

POST-CABINET PRESS CONFERENCE: MONDAY, 13 JUNE 2016

PM: OK, good afternoon. So, just apologies, I really need to get out of here by about 2 o'clock because I've got a flight back to Auckland. But, anyway, let me start by saying I've written today to President Obama to express New Zealand's condolences over the shocking incident in Florida overnight. As I've said before, no innocent person should have to worry about such violence when going about their daily lives, or to be persecuted for their beliefs or lifestyle. Our thoughts are with the victims of this atrocity, their families and friends, and those that responded to this tragic attack. And we wish those injured in it a speedy recovery. New Zealand stands with the United States and other countries in the fight against violent extremism.

As you can see, I have immigration Minister, Michael Woodhouse, with me today, and we are announcing that from 2018 the Government will increase the size of the refugee quota from 750 places to 1,000. We take our international humanitarian obligations and responsibilities seriously, and today's increase demonstrates our commitment to meet the needs of some of the world's most vulnerable people.

We believe today's announcement is an appropriate response. As you know, last year we committed to settling 500 Syrians over the next 2 years as part of New Zealand's emergency response to the Syrian crisis. That was on top of our annual quota of 750, meaning that for the next 2 years we are taking 1,000 refugees. Before we take any more we need to be sure people have the appropriate support and services they need to resettle in New Zealand, like housing, health, education, and translation services. Therefore, we've opted to increase the quota to 1,000 from 2018, after the Syrian emergency response refugees have been resettled.

When the new quota of 1,000 comes into effect, the annual costs will rise by \$25 million a year to \$100 million a year. It's important to note the annual refugee quota is just one part of New Zealand's total refugee and humanitarian programme. There are also 300 places available each year for family reunification, and an additional 125 to 175 asylum seekers have their claims approved each year. The new quota highlights New Zealand's commitment to help address the ongoing global refugee crisis.

I'm just going to finish off with the House and my activities, and then Michael will make a few comments and then take any questions you have.

Parliament this week—we're advancing a number of bills, including the Contract and Commercial Law Bill; the Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Bill; and the Children, Young Persons, and Their Families (Advocacy, Workforce, and Age Settings) Amendment Bill. In terms of my activities, I'm in Auckland tonight, Wellington and Hamilton tomorrow, Wellington on Wednesday, Auckland on Thursday, and Hamilton on Friday. And, as I said, I'm catching a flight so I need to be out of here by about 2.

Hon Michael Woodhouse: Thank you, Prime Minister. There's just—as you know, there are a number of technical elements to the refugee quota programme. I won't go through all of them, but suffice it to say that the regional allocation of places within the quota will remain at the levels agreed by Cabinet in 2013. The majority, or 50 percent, of those is focused on our local region of the Asia-Pacific. However, the number of places within the refugee quota for large-scale refugee crises will be increased from 50 to 100 in each of the next 3 years to maintain flexibility to respond to global events.

Last year we saw a significant public response to the global refugee crisis, and the Government has agreed to test the strength of that community by piloting a community sponsorship programme in 2017-18. It'll be a modest programme, involving around 25 places, but it will enable Immigration New Zealand and the Government to check whether we can indeed support refugees with specific attributes, apart from just being the most in need.

Immigration New Zealand will also commence a process to select a further refugee settlement location to assist the accommodation of the extra intake. There are presently six locations where refugees are settled once they have completed their reception at the Māngere Refugee Resettlement Centre, with Dunedin being the most recent settlement city. So I expect we'll be able to make an announcement on a further refugee settlement location sometime in 2017.

Finally, I think I should just add that while the quantity of the refugee quota is important—it's certainly been a matter of public interest—the Government has long been concerned about the quality of the settlement outcomes. The information which informed the 2012 Refugee Resettlement Strategy identified that many adult working-age refugees were not in paid employment. In fact, most of them, up to 10 years after they arrive—their children don't do as well in education as other New Zealand residents. And we remain committed to investing in the quality of those settlement outcomes, at the same time as increasing the quantity. Thanks very much. I'm happy to take any questions.

Media: Minister, there's a big call for the quantity to double to 1,500. Why have you ruled that out?

Hon Michael Woodhouse: Well, I think mainly for the reasons that I've just outlined. Yes, numbers matter and it certainly matters to the individuals that are being taken, but it's not enough simply to relocate them into a strange country and then leave them. There's a significant investment that needs to be made to ensure that the settlement outcomes are good, and the Government is committed to doing that on behalf of the taxpayer. So we're focusing as much on the quality as the quantity.

Media: Can you explain a little bit more about how it's going to work with that 50 to 100, with the—

Hon Michael Woodhouse: The doubling of the emergency places?

Media: —within the same ability around the Asia-Pacific region?

Hon Michael Woodhouse: So, as you know—as you may recall, the first Syrian refugees that were taken were under that emergency places, in, I think, 2013-14 and 2014-15. There are 50 places per year that are earmarked within the existing quota to be able to respond to an international crisis. Clearly, the Government felt that that wasn't enough, which is why we announced another 600—I think 650 places over a 3-year period ending in 2017-18. What we'll do as part of the quota is double that annual emergency places portion of the quota.

Media: If we can afford \$20 billion to spend on defence, why can't we afford to spend a little bit more on refugee recruitment?

PM: Well, we are spending considerably more. For a start off, we've invested heavily in Māngere and its redevelopment. Secondly, as we've said, it's a \$25 million price tag increase for the new refugees that will be coming as a result of today's announcement. And the \$20 billion for defence is a capital programme over a 20-year period, so it's not solely a matter of just money. I mean, I think the real issue here is that New Zealand has always worked very hard to make sure that when people come here, we give them the very best that they can expect when they come, and that means priority on housing, that means available to get jobs, that means education services, that means language services, that means welfare support, that means family reunification. We've got to make sure we do a

very good job for them, and Cabinet's feeling was, we're now moving, effectively, to a new base of 1,000 and then over time we'll see whether that takes us further.

Media: This new community relocation programme, how's that going to work?

Hon Michael Woodhouse: Well, the details of that are going to be worked out by Immigration New Zealand over the next 6 months, but there are a number of models of a similar type around the world, and in particular Canada, whom we're looking very closely at. But those who are old enough to remember the Viet Nameese and Cambodian refugee placement process in the late 1970s might also recall that the Muldoon Government of the day did place specific attributes, special characteristics, on those refugees—for example, the ability to speak English, certain job skills, and so on. And, of course, they were sponsored by churches, Rotary clubs, and Lions clubs around the country. I think they settled very well.

In addition to our quota obligations, I think it's worth testing whether or not that community support that we saw last year is enduring, and that's what this pilot will look at.

Media: So you're saying the community—you'd want the community to have more to do with helping refugees than we currently do.

Hon Michael Woodhouse: Absolutely, and I think they can do that within the quota programme, notwithstanding this pilot. We were certainly impressed, and, not surprisingly, that New Zealanders wanted to reach out. The simplistic offer of the crib on the Coromandel probably didn't quite pass muster, but I think, with the details of a community support programme better outlined, we can certainly trial what those church groups, what those Lions clubs, can do in order to identify, support, place in jobs, make sure they're very strongly socially connected—because we know that that makes for the best outcomes for these new New Zealanders.

Media: So would the ability to speak English and job suitability, that sort of thing—is that going to be a criteria for helping to select refugees? Is that—

Hon Michael Woodhouse: Not within the quota, and I need to make it very clear that the UNHCR, those who select quota refugees—and the 1,000 from 2018 will continue to be those most in need of support, so they don't have any particular attributes.

But if, on top of that, New Zealand wanted to look at a community support option, there is more freedom, after they are mandated by the UNHCR, to select on other attributes, and that's something that we'll test.

Media: Are you satisfied that background checks are sufficient, in terms of ideology and what have you, of people coming in?

Hon Michael Woodhouse: Yes. As far as we can, we have a very robust security check process. So that starts with the UNHCR—simple identification. They are ruled out on the basis of any connection with conflict on either side of conflict—they or their extended family members—other matters, such as polygamy, obviously, we'd rule them out from a cultural perspective, but, after that, New Zealand immigration and security services do their own vetting, in association with their partners, so that, as far as we can be, we are satisfied that those who are coming are most in need and are who they say they are.

Media: Do you have a preference for which region they come from at all?

Hon Michael Woodhouse: Under the quota, no, apart from the regional allocations that we set—so 50 percent of the quota of refugees come from the Asia-Pacific region, and then there are other categories for the Middle East, for Africa, and then for women in need, and, of course, the emergency places.

Media: What do you say to people who say: "It's just not enough."—the Government's not doing enough?

Hon Michael Woodhouse: Well, I don't think for some it'll ever be enough, and, obviously, we've had a very strong call for a doubling of the quota. But some of the advocates for that whom I've talked to care a little less about the quality of those settlement outcomes. The Government can't be as simplistic as that; we need to make sure that these people do do well when we select and take them. They are New Zealand residents from the day they arrive and I think all New Zealanders would expect that we should do our bit in improving the quality of those outcomes, as well as increasing the numbers that we're taking, and that's what we're doing.

Media: You mentioned there that some refugees after 10 years still don't have [*Inaudible*]. Do you think they're discriminated against because they're refugees?

Hon Michael Woodhouse: Look, that's a very complex picture. It is possible, and it's not just refugees that would say that. What we do need to do, though, is make sure that businesses are aware of the very rich vein of skill and effort that is available from our refugee community and, indeed, that was part of the Refugee Resettlement Strategy—was to put resource into connecting refugees and their families with the business community,

Media: You'd be encouraging them, are you, to settle outside of Auckland? Is that part of the strategy as well?

Hon Michael Woodhouse: That's already the case. So last year I think only 16 percent of the refugees we took in settled in the Greater Auckland area, and that was because they had family connections already in that city. We have the other refugee centres—Hamilton, Palmerston North, Wellington, Nelson, and now Dunedin, the newest refugee centre—and we'll be looking to add at least one more to that next year.

Media: Will those groups who are involved with the other programme—will they still have access to Government funds and support, or is the expectation that that will be a self-funded operation?

Hon Michael Woodhouse: Well, those are details that are yet to be determined and that's the work that will take place over the next few months. My sense of that is that it's likely to be both. I don't think it's possible for a community organisation to be expected to take on the responsibility for the settlement of a refugee or refugee family without some form of extra Government support. But, on the other hand, I would also expect an organisation like that to be very confident in its ability to house, to place into work, to support the family through education and so on. So we'll work through the details of that, but the answer's likely to be a bit of both.

Media: But at the outset it's not an exercise of costs attributed?

Hon Michael Woodhouse: Well, any programme of this nature will be on top of the quota anyway, so the answer is, no, it's not a cost-cutting mechanism. But I do want to trial this and certainly tap into that rich vein of support that we saw in the last year or so.

OK, thank you everyone.

PM: OK, anything else at all?

Media: Commodore Bainimarama—did he indicate support or otherwise for Helen Clark?

PM: He didn't specifically answer the question, although I didn't specifically pose it as a question. I made a statement about why I thought she was the best candidate for the job, why we'd appreciate Fiji's support, and that New Zealand was supporting Peter Thomson, their candidate for the presidency in 2017. But, as you're aware, it's not a sort of straight vote, if you like, for the Security Council. So I'm not sure it'll ever actually get fully tested in that regard and, of course, you know, compared to the influence of the P5 or whatever, Fiji's a long way back from there. But we would just hope that they would be able to look past, you know, what happened in 2006 and recognise the quality of Helen Clark's candidacy.

Media: He's still, obviously, pretty sore about the sanctions that were introduced in 2006. Did you expect, maybe, a better reception than what you got?

PM: I thought there was about a 20 percent chance that he was likely to make those comments publicly—a little higher, probably, privately. It's not the first time he's made those comments about us or Australia. I mean, what's interesting is that if you put, sort of, the public speech that he gave to one side, he was actually pretty friendly one-on-one, but, more importantly, the people of Fiji are hugely appreciative of what we're doing. Whenever I drove around there were people—you know, huge numbers of people—on the sides of the roads, waving, cheering, you know, very happy about what we're doing and very appreciative of what New Zealand's doing. And this really is about the long-term relationship between New Zealand and Fiji, less about, you know, my relationship with Frank Bainimarama.

Media: Are we supporting Fiji's bid for a seat on the Human Rights Council?

PM: That's between 2018 and 2020, isn't it, I think? We're giving some consideration to that.

Media: Where are the matters at with the intelligence review of the legislation? The Minister did indicate that [*Inaudible*] would happen before Parliament went into the 4-week recess?

PM: Yeah, so I don't think it's likely we're going to get there for the 4-week recess. We did have an IC meeting last week. That was about the estimates but we did have a chance to have a brief discussion about the legislation. It is in the process of being drafted, and Labour will want to have a look at that, obviously, to give a sense of exactly where they're going. But I think the way we would describe it is that the signs are positive of where it's progressing and how it's progressing, and we're obviously ever hopeful we'll have Labour support.

Media: Will you be consulting with the parties other than Labour on that legislation?

PM: Sure, but the starting point is obviously to talk to Labour.

Media: Did Bainimarama acknowledge New Zealand's response to Cyclone Winston at all?

PM: Yeah, he did. I mean, I thought in those public comments as well as everything else, he made some comments about Cyclone Winston, and it would be hard to not make that when you think about the enormity of what we did, alongside Australia. So, yes, I think, you know, he said that, but obviously that got a bit drowned out by the other things he said.

Media: Prime Minister, just looking at Nick Smith's comments last week that low levels of homeownership amongst Māori and Pasifika are because of low incomes and low education levels—do you agree—

PM: I didn't see those comments, I don't think, because, was that when I was in Fiji or—

Media: Yeah, it might've been.

PM: Sorry, I haven't seen the specific comments.

Media: Do you agree with that—that it's because of low education or low incomes that Māori and Pasifika can't get into houses?

PM: Well, look, I'd need to see everything in the context of what he said. I mean, what is factually correct is what I suspect is right—people with lower income tend to have lower levels of homeownership. By definition, it's harder for them to support the mortgage and to raise the deposit. But that's one of the reasons why the Government's been working on a series of programmes to try and give support for lower-income New Zealanders. But I don't have any evidence to back that up; it's just an assessment.

Media: You said on the radio this morning, I think, that there were some other measures the Government could take, aside from the measures that the Reserve Bank may take with its macroeconomic tools. What would they be?

PM: Yeah, well, I mean, look, there are always options and always things that get thrown around. I'm not suggesting that they were. I suppose the point I was really making this morning is that, in terms of, you know—we brought in the tax changes. You can argue they have or haven't made an impact. Some people might argue they have; some people might argue they haven't. But the more immediate impact you could have, if you wanted to, would be the actions of the Reserve Bank, because, in principle, they can control those who are at least non-cash buyers. And that's one option that was available to them—that they restrict the amount that an investor can actually borrow for an investment property for a period of time.

Media: Did you say non-cash buyers?

PM: Well, if they're cash buyers they can't control them, can they; by definition, they're not borrowing money. OK, thanks very much.

conclusion of press conference