

POST-CABINET PRESS CONFERENCE: MONDAY, 30 NOVEMBER 2020
HANSARD TRANSCRIPT

PM: Kia ora koutou katoa. Today, I am joined by Minister Wood, who will shortly set out the Government's policy parameters around the extension of paid sick leave. First, I'll run through the week ahead, which sees the Government getting down to business on keeping New Zealanders safe from COVID while accelerating our economic recovery with Parliament resuming.

I'm in Wellington Tuesday and Wednesday for the House. On Tuesday, the Government will introduce legislation that will deliver on Labour's manifesto commitments to extend New Zealanders' access to sick leave support that brings us into line with Australia, and we'll adjust the tax rate for the top 2 percent of wage earners to help keep New Zealand's debt under control while protecting investment in services like health and education as we continue our response to COVID.

On Wednesday, I will be speaking alongside Ambassador Wendy Sherman at an online event for the Gleitsman award. On Wednesday, I will also introduce into the House a Government motion to declare a climate emergency. We have long considered climate issues a priority, but this is our first opportunity in the new term to declare it as such in the House. It also allows us to set a clear directive to the Public Service on the Labour Government's policy expectations and the priority in which we hold this issue, whilst also sending a clear signal to the private sector of the direction of travel in this space. I'm also sure parliamentarians will welcome the opportunity for a debate on this issue.

On Thursday, I will be in Kāpiti turning the sod on the Taraika growth project, one of the shovel-ready infrastructure projects funded through the COVID Recovery Fund to accelerate growth and create jobs in our regions. And on Friday, I will attend the New Zealand China Council meeting in Auckland, and I'll also present the annual Ryman prize.

As you can see, we have moved very quickly on moving to implement our manifesto commitments. In this year of COVID, access to adequate sick leave has been brought to the fore, and especially how important it is for people to be able to afford to stay home when they are sick. However, our current leave rules and entitlements were not designed for extraordinary situations such as a pandemic. The Government has had to step in to fill the immediate void with the COVID leave support scheme, which ensures those who have had a COVID test and need to self-isolate can still get paid.

But we need a more enduring response and one that also recognises the benefits to business and families of better entitlements. The global pandemic has taught us that one person's illness can very quickly become another's, with significant cost to business of having sick workers in the workplace. COVID has reminded us that we have obligations to each other to stay home and get better before returning to work, bringing into sharp relief the adequacy of our current entitlements. In fact, there is evidence that extra sick leave is good for workplace productivity. An Australian survey suggested that the healthiest workers who use sick leave when they need it are up to twice as productive and are less likely to take time off than the least healthy workers.

The extension of sick leave is especially good for families. Many parents have to use sick leave when their children are sick, often exhausting their entitlements in the process. I hope our experience of COVID leads to a more balanced approach to work and illness where the focus is on health, productivity, and ensuring we don't spread illness and viruses rather than stoically showing up to work sick. I'll now hand over to Minister Wood to set out the balanced set of policy decisions Cabinet has made in relation to this issue.

Hon Michael Wood: Thank you, Prime Minister. More sick leave will make a real difference to New Zealand families. Around half of all employees currently receive only the minimum entitlement of five sick days per year. Extending that entitlement to 10 days will bring us in line with countries like Australia and Finland. While many businesses do currently offer more

than the current minimum entitlement of five days, around half of the employees do only receive five days per year, which is too low for many people, especially those with children or relatives that they care for. Employees who have used up their sick leave face a choice between working while sick or taking unpaid sick leave, which is often not an option for our lowest-paid workers.

This measure will also help employers. Businesses benefit when sick staff members stay home. It cuts the chance of bugs being spread between workers who would then often need to take time off as well. We do need to move past the “tough it out” culture that risks infecting others at work. Workers that have the chance to rest and recover are more likely to be happier and healthier and, as a result, more productive.

Respondents to the 2015 American Working Conditions Survey that the Prime Minister referenced reported that working while sick estimated this reduced their productivity by around 20 percent on average, and an Australian study has found that the healthiest workers are up to three times more productive. We’re aiming to strike the right balance between giving workers much-needed flexibility while not posing significant extra costs on employers. MBIE estimates that the cost of the increase is around 0.9 percent of the country’s total annual wage bill. This is the gross cost and doesn’t take into account the benefits as a result of fewer illnesses being spread through workplaces and the resulting absences and also the improved productivity from happier and healthier workplaces.

A study on the implementation of San Francisco’s paid sick leave law in 2007 found no evidence of a negative effect on the economy, and the number of businesses also grew more rapidly in San Francisco than in surrounding areas when they introduced increased sick leave.

As promised, the bill will pass through a full select committee process to make sure we can hear from everyone and smooth out any issues with implementation. As drafted, the bill would not give all employees additional sick leave on the same day, allowing businesses time to plan and prepare. The additional sick leave will come in place at an employee’s anniversary date. Existing employees’ entitlement will increase to 10 days at some point over the next 12 months, depending on when they first became entitled to sick leave. New employees will be entitled to the minimum entitlement after working for six months for the employer, in line with the current rules. The bill also leaves the maximum entitlement of an employee under the Act at 20 days per annum. This means businesses will not be left with large sick leave liabilities, like if we doubled the maximum to 40 days, with a lot of employees potentially building up large sick leave balances.

At this stage, we expect the bill to be passed mid next year, with the new rules coming into effect two months after that, which will give payroll in businesses plenty of time to plan. We expect that the select committee will consider all of these aspects and others in consultation with stakeholders and the public to find the best way of implementing this important change.

Thank you. Back over to you, Prime Minister.

PM: Thank you, Minister Wood. Now we’re happy to take questions.

Media: On Whakaari / White Island, what do you make of these charges that have been laid now?

PM: Yeah. So, obviously, we’ll have seen today that WorkSafe have said that they have laid charges with 10 entities. You will have seen today confirmation from the National Emergency Management Agency and from GNS that they are amongst the 10 where charges have been laid. The reason you have seen both of those entities being fully transparent around the fact that they are amongst those charged is because in the first flush, time is allowed for individuals to make the decision as to whether or not they give that information in case they wish to seek suppression—name suppression. Those agencies will not, and so for full transparency, they are sharing that.

In terms of the decision by WorkSafe, it is an independent decision for them as to where and whom charges will be laid with. Really, we need to leave it at that. We need this to be an independent process that people can have trust, confidence, and faith in.

Media: And do you have a message of support to the victims and their families at this milestone moment?

PM: I'm very aware that not only are we coming up to the anniversary of this horrific tragedy, we also are coming up against the deadline for which charges needed to be—if they were going to be laid, would need to be laid. So at this time, I know all New Zealanders' thoughts are with the families and those who experienced loss or injury. There is no easy process from here, but it is the job of WorkSafe to make sure that if there are questions to be answered, that they play a role in leading the charge on that.

Media: And on sick leave, would the Government consider subsidising business during that transition?

PM: Look, no, and, of course, keeping in mind that we signalled the intent here and we have tried to find balance as a Cabinet. As the Minister has said, whilst we're increasing the minimum entitlement from five to 10 days, we haven't increased what you're able to accumulate, and that was our way of trying to take into account some of the pressures that we know our employers face.

Media: This is a bit hypothetical, but would you have done this even if it weren't for COVID?

PM: Look, I do think that when you look at New Zealand's entitlements versus the likes of Australia, we do come short, and this is actually about making sure that we have productive, healthy workplaces. The last thing we want is people coming to work when they're sick because they can't afford to stay home. I don't think that's good for anyone. Minister, I'll give you a chance to respond.

Hon Michael Wood: The other thing I'd just note on there, of course, is that we do have the COVID leave support scheme, which is supporting employers who do face a bit of an extra financial imposition by employees perhaps taking more time off during the COVID period. So that's one way that we're trying to provide that additional support.

PM: Henry, and then I'll come to you, Barry.

Media: On the COVID leave scheme, have you considered modifying that at all? Because currently it doesn't actually cover quite a large amount of people who probably should stay home, people who are told to have a test because they have a sneeze or something but aren't in one of those high-risk groups or don't work with high-risk groups. Those people still are expected to go to work or use their regular sick leave. And you've got this massive gap now between now and late 2021 when the COVID-19 leave scheme is the only thing available. Was there any consideration given to changing that?

PM: I'll make one first comment and then hand over to the Minister as well. If someone falls into that category, they'll be getting a test because they're unwell. So that's a scenario where we do want people to stay home, and, yes, that will be a call on their sick leave. However, if they fall into the category of needing to stay home for 14 days because we're concerned about them being a close contact or if they test positive, that's when that extra support obviously kicks in.

Hon Michael Wood: Look, we have received some of the feedback that you've identified, the requests to look at whether that scheme could potentially be widened or tweaked to support a range of different situations, and that's something that we're actively having a look at and talking about with other Ministers.

Media: What would a reason not be to do that—is it just fiscal? Is it quite a large cost to expand the scheme in that way?

Hon Michael Wood: Look, we're still having a look into it. I think the main thing is making sure that we have a policy that's well understood, and, actually, that's one of the things that

we're having a bit of a look at at the moment, as to whether the current settings are well understood by enough employers to take advantage of it.

Media: When are you expecting to make decisions on changing it?

Hon Michael Wood: Look, we haven't set any time frames for that, but I'm talking actively with colleagues at the moment.

Media: Prime Minister, whose job is it to oversee WorkSafe New Zealand and the audits that they should be carrying out and whether they are satisfactorily carrying them out?

PM: Yeah, who looks at the regulator? I'll ask the Minister to speak to this, because this is something that we've taken an active interest in. You know, when we have a system like this, we need to make sure that we're looking at all angles, and, of course, if you have an agency that is in charge of ensuring that there is adequate enforcement, we then need to check whether they're playing their part as well.

Hon Michael Wood: Barry, the short answer to that is MBIE. They're the organisation who provide me with advice to ensure that WorkSafe are properly carrying out their responsibilities. This afternoon, I've written to MBIE asking them to provide me with some advice so that I can be assured that that has happened in this case.

Media: Is there a possibility that they in fact themselves could face some action?

Hon Michael Wood: Well, look, that's not on the table at this stage, and there's no information to support that. We'll just have to see what comes out of that.

Media: They'll be supplying information to you on whether the audits were satisfactorily carried out.

Hon Michael Wood: Well, I've asked MBIE to come back to me with advice so that I can be assured that WorkSafe have carried out their function satisfactorily. I'll just have to wait for that advice to come in.

Media: Have you seen Stuff's apology to Māori today, and if so, what do you make of it?

PM: Look, I mean, actually, obviously these are editorial decisions, but I think it's only a healthy thing for be it Government, be it the Fourth Estate, to constantly look at our role and place in ensuring that we are looking at our place in some of the debates around social cohesion and some of the debates around redress. So, yeah, obviously their decision but good on them.

Media: Would you encourage other news organisations to follow suit and/or RNZ?

PM: Well, look, you know, actually I think one of the things we can do is make sure that even now we have diversity of voice in our media regardless of whether or not there's that historic reflection. I think there's things that we can all do day to day to make sure that we're fulfilling the responsibilities we all have.

Media: Prime Minister, are New Zealand's security agencies institutionally Islamophobic?

PM: Well, I can only assume that the basis of your question will be some of the debate and discussion we'll rightly have when the royal commission report is released. I do think that we'll have a more fulsome and probably informed discussion when that report is released. They have taken a significant amount of time, evidence from a range of individuals and agencies, and produced a report that's 800 pages long, and that is going to inform this kind of discussion. I think I'd quite like the public to see that before we launch into that discussion.

Media: Have you had a chance to look at FIANZ's report that they released today?

PM: Not in great detail. I've seen reporting around it, but I'd like to go through that in the same way that I'm currently going through the royal commission. I've made a start but have not got all the way through yet.

Media: If child poverty is a priority for your Government, why haven't you implemented more of the welfare expert advisory group's recommendations?

PM: Well, the first thing I would say is that, actually, we have made significant progress on one of the key recommendations, which is that of income adequacy. Not all children who are living in poverty are living in the homes of people on Government support, but a significant portion are, and that's why we have focused on things like the general benefit increase, indexing benefits to wages. It's why we introduced the winter energy payment and the Best Start payment.

Some of those things have not been taken into account by the Child Poverty Action Group's report, and the report itself doesn't acknowledge the progress that's being made there. Would I agree that there's more to do? Yes, but we actually gave ourselves a time frame to implement some significant recommendations that were over a three- to five-year period, and we're continuing to do that work.

Media: Why haven't you removed the subsequent child sanction yet?

PM: That is as part of our work programme. We have removed the sanctions around naming the father. That was deduction that families were receiving that we felt—

Media: But MSD could cover this within their baseline.

PM: Well, actually, everything is a budget bid, but that's not to trivialise the fact that we've agreed with that recommendation and are working on the implementation. The relative to what we've seen increase for sole parents—that's been in the order of \$100 a week for sole parent families, much, much more significant than some the sanctions that we are removing now as well.

One final point, though: we didn't agree with the general view of the expert advisory group to get rid of all sanctions. Our view is that there is a role for some. There were those, though, that we considered unnecessarily punitive to families with children, and we've been working on their removal.

Media: Prime Minister, why can't you implement the full \$5.4 billion of increased benefit in this current term, as recommended?

PM: OK. So, firstly, of course, there's the fact that whatever we implement across benefits, if they are to be sustained, we of course have to make sure that we can fund them in out years. They're not one-off costs, and so making sure that they are not repealed means making sure that they are sustainable in the first place. So that's the first point I'd make. And we were very upfront that some of the 40-plus percent increase, as suggested by WEAG, we did not see as something that we could do immediately.

The second point I'd make is when we first came into office, within the first 100 days, we put \$5.5 billion worth of investment into the Families Package. Now, that investment was very directly targeted at families and children. Some of the WEAG report, yes, has been about increasing general benefits, but not always targeted at children, and so because we had that very specific focus, we used the family tax credit because it reaches families on benefits with children; the winter energy payment because it reaches the most vulnerable; and we brought in the Best Start payment, which also goes to families on benefits with children under three, which is that area of high vulnerability, very few choices for parents who have caring needs, and was targeted at those first 1,000 days. So that's why we've done it that way. I note that CPAC have not taken into account in their assessment the Families Package, and I disagree with them for doing that, because it's significant in terms of its impact.

Media: Prime Minister, the families of people who were killed in the CTV building in Christchurch have asked for retired High Court judges to look into the police's decision not to press charges against the engineers who were involved in the construction of that building. They'd just like that decision of the police to be looked at. Do you have an opinion on whether that would be an appropriate—

PM: So this was raised with me before I came down. I've seen some of the reports around that. I do want to look at the letter. I want to make sure that we reply to it. Obviously, this has been an issue over the last several years, and so much has been traversed around

this, and I absolutely understand that the families involved here, in a similar way to the families from Pike River, feel like justice has not been done. So I totally understand why they have made that call. But before I give another response on that, I do want to look at the letter itself.

Media: So you would commit to making sort of an official, formal response to those concerns?

PM: I will reply. I will reply, but I don't want to raise expectations. The complication with the CTV, of course, around the time that had passed, where liability or culpability sat, has been well traversed and I don't want to raise an expectation of reopening that, but I do want to make sure that I reply to the letter.

Media: Do you regret ruling out a capital gains tax while you're leader?

PM: No. Of course, as I've said many times on this podium and many times generally, as a Labour Party, that was something that we took to more than one election, that we took to New Zealanders to try and garner support for that. We were not able to do that. We tried again as a Government to try and get consensus from the parties that represented the majority of voters. We were unable to do that. My view was that although I support the principle of a capital gains tax, and I've never changed my view on that, I had to accept that I hadn't won over New Zealanders on it.

Media: Some would see that as maybe trying to pass the blame on to New Zealanders. Is that fair?

PM: No. I think it's just acknowledging that I've listened, and it's not about apportioning blame. I have to also, you know, acknowledge here that some of the countries that are experiencing house price increases in this period of time do have something akin to a CGT and are also experiencing these changes. So the argument I would make is that there are other levers that we've an obligation to look at, and we will and we are.

Media: Are you saying that David Cunliffe would have won the 2014 election had he not campaigned on a CGT?

PM: No, no, not at all. Simply the point I'm making is that we've taken the policy to several elections and we have been unable to convince New Zealanders of that policy.

Media: Is there some internal polling you have that shows it's so dramatically unpopular? Because there was polling done by 1 NEWS during the last kind of attempt, which showed [*Inaudible*]

PM: No, but I think we've well traversed this policy initiative. If we're looking for levers that will make a difference to house prices, the idea that simply this one is the only one is not correct, and I think that's well understood. There are a number of levers and we have continued to do work on both demand side and supply side.

Media: What about levers that look at fairness in the tax system and also inequality as opposed to levers that look at house prices?

PM: Yeah, and we, of course, have looked at that too. So we've closed some of the tax loopholes that applied and, in our view, of course, advantaged those who chose to use property as an investment tool. Equally, we have extended, and we did extend, the brightline test to directly deal with those who may be buying houses and then flicking them for short-term capital gain. All of those are levers that, of course, we felt were important to pull in the market and the environment that we're in. Now, of course, we continue to look across the board at things we can do particularly to assist first-home buyers.

Media: Analysis by Newshub shows that at least \$377 million of wage subsidy was taken by companies that remain profitable. Why aren't you making them pay it back?

PM: Of course, keeping in mind that the main purpose—and this has always remained the case—of the wage subsidy was to keep people in work. What we wanted to do was make

sure that we targeted those businesses who, because of the significant impact of COVID-19, without the ability to support their employees to stay in work would likely fire them. That was what the wage subsidy was for. It has proven its worth. Of course, now we're asking for those companies who have found themselves in a positive position at the end of the year or coming out of COVID to do the right thing, but acknowledge that that was not part of the criteria.

Media: Back on sick leave, why not bring it in under urgency?

PM: I'll let the Minister jump in on this as well, but this was an area where there are things that go beyond just the entitlement that we've been called upon to look at, by both employers but also representatives of employees, around eligibility, when you're first able to access your sick leave. These are issues that actually did need to be looked at by a select committee. So our view was get it into select committee quickly, but give it a full process so that people can air some of those issues as well. You might want to traverse some of those areas.

Hon Michael Wood: The Prime Minister's right there. The other factor here is that we're dealing with payroll systems, hundreds of thousands of payroll systems, that will have to introduce any changes that we make to sick leave. And one of the things that we're very conscious of is that we want to implement it right so that we don't have problems when it actually rolls out at business all across the country. You know, in the back of our minds we've got this big issue around the Holidays Act, which has been rumbling along for a number of years. That causes headaches for businesses. We want to get this bedded in well, and a good select committee process and a little bit of time allows us to do that.

Media: There's a growing rift between Australia and China that's brought tariffs on barley and now wine. There's a provocative image doing the rounds on Twitter from the Chinese foreign spokesperson. I just wonder what New Zealand's reflections on this rift might be, whether you, also New Zealand, also fear that it could spread to New Zealand, New Zealand exporters. Is there a lesson or is it there for the grace of God goes New Zealand?

PM: My reflection would be that, you know, trade tensions and the observation of trade tensions is not new. We have seen, obviously, Australia having some recent experiences. We've seen the likes of Canada and, obviously, an escalation between the United States and China. From New Zealand's perspective, we've always maintained our independence in our foreign policy. Yes, of course, we have very important trading relationships with a number of nations. We do not let that change the position that we take on issues that matter to us. When it comes to the way that other countries will then tackle any tension around trade and trade issues, they'll do that through mechanisms like the WTO. My understanding is that for Australia, there's not yet been a decision or at least any declaration that they're likely to take the issue of their wine exports to the WTO, but, of course, we continue to observe. As a country that supports a rule-based order and the importance of a strong rules-based order for trade, we, of course, naturally observe many of these cases, and it's not specific to any country. There are a number of countries where we observe these cases in the WTO.

Media: New Zealand has talked tough, though, on Hong Kong and other things—to China, that is. Why do you think that New Zealand hasn't had any sort of push back?

PM: My view is actually that we talk in a completely understandable and reasonable—from a reasonable perspective on these issues. We have interests there. We have New Zealanders who operate out of Hong Kong. We have those who are resident in New Zealand who have concerns around the ramifications or the repercussions for some of the changes in the legal framework in Hong Kong, and we signal where we have these concerns, and in a very predictable way we will use different forums, whether it's ministerial statements, whether or not it's bilaterals. So New Zealand's pretty predictable in these areas, and that's the course of action that we take with any country where we have concerns and the way that we raise them.

Media: A quick follow-up on the wage subsidy question. Multinationals who don't even pay tax here are now posting profits after taking the wage subsidy. Are you OK with that?

PM: And I have said time and time again there are the rules that were set down, and we expected and do expect companies to comply with that. Then there will be those who are following the rules but are not following the spirit of New Zealand's values here. Those wage subsidies were to support employees to stay in work, not to prop up profit.

Media: Do you have any update on the trans-Tasman bubble? Australia's all but seemingly eliminated COVID, as we have, so have you had any further discussions about the hot-spot criteria and whether certain states can have quarantine-free travel, or is it still like all of Australia needs to be there?

PM: So a couple of things to say here. Even when we have that close proximity to some of that criteria of being free of community transmission, you're still seeing the likes of I believe it was Premier Dan Andrews talking about wastewater treatment still demonstrating COVID in Victoria—wastewater testing. So, look, we do exercise a bit of caution, but for us it's as much about the parameters we have if and when travel were to open. So one of the concerns that we have is, yes, that criteria might be met, but Australia has at least presented to us a higher tolerance for community cases than we have. Originally the suggestion was that they wouldn't shut down interregional travel for any state until they reached up to 30 cases across three days. So we don't want to yo-yo in and out of travel with Australian states. We, of course, have a greater interest in clarifying those borders. It matters less to them because they've opened one way with New Zealand, so those parameters are things we're still trying to work through with Australia.

Media: What do you need to see over there before you're satisfied that—

PM: Some clarity around if they have an outbreak in one state, how they would close down those borders in order to protect the ongoing operation of a bubble. We would prefer to be in a situation that once we're open, if, for instance, we're open with New South Wales and, say, Victoria has an outbreak, they'll be shutting down those domestic borders in such a way that we can continue operation with one state. That isn't exactly clear at this point, so that's something we're still working through.

Media: So it's not just a question of elimination in Australia; it's also a question of their borders?

PM: Yeah, exactly, because you might get into a place where you have—you know, that were free of community transmission. But, actually, it's as important for us to recognise what will happen if and when cases arrive, because they will and they do. We would rather have some strong clarity around how we would operate that, so we don't have a situation where different states are yo-yoing in and out in an unclear way.

Media: When are you expecting that could happen?

PM: It's something that we're actively working on. As I've said, one of the issues, of course, is that for Australia, they've already opened up, so from their perspective it's done and dusted. We're the easy partner in this. We have a very low tolerance for cases, and that means that that opening up of one-way travel for them was probably a bit of a straightforward decision. In reverse, of course, us trying to formulate a bit of a plan relies on them having clarity around how they'll operate their domestic borders.

Media: New Zealand may be excluded from a summit of high-ambition global leaders on climate change over concerns in the international community that we're not doing enough to reduce emissions. What are your thoughts on that? Are we doing—

PM: Sorry, what's the basis of that statement?

Media: Newsroom reported this at the end of last week—

PM: From?

Media: From our understanding.

PM: Right. That's not my understanding. Happy to discuss further, but that's certainly not how I would characterise the situation.

Media: Prime Minister, on climate change and on the declaration of the emergency, how confident are you, given that we haven't got the recommendations from the Climate Change Commission yet—how confident are you that you're going to be able to get to 2050 net zero emissions purely by reducing emissions in New Zealand? Or will you still require some international credits?

PM: Well, of course, you will have seen that we have—you know, no one has ever taken off the table the need for international credits. But we would be, I think, reneging on our duties if we didn't make sure we were doing all we could within our own domestic system to reduce down our emissions domestically.

Media: Does that mean, therefore, that we need to really step up quite dramatically the savings that we're making, particularly with CO2?

PM: I think that's been a common theme. We, of course, are of the view that that needs to be part of not only the work that we're laying the foundation for now but in preparation for the carbon budgets that we're expecting to receive from the climate commission in the new year. I don't have yet, of course, a view as to what that will present to us, but the fact that we are, for instance, saying we don't want any baseload generation being generated out of fossil fuels, that we want to rid the use of coal boiler for thermal generation as well—sorry, for low processing heat as well. All of that is us laying the foundation for what needs to be done to reduce down our CO2 emissions. I don't think anyone accepts the idea that you simply offset in its entirety.

Media: Prime Minister, the Electoral Commission have just released their statistics from the election, a more full version, showing youth turnout was up quite a large amount: 18- to 24-year-olds 50 percent to 60 percent, and 25 to 29-year-olds 55 to 62. What do you put that down to and do you think it helped your win?

PM: I haven't actually done some of the analysis that would lead us to conclude either way. I think everyone would agree that if you get voters very early on, so even, again, the bracket below 24—you know, we want to engage in that first opportunity to vote, and that's because the research demonstrates that if you grab a voter in that first opportunity to vote, they are more likely to vote in the next election and the next election thereafter. So it's a benefit to our democracy when we get early youth engagement. It's one of the reasons, of course, we talk often about the importance of civics in schools, because of that window we have in that first vote to engage a voter for the longer term.

Media: Do you think it helped your party to come to its historic win?

PM: I'm going to take the last couple after this as well. Sorry?

Media: Do you think that high turnout—you know, much higher than the last election—do you think it helped your party get its massive win?

PM: I wouldn't want to make an assertion either way. What I will be interested in is whether or not some of the changes that were made around enrolment, which previously has really disenfranchised voters—I think my memory is roughly 20,000 people who showed up to vote but because they hadn't enrolled before election day, their vote didn't count. That change was made to ensure that there wasn't an administrative reason why people's vote weren't counting. My hope is that that would have meant that more young people would have had their vote count this election.

Media: GNS Science has just advised that it will face charges in relation to the Whakaari / White Island eruption. Do you think the topic of the court case could traverse the level of Crown funding it receives and allocates towards that risk assessment?

PM: Look, I wouldn't want to pre-empt or pre-determine the arguments that will be made by GNS. I would anticipate that, as has been the case in other jurisdictions, there will probably

be a heavy focus on the role of science in the advice that is received, distributed, and utilised for earthquakes, volcanoes, and so on, and that is, I would anticipate, a likely focus of some of that court case, but I wouldn't want to anticipate any of the arguments that GNS would make either way.

Media: Do you have a response to the criticisms raised by the Auditor-General of the light rail procurement process that finished up late last year?

PM: Like a response to that?

Media: Yeah, the Auditor-General wrote a letter to the Ministry of Transport last week raising some concerns—or the Minister of Transport?

Hon Michael Wood: Yeah. Thanks. Nice that someone cares about transport in this room.

PM: Oh, most of it actually.

Hon Michael Wood: Look, we received—well, we didn't receive but we have a copy of the letter from the Auditor-General, and, obviously, what that relates to is a twin-track process, which was finished by Cabinet in August of this year. Look, I think we have to respect any of the findings of the Auditor-General in terms of the processes that we run. So we're going to absorb those lessons, but that process actually ended before the election, and we're moving forward and expect to be able to follow all of the directions that the Auditor-General has identified.

Media: So does that mean that you are now open to a complete open-market bid for the light rail from all-comers, so to speak?

Hon Michael Wood: We're still in a process of making decisions about exactly how we're going to carry that project forward, and I expect to have more to say in the new year, but what I am saying is that we expect to run a process that will meet the satisfaction of the Auditor-General in light of the letter that he sent last week.

PM: I'll just finish up here.

Media: Are you saying that New Zealand has or will be invited to this Sprint to Glasgow event?

PM: No, not necessarily. I'm just saying I wouldn't characterise our involvement or the invitation or whether or not we have one in the way that's been described by Newsroom.

Media: How would you characterise it?

PM: Again, I don't believe that actually the final involvement or not has been finalised, but the idea that New Zealand lacks ambition has nothing to do with this issue from my perspective.

Media: Just to clarify on the Australia bubble, so we could—

PM: I actually called last question. I'm going to be generous.

Media: Sorry. Just to clarify on the Australia bubble, we could be in a situation where Australia has complete elimination, 28 days' zero cases, when we're in Australia but we still don't open that bubble because you're concerned about the borders?

PM: Again, as I've just said, in fact, in Victoria they're still reporting wastewater testing. So that's a hypothetical we're not in yet, and, obviously, South Australia are still dealing with some issues. What I think we have to acknowledge is that we're going to be in an environment where these issues will crop up from time to time. They are for us, so we need a regime that means that we can with confidence operate a border that doesn't open and close with very little warning, with our understanding of the way domestic borders perhaps could be used as a buffer in the first instance, and doesn't leave travellers stranded. No one wants that, so those are issues we're still wanting to work through. OK. Thanks, everyone.

conclusion of press conference