

POST-CABINET PRESS CONFERENCE: MONDAY, 6 MAY 2019

PM: All right. Good afternoon. Welcome, everyone. It's New Zealand Sign Language Week, and just out of interest, if you ever wanted to know what my name is in sign, it is Jacinda [*signs name*]. That's a reference, I believe, to my beaming smile.

I'll start with a rough rundown of the week ahead. Tomorrow, here in Wellington, I'll be speaking at the 2019 Race Relations Day, where the Multicultural New Zealand International Volunteer Network will be launched. On Thursday, I will be attending the Just Transition Summit in Taranaki, where I'll be making a pre-Budget announcement on how the Government is supporting a clean energy future. Reducing our carbon footprint while creating new jobs in the clean energy sector is a key part of our plan to tackle climate change. On Friday, there will be a Labour caucus planning day, and on Sunday evening I will be welcoming to New Zealand and meeting with UN Secretary-General António Guterres in Auckland.

This is a busy week for the Government, in which we will also be marking, really, the 18-month anniversary of the Government. We are about halfway through our term, so a good chance for us to do a little bit of a check on what we've managed to do in the period of time that we've had the privilege of holding office. Over the last 18 months, we have started to tackle the long-term challenges that New Zealand faces, and delivered important improvements to New Zealanders' lives. On the economy, we are delivering Budget surpluses, record low unemployment, and solid growth rates in the face of global headwinds. The average wage is up \$65 per week since we took office, while 70,000 new jobs have been created. Unemployment is down to 4.2 percent, the second-lowest rate in a decade. GDP growth is at 2.8 percent per annum, better than many of our key trading partners.

We've made the tax system fairer by changing the law so multinationals pay their fair share of tax, and we have more to do in that area; introduced research and development tax credits; helped businesses create more high-paying jobs. We established the Green Investment Fund to help businesses tackle climate change, while making a profit, and ended new offshore oil and gas exploration permits, to do our bit to help tackle climate change. Our Families Package saw over 380,000 families get an income boost that once fully rolled out would average \$75 per week—the biggest boost in incomes to low-paid New Zealanders in a significant time. The package will, over time, lift between 42,000 and 73,000 children out of poverty, based on the best estimates that we have.

Access to affordable healthcare is important to us. Five hundred and forty thousand people are now eligible for cheaper doctors visits, and also 56,000 13-year-olds now get free primary care. We funded 1,500 extra teaching places in Budget 2018, and a further 2,500 teacher-trainee places in Budget 2019. And we've rebuilt, or built, over 200 school classrooms. The winter energy payment has helped over 1 million New Zealanders keep their homes warm and dry over the winter months, and this year is the first time people will receive it, from 1 May.

On Friday, we also made changes to abatement rates to take into account minimum wage changes. We're building more houses than any other Government since the 1970s, including more than 1,000 State houses. We've extended paid parental leave to 22 weeks, and that will extend out to 26 weeks in 2020, so more parents can support their babies. We're phasing out single-use plastic bags from 1 July 2019. We've lifted the refugee quota to 1,500 a year, and, of course, most recently, we've banned military style semi-automatic weapons.

These are but some of the initiatives we have undertaken in the last 18 months, and with the well-being Budget coming up there'll be much more delivered, with our focus on mental health and children in particular. Have we done everything that we wanted? Of course not,

and I will always be impatient for us to move as quickly as we can. But we have made significant improvements. Are the most vulnerable in our community better off? Yes. Are we committed to addressing the long-term challenges our country faces? Yes, we are. We are doing what we were elected to do, and this week, and with our well-being Budget, we will continue to provide evidence of that. Look, I'm happy to take questions.

Media: So with the Australian law firm coming out and saying it will launch a class action in regard to Southern Response, is the Government concerned that some New Zealand families haven't got their fair share?

PM: Look, what we have certainly generally been focused on—and you'll appreciate that I'll speak generally because I can't comment on a matter before the courts. What we were generally concerned about was dealing with those claims that existed that weren't being progressed. And so have we resolved 50 percent of the outstanding claims with Southern Response and 76 percent of the outstanding claims with EQC. Do we want there to be ongoing claims outstanding after such a long period of time? Of course not. But we have made good progress.

Media: Could families—or could taxpayers—be getting a much bigger bill for this than originally expected, and are you preparing for that?

PM: Look, while this matter is before the courts, you'll appreciate I just simply cannot comment.

Media: Prime Minister, where is the cannabis referendum at in terms of the question?

PM: Cabinet has made decisions today. Following on from those decisions, there are some final amendments to be done to the papers that were presented to Cabinet. Minister Andrew Little will be making announcements this week—so very, very shortly.

Media: Will it be legislation going through the House—

PM: Again, I'll leave those announcements for Minister Little.

Media: Could it see cannabis lobbies legalised?

PM: Again, I'll leave announcements to Minister Little, and those announcements will be made very, very shortly. I do want to make just one overarching point, though. Of course you'll see from the confidence and supply agreement that this is about the Government putting forward a question for the New Zealand public to decide upon as part of a referendum, and we've already said that will be part of the 2020 general election. This is not about formulating a Government position but simply formulating a question for New Zealanders to have their say on this issue.

Media: The Government has committed to a binding referendum, though. What's your understanding of the word "binding"?

PM: Again, of course this is again something that you'll have clarity from the Minister over tomorrow. But of course—your own knowledge of New Zealand Parliament—you'll already know that truly holding a Parliament to a binding referendum is a challenging question, but we'll give clarity around "binding" from our perspective when the Minister makes his announcement.

Media: How would you describe discussions in Cabinet today on this issue?

PM: Oh—around the referendum? Absolutely fine. This has been a discussion we've been having for quite some time. As with every issue, we work through a consensus-based approach, and Cabinet was the final conversation in what has been an iterative process and a very sound process.

Media: Were the Greens there today? Were the Greens part of this process?

PM: Our practice is that for Ministers who are taking a paper, when it's in their name, they attend Cabinet. This paper was in the name of Minister Andrew Little. Of course, all

parties are involved in discussions around individual Cabinet agenda items regardless of whether the paper is in their name or not. It just won't mean they will necessarily attend.

Media: Why couldn't it be announced today?

PM: As I've said, there's a few final—as is often the case, if there are any final tweaks made to a paper, we finalise the drafting after Cabinet, and so announcements will be made very shortly.

Media: Are the Greens happy with where you've landed?

PM: We've formed a consensus. So, yes.

Media: How concerned are you that Cabinet is leaking?

PM: Sorry?

Media: How concerned are you that Cabinet is leaking?

PM: Oh, look, of course I set very clear expectations around Cabinet confidentiality. Look, I am confident, though, that my Cabinet Ministers maintain that confidentiality, keeping in mind that when we have Cabinet papers, they are circulated beyond Cabinet Ministers in their drafting process—of course, via officials and offices. So my message to Cabinet today was of course my expectation is that they maintain confidentiality but all offices must equally maintain that confidentiality.

Media: Will you investigate where that leak came from?

PM: Look, I actually don't want to spend too much time being bogged down by that question. I've again restated my expectations of both Cabinet but more broadly than that. I think I should focus on getting on with the work at hand. We have not experienced the leak of a paper directly before, and I don't know that an inquiry would actually answer the question of how this came to occur.

Media: Did it come from an MP?

PM: Look, I cannot answer that question. I do not believe it came from our Cabinet.

Media: There have been other leaks from Cabinet before, though. National Party were sort of talking to that—

PM: There's been speculation before. Look, it's clear that what we've had here is, regardless of whether it's an iteration or not, based on a Cabinet paper. And that is—you know, I see that as a very significant issue. I've restated my expectations. But, again, as I've said, there is a reasonably wide circulation that does occur when these papers have been both drafted and circulated for meetings. The question is whether or not I would be able to determine exactly what has happened here. I'd rather get on with the job of governing than get too bogged down with that question.

Media: We have received Cabinet papers via the National Party, that have been leaked to the National Party in the past, so aren't you concerned enough to plug those leaks?

PM: Yeah, and, look, I do see that as a significant issue, as did the last Government when it occurred for them. Yes, we take the issue seriously, but, at the same time, I'm not willing to spend too much resource pursuing an issue I may not be able to determine. Instead, I'm restating my expectations. I do see it as a serious issue, and I think, of course, I would like to see us maintain the confidentiality that, by and large, Cabinet successfully operates with.

Media: On recent reports of bullying within the Parliamentary Service, and in particular the reports around the use of NDAs—I mean, these parliamentary staff are vital to help MPs do their jobs, but MPs are being very quiet. Do you have any view on how these staffers in Office of the Clerk and Parliamentary Service—

PM: Yeah, and I would agree with your perspective. I've been a member of Parliament for over 10 years. Particularly parliamentary staff, out-of-office staff—they are critical to our

ability to do our job. They play an incredibly important role as a direct contact point for the public, and I think we probably often underestimate just the importance of their role. I, as the Labour leader, of course will take an interest in the report that's finally produced. I'm yet to go through that in detail, but I will certainly be taking an interest.

Media: Do you have confidence, given 37 staffers have quit since the review was announced—I mean, that probably shows that there's a lack of confidence that any change is going to happen.

PM: And that's just not a matter for me; that is a matter for the Speaker. My role is not one to oversee Parliamentary Service. I will, however, as the leader of a team of members of Parliament who have staff in their charge, be taking an interest from that perspective.

Media: Do you agree, I guess, in principle with the Speaker's comments around the use of NDAs? I mean, as a leader, would you expect that that's—you know, that—

PM: Again, I wouldn't mind just withholding my statements until I have an opportunity to see the report in full, which I'm keen to do as the leader of the Labour Party.

Media: Prime Minister, Huawei said today at the China Business Summit that it wants to meet Government Ministers over the broader ramifications of the decision to stall the 5G deal, saying that it has nothing to hide and has passed all scrutiny. Will you meet with them? Will Government Ministers meet with Huawei?

PM: And I was at that summit, which looked like a fantastic opportunity for engagement and discussion. That is not a new request that's being made by Huawei. My recollection is that that question was raised some time ago. The point that we've made is that it wasn't a decision for Government Ministers. Under the TICSAs legislation, it was very much between the vendor—Spark—and the GCSB. So we have not been involved and, therefore, Huawei making any direct approach to Ministers actually doesn't take the issue any further. It's an issue for the GCSB and the TICSAs process. At the moment, it sits with Spark. They've gone back to Spark with issues to mitigate, and so, really, it's a matter for them, not something for us to be involved in.

Media: Huawei is saying this is about geopolitics and not about facts.

PM: Disagree. TICSAs is very, very clear. It is a legislative process which we've had a number of applications go through already. It is neutral on Government and entity; it simply makes an assessment on risk. And the GCSB have outlined to Spark directly areas they wish for them to mitigate, and that's where the issue currently sits.

Media: What about their claims that they estimate it could lose the country hundreds of millions of dollars in revenue?

PM: Again, the process is still under way, as far as I'm aware. The GCSB have gone back to Spark, who put in the original application, and now the matter sits with them.

Media: On a slightly different note, Prime Minister, what are your plans for your upcoming wedding?

PM: Any other questions? Ha, ha!

Media: It pains me, too. But will we see a wedding in election year?

PM: I have absolutely no idea. I was surprised by the question, and, look, as with probably many other couples, that means we haven't made many plans—in fact, any plans at all. So you may have many questions; I'm unlikely to be able to answer just about every single one of them.

Media: For the public who are hungry for answers—

PM: Are they really? Are they?

Media: Trust me—trust me. Can you tell us any more about the proposal?

PM: Ah, look, there are some things I wouldn't mind keeping for us. You know, this is a very public job and I'm quite happy to put quite a bit of ourselves out there, but there's some things I just wouldn't mind keeping to ourselves. What I will give you is where it happened. We were in Māhia and we were sitting up the top of Mokotahi Hill, which is a beautiful little outlook in Māhia. It was Clarke, myself, a member of the DPS—so, very intimate—a couple of locals from Māhia, and a dog, which then tried to eat the chocolate that Clarke bought me at the same time, so it was very romantic.

Media: Did he go down on one knee?

PM: Well, I can tell you, Barry, that the DPS were up there and they had no idea, I don't think, what had happened, so that should be a bit of a giveaway to you.

Media: Can we see the ring, please, Prime Minister? Can you hold it up for us?

PM: Look, I'd prefer not to lower the tone of the Beehive theatre by flashing—look, you've got good zoom lenses. I have also acknowledged that it was Clarke's grandmother's ring. So I have not been trying to hide our news from anyone; it simply doesn't fit on the right finger, so that's why it's sitting in the middle. So there you go.

Media: I hope this is not changing the mood in the room—

PM: Does anyone—I think we're done? Good. No? Bernard, do you—I meant done on that set of questions. Did you have—interest.co.nz really want to get into the—

Media: The China Summit—the CEO of Air New Zealand said that New Zealand's lost \$100 million trying to trade into China and then he implied that the Chinese Government and the airlines there were unfair. Are you concerned that Air New Zealand's been treated unfairly in its attempts to deal with China?

PM: Those really are operational issues for the CEO. I imagine what he'll be talking about are—and I'm probably not using the technical term here—probably landing spots. So really those are operational issues, so I'll leave for him, really, to comment on. I will acknowledge that, actually, our tourism numbers are looking solid, so that's probably what he's referring to.

Media: Can I just get you to clarify—earlier, when you were talking about the binding agreement, the referendum, and you were talking about more clarity will be given on that tomorrow, does that mean Minister Little's making his announcement tomorrow?

PM: Yes.

Media: Prime Minister, Air New Zealand did say that they would appreciate some Government ministerial input, particularly in Shanghai, on the landing—

PM: Over the landing spots.

Media: So will you be helping them out?

PM: Again, this is an issue that I think has been going on for quite some time; I'd hazard almost to say a number of years. I'm certainly aware of the issue, but you'll understand why we won't go into too much detail over the kinds of negotiations that they'll be entering into. But it is something that I am aware of.

Media: Prime Minister, *Newshub Nation* ran a story this weekend about a woman who had a child by rape when she was 15 years old. The baby was cared for full-time by her grandmother and because of that child support payments were deducted from the mother. I understand that Stuart Nash exempted sex assault victims from child support liability but there isn't any way of addressing refunds. Would the Government consider an amendment to the law to allow refunds to rape victims or consider an ex gratia payment?

PM: Yes, because as you know, generally, child support payments are deducted, and then if the Government is in any way financially supporting the care of a child, those payments are then retained by the Government. Beyond that, for some of those policy

details, you'll forgive me, I would need to go to Minister Nash. Happy to follow up on those questions, though, but I just don't have that level of detail for you now.

Media: Did the Cabinet consider climate change policy today?

PM: Again, when we have announcements to make, we announce them. You'll know that I don't have a general rule of thumb of running through every single agenda item from Cabinet.

Media: Has a final decision been made, however—MFE said there was going to be an Act going to be passed last month?

PM: Exactly the same answer. When we have announcements to make, we'll announce them.

Media: There's something happening on Wednesday to do with it.

PM: When we have announcements to make, Henry, we'll make them.

Media: Prime Minister, has Meka Whaitiri regained your confidence?

PM: Again, she, during the course of interviews, talked about the support that she'd received, and I've been very clear about the fact that even when there are issues and mistakes that have been made by any of my members, my expectation is that we support them to address those issues. That is the case for Meka—that I have an expectation she address the issues that have been raised, and she has undertaken some work in order to do that. When it comes to issues like Cabinet reshuffles as a manifestation of support, I've made no decisions over any of those issues or questions.

Media: The work that she's done—is it enough to satisfy confidence within you—

PM: Again, I haven't finalised any decision making around ministerial appointments.

Media: What about her approach in some of these recent interviews? There does seem to be, I guess, a lack of acceptance of the outcome of the report, and any contrition—

PM: And I've already shared a view that whilst Meka Whaitiri has continued to contest elements of the report, my view is that there is no value in relitigating the report itself. Instead, work needs to be done, and my expectation is that work be done.

Media: Prime Minister, has there been any update on the situation with Louisa Akavi?

PM: Ah, none that I can report.

Media: Since news of her situation was revealed, there have been a couple of videos that have been released of the Islamic State leader Abu Bakr al-Baghdadi. Could we link that to her whereabouts in any way? Does that offer any kind of hope?

PM: Again, you'll appreciate I'm taking the same approach that I did from the very outset, and that is not commenting on her case. That includes any security or intelligence reports or questions over their existence. I'm just not going to comment.

Media: When you say no, there's nothing to report, do you mean that you can't publicly say—

PM: I am maintaining the same position I always have—that I will not comment on the case at all.

Media: Have you had any briefing on the United States sending an aircraft carrier into the Middle East?

PM: No, no. I've just, as I was coming down, had reference to that made to me. I haven't received anything official from MFAT or any briefing on that, but I certainly will be seeking it.

Media: Back on the cannabis referendum, are you concerned that legalising edibles could result in some children being exposed to cannabis?

PM: Ah, again, that's making a number of assumptions. We haven't made any announcements as yet, and, of course, when we do, we need to keep in mind that what we are doing as a Government is simply formulating a question and a set of principles for members of the public to make a decision on. So this is not a Government position; this will, ultimately, be for the public to decide.

Media: Prime Minister, there's been a lot of criticism of the Government's response to the Welfare Working Group—the main change that was made about sanctions was already campaigned on by Labour and the Greens, the abatement rates thing is reasonably agreed upon across the spectrum, and the report recommended a much wider change. What do you make of that criticism?

PM: Oh, look, you know, there will always be those who ask us to move faster and to make significant changes at a more rapid pace. There will always be calls on Government in both directions. Keeping in mind, of course, that we can't forget the work we'd already done on the Families Package. That family tax credit package benefited those who were on Government support as well. The winter energy payment benefited those on Government support as well. That includes, you know, between \$450 and \$700 across those winter months for those who are families. So we've already made significant changes to our welfare system in order to make sure that, in particular, we're supporting children who might be in families on Government support.

Media: So why didn't you do more? Why couldn't you do more faster?

PM: Again, one of the issues, of course—that's been raised—is that we are just not case managing and supporting those in our welfare system nearly as proactively as we have in the past. Those, you know, 170 case managers are going to be an incredibly important part of people not having to continually retell their story and getting the support that they need from the outset.

The second issue not to be underestimated is we have already moved on the issue of culture change in Work and Income. That's something I'm already having fed back to me as having made a significant difference. You'll see now that we've said over the winter months we expect people who have need to have their needs met, and that's why you have seen the change in special needs grant numbers. It's also why you'll see that, with sanctions, we've specifically said we're not making changes to the wider sanction regime at this point; we're just asking it to be applied accurately, and, again, that's making a difference to the experience people are having. Our goal is, you know, the same as those, I believe, who are accessing Government support—to be supported into work, to have care for those who need it, for the period they need it, for those who cannot work. And that's what our welfare system should be about, and it's lost a lot of that.

Media: Were there any financial restrictions on your response?

PM: Oh, look, there are financial restrictions on any Government. We are, however, a Government, though, that proudly can say that it's made a difference already, having lifted tens of thousands of children out of poverty. And we know there's more work to do.

Media: Prime Minister, how do you measure whether those sanctions are being applied appropriately?

PM: Well, we know—we have certainly measures of the numbers, so that gives us a bit of an indication. And what we've asked—my understanding is what Work and Income have been asked is just to make sure that they apply the policy appropriately. Of course, there's a number of administrative sanctions. If you miss a meeting—well, actually, it's only fair that you ensure that the person is properly notified, that they did indeed break an appointment, before a sanction is applied. So making sure those checks and balances are in place is, for instance, one of the things that I believe Work and Income are doing. Last question, Tova.

Media: Prime Minister, just a brief question. Would you be comfortable—if you were undergoing an operation—to have equipment that was sterilised but still had congealed blood from a previous operation used on you?

PM: Look, I get the feeling you're asking me about a specific case, and I think I'd want to know a bit more—

Media: No, just generally about unsterilised equipment. We've been talking a lot about it today, and there's been a few DHBs where there's still been congealed tissue or blood used in operations from previous operations.

PM: We should all have an expectation that our surgical environments are sanitary and safe. Right—thanks, everyone.

conclusion of press conference