

POST-CABINET PRESS CONFERENCE: MONDAY, 31 JULY 2017

PM: Good afternoon. As many New Zealanders know firsthand, a good education is a path to a better future, which is why this Government has been so single-minded in focusing on lifting achievement for all our students. We've increased the number of students who start school ready to learn by increasing the proportion of children getting preschool education to almost 97 percent. We introduced national standards so that parents have a better understanding of how their children are doing. We've established communities of learning to enable schools and teachers to share expertise and established the Education Council to lift standards and the status of the teaching profession. We've updated the Education Act to put students' learning at the centre of the education system, rather than administrative structures.

This afternoon education Minister Nikki Kaye announced the next step to improving outcomes for our children. We will replace the decile funding system with a more sophisticated risk index that better targets disadvantage funding to schools that have more kids with the greatest risk of not achieving. Identifying and investing early in those who are most at risk is a key to lifting outcomes, and our system has historically not done as good a job as it could at leaning against educational disadvantage. The decile system is proven to be a blunt instrument for improving outcomes because it allocates resources on the basis of the characteristics of the school's neighbourhood, not the characteristics of the kids attending the school. It's not clear what kids get for any extra funding that's put in. The new index will allocate resources to schools based on the circumstances of the students in that school, so it'll do a better job of directing extra resources to where they are most needed.

Just as important, the new index will end the unfair stigmatisation of lower decile schools and the students who attend those schools. One sad conversation I had just last year and again early this year was with a group of students from a decile 1 school, who said to me they were tired of having to explain why they weren't hopeless. This is not a burden we should be putting on our young people.

The decile rating has become a proxy for quality. That was not the intention of the decile system, and in many cases is not a good proxy, but the perception has been hard to shake. The indicators that make up the new risk index will be confirmed in the next few months. Individual schools will learn how much the changes will affect them, closer to the implementation of the new system, a system, which, as the Minister explained today, needs to be announced now so that it can be implemented over the next couple of years. The Government will ensure that no school sees a reduction in funding as a result of the new index.

The index which is used to allocate equity funding for early childhood education will also be replaced.

The improved targeting mechanism will mean extra resources will go where they are most needed. However, it is important to note that the new approach will involve anonymised information about students, so that even the Ministry of Education will not be able to identify the individual children and young people and how they are assessed by the index. Schools will also not know which of their children have qualified them for disadvantage funding.

The changes follow significant consultation with a wide range of people and organisations in the education sector, so in the coming months officials will continue to work with those groups to implement the new funding mechanism.

With respect to the House this week, the Government will progress a number of bills including the Estimates Bill, which we have to complete before the House rises. In

terms of my activities, I'm in Wellington tomorrow and Wednesday, Otago on Thursday, and Auckland on Friday and Sunday. Any questions?

Media: You said the Government will ensure no school will see a reduction of funding. So how are you going to pay for this? Where's the money coming from?

PM: Well, that'll be dealt with, you know, in subsequent Budgets. We've got allowances in those Budgets, which is the mechanism we traditionally use for determining—within which we determine allocations to health and education. What's going to be important, I think, is the, you know, detailed discussion with the sector about the nature of the index, what, if any, resources are required relative to disadvantage, and we'll see where the funding ends up.

Media: Have you got any estimates on how much extra it's going to cost?

PM: Well, look, you can put in as much money as you like. I mean, the decile system allocates a certain amount of money across schools. This index enables us to allocate more or less if that's what we wanted to do. But we've made the undertaking that no school will be worse off because of the move to the index.

Media: With charter schools and the move to allow online learning down the track, doesn't that—won't that worsen the problem for schools that have been avoided—parents are avoiding those local schools that—providing that choice, won't that worsen the problem? Aren't you basically making it harder for some schools to attract local kids?

PM: No. Actually I think it might have the opposite effect. I mean, those other changes in technology, or charter schools, or partnership schools, will continue regardless of this. But with respect to this change, we want parents to be in a situation where they're assessing what actually happens at the school rather than the decile rating, because some low-rated, low-decile schools do a very good job, and some higher decile schools, kids aren't achieving what they should. It's a well-known fact that New Zealand has more variation within schools in achievement and risk of achievement than it has between schools. In that sense we're a bit unusual internationally. So this is designed to get in at that variation.

Media: Would you like to see more children attend their local school?

PM: Well, I don't mind where they go to school. What we'd like to see more of is the public education system able to realise the promise that it's made, which is that it'll be an opportunity for—it'll allow every young New Zealander to enjoy the same opportunity for educational success, and therefore success in life. And we think this is another step we need to take to achieve that.

Media: What is the biggest benefit of this change to you? Is it reducing, removing that stigma from a school knowing what decile it was? Is that the biggest thing?

PM: I think two things. That is certainly one. It will encourage a stronger focus on what educational achievement schools can actually demonstrate, rather than relying on their decile rating to be underestimated or overestimated. But I think, more importantly, it will enable a better targeting to the factors that do actually mean our students are at risk of not achieving. So you can have someone with set of characteristics that means they are going to find school quite challenging. And if they're in a decile, you know, 7 or 8 school, there may not be resource related to that child in that school.

Media: But decile funding's only about 3 percent of the funding schools get. Is this actually going to really help those schools at the lower end of the decile scale? Are they going to actually sort of catch up in funding enough to really help these kids?

PM: Well, there's a separate issue of how much funding related to disadvantage goes into the system. This is just a different way, and in our view a more appropriate way of targeting that funding. So what we're announcing today isn't the amount of money. All we're

saying there is they won't be worse off. But we are changing the mechanism that determines where the money goes.

Media: Who would you rather be facing in an election campaign—Andrew Little or Jacinda Ardern?

PM: Look, I'll focus on the voters. I don't think that it matters that much. I mean, the Labour Party's failing for a number of reasons that are not to do with Andrew Little or Jacinda Ardern necessarily. They've got a long standing problem about policies. We're focused on getting our support up with voters who are increasingly concerned about what a Labour-Greens-New Zealand First coalition might look like.

Media: Would you rather work with Winston Peters or Gareth Morgan, given the option?

PM: Well, the voters will decide about that. You know, what we are going to focus on is just getting our vote high enough so that New Zealand's got the possibility, after the election, of a Government that can focus on the issues that matter to the public, rather than the complicated internal politics that would go with a Labour-Greens-New Zealand First-TOP coalition.

Media: You said this morning it could be counter-intuitive to say that there'll be no online trading of firearms. Can you explain how that might be?

PM: I don't know if I said "counter-intuitive". I think I was indicating that there is an active online market and the Government has taken some steps in the past to regulate that market a bit better. There's been a number of changes to the process around someone acquiring guns online, and there's also been some tightening up related to gang ownership of firearms. So with respect to these recent events we want to wait and see just where the police investigation gets to before jumping to conclusions, but if there are loopholes or obvious problems to fix, then we are quite open to fixing them. But I think the step of saying "There's no online trading." I think would be very difficult to police.

Media: Can you see any reason, though, why someone would need to buy a gun online?

PM: Well, I mean, it's just a different version of the argument about why someone needs to buy a gun at all. The fact is there are thousands of responsible gun owners who do buy or trade online with them, just as they do going down to the gun shop or the sports shop. So we're not really aiming at those owners. You're aiming at those for whom it could become a lethal weapon or have some record or personality problem that means they constitute a risk.

Media: But would you say it's easier for people to get a gun online than it is to buy one in a shop if they don't have a licence?

PM: Well, one of your number tested that a few years ago, which led to changes in the process, because they did succeed in making it look a bit too easy to do it.

Media: This man up in Whangarei, he seems to have used someone else's details to get weapons online. Is that acceptable—that someone can get a weapon online when they shouldn't have one?

PM: Well, it wouldn't be. I don't know the details of it, and I'd be careful about jumping to conclusions until the police have thoroughly investigated that, which I'm advised is just a matter of months. As I said, if there's loopholes there, then we would certainly move to close them.

Media: How far could the Government go to close some of the loopholes? You were saying, you know, this morning—indicating that you wouldn't want to crack down on the online purchase of weapons. But if the Government was looking at closing down loopholes, how far could you go?

PM: Well, it'd depend what the loopholes are. I mean, as I said, there's been a number of changes made to the sort of general firearms laws, changes made to the

processes around buying online. If this incident throws up further loopholes, we'll look at it, but I wouldn't want to prejudge what those are.

Media: The [*Inaudible*] inquiry made 20 recommendations and the National Government rejected 12 of them. Would you go back and have another look at those, given that their findings were backed by what the police were saying?

PM: Oh, look, I think we've been through the consideration of those recommendations, moved ahead with the recommendations we think are appropriate. But as I've indicated, if this particular incident shows up more issues that need to be dealt with regarding online purchasing, then we'd be willing to deal with them.

Media: Will you meet with the Pike River families this week?

PM: No, I'm not planning to.

Media: Have you been contacted by them to meet this week?

PM: Oh, look, I'd have to go back and check the record. I certainly haven't been contacted, but it's not to say they may not have approached my office. But I won't be meeting with them.

Media: They're concerned that the Government promises made to them at the last meeting won't be fulfilled before Solid Energy essentially washes its hands of the mine. Can you reassure them that that will happen?

PM: Yes. I can.

Media: When DOC takes over, essentially, the mine will be sealed. I think that's the plan. In terms of a promise to the families, I guess, in terms of unmanned re-entry, will you send a robot in before it gets into the hands of DOC?

PM: Well, look, there was a set of undertakings made. We will follow through on those undertakings. There'll be, you know, some complicated issues about the ownership and what rights or obligations they have. But we'll deal with those in the context of fulfilling the undertakings made to the families.

Media: In response to your immigration policy last week, Federated Farmers said they were very disappointed in it. Are you disappointed that they're disappointed, and could you have gone further?

PM: Oh, look, I'm not surprised that there was, you know, some comment that the Government wasn't running a, you know, loose enough system for everybody. You know, it's our job to find the balance, and industry groups aren't necessarily focused on the balance we need to find around controlling the mix of skills, ensuring that there are people here to do the jobs that have to be done—10,000 new jobs a month; we need people to do them—and responding to the, you know, reasonable expectations of industry.

Media: But they seem to have been one of the driving industries for why you rode back on what you were consulting on over the 2 months. So did you consider going further, by dropping that income threshold further below \$41,000 or perhaps allowing temporary workers in for 3 years to not have the 1-year stand-down period?

PM: Well, look, the submissions were made along those lines and a whole lot of other things. There certainly wasn't just that group; probably hospitality was a much affected by the original proposals—the rest home industry, horticulture, and any number of others, you know. Freightling, trucking operators, contractors, builders—all indicated concerns about the original proposals.

Media: But are you happy that the majority of them will be OK with the new proposals?

PM: Well, we're happy we've struck about the right balance. Now, some of the industry advocates will be happy about that; some of them won't be so happy.

Media: And you talked about working on a separate dairy farm worker one later. What's that going to entail?

PM: Well, you'd need to talk to the Minister of Immigration about that. The system that's used for determining skilled jobs, you know, isn't particularly flexible, so they try—As I understand it, there's going to be ongoing discussion about whether those categories are the right ones and whether they might need some more. That's been tried out in Australia, I gather, with some success. But it's pretty detailed stuff.

Media: Kerry Prendergast's term as chair of the EPA ended some weeks ago, and you haven't reappointed anyone. Are you waiting until the decision on Taranaki seabed mining is complete before you appoint someone else?

PM: I just can't make a comment on that. I'm not briefed on it.

Media: But the decision, apparently, is resting with you, though.

PM: The decision to what?

Media: To reappoint someone else or to continue her term.

PM: Well, that would be a matter for Cabinet, through the appointments and honours process. But I just can't comment in detail on that particular appointment.

Media: Aren't you worried about the legality of the decisions, given that they, effectively, don't have a chair at the moment?

PM: Well, I'm sure that's a matter that the relevant Minister would take into account, on whether they're bringing the appointment forward or not.

Media: So has no one talked to you about it or asked for your opinion on it, or?

PM: Well, look, I'd have to go back and check over—you know, I have lots of discussions with lots of people. But I just simply can't comment on the detail of that, because I'm just, you know, don't have that on the top of my head right now.

Media: Prime Minister, you'll be aware of these arrests that took place in Australia on Saturday night in regards to an active plot to cause a disruption on a plane. Now Australian authorities say they received intelligence regarding those arrests. Did New Zealand have a part to play in providing intelligence to the Australians on this one?

PM: Well, not as far as I'm aware. I mean, it's quite a concerning incident, because the Australians have indicated that they were dealing with actual plans and intentions. Our officials are meeting with them regularly now—well, they often do, but more so at the moment. But I haven't seen any information that New Zealand was involved in either collecting the intelligence or in the impact of it.

Media: Any indication that airport security settings might change here?

PM: No, not at the moment.

Media: Just a final one on this one. A lot of people on regular flights—you know, you don't really have to go through much screening here. Is that a luxury that New Zealand might someday not be able to afford?

PM: Oh, that's possible. You know, you'd need to get the detail of their security settings from them. I wouldn't want to, you know, mislead you on that, but the—we haven't had any advice to the effect that that ought to change. OK? Thank you very much.

conclusion of press conference