

## POST-CABINET PRESS CONFERENCE: MONDAY, 1 JULY 2019

**PM:** All right, good afternoon, everyone. I'll just run through the week ahead, and then, as you can see from the presence of the Minister for Children, we'll run through particular changes for Oranga Tamariki marked by 1 July.

As for the week ahead, I will be attending a full-day hui in Auckland tomorrow with iwi from the Waikato region, and then on Wednesday, I'm back in Wellington for Poto Williams' swearing-in ceremony, which will be held at Government House. I'm then off to Palmerston North for a Council of Trade Unions forum. On Thursday, I'm in Christchurch. I'll be speaking at the official opening of Avonside Girls' High School and Shirley Boys' High School, and later in the day I'll be making a post-Budget announcement. Friday, I am in Auckland, attending a meeting of the Business Advisory Council, before releasing details—an announcement with the Minister of Education. On Saturday, as leader of the Labour Party, I will head to my fifth regional conference in Christchurch, and on Sunday, I'm opening the LGNZ conference in Wellington.

Today, though, I am joined by the Minister for Children, Tracey Martin, as the children, young persons, and their families legislation comes into full force. Today is a significant day when it comes to the care and protection of vulnerable children and young people in our country. There are roughly 6,500 children in State care at the moment, and well over half of them are Māori. We know that we need to do things differently. From today, we are shifting—trying to shift the Government's efforts from the ambulance at the bottom of the cliff to building a fence at the top of it, and we are doing that with Māori organisations, with iwi, and with New Zealanders. The step change needed to transform the care system required a major funding boost, which we delivered in the Wellbeing Budget. The Government's invested an additional \$1 billion over four years to support children and young people in care.

Many of the changes that take effect today would not have been able to happen without the money invested in the Wellbeing Budget being behind it. Ultimately, though, we do have two goals: we want fewer children to be harmed in New Zealand, and we want fewer children in State care. Our top priority is ensuring, of course, the safety of children, while acknowledging they want to be with their families and whānau, and the Government is committed to supporting that to happen more. If children and young people are in care, we want them to get the help they need to have the same sort of lives as other Kiwi children, and we want them to leave care ready for the start of adult life and knowing that there's support if they want it and if they need it.

I'll now hand over to Minister Martin, who will outline the key changes.

**Hon Tracey Martin:** Kia ora. Thank you, Prime Minister. There are five major changes that will occur. These are really significant changes that could potentially transform the lives of those children and young people in care, and of their family. Firstly, from today, national care standards come into effect. This is the first time our State care system will have explicit care standards, letting children in care and their caregivers know what to expect and what is required of them. Oranga Tamariki also becomes the first Government agency to have explicit Treaty obligations, which means that the ministry is required to partner with iwi and Māori organisations more closely and to publicly report on what is happening to improve the welfare of Māori children.

From today, most 17-year-olds will be included in the youth justice system instead of the adult system. This is really important as we increase the focus on education, training, and rehabilitation to give these young people the skills to stop their offending and to be on a pathway to a better life outcome for them. Young people can also stay in State care until they turn 21—that is, with their existing foster families—with transition support and advice available up to the age of 25. And today is the start of the year in which a new intensive

intervention service to work with high-risk families and their children, to keep children safe at home or to rebuild families, will begin to roll out. Together, these changes will address the major historic gaps in the care and protection system, and I have to make the point that they are about having a more child-centred system.

We're doing these things, including the intervention services focused on families, because that is what children asked for and what is best for children. I want to reiterate, too, that no Government agency can do it on its own. Looking after our children and families is a job for all New Zealand. It is the most difficult parts of that work that usually fall on Government agencies and NGOs and Māori providers, so the new Oranga Tamariki operating model beginning today, and the Wellbeing Budget, acknowledges the key role of these community-based groups.

In total, we expect the new model and spending to involve around 900 new roles by the end of year four. We expect iwi, Māori organisations, and NGOs to provide about half of those required roles, and they will get the funding to support it.

There is also more money explicitly for partners—for example, \$26 million to meet cost pressures in early intervention services and \$29 million to better support iwi, Māori, and NGO providers who provide care to meet those care standards.

This is a big day. It's my job to ensure these changes work, and I'm really pleased as a country that we're finally making the changes required. Kia ora.

**PM:** Happy to take questions. We'll stick first to any questions around the changes to legislation.

**Media:** Why have neither of you watched the footage of the attempted uplift that has led to, now, at least three inquiries and counting?

**PM:** I'm happy to answer that, at least from my perspective. I held a portfolio as Opposition spokesperson covering off, then, the Child, Youth and Family Services for a number of years. I've seen videos of uplifts before and so had a sense of what was likely to be contained in that video. So, for me, it was just already having what I perceive to be a pretty good understanding of what was likely to be contained. Of course, I'm also aware of the case and the details around it as well.

**Martin:** So, for me, it had to do with the fact that I'd been made very aware of what the content of the video was. I was also made aware that there was 36 hours that'd been cut down to 45 minutes, so I had more background, perhaps, than one might've seen in the 45 minutes of video. But I've got to say to you I'm also very, very concerned for the young mum and the young dad in the middle of this. I know, through representatives of theirs, what they want is they want their children back, they want to be a family again, they'd like a house, and they'd like Oranga Tamariki out of their life. They've lost control of their own story at the moment, and so part of one of the reasons I didn't watch it is I wasn't going to put another click on that video; I was actually going to do my job and try to make sure that that family can get what they want.

**Media:** Didn't they actually gain control of their story by documenting the uplift and stopping it from happening? Wouldn't they have had less agency if the child had been taken away?

**PM:** It's probably only a question that the family themselves could answer.

**Media:** Well, but I'm just asking the Minister just to clarify you what you mean—it would seem counterintuitive.

**Martin:** For me to explain that to you, I would have to go into conversations that I have had with iwi, with their representatives, with midwives, and so on and so forth. So I based that statement on the interactions I have had; on what I know this young family wants, because that's what their representatives have told us; and how the story has spread from

what they want. So for me it's now—I keep trying to come back to who's at the centre of this, and who is at the centre of this is a small baby but also two other young people.

**Media:** Would there be three separate inquiries into this if there had been no media attention?

**Hon Tracey Martin:** If that footage had then been sent to me or sent to the Children's Commissioner or sent to the Ombudsman, then I can't answer that question as opposed to putting it up on to Facebook and into the public domain. I can't answer that question.

**Media:** You said that there was about 36 or 35 hours where the video was edited down. What happened in that—

**PM:** Taking into account the wider—yeah, because, of course, these things are court-ordered, ultimately, so there's a huge amount of context that would sit around any removal. These are not snap decisions that are made, and they involve a huge amount of oversight.

**Media:** So what happened in the rest of the time that the public didn't get to see what was in the video?

**Martin:** Well, I guess you'd have to talk to the people who were in the room. But can we just come back to the point that this is a single family. This is their story, so there is a level of discussion that the New Zealand public is having about a little baby and two young parents.

**Media:** Minister Martin, do you think that there is a wider issue that Oranga Tamariki is doing too many uplifts or doing them without adequate controls or protection of families?

**Martin:** First of all, I've made the public statement before, and one of the reasons why the expert advisory panel said that we needed to make the changes that we have funded and are making today is there are too many children in Oranga Tamariki's care. Why are they there? Because we don't have intensive intervention services to walk alongside our families when they are in situations where we are fearful for their children's safety. If we could put people to walk alongside them more intensively, the children could stay at home and be safe.

We also don't have enough early intervention services to stop our families getting to this place of crisis, because surely that's what we want. It's not: have a conversation about how Oranga Tamariki—how many children are in their care; this is actually a conversation about trying to stop children coming to our care.

**Media:** Are you saying it would have been better if we hadn't reported what happened that night?

**Martin:** I'm saying that I would have preferred that there were other options as opposed to exposing everybody that was in that room to the harm that has happened downstream.

**PM:** I think there's also an interesting point the Minister and I were discussing today, and a point she made was to also make that, and I think also answers that question around the case review work that's been done of a handful of cases within Oranga Tamariki that demonstrate some of the factors that are leading to uplift, and they really do show that there is that need for that really early and intensive intervention, because they are significant issues.

**Martin:** So there are five key factors, generally, when we have to intervene with families and take children into care: synthetic cannabis, methamphetamine, alcoholism, family violence, and mental health. So this is not just—this is why we say that, actually, all of Government but all of New Zealand needs to be participating in the early intervention and the intensive intervention that we need to put in place for these families.

**Media:** In that case review, you talk about the factors. Has that been released publicly?

**Martin:** Not at this stage.

**Media:** Why not?

**Martin:** I'm not quite sure, but I can go—actually, it has been, hasn't it? I beg your pardon, it was placed up on the Oranga Tamariki website last Friday, so it is. But I can make sure I get a copy to you if you'd like.

**Media:** Do you think the Government has done a good job of explaining what these Oranga Tamariki changes mean in terms of complaints and monitoring? Both the Ombudsman and the Children's Commissioner have said that these changes give them a role in either general oversight or specific complaints. One of the issues that's been raised is the call for an independent complaints body, and this would—

**PM:** Yeah.

**Media:** —presumably provide support, so why hasn't that been articulated?

**PM:** I think the first point to make is that we're having to build it, and it's actually something that, really, you could hark all the way back to the last Government and recommendations made by Howard Broad—I remember back when I held that portfolio—where there's been a longstanding issue that unlike the IPCA, where you have a considerable amount of power held by a State agency, where you don't necessarily have that independent oversight, and we're trying to change that. But that system has now been built.

**Martin:** And that is Minister Sepuloni, as the Minister of Social Development, has responsibility from Cabinet to work with the Children's Commissioner and with the Ombudsman to develop those processes.

**PM:** Yeah, we do have monitoring—we do have monitoring of residential facilities, I think it's important to make that point. But, ultimately, the complaints system—I think it's fair to say—hasn't had the level of independence that it should and could have, and we're working on fixing that.

**Martin:** And I think also Whakarongo Mai—VOYCE - Whakarongo Mai has a role here as the advocates for care-experienced children and the advocates there. And, again, that organisation is working with Oranga Tamariki, to make sure that they have direct contact with every child that comes into our care.

**Media:** What role, if any, are Māori MPs and Ministers playing in all of this? I mean, they'll tell you that every day in their electorate, they are hearing about these issues and have real, genuine concerns about how this is being done. So have you asked them to help with what it is that you're trying to achieve?

**Martin:** So I, obviously, as I've put through the operating model which I've been working on for the last year—all of the Māori Ministers have been part of the conversations. Whether they're in Cabinet or out of Cabinet, if they sit on the Social Wellbeing Committee, they have seen those papers; we have had conversation. With regard to the Māori caucus, I've also been in and briefed the Māori caucus twice, not just during the period of time of this incident, but previously, with executives from Oranga Tamariki, so that they knew that we are on a pathway to make these changes and do better.

**PM:** So I think it's fair to say they are being involved and they have been advocates. But I think, actually, electorate MPs across the board will have had experiences advocating either around issues with concerns for children, but also advocating on behalf of families who are wanting to care for their children. So I think most members of Parliament would have experiences as well.

**Media:** We do have a system, though, where people often complain that it's the wrong people who don't understand the cultural references in the Public Service that are trying to fix and deal with these issues. Is that still a problem and do you need to have a greater input from every level—whether it be Māori MPs and Ministers down to who you've got within the Ministry of Social Development? I mean, is that still an issue?

**Martin** So what we're talking about is: is there enough diversity and cultural competency inside Government departments. I'll speak for my Government department: that's something that also Oranga Tamariki is working on. So, even in my own office, I've made sure that there's been unconscious bias training for every one of my employees. So I think it's something that New Zealand itself is grappling with, around cultural competency and unconscious bias. If you talk about the design, the pilots that we have been doing—Oranga Tamariki have been doing—with regard to those things we're going to roll out, Ngāpuhi, for example: we didn't co-design the new remand homes up in the North; Ngāpuhi designed them. We supported them to design them, to train their people, and to deliver them. So we're moving in that direction.

**PM:** Barry, you had a question.

**Media:** You've probably almost answered it, I think. You're not saying that there shouldn't be any uplifts?

**PM:** Absolutely not.

**Media:** I mean, obviously—

**PM:** No, absolutely not. I mean, we do have these dual goals. No one wants to hear stories of children being harmed or losing their lives. Equally, at the same time, we know that 6,500 children are in State care, many of which would rather be with whānau or family, and so we've got those two competing issues there, which we're absolutely committed to resolving, but we always have to put the wellbeing and the safety of children at the centre.

**Media:** Just, though, to go back to Minister Sepuloni's work on these complaints—what can you say about where exactly that work is at, at present, either of you?

**PM:** Decisions were made several months ago now, going from memory. MSD is involved in the design work, but of course, ultimately, functions, though, would sit with the Children's Commissioner, and so there's engagement going on there as those roles and functions are developed. As I say, you already have a monitoring role for the Children's Commissioner already, monitoring of youth justice residents, complaints mechanisms, but this is about beefing up that independence and the monitoring role that they have.

**Martin:** And I just happen to know that the Māori Council is meeting with the ministry tomorrow—so also reaching out to Māori organisations and iwi organisations to make sure that they are part of that conversation.

**Media:** How effective are these changes going to be, though, when the Government itself—and this is more a question for the Prime Minister—have not accepted the recommendations about increasing the basic incomes of people who are on various benefits?

**PM:** Well, I think we always accepted that we've got income adequacy issues. What we've said is that it's going to take time to deal with those issues. You'll already see in the last two Budgets—one through the Families Package, which included increases to the family tax credit and winter energy payment and Best Start payment, which prioritised young children and low- and middle-income earners—that's a \$5.5 billion package, and then you've got, equally, the indexation of benefits, which the Children's Commission themselves said, "If you want to make the biggest difference to child poverty, that is what you'd do." And that is what we've done. So what we've acknowledged is it will take time, but already the combination of those packages will lift between 50,000 and 74,000 children out of poverty. Now, that, of course—we've never argued, of course, that this is the sole issue here, but what we have said, of course, is that there are a number of factors that we always have to take into account. There were financial stresses within families, but ultimately also mental health issues, drug and alcohol, family violence, and you'll find in the Wellbeing Budget every single one of those factors that the Minister named has been addressed.

**Media:** But why don't you just increase their incomes now?

**PM:** Well, that's what I'm arguing the last two Budgets have done. They are particularly targeting families with children. The family tax credit, keeping in mind, of course, goes to families on benefits.

**Media:** But the recommendation was for a much larger increase in incomes now.

**PM:** And, as I've said, we've said that changes there will take time; we can't do everything overnight, and I would even argue—a 40 percent increase?

**Media:** Why can't you do it now?

**PM:** Because of constraints, of course—

**Media:** What are those constraints?

**PM:** You want me to run through our economic plan and the reasons why we consider running surpluses are important. I know that we've had this argument many times before. The argument I'm making back is that we are making some of the single-biggest investments in wellbeing for both children and their families of any Government, and we're doing it whilst balancing the books, because we need a strong and growing economy to keep delivering for those. And I'm going to leave that question there.

**Martin:** Can I just make sure, though, that we're not saying that because families don't have a large income that somehow their children are going to become Oranga Tamariki children? Can I be really clear about that: 98.5 percent of our Māori children, for example, are living and loved at home with their mum and dad. We must not lose sight of that at the same time as we're making sure that the 1.5 percent of Māori children whose families need more support to keep them safe we're doing better by.

**PM:** Do you want to move on to other topics? Thank you, Minister.

**Martin:** Thank you.

**PM:** All right. Fire away.

**Media:** Last week, the End of Life Choice Bill passed second reading with your support. One presumes you might vote for it again at third reading. But, on the amendment picture, there's obviously this big proposed amendment to turn it into a referendum. Would you personally support that?

**PM:** My support is not contingent on a referendum.

**Media:** But the referendum SOP will go through vote the Parliament. Will you be voting for it?

**PM:** My view is that a referendum isn't required to ensure that the voice of New Zealanders has been heard and to reflect the will of Parliament and the people they represent. So I'll be voting for the bill to continue and to be passed as it stands. However, if the only way that the bill can be passed is through the support of a referendum, then I acknowledge that that is a second option.

**Media:** So you may vote for the amendment to make it a referendum even though you don't think there should be a referendum?

**PM:** No, I think it should pass without needing a referendum. I'd need to look at the sequencing of the votes to determine whether or not the success will be dependent on a referendum.

**Media:** Will you be whipping any of your MPs' votes on the amendments or will all the amendments also be a conscience vote?

**PM:** No, there have been—we are not whipping on conscience votes, and this is very squarely a conscience vote. There's a number of other examples of conscience votes. We just—I have a philosophy we shouldn't whip our MPs. They have deeply held personal views, many of which may have a religious foundation. That's what a conscience vote is all

about. And we have a lot of diversity in our Labour caucus, and they should be able to vote with their conscience in mind.

**Media:** Maggie Barry said that she was going to personally introduce 120 SOPs—that's not counting the other ones as well. She said that this isn't filibustering, but do you think there might be a little bit of this going on?

**PM:** Look, I haven't seen the content of those amendments, so I just wouldn't know whether or not they were substantive or legitimate for the bill's debate, so I don't feel I can make a call on that. What I would say is that, ultimately, people have put their views in select committee. There's been a wide-ranging debate on this issue over a number of years. I think it would be helpful if this Parliament were able to determine the future of the bill.

**Media:** Are you disappointed with the select committee process that the changes have to be made now because the committee didn't?

**PM:** It certainly would have been, I think—it would have meant a more timely debate if that were able to be the case, but, look, sometimes that's just a result of the make-up of the Parliament that we have, and we need to, you know, deal with that as a Parliament. There are processes through the committee stages to allow that debate to then be had there.

**Media:** Do you agree that the bill's been filibustered to this point already?

**PM:** I do think it deserved a robust debate. It's a significant issue. We certainly shouldn't curtail members of the public having their say, and it is a conscience vote, so individual MPs will want to put their own view and be heard. Again, I can't make judgments on individual SOPs. I haven't seen them. And keeping in mind my vote is only as good as the next member of Parliament's, so the fact that I'm the leader of a party or, indeed, the Prime Minister is actually—gives me no extra weight in this debate relative to any other MP.

**Media:** But there are allegations that the length time the select committee took, and the length of time it took to deal to the previous members' bills before end of life came up, were filibustering.

**PM:** I mean, look, you'll get variation in length of debate for members' bills. I think it's a little bit hard to compare apples with apples, depending on public interest. There were a huge number of submissions on the euthanasia bill, so that would have taken the select committee some time. Having said all of that, I do think this Parliament should determine this bill, and I think it would be unfair for people on both sides of the argument not to have it be able to conclude. And I think all MPs, I hope, will be mindful of that.

**Media:** Why shouldn't you go to the public on an issue of life and death?

**PM:** Well, ultimately, conscience votes are a chance for MPs to reflect on the views of their constituents, to hear the public's opinion, and to try and, within their own conscience, reflect that. Look, there are some issues that absolutely should legitimately go to referendum, and if that's the case for the euthanasia bill then at least people will have their say in that form. But, having said that, I think this one has been debated at great length within a Parliament context, and it has a relatively narrow-ish scope to it. But if it goes to referendum, it goes to referendum.

**Media:** The Waitangi Tribunal has found multiple Treaty breaches and serious failings by the Crown to fix Māori health inequities. Will you offer an apology to Māori?

**PM:** So we've only just received the tribunal's report, and a huge amount of consideration has gone into it, and I want to make sure that we reflect that in the consideration that we give it before responding as well. So we're going to take the time to go through it. I think it is fair to say, though, that already there's been acknowledgment, even in the hearing process itself, that there have been failings.

You just need to look at the statistics. We do have health inequities that are experienced by Māori and Māori children: respiratory illness; you know, the outcomes for those who

experience cancer. There are things we need to fix, but when it comes to a substantive response, I do want to just take some time.

**Media:** Will you consider setting up a separate Māori health authority?

**PM:** Yeah, I know that was one of the recommendations. But, as I say, I do want us just to take the time to reflect on what's being put to us.

**Media:** What about including the tribunal report in the Government's current health and disability system review that's currently under way?

**PM:** Yeah. And, look, all of those issues are things that I want consideration by the Ministers, keeping in mind we've also just appointed a new Associate Minister to support David Clark. Peeni Henare will have some specific responsibility in this area. So I do want to give them a bit of time to review what we've just received.

**Media:** Do you still think that there's no need for a royal commission or some sort of truly independent inquiry into banks and insurers now we know that ANZ ignored whistle-blowers within its own organisation about Mr Hisco's expenses?

**PM:** Yeah, and, you know, my response to this is still the same: that pushing back on the royal commission doesn't mean that there aren't issues to be answered by the banks and work to be done. And I think we've acknowledged that by the different streams of work we already have under way. My concern with a royal commission is whether or not that actually takes us any further from what we've already been able to instigate. No one is saying that in not having a royal commission that means we have perfection; we do not. Nor are we saying that the banks don't have questions to answer; they do. And, in fact, we're constantly reminding them they have social licence they need to maintain here. They are answerable to the New Zealand public.

**Media:** Do you think they still have that social licence?

**PM:** I think certainly in recent times it's really been brought into question. They're the ones that need to restore that faith, and we need to make sure that there's faith in our institutions. The work of the Reserve Bank, making sure that they have the tools they need, is one of the questions that it's incumbent on us we answer.

**Media:** Police yesterday confirmed that Deputy Prime Minister Winston Peters has been receiving death threats. Since the 15 March terror attacks, have you noticed any uptick in the amount of death threats that you credibly may or may not have been receiving?

**PM:** Thank you for asking that as subtlety and politely as you can. Do you know, to be honest, I do not keep a tally of threats. Those are issues that are ultimately dealt with at some distance. Those are operational matters that really sit with the police. And so that's where I am quite happy to leave it.

**Media:** Has your office received any advice?

**PM:** Again, even decisions around responding to greater threats or risks—those are all operational matters that sit entirely separately to me, and that's as it should be. Decisions around how the police or protection service operationalise themselves, that sits away from me.

**Media:** Winston Peters said Simon Bridges should resign over kind of allying himself with what he described as kind of Austrian Nazi fake news around the UN migration pact. Do you think the National Party acted responsibly over that debate?

**PM:** No.

**Media:** Do you think they acted recklessly—like, should Simon resign over it? Is it at that level?

**PM:** Oh, look, when it comes to the Deputy Prime Minister's view of the repercussions of that, look, that is absolutely his prerogative. But I—actually, I did hold concerns, because we weren't having a debate that was anchored in the facts. You know, the migrant compact



that was being debated globally just wouldn't have the effect that the National Party claimed. What they were saying was just wrong, and the movement around it was by a very particular group who had a very particular desire, and you can see, by those who jumped on that bandwagon, what they were trying to do. And I hadn't really seen that in mainstream political parties in New Zealand, so, yes, I was concerned about it.

**Media:** If they get elected to Government, they're still going to repeal it. Do you think that that would be wrong?

**PM:** Well, I'd like to see the reason for that, because I think we've demonstrated that what they claimed was just wrong. They claimed that we wouldn't hold sovereignty over our own borders. That was totally factually incorrect and remains incorrect. We would never sign away the sovereignty of the maintenance of our own immigration policy. Now, I see that as a core, fundamental role that we have as a Government. So that's really, ultimately, for them to answer.

**Media:** Do you think they acted naively, or were they deliberately trying to court the far right vote?

**PM:** Look, I can't answer their motivation. All I know is that I disagreed with it.

**Media:** The justice Minister announced some changes to the electoral laws ahead of the next election, a few weeks ago. One of the things that didn't come in was the voting age. That's obviously a protected provision of the Electoral Act, a change that would require 75 percent of Parliament. Do you have a view on lowering the voting age? The Labour Party has had—

**PM:** Yeah, look the Labour Party's long debated this, particularly those who are members of Young Labour have a view, and other members of the party hold other views. It's not part of our agenda as a Government. One thing, however, that is part of our agenda is that we have wanted to see as part of the work we do on the school leavers' tool kit, we do want our young people to have a good knowledge and understanding of the voting system, of their democratic rights, and that's really a good foundation for young people to be engaged in the future.

**Media:** Do you have a personal view, for or against?

**PM:** For me the first sequencing would be getting that civics right. One of the issues that we have is that most young people are learning about civic education quite some years away from when they vote, so it's not as relevant to them. Yet as they get older, of course, they're moving into individual subject matters, and so they're less likely to have that engagement. We need to find a workaround from that. For me, if people can demonstrate to me the evidence of what makes a different level of engagement, I've always been open-minded in talking about that but it's not currently part of this Government's agenda at all.

**Media:** What do you think has been the Government's biggest achievement so far, and what would perhaps have been a bit of a failure?

**PM:** That's a big open question for a Monday. Look, the biggest achievements for me are those things that will create systemic and transformative change—you know, implementing things like the child poverty legislation, and all of the obligations that then puts on us that have led to, for instance, between 50,000 and 74,000 children being lifted out of poverty. And the work that we're doing on climate change to, again, embed a change that will stick for not just three years but 30 years, and sitting alongside that \$14 billion of investment in public transport, the millions we're putting into agricultural research, and, for instance, the land package we just announced this Budget to help those who are facing that challenge with us to make that transformation. Our biggest disappointment is just ultimately things always take more time than you'd like and three years is a short amount of time to make the kind of changes we need.

**Media:** The Opposition has called for a national cancer agency. I'm sure you've seen reports coming out, saying Labour campaigned very hard on better cancer care.

**PM:** We did.

**Media:** The Minister of Health only on Friday received a draft report, a draft action report. Why has it taken so long to get to action on cancer care?

**PM:** Keeping in mind our starting point. I think an important point to make here is the last time a cancer action plan was updated or generated was when we were last in Government, and so the work that we've been doing here to try and, again, get that focus up and running again on cancer and the disparity and inequity of treatment across the country is something that we've had to pick up here and try and rebuild. And I'd also point out that's at the same time whilst trying to do things like get the bowel-screening roll-out going and working as it should be. So it's across the board—when you look at almost every aspect of health, we are trying to rebuild. Cancer absolutely needs to be a priority, and is, because so many New Zealanders are affected by it. But when I look at our starting point, we are having to reinvest in, overall, a significantly depleted health system to make sure that they're generating the outcomes that New Zealanders expect in cancer care.

**Media:** What do you say to people who, you know—obviously there are terminal patients out there who—the Government's been here for a year and a half and the draft's only just gone out. Obviously for them it's arduous—

**PM:** And the point that I'd make is that of course hasn't stopped us doing things like focusing on getting that bowel-screening roll-out going. So there are, of course, examples of where we've been getting on with the work whilst also trying to redevelop and elevate that cancer action plan again. Since we were last in office, over 10 years, we haven't seen that work being done.

**Media:** The Reserve Bank's released John Key's letter on behalf of ANZ regarding the bank capital proposals. It's for the first time released ANZ's modelling on what they would cost. They are predicting 20 percent GDP over the long term is the cost, and then downward over 10 years, one to three percentage points being knocked off GDP over that period, so it could reduce our growth by around 0.7 percentage points over the next five years, which would knock us back to 1.8 percent over the next five years—so quite below what Treasury's forecasting. Is this something that's starting to frighten you? This'll have a massive effect on what you can spend.

**PM:** This will be our last question, I'm afraid; I do need to shoot off. There are two things I would say on that. First, I haven't seen the letter, but I have heard some of the rhetoric coming out of ANZ, and at the moment you'll be aware, of course, the Reserve Bank is doing some work with ANZ in a number of other areas at the moment. So I say that just for context. The second point I'd make is that the Reserve Bank, of course, has been consulting on some of the changes that they've been developing. Those are matters for the Reserve Bank, and they are yet to be finalised. So I think it would be premature to make any statements about relative impact on growth at this point. OK, thank you everyone.

### **conclusion of press conference**