

POST-CABINET PRESS CONFERENCE: WEDNESDAY, 7 FEBRUARY 2024
HANSARD TRANSCRIPT

PM: Well, good afternoon, everybody, and welcome back to those of you who were up in Waitangi. I just want to acknowledge it was a real privilege to be able to lead what was quite a large ministerial team to Waitangi this last week. It certainly was a great honour and a great opportunity for all of our team to hear about what is happening for Māori, in the North in particular and across the country. And certainly, as you noticed, the Government is going to be committed to delivering outcomes for Māori and non-Māori so that they can get ahead. We had quite a large contingent up there—big numbers at the Iwi Leaders Forum, obviously, on Friday—and then we went off and actually checked out some projects across the region, in particular a couple of housing projects and also critical infrastructure projects like the dams and the water storage projects, which are actually very fascinating. And then, over the course of the weekend, we had others that were up in the Far North meeting with local iwi community initiatives focused on economic and social development, and Matt Doocey was also up there particularly working with tourism organisations as well.

Cabinet met this morning, and I'd like to share further action that the coalition Government has taken as part of our 100-day plan. Today, I'm announcing steps to improve law and order. We need to restore law and order and personal responsibility in New Zealand. It's been an issue that has been concerning many New Zealanders, who, frankly, have been fed up with the soft-on-crime approach of the previous administration. We've begun the legislative process to remove all taxpayer funding for what are known as section 27 reports, and, in addition, we have scrapped Labour's target for reducing the prison population by 30 percent, sending a strong message that victims and not offenders are the priority of this Government. And, with that, I'd like to hand over to justice Minister Paul Goldsmith, who's with us today to talk a little bit more about that decision.

Hon Paul Goldsmith: Thank you, Prime Minister. Section 27 of the Sentencing Act allows offenders to request someone speak to the court about how the offender's personal, family, or cultural background might have contributed to their offending. Under the years of the previous Government, this was allowed to spawn a thriving cottage industry of report writers subsidised by the taxpayer, designed to encourage judges to deliver lighter sentences.

Back in '17, approximately \$40,000 was spent on these reports; however, in the past financial year, this number had skyrocketed to more than \$7.7 million. A total of 14 reports were subsidised by the taxpayer in 2017; 2,500 were funded last year. During its six years in power, Labour spent nearly \$25 million on section 27 reports. The proliferation of these reports goes well beyond what was intended when the Act was passed into law and offers no apparent benefits to the victims of crime. It's why we, in the National and ACT coalition agreement—following that, the Government will introduce a bill during the next parliamentary session to amend the Legal Services Act 2011, which governs the legal aid scheme. The bill will exclude section 27 from the legal aid scheme. Once passed, offenders will be able to call a person to speak directly to the report or provide a written statement, as initially intended by the Act, but taxpayers will no longer fund written reports.

As the Prime Minister mentioned, the second change is that the coalition Government are scrapping Labour's target for a prison population reduction of 30 percent irrespective of the level of crime in our communities. I think I speak for all New Zealanders when we say we like to see fewer people in prison, not more, but only because there has been a drop in serious offending. Sadly, that hasn't been the reality in New Zealand over the past six years, and so today's announcement sends a strong signal to New Zealanders that victims of crime are our priority, not offenders.

PM: Well, thank you, Paul. As I said, we've got three major thrusts with our agenda this term. The first is to rebuild the economy so that we can lower the cost of living and actually get the economy growing again. The second one, as we keep saying, is restore law

and order and personal responsibility. And the third piece is to deliver better public services, particularly around the areas of health and education. As we know, one of the primary responsibilities of the Government is to make sure that Kiwis can feel more safe in their homes and businesses and their communities. That's what we're determined to do. And, with that, happy to take your questions.

Media: How will you ensure that judges know about the backgrounds of low-income offenders, as opposed to wealthy offenders who might be able to still pay for these reports?

PM: Well, I mean, section 27 reports were originally intended to be exactly that, actually—family or friends who could actually speak to the circumstances of the individual. That is still possible here. That's exactly what was intended with the legislation, but, sadly, what happened, as Paul has just outlined, is that there was a cottage industry that built up, where you had professional reports prepared by people who didn't even know the victim and actually putting those towards the case. So the answer is that you can still bring someone forward that actually can explain your circumstances and your background—completely free to do that. That's what the original intent was to do. But what we're not having is a funded system where it's \$3,200 for a single report being prepared by someone in a professional capacity who doesn't even know the victim.

Media: So I expect you're confident that this won't discriminate against low-income people?

PM: Yes, yes. I mean there's still the opportunity for anyone and everyone to be able to bring a family or friend or someone who can speak to their past, to a judge, exactly as was intended under the legislation. But what wasn't intended was that there be a cottage industry build up around, you know, substantive reports that are actually being prepared by people that didn't know the offender.

Media: How did they get so big, this industry?

PM: Well, I don't know; I mean, that's the question. Originally it was passed as exactly—the intention was to be able to bring somebody in to explain your background and your history and things that may be useful context for a judge to determine sentencing, and over time it's become professionalised and, as I said when we've described it before, a cottage industry.

Hon Paul Goldsmith: And it built a momentum. You know, it literally had 14 of them back in 2017, and it just built and built and built, and I'm quite confident that if National hadn't been really pushing this issue in the last year or two, it would have just kept on going higher and higher. So we've got to be careful about spending within the legal aid budget.

Media: What analysis did you have done on the fiscal impact of more prisoners staying in prison, and, in fact, has that analysis been done? Do you know what you expect in terms of prison count now?

PM: Yeah, look, we have a prison capacity in the system at the moment for about 11,000. There's another 500 beds coming on at Waikeria; I think that's 11,500. Today, we've got a prison population, I think, just under 9,300. There's actually capacity for about 2,000 beds. By our own estimates we think there's somewhere between 200 to 400 prisoners maybe over the next five to 10 years, you know, that will be a function of this with longer sentencing, maybe.

Media: So how much is that going to cost you?

PM: Again, it's difficult to know, because all we've got is some loose modelling to say there's 200 to 400 potentially, you know, extra prisoners as a function of this in a net sense, because it'll be just longer sentencing, and, you know, there's a marginal cost of prisoners of about \$120,000—

Media: One hundred and fifty-one thousand at last count, so that's about sixty million dollars.

Hon Paul Goldsmith: And that has to be set against, of course, the cost both financial and emotional of crime being left unchecked, and so that's an investment we're absolutely willing to make.

PM: And 200 to 400 people over five to 10 years, so it doesn't all come in immediately, but the reality is we're acknowledging, look, yes, we want less sentences; that's been a key part of it. This is probably a contributing factor to it; the best modelling we've got is that. Sorry, Claire?

Media: [*Inaudible*] the gang crackdown?

PM: Yeah, so we've got a range of other initiatives as you well know around our gang policy, around patches, obviously, around consulting and association, and also around firearm prohibition orders and being an aggravating factor in sentencing. That's being worked on right now in legislation, and you'll see more of that, obviously, before the 100-day plan expires on 8 March.

Media: Why is it taking longer? I thought it was almost ready by the end of last year.

PM: Look, we've had a lot going on, and we've had a lot going through the Parliamentary Counsel Office actually drafting legislation. We want to make sure that we do it right. We'll do it once and do it right, and so that's coming towards Cabinet in the next few weeks, and we'll have more to say about it very shortly. This is certainly the kick-off for that law and order programme that we've got. Thomas?

Media: During the election campaign, Chris Hipkins said that there was no prison population reduction target for this term. Mark Mitchell, your MP, said that was a good thing [*Inaudible*] at the time. So are you cancelling something that's already been cancelled?

PM: Well, I've got to be honest, in that election campaign, it was pretty hard to work out what was actually being committed to or wasn't being committed to by the previous Government, and there was obviously a scramble going on, but we're just being very, very clear about it. We don't think the way forward is to actually focus on a 30 percent reduction in the prison population. We think the way forward is to focus on reducing crime.

Media: But did your officials tell you today that the target was still in place, that Labour haven't actually got rid of it?

PM: I'm unclear whether the target was in place. I remember through the campaign there was rumours that it may not be, but it had obviously been a longstanding policy and practice of the previous administration.

Media: Who held the target?

PM: Sorry?

Media: Who held the target? Where was the target and what agency?

Hon Paul Goldsmith: Look, it was Kelvin Davis as corrections Minister who had set the target, and he talked about it many times, and it was a bizarre situation that the only clearly articulated target in the Labour Government in the law and order space was a reduction in the prison population by 30 percent, irrespective of what is going on in the community and what we, of course, saw and everybody on the ground had seen an increase in violent crime, and that doesn't add up.

Media: Where have you cancelled the target from? What direction have you given to cancel a target? Where did the target officially sit? What have you actually done?

Hon Paul Goldsmith: Yeah, well the target was something conveyed by the Minister of Corrections to the previous administration, and our current Minister of Corrections, Mark Mitchell, has come in and said, "Yep, that's not our target, and our target is reducing the number—"

PM: We're just making sure there's no ambiguity; there is no 30 percent target.

Media: So it's communication spin, basically? You've just come out here, you didn't need to have a Cabinet meeting to decide this, you didn't need to do anything to decide this, you're just coming up here and announcing something useless from—

PM: No, no. We have a 100-day plan. What we're being really very clear about is we're not going to carry on what we saw in the previous six years, which was the only justice target that was held and advocated by the Government was a 30 percent reduction in the prison population. There were no targets for a reduction in crime; all there was was a reduction in prisoners. Whether that was announced in the death throes of a campaign where there was lots of desperation going on from the Labour Government, I don't know, but the bottom line is it's not happening.

Media: Just for the sake of precision, because your coalition partner says words do matter: you're not repealing a target; you're just not going to set a target?

PM: Correct. Our target is going to be reducing crime, not reducing prisoners.

Media: So you're not getting rid of a target, you're lessening, which is that there is no target now?

PM: I'm just saying to you the major focus—and the only target in the justice space under the last administration was a 30 percent reduction in the prison population. That is something that we don't support, and we want to be crystal clear to the system and to everybody involved that that is not part of what we're about. We're about making sure there's a 30 percent reduction—anyone want to see a reduction in crime?

Media: Did you receive any policy advice about the target specifically or any Cabinet papers, or did you just write the press release?

PM: No, and we've advocated very strongly for it. If you go back through the election campaign and through our comments over the last year-and-a-half, we've said, "This is ridiculous." When we attacked the Government on being soft on crime, which they were, it was because they only had one target. I mean, how on earth do you have one target which is to reduce the prison population?

Media: If the only thing that you needed to do to abolish this target was put out a press release, why has it taken this long into your 100 days to do that? Couldn't you have done that on day one—

PM: We're doing a lot in our 100-day plan, as you can see. We've got a key set of actions we're working our way through. We've got a lot of legislation building now around the gang policy, which we're looking forward to bringing to you all in the next few weeks, because we've got to crack down on the gangs and make sure they understand rights and responsibilities as well.

Media: So, really specifically, can you just go back to Thomas' question and answer it properly: was there any Cabinet advice?

PM: Sorry, I'll go to Ben and come back to you.

Media: I yield to Jenna.

PM: You yield to Jenna? Oh, that's very nice of you. Very gentlemanly.

Media: Was there any Cabinet advice?

PM: It's been a longstanding practice from the previous administration, and that was their declared goal: 30 percent reduction in the prison population. And what we've said and we've campaigned on very, very strongly and said, "That is nuts; that is insane to actually have a single target around that.", and we're going to knock that on the head, which is what we're doing today, formally, so that everybody's clear about it. And now we'll focus on building targets for reducing crime.

Media: Everyone understands that you said that during the election campaign. What we're asking you today is: was there a formal Government process to come to this decision? Was there any Cabinet advice?

PM: That's one of our 100-day action plans, and that's what we discussed in Cabinet, and we've approved that that's what we want to do and that we're actioning.

Media: But there was no Cabinet paper?

PM: There was a conversation. Yes, and it was part of our 100-day plan, which we go through each Cabinet meeting.

Media: Paul Goldsmith, would you take any advice to Cabinet?

Hon Paul Goldsmith: No. As indicated, it's part of the 100-day plan—

Media: So there was no advice?

Hon Paul Goldsmith: It didn't require a Cabinet paper. What it required was a Government that knew what it wanted to achieve in the justice sector. The previous Government was focused on reducing the prison population, irrespective of what's going on in the community; we are now focused on reducing the number of victims of crime. So, actually, targets matter, and this is a very clear signal that the new Government is sending that we're going to restore some law and order in this country.

Media: It was a ghost target?

Hon Paul Goldsmith: It wasn't a ghost target; it was an important target. It actually filtered through the whole of the justice sector over the past six years, which is why we've had—part one of the drivers of the increase in crime that we saw over the last six years.

Media: Do you have a target then for how much you'll reduce crime?

PM: Yeah. Our focus is going to move to targets around youth offending, targets around violent crime, targets around speed of justice through the court system. That's really the sort of metrics that we're working through. We're working through a complete set of targets right now across the Public Service. That's something that we're working on, and we'll have more to say about that shortly, but we want to be able to set some goals, some ambitions, some targets. We want everybody focused on them. As I said last week, we have to have everyone focused on an outcome. It doesn't mean that we're going to guarantee we can hit it. We're going to do everything we can to deliver it, but, actually, it's about having a direction to travel and some ambition in this space. And, as you've seen in the previous Government, there was nothing like that. All it was was the prison reduction target, and that doesn't work.

Media: When your youth offending crackdown is announced as part of our 100-day plan, will that include a target on how much you want to cut down on youth offending?

PM: Yeah, we're going to have a youth crime target and a violent crime target is our thinking at the moment, but we're just working our way through the sets of metrics with the relevant departments and CEOs. We want to be able to have targets and goals across the whole of the Public Service, and we're actually working our way through that right now.

Media: When you were up at Waitangi this year—because, previously the issue of Māori incarceration rates have topped the agenda amongst Māori leaders, I just wonder how much that came up with you as a new Government this year when there have been other issues swelling around?

PM: Yeah, look, honestly hasn't been a topic of conversation, if I'm really honest, with the iwi leader conversations that I've had up and down the country for the last 12 months. But what I'd just say to you is just remember that Māori are disproportionate victims of crime, more so than non-Māori, and this is going to benefit them.

Media: Can I also ask about the Treaty Principles Bill? I'm not sure—I just want to be clear in terms of your language used, because you have been very particular in the

language you've used previously, and then this morning on RNZ and TVNZ you shifted from "no intention", "no commitment" to support to saying National "would not" support the bill. So does that indicate a shift from being open-minded about amendments that could come through the select committee—that you're now close-minded and will definitely not—

PM: Well, we've never been open-minded. We've always said there's no intention, no commitment, no support for it beyond first reading—

Media: No, I'm not sure that's right, because David Seymour thinks your mind could be changed—

PM: Well, I'm just telling you what's in that coalition agreement. You can read it for yourself, but it's very clear that there is no commitment beyond that. But, you know, where are we at on the Treaty Principles Bill? Yes, it's caused some tension—no doubt about that. I understand that. Where we are is we have a longstanding position in the National Party—it's not something we support. We don't think it's useful going through to a referendum. I appreciate for the ACT Party it was very important to them, and, as you knew going into the election, it was a bottom line for them. We came to a compromise in the context of an MMP environment, and we've ended up in a place where we're actually going to support it through the first reading. There'll be an aeration of the issues through a select committee. But there is no intention to support it beyond that.

Media: Were you staring down a second election had you not come to that compromise?

PM: Look, no, I just think what was happening is it was a major topic of discussion in our coalition agreements. In our discussion, that was one of the major topics—no doubt about it—and it was very important to ACT, as you well know. We also had a very different opinion on it in the National Party, and we were just pragmatic about it and came, ultimately, to a compromise that probably didn't meet the needs of each party, but actually that's what we do in an MMP environment to form a Government.

Media: One of the things that you've said is that you won't support it to a referendum. Would you support that bill if there is no referendum attached to it?

PM: That is not the agreement. The agreement is that there is a bill that will be drafted for a discussion in the select committee. We will support it to first reading, but we won't be supporting it beyond that.

Media: Yeah, what I'm asking is if the referendum element—because you've said you're opposed to the referendum. Are you actually opposed to defining the Treaty principles if there is not a referendum?

PM: Yes. The same action would happen.

Media: David Seymour said at Waitangi that he suspects that the public could change your mind on this—the public could convince you to support the bill beyond select committee hearings. Are you open to that at all—is that a possibility?

PM: I don't think that's a possibility. I think the reality for us is that it's been a longstanding position of the National Party—my own personal view as well. It's not something that we support at all. We were very strong about that before the election, if you remember, in the conversations that I had with you. I appreciate for the ACT Party and for its supporters it was a very important thing. But the reality is we won't be supporting it beyond that.

Media: So even if there's a big groundswell of support for this bill, you're not open to it at all—and change your position?

PM: Correct.

Media: Would you explicitly vote the bill down? You could also abstain from voting on the bill, or, given your control of the legislative programme, you could hold the bill on the Order Paper and not bring it to a vote after it comes back from select committee.

PM: No, look, again, we'll work our way through that process. But, you know, what we have committed to doing, and, you know, our whole Government is behind it, which is that there will be a first reading of the bill, there will be a select committee conversation and public discourse that happens through that process, but there genuinely is no commitment to go beyond that. I think the intention would be to have—again, Minister Seymour can talk more about it, but I think potentially, an exposure draft pulled together fairly quickly for consultation and then a first reading and then into a select committee process, and most likely finish before the end of the year.

Media: I guess a conceivable outcome of that, though, is for whatever comes back from select committee to stay on the Order Paper for a period of time—might be quite a considerable period of time—so a future Parliament could then vote on it. So this this could stay on the Order Paper for years, potentially, if you decide not to bring it to a vote after it returns from select committee.

PM: Look, we're all going to honour our coalition agreement commitment. I think that's pretty clear.

Media: But your coalition agreement is silent on what would happen—on the vote that happens—once it returns from select committee.

PM: All I can tell you is that we won't be supporting it.

Media: Did the hard no position result as of consultation with Māori?

PM: No. I mean, I know you guys, you know, sort of look at all the words, but, I mean, I don't know how to be any clearer over the last few weeks in terms of we've got no intention, no commitment, not to support it and won't be supporting it—that's essentially our position. That's what it was before the election. As I said, I've just tried to explain why we've ended up in the position as a coalition Government with what we've come to, and that all three parties have supported, which is it was important to ACT, understandably. It was important to their supporters—important they have an aeration of those issues. They wanted to push on through for a full referendum. We didn't want to do that. And we made a concession, they made a concession, we came to a compromise, and we've got the process that we've got today.

Media: Isn't the compromise that you've come to a waste of everyone's time?

PM: No, I don't think so. I think it enables an aeration of views, and I think that's not a bad thing, and so, you know, to be able to have a select committee process where people who are for it or against it can actually contribute and discuss that—that's not unhelpful, you know.

Media: Right—but if you're not open-minded to changing, then this bill is going nowhere. It's got no future.

PM: Well, I think—

Media: What is the point?

PM: But I think the aeration of those views is important. It's certainly important to the ACT Party; it's certainly important to its supporters and to the public.

Media: But the ACT Party is of the belief that your mind can be changed.

PM: Sorry?

Media: The ACT Party is of the belief that your mind can be changed.

PM: Well, we have a very longstanding position from the National Party, which has been well understood for some time and articulated well through the election and the year before the election on this.

Media: In the election campaign, you said that you didn't want a referendum because you said it would cause a divisive debate. Do you accept that the divisive debate is happening in the select committee process which you've allowed?

PM: Well, look, there's certainly tension about it; I acknowledge that—you know, up and down the country, you've seen that. We understand that. I've been talking to iwi leaders about that, certainly since I became Prime Minister, and, you know, I acknowledge that. But we've a process for handling that, which is that it will be a first reading, there will be a select committee process, people will be able to participate, it'll be opened and, hopefully, closed before the end of the year.

Media: Do you accept then—can we just be just super-clear? So is it fair to say you are ruling out supporting this bill beyond select committee process?

PM: I can tell you that the National Party position—and leader of the National Party now, not as Prime Minister—is that we will not be supporting that bill.

Media: Prime Minister, in your view, is the Treaty Principles Bill a distraction from your Government's agenda?

PM: Well, look, I mean, our focus is on getting things done for Māori and for non-Māori. It is about rebuilding the economy, restoring law and order, delivering better public services, as we've said. I have to say, you know, Waitangi was actually very inspiring in many ways—the five days we had up there as a team. As I said, we went off and saw—you know, I saw housing which I've seen before—you know, Third World housing in a First World country—and then we had a fantastic housing expo. I don't know how many of you got to see that and cover that, but it was really a fantastic experience because in there lay the solution, and what we've been talking about, of iwi leaders, iwi-led housing projects, and papakāinga housing being put together with the support of Government. We saw practical solutions of what we can do more of, and we talked a lot there about the consenting rules and how we'd get fast-tracked consenting in so that we can actually get these dwellings—these secondary dwellings—on to other properties, and, actually, we then went and visited, you know, some more Māori housing that had been pooled together by their iwis incredibly well. So there was lots of good conversation around—

Media: All of those things haven't really made the news, though, but the Treaty Principles Bill has in a few—

PM: Well, you're more than welcome to report on them—you're more than welcome.

Media: But, in the broader sense, is that a distraction, then, from all these things that you're trying to do—the fact that the ACT Party's Treaty Principles Bill is so divisive that you can't get any other space in the media to talk about other things?

PM: Well, look, I mean, that's really up for you guys to determine what you want to cover or not—I mean, all I know is that as a Government, we're really focused and really clear about what we're doing. Every Tuesday, we're sitting down and going through our 100-day plan as a Cabinet and as a team. We've got endless meetings, briefings, coordination happening within each and every day around our agenda. You're seeing us just power through our actions that we have on the 100-day plan. We're gearing up now for, you know, the next quarterly action plan, which will come after the end of 8 March and the first 100 days. We're going to continue that model of just chunking out our agenda down and driving it through each and every quarter, and so, you know, that's what we as a Government are focused on, and, frankly, a lot of my conversations—I know it hasn't all been subsumed by the Treaty Principles Bill. In my conversations with iwi leaders, we've had some very, very good conversations and, actually, a huge alignment of values, particularly around localism, devolution, partnering, getting the money out of Wellington out into iwi organisations that are getting great results and outcomes, whether it's in healthcare, whether it's in housing, whether it's in education. So, you know, we want to get on with the things like the charter school programme, which really is well embraced by Māoridom. We want to get on with things like the healthcare initiative you saw before Christmas, where

we're focusing on immunisation rates of under-two-year-olds. We, obviously, want to get on with more housing initiatives as well.

Media: Just on going to those housing projects and the water projects and that sort of thing that you visited, did you invite any media on those visits?

PM: Oh, I'm not sure, but you're more than welcome to go up there and see them for yourselves and come along with us when we go back again. But, you know, what we were doing was getting our Ministers—and we took a large contingent of Ministers up, and we really wanted everybody invested who can actually make the decisions to see on the ground what's happening. And when you go to a place like Utakura, where you actually see housing that's been in discussion with the Government for years and nothing has happened because the bureaucracy has got in the way—just to build five simple houses—you know, it's incredibly frustrating. And so when you have the Minister of Finance, the Minister of Housing, the Prime Minister, the Minister for Māori Development and Māori housing and social housing there, that's exactly where we all can have a quick chat with the folk who presented the problem with us: right, well, what do we need to come back to the ranch here and actually get sorted here in Wellington to make that happen? So that was where it was incredibly inspiring, because you can see the role that we can play in Government but also see the role that iwi leaders can play or community organisations can play in order to activate better outcomes.

Media: Prime Minister, unemployment's slowly rising. The Government still plans to go ahead with public sector cuts, putting more people out of work. How does that help the economy grow?

PM: Well, let's be clear how we've got here. We have got here because there was an 84 percent increase in Government spending. That has driven domestic inflation very, very high. Domestic inflation high has meant that interest rates have had to go up. When interest rates have gone up, it slowed the economy down, and now you've got the risk of rising unemployment, which is what has been forecast with unemployment, I think, over the next year due to get up to 5.2 percent. So that's the frame by which everyone needs to understand why we have rising levels of unemployment, why we have three of the last four quarters the economy not growing, why we have very high interest rates.

So what we're doing is focusing very clearly on the cause of it, which is inflation. That's why you've seen us move within the short period to get the Reserve Bank focused on inflation. That's why you've seen us work really quickly on regulation and getting costs down for businesses and getting rid of the red tape and the bureaucracy. And that's why you're also seeing us take a big focus on making sure we get a culture of financial prudence and responsibility sitting in the Public Service.

So the Public Service savings, you know—that programme has been continuing. We keep talking about that each and every week as each of the agencies are coming forward with their savings programmes. And what we're saying is stop the dumb stuff—you know, make sure we're actually making efficiencies in the back office—and we are getting those savings coming through the system.

Media: Iwi leader Mike Smith's won the right to sue seven big polluters; I imagine you're familiar with that judgment. What do you make of it?

PM: Well, it's a bit difficult, because the Crown's not part of that litigation. And certainly, you know, now that the matter's before the courts there's not much that I can comment on at this point about that.

Media: But businesses are saying that greater climate change regulations on companies are a decision for Parliament, not the courts. Do you agree with that?

PM: Well, look, I mean, we'll continue to work our way through what we need to do to lower our emissions. A big part of it for us that does the lifting is obviously the ETS scheme,

which impacts companies and businesses so that they are incentivised to make sure they're not polluting and they're actually doing the right thing.

Media: Just on all the discussions around the Treaty that were occurring over the long weekend, something put forward by the Waitangi National Trust as a key kaupapa was that He Whakaputanga, the Declaration of Independence—little mention of it from you in your speech. Do you believe that document has any contemporary relevance?

PM: Well, we're not going to be relitigating sovereignty. What we are focused on is the Treaty and making sure that we actually uphold and honour the Treaty. As I've said, you know, that is not for changing. We're not changing any aspect of the Treaty. We're not backtracking on any Treaty settlements. I need to be very clear about that, because there has been a lot of misinformation and misunderstanding about that in recent weeks. But, you know, for us, our focus is on making sure that we honour the Treaty.

Media: On Waitangi once more, hearing what you're saying about customs, you faced some criticism from Ngāpuhi leaders for not engaging in Māori culture enough, that you didn't really speak te reo except for an introduction, you didn't jump in a waka, and I think the Nats or the Government delegation ended up singing "Tūtira Mai" twice because you didn't know enough waiata.

PM: Oh, I disagree.

Media: Is that something that you need to improve, do you think?

PM: Yeah, look—I mean, all of us need to improve our cultural fluency and literacy. We're all working hard on that. But I'd just say to you we had some fantastic meetings with Ngāpuhi, and one of the big takeaways from Waitangi was—I had three reflections on Waitangi, if I'm honest with you. The first was fundamentally that this is a pretty special place, that where on earth would you find another country that actually you can have everybody come together who has very diverse and different views and perspectives, and actually want to verbalise them together in one place publicly.

Just think about that—you know, in other countries around the world where that doesn't happen. It just doesn't happen. And I think that speaks to the fact that what I was trying to talk to a lot was that we can have a unity of purpose and we can still respect differences and debate differences respectfully within that context. But, actually, you saw that there at Waitangi—it was that there was a range of views on all sides and actually the direction of travel is that we want to go forward together as a country, acknowledging that there are differences, there are challenges in having that debate—and, essentially, that's what the Treaty has been about for the last 184 years.

The second thing that happened was that I spent quite a lot of time with the new chair of Ngāpuhi, and you've got new leadership and a new generation of leadership coming through. And so we want to talk more about how we really set Ngāpuhi up for success going forward and actually how we get renewed focus around Treaty settlement claims, which is really important. And the third thing was we had really important discussions about things that matter to Māori, about health, education, and housing, consistent with our deployment off wanting to deliver through those organisations. So I think, you know, a pretty special few days really.

Media: Do you believe your Government is particularly tough on Wellington, just following the Public Service questions?

PM: Tough on Wellington?

Media: Yeah.

PM: What do you mean by that, sorry?

Media: Well, in terms of all the Public Service cost savings that will particularly hurt a lot of people and their jobs here, do you think your Government is tough on Wellington?

PM: No, what we are tough on is making sure that we've got a culture of fiscal discipline in place in the Public Service. You cannot have a situation where you have 84 percent increase in Government spending, you have a situation where you have 15,000 more public servants added to the Public Service, and all the results go backwards. So, I'm sorry, but we're going to make sure there are savings generated, because we need to make sure that actually we deliver outcomes for New Zealanders, and at the moment, that hasn't been happening. So part of it is not—we haven't gone through a headcount per se exercise. We've said from the beginning we want, you know, 6.5 to 7.5 percent savings to be generated. We're leaving that in the arms of the CEs to make sure where they can stop projects that are no longer priorities for this Government, where they actually may not fill vacancies that exist, where they may have backroom efficiencies. So that's really our motivation—to get a culture of fiscal discipline back into this place rather than the largesse which has led to lots of extra people, lots of extra money, and nothing being achieved.

Media: But, Prime Minister, how is that going to help the economy grow?

PM: What doesn't help the economy growing is make-work programmes that keep people in roles where there is no jobs or there is no activity happening. We want every single Government agency focused on the priorities, because that's how we get an improvement for New Zealanders. You cannot spend \$5 billion extra on education and hire 1,400 more public servants and deliver worse attendance records and academic achievement. It is utterly unacceptable. Now, I'm telling you, when you get out of Wellington and go talk to people out there, that's a real worry for people—a real worry—because they don't get to just keep their employees in their small business when they've been hammered with a whole heap of costs. They have to actually work out how they make savings, how they reorientate their business to deal with the high cost of living.

So, you know, I just encourage you to see it through the lens of what we're trying to achieve here, which is we want a more efficient, more successful, more outcome-driven Public Service, and we're asking those CEs to go through all of their initiatives, stop the stuff that's not important to this Government and not a priority any more, and focus on the things that really matter. If you're in the education space, we really want to be focusing very strongly on attendance. We want to be focusing very strongly on year 8s being ready to go to high school. If you're thinking about what we just talked about with respect to crime, we want to focus on youth offending, we want to focus on violent crime, we want to focus on speed of access through the court process. So that's why I'm saying to you we're going to put those targets and those goals so that everyone has clarity and you can look out the front windscreen and actually say, "This is where we're going; this is what we're doing.", in part to deliver on that 2040 broader vision that I talked about at Waitangi.

Media: Have you been in discussions with your Ministers following the Judith Collins and Winston Peters trip to Australia about how the 6.5 cuts would apply to the defence budget at a time when it appears that there is desire to lift defence spending and defence procurement in particular?

PM: Well, as you know, what we have said is that there are certain portfolios like health and education, defence, and some others where we want every agency to go through and generate the savings. In their cases, rather than coming through centrally where those savings will be deployed to pay down debt, give tax relief, and/or reinvest in front-line services, those savings will be recycled within their budget or within their vote in order to actually deploy better capability and/or front-line services. In addition, some of those portfolios will also make Budget bids, which will be considered as part of the Budget in May.

Media: Are you looking at procurement of new defence assets in this Budget?

PM: Again, we'll discuss that as part of the Budget process, but I guess the message very clearly is we acknowledge that, you know, we want to be a good partner in the world. We want to stand up for New Zealand's interests. You need to be able to make sure that we've got capability that backs those words up.

Media: Are you still looking at other policy levers? The data out today are saying that new EV sales have fallen from one in four new vehicles in 2023 to one in 26 in the first month of this—a massive decline in EV sales. Are you looking at other policy levers to bring the number of EV purchases up again following the—

PM: I just say on EVs that because it was well signposted that come 31 December the subsidy was going away, yes, there would have been a huge purchase of EVs as people rushed in to secure the subsidy before it was curtailed. So I would be very careful looking at the January versus December numbers or what has happened there. But if you look at the EVs' technology all around the world, if you go and talk to the manufacturers, essentially over half the production in the next, you know, often three years or so, is going to move to electric vehicles. And so the cost is continuing to come down, the range is continuing to get better, and consumers are naturally going to choose EVs as they go forward anyway, so there's a really clear product technology innovation road map for that to start happening.

So the second big thing is then, well, what are the other barriers for EV penetration to take place here in New Zealand? And the biggest issue is range anxiety, and that's why we're very determined to do the EV charging network, which we'd like to drive through Crown Infrastructure Partners, so that people can actually—that's the barrier for why people are not purchasing now, less so than price, because they will continue to get cheaper, with bigger scale, bigger production. The product will actually outcompete the dirty option, and, over time, that's where it will go.

Media: Have you received new cost estimates for your roads of national significance, and are you committed to building all of them?

PM: Yes we are, and we know that there is a massive infrastructure deficit across the country. We also know that there is a major fiscal deficit and challenge across our set of books as well, and that is why we are continuing to stay very, very committed. But we also, as you well know, are looking at, you know, different funding tools and public-private funding in order to actually get that infrastructure built.

Media: The first leg of that question, though: have you received the new cost estimates?

PM: Again, Simeon Brown has been working that through. He's obviously got a new GPS statement that he's working through and wanting to bring forward pretty quickly.

Media: On AUKUS, a bit of a shift in interest from New Zealand in joining Pillar Two—that's getting closer and closer. In Australia, before committing to AUKUS—and, granted, this was the submarines part, which is a multibillion-dollar spend, they only went ahead with supporting that based on bipartisanship, both sides of politics. Here it looks like Labour might be going a bit cold on AUKUS Pillar Two. Would you progress support for Pillar Two without Labour's support? Would you want to have a parliamentary debate, or would—

PM: Yeah, look, I haven't thought too deeply about that. I mean, in essence, you had the previous administration saying they were also up for exploring AUKUS. I think Minister Mahuta had said that; the former Prime Minister said that as well, and so, you know, that position is the same. Essentially, yes, we are interested. We're very interested in exploring AUKUS Pillar Two and what that could mean for us. You know, but, again, it hasn't been defined and it will take over the course of this year for that to happen. Essentially, you know, it's looking at new defence capabilities, whether ranging from AI to cyber-warfare through to surveillance, and we, potentially, have got to think through, well, what capabilities do we have that actually could be useful to our alliance and to our partners. And so that's why it's right that we open up and we explore Pillar Two as it's being defined—

Media: Will you involve Labour in those discussions?

PM: —think about what—sorry?

Media: Will you give Labour the briefings or will you keep the Opposition in the loop?

PM: Yeah, I mean, happy to talk to them about it, but, I mean, obviously, they also said—you know, that was their previous position as well, so I'm sure that's not going to be too challenging for them to stay on board with.

Media: Did they consult you when sort of this whole AUKUS thing came up? Did they consult you when you were in Opposition?

PM: No, and, you know, again—no, they didn't, but the point is, you know, from our point of view, as you would have observed, certainly when we were in Opposition, we had very strong levels of bipartisanship support for foreign affairs and for defence policy and intelligence and security policies, and so I expect that still to continue.

Media: Do you think David Seymour will be surprised by your hard no, your closed-minded Treaty principles position articulated today?

PM: No, look, I mean, he understands our position. We had a good conversation about it through the negotiation. I understand his position. You know, he has a very strongly held view, which, you know, good on him; he's entitled to have that view, and he's speaking for people in this country and his supporters that actually, you know, do want to have that debate and that discussion. I'm speaking, you know, and through the negotiation process, as leader of the National Party, from the National Party perspective, which is that it's something that we don't feel is helpful or useful.

So we have a difference of positions on that issue. We found, I think, a very sensible compromise and a way through it, and, importantly, I can tell you that there is tremendous collaboration going on between all three parties within Cabinet, and I'm very pleased and very proud of the way that that Cabinet is coming together. I think we've assembled a group of Ministers that actually have real interest, capability in their portfolios. We worked really hard to get the cluster of portfolios together, and we've also worked hard to do what we were doing previously in the National Party, which is get folk with portfolio adjacencies to work together in clusters, and that is all kicking off very well as well. So, you know, we have our justice cluster, we have our infrastructure cluster, made up of Ministers from all respective parties. So I'm enjoying working with David. I'm really enjoying working with Winston as well.

Media: As Minister of national security, do you continue to support the creation or the idea of creating an umbrella national security agency?

PM: Yeah, look, that was one of the recommendations that came out of the royal commission of inquiry, as you know, with respect to post-Christchurch, and that's something that we are looking to, and I've asked Minister Collins who I've assigned that responsibility to as head of the intelligence agencies but also, particularly, with the royal commission of inquiry responsibility. And so we'll look at that in the coming weeks and coming months—coming months.

Media: You haven't made a decision to not pursue that?

PM: Again, we're actually going through all of the recommendations, because, personally, I feel like we need to bring resolution to that—that there was something like 43, 44 recommendations from memory. When I was last in Opposition, sitting on that select committee, as well, there hadn't been tremendous progress in terms of many of those recommendations actioned and completed completely. We're just doing a scan right now to actually see what has been completed, what still is outstanding, and whether those things are things that we would support or not.

Media: Are you—is the Government still committed to fulfilling all of those recommendations, in principle, like the previous Government said?

PM: Well, I mean, it's all very fine, but, you know, we're coming up to the five-year anniversary of that royal commission of inquiry report and those actions and those recommendations. We have been very supportive of that direction of travel, but I'm also very conscious of—you just can't keep this thing going as daily religion forever and ever;

you actually have to close it out, and you actually have to get a resolution for people. And so we are going through all 43, 44 recommendations now, making sure that we can get to a hard completion on each of them, one way or another.

Media: So if it takes too long, you might just say—

PM: No, no, no, just more about whether we think that is actually the best way to go about it or are there other ways. And I think, in fairness, in the five years subsequent to the findings having been talked about, you know, the environment may have changed a little bit, and there might be better or different ways of achieving that objective. And so, in fairness, you know, I want the Minister to be able to go through those, give them really considered thought, and we'll discuss them in the coming months.

Media: Is the Minister—is Judith Collins speaking to members of the Muslim community in Christchurch, around New Zealand, as she goes through—

PM: Yeah, she has been, and I have been over the last 12 months as well and will continue to do so.

Media: But, specifically, as she goes through this exercise and looks through the recommendations?

PM: Yes, she will be. Yep, she will be.

Media: Just going back to emissions, do you have any plans for the Government to put further greenhouse gas emission restrictions on big businesses in place?

PM: Again, we have a different approach. You know, as I said to you, we're deeply committed to delivering these emissions reduction goals. We believe very strongly that the ETS scheme does the heavy lifting in terms of bending the curve of emissions that we need to deal with going forward and into the future. And we've obviously had major challenges with the ETS scheme as you well know in terms of failed options over the previous Government because of some of the uncertainty that it's injected into. But what we don't believe is actually giving corporate welfare, as I've said before, to a BlueScope who, you know, make \$2.1 billion worth of profit and we give \$140 million to, or to a large—other companies, and be able to give them subsidies that way. We don't believe that's the right approach. We think, get the settings right on the ETS, get a really good functioning emissions trading scheme programme in place, and use that to drive down emissions across manufacturing and transport. OK, last question.

Media: On the gang crackdown: in January, the *Herald* reported that the Head Hunters were able to buy a new gang pad on the North Shore reportedly for \$700,000 and there appears to be no mortgage on it, so it's likely cash. How was that able to happen under your watch?

PM: Look, I don't know the specifics of that. Happy to look into that and give you an answer.

Media: Does that sound about right? Does that sound right to you?

PM: Look, yeah, I'm just not going to touch that until I know the specifics about it. In fairness, that's the first I've heard of it. Cool, alright, team. Thanks so much. Have a good day.

conclusion of press conference