

POST-CABINET PRESS CONFERENCE: MONDAY, 8 APRIL 2019

PM: Good afternoon. Let me first give you an overview of the week ahead. Tomorrow, I am here in Wellington as the gun reform legislation will be reported back to the House for its remaining stages. On Wednesday, I'll be making an announcement regarding assistance for young people in driver licensing in Porirua. On Thursday, I'll be speaking at Plunket Line's 25th birthday, and then be based in the Hutt Valley for the remainder of the day. Also, on Sunday, I'll be making an announcement in Auckland relating to construction. Given, of course, it's embargoed against delivery, I'm sure no one has yet seen publicly available the announcement I'm about to make.

Today, Cabinet agreed to the terms of reference for the royal commission of inquiry into the Christchurch terror attack and endorsed the decision to appoint Justice William Young as chair. This is the Government's latest action amid an ongoing response to the 15 March terror attack. The royal commission plays a critical role in our ongoing response to fully understand what happened in the lead-up to the attack and to ensure such an attack never happens again. The commission will look at the individual's activities before the attack, including relevant information from his time in Australia; his arrival and residence in New Zealand; his travel within New Zealand and internationally; how he obtained a gun licence, weapons, and ammunition; his use of social media and other online media; his connections with others, whether in New Zealand or internationally; what relevant State sector agencies knew about this individual and his activities before this attack; what actions, if any, they took in light of that knowledge, and whether there were any additional measures that the agencies could have taken to prevent the attack; whether there were any impediments to relevant State sector agencies gathering or sharing information relevant to the attack or acting upon such information, including legislative impediments; and whether there was any inappropriate concentration or priority setting of counter terrorism resources by relevant State sector agencies prior to this attack.

I am pleased Justice Young has accepted the role to lead the royal commission. It's important people's questions are answered, not by me or by the agencies involved but independently, and his role as a Supreme Court judge reinforces this independence. I am confident that, in his nearly nine years as a judge on our highest bench, Justice Young has the judgment, the clarity, and the care to do the job, with a sound understanding of intelligence issues and experience working in the public eye. One further member will be appointed to the royal commission, and that will happen by the end of April.

The terms of reference ask that the commission engages effectively with the Muslim community, and I know Justice Young has already given this some thought. In the development of the terms of reference, Government Ministers engaged with key stakeholders and fed in their views on the terms of reference. The key agencies that are in scope of the inquiry were also consulted on the terms of reference, and that includes the New Zealand Security and Intelligence Service, Government Communications Security Bureau, the New Zealand Police, New Zealand Customs, Immigration New Zealand, and any other relevant Government agencies or departments. The inquiry has been instructed to work with urgency. It will be established by Order in Council this Wednesday, 10 April, and it is scheduled to begin hearing evidence from 13 May. It will run for eight months, meaning it is required to report back to the Governor-General, Dame Patsy Reddy, by 10 December 2019.

Look, I am happy to answer any questions.

Media: What does this mean for the Supreme Court, taking a judge out of action?

PM: Obviously, this is something that the Chief Justice has been consulted on, and was happy with the release of the Justice for the period of this royal commission.

Media: Are you confident the terms of reference will get us to an end point where we can see whether or not this could have been prevented?

PM: Well, certainly you'll see that that is one of the aims of the royal commission—is to answer that question: what could have been done, what could we or should we have known; whether or not resources were inappropriately focused in only single areas or other areas, therefore depriving resources of our security and intelligence agencies in other areas. So these are questions that the terms of reference really do outline.

Media: That inappropriate concentration: is that also, basically, saying—looking into whether or not there was inappropriate surveillance of the Muslim communities as opposed to far-right groups or white supremacists?

PM: It is aimed directly at trying to pick up what has been a question raised in the aftermath of the terror attacks, as to whether or not resourcing was only focused in particular areas and whether or not that came at the cost of surveillance of other groups. So, yes, we're directly trying to address that issue in the terms of reference.

Media: In the briefings that you've received from the intelligence agencies so far, have you asked that question—

PM: Certainly some of these issues had been a topic of conversation. But as I've said a few times, you know, it's not enough for the agencies to put forward that argument or indeed for Ministers or even me. I think the public do deserve that independent view, and that's what this royal commission is all about.

Media: How will highly classified information be dealt with—will there be a separate, more classified version—

PM: Yeah, and that's what we've asked Justice Young to take into consideration. It will be a fact that he will be dealing with classified information, but there'll also be a public expectation around there being a public facing report. So those are issues he's very mindful of and is confident that he can meet those expectations.

Media: When the inquiry looks at his actions in other countries, and particularly Australia and perhaps the other Five Eyes countries, do you expect to make any conclusions about whether or not that country could have known anything and whether they should have passed us any information under the Five Eyes agreement?

PM: Again, the terms of reference do specify whether or not there were any impediments to the sharing of information. That's not something we've had pointed out to us as being an issue so far, but we haven't removed that as an area of interest for the purposes of this inquiry. Barry.

Media: Prime Minister, I'm just wondering how these questions can be answered when you're dealing with spy agencies which by their very nature have to be kept under the radar, so to speak.

PM: Well, quite simply we make sure that the inquirer has access, and so that is what we're endeavouring to do. The Justice will have the appropriate security clearances to be able to satisfy himself, as part of this inquiry.

Media: Prime Minister, you said the information sharing with the Five Eyes partners hasn't been raised as an impediment so far. Have the agencies raised any other impediments—

PM: Well, again, I guess I should—speaking frankly on one of the things that is in the public domain is the fact that this particular individual, for instance, wasn't on an Australian watch list. But, again, we've made sure that there is scope for the inquiry to look broadly, even though that's information that's already in the public domain.

Media: Any legislative impediments, though, that have already been raised with you?

PM: Are there legislative impediments? Not that I recall in the discussions we've had. But, look, we've put it all there on the table to make sure that the inquiry has the scope that they need.

Media: Is the budget capped at \$8.2 million, or is there room for it if it needs more?

PM: Oh, look, as is the case with royal commissions, there is the ability if that becomes a limiting factor for the inquirer to come back. But the initial budget is based on, actually, 12 months, when, in fact, at the moment our expectation is that we'll report in eight.

Media: Will the inquiry look at the allegations that the offender has been sending money to far-right European groups and has travelled and met with far-right European groups in a number of European countries?

PM: Well, look, it does specifically set out the individual's activities before the attack, and then it sets out some specifics that we're wanting more information on, so it doesn't preclude, of course, the inquiry covering off those issues.

Media: The terms of reference specifically say that the activities of organisations outside the State sector are out of scope, but it makes specific reference to media platforms. How is that going to impact the ability of the inquirer to look at the attacker's use of social media, which you do say is in scope?

PM: Yeah, it is in scope. So, specifically, we are asking that the attacker's use of social media and other online media is in scope, and we have an expectation that the inquiry will give us their view on that as a tool. So that power exists through that expectation—it sits there. I don't know that I've answered your question, though, Sam.

Media: No, I mean, will you be able to call media platforms in—social media, Facebook, Twitter—and talk to them about whether they should have flagged something up. I mean, how are you going to deal with their role in this?

PM: And I think, actually, that's probably an issue that sits with us in central government.

Media: The attacker's connections with others—do you expect other people to potentially be charged if they knew anything?

PM: And that's where we've had to be quite clear. We have to make sure that the inquiry doesn't double up on what is obviously a live investigation and an active case before the courts. That's, again—we're having a Justice, a member of the Supreme Court, with background and knowledge, who will be able to navigate what will be a sensitive time, given that this is an ongoing investigation.

Media: How would the commission extract information from Australian authorities? Will the bosses of the intelligence agencies in Australia be invited, be asked, to submit evidence?

PM: We are asking that he look directly at his connection with others, whether in New Zealand or internationally. Look, I'd have to say that we've had good cooperation so far, certainly via our agencies, and my expectation will be that that would continue via our inquiry as well.

Media: Will the commission run out of Christchurch?

PM: In terms of physical space, that's not something that I've had final word on. There obviously is a connection with Justice Young and Christchurch, and, actually, that's something that I think is favourable, but in terms of physical location, that's not something I have a specific detail on at this stage.

Media: Just on a capital gains tax, how much damage do you think the capital gains tax debate has done to the Government?

PM: Look, the debate around capital gains tax has been going on since, on and off, 2014. It was certainly a topic of debate during the election, and, look, here I am.

Media: But you pulled it back before the election.

PM: Look, people ask for certainty. People ask for certainty; they wanted a chance to be able to vote on what it was that we made a decision around, and we've said they'll have that opportunity. Of course, as I've said many times before, the Government is yet to make its final decisions, though. Having said that, of course, the period that we're in now has given me the opportunity to hear the views of different interest groups, members of the public, and that's all an important part of the process.

Media: What are your thoughts on The Crusaders' name and whether it should be changed?

PM: Yeah, I've been observing this debate, and, actually, what I think's most important is that there's real leadership here that's coming from within The Crusaders themselves, and I'd actually be loath to then throw an opinion over the top of that. I would like to leave it to them, their club, their fan base, as they have this discussion, rather than sharing my view.

Media: On the leadership within The Crusaders, what communication have you had with them about it?

PM: I haven't, actually, but I have observed the debate, and I do think—you know, I applaud them for the fact that they've been willing to have the discussion. But I do want to leave this as an issue for them to consider and consider with their fans.

Media: You suggested that you do have a personal view, though.

PM: I've observed the debate, and I think, actually, ultimately it should sit with the team, the management, and their fans. But I am glad they're having the discussion.

Media: Do you have a view one way or the other?

PM: Not one I'm going to share, Barry.

Media: On the capital gains tax—even if New Zealanders say, no, they do not want one—

PM: I've certainly, of course, as I do with all issues, hear the feedback, see the survey results, and, of course, you know, there's a range of different numbers being produced there. For instance, if it's coupled with tax breaks, then people seem to be in favour, so I have observed all of those discussions and debates, and it's an important part of the Government's considerations.

Media: People are worried the Government is coming after their KiwiSaver. Is it?

PM: Again, we haven't made final decisions. We will very, very soon, but we are using this time to hear the public's feedback.

Media: I don't know if this question's a bit niche, but do you think there's any point—

PM: The amplification is excellent today. You're really coming through loud and clear.

Media: Wonderful! Do you think there's any point ring-fencing rental losses if a capital gains tax were to be introduced?

PM: And, again, these are all knock-on effects of a hypothetical decision—again, things for the Government to consider alongside any decisions on capital gains, which have not yet been made.

Media: In light of NZEI rejecting the latest offer today, is there any more money available, and, if not, how are you going to get a deal across the line?

PM: No, there isn't, and this is something that's really been brought into stark relief for me in the past couple of weeks. Obviously, I'm involved in the Budget discussions, and

that's a period where I just get to see with even greater emphasis just how many competing demands and cost pressures there are on this Government in a range of areas that I would describe as long-term significant challenges for New Zealand. Education is one of them. Without a doubt, education is one of them. That is why we've moved to, for instance, you know, scrap National Standards. It's why we put in half a billion dollars into learning support, and it is why, ultimately, we've put in the \$700 million package for NZEI. It means that, you know, for the vast majority of teachers they would receive, with that pay offer, more than they did for the entire period of the National Government. I understand the frustration of teachers and principals—I do—because there are a large number of needs in education, but from the Government's perspective we're also facing a range of competing needs in areas that I know teachers care about too.

Media: Do you think that teachers are at the point now where they've lost public sympathy, especially if there's going to be a raft of strikes next term?

PM: Look, that's simply not for me to judge. That's a matter for them. But if I was—I share their—I absolutely hear their frustration, and from the day that I stood out on the forecourt and spoke to them—I share the same view now that I did then, and that is that, actually, we're striving for the same things. All of the concerns that teachers are raising I have sympathy for. But, ultimately, we're the ones that are also having to make spending decisions in other areas. We are doing as much as we can right now for the education sector, but we're also having to balance a range of competing other demands that I know they care about too.

Media: St John are asking the Government—

PM: That's a good example, yes.

Media: — to fully fund them. Winston Peters says they deserve a fair go. What's your position?

PM: Look, no one would question the role that St John plays. Of course, we've inherited a system that's been in place for a long time that includes central Government funding, and then part funding through fundraising, and there's cost pressures—as there are in a range of different sectors—that St Johns are encountering. It's something that Ministers are looking at, but it only highlights the point that I've just been making.

Media: Will it be looked at this term?

PM: Again, I don't want to pre-empt what are, ultimately, Budget-sensitive discussions.

Media: Just on the budget for the royal commission: does this include any anticipated costs for the State sector agencies which are likely to be involved in the process?

PM: Well, we, by and large, expect that participation to come out of baselines, accepting, though, that—and one of the things that we are mindful of and that will have to be carefully managed—is that this is an ongoing complex investigation, and those agencies who are involved in those investigations will also be the subject of this inquiry. So we'll need to make sure that we balance that appropriately.

Media: Do you have any expectations around those costs and what level they should reach? The NZDF, for example, with Operation Burnham has spent a couple of million dollars—

PM: Yeah, as you'll know, that's—and that's where it can be very particular, when you're involved in an inquiry that involves classified information, but you'll know that there have been some other challenges with that particular inquiry. We have used the lessons from that inquiry to inform our estimates around how much this might cost.

Media: The Budget Responsibility Rules are supposed to be breakable for, you know, large crises when needed. Will the gun buy-back cost blowing out be one of those crises—would that be worth breaking the rules for?

PM: The gun buy-back is something, obviously, that we're still working through the final costs. It is—it's fair to say that it is very difficult to make an estimate on final cost given we just do not know how many guns are in circulation. I think when New Zealanders hear that statement they'll be alarmed that our legislative framework is such that we wouldn't know—for such dangerous weapons—how many are out there. And again, that probably speaks to why we need to keep doing work in round two. So to answer your questions, it's actually quite difficult for us to put a final estimate on the cost, as it is for a range of costs coming out of Christchurch; it's too soon to know.

Media: At a principle level is it worth it; breaking the—

PM: Again, the point I'm making is that it's just too soon to know, with the premise you're giving to me, what the final point will be for Christchurch.

Media: Did you put a cost on it when you initially announced it—

PM: Oh look, of course. People have an expectation of range, and we've done our best to provide that. The point I'm simply making is that, as we said at the time, it was, even within that range, very difficult to make a final estimate when we just don't know the number of weapons that are in circulation that fall within that category.

Media: Is \$200 million a gross underestimate of what it could be?

PM: No, not necessarily. We simply do not know. Is it worth still doing? Absolutely.

Media: The Herald reported over the weekend that you were meeting with a new group of digital and media, kind of, panel of people who give you advice. Who are those people? Is there going to be an announcement on it?

PM: Yeah, no, I've heard there's a bit of interest in that meeting. It wasn't a formal group that's been established, by any stretch. Off the back of the 15 March terrorist attack, it's become clear to me that there's, obviously, been some debate to date around the social media space and the presence of violent terrorist images and content generally. I wanted to make sure that I had the views of those who work in this space, particularly given that questions are being raised around what role New Zealand could or should play in this debate, and at an international level. I'm happy to go back to those individuals who were present, just check that they are content for their names to be in the public domain, and which hats they were wearing at that meeting, because some of them were representatives of various different groups. I've no problem with then, once I have their permission, sharing their names. Jo?

Media: Will they have an ongoing role?

PM: Look, not necessarily. This was very much for me at a personal level. I'm being asked a number of questions around what happened on 15 March, the particular role of social media; what, rightfully, expectations we should have of these global platforms, and what our ask should be at an international level. I think it's incumbent on me that I have the latest view of those who operate in New Zealand domestically, and this was simply part of me trying to ensure that I was as up to date as possible at a personal level.

Media: Could this potentially become formalised as some sort of advisory group?

PM: We certainly haven't determined that at this stage; it was a very preliminary conversation. So I wouldn't want to set that expectation.

Media: Have you had any direct contact from Mark Zuckerberg?

PM: We've had representations from Facebook. I would need to check what offers were made directly about any contact with Mark Zuckerberg, because, off the top of my head, I can't quite recall what some of those offers may or may not have been. We've certainly—

Media: Have you had any conversations with him?

PM: Oh, no, no. I certainly haven't had a direct conversation—no.

Media: Have you started to form a view about what that international contribution might look like?

PM: I'm starting to. As I've said before, these are global platforms. My strong view is that if we wish to establish a step change in behaviour, that we need to take in a global approach. It's all well and good to have domestic legislation that we think is going to do the trick, but, in my view, it would be all the more strengthened if we had the international community asking the same thing, and so that's something that I'm interested in.

Media: You have said that you've spoken to Theresa May about this, and today Britain has announced some pretty hefty penalties on social media. Presumably, you've talked about that with her?

PM: Yeah, it was a preliminary conversation. We talked about the work that the UK, particularly via its select committee, had undertaken, but, actually, I think if you scan around the world, Ireland has some very specific proposals it's consulting on right now; Germany has put in a quite rigorous regime—it's been in place for a little while now; obviously, France has made moves, the UK—none are exactly the same, and so my question here would be: do those legislative tools answer the questions and challenges that we've faced through 15 March? If they don't, what more should we ask, and should we be asking it together?

Media: Do you think there's a vehicle where you could all get together? I mean, is it UNESCO or some of the other—

PM: Yeah, and these are all very good questions, but, as you will have seen from New Zealand's reaction, our view is that it will be more meaningful if we try and move as a global community, and in fact one of the points that's been raised by at least some who work in the social media space is that different countries have asked for different things. Perhaps the power will be when we speak with one voice.

Media: One of the Anzac events up at Matakana has been cancelled because our terror threat was high, or that's what they're saying. Do you think that's a good move?

PM: Look, to be honest, that's not something I've had any briefing on. It's not something that I've had raised with me, so I wouldn't be able to comment on whether or not they're acting on advice from police or agencies, I'm afraid.

Media: Do you want people to be cancelling events because of the terror threat level?

PM: Again, you will have seen that, certainly, we continued with events like our memorials, and so on. My hope would be, of course, that we continue with Anzac commemorations as we would, but, again, I'm not aware of any specific guidance that may or may not have been given to local organisers. All right, I'll take a last one.

Media: Is breaking the Budget Responsibility Rules just still on the table?

PM: Again, again, I've been asked off the back of hypotheticals on costs that we are still working through.

Media: Is it something you'd rule out?

PM: On the Budget Responsibility Rules? Again, you're asking me to give a definitive answer on something that I'm still working through the costs on. OK. All right, thanks, everyone.

conclusion of press conference