

POST-CABINET PRESS CONFERENCE: MONDAY, 5 SEPTEMBER 2016

FTR 16:01:23

PM: OK, good afternoon. So as you will have seen, Nikki Kaye will be taking leave from her ministerial portfolios to deal with a health issue. Nikki was diagnosed with breast cancer on Friday and will shortly begin undergoing treatment. I have spoken with her and assured her she has the full support of her colleagues and I as she deals with this difficult diagnosis. Her medical team is working hard to ensure a full recovery. I wish Nikki all the very, very best.

As you know, our second term as President of the United Nations Security Council started last week and runs until the end of the month. We want to use this time to ensure the council engages on the most pressing international peace and security issues. This year our presidency coincides with the annual UN leaders' week in New York. I'll be there for the whole week and use the opportunity to engage with other leaders on a number of key issues. The most pressing is the Syrian conflict. This is the most devastating crisis of our time, and in recognition of this I have invited Security Council leaders to a meeting to discuss how we can work towards resolving the crisis. This will be held on Wednesday, 21 September. There is an urgent need to end the conflict, and the current approaches aren't working. Peace talks have stalled. Fighting is getting heavier and the situation of ordinary people is getting worse every day.

Our objective will be to get world leaders together and urge them to commit themselves to ending the conflict. This means having an honest discussion about what's happening and what needs to be done, and generating the political will to take action. It's also a chance to ensure the UN is able to play its part in these efforts. The Security Council passed a resolution last year on a plan for ending the conflict, but progress has stalled and it's time for the council to get together again to consider what it can do to get things back on track. This meeting will obviously not by itself end the conflict. There are no guarantees or quick fixes, but we don't believe the council can just stand back and watch. As council president we have a responsibility to provide leaders with the opportunity to find a way to get things back on track. We don't believe it would be credible for world leaders to get together in New York for a week and not talk about this.

In addition to Syria, during leaders' week the council will also look at tackling the threat of terrorism to aviation security. This is an important issue for New Zealand as a nation of travellers. As a whole, September will be a busy month for the council. It will engage in a range of conflicts, including the Middle East, Afghanistan, Libya, and South Sudan. Foreign Minister Murray McCully will travel to New York from 12 to 23 of September to lead this work. We will also use our presidency to push the council to do more to prevent conflicts. The Security Council, typically, has given only lip service to the principle of acting early to manage emerging crises and protecting civilians. We are organising a combination of events focused on improving the council's ability to respond to emerging crises.

Finally, while I'm in New York I'll be supporting Helen Clark's campaign for the UN Secretary-General. I'll also be using my meetings to continue to make the case as to why I think she is the best person for the job.

Just in terms of Parliament this week, we'll progress a number of bills, including the child protection bill, the smoke-free environments bill, and the Evidence Amendment Bill. In terms of my own activities I'm in Wellington tomorrow but will be leaving tomorrow night for Laos and the Federated States of Micronesia for the East Asia Summit and Pacific Islands Forum.

Media: When you're in Laos will you try and talk to President Obama about Syria and what you hope to achieve at the Security Council?

PM: I will. So I briefly mentioned it to him when I had a conversation with him on the phone a couple of weeks ago. But I'll reaffirm that and also obviously discuss a variety of issues—TPP, I would have thought, and, of course, Helen Clark.

Media: What discussions have you had with the Russians about Syria, and what indication have you got that they would be willing to support any Security Council move on Syria, even if they haven't so far?

PM: I think on the latter point, none at this point. The foreign Minister has had discussions with his counterpart when he was most recently in Moscow. I think Prime Minister Medvedev will be there in Laos, and we'll certainly have some discussions with him.

Media: If you're not confident that they're supporting the UN discussions or actions, how confident are you, then, that the Security Council under New Zealand's presidency can actually do something meaningful on the Syrian conflict?

PM: Well, I think simply holding a meeting of itself has some meaning. At a time when leaders are gathered in New York it puts the spotlight back on the important issue of Syria. I can't tell you whether the UN Security Council will come out with a resolution as a result of the meeting, but I can tell you that there will be a meeting held—that I think you'll see some pretty important people along discussing the issue—and there'll be quite, I think, reasonably wide-ranging debate, and, hopefully, some progress.

Media: So have you had any indication of how many of the P5 leaders will be there?

PM: We don't know at this stage—bound to be some, but I don't know.

Media: Do you expect Kerry to be there?

PM: Possibly, but again, at this point, we don't know.

Media: From your own conversations with Obama did you get any kind of reading on how, I guess, well, how they are feeling towards getting a resolution to the level that you would like?

PM: I don't think I could draw a conclusion about whether there would be a resolution, but certainly they have considerable concerns about the situation.

Media: And open to progressing?

PM: Yeah. I mean his focus has also been very much on the refugee issue, of course; but just, you know, the wider conflict.

Media: Prime Minister, are you still confident that the TPPA will go through in its lame duck period after November?

PM: Well I think if it is going to pass, that's the period when it is going to pass. I think President Obama himself has been making comments recently at the G20—still standing up for the case of why TPP should take place and putting up a case so that it can go through during that time period. So I'd sort of be hesitant to use the word "confident", but I'd certainly be hopeful—and I think it's a possible.

Media: Prime Minister, just on Nikki Kaye's health issues—what are your thoughts, and have you spoken with her, and so on and so forth?

PM: Yeah. I have spoken to her on a number of occasions. Obviously, we are giving her 100 percent support—I mean, she is undergoing some further testing. The main point I would really make is, look, Nikki is young, she's very fit, and she's extremely determined, and she's a fighter. So I am sure that she's going to get through this and will be back with us. But she's likely to be away from us for a period of time, measured more likely in the months than in the weeks, I would have thought.

Media: Have you got an indication from her of whether they've caught it early?

PM: Um—we'll have better information on that in the next few days. She's pretty young to have such a diagnosis, but let's see.

Media: On the homelessness inquiry, do you still maintain that it wasn't needed?

PM: Yes, inasmuch that the Government has been undertaking a lot of work itself and it has had similar kinds of outreach. It's also, as you saw in Budget 2016, been actively putting more resources into the area. So no one's arguing that there aren't issues that need to be dealt with—and I think you can see from both Paula Bennett's response, and others, that there is a lot of consideration being given to a range of issues. And as we've said, you know, if something unique comes out of the inquiry—that the Government either hasn't considered or the officials think is a good idea—then we'll take that on board. But I don't think we've seen anything yet that we're not aware of, but let's wait and see.

Media: So you don't think that the recommendations will yield anything?

PM: Well, as I said, I mean, it's really a question of whether it yields something that is unique that hasn't been thought of. I mean, the Government's been putting in more resources, it's trying to make sure that there is a greater supply, it's, you know, changed the way those resources are now no longer recovered—it's looking at a range of different options from modular housing to community housing providers through to emergency grants. Fundamentally, as the housing market has increased in value, I think it's fair to say it's put pressure on the most vulnerable as rents have risen. And that's been the challenge for those families involved, and so the Government is very focused on how it can assist them.

Media: Do you think that there was value, though, in hearing first-hand from these people who are homeless?

PM: Well, only in so much that—yes—of course, it's always important to meet people and hear their story; but we've been doing that. You know, if we haven't had that outreach ourselves, then I'd say: "Yeah; fair enough." But, actually, the Government's been doing that itself—and doing it for quite some time.

Media: So would you say it was a waste of time?

PM: Well, they are not my words.

Media: Would you be willing to look at the recommendations, and if anything looks like—

PM: Yep.

Media: —worthy of taking, you take it up?

PM: Yeah—we are more than happy to look at the recommendations. If there is something either that the Minister or the officials haven't thought of, then we'll go and explore its merits.

Media: Also on Auckland housing, are you concerned that property developers and others are saying that the banks are pulling back from lending to new housing projects in Auckland?

PM: Well, I think it depends on the projects. I mean, some of the feedback that we've had is that one or two of the apartment blocks aren't progressing. But, you know, in the end, if the demand is strong—as you would expect in a market which is moving ahead reasonably strongly—then you'd expect that those projects will get off the ground, for the most part. And certainly that is what we are seeing. I mean, Nick Smith was talking today about the amount of, for instance, new development that has taken place on the special housing areas, and what percentage of consents are now taking place on the SHAs—and it is rapidly increasing.

Media: But the developers are saying that banks have pretty much stopped lending to new projects, and also some banks are not lending to rental property investors or people

buying off the plan. Surely that's going to stall your hopes of lots of new housing supply in Auckland?

PM: Well, it doesn't look like that in the numbers that we see, but, yes, there are one or two projects that, you know, aren't going to get out of the starting blocks. But, as I said to you earlier, I mean, ultimately, if the demand is there and the sensible deposit rates and lending can be put together, then the project's going to go ahead. And, for the most part, they are, but there are one or two that aren't.

Media: Are you concerned about the scale of the opposition to the local government amendment bill?

PM: Well, it's going through the select committee process. I mean, I think the Government—and the point I certainly made when I went to the local government conference, I think the Minister reiterated that, is that we're not dying in the ditch on the issue. We do think that sharing the resources around CCOs and having an integration of those CCOs across councils can provide some real benefits. We organically see that happening. We're not trying to deal to local government, if you like, and force them to do things, but we do think it's sensible for them to do these amalgamations where, you know, where there's logic in doing so. But let's see what the recommendations of the select committee ultimately are.

Media: Do you think it'd be worth taking a step back and actually working with some of those mayors and councils on what they want to see? Because they 98 percent oppose it. That's pretty strong.

PM: Well, we continue to have discussions with local government. We're certainly going to look at the select committee recommendations. As I've said, too—and I said at the conference in Dunedin—the Government's not absolutely buttoned down on the issue, you know. We're quite happy to continue to discuss it, and if there's a better way forward, then we'll do that.

Media: Just on the IUCN conference that's happening at the moment, and the motion, in particular, that will call on member countries like New Zealand to dedicate 30 percent of their EEZs to, you know, take MPAs—I understand the Government's got a position but it hasn't voted on that yet. But the fishing industry is quite concerned over the lack of consultation and which way the Government's going to go. Can you allay their fears in any way?

PM: Oh, I think so. I mean, it's very unlikely the Government would vote for that, and the reason being that even with the Kermadecs it would be very, very challenging for us to get to 30 percent. I mean, we think we're taking our responsibility seriously when it comes to, you know, ocean sanctuaries and sustainable fisheries, but to have 30 percent of our economic zone tied down into a marine ocean sanctuary would be a very big stretch for New Zealand and probably one that I don't think would be a sensible move.

Media: That seems like quite an easy answer to give when the fishing industry said that they got 40 minutes consultation, basically, after the Government adopted a position but wouldn't tell them what it was. I mean, they're concerned over the lack of that consultation. Does that sort of—

PM: Well, I think, I mean, I wasn't part of the discussions that took place, but, you know, the Government's perspective on the seafood industry and the fishing industry is that it's a successful industry that adds a lot to exports—that, for the most part, actually, it's doing its job in terms of sustainability well. There have been one or two high-profile reports recently that have challenged aspects of that, and I think I didn't pull my punches when I was at the seafood conference—saying that, you know, it was really important, the element of sustainability. We have a lot of faith in the quota management system, and we have been making steps around, you know, further ocean sanctuaries like the Kermadecs. So in so much that, you know, we probably wouldn't have needed a long consultation period, it just

reflects the fact that we don't disagree with the fisheries sector. I mean, we think that, you know, that would be a big stretch for New Zealand.

Media: But you said that you wouldn't likely vote for it, but will you vote against it?

PM: Well, you'll just have to wait and see.

Media: And I guess the other concern that they have is that, you know, we might vote against it, but if the motion passes these motions would pull on the UN CBD agreement that we are obligated under in quite a significant way, so we could end up with that obligation anyway. Is that—

PM: Well, I don't know—you'd have to go and ask the Minister's office about, you know, the implications of that. But, generally speaking, I mean, everyone's a bit different and I don't know the exact answer to that, but many of these things aren't enforceable. They're simply, you know, what the recommendations are. It's like the declaration of rights of indigenous people. I mean, we've signed up to that, but it doesn't force you to take action; it just encourages you to take action. I think New Zealand's record in this area is a good one, and I'm quite confident about what we're doing. The fact that we might not agree to a target which would be quite easy for some countries to reach and be a real stretch for New Zealand doesn't mean we're not doing our job properly and preserving, you know, the sustainability of fisheries.

Media: Do you think Maurice Williamson will make a good diplomat?

PM: I do. You know, look, I think it's—firstly, if you look at Maurice, he's had a lifetime of engagement with the IT sector, and, as anyone who knows Maurice knows, he's very passionate about that. I think if you look at the, sort of, Government appointments to these kinds of roles from a political perspective, they're pretty modest. I mean, yes, Tim Groser's gone to Washington, Lockwood Smith's, you know, been in London. We've sent Mike Moore—we've been pretty even-handed about the things we've done. But, you know, you take a country like the United States—from what I can see, every ambassador they appoint is political. I mean, New Zealand takes a fairly sort of modest view. I think just to say that someone who's had such a long contribution in Parliament couldn't be used in some other role, I think that'd be a bit unfair, and I think he can do a good job there and will do a good job.

Media: Prime Minister, can I just ask you about Roshan Nauhria, who is the leader of the new Indian People's Party—the concrete businessman from Auckland?

PM: Yep.

Media: He says, and Winston Peters says, that they bid up to \$20,000—he and some Indian business people—for breakfast with you at an auction. Do you remember a table of Indian men bidding \$20,000 for you at an auction?

PM: Not particularly, but I'm sure I've been auctioned off before.

Media: For breakfast, with these—

PM: Can't recall, but you'll have to go and ask the office; they'll let you know.

Media: Did any of them talk to you before forming that party?

PM: I wasn't aware of it. I just saw it in the media.

Media: Prime Minister, the G20's under way in Hangzhou. As part of the G20 discussions, steel is obviously a big issue and the draft communique is going to recommend a forum on excess steel supply around the world. Is this something that New Zealand would be interested in being a part of, making submissions to it, especially considering the reports we've seen recently of excess steel supply from China in New Zealand?

PM: Well, I mean, the issue of global excess of steel is not, you know, not new, I don't know what could or will come as a result of the communique. I mean, obviously we'll have a

look at that and take a look and see whether it makes sense for New Zealand either to put in a submission or participate. I mean, we are, you know, reasonable suppliers of domestic steel, but not massive international suppliers.

Media: On migration, Michael Woodhouse says that Cabinet will look in the next month at whether to increase the residency target—45 to 50K a year, I think it is. Do you think that might have to be lifted, given we've had so many students come in the last 2 or 3 years, some of whom will apply for permanent residency? There's sort of a bow wave building up of applications.

PM: That's not the indications I've had at this point—that it's likely to be lifted.

Media: So do you think they're more likely to be cut?

PM: Well, no, I think there're—I think there are implications there—or the indications he was giving in the weekend is that it's broadly in around about the right place. I mean, it's one of those—like many things with migration, the numbers are kind of challenging to explain sometimes, but the actual number of people getting residency I think is lower now than it was, for instance, 10 years ago. But it's broadly sitting in around about that 45,000 to 50,000 category, I understand.

Media: So what's the point of the review? What's going to change, or what—

PM: Well, I mean, I don't know. In the end they'll have to go through that review process and make some recommendations but, you know, I initially asked about that and the indications were it was, you know, they thought it was set in broadly about the right place.

Media: You did mention, though, that there is a risk that a lot of these students would come here expecting to get residency and they might be quite disappointed a year or 2 down the line that they get "No". Is there a risk here that we've oversold our export education and that it could hurt our reputation, in a sense?

PM: I don't think so. If you look at the numbers of people that come in—I mean, Steven Joyce's office can give you these numbers, but if you look at the number of people that come here for, effectively, the export education category and ultimately leave New Zealand, I think it's well over 80 percent. From memory, it's 85, 86 percent of people leave. So I think the number of people who stay—a corollary of that—is reasonably low. But, you know, I think it makes a bit of sense when people can convert their qualifications into, ultimately, residency, if it's an area where New Zealand needs them. So it can be very beneficial to New Zealand. They're paying their full freight, if you like, to get their engineering degree. If we need them in New Zealand, it makes quite a bit of sense.

Media: Have you had any feedback from the Indian Government or from the Indian communities here about whether our reputation's been affected?

PM: I haven't had any, no.

Media: Another question on the G20, Prime Minister. I know you had some comments today about this this morning, but Malcolm Turnbull has met with Theresa May today and spoke to her quite directly about Australia crafting a free-trade agreement with Britain post-Brexit. Now I know that's something that we're interested in here. Do you think that there's a role for New Zealand to have more discussions with the Brits about this in the near future, and do you think that there might be some merit in the possibility of Australia and New Zealand perhaps negotiating as a broader whole together with Britain?

PM: Well, it's possible that New Zealand and Australia could negotiate together, but generally speaking, that's not seen as the best way forward, because we have, while a lot of similarities in our economy and the make-up of our economy, we also have substantial differences. So as a general rule, that's not where we go. In terms of the wider discussions with the United Kingdom, we've already had some; I mean, my first conversation with Theresa May was focused around the FTA and wanting to, you know, ultimately establish

an FTA with the UK. I don't think New Zealand's in anything other than a really good position when it comes to the UK, and there will be ongoing discussions with them both in terms of at leaders' level but also at the quite detailed trade level over the next few months. So we're progressing things along, but the ball is very much in the UK's court. I mean, firstly they've got to invoke article 50 and start the divorce proceedings with Europe, and, secondly, I think, you know, their focus of attention will be very much on what their post Brexit settings look like as opposed to the FTA. I mean, as I said to Theresa May when I spoke to her, you know, I was very confident we could put that sort of deal together quite quickly.

Media: And did she give you any similar undertaking that she was confident she could do a free-trade agreement with New Zealand?

PM: Yeah, I think they're very confident they can do something with New Zealand.

Media: Prime Minister, just thinking around the ability of negotiating an FTA with the UK and the difficulties with getting the TPP over the line, how does that fit into the ideas around the trade policy refresh?

PM: Well, that really just looks at where our focus of attention should be. So we've got a number of irons in the fire, if you think, at the moment. They include the Gulf States. We're obviously still keen to get that deal completed. They include the EU FTA, where we're making good progress, but this is really the outreach area, if you like. The UK is forced on us now as a result of Brexit, and TPP, let's see what happens. I mean, if TPP does get over the line by the end of the year, then that's sort of dealt with in its first phase at least, but if it doesn't, then that presents a whole series of different issues about what that might mean—you know, do we go back to the drawing board, how does that all work, under what time frame? It depends a bit on who the president is and what they want to do. So there's a lot of different things happening there. We've also got the China FTA renegotiations, and India's quite high on our horizon.

So there's a lot of different parts to what we're doing. I mean, our main point, really, is just to say that, you know, while in some parts of the world they might be questioning globalisation and the impacts and benefits of that, I think in New Zealand we see, as a small country at the bottom of the world, that no one owes us a living. Globalisation and free trade is, you know, paramount to New Zealand's economic success. We just don't have enough middle-income consumers of our own to deliver the wealth effects that are possible when we have access on a level playing field to those kinds of consumers.

Media: So how far out would you be thinking of doing a reallocation to resources if you're going to end up looking at squeezing more out of existing FTA agreements and approaching some of those non-tariff barriers?

PM: I don't know. I mean, there's always a combination of work that goes on. I mean, if you take APEC, for instance, I mean, they've been working at behind the non-tariff barriers and behind the border costs for a long period of time, and they've been quite successful in reducing them. They've been happening concurrently as well as the, for instance, TPP negotiations. So it's sort of not an either/or.

Media: Just on Auckland housing supply again, is the Government looking at doing more around, for example, the Hobsonville Land Company—perhaps getting it to do its thing somewhere else in Auckland? Are there things you're looking at doing?

PM: You need to ask Bill English's office—and, to a certain degree, Paula, but really Bill—about that. I don't know whether we're specifically asking them to do more, though that's a very large development because of the SHAs that are bordering that area. Probably more relevant is the work we're trying to do at Tamaki and the board that's there, and the aspirations we have to move that along a lot more quickly.

Media: So do you think there's a ramping up of both Housing New Zealand and other Government-sponsored housing supply in Auckland that you could—

PM: Well, there's probably sort of lessons that can be taken out of that. If you look at Tamaki, it's been a long time in the making and quite slow. But it has the potential to sort of shift the dial. I mean, we're talking about going from two or three thousand houses to in the order of 10,000, I think. So it has quite a big magnitude, and that's really what we're looking at.

Media: The Reserve Bank today confirmed that those new LVR restrictions will be coming in on 1 October. Do you think they're going to have a big impact?

PM: They'll have some impact. I mean, that's been the historical nature. But, like all of the demand-management things, you know, they're not necessarily permanent, if you like, in so much that they don't always have a permanent impact. But they'll have some impact. I mean, the Reserve Bank will give you the numbers themselves, but they believe, in terms of the amount of lending that would have taken place at a higher LVR level without the LVR restrictions—they would be, you know, billions and billions more if they hadn't put in place restrictions. So they think the general health of the bank's balance sheets improved since LVRs.

Media: Labour says that this is a sign that housing unaffordability is spreading throughout the country. Would you agree with that?

PM: No. I mean, it's inevitable that, you know, while the housing price increases were more pronounced in Auckland, that would spread around the country, because it has the obvious impact—people will look to move; people will look to reallocate; other people who are maybe coming back to New Zealand won't necessarily locate themselves in Auckland. They're the logical economic impacts of that. And interesting enough, if you look at the period of time when Labour was in Government most recently, the national house prices were actually higher than Auckland, and much higher than ours. So their increases were much higher under their Government—about 2:1. So, you know, it's not—it just happens in our case that the demand curve and the increase in demand started in a more pronounced basis in Auckland. There's a few reasons for that.

Media: Do you think the Reserve Bank will also need to do debt-to-income multiple controls next year?

PM: I don't know whether they'll need to, but they'll certainly, I think, consider those options—and I think it makes sense in a world where, you know, base rates are relatively low, that they always consider the range of options available to them.

Media: Just quickly to follow up on your earlier answer on trade. So globalisation is a good thing for New Zealanders, given our position in the world, where we are. Would you also say that increased nationalism or protectionism, then, is a threat to Kiwis and a threat to our way of life here?

PM: Well, you just have to ask yourself the question. I mean, does New Zealand do better when, on a level playing field, it has access to billions of middle-income consumers, or does it do better if it sells only in a domestic situation? And evidence has shown, since the reforms starting in the mid-1980s, New Zealand benefits tremendously from having access to that international consumer base. You know, we—I think you can see on pretty much any stat you want to measure that it's been successful. So some countries might want to argue the opposite, some politicians might want to argue the opposite, but I don't think it's true in New Zealand.

Media: Prime Minister, you spent the last 8 years pretty much blaming the previous Labour Government for the ills of our society and the ills of our economy, and you made a reference there to house price increases, just now. I mean, how can you seriously turn around and say that Helen Clark is the best person for the UN Secretary-General job and try to convince the world of that?

PM: Well, it's not a matter of blaming people. I mean, it's just a simple statement of fact, isn't it? I mean, national house prices went up a hundred and something percent under

the previous Labour Government, and 50 percent under us. So it's not a matter of blame; it's just a matter of reference. So it might be inconvenient for the Labour Party that I point that out to them, but it is a matter of relevance. So, you know, if, for instance, wages in real terms have gone up about 13 percent under us and didn't go up at all under the previous Labour Government, then that's actually a point of reference.

Media: No, but I'm saying with Helen Clark, though—if she was managing the ship when all these things went wrong that you've brought up over the years, how can you say that she's so good for this job?

PM: Well, because I think she's got, at a personal level, lots of skills and brings those to the job. I don't agree with her prescription for New Zealand, and that was why we stood against her and campaigned to change the Government, and I have no regrets about that—it doesn't mean I can't see her personal characteristics.

Media: But in recommending that job—nothing to do with what she did as Prime Minister over those years?

PM: Well, I've never argued that everything she did for New Zealand was wrong or bad. She's done lots of good things for New Zealand. But it's a matter of record that, you know, ultimately, if you look at house prices in Auckland, broadly they went up the same under Labour as they did under us, in percentage terms. And it's just a matter of honesty in the debate, isn't it? I mean, if it was a crisis now in housing—according to Labour—then surely it must have been a crisis then, when national house prices went double under her Government.

Media: Didn't you—

PM: Well, that's why we did—because it was double.

Media: What were some of her highlights?

PM: Oh, look, I'm sure they're many and varied, but I'm not here to critique Helen Clark.

Media: You critique her all the time by saying house prices were worse under Labour.

PM: But that's just a statement of fact. I mean, I don't live in a bubble, and neither do you, and if you're doing your job, like I'm doing my job, you'll point out exactly that. It's my job and your job to put a bit of context around things. You know, it's absolutely a statement of fact. If I'm wrong, you can happily point it out and prove it, but the point is we don't live in a world where you accept that what Phil Twyford says is right without contesting in fact that things happened under their watch. I mean, they didn't do any of the things that we've been doing.

Media: On next year's election date, I've got 23 September in the office sweep. How am I looking?

PM: Ah, well, you're looking better than if you had 23 March.

Media: You said this morning on the radio, I think, that you were lucky to announce it as early as you did the last election and the one before. Are you considering a date around about the time of the last election, a September kind of date?

PM: Are you right? Well, look, I genuinely haven't made up my mind yet, and I haven't sort of spent a lot of time thinking about it. But the argument that there'll be an early election—there's nothing I can see that would indicate there'll be an early election. On the basis that there isn't, it'll be in the back half of next year. On the basis that it's in the back half of next year, then, like, I'm sure as you've done in your sweepstake, you can go away and work out the dates when there's not an All Black test match, when broadly it would work for a variety of reasons, and go and work it out. I mean, I personally don't think, myself, that there's a huge amount of advantage in trying to, sort of, milk the date so, to me, we know we're having an election next year, we know it's going to be in the back half of

next year and you can probably work it out roughly within a few weeks or a month, roughly when it is. So there's no great surprise, and I would've thought some time next year we'll just get out there and tell you.

Media: September worked well. I mean, it gave you some time before Christmas to set up the Government, set up the select committee—

PM: You're not having buyer's remorse on your date, are you?

Media: I'm just trying to push my own chances.

PM: Look, I can't tell you. I honestly haven't considered, but there's a range of dates, you know. My own personal view's always been a little bit that November gets a bit—a bit later, with APEC, but, you know, there's also arguments around September and October, why they're not as good. So there's a range of views, but, you know, you can narrow it down to about six, I reckon.

Media: Do you agree with Winston Peters that National's going to lose Whangarei?

PM: No, I don't. I think, firstly, you've got to remember by-elections are quite a different deal to general elections. I mean, they're just inherently difficult—I mean, not impossible to win; obviously we've won lots of by-elections, but by-elections can be a bit trickier cos they tend to distil down to two. Secondly, I just think our candidate's doing a very, very good job there, and I wouldn't read too much into, you know, kind of, what he says and what his predictions are or coded messages might be. I mean, the stuff—from what I could see yesterday in his speech, I mean, it's all pretty old material. I mean, how many times has he said, you know, Labour and National are Coke and Pepsi? How many times has he told that joke about the President of Mexico? I mean, he needs a bit of new material, I reckon. Anyway, see you later.

[FTR end time: 16:34:27]

conclusion of press conference