

POST-CABINET PRESS CONFERENCE: MONDAY, 9 DECEMBER 2019

PM: Good afternoon. Look, my apologies—apologies for the delay. I was wanting to ensure that I had the most up-to-date information available to share with you regarding the evolving situation at White Island. Police search and rescue are supporting the National Emergency Management Agency following an eruption at White Island off the coast of Whakatāne. Police were alerted at 2.17 p.m. At this stage—and please do keep in mind this is an evolving situation, but at this stage we believe around 100 people were on or around the island at the time, and some of those at this stage are unaccounted for. A number of people are reportedly injured and are being transported to shore. Police are urging members of the public to avoid the Whakatāne Heads and Muriwai Road areas. Muriwai Road is closed from Harvey Street.

I do want to just again share: this is evolving. At this stage, obviously, it does appear to be a very significant issue, particularly the scale of those affected at this stage. A joint press conference will be held at 5.30 between the National Emergency Management Agency and the Police. They will be able at that stage to provide you with far greater detail in what is very much an evolving situation, but of course I'm sure all our thoughts are with those affected at this stage.

Look, I'll come to some of the events for the week ahead and then I'm going to run also through an update on the situation on the ground, particularly around the West Coast. I have the Minister of Transport here to give a little bit of an update after the weekend's weather events, and then open to questions on any of these matters.

This week I am in the House on Tuesday and Wednesday. Tuesday afternoon, I'll join Minister Martin at the Oranga Tamariki awards here at Parliament. On Thursday I travel to Canterbury. Minister O'Connor and I will visit Synlait's site, where they'll be making a sustainability announcement concerning their boilers, before speaking at the launch of the Primary Sector Council's vision for the agriculture, food, and fibre sector. In the evening I'll be in Auckland.

As you know, a massive clean-up is under way after severe weather swept across the South Island and lower North Island over the weekend. I have been receiving regular updates from the Minister of Civil Defence, Minister Peeni Henare, and the teams working with him. He is currently on the ground and reporting in to me directly. The scale of the damage should not be underestimated. I know we have a lot of work ahead to ensure things are returned back to normal. Our immediate priority is the safety and wellbeing of those affected firsthand: communities, the farmers, tourists, in particular.

Today, Cabinet discussed the state of those most heavily affected areas, in particular on the West Coast and in South Canterbury, and Minister Damien O'Connor gave us an update as he was hearing through around impacts on the ground. The Government will begin—and I will say “begin”—by contributing, as we do in these situations, with the \$100,000 to the mayoral relief funds established across New Zealand to help with response and recovery efforts. The exact allocation will be sorted over coming days. This follows the release yesterday of \$50,000 to support farming communities in the South Canterbury district. Again, I do want to just acknowledge this is very early days. We do this so that there is a discretion available for mayors to act immediately on some of the needs that they encounter straightaway, and we'll be continuing to work alongside them in the relief efforts.

The West Coast has been hit hard, and people are isolated at Fox Glacier and Franz Josef. While those tourists that were stranded in Fox Glacier township were able to leave yesterday, we do still have hundreds of people remaining stranded in Franz Josef. Evacuations already are under way in some cases for those with immediate needs, and we are in conversation with the New Zealand Defence Force regarding possible military vehicle transport. A proper assessment of people's needs began at 2 p.m., and we'll have a better picture by this afternoon of some of those needs amongst those who are on the ground.

NZDF have alerted their relevant transport units, including aircraft, so that they are at the ready. As I said, Minister Henare is in the West Coast today with the Director of Civil Defence Emergency Management, Sarah Stuart-Black, to see firsthand the impact on the ground. They attended a community meeting this morning in Franz Josef that was attended by between 300 and 400 people to provide locals and visitors to the area with an update on the situation.

Dairy farmers on the West Coast and in South Canterbury are being assisted by the Ministry for Primary Industries staff members. Now, while we haven't heard of stock losses at this stage, we know it's very likely there may well be some, and that farmers are dealing with damaged fences, paddocks covered in silt, damaged infrastructure, and in some cases are having to dump milk.

Of course, insurance covers financial loss, but there is always an emotional toll that we do not underestimate. Rural support trusts are available right across the country for those in need of support, and the \$50,000 worth of Government funding that is being unlocked to support farming community is channelled through these trusts to provide that really direct assistance.

The national emergency management agency has deployed an assistance team to support local efforts in Franz Josef, and an NZDF P-3 Orion aircraft left from Whenuapai at noon today, the plan there being to survey the area, and we expect to receive high quality images from the air to assist with recovery efforts.

Obviously, we also need to get the infrastructure operating again as quickly as possible. Cabinet heard the roading situation, but I'm actually going to ask the Minister to give the latest update in just a moment. One thing we've been assured of is that NZTA will pull out all the stops to restore our key highway lifelines.

Further Government support may be required once a full assessment of damage and needs can be undertaken. I also want to recognise the communities who have looked out for one another and are currently supporting stranded visitors. And, of course, in these moments, New Zealanders do an incredible job of rallying behind those who need that support and assistance.

I know, too, that the chief executive of Destination West Coast wants to send the message that the rest of the West Coast is open. They still, of course, want to make sure that visitors know they can come to the region, where there is plenty to see and do. I urge everyone, though, involved to take very good care of themselves and make sure that they do ask for assistance when they need it.

Minister Twyford.

Hon Phil Twyford: Thank you, Prime Minister. Good afternoon, everyone. Before I give an update, I just want to acknowledge the work that's been done by transport agency staff, contractors, and local councils over the weekend for their tireless efforts to reconnect the South Island in particularly those parts that have been so badly hit by slips and floods.

As of 4 p.m. today, State Highway 6 between Haast and Harihari remains closed to all traffic. State Highway 6 between Fox and Franz Josef, through the Fox Hills, is being targeted to open by the end of this week to all traffic. This time line has a bit of give in it, accounting for the road conditions required to make sure that all traffic can go through and the possibility of further adverse weather.

North of there, State Highway 6 around Mount Hercules—because of the large number of slips there, clearing of that section of road will take longer. The transport agency is aiming to reopen this section of the road by Christmas, but they're still assessing the damage and working out exactly what will need to be done.

State Highway 6 south of Hokitika to Harihari is open to emergency services and residents under escort only, and the road between Haast and Makarora is closed from 4 p.m. today

until 10 a.m. tomorrow. NZTA are expecting that section of the State highway to be open to all traffic by the end of the week.

Now, over on the other side of the island, State Highway 1 between Timaru and Christchurch also remains closed, but the floodwaters are receding and NZTA expects it to open in the next 24 to 48 hours. However, the alternative route—that is route 72, that goes through Darfield—is open as of midday today, and this is allowing people to travel north and south. The detour on 72 takes about an hour longer.

I thought just to finish, really, by saying that the costs of extreme weather to the State highway network have doubled from \$36 million in 2014-15 to \$72 million in 2018-19. Our Government has increased the State highway maintenance budget by over \$200 million compared to the previous Government—that's to a total of \$2.1 billion, partly to cope with the cost of more frequent extreme weather events and the toll that they're taking on the highway network. Thank you.

Media: Prime Minister, do you—

PM: Just one final message before we come to questions, and if I can sequence questions with anything relevant to transport issues in the south, and then we'll move to general topics. The final matter—I know it's of interest to many: Minister Jones will be releasing the upper North Island supply chain strategy on Thursday. Now, whilst I won't be commenting on the detail of that or the detail of Cabinet's response, I do want to give context to that discussion, and I wish to make it clear that Cabinet is of the view that the Ports of Auckland is not viable as the upper North Island's key import port in the long term. For Cabinet, the question is not if but where and when it will move. We agree there is more work to do, and details of that, as I say, alongside the final report, will be released on Thursday, and we acknowledge there is more work to do. But for now I am very happy to take questions.

Media: Prime Minister, have you been given any indication or advice as to the scale and nature of the injuries that some people may have suffered on White Island?

PM: No. It's simply, unfortunately, too early, certainly for the information I have—that they're in the early stages of an operation. So, essentially, everything I know I have shared with you.

Media: What's your understanding as to the risks that are confronting emergency services trying to get to the island?

PM: Again, at this stage I have simply the detail that they're undertaking an operation as we speak—that we believe around 100 people were on or around the island at the time. So—sorry?

Media: Are they tourists?

PM: That is my understanding, yes. There is, and has been for some time, obviously, an operation that takes people for visits, and that is my understanding.

Media: Are you aware of any fatalities?

PM: Not at this stage. Anything on civil defence, the civil defence issues, or issues on the coast?

Media: What difference, if any, has the new agency—the new National Emergency Management Agency—made in terms of the Government's response? Has that actually changed anything or is it too early?

PM: Sorry, the—?

Media: The new National Emergency Management Agency.

PM: Look, at this stage, obviously, it's very early days, so I wouldn't wish to make any major sweeping assessments of impact at this stage, but, actually, in the aftermath of the

weather events over the weekend, and, obviously, also White Island, that's something that we'll be keeping a keen eye on.

Media: In terms of the comment about the increased frequency of weather events, I mean, is the NZTA giving any thought to what you can do to increase the resilience of these networks?

Hon Phil Twyford: Yeah, I've asked for advice so we can understand better the frequency of these events and the impact they're having on the roading network. I think that the question of whether or not our roads can be built in a way that it makes them more resilient is something that we need to be looking into. I do think that the multi-modal emphasis of our transport policy is a key way that we can deliver that resilience, and if you think about the way that coastal shipping came to the rescue after the Kaikōura and Wellington earthquakes, having rail, road, and coastal shipping to the extent that you can have multiple networks in the same corridor is obviously going to make the transport system more resilient.

Media: The railway line that's been washed out—have you had any advice on that?

Hon Phil Twyford: Yes, KiwiRail advised that the ground is still flooded, and that's preventing them from properly assessing the state of the network. But the waters are receding, and they're hoping within 24 hours or so that they'll be in a position to assess the state of the line.

Media: Prime Minister, are you confident that we have adequate early-warning systems for volcanic events in New Zealand?

PM: Well, certainly we do have a warning system that sets an alert level for our volcanic activity in New Zealand.

Media: Were those 100 people [*Inaudible*] warning?

PM: But, look, it is simply—obviously, there's an operation currently under way, and it's simply too early for me to make any judgments around the alert system and, indeed, what has happened today.

Media: Where did they leave from? Was it Tauranga, Ōpōtiki, or where?

PM: Whakatāne is my understanding.

Media: Just on the Ports of Auckland—

PM: Sure. Go ahead.

Media: What's your view on the idea of it moving north? Do you think that's the economically viable option?

PM: So where I've been consistent, even before coming into Government, was simply that when it comes to Auckland as a key import port, there is, obviously, significant environmental impacts for any future port expansion, and a number of other reasons why, ultimately, I do not believe the current site is really a viable option in the future. As I've said, though, the real question for us as a Government to properly assess is not necessarily if but where it will be relocated to and when. That is a multibillion-dollar question, and so I think it's really our responsibility, our duty on behalf of New Zealanders, to make sure that we look at the evidence base, all of the analysis required in terms of economic and environmental impacts, and get that decision right.

Media: Are you happy, then, with all the analysis and reports you've had so far? Do you think—

PM: Thank you. So I'm not going to get into the content of some of that analysis or any of the additional work. On Thursday, Minister Jones will be releasing the study that's been to date and next steps, but I'm going to leave that to Thursday. But I do think it's really important to give some context to that discussion and really share the view of Cabinet at this stage.

Media: On Minister Faafoi, why did he get off with just a miniscule slap on the wrist?

PM: As I've made very clear, what the Minister said was certainly not appropriate, but, in fact, he undertook no action whatsoever, and certainly, obviously, none that was inappropriate, because he actually didn't do anything. And that is—

Media: For three months he kept [*Inaudible*] and tried to keep it quiet.

PM: Again, as I've said, what he said was inappropriate but, in fact, the Minister did nothing; in fact, that may well be what he stirred the individual in question to raise it with the medias, because the Minister didn't do anything.

Media: Perhaps it was because the Minister kept promising. The Minister kept promising you know, "Bro, I've got a plan", "I can't put anything in writing", "It's moving", "I'm on it, bro."

PM: Minister Faafoi has accepted that what he said was inappropriate. He has apologised to me and to his colleagues, but as I say again, he didn't actually do anything, so none of his actions at all were inappropriate.

Media: Is it acceptable that Immigration New Zealand uses cultural differences as a way of measuring how stable and genuine a relationship is?

PM: I see that as an operational issue for Immigration New Zealand.

Media: No, like it's pointing out specifically problems around interracial and inter-ethnicity couples. Is that an OK measure for Immigration New Zealand to use?

PM: Again, I'm, obviously, not the one that makes individual Immigration New Zealand decisions.

Media: As Prime Minister, are you comfortable with Immigration New Zealand using cultural differences to define—

PM: Again, none of that criteria has changed. I see those as operational questions.

Media: So you're comfortable with that. What message does that send to inter-ethnicity couples that cultural differences are a problem for the New Zealand Government?

PM: Again, multiple pieces of criteria are used by Immigration New Zealand. Ultimately, that criteria hasn't changed and they're operational decisions, not ones that I, obviously, individually make.

Media: On the issue of the port, when you say the two questions "When?" and "Where?", these, I presume, are questions that you want your Government to address before the next election.

PM: Obviously, you know, part of the upper North Island study that was done was in part about helping to answer those questions. I think, when it comes to major infrastructure challenges, we've been a Government that hasn't shied away from ensuring that we build an evidence base around decisions for New Zealand's long-term future. In part, of course, it's why we've established the Infrastructure Commission. So these are things that we believe need to be fully explored. We want to make sure the analysis is done in order to support those decisions, though.

Media: When do you think the decision will be made, then?

PM: Again, I do want to leave Minister Jones the space to talk about some of the time lines for future work.

Media: The Children's Commissioner says there's been no significant change in the number of children in poverty. Is that a failure on your part?

PM: So the Child Poverty Monitor that he's released today, essentially, is an assessment of the last Government's policies. The data that it uses pre-dates our Government. Unfortunately, we won't have even the beginnings of a snapshot of the impact

of our policies until the beginning of 2020, and even then it will only capture just part of our time in office. You know, this is one of the frustrations of monitoring impact, and particularly for children, is there's a real lag time in the data that we get through following from policy changes. So we're still having to rely on modelling.

PM: From our modelling we know that up to 70,000 children will have been lifted out of poverty from some of the things that we've done, but we won't know that for some time.

Media: Why have you only taken up four of the recommendations from the independent welfare advisory group?

PM: Well, that's actually not correct. We have work under way on a much larger number of recommendations from that advisory group. One of the most significant, of course, moves that we made in the last Budget was to index benefits to wages, which the Children's Commissioner themselves said would be one of the most significant things you could do in the long term to deal with the growing inequality for children in our country.

Media: *[Interruption]*

PM: I have plenty of time, everyone. Jason.

Media: What do you think of that number 148,000—

PM: You're not Jason, but I'll—anyway. *[Interruption]* Sorry, what was the question again?

Media: What do you think of the number 148,000 children?

PM: I don't want any children to live in poverty. You know, it's one of the reasons why I got into politics. It's the reason why I've taken on the portfolio of child poverty reduction. It's the reason we put in place an Act of Parliament to finally agree on measurements for child poverty and to release that data. But again, you know, I think it is important to point out that the Child Poverty Monitor—which, you know, I encourage advocacy on child poverty—actually isn't taking into account any of the policies that we've brought in so far. In fact, my recollection is that the health data, I think, is from 2016. So, look, yes, we should keep up the momentum. We need ongoing change, and I support the Children's Commissioner when he says that, but also I just think we need to make sure that we keep this in context, and this isn't a reflection of our Government yet.

Media: Has the new child poverty legislation made the Child Poverty Monitor redundant?

PM: I believe, actually, the Children's Commissioner—I mean, he's hugely supportive of that legislation. It, of course, puts that decision making at the centre, because now we get that information as part of the Budget, but what we want to make sure, of course, is that we're continuing to have advocacy from all sides, and I expect that from the Children's Commissioner. He's made a decision; he wants to vary up the way the Child Poverty Monitor works, and that's entirely within his remit to do that.

Media: The lead researcher says that children are dying because of poverty. Is that acceptable?

PM: Of course not. Child poverty in New Zealand, a wealthy country, I don't think should exist. That's the very reason we brought in the child poverty reduction legislation. It's the reason we spent \$5.5 billion as a Government and cancelled the tax cuts when we first came into office. It's why we brought in the winter energy payment. It's why we increased the family tax credit. It's why we brought in the Best Start payment. It's why we increased paid parental leave. It's why we've increased the minimum wage. We want to rid this country of child poverty, and we are making huge progress. We just need to keep going.

Media: Have you received a letter today from the former Auditor-General Martin Matthews? He wrote to you appealing his case.

PM: I've received a letter from his lawyer. Again, I think even in that letter it's really an acknowledgment, though, that this ultimately is an issue for the Officers of Parliament rather than an issue for me.

Media: What's your view of the case of what happened there? Do you think it's appropriate, what happened?

PM: Look, my view is that it's something that does need to be dealt with by the Officers of Parliament. It was a decision, obviously, made during the last Parliament, but that doesn't change the fact that given the employment relationship really exists with Parliament itself, it's not for me to determine.

Media: Do you think it needs to be dealt with, you know, essentially, regardless of whether the Officers of Parliament Committee or any other committee—do you think it does need to be reopened, though?

PM: Again, you know, I do not see it as my place to cast a judgment on that. It is a matter for Parliament and Officers of Parliament. That is the place where this decision should be dealt with.

Media: Two of the people in that committee, then, serve on your Cabinet, and what's being alleged now is that they, essentially, threatened to label him as disabled. That would seem to be severe misconduct for an MP—and then a Minister to then sit in your Cabinet. Do you have a view on that?

PM: Again, it's not for me to comment on allegations that have been made externally in that regard. This is still an employment matter with the relationship existing between Parliament rather than the Government, and I do need to make sure that I respect that.

Media: They are allegations being made against your Cabinet Ministers.

PM: Again, this is, regardless of that—it's not something for me to intervene in. I do need to make sure that I maintain the relationship that exists between Parliament and the office.

Media: Did you advise Kris Faafoi not to offer his resignation?

PM: Sorry?

Media: Did you advise Kris Faafoi not to offer his resignation?

PM: No.

Media: Did an offer of a resignation come up—

PM: Again, I do want to reiterate that the Minister, in this case—of course, his language was wrong, and, of course, he knows my view on that; I've shared it. He has apologised to me. But what also matters is what he did, and in this case, he actually did nothing.

Media: He kept you in the dark. The *Cabinet Manual* says he's supposed to declare a perceived conflict of interest.

PM: The Minister undertook no action on behalf of this case, but his language was poorly chosen and wrong. I've reminded—taken it as an opportunity to remind everyone, of course, that in personal relationships they do need to make very clear the difference between what they can do as an individual while they are a member of Parliament and what they can't.

Media: Do you have confidence in the Department of Internal Affairs, when it's defending the Hepatitis Foundation for misusing hundreds of thousands of dollars of public money?

PM: Look, that's not something I feel adequately able to comment on, I'm sorry. It's not something I have had a briefing on.

Media: Do you think it's acceptable for a foundation that's receiving mostly Ministry of Health funding to be using that money on lavish dinners at top Auckland restaurants and business class flights to conferences?

PM: Again, I've heard the Minister of Health comment on that. He clearly has much more information on that particular case than I, and I would direct questions to him on that one.

Media: So you have no comment on the misuse of public money?

PM: Oh, well, of course, but I can't comment on a particular case where allegations are being made without having a briefing, as you would probably respect, in front of me or made available. Do feel free to ask me again in the usual round, if you'd like, but the Minister of Health has also commented on it in the past.

Media: There's a new Prime Minister in Finland, or there will be this week.

PM: Yes, a young—a young woman, as I understand.

Media: So just your thoughts and any advice you might have for her taking the role [Inaudible]?

PM: No, look, I never dispense advice, because every political situation is different. But, of course, I wish them very, very well.

Media: Are you treated differently as a female Prime Minister than male Prime Ministers are treated?

PM: Well, of course it's very difficult for me to judge because I don't know what my point of comparison is.

Media: Having seen the way that male Prime Ministers are treated in the past, do you think you're treated differently?

PM: No, look, that—to be honest, that's not something that I sit and routinely analyse. I just get on with my job.

Media: For instance, have you seen the videos of men turning around magazine covers because your face is on the front of them?

PM: Well, I haven't put that down to me being a woman; I've put that down to me being a politician, and so that's my view of it. Look, ultimately, my thoughts really go out to the people who are working in places like supermarkets, where I used to work, who are going to have to turn them back around. So other than that, I'm not particularly bothered by it.

Media: Would you spend your time going around and turning magazine covers over [Inaudible]?

PM: No. No, I would not, but different folks, different strokes.

Media: What's the current time frame for when we might get a more substantive response to the welfare advisory group recommendations?

PM: Well, we've already given a direction of travel. Of course, always mindful that it takes—that you can only go so far before you start making announcements on future policy decisions. So what we have acknowledged, for instance, is we see income adequacy issues. We know that needs to be dealt with. We've already made significant moves in that area as a Government, including some of those that I've already listed. But we acknowledge that's an area where further work needs to be done, and we've given other indications of direction of travel, including issues like the way that relationships are regarded.

Media: Those signals indicated that probably by the end of this year, but it looks like it's been kicked out. So I guess it's created the pressure for, well, when are we going to see a more—

PM: Well, of course, some of those issues do require decisions that are usually taken around a Budget time. So whilst we've been able to give direction of travel, some of those policy decisions do need to go through different processes.

Media: Given that Minister Faafoi acknowledged in his messages with Jason Kerrison a conflict of interest, do you admit that there was at least a perceived conflict of interest?

PM: I've acknowledged that the language was wrong.

Media: A perceived conflict of interest, though?

PM: Again, the Minister was not the Minister of Immigration, but that doesn't change the fact that his language was wrong.

Media: Just back on child poverty quickly, you mentioned that some of the data that's used dates back, for example, to, like 2016—

PM: That's going from my recollection, and that's only particular to—my recollection is the health data, but I would want to double-check that.

Media: But I mean, pulling that out more broadly, is it frustrating—and I don't know whether this, you know, the Public Service being slow or what, but is it frustrating that you're constantly relying on information from so far back? I mean, in this technological age, why are you not able to say what your policies are affecting?

PM: Oh, yes, it is frustrating, and, in fact, this was something that we discussed at great length—not just the lag but also the quality of the data. We've had issues over a number of years where the quality, just because of the sample sizes not being significant enough, hasn't been reliable. We put additional money in the Budget in order to increase the sample size, but that hasn't enabled us to still expedite the data. One of the issues is, of course, you need to make sure that people, first, have the income boost for a period of time, and so that's the first lag. The second lag then is the survey itself, and then, of course, all of the work that's done to make sure that that data is appropriately collated and weighted. So that lag time is significant, and it is frustrating, yes, because it means that something that we started when we first came into office, within the first 100 days, won't even get the beginnings of a snapshot until 2020.

Media: Is there actually anything you can do on that, though? I mean, can you put the boot up people and get people moving faster, or is it actually a bigger problem than that?

PM: No, I think it's actually just a matter of making sure that what we rely on is robust. So I really did, you know, tease this out when we were working on the Child Poverty Reduction Act, and, no, I don't know that there is more that we can do than what we've already got. That's why we do try and undertake modelling, and you'll see us using that at Budget time. But even that, it doesn't provide us with a full, accurate picture, and some things can't be modelled. What I would forewarn is that in 2020, my understanding—and we don't quite know of the scale, but in 2020, even then, we'll only have a partial insight into the impacts of the Families Package, even at that stage. So that, again, won't be the full between 50,000 to 70,000 children out of poverty; it will just be the beginning, because of how long families would have had the Families Package for. Last question.

Media Regarding the ports, is Cabinet of the view that any of the functions currently carried out at the port at Auckland should continue to be carried out—

PM: Yeah, you'll notice that I refer to it as the "key import port", in part, obviously, as there's other activity that goes on around cruise ship terminals and so on, but, again, when it comes to the issue of it being the key import port, we're of the view that it is unsustainable in the long term. OK, thanks everyone.

conclusion of press conference