

POST-CABINET PRESS CONFERENCE: MONDAY, 21 OCTOBER 2019

PM: Good afternoon, everyone. First, to the week ahead. Directly after this press conference, I will head to the Ministry for Arts, Culture and Heritage to officially open the Public Trust building's new hall. I'm in the House Tuesday and Wednesday, and at noon on Wednesday I will speak at the Duffy books event in the Grand Hall. On Thursday, I will be making a climate change - based announcement alongside Ministers Shaw and O'Connor. On Thursday evening, I will be present at the Women of Influence awards in Auckland. On Labour Day Monday, I will be in Waitara for a New Zealand Land Wars commemoration.

Earlier today, I joined the Minister of Education, Chris Hipkins, in Upper Hutt to announce an extra push to get our young people into good trade careers to help close the skills gap—something business are very, very keen on seeing us do more of. Ultimately, we need more young people in trades. To do that, it's clear that we need to lift the status of those professions and encourage more people into them, and, yes, this comes at a time when the labour market is tight due to near record high employment levels at 3.9 percent.

One of my key messages to the students this morning is that we need to move past a fixation on university or polytech. Trades jobs pay well and we need them. It is possible that young people find a career that both benefits New Zealand and meets their passion. This is bridging that gap between those about to enter the workforce and the employers who need them. Our work on rebuilding trades and vocational education after nine years of neglect is one of our central priorities in tertiary education and constitutes our most significant announcement in this space in our two years in coalition Government. If we can start getting more people into trades and plug the skills gap business identify, we will be making a really big difference.

On that note, we are coming up to the two-year anniversary of the formation of this Government. That has been two years of making really good progress on tackling the long-term challenges that we face as a country and making progress, ultimately, to improve the lives of New Zealanders.

I wanted to touch on just a couple of issues that stand out to me and then take your questions. Firstly is in the area of healthcare. We are making healthcare better and quicker, with the largest ever investment into front-line mental health services; new cancer drugs and treatment, and expanding workforce; upgraded and new buildings; cheaper GP visits for more than half a million New Zealanders—enough to fill Eden Park 12 times. The Families Package has put more money into the bank accounts of people on middle and low incomes and added a new payment for those who've children under three. This package, along with measures in the Wellbeing Budget, will lift 50,000 to 74,000 children out of poverty and stop those families who may be at risk of sliding into it—add to that our record increases to the minimum wage, where we are making a genuine difference to low-income earners.

We're building houses. We've stopped offshore speculators from buying up homes. We've introduced measures allowing for just a 5 percent deposit to help first-home owners into the market, and we're already exceeding our 1,600 a year public housing target, and if the previous Government had planned in that way, in the way that now we are, there would actually be no housing waiting lists.

We'll pass the zero carbon Act. We've created a Green Investment Fund. We've invested more than ever in public transport. We've created a new energy resource centre, and we've supported new opportunities in hydrogen and will make progress on farm-by-farm emissions reductions through farm environment plans for both climate but also to make progress on water.

Of course, running a surplus helps deliver all of this, and we have. Investing in infrastructure stimulates the economy while we keep an eye on the global horizon, and we're doing that

too. Securing better trade agreements makes sure we can capture the opportunities borne out of the need for environmental credentials and green tech, and we will.

I am proud that our country, in my view, is getting back on track. Finally, we do have a coalition Government that has made the choice to invest in the fruits of economic success and to invest, ultimately, in our people.

I'm happy to take questions.

Media: Would you stand by if your Deputy Prime Minister ridiculed—would you stand by if your Deputy Prime Minister ridiculed the potential job losses of people in a factory or in freezing works or any other labour workforce?

PM: As I said today, ultimately the Deputy Prime Minister is expressing his personal opinion. This is not the position of the Government. Look, everyone in this room knows that the Deputy Prime Minister has long had a robust relationship with the media and that in some cases that has been two-way, but those are ultimately views that he has expressed that are personal to him. You've asked me for my view, and I've expressed and acknowledged that this will be an incredibly difficult time for those who are directly affected, and that continues to be my position.

Media: What's your opinion of his—

PM: I've shared my opinion—

Media: What's your opinion on his opinion of this happy coalition anniversary?

PM: That he's expressed his personal view, and even when you're in Government, individuals will be entitled to express their personal view. If you're asking me for mine, it's that this is an extremely uncertain time for a large number of people, and I have great sympathy for that, but ultimately this is still a commercial decision.

Media: Do you have New Zealand First on side when it comes to light rail in Auckland?

PM: Oh, well, obviously Cabinet has already signed off the process that we're going through now, and, as you will recall, we're in the middle of two quite significant and different processes being fully developed and assessed. The New Zealand infra proposal, which is unlike anything that we've had before—it's a public-public partnership. So we do need to make sure that that's properly developed and assessed, and, of course, the proposal's been put forward by NZTA, and Cabinet has signed off on that process.

Media: Are you worried about a potential cost blowout?

PM: Again, we can't have a cost blowout on a business case that hasn't been put forward yet in its entirety, and so that's not something that I at this point have concerns about. I want to come back to the principle, though, of what we're discussing here. My view here is that Auckland is congested. It is losing productivity. It is losing its potential reputation to be a world-class city if we do not have decent public transport infrastructure. My view is that Aucklanders support a rail to the airport option, and it's our job to get on with developing it, and we are.

Media: [*Inaudible*] pull the handbrakes [*Inaudible*]?

PM: Well, we're already in the process of assessing a rail to the airport option. We are making progress on that, and that's what we've all agreed to and that's what we're sticking with.

Media: Do you have confidence Phil Twyford will be able to deliver that light rail project?

PM: Yes. We're obviously, though, in a very different set of circumstances than we were at the time we were originally. We're talking about a straightforward NZTA proposal. What we have on the table now—the NZ infra proposal—is completely different in many respects, and not just funding, but what they're proposing in terms of what that rail option would look like. So we need to make sure that that's properly assessed, that we give that the time it needs to be properly developed, and decisions will be made on that in February.

Media: If the costs do rise higher than expected, do you anticipate New Zealand First could pull out of supporting light rail?

PM: Again, we're still developing—what we're assessing here will be two different proposals, and those proposals will include costs. I do want to clear up—in some cases, I've heard confusion between the City Rail Link and rail to the airport, obviously two different proposals and two different points in the process. For rail to the airport, it is obviously still in proposal stage. But this is a very simple question. Do we think we should have rail to the airport or rail to South Auckland in Auckland? My view is absolutely. This is a congested city that we have to get on with unclogging.

Media: Can you tell Aucklanders when they'll see that?

PM: Because we have a completely different proposal on the table than what we did at the time when we were first talking about rail to the south, it has fundamentally changed the dynamic. But it's an exciting proposal. It's one that would be a public-public partnership. I think we should give it a chance—let it be properly developed.

Media: Can you say, ballpark, when?

PM: We'll be making decisions in February.

Media: Do you have absolute ceiling for how much you'd be prepared to pay for it?

PM: Again, too early to say.

Media: But there must be—I mean, 15, for example, 10. Would you not go above that?

PM: I'm not going to get into estimates like that while we've got a proper process in train that will come back to Cabinet.

Media: Engineers say they've lost confidence in the Government because the process has been mismanaged. What do you say to them?

PM: Well, engineers from?

Media: From New Zealand [*Inaudible*] an engineering association wrote to the Minister to say that they had to spend millions of dollars on their bids to the project—money which they're worried will be wasted now.

PM: Of course, keeping in mind some of the, I believe—potentially some of the counterviews may well come from those who are involved in different proposals. We have an NZTA-based proposal and an NZ infra proposal. There'll be different perspectives from each proposal around which is the superior of the two. We need this to actually be properly assessed, go through a proper process. It wouldn't be right for NZTA to be judging the other proposal that's been put forward. It's been dealt with by Treasury and the Ministry of Transport, and Cabinet will ultimately make decisions next year.

Media: These engineers thought that they were bidding for the only proposal—that's what they're taking issue with. They thought that they were bidding for work that was coming from one proposal.

PM: When we have, I think, potentially, through a public-public partnership, a significantly different proposal being put forward, we need to put that through a rigorous process, and taxpayers—you know, we owe it to them to make sure that we assess both rigorously as well.

Media: The zero carbon bill has just come out of its select committee process with a report, and it shows that the 24 to 47 percent range for biological methane remains untouched. This was despite the fact that farmers were very aggressively lobbying it to be at 24. Environmentalists wanted it to be at 47. Are you confident that it strikes the right balance?

PM: Yes, because ultimately what we've placed in the legislation is a range which then the Climate Commission has a role of working within.

Media: Why isn't it the Climate Commission's role to set that range? Why is the Government doing it?

PM: Essentially, you would assume that anyway. The interim climate commission or the Climate Commission would use the same evidence base that we used to put in that range, which was the IPCC. That's what the range is based on, and then within that it gives at least a degree of certainty around the parameters for which the climate change commission will be making their decision.

Media: So are you confident that the Government's thinking would've lined up with the Climate Commission's thinking?

PM: It's based on the international evidence. And look, what we're acknowledging is that it is a changing environment. That's why, of course, the Climate Commission has the ability to keep assessing where New Zealand will be within that evidence base.

Media: Seven months ago, on euthanasia, you were asked if you supported a referendum. You said not really but you might vote for one if it was needed to get the bill through. You're now saying no, you won't vote for a referendum at all. What's—

PM: Yeah, look, my view is that it's, you know, a referendum—it shouldn't be required for us to make our individual decisions. I am supportive of the bill, though. So I'll be looking at what—and keeping in mind my decision is the same as any other member of Parliament here, no greater than, no less than, and I'm not speaking on behalf of the party. So my personal view is I will support what will be required to allow the bill to continue or to come into effect. So there's a few different dynamics around where that means the numbers might fall, so I'll be assessing that as we go.

Media: You could vote for a referendum on Wednesday, then?

PM: So if I assess that that's the only way that the bill could continue and survive, then that's something I will give consideration to. My preference, of course, would have been to allow actually just Parliament to make that decision.

Media: Can you give us an update on where the two reviews are at in regards to the Labour sexual assault allegations?

PM: I've been advised that the process being led by Maria Dew should be completed by the end of November, but, again, that's entirely a matter that's out of my hands but that's the advice I've been given.

Media: Have you met with the complainants yet?

PM: I see that as a completely private process. I have said I will meet with them, and I will, of course, follow through on that, but I will not give any details.

Media: Are you confident that New Zealand First will back the gun reforms all the way through Parliament?

PM: Obviously, any reforms we make we need to build consensus around, and so that's a process that we go through with every piece of legislation. Obviously, we've had their support to date on everything that's been put before Parliament.

Media: What do you think about Winston Peters and Shane Jones having dinner with David Tipple last night?

PM: Those are ultimately matters for them, but I frequently engage with people that I don't always agree with, as well. We constantly hear sides of debate and argument that we might not always agree with. That's just politics.

Media: When was the last time you had dinner with somebody that you disagreed with?

PM: I didn't. I haven't met with him.

Media: I meant in general.

PM: Well, to be fair, probably most occasions when I'm sitting at a table, there'll be someone who disagrees with me on something. We're not a one-party State.

Media: [*Inaudible*]

PM: Yeah, 1 o'clock was probably the last time I sat around a table with people I disagreed with.

Media: What did you disagree on?

PM: We have robust debates all the time. I'm not going to disclose the detail of all of them. But, of course, the whole concept of collective responsibility is the fact that there'll be times when we don't all agree. We have that discussion at Cabinet and then we at least agree that we'll hold one position.

Media: What's your current thinking on when you'll be able to make final decision on agriculture into the ETS and the freshwater reforms?

PM: Freshwater reforms—obviously, we're going through a process right now around consultation and, obviously, meetings around the country, and those are very genuine consultations. There's some areas the Ministers have been very open that they are genuinely seeking the views, particularly in different geographic areas, around how those rules will apply. For the final decision on issues that relate to agriculture and climate legislation, very shortly.

Media: Mark Patterson said that the freshwater reforms—he said on radio in the South Island that the freshwater reforms could be at least six months away. Is that a reasonable assessment?

PM: I'm not going to comment on the time line, other than to say we're obviously in the middle of a phase of consultation at present. So Minister Parker would be the one who'd be able to set out in a bit more detail his expectations there.

Media: What effect do you think the new meth sentencing guidelines will have?

PM: What effect do I believe that new—

Media: New meth sentencing guidelines.

PM: Sentencing guidelines that have been set out by Crown prosecution service? That's not something I can comment on; it's not something I've been briefed on.

Media: There were calls a few weeks back for the royal commission of inquiry into the Christchurch attacks—the reporting deadline on that to be extended because of the scope of what they need to look into. Is that something Cabinet's considering?

PM: No final decisions have been made there, and so I don't want to pass comment until decisions have been made.

Media: Are you open to it—to give them the time that they need if that's what they've asked for?

PM: Well, one thing I will say is just reflecting back on the time at which we first set out the parameters, we were trying very hard to balance the desire, particularly from the Muslim community, for answers as soon as possible, whilst also the ability to do a thorough job. So those would be the things that we will continue to keep in mind with any future decisions around timing. But I don't want to speculate before any final decisions have been made.

Media: Have you come to a decision yet about what month you want to hold the election in next year?

PM: Ha, ha! When decisions are made on that, I will announce them.

Media: Are you worried at all about clashing with the US election?

PM: No, although we always do keep in mind major events—that's common practice, so we'll be keeping a range of different events in mind when setting a date.

Media: Were you surprised to see the new food grant figures out last week almost doubled on the same period last year?

PM: And I do frequently ask questions around what we're seeing in practice on the ground and whether or not that's an indication of additional need, or the ability for people to get the support and assistance they need. So I have seen conflicting figures, for instance, around food parcels via some agencies versus others: some have seen increases; some have seen declines. The feedback I get from NGOs on the ground is that the Families Package definitely has made a difference. But, at the same time, of course, there are ongoing issues with making sure that people's incomes, which we've increased—so those on low and middle incomes, for instance—will, under this Government, be \$75 a week better off. But we also need to make sure that we are meeting people's housing needs alongside that. That's why continuing those public housing builds, those transitional housing places, which we are doing, is going to help address those costs as well.

Media: At the moment, you've got about 100,000 people a month having to come forward to ask the Government for some extra—

PM: No, what we've got is 100,000 people able to access that help, and so that's one of the things I'm really clear about. In some cases, it will be that, actually, people are not being turned away as much as they may have been before. We have made access easier, so there are some barriers that have been removed by Work and Income, and I'm being told that is making a difference. You know, this was about getting people off the streets and out of their cars and getting the Government support that's available. And so this, to me, is a demonstration that people are getting that help.

Media: Can I just ask in regards to police numbers whether there's always been two separate figures for the 1,800 police—one taking into account attrition and the other one for the coalition agreement, and if so, why?

PM: Well, we want 1,800 new police officers, and so obviously [*Inaudible*] confirmed that we will achieve that, and very, very shortly. Then, of course, we also want to make sure that we keep pace. Attrition, of course, is a variable, so it's very hard to pinpoint exactly at which point you end up with that additional figure. But we will have trained 1,800 new police officers within our term—in fact, well before we reach the end of our term. Beyond that, we're keeping that ambition up to keep training. Ultimately, though, we have more front-line police officers now than I'm told we've ever had before, and that was exactly our ambition.

Media: Why was it never clearly set out that there are two separate figures? Because the police Minister has always said it took account of attrition.

PM: He was always ambitious for growing the workforce beyond the loss of police officers who leave the police force. So he was looking for additionality. But we will, as I've said, have trained 1,800 new police officers, and we'll be doing that very, very soon.

Media: Is it a Government commitment, though—is a Government promise to police that there will be 1,800 additional police officers—

PM: Well, we're doing that regardless. We've got a plan to keep going, and so police know we have that plan to keep going.

Media: The justice select committee has come back with a report on a petition of a gay conversion therapy.

PM: Yes.

Media: It says it needs to balance rights for the gay community against freedom of expression rights. What's your sort of read on that?

PM: Yeah, actually, I wouldn't mind taking the time, and I haven't had a chance to do this today—I wouldn't mind taking the time to look at that select committee report. It is something that I know our LGBTI community, rightly so, feels very strongly about, and it's an

issue, you know, that I do have concerns about. So I would like to look at that select committee report back, and I haven't had a chance to do that yet.

Media: About gay conversion therapy?

PM: This is, you know, this is where my concerns are: that often you have very vulnerable—very, very vulnerable—particularly young people in that situation, and so I think the select committee is right to be concerned about those vulnerable young people, but at the same time, in the back of their minds, keeping in mind that there'll be those who perceive that it's part of their freedom of expression within their religion. So I'd like to see where the select committee's fallen on it.

Media: What's your view on the freedom to convert gay people?

PM: Yeah, you'll hear from my language that my concern sits predominantly around the vulnerability of those young people.

Media: What's your take on Sir John Key's meeting with Chinese President Xi in a very sort of public way?

PM: Oh, look, you know, past Prime Ministers are free to meet with whom they choose.

Media: Have you had a debrief from him?

PM: No, no, I haven't—I haven't. I've seen the reporting—the different reporting—but I haven't had a chance to have a debrief, no, Audrey.

Media: Would you have expected him to have consulted Foreign Affairs?

PM: Look, not necessarily. I think, actually, when it comes to, you know, generally supporting New Zealand's ambitions and our positioning abroad, my observation has been that, actually, past Prime Ministers play an important role and continue to do so once they've left office. So I think there's some advantage to continuing those ambassadorial roles and therefore, actually, to make the most of it, continuing contact with MFAT is no bad thing. I can't rule out that that hasn't happened, though, so I don't want to be too premature there.

Media: Do you have any thoughts on the current Brexit situation?

PM: Well, ultimately, of course, my perspective is predominantly from New Zealand's best interests. It doesn't affect our negotiations, obviously, with the EU. It will potentially affect the starting point for our negotiations with the UK. Obviously, if there's any form of ongoing customs union for the UK, that changes the timing of New Zealand's negotiations. So, obviously, I'm watching with great interest but as an observer, as everyone else is. And whether or not there'll be an extension, what the domestic rules will require—those are things that I'm a keen observer of. All right, seems to be it. Thanks, everyone.

conclusion of press conference