POST-CABINET PRESS CONFERENCE: MONDAY, 20 JUNE 2016

PM: Ok, so good afternoon. As you can see, I have defence Minister Gerry Brownlee with me today as well as foreign Minister Murray McCully and Vice Chief of Defence Force Kevin Short. Cabinet has today made a number of decisions in relation to New Zealand's contribution to the fight against ISIL. As you're aware, we have up to 143 New Zealand Defence Force personnel deployed in a building partner capacity mission alongside the Australian Defence Force at Taji military camp in Iraq. That deployment began in May last year and it represents the single largest part of our contribution to the fight against ISIL. We've also made contributions in the humanitarian, diplomatic, and intelligence areas, because only a comprehensive response will degrade and defeat ISIL.

As I said before, ISIL's ability to motivate Islamic radicals makes it a threat not only to the stability in the Middle East but regionally and locally, too. The threat to New Zealand and New Zealand's interests remains a real one. ISIL's brutality has been on display to the world all too often. Attacks in Paris, Brussels, Turkey, Egypt, and elsewhere have underscored the threat posed by this twisted ideology, and its sick propaganda has radicalised lone-wolf terrorists who have carried out atrocities elsewhere. New Zealand is part of an international coalition of 66 countries united against the group, and we've been making gains. Iraqi forces supported by the coalition have taken back over 45 percent of the territory originally held by ISIL. ISIL's diminishing territory is also being matched by greater coalition efforts to target and destroy the group's financial resources.

Defeating ISIL in Iraq will be a major step in degrading it worldwide and reducing the threat ISIL represents to international security. It is clear that the coalition needs to remain engaged in Iraq and with the Government of Iraq in order to consolidate the military successes against ISIL so far. Task Group Taji has now trained around 7,000 Iraqi army personnel and have delivered four junior leadership courses for around 975 officers. A direct link has been made between coalition training and better operational performance by the Iraqi army units. I've seen for myself the efforts of our soldiers, and I have a great deal of admiration for what they're doing. Efforts have also been welcomed by the Iraqi Government and our partners in the international anti-ISIL coalition. To put it simply: our people are making a difference.

As Iraqi forces make solid progress in the fight against ISIL, it has become clear that our mission to support them is evolving. There is a clear and growing need for partners to assist with stabilisation efforts including basic security and law and order in recaptured cities. Iraq will likely face challenges generating the forces necessary to hold and stabilise recaptured territories. There is a deficit of appropriately trained police and an immediate need to increase training to address this vulnerability.

With that in mind, Cabinet has today approved an extension and an adjustment to our military deployment in Iraq. I can announce that we have approved the existing deployment of up to 143 New Zealand Defence Force personnel for an additional 18-month period, taking it through to November 2018. The vast bulk of the training our soldiers conduct will continue to take place at Camp Taji in the same behind-the-wire environment they have successfully operated in for over a year. However, there will be a change in the mix of who they are training. This reflects the progress we have made and the evolving needs in Iraq as land is recaptured from ISIL. As more territory is recaptured, well-trained professional Iraqi stabilisation forces like the Iraqi federal police will have a critical role to play.

Cabinet has agreed in principle that New Zealand personnel be authorised to provide training to these stabilisation forces in addition to the Iraqi Army. Specific defence proposals to train stabilisation forces will be considered on a case-by-case basis by the Minister of Defence, the Minister of Foreign Affairs, and myself.

In addition to changing the training audience, Cabinet has agreed to allow some of our training team at Taji to travel for short periods to Besmaya, a secure training location about 52 kilometres south-east of Taji. There, our troops will ensure a smooth handover of the Iraqi soldiers they've been training at Taji to other coalition trainers who will be teaching them to use heavy weapons. This advanced training could not be conducted at Taji as it does not have the necessary facilities—mainly because it borders urban settlements.

Besmaya is a purpose-built army base well away from significant urban habitation, which is why it can be used for heavy weapons training. I've sought assurances from the Chief of Defence Force about the safety of this location for our soldiers, and I've been told that it is as safe as Taji, if not even safer. To minimise any risks, our troops will travel in and out of Besmaya by air. Based on the advice I've received, I'm satisfied the right protections will be in place for our people. When in Besmaya, our trainers will continue to be behind the wire and protected by several layers of security.

Our decision to extend the deployment reflects the fact that we are making progress, but there's still much work to be done. In my view, it is simply not tenable for New Zealand to step away from its responsibilities at this time. We are a country that stands up for its values and a country that stands up for what is right. We do not shy away from taking our share of the burden when the international rules-based system is threatened. We do what is in New Zealand's best interests.

When I first announced this mission last year it was my intention that it be for no longer than 2 years. While I remain of the view that we should have a limited time frame in such a role, during the course of this mission I've received advice and recommendations which have led me to reconsider that position. I acknowledge this is a change of position, and I'd like to outline the factors behind it. First, we need to make a decision now, because we're in a joint mission with our Australian partners and they need to backfill it if we are to get out after 2 years as planned. Second, the work we have been doing has proven to be highly successful, which is reflected in the amount of ground that has been retaken by Iraqi forces. I feel we have done a lot to help; it's obvious there needs to be more done. Third, when we look at the impact ISIL and its associates are having in a variety of locations, we need to ask ourselves if it's really acceptable for New Zealand to not play a role, and, if not this training mission, we need to consider what else we could do. In the final analysis, I have decided this is the most effective and also the safest way for us to make a significant contribution.

I want to make it clear that this deployment remains contingent on four factors: firstly, developments in the security situation in Iraq; secondly, a reasonably stable political situation in Iraq; Australia's continued partnership in the Building Partner Capacity mission; and, finally, the ongoing invitation of the Government of Iraq. In the event that any of these factors change or deterioration in the security and political situation makes New Zealand's involvement untenable, the Minister of Defence, Minister of Foreign Affairs, and I will make immediate decisions on the continuation of the deployment.

As I said earlier, there is more to our contribution than this military deployment. Minister McCully has recently agreed to a US\$1 million to the UNDP - managed funding facility for immediate stabilisation. The fund aims to help displaced people to return to newly liberated areas through projects such as restoring hospitals and schools. The intention is that liberated areas remain so, so the fund is also used to support reconciliation. This contribution brings New Zealand's humanitarian assistance to the region to just under \$24 million.

Finally, we intend to extend the operation of the New Zealand embassy in Baghdad beyond 2016-17 to align it with the duration of our military deployment. The embassy has played a critical role in supporting the deployment and building closer ties with the Government of Irag, so it makes sense to continue that.

In conclusion, I want to pay tribute to the highly professional men and women in our armed forces and our embassy staff, who are making a difference in Iraq. We are extremely proud

of them. It is right that our training contribution is in line with what we are good at and something we have a proven track record of doing well. I'm confident that our military men and women will continue to make a significant contribution in Iraq, and I'm confident that New Zealand's overall contribution in all areas is well balanced and the right thing to do.

I apologise that it was a rather long statement. I'll pass you over to Gerry, and then we'll take any questions you might have on this, and then when we finish this we'll just go back to normal business.

Hon Gerry Brownlee: Thank you, Prime Minister. Further to what the Prime Minister said about the reasons for extending the mission and amending what our troops can do in Taji, I'd like to make a couple of brief observations.

The first is that there's no doubt our troops' service in Iraq is valued by the Iraqi Government, by its military leaders, and by the troops themselves. It's valued not only because the armed forces that we have working there are good at what they do, but because the training we're providing is having a tangible effect on the Iraqi army's ability to take and hold ground. There are plenty of Iraqi troops to train, so it makes sense to continue doing something that is adding value to the fight against Daesh. Second, as we train Iraqis, our expert soldiers learn more about what's required to upskill the Iraqi security forces and how best to provide that service.

That's why it's determined that heavy weapons training would be a valuable add-on to the training we've been providing at Taji, and it was requested, given our troops who, after weeks of working with trainees, know their particular strengths and their weaknesses that we, along with the Australian trainers, be involved in a handover process taking a few days when the trainees move to do their heavy artillery training at Besmaya. This way we can ensure that the trainees know that we have an interest in their progression as they move from one base to another, and the new trainers can learn from us the skillsets, the aptitudes, and ways of the particular groups and tailor the training to ensure that they get the maximum benefit from it.

The approach speaks of how committed the whole coalition is to the Iraqi army becoming more professional, ultimately able to, or more able to, rid their country of Daesh. The Iraqi security force is making progress, as the Prime Minister said, and most members of the 66-strong coalition are looking at ways in which they can respond to requests by Iraq to do more. These requests have been based on intelligence gathered over the past few years into what will make the most difference in continuing the momentum towards ridding Iraq of Daesh.

So, as the Prime Minister said, we'll continue to play our part, because Daesh poses a risk to everyone, not just the Middle East, and we're adding real value to that fight. We're now happy to take questions through Prime Minister. If you can see, Mr McCully is here to answer questions about non-military assistance to Iraq and Air Vice-Marshal Kevin Short, deputy Chief of Defence, is here to answer any technical questions you might have.

Media: Prime Minister, you were so steadfast—in fact, you stood on the ground in Iraq and said it was not your intention to stay longer. What happened?

PM: I've been convinced over time that New Zealand should stay a bit longer. So the first thing I'd say is that our people have done, certainly, as well as I'd ever hoped, and there's no doubt that they're making a difference, and that is assisting the Iraqi forces in taking back that territory. But what is clear is there's a bit more to be done.

I think the second thing is that on the balance of advice I received of what would be the options if not this, the options could best be distilled down to: do nothing, which seemed a very difficult position for New Zealand to adopt when 66 other countries are involved; or something that, in hindsight, may be more dangerous. And so, on balance, the view I've taken is that we should extend for a period of time. As I said in my remarks, we had no option but to make this decision now, because if we are going to pull out in 2 years' time—if we were going to do that—the Australians, then, would notice.

Media: But why, then, did you say so many times that you had no intention of extending it?

PM: Because that was my expectation when we went in there, and I had no particular reason to change that view. Over time, I've been persuaded of the arguments.

Media: So there was a security scare not long ago in Taji with a bomb—

Hon Gerry Brownlee: Not in Taji.

Media —or near the perimeter. Are you confident that it is safe?

PM: Yeah, I mean, I think the fact they're in a dangerous part of the world is not news to anyone, but I think what that environment has proven over the last 12 months is that the security that protects our people—the various layers—is of the highest quality, and we believe that'll be the case in Besmaya as well. So there's no question that they shouldn't be going outside the wire, and that's why the mandate doesn't allow them to do that, but in the case of Besmaya in the future, they'll be air transported between the two military bases. But, in principle, we think, in the highly dangerous environment, they're in the safest place they can be.

Media: What makes Besmaya arguably safer, would you say?

PM: It's a very—probably Kevin can answer this very technically, but the way it's been explained to me is it's a pretty similar set-up to Taji but it's in a very remote location, which means that you'll be able to see—unlike an urban environment, which is a bit where Taji's like—you'll be able to see anybody coming towards the base if you're uncertain about it. It just allows that heavy weapons training to take place. It's a similar set-up.

Media: You mentioned the other option, when you were talking before—was that to send in the SAS or some other sort of ground troops?

PM: Oh, look, there's always a range of different options that could be there, if New Zealand was to not continue this mission and to do something else. But, you know, on balance, of the advice I've received, and on reflection of the work that they've been doing, the success that our people have been achieving, I think this the best construct.

Media: But when you say that you thought it would be riskier, the other option that you had in mind, so, presumably, it was something outside the wire—

PM: Well, they're always the risks, that you're in a less secure environment. One of the things that's attractive about being in Taji and now Besmaya is that they are several layers of protection. Now, it doesn't mean that you can't have a problem. I think, by definition, these are very dangerous areas, but this is the safest environment you can get in the confines of a country like Iraq.

Media: What sort of troops will be needed for the heavy artillery training, what sort of New Zealand—

Hon Gerry Brownlee: The training there will be provided by Spain, Portugal, Great Britain, and the United States—so a different type of training. The new thinking is that by taking the trainers with them for a couple of days to settle them in, you keep that progression going, you keep the understanding of the importance of the learning going.

Media: How much more is this going to cost, this extra deployment?

Hon Gerry Brownlee: About \$10 million all up including the requirement to keep our embassy open in Baghdad as well.

Media: How much has it cost so far?

Hon Gerry Brownlee: The original amount, Kevin?

Short: I think it was about \$40 million, Minister.

Hon Gerry Brownlee: \$40 million, yeah.

Media: So we're talking about \$50 million all up, for the deployment?

Hon Gerry Brownlee: I think, by the time the mission is concluded in late 2018, yes.

Media: How much of this has been driven by the request for extra capacity from the US?

PM: Well, I think there's no question that our coalition partners highly value what we're doing, and you've been aware that Ash Carter, amongst others, has certainly spelt out a request for more support. I mean, what we have done, I guess, is take a step back and say: is this the right time for us to have no engagement in the attempt to defeat ISIL? I think the conclusion we've drawn is no, this is not the right time to have no engagement. So if we are to have some engagement, you know, what is the best alternative, and, on balance, we have decided that we made the right call some year or so ago.

Media: But this is in response to that request?

PM: Well, it certainly fits within one of the many requests that they've had, but also fits in with our partners in Australia, really, who have highly valued working alongside the Kiwis. I mean, if we were to pull out they would backfill that, but they need lots of warning to do that, and we've got no option to make that decision.

Media: Did the US specifically ask you to do what you are announcing today?

Hon Gerry Brownlee: They, as you will be aware, put out a long shopping list of the things that they think people might be able to contribute to the ongoing mission to put the Iraqi security forces in a position of clearing Iraq of Daesh continued, and our ongoing training is one of those requests, but, as the Prime Minister said, our motivation is more a consideration of our near allies, Australia, and the position that our no decision would put them in.

Media: Minister of Defence, could you please explain again, sorry, how it'll actually work? They're travelling from Taji to the new—are they taking—

Hon Gerry Brownlee: Besmaya is 52 metres south-east of Baghdad, so it's out where there is no Daesh activity at the present time and not likely to be. It's very, very remote. As the Prime Minister said, you can see any vehicle approaching that camp for quite some distance in any direction, but they will fly out of Taji at night, as is currently the preferred mode of transport in and out of that base. And they'll do that at the conclusion of the 6-month training period, or training units within that 6-month period, I think I'd better say.

Media: How long are they down there for, and—

Hon Gerry Brownlee: Look, those decisions are not something I'm overly familiar with, because once they go there, after a couple of days they're no longer our mission. Do you want to make a comment on that?

Short: No, no, no. It is several weeks, so they do a 6-week course with us and then transfer down to Besmaya.

Media: And how long do the New Zealand troops stay down at Besmaya for?

Short: Oh, a matter of two days, and it's in the—6 to 8 people.

Media: Do you have a guarantee from Australia that they'll be there as long as New Zealand is there?

PM: Well, it's one of the four conditions that we've set, and, of course, if Australia reconsiders its position it would trigger whether we would reconsider our position, but I don't get any sense from the Prime Minister that he is likely to change his perspective. Now, of course, there's a general election in Australia and anything's possible, but I mean, Australia deployed its people to Iraq, including special forces and the likes—it had cross-party support.

Media: Does it require people with different expertise to train the Iraqis in the new function they'll have, or is it the same kind of training?

Hon Gerry Brownlee: In the policing or in the heavy artillery?

Media: Helping consolidate?

Hon Gerry Brownlee: Well, that's yet to be determined. It will be military though, and it is about a police force that has a gendarme-type arrangement. Their purpose is to hold territory. Kevin might like to make a comment on that.

Short: The training they're doing is more or less paramilitary, as the Minister said. So we will conduct similar training, but they won't do the battlefield and planning side of it. The military training is what they need, because they do need to hold the territory. So the stabilisation is to allow the local population to feel safe in moving back to the cities that are retaken by the ISF.

Media: So why does it have a police function? Why isn't it a military function?

Hon Gerry Brownlee: Well, I think you have to see it as policing ground taken, as opposed to fighting for ground. So, you know, every country's police forces are a little different. The model that I would think is probably most likely in this case is the Turkish model, where they have their civil police but they also have a gendarme force that is somewhere between the military and the police.

Media: Will the training still be done behind the wire, as such, in the bases? There won't be any change to that, in terms of them actually going out?

Hon Gerry Brownlee: They'll still be behind the wire at Taji.

Media: Can you just go over—so the trips will be made every 2 days, is that what you meant, that they'll just stay there for 2 days?

Hon Gerry Brownlee: No.

Media: How frequent will the trips be?

Hon Gerry Brownlee: No, the trainees come in to do the course with the Australian and New Zealand trainers for about 6 to 7 weeks. At the end of that, some of them will be going down to Besmaya for their heavy artillery training. And when they travel down, the New Zealand trainers are likely to stay with them for up to 2 days.

Media: Why is there that need to escort them? Are you worried about the security of the trainees, or—what's behind that?

Hon Gerry Brownlee: No, not at all. You're taking them—this is something the Iraqis have identified. You're taking them from an environment where they are, I suppose, confident about what they've learnt, and you're simply indicating, by accompanying them down to Besmaya, that you're continuing—or they are going to continue—with the same learning, same expertise, but under a different regime. So, you know, they've got to get used to a different set of interpreters and that type of thing. Just to get them familiar.

Media: Was there any consideration to increasing the number of New Zealand troops in Taji?

Hon Gerry Brownlee: No.

Media: Do you need to increase the troops in terms of—do they need an escort to take these guys down or anything like that? Or do you need an increase in troops to—

Hon Gerry Brownlee: No, all of this can be done within the 146 mandate that's there at the moment.

Media: Can you guarantee that, absolutely, at the end of November 2018, after this, they will actually come home? Or is there any chance it'll be extended again?

PM: No, I don't think you can guarantee that. But, as I said—and I said a while ago—I mean, I think it's critically important that New Zealand plays its role in standing up to ISIL, and I think it's been playing a very effective role. But, actually, I don't want to see New Zealand forces there for ever. I think that would be the wrong thing to happen. And so there is a finite end to this contribution, but exactly when that is, I'll let you know. But the best advice we have at the moment—we're going for a further 18 months. But, you know, as we've seen, the situation can slightly change.

Media: Can you guarantee that it'll never be extended to outside the wire?

PM: We'd be extremely reluctant to move outside the wire, I would've thought. It's a dangerous environment. We're trying to do our best to train their people, but we're also trying to make sure that we protect our people as best we can.

Media: Prime Minister, do you think that you perhaps should've left your options open a bit more in terms of your language earlier on, when you've been asked about this?

PM: Maybe, but, I mean—look, that was our view at the time. That was the view that we took, it would be a 2-year contribution. In hindsight, they're in the best location they can be, and they're doing great work. So yes, of course, there's no question that you guys will run a story to say I've U-turned or changed my view. I'll try and dress that up: I've changed my view on the basis of the advice I've had. I support what they're doing, and I support the fact that they're there a bit longer.

Media: So what do you say to people who say you've broken a promise?

Yeah, I mean, I think what I'd say is—look, anyone would expect, you know, the Government and the Prime Minister of the day—in this case, me—to assess things as they go along. It's not quite as simple as being hard and fast. That was our intention a couple of years ago. Of course we could've run this out longer and could've stopped, but then we would've had to reconsider—pretty soon, I think—what other contribution we'd make. And so if it's just simply a matter of me explaining my logic vis-à-vis me deploying people to Iraq in a different mandate, which would therefore be a different mission but put our people in harm's way, I'll take the flak that comes with admitting that I'm taking that advice and decided to extend them.

Media: So do you accept it's a broken promise? Would you call it that?

PM: Oh, look, I made it pretty clear that I thought they'd be there 2 years. They're staying a little bit longer; people will see that for what it is. They'll assess it themselves.

Media: Were you waiting to see how Fallujah went before you made this announcement?

PM: No. I mean, our time pressure is really Australia. They're, essentially, saying to us: "Look, if you're leaving, we just need to know." But we've been seeing steady progress from our people. They've been doing a good job, and I think they really can, you know, hold their heads up high with great pride in the work that they've been doing. It's definitely making a difference, and it's just not quite job done yet.

Media: There isn't the same bipartisan support here. Are you prepared for this to become more of an election issue?

PM: I'm not entirely sure it'll become that. I think, for a start off—I mean, ultimately, this goes through now till November 2018—you know, whoever the Government is post the election 2017 will have to face these issues at a time, you know, sometime relatively early in 2018. But Andrew Little's been there himself. He's seen it firsthand. I think he's pretty complimentary about what he saw when he was there. But, I mean, whoever the

Government is, they'll need to assess the situation at the time, just in the same way that we've done the assessment now.

Media: Have you briefed Andrew Little on this move, and have you gotten any joint agreement with him that the commitment stays until November 2018?

Hon Gerry Brownlee: I've spoken to him this afternoon, but that's not the sort of engagement that we would expect to have. I think any Government makes its own decisions, and as he will probably respond to this this afternoon, you'll find they've got their position. But there wasn't unanimous support for this initially; I suspect there isn't now. But, you know, we're not insulated from the sort of thing that did happen in Orlando, and so we think we're doing the right thing.

Media: To put it another way, though, we can't guarantee the Australians that we will be there till November 2018, can we?

Hon Gerry Brownlee: Well, the fact is we both live in democracies, so it cuts two ways.

PM: OK, if you're done with this, thank you very much, and we'll move on to anything else you've got.

Media: Prime Minister, can you expand on your comments on Saturday about your interest in an urban development authority for Auckland?

PM: Yeah. So the question I was asked at the Chinese Chamber of Commerce was in relation to—this was a Chinese construction outfit, about them playing, potentially, a role in the development of horizontal infrastructure. And one of the points I made was that I've had quite a number, now, of development companies saying to me—and, I suspect, other Ministers—that they would be quite prepared, in fact they'd like to play a role where they do the complete development of a particular area. And that would include all of the horizontal infrastructure and the, of course, above-ground dwellings that are built there.

The argument goes along the lines that some of the councils feel cash-strapped for the horizontal infrastructure that they need to put in, and that's slowing down some of the developments, and so the argument from certain people who've raised the issue with me is that they would then assume the full liability. And there'd have to be some financing mechanisms through the development contributions, or whatever, going back to the developer to allow them to be repaid for the horizontal infrastructure they've put in.

It would raise a couple of issues. One of those is, obviously, meeting the standards that are required for matching up and connecting up with the other horizontal infrastructure—roading and water and the likes. The second point is the legal capacity to do that, and so one way of potentially doing this is by creating an urban development authority, and that could be over a particular area. So if you take Tāmaki, the redevelopment, or if you take Hobsonville, or whatever, you can see how that concept might work.

So the point I'm simply making is that the housing Minister has been doing some thinking in this area, giving some thought to whether that's a credible model. We're not there yet, in so much that there needs to be more thinking done, but we're not ruling out that as a potential model.

Media: The Auckland Council is apparently talking to some overseas construction companies with a view to getting them in to help boost housing construction. Is what you're saying, and what they're doing, a recognition that the New Zealand construction industry is not big enough to cope with the demand in Auckland?

PM: No, I think if you look at the significant increase in construction—Minister Joyce can give you the exact numbers, but he constantly gives them to me, so I'm sure he'll be more than happy to give them to you, about how significant the boost in construction is now. And so there's obviously huge demand, but there's also been a big build up in construction capacity.

I think it more reflects the argument some people have been putting up, which is that the councils have a limit to their balance sheet and what they're prepared to put on their balance sheet, and is this a way of, potentially, extending their balance sheet to allow—well, essentially, using somebody else's balance sheet to develop at a faster rate. The point I was really making at the speech I gave was if we want Auckland and other parts of New Zealand to grow at a faster rate of growth than we would normally anticipate, we're going to have to build infrastructure at a faster rate than we anticipate. And the question is: how do we do that and finance that?

Media: Just on tourism infrastructure, are you open to a tourist levy, or do you think that could come in in the next couple years?

PM: Well, the thing is, you might've seen some of my public comments I've been making, is that a group of industry players have been commissioning some work and giving some thinking to how a fund could potentially be created to allow infrastructure to be either developed or maintained—certainly enhanced. What I said to them is: "I'm not saying the Government will accept your proposals or your thinking, but we're not simply going to reject it out of hand." So, as I understand it, they're working with one of the consultancy firms—there's quite a number of industry players that've joined together.

I mean, in principle, like any tax or levy that might occur, we have to consider how the money's being spent, where it goes, and what impact we think it might have on tourist flows, but it's not something we're rejecting; it's a possibility.

Media: Just on housing and homeless in Tauranga, a marae is renovating a building so they can provide emergency housing for some Bay of Plenty families. Should it be the job of maraes to be providing people with homes?

PM: Well, I think in the world that we live in—and it's been like that for a long period of time—the Government is not the sole supplier of support for people in need. That's certainly true that the likes of the City Missions have played a role there, it's certainly true that churches and other groups have, and NGOs have. So the marae—if you take Te Puea, but potentially others, have got some capacity to be a place where, very temporarily, people could be housed. But I think for them to work effectively it can't be a long-term solution, because I don't think that would work for them.

What would have to happen is that's got to be a place where our people work very aggressively and with a great deal of support for the people that are there. And I think that's what you've seen. MSD officials, as I have been advised, have been going to places like Te Puea Marae every day. So, in so much that that's helping us reach people, then I think it can be quite effective.

Media: Should you be giving funding for marae for Te Puea, like this one in Tauranga, who are doing this job?

PM: My understanding is that, with the meetings that Paula Bennett has had with the representatives of Te Puea Marae, they're not asking for financial support. Their bigger issue is just making sure that the people that represent the agencies that can help these people with social housing and the likes are there to provide all the support that's required. So they haven't been asking for money at this point.

Media: Just in relation to the gun that was found—

PM: Oh, yes.

Media: —in Parliament last week, are you concerned about the security here?

PM: Well, there are two issues: one is the gun that was left here, and the other is the wider security issue—so if I take them in reverse order. In terms of the wider security issues, I think the far more worrying factor was the guy that turned up on Budget day with the truck, because if that had been packed with, you know, a fertiliser bomb or something, then that represented a real threat and risk, I think, to people that were in quite close to that

vehicle. So, as I understand it, Parliamentary Services have been looking at the broader issue of security, and you've seen the bollards that they're potentially putting in out the back, and I suspect there might be other changes.

In relation to the gun, there's an inquiry being undertaken where it's one of my protection officers. I've got a limit to what I can say, except to say that the individual in question has been with me in part of my group for as long as I've been Prime Minister. He's utterly professional, I trust him implicitly, and he's just made an awful error. Unfortunately, sometimes these things happen—I know it's a terrible headline—and he will be beating himself up enormously, but he has just genuinely done that, made an error. So the police will deal with that as they deal with it.

Media: Is he still on your detail at the moment?

PM: Ah, you'd have to ask the police at the moment. They're undertaking an inquiry, so they'll have their own way of dealing with that.

Media: Would you be happy to provide some sort of character reference or letter of support, if it comes to that?

PM:

If the police wanted that, yes. I mean, I have the utmost confidence in the guy. He's just made a terrible error. And I know it's a hard thing when you look at the headline of it, but it's—you know, in his field of work, that's something he has with him, a gun. But, you know, Ministers could leave Cabinet papers on a plane and I wouldn't—you know, I wouldn't be happy, but I'd understand that. He's far from happy, and he'll be mortified in what he's done. But it is just simply a human error.

Media: Can you tell us where it was left?

PM: I think it was in a toilet here in—I don't know if it was by the select committee rooms or—this floor. I think.

Media: Because there would seem to be some secrecy about—the police weren't releasing the actual location the last time I checked. Has that—

PM: I don't know exactly which one, but it was a bathroom—it was the bathroom. He'd gone to the toilet.

Media: It was a bit unclear if it was publicly accessible or not.

PM: That bit I don't know. I don't know which one it was; I just know it was in a bathroom.

Media: Do you know whether it was a member of the public that found it or parliamentary security or parliamentary services?

PM: Don't have those details I'm afraid.

Media: Why are those details not being released?

PM: I honestly don't know. Maybe because—

Media: It is surrounded by secrecy, but is it necessary? I mean, there's the location—the toilet—and who found it?

PM: Look, you have to ask the police, because I just genuinely don't know. I was made aware of it as soon as it happened by the officer in question, but that's all I know.

Media: Is it to avoid further embarrassment for the officer?

PM: I don't think so. I mean, he'll be terribly embarrassed anyway, so.

Media: Has he apologised to you?

PM:

Yes, but, as I said, you know—it's a very difficult situation because there's an independent inquiry and I'm not trying to get in front of the inquiry in any way, shape, or form. They need to go and do their own work, and whatever decision they make, they'll make. But I can just tell you about, you know, the 8-year relationship I've had with him, and he's the most professional guy I've dealt with. He's just made a catastrophic error. It's pretty awful for him because he's not that kind of guy. He's not—he doesn't make mistakes easily, and, unfortunately, that's happened.

What contingency planning does the Government have in place in the event that Media: Britain votes to leave the EU?

PM:

Well, I think we're reviewing it. Of course, there's a 2-year period where they work—if they do vote to leave—where they're still part of the union, I think is the way it works. So we'd have a couple of years to work on that. Superficially, it would affect things like, for instance, the free-trade agreement we're negotiating with the EU. We'd obviously work on the migration issues and how those rules might work and all those different things. So I think, at a very top-line level, the ministry's probably cast its eye over it and asked itself the obvious question what would change—but I haven't seen any formalised advice on that.

What if there is turmoil, particularly in the markets and particularly with respect to Media: foreign exchange in the immediate aftermath of the vote?

PM: It'd be specifically, one would have thought, to the sterling-US—sterling-Kiwi rate. in our case, or maybe the Euro-Kiwi rate. So I'm sure the markets will deal with that.

Some elements of the "leave" camp have suggested that if the vote is to leave Media: that in terms of New Zealand's access to Britain, that that might actually be enhanced, because they could reduce the flow of migrants and visitors from the eastern States of Europe. I mean, do you have any sense that New Zealand may actually benefit in terms of access to Europe—

PM: Well, I'm not convinced of that. I mean, for a start off, I know that they've come out saying that it would be a points-based system. But if you look at the two countries in Europe that are not part of the EU formally but sort of part of the overall construct, if you like—Norway and Switzerland—I think they still have free movement of people. Insomuch as part of the driving motivation of the "leave" camp is about migration, it's hard to see them then, if they do leave, you know, all of a sudden having a very welcoming policy on migration. So I'm a bit suspect about those arguments.

So you don't think New Zealand's access—New Zealanders' access to the UK— Media: would change?

PM: I don't think it'd be greatly enhanced, that's for sure, if that's the question.

Prime Minister, last week Judith Collins said that the new ankle bracelets for Media: high-risk offenders were basically impossible to remove without taking a leg—

PM: Right.

PM:

Media: —and then they were cut live on air. Do you have confidence that they're going to be any better than the ones that we've got?

Well I haven't seen the new ones, and I haven't got any advice on that. But at the time where we had the past issues, there were—I was involved in a number of discussions, you know, Cabinet committee, with the head of the Corrections department, Ray Smith, about—at least my frustrations and, I'm sure, others about how easy it was to get these things off. Now it obviously triggers a whole lot of different things. And a very small number of people actually attempt to do that. But I was just simply making the point, you know, shouldn't they be a much tougher material. These things are used all around the world and, for some reason, I don't know, this issue doesn't seem to get raised in too many other places than here, but anyway—maybe they do and I don't see it. But one of the issues is comfort. Apparently if it's so rigid and so difficult to cut off, then there might be some comfort issues for the person wearing it, but I don't know. I'd have to look at it.

Media: Do you think that they should be refunded if they are able to be cut off when they're not supposed to be?

PM: I didn't see the show; I just saw the writ that said *Story* had looked at it, I think, and they'd cut one off. I'd need to sort of understand a bit more about it. But, you know—look, obviously, they're a really important part of the way Corrections carries out its work, because you can have people here that are released or, certainly, on home-based detention. That's a lot cheaper and a lot more effective. So we need these things to work, and they need to sort out how to make it work. I'll go back to work.

conclusion of press conference