

POST-CABINET PRESS CONFERENCE: MONDAY, 11 DECEMBER 2023
HANSARD TRANSCRIPT

PM: Ka nui te mihi ki a koutou. Kia ora. Good afternoon, everybody. It is good to see you all here. Today it is also great to have the Minister for Workplace Relations and Safety with us, Brooke van Velden, to talk about this coalition Government's next steps to rebuild the economy and to get it working for all New Zealanders. But that's only going to happen with a strong economy, and that builds opportunity, that lifts wages, and creates new jobs, and a strong economy is how we end the cost of living crisis. It is also how we get to afford to invest in the public services that matter so much to all of us, like worldclass healthcare, education, and policing that keeps our community safe. New Zealand's future will be built on the hard work of Kiwis and businesses and communities up and down this country, and it is the Government's role to support that with infrastructure, education, limited regulation, and disciplined spending.

A big focus of our Government's 100-day plan is on steps to help rebuild the economy, and, in particular, to back the belief that if you work hard, you should be able to get ahead in this country. That is a quintessential New Zealand promise that has been broken these last few years, but our coalition Government will restore it. You've seen it in our commitment to reduce taxes, you've seen it in our commitment to get on top of Government spending, and today it's great to be here with Minister van Velden to talk through the steps that we'll be taking to improve flexibility for employers and employees, to remove the mandated union deals that are being imposed on Kiwi workplaces, and to make it easier for firms to actually hire and take on new staff.

Small and medium enterprises power this country and, on the way, create opportunities for many others, but the previous Government made hiring staff way too difficult and too expensive and it disincentivised employers from taking risks. New Zealand's small and medium businesses are bursting with entrepreneurship, creativity, and innovation, and they deserve a Government that empowers them, because that is how we create opportunities for all New Zealanders. We want to make it easier for Kiwis to find their first job. We want to make it easier for Kiwis to find their next job. We want to make it easier for Kiwis to get off the benefit and move into work, because we believe that if you can work, you should—you should work. So, with more people on jobseeker benefit under the previous Government, we're going to make it much easier for employers to take a chance on people that they may not otherwise hire.

I'll now turn over to Brooke to talk a little bit more about the steps that Cabinet has agreed to take on in this space.

Hon Brooke van Velden: Thank you, Prime Minister. Today, I can confirm the Government is delivering on its commitments to repeal fair pay agreements by Christmas and extend the availability of 90-day trial periods to all employers. These actions were clearly signalled in a part of our coalition Government ambitious 100-day plan. I am proud to say we are doing what New Zealanders voted for: to bring about real change.

As a Government, we are focused on boosting productivity, becoming more competitive, and creating a healthy economy. That's why we're preventing more bureaucracy from being piled on to businesses and backing them to grow. Right now, 90-day trial periods are available to businesses with under 20 workers. But whether a business has two or 200 employees, hiring a new person is an investment that comes with risk. It costs money, and it is in the best interest of both employers and employees to appoint the right person for the job. By adopting ACT MP Todd Stephenson's member's bill on 90-day trials, we can progress quickly as a Government to give certainty to businesses.

Extending the availability of 90-day trials to all businesses allows employers to give more people a chance to succeed based on attitude, without the risk of a costly dismissal process.

The extension of 90-day trials will not affect other aspects of employment relations, such as the requirement to act in good faith or worker protections regarding pay, conditions, leave, and health and safety. What it does do is provide the option for employers and employees to choose what works for them.

To lift productivity and drive economic growth, we need agile and flexible workplaces where employers and employees can agree terms that suit their unique situation. This is why the Government is also delivering on its commitment to repeal fair pay agreements by Christmas. Fair pay agreements undermine the flexible labour market, which has been a pillar for New Zealand's economic success for the past three decades. They would make it tougher for businesses who are already doing it tough in a cost of living crisis. These agreements were a blunt tool that could be initiated by a union and a small number of employees, yet they applied to every employee and every employer within coverage.

The fair payment agreement system increases cost to businesses, whether they can afford it or not. This would negatively impact employees and consumers as businesses chose to hire fewer people, reduce hours of work, or increase the price of goods and services just to stay afloat. There are already ways for employees and unions representing their members to negotiate terms and conditions. Employees, unions, and employers are encouraged to work together to agree suitable employment terms. Continuing with fair pay agreements would hurt the groups they aim to serve. Repealing the legislation will have no impact on the current employment terms for workers because no fair pay agreements have been finalised to date. By moving quickly to repeal this legislation, we help New Zealand get ahead. Thank you.

PM: Thank you, Brooke, and, again, a core belief of our coalition Government is quite simply that when businesses thrive, our economy thrives, and it's only actually with a strong economy that we can lift wages, that we can create opportunities and help Kiwis get ahead. That's how New Zealand succeeds and that's what our Government intends to deliver.

Just in terms of the remainder of the week, in the House this week we all are full steam ahead on progressing legislation for our 100-day plan. In particular, the House will be in urgency as we progress all stages of the Reserve Bank of New Zealand Amendment Bill, and all stages of the fair pay agreements legislation, which Brooke has just outlined.

Tomorrow, I'll actually be in Australia on leave as it's my daughter Olivia's graduation. I'll be leaving in the morning, coming back at midnight, and I'll be in the House on Wednesday and Thursday. With that, happy to take your questions.

Media: Prime Minister, what kind of a message are you sending to New Zealanders when you mihi Māori at the beginning of your kōrero but you want te reo removed from public services and public signs, and, you know, a review on the Treaty—principles bill. What kind of a message are you sending?

PM: Well, the message is really clear: we want Māori and non-Māori to do exceptionally well in New Zealand. After the last six years of this Government, it's obvious that Māori have gone backwards with respect to their economic achievement, being victims of crime—when you think about the impacts they've had on housing and education and health. We're a Government that's here to make sure that we advance and improve outcomes for Māori and non-Māori, and that is the focus of our Government going forward.

Media: Just following up on that, do you expect that your Government's rhetoric around the Treaty and Māori is why we saw the defacing of the English version of the Treaty of Waitangi at Te Papa?

PM: No, not at all. I'm incredibly proud of the Treaty of Waitangi, and the origins that it's formed in forming our country, and I think, over the 180 years, when I think about what other countries have as their founding documents and support for their countries, we should be incredibly proud about the Treaty. Of course, over the last 180 years, we've been wrestling with it, to understand what was meant, who signed it, why they signed it, and what the intention was behind that. We've all been wrestling with that, and that's something that's been very positive. It's made us a much more tolerant and, I think, a much better country as a

result. And, what I'd say to you is, for us, for me as a new Prime Minister, I want to make sure that we continue down that pathway. We're always going to be a country with strong bicultural traditions. We're also going to be a country that's a modern, multicultural country going forward well in the world. So, we have to demonstrate to everybody—Māori and non-Māori—that we're about delivering better outcomes for everyone, and that's what we're focused on.

Media: Should the English version be taken down from Te Papa?

PM: Again, you know, I'm not going to get into that. The reality is, I would encourage people if they feel free to protest, but I don't think there's any need to deface an exhibition like that at our national museum.

Media: An iwi chair has told us that a lot of people feel like your Government's policies make them feel like they're being sent back to the days when being Māori was a handicap. How does that make you feel?

PM: That's not at all how I want anyone to feel. I want Māori to understand that in my conversations with different iwi leaders across the country over the last six to nine months and even more recently is underscoring to them that we want Māori to get ahead. When New Zealand does well it's because Māori are doing well, and that's very much a focus of our Government. And, so, we are going to work with Māori. We're going to work with iwi to make sure we deliver and improve outcomes for Māori.

Media: Are you aware that an urgent claim has been lodged in the Waitangi Tribunal about the threat of the policies on te reo?

PM: Yes, I am, yes.

Media: And what would you say?

PM: What I'd say to you is, we should be celebrating te reo. It's an absolutely fantastic language. We should encourage as many New Zealanders to learn it as we possibly can. But the reality—

Media: Do you feel like you've been celebrating te reo and your Government's policies are celebrating te reo?

PM: I've wanted to learn te reo for a long time, as you well know. I've been trying to learn. I've been finding it very difficult. I'm going to continue to learn because it's something I've always wanted to do, and I encourage any New Zealander to embrace te reo.

Media: Prime Minister, just on—we saw last week there was a leak of a Cabinet paper. Then on Friday there was another iteration of that. What is your message to the Public Service at this time and any employers that might feel a bit disgruntled that are choosing to take that information public?

PM: Well, look, I think there's two issues there. The first I'd say to you is that it was very good to see MBIE, you know, proactively get on top of the leak of the Cabinet paper on FPAs in particular. And, obviously, that's an ongoing investigation that they're now running, and you should talk to them about that.

The second thing I'd say is that, you know, we have issued the Treasury instructions around regulatory impact statements, particularly as they pertain to the repealing of legislation in our first 100 days. All Treasury would be doing is telling, I imagine, hundreds of public servants that declaration from the Government so that everybody understands what we do and don't need as we repeal those legislation bits. So I wouldn't categorise that as a big leak because it would have been, frankly, released anyway.

Media: But do you think that there was some malicious intent behind what, apparently, public servants are doing to your Government?

PM: Well, I'll just say, in the two weeks or so that Brooke and I have been engaging with public servants, you know, we have all found and all commented on the incredible professionalism of the public servants. We appreciate that we're asking them to do different

things; we have a different agenda from the previous Government. But we're also giving them maximum clarity about what we're up for and what we're not up for, and I think that's been hugely appreciated in the Public Service as well. But in all of my interactions with the Public Service, we see incredible people who are deeply professional, very focused on delivering for New Zealand and New Zealanders, moving at the tremendous pace that we're asking them to move as we realise we have to turn this country around and get things done. So, you know, I think we should be very proud of the Public Service.

Media: But are you disappointed to see this happen twice and are you worried that it's going to happen a third, fourth, fifth time?

PM: Well, I don't really care; what I'm focused on is actually delivering and getting things done that change things for people outside of this building out there in New Zealand, and that's what we're focused on.

Media: Do you not care if the Public Service keeps leaking?

PM: I expect the Public Service to be politically neutral. I expect them to respect confidentiality, but, you know, I'm telling you our Government has to keep moving forward.

Media: Prime Minister, this morning you described New Zealand's immigration settings as being way too loose. What were you referring to? What did you mean by that?

PM: Well, we've gone through a period where we had the borders shut down. We had very restrictive immigration that was actually too tight and too choked for too long. Then it was released very, very quickly, with not enough checks and balances in place, and, as a result, we've ended up with 118,000 net migration. Now, we want immigration to this country. We want the best and the brightest to be able to come here, we want skilled workers to come here, but we've got to make sure that that is linked up to an economic agenda where we have genuine skill shortages. So, all we're asking for in the conversations the immigration Minister will be having with Immigration New Zealand are about making sure that we actually have some rigour in the application of inviting migrants into this country.

On the other hand, I just want to point out to you, as a big focus for us as well, that when you've got 60,000 more people on unemployment benefit at a time of relatively low unemployment and lots of worker shortages, we also have to work much, much harder getting people off welfare and into work, and that's really a big focus for our Government too.

Media: How does that line up with your party's position last term when you often challenged the Labour Government for their approach to immigration—you often pushed them to go further?

PM: Oh, absolutely, because, you know, if you can remember, we were talking about being four and a half thousand nurses short in this country, and yet the previous Government refused to put them on the green list, and that's the fast-track list, and that's exactly what we've been calling for. So it was too slow and it was too restrictive for a long period of time. But now you've gone the complete opposite where there's actually not enough checks and balances around the accredited work programme, and that's what we've got to make sure we put in place again.

Media: Prime Minister, can I just ask you to sort of reflect on your first week and a half, I guess, in the role, on these issues. You've faced multiple protests against your policies towards Māori language and Māori generally. You've got a protest tomorrow against smoke-free legislation and Public Service leaks. Has any of this surprised you?

PM: Not really, I'm just focused on actually getting things done, and that's what we came here to do. We have a very clear mandate from the New Zealand people—we've within three days framed up a 100-day action plan with 49 actions on it, and I can tell you that everyone in our Government is working incredibly long, incredibly hard hours to make sure that we can actually deliver things and get things unblocked and get the country turned around. So that's really our focus.

Media: Did you think you'd have this sort of flak, though? Has it surprised you?

PM: Well, we're a Government that's different from the previous one, and I appreciate that it's an adjustment for you and for everybody to deal with the change of Government—you know, that's been in place for six years, with a certain mode and a certain set of philosophy and ideology. We are a Government that has a different mode. We have been elected because the country needs a turn-round; it needs a Government to get things done for people. We are going to rebuild the economy. We are going to restore law and order. We're going to deliver better public services. So, we are just ruthlessly focused on those goals and those objectives. When I was out on the weekend talking to people, that's what they want us to do. They want us to improve their daily lives, and that's what initiatives like what Brooke's talking about today around fair pay awards and also around 90-day trials are all designed to do—is to be able to create opportunity for people so they can actually get out there and make things happen for themselves.

Media: Just to clarify, though, it is not me personally protesting any of this—

PM: No, no—sorry, I didn't mean it like that. But what I mean is, I appreciate there's an adjustment for everybody, right? Because all of a sudden you've gone from a Government for the last three years that had a supermajority—you know, an absolute majority, the biggest in New Zealand's MMP environment—and had a certain mode of operation, a certain belief system. But we had an election, and democracy is about, actually, people getting to choose a different Government that they want to take the country forward with, and that's what you're seeing with us. And it is a different Government because it's three parties, three coalition parties with different players and different personalities and different profiles. It is very united on the three things that we said that we would do for New Zealand people.

Media: Just on Erica Stanford reviewing the immigration settings, has she been given a time frame for when she should report back?

PM: No, but she's very aware of it, because, you know, we need to make sure that our immigration agenda is very strongly linked to our economic agenda and also to infrastructure in New Zealand.

Media: Minister, one union says putting you in charge of workplace relations as a workplace relations Minister is like putting a vampire in charge of the country's blood supply. What do you make of that comment?

Hon Brooke van Velden: I start all new relationships with respect and in good faith, and I expect that back, so it is disappointing. I haven't yet met with that union, but I certainly hope to have a good working relationship.

Media: Prime Minister, Marama Davidson says you're getting rid of fair pay agreements and bringing back 90-day trials because you hate workers. What do you say to that?

PM: Oh, what a load of rubbish—absolute load of rubbish. We care deeply about workers; that's why we're working so hard for low and middle income workers to give them tax relief, for example. We want to see people come off welfare and into work because we think work's a fantastic thing for people, and so we are very, very focused on that.

But, you know, let's look at it. You know, both of these initiatives in this regulation haven't helped in the sense of it just adds cost to businesses that therefore lead to higher prices and more inflation, which actually causes problems for people around the cost of living. Secondly, they add cost to small businesses. And, remember, New Zealand businesses are not big, large corporates; there's only a handful of those. There's actually small and medium enterprises up and down the country that might have 10 employees, 15 employees, and they get loaded up and saddled up with more cost rather than actually freeing them up to actually want to invest and to grow, to build better businesses, to be more productive, so they can offer higher wages and salaries to their workers and actually see some growth opportunities.

So, this is all about us unblocking the joint and actually getting things moving so that, you know, small to medium enterprises coming back after Christmas will actually be able to sit there and say thank you to the Minister's initiatives—actually, they can actually hire staff with great certainty and great confidence and make the investments that they need to make in growing their businesses. And that's ultimately what we want to see happening in this country. You don't just pass on—with a bunch of, all respect, Wellington bureaucrats making some decisions about how to run a business from Wellington. You actually need to be able to create the conditions so that those business owners and those entrepreneurs can take those risks and make those investments themselves.

Media: Prime Minister, earlier today the Reserve Bank put out an analytical note that was headlined “Households tend to pay more attention to inflation when it is high”. Do you think that the—you know, inflation's been high for 18 months, two years. Is this the sort of thing the Reserve Bank should be [*Inaudible*]

PM: Look, they're an independent body; they can do what they wish to some degree. All I'd say to you is that, you know, inflation's been outside the band now for 2½ years. You will remember, when I became leader of the National Party two years ago, we talked a lot about inflation starting to rise, and when inflation gets embedded in an economy, as we've seen over the last two years and the situation that we sit in today, it's really hard to get it out. And that's why you're better to take the actions earlier, which the previous Government failed to do, and now we're having to do that. And the reality is very simple: we want everybody fixated and focused on lowering inflation. Why? Because, actually, that's how we bring down interest rates, that's how we get the economy growing, that's how we keep people in employment.

Media: You said that in the House you're going to be taking a bill to repeal the dual mandate this week. Can you talk—

PM: Yes, under urgency this week, yep.

Media: Sorry? Under urgency—yeah. Can you talk us through—aside from repealing the dual mandate, can you talk us through the other aspects or changes that that legislation will be making for the bank?

PM: Yeah, so it's primarily focused on actually removing the dual mandate and making it crystal clear to the Reserve Bank their No. 1 task is price stability and inflation. We will also subsequently do some work in the new year around the question of medium-term, for example, being used as a means by which we expect the Reserve Bank to have inflation back within the target. Whether that would be—we want to take some advice on that, as to whether we could be more specific about a certain date or time as a result.

Media: Do you have a sense of—do you have any number that you're thinking around that?

PM: No. At this point we really do genuinely want to take advice, because there's pros and cons of doing it that way. But, you know, what we're saying and signalling is 2½ years outside the inflation band with all the pain and suffering that that causes New Zealanders going about their daily life is something that we've really got to have everyone focused on. So, you know, it's been great to hear the Reserve Bank Governor's comments after I met with him, and also the Secretary of the Treasury, to say that he is very focused on fighting inflation. And what we're also doing, as you'll be well aware of, is focusing on wasteful Government spending that we also think has been inflationary as well. And, so, on the fiscal side, that's a big focus for us as a new Cabinet as well.

Media: Just a couple of foreign affairs issues. There's been a China business conference this afternoon which Don Brash has spoken at with his chair of the New Zealand subsidiary for the Industrial and Commercial Bank of China hat on. Bear with me. Just a few comments from him in his speech this afternoon—he's talked about the fact that increasingly we're coming under pressure from the United States to choose between the US and China, being told to join AUKUS, and that this is a big shift from 10 years ago where the US was

encouraging New Zealand to have not only strong dialogue and engagement with China but was actually counting on New Zealand having that dialogue. Don Brash is saying that of course we want to remain on cordial terms with our traditional friends in the US, but not at the cost of alienating new friends in Asia, and that the new Government needs to basically take a position and decide how it's going to deal with this issue. Do you think that new friends in Asia are being alienated as a result of the way that things are with the US and China at the moment and do you think that New Zealand is increasingly being asked by the US to take a side?

PM: No, I think, you know, New Zealand has an independent foreign policy and I think there's been very good bipartisan alignment around foreign policy in our positions with respect to the geo-political tensions that we see in the more contested space that's happening certainly in our region. We will continue to build relationships with everyone around the world and that's necessary for us as a small trading country to do so. So, yes, we have a longstanding relationship with China of over 50 years. Yes, we have strong commercial ties, but we also consistently, coherently, you know, raise our concerns when they have actions that are different from our value set. Likewise, we do that with all countries around the world. So I'm proud of our position. We'll continue to build and deepen it, but the message very clearly that I've tried to say, even over the last week or so, is that New Zealand is under new management and we are open for business. And, rightly or wrongly, we've been perceived as actually being a little bit too inward looking and not out in the world engaging enough, and that means in a trade sense, it means in a security sense, and it certainly means in a value sense. We want to continue to stand up for the values that are important to us. So, you are seeing already, you know, foreign Minister Peters and myself have met with a number of Pacific leaders, even just over the weekend. He is heading to Fiji at some point. We've got also Todd McClay heading through Singapore on his way to India before Christmas as well, and that is all part of our drive to make sure that we are engaging with our partners well.

Media: Prime Minister, is it not concerning to you, though, that you have someone who clearly has very close ties with China, that this is clearly the message that is being sent from China, is that there actually is a choice that's being asked—I mean, are you going to talk to Don Brash about this? Because that's quite a strong sentiment to be coming—

PM: We live in a country where people have free speech, so people have a range of views on a range of topics. The one that matters is actually the New Zealand Government's position, and, from our point of view, we'll continue to have strong relationships with our longstanding allies and friends where we have common values, and we'll also look to continue to build trade opportunities wherever we can.

Media: Are you going to take a clear position on AUKUS, in terms of whether we will join pillar 2 or not? Where are you at with that conversation?

PM: Again, we'll continue to take advice on that. That hasn't been a priority of us in the first two weeks of the Government.

Media: And, just lastly, one last question on that. What is the Government doing in terms of the Belt and Road Initiative? I mean, technically, there's still work under way there. You said prior to the election that you were interested in it. What is the coalition Government's perspective on that? Because there seems to be conflicting perspectives.

PM: Look, again, it hasn't been a priority for us in our Government in the first two weeks. So, what has been a priority for us is to make sure that we're out in the world hustling, and we're starting to build relationships, and, actually, from that can come trade opportunities. That's what we're going to do.

Media: Will it be a priority—I mean, these are big—you know, these are massive issues. US and China is not sort of something that deal with later on.

PM: No, I fully understand—don't worry, I understand the issue. I'm just saying to you it's not a priority in the first two weeks of our Government right now.

Media: One of the Government's fiscal cliffs is the film subsidy expires in a couple of years' time. Are you committed to doing another round of that funding when it expires?

PM: Again, we'll take advice on that, but we have been open to that, yes.

Media: So you're saying you're open to continuing that?

PM: Open to continuing? Yes, but I want to get formal advice on it too.

Media: Can I just pop back to Minister van Velden as well. Her party has a position against the film subsidy. Where do you stand on it?

Hon Brooke van Velden: Look, that issue hasn't come to Cabinet so it's not one that we've needed to decide on.

Media: Would you be pushing for your party position, which is to scrap it?

Hon Brooke van Velden: Look, I'm happy to take advice when that comes to Cabinet—if it does come to Cabinet.

Media: Can I just follow up on Jo's question. You're getting a lot of questions here about US, China—you know, how New Zealand's aligned between them. Given, you know, the country's under new management, is there anything you're looking to do that's in that space that's different from what the last Government was doing in terms of alignment? Do you see any problems with where the Government had placed itself in between the two?

PM: No. What I really think is going to be different is there's going to be a big emphasis on trade and doing business in the world, because, as a small country, we don't get rich selling stuff to each other; we get out there, with 194 other countries, and actually sell our products and services to the world. And when you think about the opportunities that exist for New Zealand, whether it's in South-east Asia, when you think about India, when you think about actually commercialising the free-trade agreement in the UK, and I still think about trading opportunities that exist even for New Zealand businesses in North America, for example—there is a world of opportunity, and so a big part of what we need to do in Government is to give New Zealand businesses confidence that they can actually operate in those markets and do well in those markets, and learn those markets and how they need to sell their products well there. So that will be a big focus for us.

Media: On the 90-day trials, can you just confirm that there will be a regulatory impact statement given it's a new policy?

Hon Brooke van Velden: There has been a regulatory impact statement produced by MBIE for this policy.

Media: So recently that's happened and it will be released in the normal process?

Hon Brooke van Velden: That's right.

Media: In the press release, you talked about the option to include a 90-day trial between employees and employers. How will that work? And, surely, in that situation the employers will have the power to decide if there should be a 90-day trial included. So, how does that work, that situation?

Hon Brooke van Velden: The 90-day trial is always optional. It's not forced on employees and it's not forced on employers. What the 90-day trial scheme does is allow for employers and employees to take up the 90-day trial. When all employers previously had the option, not all employers or employees used that option. So it is very clear that a 90-day trial cannot happen unless an employee also agrees to that trial.

Media: So if an employee didn't agree to it, is there any protection there to keep the job? Or is that just not—

PM: Well, the normal rules would apply. You know, everything else with respect to the workplace environment stays, but, actually, this is designed so that we can make sure that employers can take a chance on someone they may not normally take a chance on because

the risk is de-risked for them, for them and the employee. So I think that's what it's about. If we're serious about getting people into work, which we desperately are, this sort of thing is a good move.

Media: I'd like to ask about the Treaty, but first can I just revisit Tom Manch's question. He asked you particularly whether there was anything that you didn't like, or you wanted to reposition New Zealand in a geo-political strategic mode—you just sort of talked about trade. But can I get that answer on where New Zealand sits in terms of the US/China nexus or geo-politically. Do you want to move New Zealand?

PM: What we want to see is we want to see peace and prosperity in our region, and that's why we'll continue to partner with our Pacific Islands friends and partners to make sure that we see peace and prosperity in this region. It's very important to us. So, we will always stand up with our friends and allies for the values that we think are very important or continue to deepen those relationships. At the same time, we'll also deepen commercial opportunities for New Zealand businesses.

Media: OK. And on the Treaty, I was particularly interested in your earlier answer when you said that you think that by wrestling with the Treaty is one of the ways that New Zealand sort of understood itself and it's been really good for the nation, but in the coalition agreement you signed with New Zealand First you were pledging to repeal or remove references to the Treaty in legislation. So how—

PM: No, we're not. No. What we're proposing there is quite specific, to say that where there are references to the Treaty, we want it to be linked to the particular purpose of that legislation. So rather than just chucking in a generic Treaty principles for something, we want to make the link between the Treaty and why it's referenced or relevant to that piece of legislation.

Media: Can you also confirm National's position on whether it will support the Treaty principles bill beyond the select committee?

PM: Again, our commitment is that we will support it to select committee and that's as far—

Media: You've sort of had a go at that in the House, though, and it wasn't really clear whether National had already—

PM: Well, it's very clear in our coalition agreement. We're supporting it at the first reading and to select committee. There's no commitment beyond that point.

Media: Should we take it as read that National doesn't support it after first reading?

PM: Well, there's no commitment from our Government to support it beyond the select committee.

Media: Can I ask Brooke what ACT's position is on that?

PM: Sorry?

Media: Has ACT formed a position on that?

PM: Again, we've got a Government position. That's reflected in our coalition agreements, which is that the Government will support the bill through its first reading and into select committee but there is no commitment to support it beyond that.

Media: With respect to Mr McClay's visit to India, has he been given approval to not seek any concessions for dairy—one—and, two, what is it that we can actually give the Indians that they might possibly want?

PM: Well, again, it's about us recognising that India is the most populous country on Earth this year. It's going to be the third biggest economy by 2030, and two-way trade with India, I think, has gone from \$2.8 billion down to \$2.3 billion in the last six years. So, you know, the point of Minister McClay going up to India via Singapore is to build relationships with both those countries: one, we think there's opportunities in South-east Asia for us to

continue to build and to develop, and Singapore becomes a very critical part of that, and I want to see a much deeper relationship with Singapore in particular; and then, likewise with India, it's about re-establishing top-to-top connections and relationships so that we can actually start the conversation and the dialogue from there.

Media: But will any trade agreement with India include dairy?

PM: Well, it'll be very difficult, as we well know, but there is a number of other ways that we can turn on trade with places like India. And so we are up for all of those opportunities, but you've got to be out there hustling, building relationships, thinking about the opportunities and how they might be best presented.

Media: But what concessions can we offer India? We know that in the past, they've asked for immigration concessions; what else could we offer them?

PM: All we're saying to you is we want to see more trade with India. That starts with relationships, first and foremost, and then from there will flow a series of things about how we can flow capital, investment, trade, people-to-people connections, and from there we'll take it forward.

Media: Do you have an update or further information about the possible death of a New Zealander in Gaza?

PM: I've read the reports; I don't have any further information at this point. I know MFAT was looking into that.

Media: Can you confirm the death at all?

PM: Again, I've seen the reports; I haven't got any further information—it'd be inappropriate for me to comment until I do have that.

Media: Just on the Treaty issue, there seems to be this tension around the English and Māori texts—the different versions. Do you think there needs to be more information or more education around the differences in those texts?

PM: Well, again, you know, what I'm more focused on is actually how I deliver better outcomes for Māori and non-Māori. And I've looked at a Government over the last six years that actually has taken, you know, Māori outcomes backwards, and so that's what we are focused on.

Media: You did say, though, around, again, a reference in your earlier answer around wrestling with the issue. Do you think that more needs to be done to unpack those two different versions?

PM: Well, I mean we can continue the conversation, and we should, as we have over the last 180 years. You know, we should be incredibly proud of the Treaty. I feel incredibly proud about it, but we have wrestled with it, genuinely, over the last 180 years—we've not got it all right, we've not got it all wrong, but we actually need to continue to do that.

Media: How would you like to see that conversation continued?

PM: Again, it's about us talking through how we actually can be equal—you know, if you think about Article 3, equal under the law. It's very important that, actually, all New Zealanders are equal. We want to be able to continue to see Māori be able to exercise control over what they own, and we also want to realise that the Government has a right to govern. Those are the frames which we think through it.

Media: This morning you said that we co-sponsored the resolution at the UN Security Council, which called for an immediate ceasefire in Gaza. Last week, the motion that was passed in Parliament was "steps towards a ceasefire". Has New Zealand hardened its stance in the interim?

PM: Well, I think our position's really clear that we want to get to an immediate ceasefire as quickly as possible. Everyone wants that. You know, what we are seeing is absolutely appalling, what we are seeing is completely unacceptable, but the reality is to get to a

ceasefire, you've got to be able to take steps to get there. So, actually, starting up a humanitarian truce again is actually a very important thing. We're very grateful for the efforts of Egypt, the US, and Qatar, that are actually working in the region and putting pressure on the players to actually start that up again. But, as I said last week, you know, the reality of a ceasefire is that there are some conditions around that, and one is that you actually have to have hostilities cease across the whole geography; you actually have to have both sides wanting to do it. And, importantly, you've got to put yourself into a process around delivering Middle East peace. So our view is that, yes, we would all want to see a ceasefire as immediately as we possibly can, but the first thing is you've got to get on the steps to actually making that a reality and making it come together.

Media: I guess there's just a little bit of a difference between the wording of the UN statement and the wording of what was passed here in Parliament, though, so, at the UN, we did co-sponsor that resolution for an immediate ceasefire.

PM: The UN Security Council resolution, and we were very proud to do that, yep.

Media: Prime Minister, Ngāpuhi received the second report, Te Paparahi o Te Raki, from the Waitangi Tribunal. In that report, it said that they didn't cede sovereignty; it also recommends the return of Crown-owned whenua—lands—and possessions back to Ngāpuhi. What is your response to that?

PM: Well, the first thing is it's a 2,000-page report that dropped last night. So we do need some time to digest it and understand what's in it. Secondly, I'd say to you is we're not really up for relitigating that the Government has the right to govern, you know, and the Crown has a right to govern. But we're also, thirdly, wanting to work with Ngāpuhi because when they're ready, we would like to close out Treaty settlements with them.

Media: Do you have confidence in your Treaty negotiations Minister that he has the skills and the experience to be able to negotiate with Ngāpuhi and ngā hapū o Ngāpuhi?

PM: Yes, I do.

Media: And do you think that he has the skills and experience to give a meaningful apology on behalf of the Crown, given that he had said that colonialism was, on balance, good for Māori?

PM: He's going to be an excellent Minister for Treaty negotiations. He and I have already talked about the need to move forward very quickly. We know that the outstanding Treaty negotiations are going to be hard and tough, because they're the difficult ones that are sort of left, but we are determined to work with iwi to get them resolved.

Media: Just back on India, can I just confirm—so Todd McClay will be visiting India before Christmas?

PM: Yes, he will, before Christmas, yes.

Media: And will he be meeting with his Indian counterpart there?

PM: Yes, correct.

Media: And during the campaign you committed to securing a trade deal with India within three years. So just kind of going back to Richard's point, would you be willing to lock in a deal with India, an early stage deal, for example, like Australia has that excludes dairy, in order to meet that commitment, and then revisiting it?

PM: Again, I'm not going to preclude that, because I don't think you go into negotiations actually offering up concessions before you've even started the conversation. But my point has been a bigger one through the course of the last year or so—is that an early harvest free-trade agreement that you've seen Australia deliver through the middle of COVID, you've actually seen the Canadians get pretty well through there, the Brits, and the Europeans—and, actually, we haven't even been circulating. We haven't even really been there in meaningful conversation, building meaningful relationships to even create the conditions to

even start those conversations. So that's really why Todd McClay's heading there before Christmas.

Media: Is that something that you're willing to do—to sign up to an agreement that excludes dairy?

PM: Again, I'm not going to divulge a negotiating position before we've even started.

Media: Are you going to stick with the Labour Government's regulations for vaping that are due to come in [*Inaudible*] in March?

PM: Yes, yes. We want to see stronger penalties also for under-18s and sale of vapes to under-18s.

Media: Prime Minister, just back on China, there was an incident in the South China Sea over the weekend where a Chinese vessel allegedly rammed into a big Philippines vessel. United States and Australia have called out China for that, but New Zealand released a statement through our embassy in Manilla about the incident but we didn't directly name China. Is this Government too scared to call out China?

PM: No, we won't be. We should stand up and actually call things out when they contravene with our values and I hope you'll see a lot more of that as we go forward.

Media: Do you know why that statement didn't blame China?

PM: I'm not familiar with that, but I'd just say to you that we are going to stand up for the values that we think are important in a liberal democracy, and we're very happy to call that out with any of our partners and people that we do business with around the world.

Media: Do you think it's appropriate for Winston Peters to claim that the last Moriori died in 1936—during a debate on Israel, Palestine?

PM: Again, I'd just ask—those are questions for Winston Peters, right?

Media: But the Crown signed a deed of settlement with Moriori in 2021, so we can deduce that Moriori are still alive. So do you even call Winston Peters up—

PM: I think those comments you're best to raise with Winston Peters directly.

Media: But will you call out your Deputy Prime Minister for misinformation or correct the record?

PM: Again, those are comments you should have with him first—conversation with him first.

Media: A question on immigration: both the Infrastructure and the Productivity Commissions have previously asked to the long-term population plan, saying that migration's hard to predict; it's hard to plan for, basically. I know you share that frustration. You say the settings have been swapping around—we had not enough; now we have too much. Would you be interested in creating a long-term population plan that actually sets targets and potentially even caps on migration? Is that something you'd look into?

PM: It's often a really attractive place to go to, to actually put a number on it and what is the ideal level of net migration. But, actually, no Government has been able to do that or can realistically do that, because with our economic cycles being quite variable, the skill shortages that we need—it's a very dynamic sort of set up. All I'm foreshadowing to you is that, actually, the current levels of 118,000 net migration are not sustainable for New Zealand in the long term. We have to work harder at getting people off welfare into work and using the 60,000 people that actually want to work, and should be working, working, and we should make sure that migration is very, very tightly linked to our economic agenda and, actually, the vacancies that we have and the gaps that we have, and then we should be out in the world very aggressively and positively attracting that talent to choose to come to New Zealand; not go to Canada or not go to Australia as a result. So, I appreciate it. All I'm saying is you've got to triangulate ultimately a level of migration with a level of infrastructure support and development as well as, obviously, the economic agenda.

Media: Does that mean policy settings need to be kind of reactive? Sort of saying “Oh, we’ve got too much, we’ll need to pull back a little bit. If we don’t have enough, we’ll loosen settings a little bit.”? Is that how you intend to tackle it?

PM: Well, it’s just that we’ve gone from under the previous Government a really tight choked-off immigration policy to one that then hasn’t got enough checks and balances to make sure that we’ve got enough rigour in that process, and then we just want to get that balance right and that’s what Erica Stanford’s going to be working pretty hard at now.

Media: This morning on the AM Show you were talking about the regulatory impact statements and why Cabinet has decided not to do them, and you said you didn’t want public servants preparing them because Ministers simply wouldn’t bother to read them. Is that good Government policy?

PM: No, no. What I said is that if we are going to be repealing legislation which we opposed in Opposition, which we went to the campaign and talked very openly about and that we have a very clear pathway forward, there is no value in any public servant wasting time preparing regulatory impact statements for things that are actually—that we’re going to get out of and we we’re going to repeal. That’s pretty straightforward. And that’s not dissimilar to what I observed maybe Labour doing in 2017. We’ve been very straight-up, very open, to say these are the things that we oppose. We went to the people of New Zealand, we pitched it as part of our campaigns, and, as a result, we’ve got a mandate now to go and get those things done. We do need regulatory impact statements where we have new regulations, for sure. We want to follow proper process and make sure we have good time for select committee discussion and debate as we go forward. That’s really important to us. But, on these things, we’re trying to unblock the country, get it moving, and get things happening quickly. On things that we have well-established positions on, on repeal, there’s no need for it.

Media: Fair-pay agreements could be a good example of somewhere where you could’ve not done the regulatory impact statement—all three parties campaigned on repealing them—but smoke-free legislation, for instance, National didn’t campaign on removing those smoke-free laws that Labour brought in, and don’t you want to know the counterfactual?

PM: Well, parties in our coalition, before the election, opposed that legislation. So, for us, we’re sticking with the status quo; that’s all we’re doing. We’re not going backwards. I don’t know if you want to present it as going backwards; that’s not the case because (a) the legislation hasn’t taken effect—that the previous Government proposed—

Media: I’m not presenting it in any way. Those two parties combined got—what?—15 percent. Did you have a mandate for it?

PM: We also had issues of opposition with elements of the package as well. So, the reality is we’re saying we’re going to stick with the status quo. We’re going to stay focused on driving smoking rates down. They’ve gone from 16 percent to 8 percent daily smoking over the course of a decade. They’ll continue to do so. You’ll see ASH have had some recent reports to say we’ve had the lowest levels of smoking amongst teens and we’ve had the highest levels of people giving up as well. So, you know, we’re going to continue to drive those efforts to do that.

Media: So, why are you so scared of a regulatory impact statement on that?

PM: I’m not. But I’m not interested in wasting time, and the reality is, when we know where we’re going and what the answer is and what the New Zealand people expect us to do, to deliver on the commitments we made, we’re going to make sure we push on and get that done.

Media: And, finally, you just said before, with all due respect to Wellington bureaucrats—do you respect the Public Service in Wellington?

PM: Absolutely—absolutely.

Media: Do you think they think you do?

PM: Well, I hope they do. In my conversations with them, and we've had a lot of conversations over the last two weeks, I have been so impressed—so impressed. We have some of the smartest people working here. They care deeply about New Zealand. They think about the policy prescriptions, the pros and cons. They work incredibly well with us, and we've come in with a very—just think about it. We've hit this thing at 100 kilometres an hour because we have to, because we have to turn the country around, and that has meant we've been moving at tremendous pace. I've met with officials through weekends. I've met with them late at night, and I've been super-impressed. So, we are well served but we also need to deliver better outcomes, and that's the reality of it. We have added 15,000 public servants. The previous Government increased spending by 80 percent and delivered worse outcomes, and I know that's been a common mantra of mine over the past two years but I'm serious about it, because, actually, outside this building when people are trying to get about their daily lives, they want us to improve outcomes.

So, we want to make sure—the Public Service, in fairness, I don't think has been well directed by politicians in the previous Government. We have massive clarity with each of our Ministers about the two to three things we're expecting them to do. We have more clarity, I'd say to you, than any former Government with respect to our coalition agreements and our combined policy programme. That is providing a real course of direction for everyone to get in behind and to be able to follow. So, we're enjoying working with them. We have some real professionals and we're going to continue to build a good partnership there.

Media: Because, I guess, in an action, you're basically saying you don't want their advice when you say you don't want regulatory impact statements.

PM: We take advice, but also we've had a campaign. We've had well-established positions and we have a mandate for change and that's what we're going to do.

Media: Just on the India FTA, coming back to that, MFAT has been very clear that the two issues are around us not getting any concessions on dairy and the fact that the only trump card we have to offer India is access into New Zealand, which is what they're asking for. So, given your position this morning and throughout today and just now around immigration, what exactly do you think it is that we can offer India in an FTA when access to New Zealand is the thing they are asking for that you are now saying you want to slow?

PM: All I'd say to you is in my conversations with people within the Indian Government and others, I think that we can build a deeper trading relationship with India. I've watched other countries do it, and we haven't done it. So what I'd say to you is I'm not going to negotiate or put our negotiating position out before we've even started those conversations. But what is a good thing is actually to have a trade Minister on an aeroplane within the first couple of months of being in Government actually meeting with his counterparts in India to build those relationships so we can start those conversations.

Media: I understand that, but you're not going to signal to New Zealand and particularly New Zealand businesses what it is that you are offering?

PM: Again, I'm—no, because I don't think it's a good strategy to go into—a strategy in a negotiation—and actually reveal what you're not going to do, or what you're up for. Why would you make concessions before you've even got into the negotiation? So it's kind of serious stuff but you don't go telegraph all of that before you've even got into a conversation. It will be hard, don't get me wrong—I understand the issues; I know how hard it will be. But sitting here trying to pontificate and speculate on what it could or may not be like when we need to build a relationship first and foremost, and then we'll start talking about what we can do to deepen trade and to accelerate trade between our two countries, as difficult as that may be.

Media: I'm only asking what that trade might look like.

PM: Yep.

Media: Mine is related, which is that over many years, New Zealand has had a very dogged position on only going into comprehensive trade agreements with countries, because it sets a bad precedent to take a watered-down version, because then other countries think they can also kind of sign deals with massive carve-outs, and they're of limited value to us. Are you saying that you're happy to walk away from the comprehensive position for the sake of landing an FTA with a country for the sake of having an FTA with the country?

PM: All I'm saying is I'm sitting here in New Zealand looking at the 194 countries in the world and saying, "India is a country we chronically under-trade with—under-trade in the extreme." And so the question is we need to see what we can do to try and build deeper trade connections to India. And so the starting point is, first and foremost, to get a trade Minister within a month and a half of actually being in the role to be in India building those relationships, making the case for New Zealand, re-establishing those connections that have actually gone cold, and actually seeing what we can start to talk about and where we can have common interests, and where we do have alignment on building trade together. That's what we're going to do.

Media: You also seem to be—

Media: Prime Minister, there's a lot to do here—

Media: Sorry, this is my slot. You also earlier seem to imply that Labour had dragged its heels when it came to trade and hadn't been out there hustling for the deals. I'm just interested in what led you to that conclusion since they've landed pretty much every single big trade agreement we have.

PM: I think we've got huge opportunities if you think about the RCEP agreement, which was developed under both Governments, really. We've got huge opportunities for New Zealanders to build their literacy in South-east Asia in particular—Indonesia, South-east Asia, those kind of markets. We haven't done any of the business in India at all, compared to other countries like the UK, Canada, Australia, and Europe, as I said. We've done a UK FTA, but we still need to be able to get our businesses there to learn how to deliver in those markets. And we've got a European FTA that is arguably quite watered down and weak, and we've got to try and make that work and get that passed and ratified so at least we can get going and offer something into our New Zealand exporters.

So all I'm saying to you is that, you know, we're used to operating in a couple of markets; we want our New Zealand businesses to be much more export-oriented, growth-oriented—that's what this economy is desperately going to need—and for that, we want to be able to get our New Zealand companies to build their literacy and fluency in operating in these new markets, about how you distribute your products, how you promote them, how you advertise them, which consumers you go to, which margins are best. All those things we've got to build that literacy amongst New Zealand businesses, and Government can enable some of that to happen so that those businesses can go on and actually sell more products and services. Right, last question.

Media: Prime Minister, you've set a premium on a cracking early start. Was it a tough decision to take a day off to go to Australia to put your family first—

PM: It's a longstanding commitment that I have, and in fairness, you know, I'm going to leave at 6 in the morning and I'll be back here at midnight tomorrow; it'll just be a day trip over and back again, so I can see my daughter graduate after four years of study.

Media: Is it good to set the standard, though, that, you know, sometimes things are more than important than the politics job—

PM: Oh, I think family's really important, and I don't make any apologies for doing it. I think it's appropriate and I would expect others in my Cabinet to take decisions that support their family life as well.

Media: How much of a proud dad are you?

PM: I'm really proud, as any parent watching their kids come through high school and finding their path in life and finding their thing that they feel great about, and are passionate about. It's a really satisfying experience. I think that's the job of us as parents, to take these wonderful young people that we get as gifts at the beginning, and, as I've often said, from zero to five we're caretakers, five to 12 we're cops, 12 to 18 we're coaches, and 18 plus, we turn into 24/7 consultants—and it's really great when you've got young adults that have turned into fine young people and are focused on what they want to do with their life and make it count, and that's really our goal, so it's exciting. Awesome. Thank you so much; appreciate it.

conclusion of press conference