

## POST-CABINET PRESS CONFERENCE: MONDAY, 29 AUGUST 2016

**PM:** OK—it doesn't look like there's a huge amount on today, so, bit of luck, we'll be out of here by 4.30. But we'll do our best, anyway. As you may have seen today, I announced that I'll be travelling to Laos next week for the East Asia Summit, before heading to the Federated States of Micronesia for the Pacific Islands Forum. At the East Asia Summit the focus will be on important regional issues, including counter-terrorism, fisheries management, and the South China Sea. New Zealand has strong interests in all of these areas as they have a direct impact on our peace and prosperity.

At the summit I will meet with a number of leaders to progress other issues of importance to New Zealand, this will include Prime Minister Thongloun of Laos, who I will meet with to discuss how we can grow the relationship between our two countries. New Zealand and Laos already share a strong relationship, working together on important development issues like the removal of unexploded ordnance and growing the tourism sector there. I look forward to building on that further.

After Laos, I'll be travelling to Pohnpei in the Federated States of Micronesia. I'm looking forward to taking part in the Pacific Islands Forum leaders' meeting there from 9 to 11 September. The forum is a great opportunity to meet with leaders of 15 other Pacific countries to consider the issues in our region that we can best tackle by working together. High on our agenda this year are climate change and sustainable fisheries management, and I know that other leaders will want to focus on other areas as well.

We all share the goal of encouraging an ambitious and effective global response to climate change. We've announced our own intention to ratify the Paris Agreement limiting global warming this year, and we welcome the leadership shown by many Pacific Island countries in this area. We're also providing assistance to the region to help mitigate the risks posed by climate change, as well for disaster risk management, renewable energy, and helping Pacific countries to access climate finance. In fisheries, we're helping Pacific countries get better value from their tuna resource and use it sustainably, and we have a particular focus on combatting illegal and unregulated fishing.

At the forum we'll also discuss PACER-Plus trade agreement, which aims to create jobs, raise the standard of living, and encourages sustainable economic development in the Pacific. The agreement is important to the economic prosperity and sustainability of a region that faces a number of challenges trading internationally. At a meeting in Christchurch last week, Ministers agreed to conclude negotiations by the end of October, and to sign the agreement by the end of the year. Australia and New Zealand also announced funding of \$4 million each to help Pacific countries benefit from the agreement.

Finally, in terms of my activities for the week, I'm in Wellington tomorrow, Christchurch on Wednesday, Gisborne on Thursday, and Auckland on Friday.

**Media:** Mr Key, why have you written to the Chinese community on the issue of crime, in Auckland in particular, and the feeling amongst the Asian community there that they are being targeted? Why did you take that step?

**PM:** Well, look, I think there are some in the Chinese community who do feel that they're being targeted; I don't think they are, but it's—certainly one thing I wanted to do was reassure them. I write a weekly column for the newspapers, and that goes to a range of ethnic media. One of the newspapers came back and asked us if we could just do that this week in the form of an open letter, and so we just turned the column, if you like, into that open letter. So it's really, sort of, standard. It hasn't been solely specific for the Chinese community, but it was an attempt to reassure them that we take the issue seriously.

**Media:** Are you worried that—because we've seen an online survey recently this week showing 60 percent feel unsafe—that there is a risk to New Zealand's international reputation that these are story's been picked up in China?

**PM:** Well, it's just we have a lot of contact, I think, with the Chinese community and other ethnic communities. I think we know them pretty well, and it has been an issue that's been raised a little bit with me recently, and with other Ministers. So we just wanted to make sure that they were aware of what the Government's doing. I mean, obviously, we influence it, but we're happy with the decision that the Police have made, saying they'll now be attending every burglary. They used to attend the majority, but, again, I think some people would take real confidence in that. So that's just one of those issues that we address. We do it on a weekly basis, it just happened to be this time in an open letter.

**Media:** Labour says it's a case of desperation because you haven't funded the police enough, and that's why crime's got away in Auckland.

**PM:** Well, that's just not true. I mean, firstly, the national crime rate's down. Secondly, if you go and have a look at the additional funding, there's well over 600 extra police—I think 686 from memory—plus we've been funding, you know, a significant amount more for technology. So they've got a lot of technological advances in recent years. So I don't think that's really right. I mean, you have certain areas where crime has gone up, partly sometimes because it's reported a lot more. We're seeing that in the area, for instance, of sexual violence and domestic violence, for instance. But overall, rates have generally been coming down.

**Media:** How often have you sent out a letter like this on prime ministerial letterhead to one—clearly to the Chinese community, it says here. Is that—that seems a fairly unusual move.

**PM:** Don't know. I mean, as I said, it's just my regular column. They asked me to put it in that way, so my office didn't see any issues with that. But we write to lots of people.

**Media:** Is it just to the Chinese community, or has this letter gone—

**PM:** Oh, the column—it's effectively a letter that—it was a column that was turned into a letter, and the column was broadly spread.

**Media:** So to, like, the Indian community and—

**PM:** Yeah, everywhere—all of them.

**Media:** Do you think there is concern amongst ethnic communities, not just Chinese but, say, for instance, the Indian community, as well, about crime?

**PM:** It's always an issue, and I think there's a lot of small-business owners and a lot of retail owners or people that work in, you know, areas that face the community—taxi drivers and the likes. And so they do see a degree of crime, and it's always an issue that they're concerned about. If you go and talk to ethnic communities, by and large, that's one issue that generally gets raised.

**Media:** Do you think the attitude to housing of—and the mix of housing and migration—is adding to that at all?

**PM:** No, I don't think so. I mean, it is just one of those issues that depends on—you know, sometimes there's a few high-profile burglaries or, you know, assaults, and they sort of tend to raise those issues in the community. I just think that sometimes those ethnic communities feel a little bit vulnerable to those sort of high-profile attacks that we see. It's not new. I remember it over a long period of time, really. It comes and goes a little bit. So it's partly just about giving them reassurance. There's been a little bit of discussion amongst some of the community about people sort of taking the law into their own hands—you know, basically arming themselves a bit more—and I think we're certainly trying to give them reassurance that that's not a good thing to do, that really they should leave that in the hands of the police.

**Media:** Are you trying to calm this down? Are you worried that things might—that they might escalate a bit?

**PM:** Well, I just wouldn't want to see that happen, because it could put them more at risk.

**Media:** Sorry, just to clarify—you're saying you've heard reports that there are people in the Chinese community who are taking up arms?

**PM:** Well, just people generally that are saying, well, you know, maybe they need to take greater steps to protect themselves. Again, it's not new, but you sometimes hear those things, and we just want to make sure that people are well and truly aware that the police take their responsibility seriously, they are well resourced, and they are the people for protecting.

**Media:** But these concerns are coming to you from the Chinese community in this case?

**PM:** I'd say broadly across a range of communities.

**Media:** So is it out of ethnic communities that they're talking about taking up arms, basically—

**PM:** Well, protecting themselves more, maybe.

**Media:** In what sort of way? Like guns and baseball bats? What are you hearing?

**PM:** Yeah, more probably the latter than the former, but, you know, again, you sometimes see—I mean, I've seen you guys report it, you know, where people will say they're thinking about keeping those kinds of things.

**Media:** Why do ethnic communities get this letter and not, you know, wider—why has it gone to ethnic communities rather than everyone?

**PM:** Oh, just because I have a weekly column in their newspaper. So if the *New Zealand Herald* or *Newshub* wants to have it on their site, please let my office know and we will absolutely love to put it in there.

**Media:** I think it'll be getting there pretty quickly.

**PM:** Yeah.

**Media:** So you don't believe that—following on from that, so this clearly says “To dear Chinese friends in New Zealand”. This is clearly targeted at the Chinese community. Do other communities not get the same open letter?

**PM:** Well, as I understand it, the column was widespread amongst all of the Chinese—all of the media outlets that will take a column from me. That's across a wide range of ethnic media, but this particular media outlet asked my office if I would redo it in the form of an open letter. So—

**Media:** But that's important, isn't it, because the people I've spoken to about this, you know, they've taken it as you writing them a letter—you taking the personal effort to write that letter.

**PM:** Yeah, well, we do. We take the issue seriously. As I said, if any newspaper in New Zealand wants to give us column space, we're more than happy to take acceptance from the *Dominion Post* or the *New Zealand Herald* or others. If you'll give us room, we'll write one tomorrow.

**Media:** Can I ask you about the next Security Council ballot?

**PM:** Yeah.

**Media:** Is there a sort of—do you have something in your mind, a threshold below which Helen Clark would need to pull out, and also do you think that the contest is starting to affect New Zealand's agenda on the Security Council in any way?

**PM:** I definitely don't think it's having any impact on both our agenda, or the issues we're trying to push, on the Security Council. We're not holding back our punches because we are trying to support Helen Clark's candidacy. In terms of September, obviously, it's an important month for us because we're presidents of the Security Council, and so that will give us an opportunity to push an agenda, which will be in relation to Syria—it's likely to be the area we're, obviously, trying to make progress. In terms of the former, look, I don't have a particular threshold where I think it would be a good idea either to stay in the race or get out of the race. I think that's a matter for Helen. She can assess that best. But, obviously, we would hope that she starts moving up a little bit and not moving down. But, you know, she's doing her best. She's giving it a good shot, and with a bit of luck she'll get some movement positively.

**Media:** What's your definition of making progress with Syria. What would be your takeaway?

**PM:** Well, it's a place where 13 million people, approximately, are homeless—

**Media:** No, I mean at the Security Council.

**PM:** Oh, the Security Council. Well, I think some form of—I mean, if we could get some form of resolution that would continue to lend support to the people of Syria and look to resolve some of the issues that they have there, then that would be useful. But I think it's one of those things where it's a difficult and delicate process, and I think we have to be realistic. There's a number of interested parties, obviously, there, and there's quite a broad number of countries very actively involved. So we're just trying to progress along that issue.

**Media:** Prime Minister, is it Russia that has filed the discourage votes in the previous two polls?

**PM:** Well, we don't exactly know, because it's a secret ballot. So people are always sort of guessing. But there's no secret that Russia believes it's the turn of an Eastern European candidate. So they have been actively promoting that, and if not an Eastern European, then they've been promoting a European. So we don't know exactly who votes for who.

**Media:** And you've called all the other leaders of the P5—

**PM:** Yep.

**Media:** —will you call Vladimir Putin? Will you actually ring—

**PM:** I don't think so. The foreign Minister's had quite extensive conversations with the Russian foreign Minister, Lavrov. I mean, I think we thought if it would move things along, we would, but, you know, they're quite clear in their view that they believe it should be an Eastern European, and I don't think we'd achieve a lot.

**Media:** So you don't have that kind of relationship with Russia that you do with the other P5 countries?

**PM:** Probably not as close, but anyway, they have been quite adamant in their view, and they are not in any way, shape, or form being duplicitous. They're not saying one to our face and another thing behind our back; they're quite clear and open with us that they believe it should be an Eastern European candidate. In the event that there isn't one, or a European, then, you know, it's a very different story. But they're being quite honest and open and up front with us about what they think is the right—or where the right candidate comes from.

**Media:** Have you ever had a one-on-one conversation with Vladimir Putin about anything, ever?

**PM:** Yeah.

**Media:** So it's not a—what was that about?

**PM:** Oh, well, I've met him at numerous things, you know, obviously—both East Asia Summits and APECs, when he's been both Prime Minister and President. I've had a number of conversations with him. And, obviously, I went to Vladivostok when they hosted APEC.

**Media:** Who's representing the United States and Russia at the East Asia Summit—do you know?

**PM:** I'd imagine it's Obama at the East Asia Summit, but I might be wrong. I haven't heard anything to the counter.

**Media:** Will you—I mean, would you take the opportunity to talk to either Obama or the Russian PM or President if—

**PM:** Yeah—I mean, look, I've had a discussion with President Obama already, and I'd probably look to follow up that conversation. If it's Medvedev at the East Asia Summit—that's the Prime Minister—then I'll certainly raise the issue with him. It's not like we're shying away from it; I'm just saying that they—to be fair to the Russians, they're just being very straightforward. They just believe it should be an Eastern European, and they're saying that.

**Media:** What about the US? What do they say?

**PM:** I'm not going to go into all the conversations I had with the President, because I don't think that that's appropriate. But it's—you know, I think he has a lot of respect for Helen Clark. But, you know, ultimately, we'll see how it goes.

**Media:** Do you think it would help the New Zealand effort in the UN as president of the Security Council if Helen Clark did back out and support another candidate. Would it help with some of those relationships?

**PM:** Would it help our relationships if she backed down?

**Media:** Oh, New Zealand's, I guess, agenda on the Security Council?

**PM:** I don't think it has any impact. We see them as quite separate issues. I mean, we are well and truly confident about our capacity both to push an agenda along in the Security Council—like what's happening in Syria and, generally speaking, prior to this, the Middle East peace process and a number of other issues we've discussed—as well as, at exactly the same time, making the case that Helen Clark would be a very good UN Sec-Gen.

**Media:** Does her reform agenda hinder her chances given there has been some resistance among members of the P5 to reforms to the UN Security Council?

**PM:** No, I mean, one of the points I've been making to the P5 members is that I think that reform is coming to the United Nations. I don't know under what timescale—I suspect a much longer one than what New Zealand would want, because we were one of the group of countries that's been looking to advance reform. We know that at least two of the P5 members support our views, and I do think that, ultimately, the Security Council—particularly the Permanent Five—do have to start asking the question about whether they can allow a continuation of the fact that the veto can be used when, you know, potentially, mass atrocities take place in a country. I personally think that's an outrageous situation, and I do think there should be an exception in the veto when it comes to that kind of scenario.

**Media:** The plastic bag tax has worked quite well in the UK. Why are you not planning to introduce one here?

**PM:** I think the general view has been a preference to try and get a voluntary sort of change there. I mean, some retail outlets do either have a small surcharge or do use paper bags and the likes. We think it sort of sits in the camp at the moment of consumer awareness, rather than another tax.

**Media:** But New Zealand's demonstrated its commitment to the marine environment with the Kermadec sanctuary, so wouldn't this just be another great way of doing that?

**PM:** Yeah, look, I haven't seen any advice recently, but some time ago I remember getting a note on it, and the general advice was that it was better for us to continue to advance it through the way of active encouragement than a tax. But I haven't seen anything to contradict that.

**Media:** But that hasn't really been working, has it?

**PM:** I honestly don't have those stats to hand; I'd need to have a look.

**Media:** Prime Minister, how many times have you met King Tuheitia, say, this year?

**PM:** Well, he hasn't turned up to quite a number of functions I've been at where he's been listed as an attendee, because I don't think his health's been in fantastic shape. I can't honestly tell you this year; you'd have to ask my office—they'd let you know—but, I mean, I haven't had one-on-one meetings with him that I can recall this year, but I have in the past. I've met him.

**Media:** In your opening statements, you made reference to the agenda of the Pacific Islands Forum: fisheries, sustainability, and climate change. That seems to come up pretty much every year, as far as the Pacific's concerned. Does it mean the resolutions that were made last year and the year before haven't been enacted or aren't being followed properly?

**PM:** No, not at all. If you look at something like fisheries, we organised a meeting because we were interested in advancing the way that they both manage sustainably their fisheries and maximise the value that they get for their resource. We organised a meeting of Pacific Island fisheries Ministers in New Zealand. I understand that took place and it was very successful. As you know, we hosted, some years ago now, the renewable energy summit here in Auckland. That got, I think, under \$700 million worth of pledges and commitments, and we've been rolling out renewable energy projects across the Pacific.

I mean, I think, logically, one of the reason why those issues come up time and again is because the forum is really about, in the first instance, trying to lift the economic prosperity of the islands of the Pacific, and one of the ways to do that is, obviously, create an economic base where people have got jobs to go to. And the easiest place to create jobs is in areas where they have a competitive advantage. So we're always trying to, sort of, you know, help them in those areas. Ultimately, whether it's fisheries or tourism or some of the other, you know, aspects of developing their economy, RSE's been an important part of that, as you've had remittances coming back into the Pacific. So it's sort of normal that they would be on the agenda, but it's equally true when we go to APEC it's all economic, when we go to the East Asia Summit it is largely regional security issues—it's not unique.

**Media:** Do you see democracy issues around what's been happening in PNG being on the agenda of discussion?

**PM:** I don't think specifically it will be in relation to PNG. I mean, we've been strong advocates of democracy, which is why we took the stance, firstly under Helen Clark and then under my Government, in relation to Fiji. It's been a consistent stance that we've taken over the military coups over the years. We do put a high value in democracy and people's right to elect their officials, and we can see some fragility in some of those countries. It's why we take the sort of stance that we do.

**Media:** Prime Minister, Malcolm Turnbull returns to work tomorrow after his election with a slimmer majority. As someone who has worked well in a minority Government, do you have any friendly advice for your good friend about how he should proceed in the new Parliament?

**PM:** Not advice I think we're going to give him through the media. We'll just wish him the best. I mean, you know, he's won an election, and I'm sure he'll be advancing the causes that he campaigned on.

**Media:** Prime Minister, what did you make of the standing down of Matt McCarten as the Labour Party's chief of staff. It's been confirmed by the party.

**PM:** Is that definitely happening? I mean, I saw reports it was—

**Media:** Yes, it's definitely happening. He's moving to Auckland into a different role.

**PM:** Yeah, look, I don't know. I don't know Matt terribly well. I'm sure he'd have his own reasons for doing that, but it's not of any great real consequence to the Government.

**Media:** Does it mean anything for the stability of the parliamentary Labour Party to have gone through five chiefs of staff in however many years you've been in power?

**PM:** Yeah, oh look, I don't know. I mean, they've had a lot of staff changes around there. I don't even think they've even got a chief press secretary at the moment, but, you know, it's a matter for them to really deal with.

**Media:** In Auckland at the moment there's a French navy frigate parked near the place where the *Rainbow Warrior* was blown up. What do you think of that sort of symbolism?

**PM:** I don't think it would be deliberately parked there. It's probably the place it was allocated. But, I mean we had the French Prime Minister here, Prime Minister Valls, as you know the first French Prime Minister to come in 25 years, here very recently. He made all the right points, I thought on the *Rainbow Warrior* to say that, you know—well, he offered an apology for what had taken place. Our two countries have moved on from that point, and, I think, you know, we accept that apology in good faith and take the relationship further.

**Media:** Post-breakfast—post-Brexit, sorry—

**PM:** Breakfast? Brexit, yeah.

**Media:** How important is it for you to have a high commissioner with trade experience in that role when the role comes up again?

**PM:** Oh, look, at the margins it might be one of those things that helps, but in the end we've just got to have a good representative for New Zealand. I mean, it's a very big post from our perspective, you know, generally speaking, it's in the modern world, sort of Canberra, Washington, you know, London, and Beijing—not necessarily in that order, but they're probably the big four, I suppose. And so, there's a lot of Kiwis over there and a lot of interests that we have. So it is a changing dynamic in the relationship that we're having to negotiate but the main thing that will help us is the good will on both sides and someone that can represent us to facilitate that, and I'm really confident we'll get that.

**Media:** So are you re-thinking that appointment? You had someone in mind and you're re-thinking that?

**PM:** No, not as far as I'm aware.

**Media:** Prime Minister, in terms of the South China Sea when you're going to the East-Asia Summit, where does New Zealand stand in the territorial dispute?

**PM:** We'll just continue to reaffirm our position, which is we don't take sides, we do want to see a peaceful resolution. It is a very important waterway from New Zealand's perspective, and peace and stability in the region are very important so, obviously, we've had now the ruling out of The Hague and I guess we'll be looking to see what discussions and what advancement that the Philippines and China have as a result of that, and I'm sure that's an issue that they're at least working their way through or having some discussions about. OK.

**Media:** Sorry, Prime Minister, just back to Sec-Gen quickly. Is it possible that a standoff between the US and Russia could work in Helen's favour?

**PM:** Well, I think it's, sort of, one body of thought has always been that Helen Clark could potentially be the compromise candidate. That if, you know, the Russians would be supporting one candidate and they would be vetoed by one of the other P5 members and vice versa, that, ultimately, she could be seen as a very safe pair of hands coming through the middle. I still think that's legitimate. So while the straw polls haven't been that strong for

her initially, I don't think that means that she's completely out of the race. It makes it a little more challenging, and everyone can see the tactical voting that's going on here. So I suspect, you know, bluntly, it's either going to improve for her later in the week or life's going to get a little bit tougher, but with a bit of luck it's going to improve. But, you know, she can only do what she's doing, which is campaigning strongly. She's got a good team. We're doing everything we can to help her but she's also up against some difficult forces, in so much that people have a strong view and they're protecting their own interests and, while we understand that, we don't support that view.

**Media:** Do you have any intel who the single opponent is of the Portuguese candidate [*Inaudible*]? Do you have any idea who that is?

**PM:** Oh, look, I haven't spent much time speculating on the votes.

**Media:** But he's not the top.

**PM:** Yeah, Gutierrez, well, he was 14 nil or something in the first round, or whatever it was, and 1 neutral or something, I think. I don't think a strong view. What I'm focused on is Helen's results and—everyone can speculate about who's encouraging, who's discouraging, and who's neutral. Like a lot of these votes, even if you think you know, you don't always know the answer to those. In a sense, it's not so much important the individual countries now, it's important about the direction.

**Media:** Who's your second preference, if Helen Clark doesn't get in?

**PM:** Um, we haven't had a really sense of discussion about that; if she wasn't in the race, who we would vote for. I mean, we obviously know how we've voted in the first round—well, first two rounds.

**PM:** But we have to wait and see. At the moment the focus has been solely on getting her there, and we don't intend to spend any time thinking about that unless we're forced to think about it.

**Media:** Who did we discourage?

**PM:** We just don't talk about who we're voting for either. You know, it's not in New Zealand's interest to disclose our voting patterns, for obvious reasons.

### conclusion of press conference