

PM: Good afternoon, everyone, and welcome. Thank you for joining us this afternoon for this announcement. Before I begin, I am aware that we have name plates in front of us, but the description of who everyone is here and who they represent is rather small. So, skipping over the Minister, I will ask those who are at the table today, perhaps if we start with quick introductions so everyone has an idea of who's represented. I'll start with our host, Katie.

KATIE MILNE: I'm Katie Milne, the president of Federated Farmers.

ANDREW MORRISON: Andrew Morrison, chair of Beef and Lamb New Zealand.

NEIL BATEUP: Neil Bateup, chair of the Rural Support Trust National Council.

JIM VAN DER POEL: Jim Van Der Poel, chair of Dairy NZ.

FIONA GOWER: Fiona Gower, national president for Rural Women New Zealand.

PM: And can I just check everyone can hear adequately everyone at the table as well? I acknowledge that [unclear] has joined us as well for this announcement and discussion. Questions to follow, but I'll start, then I'll move to other representatives to give their introductory comments, and then we'll move to questions.

Cabinet has today joined with industry and collectively decided to attempt the eradication of the cattle disease Mycoplasma Bovis from New Zealand. We've made this decision in partnership with our farming sector to protect our national herd and the long-term productivity of our economic base. This was a tough decision and I empathise fully with those farmers going through the pain of losing their herds. We essentially had 3 options in front of us today: phased eradication, long-term management or doing nothing. Our plan to eradicate Mycoplasma Bovis over time will require significant resources from both government and the industry, but to not act would cost even more. Cabinet today agreed with the decision that was essentially indicated by industry last week on a phased eradication plan that all-up could cost \$886

million, paid for in partnership between government and industry. Of this, \$870 million is the cost of the response, including compensation, and there will be an estimated \$16 million cost to the industry due to lost production as well.

To not act at all is estimated to cost the industry \$1.3 billion in lost production over a 10-year period, within ongoing productivity losses across our farming sector. This does not include the unquantifiable cost of what allowing the disease to remain in New Zealand would have on the wellbeing of our rural communities. Likewise, long-term management would have meant farmers throughout New Zealand were faced with the uncertainty and the anxiety of whether this disease would appear in their herds. That is why we've made the decision to attempt eradication. I personally do not want to look back on this time, having seen the full impact of this disease on the productivity of our farming sector and the wellbeing of our rural communities and say I wish we had tried harder. This is an ambitious plan to attempt eradication, and we will reassess as partners together, government alongside industry, to ensure that we are on track.

It is in the national interest of our country to be free of Mycoplasma Bovis. We readily see the difficulty faced by farmers overseas when they find M Bovis in their herds. It is heart-breaking, the social and economic impacts are too large to ignore, and I know some of those countries openly express regret that they, too, did not try to eradicate this disease. We have this one shot to eradicate and we are taking it together. I'll hand over now to our Minister of Agriculture and Biosecurity to make a few comments.

MINISTER O'CONNOR: Kia ora. I'd just like to thank my Cabinet colleagues and industry leaders for making the hard call today to attempt eradication, which is the right decision. It's a tough call. As a former share milker and famer I can relate to the terrible situation facing anyone who has to cull their herd. I know there will be farmers who debate this decision. I've had calls and

emails from some saying cull the herds, and others saying stop the culling. It's really tough on the families who are directly in the firing line of this terrible disease. It's up to us to work together and to support them. The reason we're doing this is that farming is our single biggest export earner, and the livestock part of it the biggest chunk of that. We need to protect that export earning capacity in our country. We have one shot at eradication to protect more than 20,000 dairy and beef farms across our country, but only if we act now. Can I say that [unclear] culls are necessary unfortunately because there's no clear, reliable test for identifying a single animal that is infected with the disease. The chances are that if one animal in the herd has it, then the rest of the herd can be infected. We are undertaking phased eradication, and just to run through a few of the points there: culling all cattle on all affected properties, along with cattle on most restricted properties will occur. All infected farms found in the future will also be depopulated. These farms will remain in lockdown following depopulation. Our farms are disinfected and will lie fallow for 60 days, after which time they can be restocked and farming can recommence. There will be active, intensive surveillance across the livestock sector for the next 10 years.

I'd just like to acknowledge all those farmers who have been affected by this to date. There are some very generous and kind people who are facing some very difficult times and our heart goes out to them. Can I say there will be some flexibility for the farmers in the timing and culling to offset production losses and to allow them to work through this difficult situation. Can I say that biosecurity is absolutely important for our country. This is a wake-up call for us all. We're working through a process of upgrading our biosecurity system, improving our national animal identification and [unclear] system, making sure that they are more user-friendly and more effective to enable us to be able to trace stock into the future. Can I just say in final comments that farmer welfare is at the forefront of everything we're thinking about. There are some farmers and families who are facing some severe stress. We want

to encourage everyone who knows one of these people, who lives in a rural community to get out there and support those people. Together we can get through this, hopefully eradicate this disease and move on to a better farming future. Thank you very much.

PM: Thank you, Minister.

KATIE MILNE: Yeah, this has been the toughest week, this last week, to be faced with making this decision, it has been an excruciating experience. But it was always, from the start of the whole process, that while it looked like science said there was a possibility of eradication, we backed that thought all the way through, that eradication was where we needed to go. We still believe that getting rid of it is the preferred option. Living with this is hard. We've seen what happens overseas, and we see all the [unclear] other bits and pieces around it, but at the moment being able to have a crack and offer compensation is key, and this is one of those times when you've gotta take that call and have a crack. We're looking after the whole of New Zealand's herd, and unfortunately it means that there's less than 0.5% that are going to have to take the knock for the rest of us. We're gonna wrap around some really good support around our farmers who are gonna go through this. This is a tough time. The pain and anguish they're gonna go through is really hideous. We have to support them as neighbours, community members, farmers, friends and so on. And our focus is gonna be to continue on to make sure that they get that support and make sure that the system provides the compensation quickly and adequately and all those things to make this is as easy a process as it can be, given it's such a difficult process.

ANDREW MORRISON: Okay, Andrew Morrison, chairman of Beef and Lamb New Zealand. There's been multiple references to this as being a really tough decision, and as a Southland farmer I live in one of these communities and I'm aware of the impact on the responses that farmers and all the affected [unclear] around New Zealand. Farmers who are affected are under

movement restrictions, they're under huge pressure and uncertainty, but that uncertainty and anxiety spreads much wider than those directly affected right across the rural communities. So, our goal at Beef and Lamb New Zealand was that we always believed to have the right information in front of the people will lead them to the right decision, and that's what's brought us here today. That is a decision that could've gone either way, but in the end the key thing was that eradication is only on the table for a limited time, and once it's off the table it's off the table forever. We have a window of opportunity here.

For Beef and Lamb, it's fundamentally important in a closed decision to have some clear trigger points going forward to make sure the course of action we're following continues to make sense. This will be a clear part of planning moving forward, and our hope is that with the united effort the difficult challenge of eradication can be met. Then we can turn our work to the crucial work of ensuring that we learn everything we can from this response that makes us better prepared for the future. Thank you.

NEIL BATEUP: Neil Bateup, Rural Support Trust. There's been a focus, and rightly so, on the disease, the farms and the animals, but the really important part is the people, as some of the earlier speakers have noted. There is a lot of pressure and stress on people. Any disease eradication or control programme is very stressful and takes a toll on the people involved, the farmers, share milkers, managers, the farm staff. The Rural Support Trust is a totally independent organisation which can supply free and confidential support to individual farmers as required. MPI has supplied the contact details of all the farms under some form of restriction due to the programme in place, and we've been supporting them through the process, and I have to say that the team in the South Island have been doing a great job down there. It's important that all farmers support those that are affected by no fault of their own, because those farmers are taking a hit on behalf of all farmers, so it's important we get around them and support them.

PM: Jim.

JIM VAN DER POEL: As a dairy farmer myself, and as a representative of all dairy farmers in New Zealand, this decision represents hope that as a country we might be able to eradicate this disease. We believe it is possible to eradicate because our experts are telling us that it is and we have one chance to do so. We do not want to regret not taking that chance. Our decision to continue to eradicate is about ensuring that the 99-plus percent of farms and animals who don't have it don't get it. And we will do everything we can to try and keep it out of those farms, but we have to acknowledge that there are farmers that are doing their part and it is very personal for them. We are here to give those farmers the support that they need. I personally will continue to push hard to put the right support package around the people that need it. We need to undertake that someone, whether it's from Dairy NZ, MPI, or one of the other sector groups standing here today will be driving up the driveway of any of the directly affected farms in the next week to give them support. Whether it's to help fill out forms, get access to feed, management plans, or just someone to talk to or get advice from, we're here to help those affected farmers. We have one chance to try and get this right and we believe we should take that chance. It is vital now as we push towards phased eradication that we all apply on-farm biosecurity measures, complete NAIT and access the information we need to make good decisions. There is a range of rumours at the moment, and I encourage farmers to talk to one of many farming groups, including Dairy NZ, to get the answers to the questions. I thank the government and all the other farming groups here today who have worked closely together to work on a way forward for New Zealand. Thank you.

PM: Thank you, Jim. Fiona.

FIONA GOWER: Kia ora, ka tatou. Rural Women New Zealand has been a leader in supporting rural communities since 1925, and we are here today in

collaboration with the government, MPI and the industry leaders to support our rural communities, farmers, their families, and especially the women and children through the tough times ahead. We are committed to ensuring there's wrap-around welfare support for those affected, because we understand that without this, high levels of stress in times of any crisis and in the aftermath can lead to a breakdown in our rural social fabric. The last thing we need is the bullying of our children and increase in family violence, or even suicide. Rural Women New Zealand will be working with the rural support trust, other primary industry groups and leaders to ensure that all rural communities, all farmers and farming families and the women and children feel connected and supported. Strategic, thoughtful and regular communication between the support networks and the communities is vital. Together we can do this.

PM: Thank you, Fiona. Thank you, everyone. Well, now open up for questions. We'll try and direct questions to the most appropriate person to give you an answer.

REPORTER: Prime Minister, how concerned are you that this might fail?

PM: Well, of course we're taking this opportunity because this is our one opportunity. Of course, we know that there is no impact on human health. We know other countries exist with this disease, but we want New Zealand to be free of it, and this is our opportunity to be that country.

REPORTER: Why do you say that we have this one shot? What's the reason for that?

PM: The longer that we leave it, the more difficult it becomes to eradicate.

REPORTER: What makes you think we're gonna be different to other countries in terms of trying to eradicate this?

PM: Of course, our borders, in particular, make it possible. We do believe that we are taking it on at a point that it is possible to eradicate, and as has been

said no more than 99% of farms don't have it. We want to protect them from having it, so we are at a point where it is possible for New Zealand to be that country. And we have had a history of eradication of other issues, biosecurity issues before. I think also the cooperation between us all only strengthens our ability to be the country who is able to eradicate.

MINISTER O'CONNOR: Can I just say that so far there's only one strain identified, and we believe that that's come from one source, so if we can track and trace all the animals we believe we can contain and then eradicate. So, all the indicators are that this is possible to eradicate. Experts have said so, and we believe we have to give it a go.

REPORTER: What about the risk of reinfection?

MINISTER O'CONNOR: The risk of reinfection is dependent on the biosecurity systems that we run. We're certainly more alert to our biosecurity risks at the border, through the importation of people, of goods, we're upping the game at every level, and now I'm sure anyone involved in the farming sector will be very conscious of anything that they import or consider a risk material.

REPORTER: But there is a chance of not reinfection?

PM: Other countries have had this, Ireland's had this since 1990 and we've been free of it, so once we eradicate we have the ability to make sure that we maintain a standard.

REPORTER: Will you be calling on any overseas bodies or any overseas experts to help you with this, or...

PM: We already have. The Chief Medical Advisory Group was made up of overseas experts.

REPORTER: Whereabouts were they from?

PM: Those countries that had experienced: Ireland, Australia...

KATIE MILNE: U.S.

MINISTER O'CONNOR: Ireland, Australia, from the U.S.

REPORTER: What was their advice?

PM: That it was still possible to eradicate.

REPORTER: One of the causes of this, or an aggravating factor, was that farmers didn't compile NAIT for years. I think the figure was given that 70% of farmers didn't do NAIT. What improvement has there been in NAIT compliance since? And are there still farmers who don't bother?

MINISTER O'CONNOR: We're working through 23 recommendations from the Independent Review Committee. They will be implemented as quickly as we can. The rest of them up to the 38 will be implemented as we change legislation. The awareness of the value of NAIT has upped substantially. I have to say there wouldn't be a farmer in the country now that doesn't appreciate the value of NAIT, and I'm sure they're doing their very best to comply.

REPORTER: But NAIT has been a bit of a failure, though. Why are the NAIT boards still there? NAIT would have had a lot of time to get this together. Nothing's happened. I mean, we've got a failure.

MINISTER O'CONNOR: I can't explain why in history. All I'm saying is we're gonna get on and make the changes necessary.

REPORTER: So, are the changes going to be get rid of the board and get a new lot in to try and do a better job?

PM: At the moment we're tackling this issue head-on. Our focus is collectively working together to tackle Mycoplasma Bovis. We'll be working to make sure that all the instruments we need in place to manage it appropriately are there. When it comes to addressing wrongs of the past, that time will come. But for now, we've gotta get on with it.

REPORTER: So, in future will farmers be more likely to be prosecuted for non-compliance?

MINISTER O'CONNOR: Yes.

REPORTER: Geoff from MPI said earlier that 126,000 cows, they said last night, was expected to be culled over this period...

PM: Over 10 years, that's a rough estimate over 10 years.

REPORTER: Yeah, and that the spring testing would likely create an increase in the number of farms and stock that have been affected. Is there a cut-off point for you in terms of how many livestock would be culled, where you would say: that's it, we're not gonna carry on with this?

PM: I'll ask one of the industry members, but just to put that into perspective: at the moment we're talking about the potential of 126,000 over a 10-year period. And in any given year we might have a million dairy cows as part of dairy farming. So, there is the ability to manage that within our national herd and manage it appropriately. But, of course, we wanna keep reflecting as government and industry together as we work through the eradication plan as to whether or not, for instance, after spring we see additional properties, additional strains, we'll analyse all of the evidence we have and continue to monitor it together, and we'll do that at regular intervals.

FIONA GOWER: That's the key, understanding of those 126 are still traceable to the originals, and so on like that. We're going to have multiple avenues like that we'll be getting that information through and making those decision jointly as we go.

REPORTER: But what you're saying is as long as they're still part of that same connection point, then you would be prepared to continue to cull cows up until any number, basically.

FIONA GOWER: It's the start of the period at the moment.

REPORTER: Prime Minister, obviously this is the cheapest of the 3 options that you've outlined for us today. You've said that other countries have lived and do live with this disease. Is there a reason, apart from the relative cost, that you want New Zealand to be free from M Bovis?

PM: Do you know, I have to say, of course, you're interested in the cost benefit analysis. But I think from our collective discussions, the thing we want to ensure is that we don't allow something to continue that could have an unknown effect on our productivity down the track. And we don't know in the long-term what impact it could collectively have on an industry that is incredibly important to New Zealand's economy. So, if we have an opportunity to be the country that eradicates this disease, then we'll take it.

REPORTER: Of the 152,000 cows that will be culled...

PM: Over 10 years.

REPORTER: Of the 152,000 cows that will be culled, how many of them do you expect will be healthy cows?

MINISTER O'CONNOR: Can I say that probably quite a large number of them are healthy. The point was made to me that the majority of animals that we do cull in New Zealand are all healthy. This is a necessary, unfortunate part of not having, yet, a test that clearly identifies the individual animals. If technology and development allows us to come up with that test or we get it from overseas, we'll be in a better position to be more selective about the cull.

PM: I think the point that industry so clearly made is that, yes, in any given year we might have one million cows culled as part of dairy farming in New Zealand. But that's spread across the national herd. What we're acknowledging today is that for some farmers this will be their entire herd. So, even though as a proportion it's a small number, that small number for an

individual farmer will feel significant, but it is 1% of our total farms in New Zealand, so just to give it that perspective as well.

[Unclear]

PM: Sorry, Jim, did you want to add?

JIM VAN DER POEL: I made the comment because the cows might be healthy at the time. Remember if they're carrying Bovis it could come out at any time. This is an animal welfare issue, and to wait for those animals to get sick before we do something about it is not right either. What we know is if the herd has got M Bovis, then it's likely to come out in them at some stage, so this is about trying to get in front of that.

REPORTER: This is a pretty big budget hit for you, for the government. What other options is it cutting out in other areas?

PM: Well, we've always acknowledged that we need to make sure that we are prepared for a rainy day for issues just like that, those of national security, biosecurity, that's why you saw us deliver a budget that was prepared to deal with issues like this.

REPORTER: \$690 million will come directly out of your surplus?

PM: Look, it's for the Minister of Finance to determine how it's accounted for, but I can tell you we were prepared for this, we prepared a budget that was able to carry the load of an incident like this.

REPORTER: But the budget said one of the risks that [unclear] was the impact of M Bovis on [unclear]. You're going to have to change those numbers, aren't you?

PM: As I say, James, we delivered a surplus for the very reason that we wanted a buffer for a rainy day. This is a rainy day.

REPORTER: Just on those figures, you've got 68% coming from government and 32% coming from industry. How did you arrive at that split?

ANDREW MORRISON: That's based on G8 principles. We've worked with the government to see what would be fair and equitable, and based on what we've agreed. The whole principles around the government agreement is what we're going to use going forward.

REPORTER: Was there much negotiation in that, or was that just the first figure that you arrived at?

ANDREW MORRISON: We just sat down together and we decided what we thought was fair and equitable and the right thing to do.

REPORTER: Minister, how did it get into the country, and is there any chance that it was maliciously introduced?

PM: That's obviously that MPI is directly pursuing and we have an expectation that they will pursue those who may have been involved with the original arrival of M Bovis in New Zealand. You can see the impact that it's had. Again, that's something that's happening in tandem. We've refocused on eradication, but that work is underway. There is a range of ways that it could've come in. I would not, again, I wouldn't want to prejudice any further investigation, but as I say, MPI are working on it.

REPORTER: [unclear] response shaken your confidence in MPI?

PM: Was that for me or the minister?

REPORTER: Both.

MINISTER O'CONNOR: No, look, this is a brand-new challenge for an organisation that has huge responsibilities. No other country has done this. We haven't had a standing army waiting around for this, so at every level we have been challenged. There might be in hindsight mistakes that were made, but we're upping the level of resource, the level of capability and working with industry organisations to improve our support for farmers and our action. The

decision today will enable us to move on in a more certain way to indeed eradicate if possible.

REPORTER: Excuse me, do you have a figure, if the industry's paying 32%. How much would that work out per farm on average?

PM: No, we don't. Obviously, that's an issue that we're leaving with industry. What I will say is that that won't delay the work around the eradication plan. We have a plan to pursue that, and obviously government funding will allow that to happen immediately, and then industry will work through on their side of the ledger how they operationalise the 32%.

REPORTER: You've talked a lot about this one shot at eradication. Should that one shot have been taken in July last year when this disease was first discovered?

PM: Look, you know, we could talk about July last year when it was discovered. We could talk about 2015, when there's some view that that may have been the entry point. Our job is to take responsibility now together for the eradication plan moving forward, that's what we're doing.

REPORTER: Looking at the compensation plan, which I understand is a work in progress, these cows were going to be going to the works in any case, could the minister give some idea how the compensation scheme is going to be worked out, given that presumably you weren't gonna go for the opportunity cost per cow?

MINISTER O'CONNOR: We've given assurance that farmers will receive a substantial amount of money of their compensation within 10 days or thereabouts from their claim when it's put in. It's a complicated process to ensure or to calculate accurately the loss of milk income. But in terms of the loss of their cows, that's a far simpler process and we've committed to speed up that process to ensure that no-one is squeezed financially through their part in this whole process.

REPORTER: Would they deduct they would've got from sending 28 [unclear]?

MINISTER O'CONNOR: Look, the farmers will receive a meat cheque from the meat companies, and then there's a balance based on a fair valuation of their animals, and then any potential loss of income from milk or other sources of income that they might have had from the animals. So, it's not simple, but MPI have committed to speed up the process to ensure that people aren't squeezed unfairly.

PM: Last question. What was that, sorry?

REPORTER: What would stop farmers from gaming that system, given its complexity?

MINISTER O'CONNOR: Well, we have to have a fair process to all parties, fair to the taxpayer as well as to the farmers.

PM: I'll had over to Katie.

KATIE MILNE: As Jim would say, there's standards in there. We know what the natural attrition rate, the cull rate is, and I know earlier on speaking to MPI, there was allowances made for that part of the process. So, it's pretty standard.

PM: We're going to wrap. I'm gonna allow industry representatives, if there's anything they'd like to finally add, Jim?

JIM VAN DER POEL: Probably nothing to add, really, at this stage. I think we've covered it pretty well. And as you can see from the whole group, we're united in this, it's the right decision to make and the right thing to do going forward.

PM: Katie? Did you have anything finally?

KATIE MILNE: Just that we are really conscious of those people now who we've gotta look after in all this, and we're gonna make sure that we can do

our best there, and actually that they need to reach out as well if they feel it's not enough help and let us know so that we can do more.

PM: Okay, everyone. I'm gonna do a stand-up now, so if you've got any additional questions, I can carry those.

REPORTER: This is an industry question. The 32% figures picked up by industry, will that only be borne by the infected farms, or by the industry as a whole?

PM: No, it's an industry percentage. Okay, everyone. I'll now stick around for any additional non-Bovis questions you might have. We might do that in the centre, but thanks, everyone, for your time.

PM: Alright, everyone. Look, I won't run through the week ahead because I think probably my team's already come down.

PM: We might shut those doors. Great, I think you already have an indication of our week ahead and in particular tomorrow I'll be heading south with the Minister of Agriculture to visit farm-affected areas of M Bovis. I'll be making a trip to Northland on Friday and various things in between. But let me open up the questions.

REPORTER: DHBs have come out and, I guess, doubled their [unclear] and nurses seem to be reasonably surprised at the way it was announced today. So, they haven't offered much by way of comment, but it does seem as though the Chief Executive is going to recommend that it be declined.

PM: The Chief Executive?

REPORTER: The Chief Executive of the Nurses' Organisation. Is that concerning for you? Aside from what you've put... hidden in contingency, is there enough for more?

PM: This is a matter for negotiation, but by way of the deal it is a doubling of what the DHB last offered. It addresses some of the concerns that nurses

raised around staffing issues with a pledge to bring on an additional 500 nurses into our nursing work force. It's a 9% pay increase, and it also includes 2 new pay bands to address the fact that there are currently on 6 for our nursing work force. And as I say, it is a half a billion dollar deal. It is, however, now for the nurses to consider. But obviously now's the time that DHBs will need to plan for any contingency for strikes, if that is what nurses choose to do.

REPORTER: On the welfare overhaul, a working group's been announced today looking at that. But you've already indicated some of the sanctions you would like to go, such as when a mother doesn't name a father and gets \$20 less a week of their welfare payment. Why are they reporting back next year? Is there anything you can do to make improvements on some of those sanctions earlier?

PM: We've put all of those things in together because there's an interplay between different rules and sanctions within our welfare system, and it made sense for that expert group to be able to consider them all as a whole.

REPORTER: That's an incredibly large expert group. Are you concerned that there might be a too-many-cooks scenario there?

PM: No, no, and of course there's a range of issues that we need that group to consider, particularly the complexity between, for instance, the way that our tax credit regime works with our welfare system, so that complexity in itself means having people with expertise does enlarge the group. But no, I'm not concerned by that.

REPORTER: What do you make of the report at the weekend that Peter Mattis, the former CIA analyst, says there should be discussion about whether New Zealand and Australia should remain in Five Eyes given that the level of [unclear] Chinese...?

PM: As I've already said publicly, I have not had those issues raised directly with me, and that is the basis on which I would consider that to be a serious issue, and so I do not share the concerns of the individual in question who admitted this morning in our national media that he was simply reiterating things he'd already seen reported in New Zealand.

REPORTER: You have no concerns about potential [unclear]?

PM: No. And the finalised partnership I consider to be very strong. You've already seen me engage internationally with other members of the Five Eye partners. I do not have those concerns. I think if they existed, I would know.

REPORTER: Just on abortion law reform, we saw the referendum in Ireland over the weekend, Justice Minister Andrew Little has said that he would hope that there could be legislation before the House next year, but it would be a conscience vote. Pro-abortion groups have said that quite often you see with referendums people are more in favour compared to when it comes to a conscience vote for leaders who are a little bit more conservative. Do you think that that is the case?

PM: Look, we're working through a process where I hope we would see a large range of support. I don't wanna pre-empt that, but I hope the process means that we'd have a significant number of parliamentarians who would support the work that's been done. The Law Commission is leading it. They're undertaking a consultation process. We're trying to do this in a way that we can garner that support more broadly.

REPORTER: Andrew Little said whether it would get into the House next year, providing government would agree on the recommendations at the end of this year, would depend on how many other things are going on in the House. Would you make it a priority next year to ensure that that went through as quickly as possible?

PM: I think the first stage is actually making sure that we get that work back and drafted by the Law Commission. You know, it's something that I've said in this term I'd like to see dealt with, and so a focus for me will be making sure that we've got that broad support so that we can see it through to its end point.

REPORTER: And just lastly, do you think New Zealand politicians should be embarrassed by how slowly we've done abortion law reform, considering Ireland is such a conservative country...?

PM: I think there is a difference. Of course, you can access abortions in New Zealand. The issue is we still categorise it within our Crimes Act, and of course there are then a number of flow-on effects from it being categorised in that way for the way that women access. And so, that's why I think it's only right that we have the Law Commission undertake this work because as I've said, my personal view that in 2018 it should no longer be a part of our Crimes Act, regardless of whether or not women can access it.

REPORTER: But based on the changes Ireland wants to make, they would actually be further ahead in abortion law...

PM: And we're doing the work as we speak.

REPORTER: In a pre-budget speech, you outlined business confidence is an elephant in the room. The Business confidence figure's coming out later this week. Do you think that the budget, as conservative as it was, was enough to get businesses on side?

PM: Look, I think these things sometimes have lag, so I won't be necessarily expecting that that would change overnight. As I say, the number one concern that I have is making sure that economic activity reflects the reality, and that's continuing to be the case. It's a bit more of an issue of pride around the perception issue, more than anything.

REPORTER: Because some of the figures within that, the economic numbers, were actually quite rosy. Do you think that's gonna be enough to push the businesses over the edge?

PM: Again, as I say, reality is much more important, but as a matter of pride I wouldn't mind perception moving as well.

REPORTER: The Salvation Army is the latest to come out about the confusion around Kiwi Build. Is that policy just doomed to fail?

PM: No, because the alternative is do nothing, and continue to have a declining home ownership rate, and I don't accept that.

REPORTER: But do you think the public has any confidence in it when you've got all of this confusion around the policy?

PM: I accept that Kiwi Build is ambitious. I accept that no government has tried to address a major gap in the market for affordable home ownership in the way that we are. We need to prove that it's possible and that's what we're working on.

REPORTER: Would you consider hording workers en masse as the [unclear] category?

PM: We were critical of any policy around bringing labour that didn't alongside it have a plan around training our domestic work force. But we also acknowledge we have a skills gap right now. We wanna be able to deliver rooves over people's heads, we have to look at filling that skills gap, but we'll only do it alongside a plan to make sure that we're training New Zealanders at the same time.

REPORTER: So, how many people are you gonna bring in?

PM: Again, this is an area of work that I've asked our Minister of Building and Construction to look at. We need a long-term plan to train, to encourage

more apprenticeships, that's what we were working alongside the industry on, but in the short-term we also have a skills gap we need to address.

REPORTER: How do you respond to people who say that the fees-free policy is actually drawing people away from apprenticeships that are relatively cheaper and from universities...?

PM: I would argue that that's not the case. If you move into a polytech course, you'll have one year free. If you become an apprentice, you get to. Alright. Thank, everyone.