

POST-CABINET PRESS CONFERENCE: MONDAY, 15 FEBRUARY 2016

PM: OK, good afternoon. I'd like to start by conveying my thoughts to the people of Christchurch, following yesterday's earthquake. While these quakes are not unexpected, they are very unsettling for people. The good news is that there was no loss of life or serious injury, and at this stage damage to people's homes, buildings, and key infrastructure appears to be quite minimal.

As we approach the 5th-year anniversary of the February 22nd earthquake, the Government remains committed to the people of Canterbury. Overall, Christchurch is recovering strongly and residents can take comfort from the fact that the city is being rebuilt to a very high standard. But I would encourage anyone who is feeling stressed to seek help through the channels we have put in place since the earthquake events began. Just to let you know, next Monday I will join Minister Brownlee at the 5-year memorial of the February 22nd quake. Therefore there will be no post-Cabinet press conference. We will do a media stand-up in Christchurch.

As you may have seen, new figures are out today showing more New Zealanders than ever before are connecting to ultra-fast broadband. We've reached the halfway point in the 8-year project, with 60 percent of the build complete. Uptake is exceeding expectations. Twelve months ago around about 5,000 New Zealand households and businesses were being connected each month. This has now doubled to 10,000 per month. Today more than 875,000 households and businesses are able to connect to ultra-fast broadband. We are also close to having all businesses able to connect. Thirteen regional towns are fully fibred; another six will be completed by July. The Rural Broadband Initiative is also making steady progress in our regional communities, and uptake of that is nearly 37 percent. Almost 280,000 rural households and businesses can now access fixed wireless or improved fixed-line broadband. This includes every rural hospital and every school in the country. The ultra-fast broadband and rural broadband initiatives have also created around about 4,000 jobs. Faster, more reliable broadband is a key part of the National-led Government's programme to drive innovation, create jobs, and grow New Zealand's economy.

As you know, on Thursday I'm travelling to Sydney for the annual Australia - New Zealand leaders meeting. I'll be accompanied by a business delegation of around about 30 people. As our closest neighbour, Australia and New Zealand share a long history, and the annual leaders talks recognise the significant relationship between our two countries. Prime Minister Turnbull and I will discuss a wide range of topics, including trade, regional, and security issues. The meeting will also provide a further opportunity to discuss New Zealanders living in Australia and the ongoing management of deportations from Australia. Following our meeting, Prime Minister Turnbull and I will speak to around about 700 business leaders at the Trans-Tasman Business Circle Function. I'll also meet with New South Wales Premier, Mike Baird, and attend a tourism event.

In terms of the House this week, Parliament's in session, obviously. We will progress the Prime Minister's statement. In terms of legislation, we'll also continue with the home and community support settlement bill, and the social housing reform bill. I'm in Wellington tomorrow and Wednesday, as you would expect, and in Auckland on Thursday, before heading to Australia.

Media: Do you expect to make any headway with the Australians about New Zealanders living in Australia and the deportations?

PM: Look, it's a little too early to tell at this stage, but obviously it's going to be a topic of conversation. It's something that we've been lobbying the Australian Government for, which is better rights for New Zealanders in Australia. So we're ever-hopeful that some progress will be made there, but let's see how it goes.

Media: Where are things at with the Government's decision on looking at increasing the refugee quota?

PM: So this year the review process takes place. That happens every 3 years. We'll be going through a thorough review. We'll look at the number that we currently take, whether that's appropriate, and how our resettlement services work, whether there's either capacity or capability to add to that number, and what are the pros and cons of such a decision. So we'll be going through that. I think that'll occur over the next, you know, 2 or 3 months—it might be a little longer than that—and then at some point the Government will need to make that decision.

Media: Do you think there is capacity and capability for more refugees?

PM: Well, I don't want to get in front of the process that we're now going through. It's probably better just to let them do their work. As you know, we've had that 750 quota for a very long period of time. We have been investing quite strongly in our services in places like Māngere, so we've got better capability there. We do like to keep a buffer for emergency commitments, as we made with the Syrian refugees late last year, but it's just a little too early for me to tell.

Media: There's been a whole lot of people here at Parliament today calling for the quota to be at least doubled. Do you think it could go as far as being doubled?

PM: Look, I just don't want to speculate on that. I'd just need to see the reports and see the advice, and then we can make, you know, a calculated and considered position.

Media: Would you expect to talk about the issue of boat people with Malcom Turnbull? I mean, there was the incident last year where a boat was allegedly turned back for sort of cash payments. Is that something that you need to start talking about?

PM: We've never had any discussions about how they stop the boats coming to Australia, so I'm not really—you know, I've seen media reports, but I'm not aware of payments, if they make those. I doubt it'll be a big topic of conversation, solely because, I think, they would say they've been really successful at turning back the boats. I don't think they've had any for quite a long period of time. I mean, it may come up in terms of, you know, regional issues that we discuss, but I don't think it'll be a significant topic.

Media: What about that 150 places that New Zealand had offered to Australia that we would take? I mean, there were people on Nauru at the start of the year saying—pleading with Australia to, you know, let New Zealand take up the offer.

PM: Yeah, I mean, look, that offer is there. Historically, the Australians have said no, but it is part of the 750 allocation that we have, and if they wanted us to take people, then, subject to them meeting the criteria, New Zealand would be obliged to do that because we've given the commitment that we'd do so. Historically, as I say, at this point they've chosen not to do that.

Media: Will you be proactive and actually go to Nauru and take them?

PM: Oh, look, we wouldn't—you know, we're not ruling out that we would take people if that was the decision Australia wanted to reach, and if we thought that they met the criteria. I mean, there could well be a humanitarian reason for doing that, but I just don't want to get ahead of that.

Media: So is your feeling on the quota that it will go up?

PM: No, I don't want to speculate on that, one way or the other. We'll just wait and see what the report says.

Media: Would you consider resettling the children that are currently in Australia that they're not sure whether they'll send back to Nauru?

PM: Again, you know, historically, we've gone every year that we've had this offer in place, if you like, to Australia and asked them whether they'd like to exercise that. To this point they've always said no. If they change that and ask us to do something, I'd honour

that commitment. We always said we would because we're good for our word, but we'd just need to see how that works. I mean, at this stage we haven't made any other offers.

Media: But that would extend to the children that are in Australia that could be sent back to Nauru?

PM: That's potentially possible, but it would need to fit within the criteria that they are refugees, as defined by the broader category that we take.

Media: Why did you make that offer?

PM: It was made some time ago around part of regional support, really, because of the sort of—we recognised through the Bali process, I think it was, the regional nature of the boat people issue, and so, at the time, we said "Look, you know, Australia helps us significantly with intelligence and other things that they do.", and so we said "Look, in the end, New Zealand will take 750 refugees. Where they come from is sort of an open point, if you like.", and we could see that there was an argument that that might be a sensible and compassionate thing to do. At this point, Australia hasn't taken that up. One day they might. But there'd certainly be an argument, I think, you know, in the end, that some of the people there need resettling, they are genuine refugees. And, if that's the case, then, you know, I can't rule that out.

Media: So they'd be part of the 750, they wouldn't be—

PM: Yep, part of the 750.

Media: Is Iraq likely to come up as well, and the discussion around a bigger contribution, including any special forces?

PM: I think we can pretty much categorically rule out special forces at this time, in terms of that Ash Carter letter that we received. We don't see that fitting with what we're doing. I mean, it's always subject to, you know, future requests, but in terms of that particular request, I think our view on that is that we don't want to do something there.

I think there will be a broader discussion about Taji and how things are going. The Government has its 9-month review taking place fairly soon. I mean, I think our starting position would be to say it's been very successful. I mean, we see real progress being made. We're obviously training forces, they're doing well, they're part of the effort to retake Ramadi. The advice that we have is the Iraqi Government's now regained about 40 percent of the territory that it lost to Islamic State. So, I think, on all accounts, actually, it's been a very successful mission, but we'll have that discussion.

Media: So categorically ruled out SAS going to Iraq back in the—

PM: Well, in terms of the letter that, you know, I can never foretell about all things in future but on the letter that we've received, it's not my intention to send the SAS. Look, I don't think it fits with what the Iraqi Government actually wants. You know, I'm not sure exactly what the Americans would want them to do but, actually, the Iraqi Government and Prime Minister *al-Abadi was quite clear with me when we were there that's not what they want. They want their troops trained, and they actually want to fight their own battles.

Media: And that hasn't come up again?

PM: Don't know if that's been communicated yet. I'm not sure.

Media: And that hasn't come up again during the meetings that Gerry Brownlee* is at?

PM: Not as far as I'm aware. I haven't had a really full debrief with him. The meeting he had in Brussels is sort of broader issues, but not specifically, I don't think, on that.

Media: Do you think you'll talk about Helen Clark and Kevin Rudd?

PM: Oh, it's not on the agenda, per se, but, you know, it may well come up as a discussion about Helen Clark's candidacy for the Sec-Gen's job if she puts her name forward. In reality, you know, I think she'd do an outstanding job, and I think if she decided

to put her name forward then I'm going to go and lobby every leader that I have a relationship with around the world, to try and support her, and that would, of course, include Australia. It's not a question of, you know, sort of, one versus the other; it's just that, you know, our support would be firmly behind Helen Clark. So there may be a discussion, but it's not on the formal agenda.

Media: Just looking back at the refugees issue, you know, that boatload that Corin asked you before that got stopped in Indonesia—do you believe that they were really seriously going to get to New Zealand, do you think?

PM: I don't know whether they could make it. I think at the time the advice we had was that the boat had the capability of making it to New Zealand, but I don't have all of the details—it was some time ago. What has happened over the time that I have been Prime Minister and this issue's been relevant is that the advice I've always received is that the officials believe it's highly likely at some point a boat will come to New Zealand. I think everybody acknowledges it's difficult, it's a long way away, it's far more challenging than Australia, but there's always been a belief within the officials that advise me that a boat is likely, and we know there's certainly a desire there, because there's plenty of boats that have indicated they want to come to New Zealand.

Media: On Auckland housing, are you concerned that the Auckland Council could do a backflip on its plans for intensification? There's been a meeting last week with a whole bunch of residents and councillors saying they don't want this intensification. Does this put your strategy at risk?

PM: Well, we need to see more houses built in Auckland, and the Government can play its part in that, both through special housing areas and through the work we're doing of releasing Government land. Ultimately, the unitary plan is a matter for Auckland, and those councillors will need to work through that. I suspect there'll be quite a bit of to-ing and fro-ing, but when people talk about intensification, it's like a lot of things in life: I think there's some areas where they believe intensification makes sense and would broadly be widely supported, and there are probably some places where it would come up against some significant resistance. It will be a matter for the council to work its way through that.

Media: Are you disappointed that some of the councillors who are normally backing National are really campaigning to stop this intensification?

PM: Well, it's not National's unitary plan; it's the Auckland Council's unitary plan, but the Government recognises that there needs to be more houses built in Auckland. As part of that, you know, I've said publicly on many occasions that would include Auckland spreading out and Auckland becoming denser and therefore there being more high-rise and higher structures and more infill housing taking place. I think all of those things actually will happen—we're already starting to see a bit of that. And some places are not going to be terribly controversial; I think in the CBD area, some parts of West Auckland—I mean, it just depends, you know, like all of these things I think they'll find a pathway through that suits most people. Not everyone will agree with it, but you'll see a fair bit of it.

Media: What would be your message to the local Auckland MPs in your party? Are they allowed to take a personal view on this?

PM: Well, plenty of them will be lobbied both ways, actually, by their constituents, and I expect them to listen to their constituents. It doesn't mean they'll always agree with them or it doesn't mean that, actually, the policy that the National Government takes will always fully be in agreement, but you would expect people to, in good faith, listen to their constituents and see what they have to say. Some of the areas that they represent will be firmly opposed to greater intensification; others will be much more relaxed about it.

Media: Prime Minister, just looking at the issue to do with Serco, in a court case today, Serco revealed that in 2009 there was an investigation into fight clubs at Mt Eden, so that was back when it was in public control and back when Judith Collins was Minister. Does that concern you that fight clubs have been going on for so long—for 7 years now?

PM: I just don't have any details on that. Until I knew exactly what they were talking about and how widespread that was known, and all those factors, I wouldn't want to comment.

Media: What about if Serco were implying that the Government knew that there were fight clubs at Mt Eden or if they had contact with them and didn't tell them?

PM: As you pointed out, this matter is a matter before the courts at the moment. There is also a review that's been undertaken, which I think they are judicially reviewing, and it's just not territory I can wade into at the moment.

Media: Is it worth checking with Judith Collins as your Minister as to whether she knew back in 2009 that there were fight clubs at Mt Eden and didn't tell Serco before—

PM: Well, I'm not aware of all those and I'm not going to get into all those assertions in the public domain. You're welcome to take it up with her.

Media: Labour MP Kris Faafoi's put out a statement this afternoon questioning costs paid on behalf of Nick Smith's press secretary for attending a National Party event. Are you aware of the situation and that the rules have been followed?

PM: Well, I've seen the media reports. I mean, in terms of what I think Ministerial Services said about it was that it met the rules. And there are obviously rules that need to be met. That's my expectations—that people would meet the rules—as the Minister for Ministerial Services. But it's quite legitimate, actually, that an expense would be paid, because it's important to understand that Nick Smith was there. He brought his press secretary there, and while it's a National Party event that was spanned for a couple of days, he was actually making a public policy statement so he had a press secretary with him. The money that was paid, as I understand it, was reimbursement for food—his dinner. It wasn't a fundraising event; it was a claim for their dinner—no different from if the person was travelling with Minister Smith when he was on the road doing any other sort of public consultation and paid for dinner. So they're very strict rules and they've just got to meet them.

Media: But Faafoi's allegation is that a dinner like that at a party conference is always partly fundraising anyway, so wouldn't that be the case?

PM: No, not as I understand it. I mean, in the end they'll need to satisfy themselves that they followed the rules. But, no, they don't make money out of those things; they make money out of other things they might do, but not that. This is a party conference.

Media: But do you think it's acceptable that the taxpayer should pay for a meal at a National Party event for a press secretary?

PM: I do if they're working and it fits within the rules because, in the end, I mean, it's like diplomatic protection. I mean, they come with me to National Party events, and the Police will be paying their wages while they're there and they'll be paying any expenses when they are there because, in reality, they are working. And that's exactly what this person was doing—working.

Media: But you wouldn't register them for a dinner at the National Party conference if they were your DPS, would you? Or would you?

PM: No, but my point is just that if they're working, they're working. This is a dinner where, you know, they're fundamentally paying the cost of the food, then it has to fit within the guidelines. But so long as it fits with the guidelines, it's actually a practicality of what happens. And, you know, we—I know for a fact—try and keep the cost of those things to the bare minimum of what it actually costs us to put them on because we want people to turn up. So they're not fundraising events. We run fundraising events all sorts of other times, but not actually in the food, as I understand.

Media: Mr Faafoi said that was a social event more than a working dinner.

PM: Don't know.

Media: What about greenstone pendants for NZTE staff? What do you think?

PM: Well, I think it was a reflection of Peter Chrisp's view that NZTE had done a very good job in 2015 and I think he was trying to give people a token, or a gift, if you like, for saying, you know, your efforts have been, you know, very strong. Yep, there's a cost involved there, and I think chief executives have to be very mindful of that. They have to think about the fact that it's taxpayers' money. There's a balance they have to get right. But like any organisation, people also respond to positive encouragement and positive signs that they are performing well. So in the kind of real world most people think it's acceptable, for instance, that drinks are held occasionally or that there's a Christmas party or there's something else.

Peter's known to be extremely passionate about, you know, the way we're perceived, and very passionate about Māori culture. I'm not terribly surprised he's done that. It would be for him to, I think, justify that it fits within the overall criteria, but given it was about \$60 a person, maybe they didn't spend money in something else. They've generally stuck to pretty tight budgets.

Media: Prime Minister, we're running a story tonight about the foreigners cemetery in Rarotonga where we've discovered that three New Zealanders' graves have washed away into the sea and this is due to neglect by the Cook Islands Government. That cemetery's on Crown land. First of all, are you familiar with this issue?

PM: No, I mean, only in sort of a brief thumbnail sketch. I mean, my understanding is that there are people that are buried there for a variety of reasons. Some of them were World War I graves, I think. Some were where people have actually gone to the Cook Islands for cancer treatment, as I understand it. They must have been convalescing there, I guess. There are other people, like tourists, that have been killed there. But, look, in the end the responsibility for those graves is the responsibility of the, you know, Cook Islands Government.

Media: What message would you want to send to them? Because this is not a New Zealand Government issue—this is about how that Government has dealt with their Crown land and how they've neglected the cemetery for a long time.

PM: Well, I don't know all of the details. I mean, the truth is it wouldn't be the only neglected graveyard in the world. I mean, you go past many of them—in fact, you go past a few in New Zealand and you can see, you know, pretty neglected graveyards from time to time. But obviously for the families involved it can be a very painful experience. You know, they may well be going back to pay their respects, and certainly they, you know, wouldn't want to have the mental picture of that taking place. So what the Cook Islands Government can do, I don't know. My understanding is that they're working from the World War I perspective, with the local RSA there. But that's really about all I know.

Media: So given that there are New Zealanders' graves that are now sitting at the bottom of the lagoon there, do you think there is an impetus on that Government to take action?

PM: Just don't know practical that is. I'd need to get some advice on that.

Media: Prime Minister, just on plain packaging—considering [*Inaudible*] the Australian Government over the summer, in that case, and that you were waiting for the outcome of that case. Would you consider [*Inaudible*] up the legislation [*Inaudible*]?

PM: Well, the bill's currently before the House. While we've been mindful of the case that's going through Australia, it hasn't been holding us up, in terms of what we're doing in recent times, because the advice we've been getting is that we're on, you know, pretty firm footing, and there's nothing—for instance, in TPP or anything—that, the simple fact it's specifically excluded, in terms of plain

packaging. So my view is it's starting to progress through, and I expect to see progress being made in that issue.

Media: How soon?

PM: I don't know. It's a matter that we're discussing at the moment, but it's currently working its way through the House. But, you know, sooner as opposed to later, I think, actually.

Media: Because the Government has specifically said it was waiting for the outcome of that Australian case.

PM: Yeah. So it was waiting, and I think, you know, the view I initially took was, given Australia was in the middle of this court case, it didn't make sense for us to embark upon that, and then potentially face exactly the same costs for the taxpayer in defending another legal action. Late last year I asked for advice on that matter, and the advice I got back was that they felt we were on very firm ground. They didn't feel there was really any issues. A number of other countries had moved on plain packaging and were doing so without court cases being brought against them. So we're feeling a lot more confident about that. The bill's now progressing through, and it's my expectation it will become law at some point.

Media: Could it, I mean, given it's about, I think, at about second reading—

PM: I think so.

Media: —couldn't that happen quite quickly this year?

PM: I would have thought so.

Media: You said this morning you're expecting to be facing TPP protests throughout the year?

PM: I did.

Media: How does that feel being booed at public events now, and what are you going to do to counter it?

PM: Well, I mean, I'm going to carry on going to public events. I mean, the funny thing yesterday was that it was by far, in the entire time I've been Prime Minister and going to the *Big Gay Out, the strongest reception I've got positively. So, you know, it may not be the way things are always written up in the paper, but, actually, on the ground, people were really—you know, really—positive and very supportive of what we were doing. But there was a group of people that hijacked that event for their own purposes. And I think that really deeply frustrated people there, because there's a hell of a lot of people there who are celebrating, you know, their sexuality and who are celebrating the gains that've been made for gay and lesbian rights. And you could see, just with the organisers, how frustrated they were. Because, with greatest respect, TPP is not a gay and lesbian issue, it's an issue about free trade for New Zealand. So, yeah, I mean certainly when I got off the stage there were a lot of people that came up to me and said they were just really embarrassed by the people that were there. They were quite a, sort of, militant sort of group, largely wearing *Mana *T-shirts and, sort of, to a certain degree, *Greens' stickers.

Media: Are you going to minimise the, sort of, you know, events that you have? Or, you know, minimise some of your public engagements?

PM: No, I don't think so. I'll just let the public judge it for what it is. I mean, look, you know, it's crossed my mind that these people would be pretty rowdy when I went on the stage. They actually were last year as well—I think it was over a slightly different issue, but it was the same people, I recognised one or two of them. So,

you know, it's not going to stop me going out there and doing things. Because at the end of the day, I mean, the message around TPP is that it's going to be a very good thing for New Zealand, and it's going to be strong for us as an economy, and for prosperity, and the creation of jobs. I'm not going to back away from it just because—or back away from engaging with other New Zealanders, because you get a small group of very noisy protesters.

Media: Prime Minister, just—sorry, I know you're just about to get away there—just one last question on the refugees issue.

PM: I was close to getting away.

Media: Do you think that Australia's efforts to stop boat people in the Indonesian region—like that group that we saw last year that was supposedly trying to come here—do you think that is a good thing for New Zealand, what Australia is doing up there in terms of preventing boats from getting any further?

PM: Well, I've always believed that, you know, we should accept migrants from around the world, and we should accept refugees, but I think people should come through a legitimate process. And what Australia has been trying to do is to stop illegitimate people coming to Australia. And so, in that regard, we've supported them in the views that they have taken. We don't know all of their policies—we don't get involved in that, we don't have those discussions. There's no question that their vigilance there and the work that they have done has essentially discouraged people coming to New Zealand as well, because some of those boats, if they could've got to Australia would have tried to come to New Zealand. That's certainly the indications that we've had, and we've seen that on a couple of occasions where the Australians have ended up intercepting boats that would have come to New Zealand otherwise.

But, you know, you have to say as a policy—whatever the rights and wrongs of it—it's in recent times worked, because the number of boats coming in have been very low. And the Australian Government—not that it's for me to defend their position—would say that the previous huge number of boats coming to Australia have actually claimed the lives of a great many people: people who have died at sea, died in very unseaworthy boats, and that it had been a very dangerous activity, essentially peddled on very vulnerable people by these smugglers.

conclusion of press conference