

POST-CABINET PRESS CONFERENCE: MONDAY, 14 AUGUST 2017

PM: Good afternoon, ladies and gentlemen. Every year thousands of New Zealanders experience mental health issues. Almost everyone has been affected either by mental health issues themselves or through support of family and friends. And I want to acknowledge all the work that is done by both those staff of our mental health services across the country but also those many families who day to day work with their loved ones to ensure they can find their way back to mental health. The Government aims to support these frontline staff and families as much as possible and wants to work with them and their communities to improve treatment and prevention.

Mental health services have expanded over recent years as the number of people using the services has risen. In 2007, 96,000 people used specialist mental health services and addiction services. In 2017 that number has increased to 168,000. More funding for these services was provided in this year's Budget, as in previous years, meaning that they will continue to grow to meet demand. So now, all up, the Government invests \$1.4 billion a year in mental health and addiction services, but we need a wider range of interventions. For instance, 60 percent of those who commit suicide had, in the 12 months previous to their suicide, no contact with specialist mental health or addiction services.

In this year's Budget, the Government invested a total of \$224 million over 4 years into mental health, and \$100 million of this was set aside at the Budget for new and innovative approaches. So today I can announce that we are investing in 17 new initiatives for mental health services. The funding will improve access to existing mental health services and use researched solutions to focus better prevention services through schools, e-therapy, and young people's services. The package is part of our wider programme to prevent and respond to mental disorders.

The package also fits with our social investment philosophy, which is about taking a clear view, not of the needs of Government agencies but the needs of a particular population—in this case, children who need resilience, younger people who need support for mental health services, older people who need ongoing support to find their way back from mental illness. It also involves using evidence to realign and expand our services—in this case, across schools, prisons, primary health care—to meet a wide range of individual and family needs.

Now, there isn't one single solution that can meet all the needs in the area of mental health, but I'm confident that the range of measures here—from improving our primary health care services, greater access to e-therapy, more support through schools, assistance for particular housing needs, assistance for the police in dealing with mental illness—represent a significant broadening of our approach to mental health and a significant step forward.

The Chief Science Advisor has published research on the way forward for mental health services, and that research has had a very significant influence on the initiatives which we are announcing today. And I'll now hand over to Minister Jonathan Coleman to take you through more of the detail.

Hon Jonathan Coleman: Thanks very much, Prime Minister, and good afternoon, everybody. It's great to be here just to expand on the Prime Minister's comments and also to give you some of the detail of that \$100 million package, which we are announcing today. As the Prime Minister has said, in recent years, along with all other Western nations, New Zealand's seen an increased demand for mental health and addiction services, and this package represents a very significant step forward in responding to increasing demand for those services.

In the last few decades, the emphasis in mental health has moved from deinstitutionalisation back in the 1980s through to de-stigmatisation in the last decade, with the work of people like Sir John Kirwan, and now we're moving to a phase of emphasis on

mental wellness and the building of resilience, as well as finding new ways for people to access the services that they need. In many ways, New Zealand will be ahead of the curve by taking a whole-of-Government life course approach to the prevention of mental disorders, the promotion of mental health, and the treatment of illness. We're going to be trialling some things that are known to have worked in other places whilst extending good practice already present here in New Zealand, all within a planned, pragmatic framework.

As the PM noted, the government's science advisers have been involved in the design of this package, and it's consistent with the direction set by the new strategic framework for mental health agreed by Cabinet in July. Specifically, the package reflects shared cross-government responsibility for mental health by engaging workforces across departments and the sector for collective impact. It adopts a social investment approach and it reflects a life course approach by building resilience in children and young people and addressing known risk factors, including trauma early on in the life course. The package provides a mix of initiatives designed to improve access to effective and responsive mental health services while at the same time starting to transform our approach to mental health, re-orientating our focus towards prevention, early intervention, and the building of resilience.

The package of initiatives will enhance and expand support across five focus areas that have been agreed by Cabinet, and those are: children and young people in crisis, adults in crisis, people with mild to moderate mental health needs, housing support for those who need to avoid or respond to crisis, and support for children in order to respond to trauma or to prevent crisis. The investments proposed represent a mix of trials, service enhancement, and service expansion across a range of settings, and they'll be all delivered closer to communities.

So, as the PM said, we are investing in a schools-based package, focused on building resilience and improving support for children and young people. The package also commits resources to primary and community mental health care to expand services and upskill the mental health workforce. This will span from mild to moderate illness through to acute needs. We're also going to be spending money on additional distance and e-therapy options, which will enable provision of support earlier in the course of mental illness, and it will be provided, of course, closer to communities.

The \$100 million package breaks down into four groupings. There's the school-based package, the primary and community mental health care package, the distance and e-therapy package, and then initiatives to build an evidence-based approach within the New Zealand context. So I'd just like to take you through those four groupings in a bit more detail.

The school-based package allocates \$23 million across several programs, focused on strengthening self-regulatory skills in early childhood and to further bolster school-based support for young people.

The primary and community mental health care package will allocate funding across a range of initiatives, and that includes \$5 million to ensure that anyone who attempts suicide receives ongoing support. There's \$5 million to provide accommodation support, with wraparound services for young people who are at risk of developing or who have been diagnosed with a mental health disorder in circumstances where they're living in an insecure housing arrangement. There's \$8 million to further improve the support for people experiencing acute and emergency mental health needs. There's \$8 million for a multi-agency co-response service for those people who call 111 seeking police or ambulance in regards to a mental health problem. There's also \$25 million that goes into expanding and enhancing primary and community mental health and addiction services and the workforce required, through expanding existing successful services, such as youth one-stop shops that were established as part of the PM's youth mental health program, and also trialling some new service delivery models.

The distance and e-therapy package will invest \$10 million into distance and e-therapy. Technology, obviously, has a huge role to play, and that will be delivered in a tailored and convenient way.

But we're also looking to build on the evidence-based approach, and to help do that we're going to be investing \$20 million across four initiatives which will further build the New Zealand evidence base in this area through adapting, trialling, and evaluating programs or approaches from overseas. That includes a \$4 million pilot of a culturally responsive therapy service for children aged between 5 and 12 who have experienced or been exposed to family violence and/or sexual violence. It also includes \$5 million to better understand the full spectrum of mental health and mental disorders in New Zealand, including a focus on those often missed out in research, such as the homeless population.

So while there's further work to be done to transform our approach to mental health, I'm very confident that this package will start us in the right direction. Thank you.

PM: So I'll take any questions on mental health first, and then move on to other issues.

Media: Are you still ruling out an inquiry into mental health services, as has been called for?

PM: No, we don't see the need for an inquiry, simply because the demand that's out there is fairly obvious. There's a range—you know, we've got a whole package here based on the evidence gathered, particularly from those who are dealing with the services every day, so we believe we'd best to get on with the job of expanding services.

Media: What level of development are all these projects at, and how soon can they be applied?

Hon Jonathan Coleman: So, look, most of them are pilots or new innovations, which was the idea of the fund. They'll be rolled out by the end of 2018. Some of them will be in place by the end of first quarter next year—so over the next 6 months—with the remainder over the following 6 months.

Media: How long, particularly with the schools package and building resilience—I'm assuming that's sort of intergenerational, so how long would you expect to see results over that time?

Hon Jonathan Coleman: Well, these are pilots. The advice is that, you know, the benefits will show up much further down in the life course. But half of all mental health problems are apparent by the age of 14, and three-quarters by the age of 23. So that's consistent with the long-term life course approach that we're taking, but, of course, there's other elements of the package which deal with immediate pressure and crisis.

Media: Are you targeting a reduction in the youth suicide rate?

Hon Jonathan Coleman: Well, I'm open to having a target around that, but we've put the suicide strategy out for consultation. We had that consultation close at the end of June. The officials are now just looking at the responses. But, look, I met with people from the Zero Suicide group, a couple of international experts, 2 weeks ago, and their advice is that having an aspirational target actually galvanises the workforce, sets the culture around suicide reduction, so we are open-minded around that.

Media: If you look in Wellington, Wellington Hospital has reduced the number of its acute mental health beds by three this year. There's a waiting list at Hutt Hospital of up to 80 days—40 to 80 days—for young people to get appointments. How will this package change that situation?

Hon Jonathan Coleman: So waiting times over time have actually come down considerably over the last 9 years. In terms of beds, you know, the model of care, as I said in my remarks—it's moved from that very hospital-based, institutionalised model of care to a focus on care in the community. And there's elements of this package, right from the

resilience elements in schools through to enhancing access to services in the community, that is going to help demand with this increasing, rising pressure of demand for mental health services.

So we asked specifically: “Do we have enough beds in the system?”. The advice from the science advisers and the Director of Mental Health was, yes. But it’s providing more service around that time where people are becoming acutely unwell—to try and, you know, keep them well and, ideally, out of hospital, because, obviously, that’s good for them—but also the support when they move from the hospital phase out into the community. So there’s elements in this package which deal with all those points.

And you know, I mean, it’s pretty significant—\$100 million over 4 years; a very clearly thought-out package that is consistent with the latest research. So there’s always going to be more to be done, but I think this is right on the right track.

Media: Can I just ask about the numbers. You say over the last decade the numbers of people accessing mental health and addiction services has gone from—

Hon Jonathan Coleman: \$96,000 to \$168,000.

Media: Yeah, so that’s an increase of 75 percent.

Hon Jonathan Coleman: Yeah, it’s a huge increase.

Media: In the press release, you say funding since 2008 has gone from \$1.1 billion to \$1.4 billion—that’s a 30 percent increase in funding. So is funding not keeping up with demand? We’ve just been told funding has kept up with demand.

Hon Jonathan Coleman: Well, the first thing is, you know, the demand has really ramped up—obviously, way above population growth. But the answer to actually dealing with mental illness is not necessarily just more money. More money helps, but it’s actually investing in the type of programmes in this package, which will, you know, bend back that curve of demand over time. But I tell you, I was at the WHO about 2 months ago. All Western Governments are confronted with the same issue: rapidly rising demand. You know, we’re living in a very pressured society—social media, social isolation, and all the rest of it—and everyone is looking for new ways of doing things, and this is very much in line with that. So it’s not a simple linear equation of increasing the funding as the demand for services goes up; it’s all about doing things differently.

And, you know, expensive hospital beds, when people are very unwell—that’s not the best way to do things, on a range of counts. Firstly, it’s far better to treat people early so they don’t become so unwell, and, secondly, if we can actually build resilience in the population, in that very young school age, you’re going to have people going through and living much more functional lives and becoming, you know, less likely to be unwell.

I mean, that doesn’t mean that we’re going to be able to eliminate schizophrenia or some of these very serious-end disorders. But dealing at the mild to moderate end, before they evolve into full depressive illnesses—the evidence shows that, you know, we’ve got a high chance of really decreasing the incidence of serious mental illness.

Media: Just, the reason I ask the question is the Prime Minister said funding had kept up with demand, when that’s not true.

Hon Jonathan Coleman: Well, the funding has actually decreased waiting times quite significantly. But, as you can see, there’s, you know, huge demand internationally. So I’m actually very comfortable with the amount of money that we’ve put in. I mean, that’s an extra \$300 million over 9 years. But it’s at the point now where, look, all Governments have to start doing things differently to actually make sure we’ve got a mentally well population.

Media: Also, so you’re going to be trialling initiatives that are known to have worked overseas.

Hon Jonathan Coleman: Yeah, some of them—absolutely, like some of the electronic things. Strong evidence.

Media: Why not go straight into them? Because we're seeing with the serious young offenders policy, you're going straight into something that hasn't worked overseas, whereas now you're just going to be trialling something that you know to have worked overseas.

Hon Jonathan Coleman: Well, we've got to make sure that it works in the New Zealand context. So, for instance, cognitive behavioural therapy—you know, there's strong evidence for that being delivered electronically, but, at the same time, we've got to make sure that we design the programs and adjust them as we roll them out so they are fit for the New Zealand context.

Media: Are you going to put any more staff in? Because I see that there's some—you're training up 250 youth support workers—

Hon Jonathan Coleman: Yep.

Media: —and 13 psychology interns. But are you actually looking at more mental health nurses, and?

Hon Jonathan Coleman: Well, the numbers of mental health nurses have increased by 600 over 9 years, and, you know, it sounds incredible, but there's actually an extra 150 psychiatrists—full-time equivalents—in New Zealand. So in the Budget package there was \$100 million for this, that we've announced today. There was \$24 million for initiatives across MSD, Corrections, and Māori development, but also \$100 million through the DHBs—through the ring-fence reserved for mental health, which is to deal with demand and growth pressures. And that pays for the extra psychiatrists and mental health nurses that are needed. So that doesn't need specific funding; there's funding already allocated to the DHBs in that \$439 million they received, which deals with that particular pressure.

Media: Just on mental health, have you made any progress regarding the Police ban on recruiting people on antidepressants?

Hon Jonathan Coleman: Look, you've have to talk to the Minister of Police around that, but, yeah, I've expressed a view on that.

Media: Does that send a really bad message?

Hon Jonathan Coleman: Look, that is a question for the Minister of Police, but, as I've said at the time—and, if I recall, Paula agrees with me that that's something the Police need to look at because, you know, there's plenty of people who can function perfectly well in their jobs in a wide range of spheres with treated mental illness, including the police.

Media: I mean, just the things you've mentioned—new way of doing things, resilience in population, the Government needs to make sure we have a mentally well population—is the fact that you're not allowing people with mental illnesses into the police force, doesn't that send the wrong message in terms of all those things you've just said?

Hon Jonathan Coleman: And Paula and I have both made statements on that previously, saying that, look, we can't see any reason why, under the right circumstances, police can't be recruited if they're on antidepressants, just like anyone working in any other job. So I don't think we disagree there.

Media: So are there other Government departments or other services where there are the same restrictions on employment?

Hon Jonathan Coleman: None that I know of.

Media: You put a big focus on youth in this package, on school-aged kids, but the biggest suicide rates are in 25- to 54-year-olds, aren't they? So have you given up on that generation?

Hon Jonathan Coleman: No, there's \$25 million in here for people in crisis—so, to access services in the community. But there's no question, when you look at the suicide

statistics, you know, where we do have an issue out of proportion is around Māori/Pasifika and young people. So there are initiatives in here that deal with that older age group as well. But if you're taking a life course approach, all the advice is you've got to get your settings right for that younger group. So, you know, I mean, this is a pretty complex problem, obviously—mental health—and this is the best advice informing this package of initiatives, which is going to be rolled out across health, education, MSD, housing, so it's a pretty complex piece of work. But the advice is, this is the right direction.

Media: Is \$5 million enough for providing support for those who have already attempted suicide?

Hon Jonathan Coleman: Well, like in health, you know, you tell me what the right number ever is. I mean, the point is, with it, this is a wide-ranging package—\$100 million. A very comprehensive package with a lot of money behind it, and, you know, all these initiatives are a good start. There'll be future Budget rounds and the opportunity to evaluate this work here and build on it in the future.

Media: Treasury blasted you and the ministry for not having done this work before the Budget. Why—

Hon Jonathan Coleman: They didn't blast me. But, look, the fact is Treasury write lots of commentary for their Minister, and they're entitled to do so. Their comments were picked out of an OIA—I think, probably, slightly out of context. But it is their job to run the ruler over what ministries propose. And partly as a result of that, we've come up with this cross-portfolio, cross-departmental, and cross-ministerial approach, which is right on the right track.

Media: Can you just give us an idea of how many extra social workers, psychiatrists, and psychologists are likely to come out of this funding?

Hon Jonathan Coleman: Well, there won't be extra psychiatrists, but there's, I think, 250 community workers there and, I think, it's about another 120 counselling-type staff. But the point is, a lot of the core staff like the nurses and the doctors—that's the psychiatrists—psychiatrists are actually funded out of DHB baselines, and they get more money at each Budget for that.

Media: But you're having problems retaining them—I think social workers in particular; it's an ageing workforce. So are you looking to do things along those lines?

Hon Jonathan Coleman: Look, it's a challenging area of work. It's a good area to be working in, and I think what you'll find is a lot of people working in that area will feel quite energised by the emphasis and direction of this particular package. So I think it is on the right track, and I'm very comfortable with where we've got to with it.

Media: Would they not feel more energised if they know there's a younger generation of social workers, psychiatrists, and psychologists—

Hon Jonathan Coleman: Well, there is a younger generation of mental health workers coming through. So, you know, I met with the Royal College of Psychiatrists the other day. The numbers of New Zealand trainees have actually doubled over the last 5 years or so, and, actually, for people coming out of nursing school, I think mental health is the second top option. So people are actually wanting to work in mental health.

Media: What about GPs, where there is a recruitment issue in particular? Do you expect this to help, I guess, ease the pressure [*Inaudible*] the pressure on GPs?

Hon Jonathan Coleman: It certainly will all help because there'll be additional assistance as well as funding and different channels for people to seek mental health assistance in the community. So I expect, you know, general practitioners will welcome this. And it would be hard to criticise this package, but I certainly expect some people will say: "Oh, but there's not enough money." But, you know, that's what we get every day in health.

Media: Do you expect that you're going to struggle in the sector to keep staff, given that the pay equity deal for aged care—I mean, it's looking to, may, pull people across from mental health to—

Hon Jonathan Coleman: Well, you've got to remember with that pay equity deal that the mental health workers were specifically excluded by mutual agreement of both parties right at the start. And the ministry is currently doing some work to just evaluate the mental health workers' pay equity claim, just to assess if the work they do truly is equivalent to the care and support workers. But, look, the big thing about the pay equity deal—so it was a \$2 billion deal, 55,000 of the lowest paid and most deserving people in New Zealand, and, of course, it was a change in relativities. If it wasn't a change in relativities, it wouldn't have been worth doing. So it was actually meaning that those very deserving workers are now paid more, relative—you know, more than some others. So if everyone was just going up on the same scale, all you'd have would be an inflationary effect.

Media: So what advice have you got about potential loss of staff, or—

Hon Jonathan Coleman: Oh, anecdotally, people are saying: "Well, why would our mental health workers not go across and work on the person in the next bed, who is a care and support patient?". But, look, the fact is that pay equity deal—you know, it was a major change to the settings around how people are paid, and, certainly, in the health sector, you know, it's going to take a while for that just to settle down. But I absolutely think it was, you know, one of the best things we've done during our term in Government, and it'll just take a while for that to move through the system and everyone to understand what that means for other professions.

But, you know, we've got the pay equity legislation going through now, which sets a framework for how other groups can make claims. And so it will just take a while for people to assess whether they want to make a claim, but there's a very clear way for them to test those claims.

Media: Just going back to the suicide target, when will we likely hear an announcement about whether you will adopt one or not?

Hon Jonathan Coleman: Oh, look, I'm not putting an exact time on it, but, yeah, we've got a lot of—

Media: Before the election?

Hon Jonathan Coleman: I'm not committing to that, either. Look, we've just got to get the advice back; we haven't had the final advice on the public and sector feedback on the suicide strategy. But, I mean, it's very much on my radar; it's not going to be forgotten about, least of all by you.

Media: Just on that police recruit ban on the antidepressants thing, have you met with the commissioner about it?

Hon Jonathan Coleman: No, I haven't.

Media: Have you spoken to the commissioner about it?

Hon Jonathan Coleman: No, that's—Paula is handling that.

Media: Do you think it's wise for you to speak to him, considering you're the Minister of Health and if you—

Hon Jonathan Coleman: No, it's not. No, Paula deals directly with the commissioner and everyone's well aware of the issue, so, no, I won't be speaking with him specifically. But Paula and I have spoken about it, and, you know, Paula handles the Police portfolio.

Media: Considering more and more police call-outs are about mental health issues, isn't it quite a good thing if there are police officers there who have personal experience about dealing with mental health issues who can—

Hon Jonathan Coleman: That's really hard to say, to be honest. I mean, that's starting to get into an expert area, you know. I mean, what the police are dealing with in mental health call-outs are at the more extreme end of mental illness. Now, that might be quite different from their own experience. But, you know, look, who can say whether someone who's been put on antidepressants by their GP, if that makes them better or worse equipped to deal with someone with a very serious mental health disorder. I don't think, probably, it's that relevant to what they do when they're out on the job. But, look, those are all questions—you know, in terms of anything to do with the police, that's for Paula.

Media: That multi-agency approach, how will that funding be split up? Will most of it,—because police are responding to a lot already, will most of it be going toward ambulance and DHBs, so they have people to send out, or?

Hon Jonathan Coleman: Well, the design of that still has to be worked out, but, at the heart of it, you'll have the ambulance, the mental health worker, and the police all going out together. So we'll just have to look at how that feeds into those, you know, three very different services, but focused on the same patient. OK, thanks very much. Back to the Prime Minister.

Media: Prime Minister, you'll be aware about an issue in Australia's Parliament today regarding Deputy Prime Minister Barnaby Joyce realising he's a New Zealand citizen. Have you had any discussions with the Australian Government about this issue in the last few days?

PM: No, I haven't. I was informed later last week that it could be an issue. From the New Zealand point of view, it's simply a matter of the Department of Internal Affairs applying New Zealand law. And, as I think Peter Dunne's outlined, they say that, unwittingly or not, he's a New Zealand citizen, and then it's a matter for the Australian system to decide how Australian law applies in his case and how they deal with the issue. So that was dealt with by communicating through the New Zealand High Commissioner in Australia to Mr Joyce. I didn't discuss it with any part of their Government.

Media: How are you unwittingly a citizen? Can someone force that on you?

PM: Well, it's a citizen by descent, in New Zealand law. That's my advice.

Media: Is he any relation of Steven Joyce?

PM: Who?

Media: Barnaby Joyce.

PM: Not as far as I know.

Media: If he decided that he definitely wanted to get rid of his New Zealand citizenship a.s.a.p., could we accommodate that?

PM: Well, you'd need to talk to the experts about that. I wouldn't want to give an opinion on it.

Media: Do we have to accept him? I mean, can we [*Inaudible*] or something?

PM: Ha, ha!

Media: Would you like him to come and be part of—he's been a National senator over there. Would he—do you want him in the National Party?

PM: Well, I'm sure he'd fit into New Zealand politics somewhere, but I don't think that's what's on his mind at the moment. I think he'd like to clarify his status in Australian politics, where he's been very successful.

Media: Can we use it to our advantage: a Kiwi at the top of the Australian Government?

PM: Well, that's—I mean, for them it's a pretty serious issue, and they're going to have to work their way through the application, I think, of the Australian constitution to the situation.

Media: Do you find this a little ironic, given their tightening of rights, you know, of Kiwis in Australia?

PM: Well, it is, but I don't think anyone meant it to be ironic. I think it's—they've had a few other politicians who've got caught in this, and now Senator Barnaby Joyce.

Media: Should we be offended by how much he doesn't want to be a New Zealand citizen?

PM: I think he probably values his political career and would like to continue with it.

Media: Have you had any advice that any other Australian politicians are New Zealand citizens, inadvertent or otherwise?

PM: No, I haven't, but I imagine they're all having a hard look at whether they have a New Zealand parent.

Media: Have you had any advice from MFAT around how this could influence the trans-Tasman relationship?

PM: No, I haven't asked for it. Look, it's just a—you know, it's an issue that actually cropped up here 10 years or so ago. You might remember the case of Harry Duynhoven. And, look, these things are almost always accidental, aren't they? No one sets out to confuse the public with their citizenship, and you've now got a couple of cases in Australia where, unintentionally, they found that they are or may be New Zealand citizens.

Media: Has Chris Hipkins been asking your Government behind-the-scenes questions about Barnaby Joyce's citizenship?

PM: My advice is that the Labour MP just lodged a couple of written questions.

Media: Is it weird that Hipkins is sort of doing the dirty work on behalf of the Australian Labor Party?

PM: Well, that's a matter you should ask him about. I mean, he's free to lodge parliamentary questions. This is outside his area of education, but you'd need to talk to him.

Media: What do you make of it, generally, from a political sense?

PM: Well, it's been a high-profile issue in Australia, and it's been pretty disruptive over there, particularly for the Green Party. But, I mean, you have to comply with the law, however the issue arises.

Media: What do you make of this law—citizenship by descent? Do you think it's needed?

PM: Well, it's changed over time, but you'd need to, you know—New Zealand defines its own citizenship; Australia defines their own rules about who's in their Parliament.

Media: Do you know how many Kiwis there are that are citizens by descent?

PM: No, I don't.

Media: Are you surprised, given how many Kiwis appear to be politicians in Australia, that New Zealanders have been getting such a hard time over there? They seem to want to deport everyone back here, so—

PM: Well, we've canvassed those issues at length. I'm sure this is, you know, in a political sense, seems to be caught up in the, you know, the general focus on Australia and Australia first. We have to deal with whatever the decisions they make. In this case, we're not making any decisions relevant to the citizenship. It's just a matter of applying the law to his case.

Media: You said the other day you had communication about it, but, I mean, just personally, you're close to Malcom Turnbull. You guys text fairly regularly, from what I understand. Have you sent him any text messages or received any?

PM: No, I haven't raised this issue with him.

Media: Has he raised it with you?

PM: Ah, no he hasn't. I mean, from my point of view it's a matter for, you know, Barnaby Joyce and for the Australian law, and it's a reasonably serious issue, in which New Zealand has no active role.

Media: Just on the issue around boot camps, the new policy you announced yesterday, how does your new policy differ from—can you just go through how it differs from other boot camps we've seen in the past?

PM: Well, it applies lessons of other programmes for offenders. So, for instance, in this case it's a lot longer, so it's 12 months instead of 6 or 12 weeks. Secondly, it'll be backed up with programmes we didn't have before, like Whānau Ora. And that is support for families so that they can get their lives back together, because it's almost certainly the case that the family is not in great shape if we've got very young people committing serious offences. I think the third lesson is you need to have literacy, numeracy, and alcohol and drug addiction as part of the programme. So it's a more intensive version—I have to say a lot more expensive, a lot longer, and much more comprehensive.

Media: The tool that police have, the screening tool, the youth risk screening tool, is facing some criticism because six of the 14 factors are completely out of the child's control—where they live, what their parents have done, whether there has been CYF intervention. Is that fair?

PM: Well, all of these tools are about how you can better focus the services. They're not a matter of—they're not about who's to blame or whose fault it is; it's about how you decide which people where need the support. And in this case, the police tools, along with others, have meant that, for the first time, we can focus on what is the very hard core of youth offending in New Zealand. So the tools are useful for directing where the resource goes. It's not about blaming them. As I said, what it also does do is enable the services to be more tailored, because one of the big problems with a lot of the services for our young people have been they've been kind of big, blunt services who sort of—you roll out the programme and you hope that the kids pick up with it and you just keep on going.

What we're doing now is a much more nuanced and tailored approach to understanding the groups that you're dealing with. So this group of 150—in the Budget there was another, you know, money allocated for 2,000 young offenders between 14 and 17 who are not near as serious but looking like they could do. We've also got the youth services, which has got a strong focus, for instance, on sole parents under the age of 20, where there's been a very significant drop in the numbers of them, partly because of the individual supervision that is intended to go with that service.

Media: But isn't this tool just allowing—I guess it's almost a sort of a poverty-bashing tool. Kids that are from lower-decile schools that may have parents that offended could have committed the same crime as a rich kid that's parents haven't committed any crime, and the poorer kid will be sent off to boot camp. Is that fair?

PM: No, it's not fair. In this case, the young people who are the subject of the service have to have committed a very serious crime. That's the main sorting mechanism. The point about the screening tool is that it gives the police, and others who may have access to it on an appropriate basis, better ways of focusing the resource where they need to focus it.

I mean, for instance, if you take the spate of aggravated robberies—it's not random, right? It's, you know, the product of groups of kids behaving in particular ways. That is now better understood. Ideally, we can, with each of those young offenders, be working with their family at the same time as working with them, because it's almost certainly the case that the family—or very likely the case that the family will have a very distrustful relationship with Government, that they'll be dealing with lots of different agencies on a sort of crisis basis, that they're not making progress, that just the same problems keep repeating. So, you know, we want to use these kind of interventions as a way of getting in the door with our toughest, most intractable social issues. And that's why these tools help.

And New Zealand, I have to say, is, in many respects, one of the more advanced developed countries, and getting better at understanding the people and the families who most need the support. And that's—it's because of the quality of those tools that we're willing to invest, in this case, about \$100,000 per offender, because we now understand much more clearly the life course that they will follow and the very expensive—the high cost and the misery that they'll endure if we don't do something about it now.

Media: You said before that it was backed up by Whānau Ora, but the Māori Party, that's championed Whānau Ora, has rejected it completely.

PM: Rejected?

Media: The policy. Shane Taurima claims that for the rangatahi who have lost their way it will not work, and will not be supported under the Māori Party's watch.

PM: Well, look, the Māori Party's free to campaign and run its own ideas. The point I'm making is that part of this approach does include Whānau Ora, which was put in place with the full support of the Māori Party, precisely to find the way into these sorts of families.

Media: Right. But they don't support it, and that's your support party that doesn't support it.

PM: Yeah, well, they don't run Whānau Ora. The fact is Whānau Ora is probably dealing with some of these families right now.

Media: Labour's raised a policy today around free driving lessons and civics education in schools and so forth. Do you think that's a good idea?

PM: Oh, look, I think it's just another one of their half-thought-through policies. The schools already have the ability to give NCEA credits for driving. They seem to have missed the fact that fewer young people are going for their drivers' licences these days, not more. If you want to put resource in, you need to target it. You don't just walk into the assembly hall and say to, you know, 1,000 kids, 500 kids, over the age of 16: "You're all eligible now for 5 hours of free driving training." I think that's going to create chaos in schools. What's in place right now is focused and targeted efforts to help people get licences in our prisons and among our young people, particularly in rural areas, but at school you can get NCEA credits for getting a driver's licence.

Media: But isn't it a good thing if you can give everyone driving lessons and have every kid driving? Why would that be a negative thing?

PM: Well, there's quite a lot of them don't want to. I'm just making the point that if you're running a school and someone turns up and says to 16- and 17-year-olds "You're all entitled to free driving lessons", they may take them, they may not pass their licence, it may be pretty disruptive. General point is, there is a need for drivers' licensing. It's met two ways. One is they can get NCEA credits already, and, secondly, there are groups where the lack of a driver's licence leads to driving offending, inability to get work, and that's where you want to target the resources—not just throw it at everybody.

Media: What's the evidence backing for the fines for parents of kids who are out between 12 a.m. and 5 a.m. without supervision? I mean, are you just taking money from families that are likely to already be in poverty?

PM: Look, I think the main point of that is to reinforce the message of responsibility. If a 12-year-old is out on the street at 2 a.m. in the morning, the people who are primarily responsible for that are parents. Now, it may be in individual cases the child's out of control and defiant and rebellious. The police are able to apply it in a discretionary way. And I think the most important aspect of it will be starting the discussion with the parents about what is happening in the household that means that these very young kids are getting themselves into vulnerable situations where it's easy that they could tip over into offending. So we're willing to try that out.

Media: But is there any research backing—

PM: What's that?

Media: Is there any research backing to this, or is it just—

PM: I haven't seen research advice on it, no. But we want to move on from just accepting that 12- and 13-year-olds are wandering around in the middle of the night and no one's responsible. We don't accept that. So the first port of call is the parents. If an infringement notice helps us get in the door, helps the police get in the door, we think that will probably be a pretty constructive discussion.

Media: So what evidence is there that 12- and 13-year-olds are wandering at 2 a.m., if there's no research to back it up?

PM: Well, he's asking about the research as to whether infringement fines work, and I'm saying I haven't seen that. But I've certainly heard the anecdotal evidence that this is what police and youth workers find: young children—or young people; they are bit more than children—young people out and about between 12 midnight and 5 a.m.

Media: Has there been an increase in that, or—

PM: What's that?

Media: Has there been an increase, or is it just?

PM: Well, I've heard the anecdotal evidence. Whatever there is, if there's any of them, it's one too many. And we do want to reinforce the notion of that parents are responsible for their kids even if they're not able to—but have the discussion with them about whether they are able to exercise that responsibility.

Media: On the numbers that you're talking about, just the 150—do you think it's 150 of these young people at the moment out there and boot camp is going to take 50, is that right? So are there going to be services for the other 100?

PM: Well, a number of them will end up or already are in youth justice facilities or in adult jail. There'll be, obviously, a transition, because a number of those people already have sentences that they're serving. So this is a new tool, and as the new tool is available we would expect that it will be applied by the courts. There is then the issue of how many make the choice. Some of them, some of those young people, may well choose the youth justice facility or jail.

Media: On water, would a National Government be willing to agree to Māori playing a statutory role in the allocation and ongoing management of water resources?

PM: We've been discussing it with them for a number of years, and we certainly have not agreed to that.

Media: But presuming that the Waitangi Tribunal, when it eventually completes its inquiry, recommends something along those lines and that is the condition on which you get a settlement on water, would you be willing to agree to it?

PM: We're not going to speculate about that because there's a number of different ways in which a settlement on water, or progress on water, could be made. So far we've focused on rights and interests, not ownership, and that's taken us a long way down. It's a long way towards what we've now achieved, which is this national measurement system, the national policy statement that's in place, some changes to the RMA, which enable local Māori interests to be expressed. We haven't been—in fact, we said explicitly a number of years ago we weren't aiming for a national settlement, and that hasn't changed.

Media: Do you agree with your Minister when he says if it were introduced—Labour's water royalty—that it would cause these Treaty settlements, existing ones, to be renegotiated?

PM: Well, it could cause a lot of problems, because a royalty implies ownership, and that ownership will certainly be contested by iwi. Up to now, the Government has never

asserted ownership in that way, and I think the Labour Party has just bumbled into it. I don't think they've thought about it.

Media: But Labour says these existing settlements explicitly have clauses which say the freshwater issue is unresolved.

PM: Well, I think they quoted the Ngāi Tahu settlement, and I'm advised they're just wrong. The Ngāi Tahu settlement does not say that. But whatever the settlements say, the royalty asserts Crown ownership. That has never been done. And the Labour Party have bumbled into it. It's another half-thought-through policy, done on the fly, because it looked politically attractive. They've now asserted ownership, and that means ownership's going to be contested. We've spent 9 years on this issue. We've never asserted ownership, but we have worked with Māori on rights and interest because that's been a much more constructive way forward.

Media: And you've suggested that water trading could be one option here, but does that get around this issue?

PM: Well, that has to be discussed. I mean, that's why we've now got to the allocation phase of what's been a 6- or 7-year discussion, including with the Land and Water Forum. Everyone involved in that discussion, I think, has a deep appreciation of the complexity of the environmental issues but also the technical allocation and ownership issues. It's pretty clear the Labour Party have paid no attention to it whatsoever. I think their attitude is reckless. We've worked very hard to preserve the Crown's position, very hard to respect Māori right and interests. And in that context we've been able to make major progress on lifting our environmental standards, to the point where, last week, we finalised what would be, I think, 5 or 6 years of work on the national policy statement that now allows us to measure water quality and make progress.

Media: Does that mean that we absolutely can't have royalties on bottled water?

PM: Well, I'm just saying their policy asserts ownership and, therefore, ownership will be contested.

Media: But you're examining the possibility of charging for people to bottle water. Wouldn't that be a royalty; wouldn't that assert ownership if you do that?

PM: Well, it's gone—we treat it as part of the discussion about water allocation, and that discussion is a difficult one precisely for the reasons I've just outlined. Look, if you don't want a contest over ownership, then you have to think about the mechanisms.

Media: So can you rule out, today, National imposing a royalty or applying a royalty to water bottlers?

PM: We can't see a way that you can apply a royalty that does not end up with a contest over who owns that water.

Media: How can you end up with an allocation regime that does not make provision for Māori?

PM: That's a question ahead of us. What the point I'm making is, you can't just bumble into it, asserting ownership and hoping that Māori will take no notice.

Media: But you've said, in answer to an earlier question, that you didn't believe that Māori could play a role in the allocation and ongoing management of water resources. Now you're saying it's a question ahead of you. Which one is it? Are they out or are you still considering bringing them in?

PM: No, I said we hadn't agreed to it, that's what I said. And that is—look, these issues are about dealing with uncertainty. Out ahead of us, Māori are asserting—they assert rights and interests in water. We've been dealing with that pretty successfully, but it takes an awful lot of work. We've made some real progress that now is enabling us to lift environmental standards. If you talk to Māori, they'll tell you the next big issue is allocation,

and that's partly because they want access to water, which they haven't been able to get, for commercial purposes, and partly because some of them assert an ownership.

And so we're going through a process that treads very carefully but respectfully through that minefield. The Labour Party have blundered in, asserted ownership, and so that's going to be contested. Of course, the other question for them is what their proposed coalition partner Winston Peters thinks about it.

Media: But what circumstances do you think there are under which becomes possible to manage water unless it has some pricing mechanism attached? And how likely is it that you'd ever get a Treaty settlement—any Treaty settlements—around water if they don't have some degree of monetary value involved?

PM: I think that's yet to be seen. That's why we've—you know, we've set achievable goals about how to revolve water policy. We're very proud of the progress that we've made, particularly with the finalising now of a national measurement system for water quality, which is—the striking bit about that is it's almost all agreed. Māori, recreational, farmers, commercial users, fishermen—they've been all part of that process. That's the kind of effort that it takes to make progress, and some would argue the hard bit is ahead of us.

Media: So why not look at a “Waterlords” deal to solve these issues of allocation and pricing? It seemed to work for the fishing industry.

PM: Because it's much more complicated, that's why.

Media: When you say that you're going to look at the question of allocation and management, and that you have not agreed to it so far, does that mean that you could agree to it in certain circumstances in the future?

PM: I wouldn't want to hypothesise, because what we've learnt from working with Māori on this over, now, you know, 8 or 9 years, pretty intensively—I mean, we set up this whole process back in 2010 and 2011—is that you don't move ahead of them, you don't do anything other than work respectfully with the different points of view, and set some achievable goals and move ahead. And what's striking about Labour's policy is their ignorance of the process that's gone on in this country for the last 10 years—going in, asserting ownership, untrustworthy on the tax rate. You know, they said they'd set it after the election and now they're trying to set one before, and if they make it big, they know people will be against it, and if it's too small, which looks like where they're headed, then it doesn't make any difference—what's the point? It's just a bit of a shambles, frankly, and it sets a very poor ground for actually resolving the issues.

Media: Isn't it just the case, though, that it's just been put in the too-hard basket for too many years, and that's why you've got all these issues like water bottlers that are causing so much emotion around the issue of water?

PM: No, it's not a matter of it being in the too-hard basket; it's a matter of resolving the issues you can where you can get agreement, and we've made major progress on that. Four or 5 years ago, there was no measurement system for water quality in New Zealand. Now we have, along with the European Union, the only other country in the world that has one that's comprehensive and been agreed to by all those who have an interest in it.

So it's watertight, if I can use that term, and now we can show progress towards the detailed goals that's we've set. That's backed up by extensive Government investment in clean-up funds and increasing community involvement in, you know, areas like the Waikato River, the Rotorua lakes, the Taupō catchment where they've got nitrate trading and water trading, or nitrate trading, going on. So it's creating a framework for all sorts of policy innovation, where iwi are positive about what's being achieved and taking part and pushing us along. The next bit is going to be reasonably challenging.

Media: But isn't the Iwi Leaders Forum also pushing for a “Waterlords” deal? How could you solve this allocation issue without a “Waterlords” deal?

PM: Well, when we've tested rights and interests, it turns out that there's a whole lot of local rights and interest. They don't assert—and haven't for some time—a national Māori interest in water, because that's been a big part of the discussion. It turns out that their rights and interests are highly localised, and they range from an interest in resource management through to a small number of cases where there's assertion of very close customary use and, maybe, ownership of particular water sources.

Media: Just quickly on the Christchurch Cathedral—the Anglican Diocese have said one of the options they're seriously considering is to gift it to New Zealand. Presumably that would put it under the Government's responsibilities. Does the Government want it?

PM: Well, that's a brand new option, and we don't want to get in the way of the synod process, so we'd have to consider what they think they mean by that. But that decision—you know, if that's their decision, that's still ahead of them with the synod in 2 or 3 weeks' time. We've still got an offer on the table for them for Government support; we hope that they will consider that. No doubt there's a bit of, you know, negotiating pressure going to be applied over the next couple of weeks.

Media: You sound reluctant. Would you refuse it?

PM: Well, look, I don't want to get ahead of their process. They're the owners of it, and they get to make a decision, and we just want them to make a decision in early September because—I was in Christchurch last week, in the CBD there. The convention centre contract's been awarded, the public servants are moving back into the big buildings—the next one being the justice precinct—the East Frame's starting just getting going. Everyone's impatient to see progress, and the cathedral is really the next big decision to be made. OK, thanks very much.

Media: Can you see a situation where nitrates trading is more widespread around the country. Is there a scenario where that happens?

PM: Oh, it's possible, but it's very dependent on the particular catchments and whether it's appropriate or not.

Media: If Xavier or Bartholomew or Tom or Luke, when they were under the age of 14, snuck out to go to a party, would you be happy to pay a \$100 fine?

PM: Well, if they were hanging round out there and I wasn't acting responsibly, then yes.

Media: Even though you didn't know about it?

PM: Well, that's the discussion you'd have with the police. But it would certainly bring your attention to your responsibilities, wouldn't it? I can't recall that happening. Thank you.

conclusion of press conference