

## **POST-CABINET PRESS CONFERENCE: MONDAY, 10 FEBRUARY 2020**

**PM:** Good afternoon. Let's start with the week ahead. Tomorrow there will be tributes in the House for Mike Moore, and, as per convention, the House will then rise for the day. On Wednesday, Parliament will formally start for the year, and I will deliver the Prime Minister's statement, which is followed by other party leaders' speeches. On Thursday, I will be making a housing-related announcement in Auckland at the city mission. On Friday, I will be spending the morning in Hamilton, speaking at the Waikato wellbeing summit, as well as opening the new gym at St John's College. In the afternoon, I will return to Auckland to attend Mike Moore's public funeral, where I will be speaking at his family's request.

Following today's Cabinet, I can now give you a response to our response to coronavirus and update across the different areas of work. We took reports from every relevant Minister at Cabinet, and I can update you. From a health perspective, we currently have 157 individuals isolated in isolation at Whangaparāoa. Frequent medical checks are being undertaken, as you would expect, at the camp. As yet, of course, we have no confirmed cases of coronavirus in New Zealand; however, as you know, we have two cases involving New Zealanders in Japan. Border restrictions are being reviewed every 48 hours, so have been reviewed now three times and continue to do so. The criteria we use are based on clinical criteria, advice from the WHO, and also, of course, we remain mindful of the situation for our Pacific neighbours.

Those who are in voluntary isolation—we have a number, of course, that are in contact with telehealth. Telehealth are making individual decisions over how frequent their check-ins on those in voluntary isolation are, based on their potential distress or their potential needs. We're continuing to work on making sure that we marry up the information from customs, immigration, and health services to provide that telehealth service to those who are in voluntary isolation. We do continue to have public health people on the ground.

From immigration's perspective, the border controls are working well. We've had very few people who have attempted to travel who are not able to enter into New Zealand, so that preventative measure has been implemented fairly successfully.

Coming now to the different industries who are affected. MPI—of course, you'll know the situation with rock lobster: alive fisheries that 90 percent of exports go directly into China. MPI have been working directly with that sector to make sure that they are being as flexible as possible. So where we've had rock lobster held in pots within the ocean, they're being able to be returned, and, with permission from MPI, others have also, within reason, been able to be returned with their permission. We're looking now at whether or not they'll be able to carry over any of their annual entitlement for that fishery.

Forestry—obviously, already experiencing some issues with the massive beetle incursion in Europe, which means there is already extra supply into China and already, therefore, stockpiling, and now the impact of coronavirus on the supply chain. So that is having an effect on New Zealand, but I think it's important to note coronavirus is not the only issue having an effect there. Te Uru Rākau, at the request of Minister Jones, is looking at options to keep harvesters going. Equally, MSD are looking at what we can provide support-wise for that impacted industry.

As for trade, we don't yet know the wider supply chain risks, but I think this does again underscore the importance of a diversified trade profile for New Zealand and for our exporters.

For education, as at 1 February, 59 percent of students who we were expecting to come to New Zealand for study were here. And so that means those impacts are for those areas where their students had not yet arrived. Immigration have extended relevant visas to try and

lessen that impact, but the knock-on effect will be determined by how long we have border controls in place.

For tourism, basically 13 percent of our international visitor expenditure comes from the tourism market from China—predominantly Rotorua, Queenstown, Auckland are particularly reliant on that tourism market. We have got some analysis of how many small businesses are particularly dependent on that part of our tourism market, and at the moment Tourism New Zealand are working with IRD on looking at potential options to ease the pressure that those SMEs might be experiencing, including the way that provisional tax, for instance, is dealt with. My strong message at the moment would be, to those small businesses: call Inland Revenue sooner rather than later if you are experiencing any difficulties. That, I hope, answers any questions you may have on coronavirus.

As I said, on Thursday I'll be at the Auckland City Mission. I'll be accompanied by housing Ministers, and we'll be sharing details of extra investment and increased support to tackle and prevent homelessness. We inherited a housing crisis, and while we have been very busy over the past two years making progress on this long-term challenge by delivering more than 4,000 new public housing places and helping more than 1,100 chronically homeless people through Housing First, there is more work to do. We're continuing to step up our approach to homelessness because every New Zealander deserves a secure place to live. Unfortunately, given the housing crisis we inherited, we have needed a stopgap measure so that no person or family is without shelter. Of course, that has meant we've been using motels and other less efficient options in order to make sure that people had the shelter they needed. We want to make sure we're using public money as effectively as possible whilst looking after those in the most need.

Ministers will give more details on Thursday, but what I can share now is that over \$300 million will be invested across a range of immediate and long-term actions, including increasing the supply of transitional housing and expanding support for those in emergency accommodation as well as those at risk of homelessness. As I said, tackling the issue of homelessness will take time. We are making good progress, but there is more to do.

Just before I take your questions, I do want to get in front of another pressing issue, and that is the issue of RNZ Concert. I've made it very clear that I am determined that we are not going to lose RNZ Concert on FM. Cabinet today decided to look at what would be involved in ensuring that is the case. From here, our expectation is that a Cabinet paper will be prepared, which lays out what would be involved in freeing up the 102 FM frequency. That spectrum has been shelved for the last 20 years for the purpose of providing youth-targeted programming, something that many in this arena will be familiar with since 1999. In the meantime, we believe Radio New Zealand has NZ On Air funding obligations to continue programming until June, and we intend to use the time available to work constructively to find a solution.

Now, I'm happy to take your questions, but first of all I do want to acknowledge our newest Academy Award winner Taika Waititi, who in the last hour or so has won Best Adapted Screenplay for *Jojo Rabbit*, and I know we're all incredibly proud of him. I don't see many movies but I've seen that one, and not many people could pull off an amazing film like that.

**Media:** On the Serious Fraud Office referral, if the SFO decides to investigate, will you stand Winston Peters down?

**PM:** Look, I'm not going to get into hypotheticals. What I will say is that my decision here is absolutely clear. This matter has been referred to the Serious Fraud Office. They have the tools to investigate this matter properly. I'm going to allow them to do their job. I will make no judgment until that process is complete.

**Media:** With that hanging over New Zealand First, how can you credibly govern?

**PM:** Again, this has only just been a matter that has been referred to the SFO. I am going to let them do their job. I will not pass judgment on whether or not an offence has occurred, or, if it has, who may be responsible, until they've completed their work. And I do

just want to point out this is a matter on which I've been utterly consistent. When another political party had the same issues raised with the SFO in terms of the Electoral Act, I let them do their job, and nor have I cast judgment on that process.

**Media:** You weren't in Government with that party.

**PM:** Again, it is for the Serious Fraud Office to investigate this matter, and I'm not going to make a judgment until they do, and they have not.

**Media:** What about timing, though? Would you have expectations that the SFO come back before the election? Have they given you any indication of that?

**PM:** It would be totally inappropriate for me to be seen to interfere in any way. The Serious Fraud Office need to undertake this investigation within the time frames that they deem appropriate and suitable. That is a matter for them. It should not be guided by any other time line beyond the time that they require to do the job properly. *[Interruption]* I will get around everyone.

**Media:** Don't the public have a right to know, though, if it's someone they are being asked to vote for in the election?

**PM:** Look, I think everyone deserves to know the outcome of this process, but it needs to be done properly. We need to give the Serious Fraud Office the time and the space to do their job and suspend judgment until they have.

**Media:** Prime Minister, did you ask Winston Peters to stand down as foreign Minister, because the previous Labour Prime Minister did that when it was exactly the same situation?

**PM:** My view is that this is a situation in which I'm going to make decisions based on the situation in front of me, not something that happened ten years ago, two years ago, or even across the House. I did speak with the Deputy Prime Minister after Cabinet, as you would expect I would. His response to me when we had a brief discussion was that he welcomed the fact that this was going to be properly investigated, and, equally, that he himself has sought assurances of the New Zealand First Foundation around correct conduct. Those were assurances he himself has sought.

**Media:** The SFO and the police haven't made a finding, but the Electoral Commission did today. They found that the donations should have been declared to the party. Do you have a response to that at all?

**PM:** Actually, their statement was they do not have the powers to form a view about whether this failure means an offence had been committed, so—

**Media:** Not if it's illegal or not, but if they did find that it should have been—

**PM:** Again—again, they've referred this, very simply, because they themselves have said that they're not able to determine whether an offence has been committed. That is a matter for the SFO, and that's where it should be dealt with and investigated, and I'm not going to form a judgment before they do.

**Media:** *[Inaudible]* whether it's a crime or not. This is a political matter. Do you think those donations should have been declared?

**PM:** And I've been very clear here that I am awaiting the outcome of the SFO—that is who should be investigating this, that's who is investigating it, and I'm not going to form a judgment before they do.

**Media:** Does the whole donations regime need to be reviewed—

**PM:** Yes.

**Media:** —given what's happened here—given the findings from the Electoral Commission?

**PM:** Yes.

**Media:** When are you going to do that?

**PM:** My view is, regardless of whether or not this situation—which, you know, I have to acknowledge is still being investigated, so that is not a confirmation that any offence has been committed here. But this is the second case that we have now dealt with. One party has already been charged—or, forgive me, one “ish” situation has already led to charges involving our electoral finance laws. In my view, no one in New Zealand is served by questions being raised around our electoral finance regime. Also, though, we have a limited time line before the next election, and we have two issues currently under investigation, or, indeed, going before the courts. At the conclusion of both those processes, it’s my strong view that we should have a proper look at our electoral finance laws. I would intend to do that after the completion of both of these cases. It is more than likely that that will mean after the election. But I think that’s the right thing to do. We need all New Zealanders to have faith in our system and our regime. It may well be that this is a demonstration that our laws are working, but let’s ask the questions and make sure we’re confident that our system is working.

**Media:** Do you think these donations were in the spirit of this law?

**PM:** Again, you’re drawing a comparison with the case that was raised over foreign donations. My view there was that a very clear-cut issue had arisen that needed to be addressed around whether or not foreign donations should be occurring within New Zealand. My view is that they shouldn’t, which is why we’ve changed the law.

**Media:** At any point when you spoke to the Deputy Prime Minister did he offer to stand down?

**PM:** That was not a matter discussed—again, this is something that is still a matter that has only just today been referred to the Serious Fraud Office for them to then look into the matter. That is where this should be looked at, it is where it is being looked at, and, again, as I say, I want them to form a judgment before I do.

**Media:** The fact that New Zealand First is reviewing its donation practices—is that an acknowledgment that it did something wrong?

**PM:** Oh, that is entirely a matter for them, and entirely for questions to be put to them on that.

**Media:** What’s the difference between Helen Clark asking Winston Peters to stand down in 2008 when—

**PM:** Again, and it’s actually not for me to go through what happened—the order of events—from 10 years ago, but I know if the Deputy Prime Minister was standing here, he would correct you there and say that that was a decision he made, as opposed to anyone else. But, again, my job is to deal with the circumstances in front of me, not to draw reflections on what someone else did 10 years ago, and this is the judgment I have made.

**Media:** What assurances have you sought from the Deputy Prime Minister—

**PM:** Again, when I spoke with him, he was very clear that the same assurances you would expect anyone to seek, he himself had sought from the New Zealand First Foundation around the way that they had conducted their business. Now, though, of course, this goes beyond assurances; we have the Serious Fraud Office who will be looking into this matter on behalf of all New Zealanders, and I won’t draw a judgment before they do.

**Media:** [*Inaudible*] Cabinet?

**PM:** No. Look, ultimately, we were in the Cabinet room and had the discussion.

**Media:** Are you satisfied that all of New Zealand First’s fund-raising and money-gathering activities are both ethical and legal?

**PM:** Again, the Electoral Commission themselves have said that they don’t have the tools and that they are not the appropriate place to investigate that; the Serious Fraud Office

is. And I would say that there's no reason why I would have any more power to investigate than the SFO either. That is where this judgment should be made.

**Media:** But doesn't this open up a broader question of how New Zealand First conducts all of its political activities?

**PM:** Well, ultimately, actually, we've had a range of political parties now with questions that have been raised that need to be answered. They need to be firstly answered by the appropriate authorities, and, in this case, they are. Secondly, we then need to draw conclusions on whether or not we need changes to our legal framework. That's something I've already indicated that I would like to look at once we have some conclusion from both the case before the court, and, in this case, the investigation that is not yet complete.

**Media:** Specifically, what don't you like about the current regime?

**PM:** Ultimately, my view is if there's question marks over whether or not there's enough clarity—to be in this situation in the first place means I think we should look into whether or not our regime has that level of clarity. Secondly, I do think generally it's good practice—as we do after every general election—to look at our regime. We've already looked at foreign donations. We flagged that we thought there was more work to be done and that that needed time. So we've already given an indication we think that more work should be done on our electoral laws.

**Media:** [*Inaudible*] take it to the Royal commission as an inquiry—

**PM:** No. Not necessarily. I mean, we already—ideally, I'd like a situation where, actually, we can build some consensus across parties. We are the ones that, ultimately, have to operate within the parameters and know what's workable and what has been difficult in the past. And I think we should be able to form some consensus. The select committee in the past has been a useful way to try and do that. I'd like to investigate whether that's a possibility. If other parties don't agree, this is something I would do anyway.

**Media:** Isn't that the problem, though—that you're dealing with rules that govern you and yourself, and that you should hand it off to someone else more independent?

**PM:** I think the idea, though—and, look, actually, I think we would find it useful to have independent advice to inform this work; yes, I do. But, again, I don't think it's fair to say that it's not in political parties' interests for us to have electoral laws that everyone has faith in. We rely on the social licence of voters. We rely on people having faith in our democratic institutions. If that's undermined, we all suffer. So I actually do think that this is something that would be supported by other political parties, and, yes, that we should bring an independent view into as well.

**Media:** On coronavirus, you said that there'd been very few people attempting to come to New Zealand who've been turned away. Could you just give a little bit more detail about how many actually very few is?

**PM:** So what we're trying to do, of course, is at the point of departure so you don't have the inconvenience of people boarding flights, arriving in New Zealand, and then realising that they fall within the ambit of our border restrictions. So at the border, we've had around 50—before they come in—at other borders who we've raised that they fall outside of our travel guidance at present. At the very early stages, when we first put in the border controls, before we were able to stop people, we had eight who came into New Zealand who then had to be turned away. So I consider those to be relatively small numbers.

**Media:** What support is MSD looking at providing the forestry sector?

**PM:** Well, at the moment, what I've sought from Minister Sepuloni is just some intelligence on the ground. We understand that at the moment Tai Rāwhiti is the most likely industry that may already be feeling the consequences of what is not just the impact on supply chain but, again, the fact that there is potentially oversupply in China. So that's something I've asked Minister Sepuloni to look into. They've judged at the moment that their current

settings should be enough to deal with anyone who might find themselves out of work from harvesting, but they'll be looking at whether or not stand-down periods are proving problematic or anything like that, and whether we need to do anything specific.

Again, Minister Jones wants to be proactive, though. We would rather, rather than relying on MSD, look to see whether there's other ways that Te Uru Rākau could be deploying these harvesting crews. Very early days, but we should at least be asking the question.

**Media:** It's a remarkably political film that Taika Waititi's won the Oscar for. He said in his backstage press conference that it was in response to a resurgence of hate, intolerance, and hate speech. What's your response to the actual—his political message in making the film?

**PM:** Oh, look—and, you know, I think that this is a movie for the right time. You know, even as we just mark the Holocaust remembrance, that was a time for reflection on the fact that around the world, and very specifically, although, of course, we see many groups targeted, but specifically the Jewish community continue to be a target of intolerance, violence, and racism, and so this is as relevant today as it would've been, you know, 20, 30 years ago, and it is an issue that we need to keep addressing. So I think he's right to raise it more broadly as well.

**Media:** Are you proud of the fact that it's a Kiwi putting this satire out there as a response to hate speech?

**PM:** I just can't think of anyone else who could have made this film. You know, when you think about the way in which he did it and the subject matter, that's incredibly difficult. He played Adolf Hitler, you know, and most people would've thought on paper that it just couldn't be done in the way that he did. I think we should all be proud of him.

**Media:** Do you expect RNZ to put its plans, then, for Concert on ice until at least June?

**PM:** Well, our initial advice has been that they contractually are obliged to continue to provide that service. That's the advice that we've received, so our view is that gives us some time to work constructively together. I don't believe that they would wish to lose an audience who feel so passionately about that service, and we think there's a way through where they can both grow their audience for younger listeners whilst retaining their existing one.

**Media:** The FM frequency plan—if it doesn't go any way towards preventing job losses or the move away from presenters, for example, are you comfortable with those changes?

**PM:** Again, this is an area where I've just simply pointed out that some of these decisions are happening within the context of Radio New Zealand having seen a boost in their funding, roughly in the order of \$10 million. I will flag that that was much needed, in our view; that they hadn't received the funding required to keep pace with the obligations on them as a public broadcaster; that they see the need to broaden out who they're reaching as part of their public broadcasting mandate. But some of the strength of feeling I'm hearing at the moment is access, which does very much come back to the issue of the frequency. Some of those other matters—they tell us that they are very genuine in the fact that it is a consultation. And so I'm sure they'll be listening to the views of those who are amongst their listenership currently when it comes to other programming matters.

**Media:** Are you interfering in RNZ's independence, though?

**PM:** And that's something I have taken very seriously. It would not be appropriate for us to interfere in programming decisions—and keeping in mind, of course, that exists for good reason. It would be totally inappropriate for the Government of the day to take a position on the editorial line of Radio New Zealand, but the decision here that's been made around removal of a service from frequency I think steps into a very different realm around the structure of Radio New Zealand and goes to the heart of another issue that 20 years ago we were looking to resolve around freeing up frequency for youth radio. So I see that as more of a structural issue than simply an operational one, and one that, actually, we may be able to help them resolve. And I would have thought, and I believe, that RNZ probably would welcome that.

**Media:** Would there be such swift action on RNZ Concert if a former Prime Minister had not stuck her oar in?

**PM:** This has got nothing to do with the opinions of people who past, former, or present, I should add—although I can tell you there's some very strong views from the present members of the Government as well. I'm the Minister for arts, and so this for me comes to the heart of my portfolio, and when I came in, one of the things I very clearly set out as a goal of our administration, our time in Government, was that we increase people's access to the arts, and by that I mean reaching more people in more parts of the country, of more age demographics, and, in a way, where we remove barriers, which, of course, often include cost. So this comes to the heart of what I consider to be at the core of what we need to achieve in the arts portfolio.

**Media:** Do you think there's a need, though, for a larger amount of public money for public media to avoid this sort of thing happening in future?

**PM:** Yeah, and, look, we've been very open about the fact that the discussion we've been having about our public broadcaster is within the context of huge and significant disruption within broadcasting and journalism generally. You would have seen from the announcements that we've made, we've tried to give in recent weeks around the future business case for TVNZ and RNZ that we're trying to give greater certainty around the public broadcasting landscape, but at the same time we do still believe that taking a multi-platform approach where, for instance, we continue to use NZ On Air and some of the other programmes we've brought in as a Government, to continue to ensure that across different platforms we still have broadcasting that meets the interests and needs of New Zealanders and tells their story, and that's not just with our public broadcasters.

**Media:** But on Friday, the Ministers didn't indicate there would be more money collectively for RNZ and TVNZ.

**PM:** No, what I was indicating there was simply that we've already made moves outside of RNZ and TVNZ around public democracy, to try and give, of course, an indication that, yes, we see there's a designated role for our public broadcaster, but we actually see other platforms as having a role to play as well, which is why we have those contestable funds. Tova—or Jenna?

**Media:** What assistance is being given to the New Zealanders on board the Diamond Princess cruise in Japan?

**PM:** At the moment, consular assistance, and that would be as you would expect. I've been told that they're receiving medical care and attention as you would expect, and that they do have direct contact with our people on the ground, and providing whatever assistance they require.

**Media:** Australians have been asking Scott Morrison to negotiate their release with the Japanese authorities. Are you doing the same?

**PM:** So we've got, obviously, the two New Zealanders who have been found to currently have coronavirus, and then there are, in addition to that, 11 who are on the vessel itself. We have our own quarantine provisions, and other countries will have theirs. We need to make sure that we allow other countries to put in place their own public health measures, and I think, actually, most people would understand that, particularly given the containment and trying to stop human transmission. But, again, as I say, we'll keep maintaining that contact with those who are affected.

**Media:** Have any of those Kiwis asked for help to get off [*Inaudible*]?

**PM:** I haven't had raised with me specific issues. That's not to say they may not have been raised, but that's something I can liaise with MFAT and help answer for you.

**Media:** Do you anticipate that the tighter border controls will remain in place beyond the 14 days initially proposed?

**PM:** Well, we haven't set any expectations so far beyond those 14 days, which come in at the end of the week. Obviously, we are continuing with our 48-hourly review, and we have a set matrix that's been designed with our Chief Science Advisor, our Health Science Advisor, and our public health officials and Director-General of Health. And, as I say, that incorporates the advice from the World Health Organization, information from the international community, and we have added, of course, a particular focus on impacts for those who may be transiting into our Pacific neighbours as well.

**Media:** How concerned are you by the coronavirus—I mean, we've got implications for education, for immigration, for tourism. This is a big deal, isn't it?

**PM:** Oh, look, it is, and so I have a dual message here. Yes, there will be implications for us economically. I wouldn't expect to see those until we see the public accounts that will come through for this period of time, which we won't see until June next year. But it will have an impact on our GDP figures—of that I have no question. But, ultimately, this is also something that we can manage. Across education, tourism, and trade, we're working very proactively to see what measures we can put in place to support where we can. But at the same time we also need to make sure that we're taking a public health approach, so looking after New Zealanders' health and wellbeing, and that's of course what we need to put first and foremost.

**Media:** Do you think there should be a monetary and fiscal policy response to the economic effects of this virus?

**PM:** Look, I'm not going to get in front of any decisions, for instance, that might be made by Adrian Orr. Those are matters for him. When it comes more broadly to wider fiscal policy, at the moment we're getting the message that because we'll see a global impact, inevitably we'll see an impact in New Zealand, and I think it's important to place it in that context. Already you're seeing China reflect in some of their projections that it will have an impact, so that's why I say with certainty it will impact us, but beyond that, at the moment it depends on its longevity. We still don't know whether or not we'll see postponement or cancellation for tourism. We're not sure yet, of course, whether or not we'll see the education sector just have deferral—they've got a bit of flexibility in their system—or whether or not we'll have students who are cancelling. Until we know that, it'll be hard to know just how wide those ramifications will be.

**Media:** Was the Government forced into its decision on freeing up the FM frequency by the news that RNZ might have breached the Radiocommunications Act through stopping transmission?

**PM:** No, no—in fact, the issue of the youth radio frequency has actually been something that's bubbled around for years. I was aware of it well before coming into this role. So that has existed for quite some time. Obviously, the trigger here is Radio New Zealand wanting to actually now take that forward. The advice around whether or not Radio New Zealand are in keeping with their obligations I see as entirely separate, but it does mean that there is a potential solution to be found, and we'll work together on that.

**Media:** Have they briefed you on that legal challenge—that legal threat—that they've placed today?

**PM:** No. But, actually, it was—the Minister was looking at whether or not obligations were being upheld separately to that. Again, I think, actually, Radio New Zealand have objectives here that they want to meet that we want to support them to help meet. So we, I think, can find some common ground there.

**Media:** Why didn't they use that youth network frequency from the outset? I presume they knew about it. Have you had an explanation?

**PM:** Look, I couldn't—I wouldn't want to make any assumption there. That's not a conversation I've had directly. I would've thought they would have been aware of it. Of course, it sits with MBIE. It would be frequency that would need to be released. What I do know is

that the possibility of that was raised directly with them by the broadcasting Minister, and that was something he indicated he wished to explore but that he would need to bring to Cabinet. And that's—obviously, Cabinet agreed today that the Minister would go away, prepare that work, and bring it back to us.

**Media:** When do he do that? When did he raise it with [*Inaudible*]?

**PM:** I believe—my understanding is the meeting that occurred when he was briefed on this consultation, which was at the end of January.

**Media:** Is there a case for having a look at the role of Kordia in the broadcasting frequencies, given that they're the people who are making a big load of money out of Radio New Zealand, with their masts?

**PM:** Sorry, what was the first part of that?

**Media:** Kordia—the role of Kordia in all this. Is there a case for looking at them as well?

**PM:** Look, that's not something that I have a judgment on. Simply, my focus is making sure that Concert FM stays on the FM frequency but, at the same time, that we support RNZ to fulfil their obligations to reach as many New Zealanders as they can.

**Media:** Prime Minister, do you trust Winston Peters?

**PM:** Oh, I have an excellent working relationship with him. We have proven that we can deliver a strong, stable Government. And, ultimately, the issues that have been raised today is not a matter for any of us to simply give a word; it's actually for these things to be properly investigated, and that is what is happening. OK. Thanks everyone.

#### **conclusion of press conference**