

## POST-CABINET PRESS CONFERENCE: MONDAY, 6 NOVEMBER 2017

**PM:** Good afternoon everyone. We've had a busy Cabinet meeting this afternoon, continuing with the agenda that's set out in our 100-day plan. And in keeping with those commitments, I will make another announcement in keeping with our 100-day plan this afternoon. Today, Cabinet approved an increase to paid parental leave. It is our intention that from 1 July 2018, paid parental leave will increase to 22 weeks. From 1 July 2020, paid parental leave will extend to 26 weeks.

A bill will be introduced into the House on Wednesday. It will be a bill that will be familiar to many of you, as it is to many of us. It's a bill that has been well canvassed and supported by all parties in the previous Parliament, with the exception of the National and ACT Party. Despite having a majority in the House, it was, of course, vetoed by the last Government. That will not happen again.

The benefits of paid parental leave are well understood, but the benefits of paid parental leave have not translated into New Zealand legislation and practice. New Zealand's entitlement of 18 weeks is one of the lowest in the OECD, where the average is 48 weeks. I am proud that this Government will pursue one of the issues that we pursued hard in Opposition: that is, an extension to the time available to families to bond with their child at the most important time of a child's life—and those are its early months. Again, the evidence is clear. It's well supported. It's a policy we're incredibly proud to be progressing at this early stage of our Government.

Any questions on that I'll take at the conclusion of my introductory comments. I am very pleased to have the Minister of Workplace Relations and Safety with me here today to answer any of those additional questions.

Of course, today I also confirmed with Cabinet my intention to travel to APEC. I will be supported by the Rt Hon Winston Peters as Minister of Foreign Affairs, and the Hon David Parker, as of course, as many of you are aware, on the fringes of the APEC meeting will be ongoing discussions amongst TPP 11 countries. I will then be joined—Mr Parker will return after APEC—I will be joined by the Hon Damien O'Connor, our Associate Minister for Trade and Export Growth, at the Regional Comprehensive Economic Partnership meeting, which, of course, comprises ASEAN+6. Some Ministers will depart today and tomorrow; I of course will be here for the Commission Opening of Parliament, and am due to leave on Thursday morning.

It's an opportunity I'm looking forward to. The APEC's leaders' meeting will be focused on economic, financial, and issues of social inclusion—issues that are to be traversed; are dear to this Government's heart. It will also be an opportunity for me to meet and strengthen some of those relationships which will be important to New Zealand and to this Government. I'm happy to take any questions.

**Media:** You've got a large number of bilaterals at APEC. It would seem that—probably more than recent Prime Ministers have had. Any reason for that?

**PM:** Oh, well, certainly. Look, it's simply—it's an opportunity that I want to make the most of. It's not often, of course, that you bring together your neighbours within a region, and at the beginning of my leadership it's an opportunity for me to strengthen those individual relationships. That, in large part, was exactly what the opportunity I took yesterday was all about: strengthening those relationships. And you can't beat those face-to-face meetings. So I'll be using that opportunity to my advantage and to New Zealand's advantage.

**Media:** What would be top of your wish-list at the bilaterals? We haven't been told which ones you've got yet, so which one do you most value?

**PM:** Yeah, and those that we are working through—of course, the tradition tends to be that those settle themselves into place a little closer to departure. But certainly in the bilaterals I'm hoping to have, it's those where there's anything impending on our trade or economic agenda where it would be useful to have conversations. There's, you know, an interest in touching base with perhaps some of the leaders that I've already had conversations over the phone that a face-to-face is an indication we gave one another in those early conversations. Of course, at APEC TPP 11 will be on top of mind for me, so speaking to those nations who have a particular interest in some of the clauses we have an interest in. So those are guiding some of my decisions—equally, of course, any nation where, actually, we want to make sure we have a depth of relationship.

**Media:** But you don't want to name one? So, supplementary—you just mentioned trade, so would you be interested in meeting Vladimir Putin?

**PM:** I have prioritised those elements of our trade agenda which are acute. Obviously, TPP 11 is top of our agenda at present and, I would say, again, higher on our agenda is the EU free-trade agreement. I am happy to share, closer to the time, who I'm likely to have bilaterals with, but at this point some of those are being locked in.

**Media:** Can you tell us who you sought them with?

**PM:** Not at this stage. I'll make sure that I go follow due process and finalise some of those engagements. Otherwise you might just go around looking for my rejected list, which—ha, ha!

**Media:** Do you expect to discuss the issue of the foreign buyer ban in the Singapore FTA with, you know, Singaporean representatives—

**PM:** Oh, look, I'm fully prepared to actually include that proactively in conversation, not least, of course, because we are up for renegotiation. So I'm sure it will come up. So I'd like to traverse some of our rationale for why we're pursuing that domestically, and talk about the likelihood of that obviously coming up when we come to renegotiation.

**Media:** It sounds like the APEC meeting will be looking again at those Bogor goals and where it goes as we get closer to 2020. Where do you see APEC's thrust being, going forward from here?

**PM:** From what I've seen from the agenda that's been set out and some of the topics that APEC tends to be focused on, they are issues of our time, an issue that the international community generally are facing: technological advancement as it relates to issues of the environment and climate change. So I'll be looking for opportunities to find common ground with some of our regional neighbours on those issues, and also canvass some of New Zealand's positioning around some of those challenging and confronting international issues.

**Media:** What about—the last question on this topic—what about the sort of growing protectionism around the world, concerns around globalisation and that sort of thing? Are you going to address those at APEC?

**PM:** Oh, look, issues of globalisation are a theme in any of these forums. Of course, you know, we're all pursuing an agenda that both traverses the need to meet the needs of our domestic constituencies—look after New Zealand's interests—whilst acknowledging that part of New Zealand's interest is to be outward-facing. And you'll see from the agenda that we've presented in the early days of our Government that we see a need to put in place measures that ensure we're able to provide those basic needs—like housing—alongside in the same way that many comparable nations have, whilst also pursuing an agenda that supports our exporters, that supports our economic growth. These are not mutually exclusive agendas. What we're trying to maintain is a balance between some of the largesse that we've seen, whilst at the same time acknowledging we are an outward-facing nation, and we need to be.

**Media:** In terms of charter schools, the Minister of Education last week said that he was pretty confident that the four opening in 2019 would not open. He's now saying that those six—I'm including the two to open next year as well—are under review and will be looked at on a case by case basis in the same way that the 10 that are already in existence will be. Is that a backdown from the Government—

**PM:** No, not at all. Everyone is absolutely clear on our position around charter schools. What the Minister is having to traverse now is what contracts were put in place by the last Government. He is seeking further advice and briefings on those individual agreements. What is frustrating for him, and for this Government as a whole, is that very close to the election period agreements were entered into, when that's clearly against usual practice when you come that close to an election.

**Media:** Those schools, though—the six—were publicly notified in February, so that's a long time before the election.

**PM:** And the Minister is seeking individual briefings on the circumstances for each of those schools. But there is no question mark over the policy that we have.

**Media:** Do you sympathise with those schools, though? That they found out through the media that they would potentially be closed, and that, actually, the Minister's—

**PM:** I imagine that they would have always known Labour's position on charter schools. We've also always had the position that for some schools it will be perfectly within their remit to be able to transfer and to become a school of special character or an integrated school, depending on their needs. And we've always maintained that that opportunity existed for those schools who are willing to teach to the curriculum and to have registered teachers.

**Media:** Prime Minister, may I just ask about the paid parental leave policy. Is there any reason why that's coming in in July rather than in April? Or is that just the date that you wanted to start it?

**PM:** So, that's the point at which we've always anticipated our families package kicking in.

**Media:** Have you been briefed on the Paradise Papers, and any suggestion that any New Zealand connections might pop up?

**PM:** I'm aware of them. I am seeking further information. I've seen the statement that's been put out by IRD, but I would like further information before I comment.

**Media:** Labour was very critical of the set-up under which trusts operated before the changes in July. Are you satisfied that they have gone far enough?

**PM:** And that's why, indeed, I will be seeking further information before I comment any further on that. I am aware, obviously, of what's happening, but I would like further information.

**Media:** Have you sent a message to Donald Trump yet about the latest shooting in the United States?

**PM:** No, I have not had an opportunity yet, but I certainly will be passing on this Government's condolences around that recent, tragic loss of life.

**Media:** Do you have any reflections on, potentially, the possibility for gun reform following this latest shooting?

**PM:** Oh, look, you know, that's an issue of domestic policy. We can all hold our own individual positions, as, certainly, it's an issue that comes up every time we see a shooting of this kind. It's natural for you to default to gun policy, and I would hope that at some point the strength of that lobby will start acknowledging the widespread harm that seems to be being done by their current regulation.

**Media:** On the Manus Island refugee issue, did you get any indication from PM Turnbull yesterday that Australia would be inclined to accept this offer from New Zealand after the US refugee deal goes through?

**PM:** Well, the offer remains on the table, so that's yet to be seen.

**Media:** And would you deal with PNG directly on this issue?

**PM:** My intent is to continue to work through the Australian Government, and while that offer remains on the table, there is no reason to work with anyone other than the Australian Government on this issue.

**Media:** Even if you could deal with PNG directly and get that offer across the line?

**PM:** At this point, the offer remains, as I say, on the table, so there is no need for us to go beyond the Australian Government. And it makes sense, of course, for us to continue to work through them. They, of course, are part of organising the processing and many of the other logistical arrangements around those refugees and their resettlement.

**Media:** Has the Cabinet given any further consideration to a pre-Christmas mini-Budget or fiscal package of some kind?

**PM:** That's still an issue with the Minister of Finance, and I look forward to him bringing a decision back to Cabinet on that.

**Media:** Prime Minister, just on the first-year-free tertiary education policy, will that be available to Australians who want to come here and study as of next year?

**PM:** What I anticipate is so long as New Zealanders are able to access Australian domestic rates for attending university, then I expect Australians to have similar access. Now, there are currently some stand downs that apply in New Zealand—so access to student loans and access to allowances happen after three years of residence in New Zealand, and I would expect something similar to apply to Australian students, but only when we extend that first year free. I only anticipate there being a significant change in their access if we see that happen for New Zealand students.

**Media:** Right, so if they go ahead with that plan that they've got over there, you will then remove the chance for Australians to—

**PM:** Yes. As I set out with Prime Minister Turnbull in my meeting yesterday, if we do find that the reforms that have been proposed go through and New Zealand students are unable to access domestic fee rates in Australia, then we will have a similar policy in New Zealand. I think New Zealanders would expect that. It's only fair that we have an equitable policy. I hope it doesn't come to that, and at the moment that legislation in Australia has stalled, so it may not come to that.

**Media:** What about Australians looking to enrol in university here—obviously, three free years is your plan. If this policy goes through in Australia, will you cut off—

**PM:** Look, that's a bridge to cross when we get to it. We're not at that point yet. We're still in fact working through the policy detail of the way that our three years free will apply as it stands.

**Media:** But did Malcolm Turnbull make any reflections on the likelihood of that reform passing the senate?

**PM:** No, he made no comment on that—simply to talk generally about the policy, as did I.

**Media:** Do you plan to be up at Waitangi on both 5 and 6 February next year?

**PM:** Yes. That is my current intention, yes.

**Media:** And do you also plan to go to the Iwi Chairs Forum, on whatever day that is, before that?

**PM:** Oh, I anticipate that I will. I wouldn't want to pre-empt an invitation, but yes.

**Media:** Do you have any particular thoughts on the Iwi Leaders Forum, on how effective it is? A number of Māori have spoken out and said they don't feel that it actually represents them at all. Do you have any concerns about that?

**PM:** Oh, look, I don't see that as my only contact point with iwi. So, yes, I anticipate engaging with the Iwi Leaders Forum, but also via a range of other mechanisms, including direct one-to-one hui. So that's not, of course, our only option in terms of our engagement.

**Media:** You said on the campaign trail that a Labour-led Government would look into giving tax breaks for people that invested in SMEs.

**PM:** Yes.

**Media:** Where are you at with this idea?

**PM:** That's something that I want to work through as part of our tax working group.

**Media:** Have you got a time line on this?

**PM:** Well, when the tax working group establishes its time line, then that will be the time line for those incentives as well.

**Media:** And you also floated the idea of tax breaks for savers as well. Is that in the same process then?

**PM:** Again, I would need to check whether or not that would be in within the ambit of that review, but my expectation would be it would.

**Media:** You've also spoken about a progressive company tax break like we've seen in Australia. Is that something that you'd—

**PM:** Again, one of the things that I'm interested in looking at, particularly in light of the work that we're doing around increases to the minimum wage, acknowledging that some of those smaller to medium sized enterprises will feel that in some cases more acutely. But that's a mix of things that we want to do to ensure that we're encouraging more broadly both a fair and progressive tax system but also investment in our productive economy.

**Media:** Would you like to see America come back into the TPP one day?

**PM:** At this point I'm entirely focused on negotiating with who we have at the table now. That hasn't entered into my realm of thinking. As you can imagine, we're at quite an important stage in the process, and I'm incredibly focused on where we're at.

**Media:** But isn't the point of signing the TPP 11 so that the door is open to the US coming back?

**PM:** Yes, but we have to negotiate with the partners that we have at the table now as well. Our focus, of course, has been on making sure that we maintain some of the benefits that are included in the agreement, particularly as it relates to Japan, whilst advocating around ISS clauses, and that's what we're doing.

**Media:** Could we change our mind at a later point if America wanted to come in? I mean, are you signing up—if you sign the TPP 11, are you signing up to something that—are you telling the New Zealand public that you'll also possibly one day include America?

**PM:** You've got to always have that foresight, because, ultimately, that is the agreement—is such that America could indeed re-enter and there is a possibility that a range of suspended clauses then would no longer be suspended. So we have to keep that in mind in our negotiations.

**Media:** You mentioned that, in the charter schools example, the Government had perhaps misused the caretaker period. Were there any other examples you've discovered upon getting into Government where the previous Government's made decisions that you wish hadn't been made?

**PM:** Look, a few, but none that I consider significant enough to take up any of your time.

**Media:** What did you think of Simon Bridges describing the Government's proposed select committee's changes as an erosion of democracy?

**PM:** Mr Bridges moved a motion in Parliament supporting exactly what we are now enacting. He in fact moved it with enthusiasm. He voted for it at the Standing—at the Business Committee. He has now decided that it's an erosion of democracy. The proposal has not changed. The only thing that has changed is the position that Mr Bridges has.

**Media:** This might be a—

**PM:** Can I also add, we have offered the National Party the role of chairing five select committees. We've offered them the role of deputy for five select committees. That in comparison to any other Parliament is an extraordinary degree of sharing, as it were. To then be described as operating in an undemocratic way, I find to be completely unfair.

**Media:** Which select committees?

**PM:** We haven't individually worked through the individual names of those select committees yet, but it was an offer that was made.

**Media:** So are you firmly set on that number of 96 MPs? Would you be willing to make—

**PM:** It was an agreement of the Business Committee of the last Parliament. Every party supported that agreement. It was a parliamentary decision.

**Media:** Couldn't he argue, though, that with the different split of the parties in the new Parliament, that it's less fair on the major party to have that smaller number of MPs in the select committee?

**PM:** The decision around the total number of MPs attending select committees was a decision based on the number of select committees that existed and also the ability of members to be able to cover off their select committee duties. There are a range of reasons that that number was established by the Business Committee and, as I've said, was supported by members of the Business Committee. The only thing that has changed is that now—perhaps, as far as I can tell, the only thing that's changed is that Mr Bridges' position has changed.

**Media:** How do you think employers are going to react to the extension of paid parental leave?

**PM:** Oh, well, obviously, the existence of paid parental leave does bring with it the need for employers to ensure that they can, for the time that someone's on paid parental leave, replace their staff. And I acknowledge that that has an impact, but that has an impact at 14 weeks as much as it does at 26 weeks. Of course, the cost is borne by the State, so it's really the replacement of that staff. Perhaps some may find it easier, perhaps, to find someone to replace for a period of 26 than 14 weeks.

Look, I have taken on board, though, that these issues do tend to provide, particularly for our small and medium sized enterprises, some challenges. But I hope, by setting out the time line that we have, they will be able to plan for that. I also hope that, overall, they'll see a likelihood that they may perhaps be more likely to see their employee return to work because they've had a decent amount of paid parental leave, or at least a more reasonable amount of paid parental leave.

**Media:** You mentioned the 100-day plan—

**PM:** Is there anything more you wanted say on that though, Iain?

**Media:** You mentioned the 100-day plan. When does that start and finish, and, also, do you think you'll have to use urgency in the Parliament to get elements of it through?

**PM:** For elements, yes, for elements. It's started, and concludes, if my memory serves, on the 3<sup>rd</sup> of February. We gave ourselves a busy Christmas.

**Media:** So which—

**PM:** You will see which pieces of legislation will be the subject of urgency at the time that we introduce them. You'll note that there are a number of pieces of legislation that are introduced as part of the 100-day plan, rather than necessarily progressed through all stages. I see paid parental leave as being different. It's, essentially, been through this process, and more than once. It would not be a good use of Parliament's time to repeat that process to the same degree. And, also, it would be remiss of me not to mention the work of Sue Moroney in getting this piece of legislation to the point it is.

**Media:** So is there any other pieces of legislation that will not get a select committee process?

**PM:** Our preference is for select committee processes, which is why you'll see most of the legislation is introduction, rather than all stages.

**Media:** So is the three, was it \$326 million—is that an updated costing?

**PM:** That includes some discounting, but only some. The discounting relates to MBIE's predictions around return to work. So that's in line—my understanding is the figure we have is in line with our fiscal plan, and the advice that's been consistently provided to us to select committee by MBIE.

**Media:** Does that mean you see any need to bring Parliament back earlier than you would otherwise have done next year?

**PM:** Oh, it will be an active Parliament. I'd have to search back in my mind as to when we started, but it will be generally in the vicinity of when Parliament has resumed in the past—in the vicinity.

**Media:** I know you wouldn't say who you had sought bilateral meetings with, but has anyone sought a bilateral meeting with you?

**PM:** Have I got anyone on my dance card, is what you're asking. I haven't got an update on that, I'm sorry, James. But I will come back to you on who I finally have those bilaterals with. All right—a last question.

**Media:** You mentioned that there might be some things that are in the 100-day plan and some things that aren't. Can you say at the moment what you think you won't achieve in that 100-day plan?

**PM:** Some things that are in the 100-day plan and some things that aren't?

**Media:** You mentioned one or two things that might not make it and some that—

**PM:** Oh, right, yes. Well, it may be obvious to everyone now that we'd announced originally in our 100-day plan a water forum to help us progress the levy on water use, and, obviously, that's no longer a part of our policy as a result of our coalition agreement. So that's a very clear one. And, obviously, the inclusion of the waka-jumping legislation is an addition. OK, thanks everyone.

#### **conclusion of press conference**