

**POST-CABINET PRESS CONFERENCE: MONDAY, 18 MARCH 2024**  
**HANSARD TRANSCRIPT**

**PM:** Well, good afternoon, everyone, and I hope you all had a very good weekend. It's great to be back at Parliament after a very short recess, but our Government is absolutely determined to get things done and to push on with improving the lives of everyday New Zealanders. You've heard me talk a lot about the notion that people have both rights and responsibilities to each other and to our country, and I think everyone agrees that the State must always provide a safety net for New Zealanders who have fallen on hard times, and that's not in dispute here.

State houses will always play a very important part of that safety net. But it is a sad fact that a small number of people actually abuse their right to State housing. People in New Zealand are privileged to have the right to be housed by the taxpayer, but with that right also comes responsibilities. We've all heard the horror stories about Kāinga Ora tenants who are so threatening, so abusive, so violent that their neighbours live in fear every day. We've all seen the photos of Kāinga Ora homes that have been systematically, deliberately trashed by the very people who get to live there on the taxpayer's dollar. It's certainly not fair to the neighbours of those abusive tenants, many of whom are fellow Kāinga Ora tenants, to have to live in fear or to have sleepless nights each and every week. And it's certainly not fair to the thousands of people on the social housing wait-list, many of whom are families with young children who are waiting for a home and would treat that home with the love and the respect that it deserves.

Today, we're saying enough is enough. Finance Minister Nicola Willis and housing Minister Chris Bishop, who joins me here today, have sent a letter of expectations to the board of Kāinga Ora, instructing them to end the Sustaining Tenancies Framework, the policy that has, effectively, stopped evictions of those who abuse their responsibilities as Kāinga Ora tenants. Ending Sustaining Tenancies is also part of the National-ACT coalition agreement. Kāinga Ora has been told to take stronger measures against disruptive tenants, and those measures could include eviction for severe and persistent cases. I want to be very clear—very clear—that the vast majority of Kāinga Ora tenants are already doing the right thing. They look after their homes and they are courteous to their neighbours and they pay their rent. They are appreciative of their fellow citizens who are subsidising their living through the taxes that those workers pay. But for those who choose to repeatedly engage in disruptive and in threatening or damaging behaviour, from now on there will be consequences, and I'll pass to Minister Chris Bishop to talk a little bit more about that detail.

**Hon Chris Bishop:** Thank you, Prime Minister. As the Prime Minister has said, finance Minister Nicola Willis and I have sent an interim letter of expectations to the board of Kāinga Ora—Homes and Communities. Now, it's slightly unconventional to send an interim letter, because, of course, as you'll all know, they're going through that review led by Sir Bill English, but we've taken this step to make sure that Kāinga Ora is focused on the right things right now. So, in that letter, we've laid out our expectation that KO focuses on its core functions. Those are, firstly, replacing the Sustaining Tenancies Framework and strengthening the management of disruptive tenants, which the Prime Minister has talked to.

We have asked Kāinga Ora to—in fact, we've directed them to—make better use of the tools in the Residential Tenancies Act 1986. That will include formal warning notices, relocations, and, in severe and persistent cases, terminating tenancies. We've also asked Kāinga Ora to address a concerning escalation in rent arrears. Between 2017 and 2023, the amount of rent owed to Kāinga Ora increased from \$1 million to \$21 million, due in good part, we believe, to the Sustaining Tenancies Framework, where tenants were not evicted even if they stopped paying rent. At the end of last year, more than 450 Kāinga Ora tenants each owed more than \$10,000 in rent. Owing a huge amount in rent isn't good for anyone—not the taxpayer and not the tenants themselves—and Kāinga Ora has been instructed to fix that.

We've also instructed Kāinga Ora to tenant vacant properties as quickly as possible, and I've talked about this before at the start of the year. The fact is that at any given time, there are

thousands of Kāinga Ora properties sitting vacant, and of the newly built KO homes last year, 20 percent of them sat vacant for more than a month after completion. And, as you know, the wait-list is 25,000 strong. Many of those people are waiting anxiously for a State house. We want those people off the wait-list and into a State house.

We've also instructed Kāinga Ora to work hard to deliver new social housing places in line with targets. We expect them to meet those targets and to keep us updated along the way, and we've asked them to deliver value for money in its spending. Again, this is fairly self-explanatory. We are working hard as a coalition Government to get the economy back on track. That means Kāinga Ora—Homes and Communities, along with every Government agency, needs to make sure they deliver value for money for every dollar they spend.

As you know, there's an independent review into KO under way, being led by Sir Bill English. I can advise you that we're expecting a report back on that at the end of the month, and then Ministers will be taking time to carefully consider those recommendations, and getting advice on them where we need to, and after that we'll be in a position to make more public comment around that. Over to you, Prime Minister.

**PM:** Well, thank you, Chris. In terms of my movements this week, I'm in Wellington for the next three days. The Chinese Foreign Minister will make a short call on me this afternoon, and I will be attending Grant Robertson's valedictory on Wednesday. On Thursday, I'm in Auckland; on Friday, I'm in my electorate; and, on Saturday, I'll be in Tauranga. This week in the House, we'll be debating further stages of the taxation annual rates bill, which will include a Government Amendment Paper to deliver on election and coalition agreement promises. We will also pass the European Union Free Trade Agreement Legislation Bill this week so that it can come into force by May. That's a very good thing because that will actually create significant savings that will benefit New Zealand exporters for this coming season, primarily in horticulture, seafood, and honey. And, with that, very happy to take your questions.

**Media:** Prime Minister, how many people will be homeless as a result of this policy change?

**PM:** Well, what this is all about is actually fairness. What is not right at the moment is there are no consequences for people being behind in their rents or, importantly, also being disruptive tenants. So the reality is it's not fair to those tenants of Kāinga Ora that are actually paying their rents. It's also not fair to, frankly, those that are on the wait-list that desperately want to get a house.

**Media:** I appreciate that, but do you have any oversight as to how many people are using the service now and, therefore, may end up in homelessness?

**Hon Chris Bishop:** Say the question again.

**Media:** So how many people are in this framework now, or part of this framework, and how many people may end up homeless?

**Hon Chris Bishop:** Well, every Kāinga Ora tenant is subject to Sustaining Tenancies. We're asking—in fact, directing—Kāinga Ora to end that framework and to take stronger action against people who breach their obligations as Kāinga Ora tenants. There are hundreds of Kāinga Ora tenants who, over the last few years, have engaged in disruptive, antisocial, in some cases—in many cases—illegal behaviour. We're saying to Kāinga Ora, "You need to use the tools that are legally at your disposal already in order to take action against those tenants." And I think—

**Media:** So you're expecting hundreds more homeless people as a result?

**Hon Chris Bishop:** No, that's not the right implication of what I'm saying. Actually, what we're saying is Kāinga Ora has tools available under the law right now to use against tenants who breach their tenancy agreements. Essentially, Sustaining Tenancies had meant that Kāinga Ora has not been using those tools that are legally at their disposal—that every other landlord, including private sector landlords, have at their disposal. We're saying what's good for private landlords should be good for Kāinga Ora, because it's in the interests of the tenants

themselves and it's also in the interests of neighbours, and it's in the interests of taxpayers as well.

**Media:** How do you see this playing out in terms of the use of this new policy? Do you see it as a blunt tool to come down on people hard, or something as a bit of a deterrent to say that there are actually going to be consequences now? Where does the sort of balance lie here?

**PM:** Well, look, there's a clear process, as there is with all sanctions, essentially. There's lots of advance warning. The easiest thing for a tenant to do is to get themselves meeting their obligations and being in compliance with their behaviour as a good tenant of Kāinga Ora. The reality is this is about fairness. You know, we have a huge waiting list of, I think, over 24,000 people. It's gone up 20,000 people over the period of the last six years. Those are families that are desperate to get a State house. They would love the privilege of being able to have one, and as a result the reality is we're not there to accommodate people who don't want to hold up their end of the deal.

**Media:** For those that are going to be evicted, where do you expect them to go?

**Hon Chris Bishop:** Well, the first instance is for people to change their behaviour. I'll give you some numbers. There are hundreds of serious incidences every month. So, from August to October last year, there were 207 per month. There were 335 per month from November 2023 through to January 2024. Now, serious incidents include alleged illegal activity, harassment, intimidation, threatening behaviour, and verbal abuse. That is unacceptable. That is not the way in which people should live their lives. If you're a Kāinga Ora tenant, you should be behaving in the same way that everybody else behaves in society, and if you engage in this sort of behaviour, then our instruction to Kāinga Ora is for them to use the tools that are at their disposal, and so the first instance, it should be that people will change their behaviour and make sure that they don't engage in that sort of behaviour which is causing disruption and mayhem for neighbours, friends and family, and people who live in these communities. That's the first thing.

**Media:** So these tenants will be put on notice as well? So you sent the interim letter to KO, and now you're expecting the tenants to now be put on notice?

**Hon Chris Bishop:** I'm fairly sure these announcements will get a bit of wide publicity.

**Media:** But will you be requesting that they give tenants official notice that they have been put on notice themselves, and how long will that period be?

**Hon Chris Bishop:** Yes. The short answer is yes, and that will be the responsibility of Kāinga Ora. We, as Ministers and as the Government, have sent this letter of expectation. We now expect Kāinga Ora to implement that letter of expectation, and that will involve communication with tenants of Kāinga Ora.

**Media:** You keep talking about fairness and the amount of families that are on that State house wait-list. Do you have the numbers for how many of those breaches—those hundreds of breaches every month—how many of those people have kids living in the house, and where do those kids go?

**Hon Chris Bishop:** The short point is no, but we can get that for you.

**Media:** But where do the kids go?

**Hon Chris Bishop:** Well, you're presupposing that those tenants will be automatically evicted from those houses, OK. So the first reason we are doing this is to send a message that tenants who engage in this sort of behaviour need to change their behaviour. At the end of the day, there has to be a backstop for the Government to say, "If you continue to persistently and repeatedly engage in this sort of behaviour"—there has to be a backstop for the Government to say, "Enough is enough. I'm sorry, you

can't continue to engage in this sort of behaviour." So we don't want to kick people out of Kāinga Ora properties. We don't want to evict people. But the Sustaining Tenancies Framework has meant that people, essentially, know that there is no—at the end of the day, one of the consequences will not be eviction from a Kāinga Ora property. That has meant bad behaviour, rise in bad behaviour, and also, frankly, people not paying their rent. That's why—partly why—we have—

**Media:** But can you guarantee that no child will be made homeless by this change in policy—no Kiwi child?

**PM:** What we can guarantee is that there's already Kiwi children, today, that are waking up in pretty scungy motels and in pretty suboptimal conditions, that their family is on a wait-list trying to get one of these houses.

**Media:** Can you guarantee that no child will be made homeless by this change in policy?

**PM:** Well, what I'd say to you is, actually, if you think about the—if it's bad for the neighbours dealing with unruly tenants who are actually abusing them and threatening them, it's pretty bad for the kids that are involved in those families, and we'd like to see the Government agencies involved with those families.

**Media:** So you cannot guarantee that, Prime Minister.

**Media:** What we're after is: will there be a different policy if there are children living in the home? Is there a different set of criteria for a tenant to be evicted if there are kids living in the home?

**Hon Chris Bishop:** That's ultimately a policy decision for Kāinga Ora as part of how they—

**Media:** But you're setting the policy decisions. Are you comfortable if kids are being evicted?

**Hon Chris Bishop:** We are directing them to update their policies to take a stronger stance against tenants who engage in antisocial behaviour. The implementation of that policy will now be over to Kāinga Ora, and we will of course be following up as Ministers as to what that policy means in practice.

**PM:** But the simple thing is for that tenant is to get themselves compliant and to meet their obligations. That's the first and foremost thing, if you—

**Media:** The kid doesn't have any control over that.

**PM:** Sure, and as a result that's why—I'd just say to you, if those are the behaviours that we're seeing that are pretty aggressive and pretty threatening within neighbourhoods of Kāinga Ora communities, I'd just say to you, I think we would need to have agencies in with those families immediately as well.

**Media:** Had you guys even thought about the kids? Because you came here, Minister, armed with the number of unruly tenants but you didn't have the numbers that Jenna asked for, of how many of those people had children living with them. So did you even think about the kids before you announced—

**PM:** Oh, I'm thinking about the kids that are actually on that State house wait-list that are actually in pretty suboptimal housing conditions and their families would love to get a State house. So those are the ones that we're thinking about as well.

**Media:** Are you not thinking about the children that are currently in the State houses?

**PM:** We are—we are, yes. And as I said to you, I imagine that there'll be Government agencies involved where we see extreme threatening and abusive behaviour from their parents to their communities.

**Media:** Is Oranga Tamariki also involved in this policy roll-out?

**PM:** Well, they may be as a range of issues get heightened; if there's behavioural issues within a family or abuse within a family or a bad environment for kids to be within a family. That's why I said before I would expect the Government agencies to be deployed as they often are. But what I'm saying is, at this point in time, you cannot take a State house and not hold your deal up. You cannot take your responsibility seriously that, actually, you've been given that house or subsidised for that house because Kiwis who are waking up this morning, going to work, paying their taxes actually subsidise that living of you in that place, and you need to respect that and need to hold up that responsibility.

**Media:** Did you ask for any advice about the implications on children living in these households before you announced this policy?

**Hon Chris Bishop:** We took a range of advice on a range of matters. I don't have right here with me the number of serious incidents including from disruptive tenants, with their relationship to children. I don't have that with me right in front of me; that's all I'm saying.

**Media:** But did you ask for specific advice relating to children living in these households when you were developing this policy?

**Hon Chris Bishop:** We took a range of advice in determining the statement of expectations.

**Media:** But nothing specific to these—

**PM:** Sorry, guys, we've got to go to Jo.

**Hon Chris Bishop:** We took a range of advice.

**Media:** Chris, just going back to the one you used before the 335 serious complaints per month, which led to three tenancies being ended, what's a number that you would think, I guess, would be more fitting in terms of serious complaints and how many tenancies you think should be ending based on that number?

**Hon Chris Bishop:** Well, I think it's impossible to say hypothetically. All I'll say to you is that 335 serious incidents per month is unacceptable, and I think only evicting three tenants is unacceptable as well. So I want to see the number of incidences go down. I don't necessarily want to see the number of evictions go up, but I want to see the number of incidents go down and I want to see Kāinga Ora tenants behaving better in their properties. I should say: the vast bulk of the thousands of people who live in State houses do a fantastic job, and 85 percent of people pay their rent on time. So we are not talking about huge numbers of people here, but the ones who we are talking about are causing mayhem in communities, and we're sending a very clear message from the Government that you can't continue to behave like this, and if you do, at the worst extreme, there will be consequences, and I think that will have flow-on effects of better behaviour throughout the system.

**Media:** Just a couple more questions, because looking at the letter of expectation you've sent, I mean, if you boil it down, it looks like micromanagement. I mean, you're really asking KO to be extremely timely with all of their targets. You're asking them to ask you before they can do anything, even if it's within their existing delegations. Is this, effectively, a ministry that you think is completely and utterly failing being told that you cannot do anything with the Minister's permission now?

**Hon Chris Bishop:** No, I wouldn't put it quite that way, but we've been fairly frank as a Government about our concerns about the way Kāinga Ora has been operating. And we've asked them to address rental arrears; I think all New Zealanders will be worried about that. We've asked them to replace the framework. We've also asked them to lift their game when it comes to community engagement. One of the things you do often hear from communities is that they don't like the idea of Kāinga Ora building houses in suburbs or neighbourhoods, and, frankly, one of the reasons people sometimes dislike that is precisely because of the disruptive tenants, which makes its way into the media all the time. And they also dislike the idea of social housing in their communities.

Actually, social housing has a really important role to play in New Zealand society. There will always be a role for State housing, and I want communities to be OK with the Government building State houses, and the community housing sector as well. So we've asked them to lift their game when it comes to community engagement. And I see the management of disruptive tenants as part and parcel of rebuilding the social licence for social housing—that's really important.

**PM:** And I guess there's also, you know, almost 600 ready-to-let houses that are available that, actually, we want to be able to speed up the transition of getting families into those homes. They're ready to go now, and, as a result, we've got to speed that up. So the reality is there is a review of Kāinga Ora going on, because we have serious concerns about the performance of the organisation, but, in parallel, we're sending this letter out to make sure there's very good clarity on the four things we want to see change on.

**Media:** And in that letter, you've CC'd Andrew McKenzie into it. You've got Andrew McKenzie, who is a staunch defender of the "no eviction" policy. He's on the record saying, "We're set up to house people, not to make people homeless." How concerned are you about the people at the top there and the message that you're sending and these new targets and what you want them to do and whether they're actually open to that?

**Hon Chris Bishop:** Well, the Government owns Kāinga Ora, and I am the Minister of Housing, and alongside the Minister of Finance, we have issued a letter of expectation to Kāinga Ora. We expect them to follow what the Government has set for them.

**Media:** And just very lastly: on 1 Feb in 2017, Amy Adams, the then housing Minister, launched the pilot for Sustaining Tenancies. She was doing it through a social investment lens. How come, given the social investment response that this Government is saying that it's giving—why can't you just keep this and put that social investment lens back over it in a better way than it was obviously not done last time?

**Hon Chris Bishop:** Well, Sustaining Tenancies, under the last National Government, started with the best will in the world, but it has not been implemented in a way that I think meets with the community expectations around disruptive tenants, and it hasn't worked. That's why we're changing it. We do want to move to a social investment framework when it comes to social housing. Obviously, we've got the Kāinga Ora review under way; we're going to need to wait and see what comes back towards the end of the month around that. We are also, as you know—we campaigned on a variety of changes to social housing, including adopting a social investment lens. That work is on a slower time frame; it's not something we can do straight away. It would be fair to say that the social housing funding system and the structure of social housing support in New Zealand is a mess. That's one of the things I've spent the last couple of months getting my head around, alongside Tama Potaka, so I'll have more to say about that in due course.

**Media:** The setup by the last Government was a failure, though.

**Hon Chris Bishop:** Well, the Sustaining Tenancies Framework, as it has been implemented since November 2017, has not worked.

**Media:** To the housing Minister, does the Government intend to uphold the decisions of Wellington City Council relating to the district plan and its large chunk of the city upzoned?

**Hon Chris Bishop:** Well, as you know, I can't make a comment on that because I'm the decision maker. Just to give you a little process update on that, what's happening is the city council has, obviously, come to its view on the recommendations of the IHP and has put a series of recommendations to me as Minister responsible for RMA Reform. That hasn't actually made its way through to me yet. I think that happens, from memory, on Thursday, and then statutorily there's a range of advice that will be provided to me, so I expect I will be in a position to make a decision on that towards the end of April.

**Media:** Prime Minister, now that you're aware what trainee policemen and women actually earn, does it put a different lens on how tough people are doing it in this cost of living crisis? Like, are you inclined to change your pay offer to police, for instance?

**PM:** Well, look, as I said, our pay negotiations between police and the Police Association are ongoing. We'll continue to negotiate in good faith with them, and I'm sure there's a wee way to go with that. But we'll continue that conversation. Yes, I got my numbers wrong in my interview with Tova the other day; it's because I had a briefing talking about the average constabulary remuneration which is about \$99,000. Actually, first-year police officers—75.

**Media:** So you misheard that.

**PM:** No, I'd been reading a bunch of briefings the day before, actually, on police pay in particular, and I mixed up my numbers.

**Media:** While we're on police, can I ask you a—can I just put to you a few examples—these are from police officers who've emailed in to us just explaining how they're feeling, and I'll just ask you to respond to them. This is from a detective of seven years, "I've been to multiple deceased persons in the last month, some suicides, some who have been there for some time. Some of the deceased have involved children. I've had a knife pulled on me by an offender when I was trying to arrest him, and I've also dealt with multiple rape complaints. We don't join the job for the pay, but it's embarrassing when the PM thinks our starting salary is \$90,000. I'm not even on that now after seven years."

**PM:** Well, what I said to you, as I said, I'd been doing a bunch of reading, you know, in the days before about police pay briefings, actually, and I mixed up the average constabulary remuneration as actually \$99,000; the starting remuneration for a first-year police officer: \$75,000.

**Media:** What about to this cop: "Policing takes pieces of your soul. I've seen more death than anyone in their thirties should ever have to. I resigned last Friday on hearing the latest offer."?

**PM:** Yeah, look, incredibly tough times for police. We need to make sure we're backing them with the right tools and support. We obviously are working hard to try to get to a negotiation around pay. It's been a long ongoing negotiation. It started with the previous administration. We're continuing to negotiate with them in good faith. I want to say thank you to all of our police officers. They do a phenomenal job, an incredible job, as do our teachers, as do our nurses, as do our first responders. We are going to continue to work with the Police Association. The police will do that in the negotiation, through the union negotiation, and we're doing our part in the Government to make sure we're backing up police by giving them more tools and support.

**Media:** Was the matter of the police pay offer discussed in Cabinet today?

**PM:** Yes. We just got an oral update, but, again, those are ongoing conversations between police and the Police Association.

**Media:** And that was from the police Minister—that was from Mark Mitchell, presumably?

**PM:** Well, it was one of our oral items but, again, I don't go into conversations in Cabinet.

**Media:** Prime Minister, have you spoken to Winston Peters about the comments he made yesterday about Nazi Germany?

**PM:** No, I haven't had a chance to do so, but we talk regularly, and I plan to talk to him about it.

**Media:** What do you plan to say to him?

**PM:** Well, look, just from my point of view, they're not—that's not what I would say. I don't think that is—you know, those aren't the way that I would've phrased it at all. I just think in general, across the politics, across the parties, across the aisle, that there's actually a need

for everyone to be very careful with their language. You know, I've seen Chris Hipkins refer to our Government as a dictatorship; I've seen, you know, the Māori Party refer to us as white supremacists who have got some sort of genocide agenda. I don't think any of that inflammatory language is very helpful at all, and I—

**Media:** Do you think that that comparison is language befitting of a Deputy Prime Minister and Foreign Minister?

**PM:** Well, as I said, I don't agree with those comments; that's not something that I would express. I'm just calling on people from all political parties to maintain the civility in our politics, and I don't think extreme language on either side, from any particular party, is actually helpful or necessary.

**Media:** In relation to that, Prime Minister, have you or are you reviewing Professor Joanna Kidman's role as part of the anti-extremist centre in the Department of Prime Minister and Cabinet, given that she called your Government a death cult?

**PM:** Yeah, sorry, look, I haven't been briefed on that—I can't comment on that.

**Media:** Well, when are you going to be briefed on it, or are you relaxed about that?

**PM:** Oh, there's a lot of other more important things, I'd just put to you, that I'm pretty focused on at the moment, which is actually how we rebuild this economy—and we've got some pretty choppy economic times that we're going through—how we restore law and order, and how we deliver better health and education.

**Media:** She's secure in her job, then?

**PM:** Well, again, I haven't been briefed on it, and there'll be—you know, I'll have a bit more to say about it later.

**Media:** Can I confirm that New Zealanders will see a tax cut in July?

**PM:** Absolutely—absolutely. We will be announcing our tax relief plan in the Budget. The details of that will be revealed at that point in time.

**Media:** And it won't look exactly the same as what was in National's plan?

**PM:** Well, we are very comfortable that we can deliver fully funded tax relief. Part of that, as we've talked about before, will be through revenue-raising measures; part of it will be through savings that have been identified. But what is important is that we actually can get tax relief to low and middle income working New Zealanders, who actually deserve a break, and, actually, that's the way we can help support them through the cost of living crisis.

**Media:** Can I just pick you up on what you said? You said New Zealanders will see the tax relief plan when it comes out to the Budget, so are they just going to see a plan, or when is this actually going to come into fruition, because—

**PM:** Again, what you'll see is we'll announce our whole package in the Budget at the end of May. Until that process, I'm not going to say too much more about it.

**Media:** What is the situation in terms of the Budget right now? We had Winston Peters over the weekend talking about some \$5.6 billion hole. We've had Nicola Willis talking about these fiscal issues that you've been having for some time. It very much seems like your Ministers are very softly, softly downplaying the situation so you can come to the Budget and say, "This is what we wanted to do. However, we can't." So what's actually going on behind the scenes right now?

**PM:** Well, I don't think it's been softly, softly. I think every week that I've been here with you, I've communicated to you what we see as a deteriorating set of economic conditions in New Zealand. We've got, you know, inflation; we've got high interest rates; we've got a slowing economy; we'll see GDP numbers later out this week; and we've obviously got a risk of rising unemployment. So, you know, what we're doing as a Government is saying, "Right, well, that's the situation we've inherited." We're being really clear about these issues as we encounter them—cost overruns, deliberate underfunding, poor delivery of projects—but



there's no doubt about it: we've got a very volatile and a very deteriorating economic set of circumstances.

**Media:** So how much of what was in the coalition agreements with both ACT and New Zealand First is now on the chopping block or subject to change because of the fiscal situation that you've been talking about?

**PM:** Look, our commitments as we've built them in that negotiation period was that we built strong agreements between all three parties, and all three parties signed up for that. Our agreements to each other and our commitments to each other are pretty clear, so for us there's—you know, we're going to keep working towards that.

**Media:** But how much of it is on the chopping block?

**PM:** Well, what we're trying to get clear about is a Budget for the end of May that actually addresses the situation that we're in, which is that, ultimately—

**Media:** Yeah, I'm aware of that. I just want to know what's on the chopping block from the coalition negotiations. Winston Peters seemed to imply that whatever was on the table with him and the National Party was fine. Does that imply that there's other things on there that will now not be achieved—

**PM:** No, that hasn't been the nature of our conversations. We're very comfortable with our coalition agreements with each other. You know, that's our work plan, that's what we've agreed to, that's what we've committed to doing, but what we're trying to signal is that, yes, we've got some very challenging economic times ahead of us at the moment. It's going to be a pretty tough year, I suspect. What we're doing is making sure that as those forecasts—as that volatility—emerges, that we're doing everything that we can to set up a Budget that finds the right balance of actually making sure we continue to grow the economy, which is, ultimately, what we have to do. We have to be able to grow our way out of the malaise that we're in. At the same time, we have to put back in place a culture of good fiscal financial discipline, and that's exactly what we're doing with our savings and our efficiency programmes.

**Media:** In the election campaign, you obviously had another revenue-raising measure in the foreign buyer tax. That's now gone. Are you looking for a new revenue-raising mechanism to fill that gap, or how are you looking to fill that shortfall?

**PM:** Look, we'll be—you'll see it all revealed in the Budget, but all I'd just say to you is that we will have a fully funded tax relief plan for low and middle income working New Zealanders. It'll be a combination of revenues. Those revenues may look slightly different than what it was before the election; they might look the same, but there's unders and overs on all of that, and, equally, we've got a savings programme that's up and running and that we're very comfortable will get delivered as well.

**Media:** But wasn't there any new revenue-raising measures that may be—

**PM:** Again, we're in the middle of the process of Budget discussion, and you'll have to wait till the Budget.

**Media:** Can you rule out introducing a new tax in the Budget?

**PM:** Again, that is not our intention. What we're focused on is making sure that we can generate revenues, make sure we generate savings, and, therefore, pass on tax relief to working New Zealanders.

Claire? Sorry, Amelia, I'll just go to Claire. I'll come back to you. Claire?

**Media:** But can you commit to the same—

**PM:** Thomas, you're not Claire, mate.

**Media:** No, I—

**Media:** We speak with one voice.

**PM:** Do you? Good. That's a frightening thought!

**Media:** Synergy. Can you commit to the same quantum of tax relief for every New Zealander, as you promised in your tax plan—so will it be the same amount?

**PM:** Again, all of that's going to be revealed when we reveal the Budget at the end of May, but what I'd just say to you is we are deeply committed to delivering tax relief, as I've said before, to low and middle income working New Zealanders. And we think it's very necessary and we think it's entirely appropriate that they're supported in a cost of living crisis, and it will be good.

**Media:** Is it possible that some of the other things in the coalition agreements will be pushed out to outer years, later than you had hoped originally to put them into place, for the sake of delivering on the tax cuts?

**PM:** Look, we're going to meet our obligations and our commitments to each other through our coalition arrangements and agreements.

**Media:** Whether or not they turn out to be affordable?

**PM:** Well, we'll manage our way through that, but I'll just say to you, at the moment, you know, I'm very comfortable with the coalition agreements and arrangements that we've got with each other. What we're wrestling with is a Budget that's dealing with cost overruns, deliberate underfunding, and, as I said, woeful delivery of wasted money. So, I mean, we're just working our way through those issues and working how we find the right balance between making sure we generate savings but also making sure that we have a pathway to growing this country. That's, ultimately, how we get out of this.

**Media:** A report out today says it's now cheaper to run a fully electric home and car in New Zealand. Do you have any policies in the pipeline to encourage Kiwis to electrify?

**PM:** Yeah, we've talked a lot about increasing the electric vehicle charging units up and down across the country for an EV charging network. We've also talked about wanting to double the amount of renewable electricity in this country through our "Electrify NZ" policy. That's why you've seen us move very quickly with fast-track consenting so that we can actually get renewable energy projects consented and then built quicker. It's ridiculous that it takes eight years to actually consent a wind farm—known technology, two years to build it, and we get the benefit in 10 years' time. We can do that all with one year of consenting and two years of building and get it in three years' time.

**Media:** And with the cost of gas going up, why are some of your Ministers hell-bent on saving the fossil fuel industry?

**PM:** Well, again, you know, we've talked about the fact that we will need gas as a transitional energy source for some time in New Zealand as we build out and double the amount of renewable electricity.

**Media:** Prime Minister, you said before that those Nazi Germany comments—you know, you don't agree with them, you know, you wish people would sort of lower the tone of the rhetoric, but isn't it problematic when this is your Foreign Minister, you know, in a role where words are so important—that Mr Peters is using language like this?

**PM:** Well, look, again, all I can say is they're not the way that—that's not the words that I would've used, but, equally, I see political leaders across the whole of Parliament using language that I don't think is very helpful, is inflammatory, and doesn't maintain the civility in our politics. So I urge all leaders of all the political parties to actually think through their language before they respond.

**Media:** If he was a National Minister, would you sack him?

**PM:** Well, again, I'm going to—you know, Winston Peters and I talk a lot and regularly. We haven't had a chance to catch up today, but we will at some point, and we'll talk about it.

**Media:** If he was a National Party Minister, would you sack him for those comments?

- PM:** Again, I'm very clear about the fact that I don't think those comments are very helpful.
- Media:** It's more than unhelpful, though, isn't it, Prime Minister—
- PM:** Sorry. Sorry. We'll just go to Jo.
- Media:** She can carry on that topic. I've got a different topic.
- Media:** It's more than unhelpful, isn't it?
- PM:** Well, it's not—I think there's a need for us to watch the inflammatory language that's used by all political leaders up and down this country. I don't think it's helpful when Chris Hipkins refers to the Government as a dictatorship. I don't think it's helpful when Te Pāti Māori refer to us as white supremacists with a genocide agenda—completely wrong.
- Media:** Do you think it's helpful when the media call women's rights campaigners Nazis when they're not, Prime Minister?
- PM:** Again, I'm just not getting into any of that, guys.
- Media:** The two Kiwis who were arrested Thailand, just wondering if you—
- PM:** Sorry?
- Media:** Two Kiwis have been arrested in Thailand. I'm just wondering if you had any information on that, whether any help's being given, any—
- PM:** No, I'm sure our consular services will be involved in that, but I haven't had a particular briefing this afternoon about that.
- Media:** Minister, can I ask you about the First Home Grant? Are you looking at increasing those for regional New Zealanders, seeing as they didn't have any movement on that in the last year—the first home loan grants for first-home buyers?
- Hon Chris Bishop:** The First Home Loans or the First Home Grants?
- Media:** Sorry—First Home Grants.
- Hon Chris Bishop:** That's not under active consideration at this point.
- Media:** Why? Because people can't really get them for, like, \$400,000 in Invercargill. Is that not something you'd want to look at?
- Hon Chris Bishop:** It's not something I've taken any advice on, but it may be something that we take advice on in the next few weeks, but not currently.
- PM:** Sorry, can I go to Adam for last question, then I do have to run for—
- Media:** Prime Minister, how committed is the Government to avoiding final arbitration with respect to the police pay offer?
- PM:** Well, look, I mean, we want to continue to negotiate in good faith. You know, that's the ideal way in which we can do that. I think over the last 30-something negotiations there's been final arbitration, I think, five times over that period of time, if I remember correctly. But, you know, for us, we want to continue to work with the Police Association and continue to negotiate in good faith.
- Media:** How many police have skipped the ditch under your watch? Do you know that number?
- PM:** I'm not going to give you a number off the top of my head without checking it, given my past experience, but I'll come back to you with that, Tova, if that's helpful.
- Media:** Prime Minister, in August last year, Nicola Willis, then finance spokeswoman, said there would be, "No new taxes for working people." Can you restate that today?
- PM:** Well, again, what I said to you is we've got a Budget that we're working up. Just wait for the Budget. It's coming very shortly. But what we're dealing with is a dynamic set of

economic circumstances, a massive determination to deliver tax relief to low and middle income New Zealanders, and we look forward to doing that at the Budget. All right, thanks so much.

**conclusion of press conference**