they have. But his argument is that it makes no difference. He's reiterated that point to Peter Dutton. He had a couple of conversations with Dutton when he was in New Zealand.

Media: Are you seriously suggesting that the answer to deportations is to agree to be deported, or to agree to go anyway?

PM: The point is that if your appeal is going to be upheld—there's two ways you can go through an appeal. One is that they listen to all the facts—well they put together all the facts—and on the balance of those facts the minister agrees to an appeal, and therefore

says: “Yup, we’ll reinstate your visa.” That is one way. And if that fails, your second option is to go to the High Court. His point is that whether the minister is considering the facts of your case from you sitting in Christmas Island or you sitting in Christchurch, for want of an argument, it is irrelevant from the minister’s point of view. It will be on the facts of what you have done and what your long-term association with Australia is, not where you are currently located.

Media: Did he actually say, Prime Minister, that if a person on Christmas Island asks to be sent back, like, tomorrow, they can come back with, I don’t know—I mean, they can come back right away?

PM: All of them, yip.

Media: Do you think that a New Zealand politician who wants to visit New Zealand citizens inside an immigration detention centre should be able to visit them?

PM: I don’t know the law in Australia so I don’t know what the access rights are there. In the end, you know, it’s probably more a political stunt than a real effort to do something. But, if Kelvin Davis has a serious argument about it he should probably go down Canberra and see his mates in the Labor Party there, because they voted for this policy.

Media: Do you think Kelvin Davis is right when he said that these detention centres are like prisons?

PM: Well, on the one hand he is saying he can’t get in so he can’t comment, on the other hand he is commenting what they’re like. Both statements can’t be right.

Media: So who would pay for the flights in an instance where a New Zealander says: “I want to go home.”?

PM: I don’t know exactly, but I imagine Australia, because they probably pay the deportation costs under anyone that goes home.

Media: And who pays if they want to go back? If they win their appeal and want to go back to Australia?

PM: Don’t know the answer to that. But, I mean, in the scheme of things, if these detention centres are as bad as people say they are, then that is probably the least of their problems, isn’t it? I mean, if they’re potentially are going to be in a place for a period of time which is very unpleasant, one would argue, I would’ve thought, they would be better to come back to New Zealand. We then have to deal with that situation, including—that will be probably welfare support, it’ll be wraparound support through the likes of PARS and others.

Media: Has Cabinet discussed putting any extra resources into those services given we are seeing more people—I know we’ve asked this, but—

PM: So corrections have agreed with PARS—I think at the moment they get \$1.3 million a year. They’re going to receive an extra \$100,000 grant to deal with the issues that they’re having to deal with at the moment. I think they’re comfortable with that.

Media: So, in terms of Christmas Island, the president of the shire up there, who is effectively the mayor for want of a better description, has told us that he can see no reason why the Kiwis are up there other than to separate them from their families, and break them, and force them into coming back to New Zealand. He said it that it is basically, to use his terms: “a bullying tactic by the Australian Government.”

PM: That’s not the version of events I got from Malcolm Turnbull over the weekend.

Media: What did Malcolm Turnbull tell you why—

PM: Well, there are a number of reasons, but one of them was around behaviour of the people involved. They’ve been, in some cases, in other detention centres.

Media: So the ones that are worst behaved are sent to Christmas Island, or—

PM: Well, I think some of them had been in other detention centres and there had been issues.

Media: So what—Australia’s punishing them?

PM: No, not punishing them—they’re separating them from some other people.

Media: Do you believe that?

PM: I don’t have all the detail on why.

Media: I mean do you want to find out—

PM: It’s not that I don’t want to find out. I just accept people at their word. If that’s what they tell me, that’s the facts.

Media: Do you accept that it’s legal for Australia to send New Zealanders to Christmas Island in these circumstances, at international law?

PM: Well, the law, as I understand, is they’re free to come back to New Zealand. That’s what Malcolm Turnbull’s version of this is.

Media: Are you disappointed with, basically, only being able to really get a promise of compassion from Malcolm Turnbull, not actually getting any change to the policy, especially the rhetoric about New Zealand and Australia and how close we are?

PM: No, I don’t think that’s totally right. As I pointed out in the morning media, I mean the Australian media have reported it as Turnbull softening and the New Zealand media reported it as no change. Like everything in life, it depends on how you look at it. But the point being that our main arguments are not about deportation, per se, because New Zealand deports people.

There are really two issues, as I see it: one is around the use of detention centres— notwithstanding in the past people in Australia have been sent to detention centres, it is just that there are a lot more people and the threshold was a lot higher, so it wasn’t in the focus of everyone’s attention, if you like. So the main point there is we can eliminate that because they can come home. Now, they may not want to come home and they may argue their family’s over there and there might be a variety of other reasons, but they are free to come home and have all of their appeal processed.

Secondly, he did give us a commitment for a lot more resources to speed up that process, and I accept him at his word that he is doing that. The third thing is—and the bigger issue, if you put detention centres to one side—is what about people who, you know, realistically, even though they fit the criteria of the law as passed by their Parliament, it doesn’t seem fair that they come back to New Zealand. They have family there, the crimes aren’t that serious, they’ve been there for a long period of time—those people look to us to be winning on appeal.

Media: So you’re happy with the basic policy?

PM: No, I prefer the policy was the old policy, mirroring what we have in New Zealand. But I can’t stop them doing that. That policy was voted on by both sides of the Parliament in Australia.

Media: Prime Minister, did the “free to come home” side of things—did that exist before your meeting with Malcolm Turnbull or is that something new that—

PM: Well, it changed about a week ago, and it wasn’t in terms of changing the law—as it was explained to me—it was changed in terms of part of a policy.

Media: Is that Christmas Island or any detention centre?

PM: Any detention centre.

Media: Economic confidence is up in the latest *One News* poll. What do you think? Why do you think that’s seeing some change after a few months of [*Inaudible*]

PM: Well, I think if you go back a few months ago, there was quite a lot of negatives there about falling dairy prices, and, of course, in the last sort of couple of months you've seen those dairy prices rising. You know, you continue to see strong economic activity in the services sector, you've seen the exchange rate coming off, so that's been a bit more competitive on the export side, and probably a settling-down of the financial markets. You had a lot of concern about what was happening in China. Now some of those issues are still there, but I think New Zealanders are just sort of feeling a bit more confident about what they see.

Media: House prices aren't though, are they? And a couple of months ago you and, I think, Bill English were saying you felt things were cooling off—they're not.

PM: I don't know. It's very mixed. I accept that the data in Auckland shows that they continue to rise. That's what we looked at about a week ago. In Christchurch, certainly, you know, supply is on top of demand. I mean, rents are falling there, house prices have definitely stabilised—probably coming down a little bit. Anecdotally, we are hearing in Auckland—I've had a number of major real estate companies telling me that their own activity is down. I know that didn't reflect the price increases that you saw in the most recent data that was released, but quite a number of them said to them there are just a lot more houses being passed, less people at auction, things are cooling down in their view.

Media: And National's still steady. Why do you think that is? There's just no change, really.

PM: Oh, look, I think personally, (a) we've had a good, sort of, month or so. TPP's been an important thing for New Zealand. It will open New Zealand up for much greater access to some huge international markets. I think people could see from, you know, the pictures they saw across their TV sets about the work that we're doing in Iraq. The Kermadecs, I think, was a very important environmental announcement from the Government's perspective. I think the work we're doing on the Security Council has been highlighted, and, of course, the Government's books are back in surplus. So I think just generally we look, in my view, to be finishing the year quite strong.

I think, in Labour's case, you know, they're a year on now under Andrew Little. He is extremely negative, and that's his prerogative if he wants to be. But, actually, New Zealanders want solutions; they don't just necessarily want someone being opposed to things for the sake of it. I think his numbers are not going to improve unless he starts offering alternatives about a better way forward for New Zealand. Because, yes, of course the role of the Opposition is to oppose things, but not just to oppose them for the sake of it. At the end of the day, they've had so many positions on TPP, and the truth is that shows that they continue to be immensely divided as a political party. As I said last week, you know, if they continue to oppose something like TPP, which is overwhelmingly beneficial to New Zealand, it speaks volumes about the Labour Party and not the quality of that particular trade deal.

Media: What conclusions did you and Mr Turnbull reach when you were discussing both the economy and trade?

PM: Well, we think there are more things we can do together, and on trade both of us are going to be working towards a free-trade agreement with the European Union. You know, he is very economically focused, as you'd expect, given his background, and can see some quite significant challenges for Australia—quite interested in what the policy prescriptions have been over here in New Zealand, and keen to work on some initiatives together. So, yeah, I mean, look, outside of the deportation issues and the other issues around rights of New Zealanders, the other half of the conversation was really around economic issues and where we see some opportunities.

Media: Where does he see the Australian economy going in the next 6 months to a year?

PM: Oh, if he sees challenges—I mean, you know, the week that we announced a surplus they announced a fairly sizable deficit in Australia. So you can see those challenges. And New Zealand, fundamentally, I think is actually more competitive than Australia—competitive because of our labour markets, arguably better trade access, you know, our planning laws. We only have one House; they have a number of different issues which hold them back a bit. So, yeah, I think in certain aspects he’s probably jealous of the policy settings in New Zealand.

Media: Prime Minister, what ever happened to the deal where New Zealand would take 150 refugees from Australia within our quota?

PM: Yup. So every year we offer that to them, and, so far, every year they’ve rejected taking that up. It’s on the table. So this year when they rejected taking that up, we agreed to take 150 Syrian refugees in their place.

Media: The *Sydney Morning Herald* is reporting that Betty Colt is due to be deported—

PM: Sorry, who? Betty—

Media: Betty Colt—it’s her pseudonym. She was done for—lived in an incestuous community over there and was done for trying to kidnap her children out of care.

PM: Right—I’m sorry; I just don’t know the details of that case.

Media: You don’t know if you’ve been notified?

PM: No.

Media: Prime Minister, so just again on the Christmas Island issue—what is your message to the guys in there who were saying: “John Key, help us.”? What do you say to them?

PM: Well, I think the simple message would be, you know, I don’t want New Zealanders on Christmas Island. I think they should come home to New Zealand and we’ll deal with the application and the processing of their appeals from New Zealand.

Media: Have you considered sending a plane up to pick them up?

PM: No.

Media: Why not? Do you really want them back?

PM: You got anything else or you guys all good?

Media: Have you seen the latest UMR poll on the flag?

PM: I have—yeah. Well, I mean, look, yeah, of course there’s a big battle if we’re ultimately going to change the flag. I mean, I think what it shows is there’s a high degree of support around the Kyle Lockwood designs. But I wouldn’t take too much out of the actual overall numbers yet. I mean, ultimately when the country decides what the alternative is to the current New Zealand flag, then I think that will crystallise some thinking. I think you’ll see a fair bit of activity around, you know, imagery and what a new flag might look like, and a more intensified debate. It doesn’t mean it’s going to be an easy thing to change the flag, but trying to change the flag through the public referendum process is always going to be challenging. But I think it’s a long way to the finishing line before we see exactly how New Zealanders vote.

Media: It’s a long way off, isn’t it—it’s a long way compared to the current flag. It doesn’t even come close to beating it; I think it’s like 36 to 64.

PM: Yeah, but you’re looking at them as individuals, and once you consolidate it down to one, you know, you might see people who were voting in that sample for Red Peak, or one of the other Kyle Lockwood ones, or the koru falling in and saying, you know, “These are what the numbers are like.” It also depends who turns out, who votes. There’s a lot of different factors.

Media: Are you pleased to see trees going back on One Tree Hill?

PM: Yip. It's always good, if that's the case—I'm not exactly following it, but, you know, I'm sure that's the case.

Media: A report on Mt Eden Prison is due out at the end of this month, so next week. Do you know if that is scheduled to come out as planned, and what have you heard about what's actually in that and what they've uncovered?

PM: I've only had a very brief sort of piece of advice that, you know, the report's on track, and not a conclusive amount of comment in it that would want me to make public comment about it.

Media: Would you consider changing New Zealand laws for visas for Australians to make them just as harsh? I mean there seems to be the community support.

PM: I don't think we should go down the retaliation route; I just don't think that takes us anywhere. I don't think it's who we are as a country. We accept a lot of Australians over here, just like Australia accepts a lot of Kiwis, and for the most part they're highly value-added to our country. So, you know, we have deportation rules that mean if you commit a crime within the first 10 years and it's serious enough, we'll deport you. Outside that, we keep you in New Zealand. Personally, I think those settings are in the right place and kind of, you know—if we were to ultimately go and do that, we'd be doing a retaliation on the basis of Australian policy, not on what we think is right, and I don't think two wrongs make a right.

Media: Prime Minister, is your understanding that more New Zealanders are going to be sent to Christmas Island, or that they are—

PM: I don't have any advice on that, I'm sorry.

Media: Did you ask him if he would stop sending New Zealanders to Christmas Island?

PM: I don't have any advice on that, I'm sorry.

Media: The Chief Ombudsman said at the weekend that comments you made about the OIA process last year were cavalier. How do you respond to that?

PM: Ah, look, I sort of reject her comments. There's never ever been any discussion between her office and mine at any level on any concerns she might have. To be frank, actually, our office not only abides by the law but it tries to do so scrupulously and within the spirit of the law.

Media: So has the Ombudsman's office spoken to your office as part of the review—

PM: She's never done that, no. Oh, about the review, she might have done—the review—but nothing in terms of the comments she made in the weekend.

Media: Have you got a message for the All Blacks?

PM: Yeah, I mean, we're very proud of them. I think they've displayed over the weekend just how strong a side they are, but, you know, one of the, I think, the amazing things about that All Blacks team and the management of that All Blacks side is they've done a great job over the last decade, actually, of recognising that when it comes to World Cups, you know, every game is important; don't get too far ahead of yourself. I think they've done a great job of actually being ambassadors for New Zealand, and, you know, their outreach campaign, the way they work with schools—all the things they've done could be contrasted with other sides that don't do that as well. So, look, they're a great side on and off the field. Obviously, we desperately hope they'll beat South Africa and we'll see who they meet in the final.

Media: Did you finalise the details of your bet with Malcom Turnbull on the rugby?

PM: It's a tie—but they've got to get in the final, and if you want my view I reckon we'll be playing Argentina, but we'll wait and see. OK, cool, thank you.

conclusion of press conference