

**POST-CABINET PRESS CONFERENCE: MONDAY, 6 MAY 2024**  
**HANSARD TRANSCRIPT**

**PM:** Kia ora and good afternoon, everyone. It's a pleasure to be joined today by our corrections Minister, Mark Mitchell, to make a significant announcement as part of Budget 2024. Our Government, as you know, has a crystal clear vision of what it's going to achieve for New Zealanders. We are laser focused on rebuilding the economy and reducing the cost of living so that more Kiwis can get ahead. We will deliver better public services like health and education, and we are going to restore law and order in New Zealand because all Kiwis have a right to feel safe in their homes, their workplaces, and their communities.

Now, like all New Zealanders, I'm sick of hearing stories about Kiwis who are the victims of violent attacks or are having to go to work worrying about whether their business is going to be the next ram raid target. I want all New Zealanders to understand what we've inherited and the current reality that we face, because since 2018 gang membership has increased by 51 percent, violent crime is up 33 percent, ram raids have nearly quadrupled—they're up 290 percent—and retail crime has more than doubled, up 100 percent. Sadly, New Zealand has become less safe after six years of soft-on-crime policies where victims have not been the absolute priority. But the good news for Kiwis is that our Government has committed to a very different approach to what we've seen over the last six years. For us, making New Zealanders safer and reducing the number of victims is how we will measure our success.

We've outlined our commitment by focusing two of this Government's Better Public Services targets on restoring law and order. The first is 20,000 fewer victims of violent crime by 2030, and the second is to reduce serious youth offending by at least 15 percent. Our goal of keeping Kiwis safe is exactly what we've already taken a number of actions on with respect to law and order. Three strikes is coming back, and we've stopped all public funding for section 27 reports. We're adding 500 new police officers to the front line, we're putting gangs on notice and giving police substantial new powers to go after them, we're establishing military academies for the most serious and repeat youth offenders, and we have plans to change the Sentencing Act so serious offending means serious consequences. These actions are geared around making New Zealanders safer today, and they will go hand in hand with this Government's approach to social investment, where we deliver interventions earlier and more effectively for those whose lives expose them to greater risk. This approach will support us to identify, to fund, and to scale up actions that will have the most positive impact on people in the long run, giving them more support and better choices than a life of crime does.

But all of this is to say that safety and victims are clearly this Government's priority. Part of improving the safety of Kiwis means ensuring that dangerous offenders are not on our streets, where there is a high chance that they will only create more victims. That is why today we are announcing a significant uplift in funding for the front line of Corrections so that we can increase the capacity in our prisons and support more offenders to turn away from crime. This investment is only possible because of the Government's savings programme. We're able to do this because we acted quickly since taking office to rein in Government spending and to root out wasteful spending, because we want that money prioritised and going towards our front-line services. Within Corrections itself, we've identified hundreds of millions of dollars from optimising back-office support services that we are now reinvesting to keep New Zealanders safe: more capacity in our prisons to keep dangerous people off the street, better pay for front-line staff so we can attract and retain the right people, and more access to rehabilitation programmes for offenders.

This is an investment in the safety of New Zealanders and one that this Government is very proud to make. And, with that, I'll hand over to Mark to talk you through the detail of the announcement.

**Hon Mark Mitchell:** Thanks, Prime Minister. As the Prime Minister said, today's announcement is delivering on our promise of investing more in critical front-line areas to keep New Zealanders safer. The Government is investing \$1.9 billion in Corrections to deliver more front-line corrections officers, more prison capacity, and more support for offenders to turn away from a life of crime. Corrections are recruiting more officers now than ever before. We're supporting this drive by providing new funding to recruit and train another 685 front-line corrections staff, including 470 corrections officers to respond to growing prisoner numbers. Our front-line corrections staff do an outstanding job and have faced significant staffing pressures over the last few years. In recognition of this, we're also investing in pay increases for our front line so Corrections can continue to attract and retain the right people and give them the right training to do their job safely.

To ensure capacity, safety, and security across the prison network, we're funding an extension to Waikeria prison that will allow for up to 810 more beds. With 45 percent of the prison population on remand, we need to do as much as we can to help them turn their lives around. So we're investing \$78 million to ensure remand prisoners have access to the rehabilitation programmes to help them achieve their goals and break the cycle of reoffending.

The investment we're announcing today will support our tough-on-crime approach, with sufficient prison capacity to manage the growing prison population. It will protect New Zealanders from known offenders, give offenders the support they need to make positive change in their lives, and ensure our prisons are better resourced so that police, courts, and victims of crime can have confidence that offenders who pose a risk to others can be subjected to a custodial sentence. Keeping New Zealanders safe is at the heart of this investment and it is part of this Government's commitment to restore law and order. Thank you.

**PM:** Thank you, Mark. I just want to quickly run through the rest of the week, or my week. I'm in Wellington until Wednesday. I'm travelling to Nelson on Thursday, in Auckland on Friday and over the weekend. And, with that, Mark and I are happy to open up to any questions you may have.

**Media:** Can we just get a breakdown of that \$1.9 billion? So the \$442 million in savings, is that all of the funding that is going towards those front-line officers and is it \$1.5 billion towards the build of those 810 beds?

**Hon Mark Mitchell:** Well, the \$442 million is cost savings. It's taken from the back office and is going to be reinvested in the front line. So it will be used across the additional recruitment, training, and deployment of those corrections staff.

**Media:** And is that the total budget that is being allocated to that extra uptake in officers?

**Hon Mark Mitchell:** So the uptake in officers is contained within that \$1.9 billion. Obviously, the—

**Media:** So how much are the 810 extra beds costing?

**Hon Mark Mitchell:** Well, so, basically, the cost for prisoners in the system at the moment is \$120,000 annually, and that takes into account the cost of the bed, food, you know, sustenance, life support. So it's \$120 per prisoner—

**PM:** So, Jenna, what I'd just say is just to give everyone a bit of a sense of it, it's \$1.9 billion in funding going towards Corrections; \$442 million has come out of, actually, back office savings over the forecast period, out of Corrections; and the balance has obviously come from other reprioritisations, but it's a total budget of \$1.9 billion. With that, what we've got is the 685 more corrections staff coming in. We've got funding for pay increases for staff; we've got, obviously, the extension to Waikeria—another 810 beds; and we've got also about almost \$80 million in rehab services going to remand offenders as well. So all of that goes into there.

There's a couple of things we can't talk about. Obviously, there's commercial sensitivity around the pay piece and there's also commercial sensitivity around the build of the prison as well. But that hopefully gives you a sense of the bucket of \$1.9 billion and the activity it's covering.

**Media:** The 810 new beds, are they on top of the 500 that are already being built at Waikeria?

**Hon Mark Mitchell:** No, no, that's in addition. So at Waikeria, we'll have 600 beds that will come online at the middle of next year and then there'll be an additional 220 beds that come on with the new wing. We also have, under the previous Government, where there was—

**Media:** So this is already budgeted for?

**Hon Mark Mitchell:** Well, this is budgeted inside the \$1.9 billion.

**Media:** So you're only doing 200 extra beds, not 800 extra beds?

**Hon Mark Mitchell:** No, no—

**PM:** There's 800 extra beds going into the system.

**Media:** But 600 of them were funded by the Labour Government?

**Hon Mark Mitchell:** Well, and if you let me finish, what I was going to say is that under the previous Labour Government, what happened was there was about 400 beds that were decommissioned because they weren't funded. We are funding those and those are going to be brought back online. So that's an additional 400 beds that are coming online inside the system.

**Media:** So how many in total are going to be at Waikeria Prison?

**Hon Mark Mitchell:** So it will be 820.

**Media:** So not in addition to what's already—

**Hon Mark Mitchell:** Eight hundred and 10, sorry.

**Media:** So all of Waikeria in total is going to be 810 beds?

**Hon Mark Mitchell:** Yes, correct.

**Media:** That's fewer than are there at the moment, isn't it?

**Hon Mark Mitchell:** No. Waikeria hasn't been delivered. Waikeria will be delivered in the middle of next year.

**Media:** Could you give us a sense of the 400—I think you said it was \$400 million from reprioritisation—

**Hon Mark Mitchell:** Yeah.

**Media:** Specifically where that came from—it's a lot of money to find down the back of the couch, especially in somewhere like prisons. So can you give us some specific examples outside just backroom staff?

**Hon Mark Mitchell:** So I can give you a high level sort of overview of where that's come from, and that is quite simply a reprioritisation of the delivery of services to our prisoners, and that is making sure that when a prisoner comes into Corrections, you've only got them for a limited time. We want to make sure that we deliver the programmes that actually are meaningful, that give them real life skills, so that when they leave prison, they've got a much better chance of reintegrating and actually rejoining society. They're also going to reprioritise around the way that they are managing assets, and, of course, the third part is that there will be unfilled vacancies and there will be some—probably less than five—positions that are on a fixed contract that will not be renewed.

**Media:** So if that's the high level, could you give me a bit of the low level, of specific examples? I mean, you did mention the way that they're dealing with assets. How so? How does that save \$400 million?

**Hon Mark Mitchell:** Well, I just think, though, that what they've done, and what we've asked all of the agencies to do, is to do a health check through a cost savings process to actually identify how they can manage their existing assets better. Corrections has done that. In terms of reprioritisation around services, it's quite simply: Corrections have been operating in silos in the way they approach and deliver programmes to prisoners, and we want to get much more focused and make sure that we're actually delivering the programmes that are going to actually create the most benefit for them.

**Media:** Sure, but just back on the assets, how—specifically, I'm looking—is it something tangible, or are you talking about the way that the assets are valued, because that wouldn't be a tangible saving; that would be just something that you'd chuck on a balance sheet, wouldn't it?

**Hon Mark Mitchell:** No—

**PM:** What we've got is, essentially, look, it's the exercise we've asked all agencies to go through, to say, "Hey, listen, look at unfilled vacant roles that you may have today"—of which, in the back office of Corrections, there were some—"reorganise yourself in a way that actually delivers and supports that. Make sure you're streamlining programmes, things that aren't working; stop that dumb stuff. Make sure that it's all working in the right way." There'll be improvements around asset management, there'll be improvements around a whole bunch of different things that—

**Media:** But I'm specifically asking specifics—

**PM:** Well, those are issues for Corrections to answer to, but all I'm saying—

**Media:** Can I ask the corrections Minister for those specifics, then?

**PM:** Well, no, but I'm just trying to give you a sense of—we've tasked CEOs of agencies to come through with back-office efficiencies and savings, and we're trying to give you a sense of what has happened. In this case, largely, in Corrections it's being driven through not filling vacant roles that have existed in the back office, reorganising, and also making sure they streamline programmes, and programmes that aren't working we're stopping. I think that's a great example of what we want to see, and that's the message that we've been trying to say since we came to power, which is that, you know, we think, given there's been an 84 percent increase in Government spending and we know a lot of that's been wasteful spending, we know a lot of it's been building bureaucracy, we know a lot of it's been building management structures and back-office functions that aren't supporting better front-line delivery. And so we are recycling that money into this, coupled with additional money that's coming in from other prioritisations and savings, to make sure that Corrections gets new money in order to be able to deliver what we want to deliver.

**Media:** Are you going to get rid of the slushy machines?

**PM:** I'd say it's a pretty low priority.

**Hon Mark Mitchell:** Ha, ha! We thought we were going to get asked about slushy machines. Look, the reality of it is—

**Media:** 300K spent on just the syrup, and maintaining—

**Hon Mark Mitchell:** Well, from what I understand, it's actually about—it costs about \$50,000 a year to run the slushy machines right through the whole entire corrections network. But the one thing I'd say to you is this: is that this is a decision for Corrections themselves, but, in my view, the welfare of our corrections officers must always be considered. They work in hot, cramped conditions where they're carrying 7kg of equipment on them and their core temperature and dehydration is something they fight with every summer, and my expectation

is Corrections take the steps that they need to take to actually keep the welfare and the safety and health of our corrections officers at the forefront.

**Media:** Can we just come back to Waikeria Prison—sorry, just a few questions here to try and work this out. So are you referring to Ara Poutama, which was the one announced in June 2018 at Waikeria Prison, the new site that's being built? Is that's what we're talking about here, just in regards to your questions before? You said it hasn't been built—you were talking about new beds?

**Hon Mark Mitchell:** Well, it's the project that is currently under construction—yes, that will—

**Media:** Yep, so that's Ara Poutama, just to be clear.

**Hon Mark Mitchell:** Yes, that will—yes, yeah.

**Media:** So in June 2018, you had Kelvin Davis announce plans to develop a new 500-bed facility which is within Waikeria Prison with an additional 100 beds and a dedicated mental health and addiction service unit. So you're saying that 400 of those weren't actually going to happen—is that right?—had gone offline, and you were putting them back into the mix. Is that the comment you were making earlier when you said that some of them weren't actually going to happen but now they are—is that right?

**Hon Mark Mitchell:** Well, I think what we're doing is we're restating our commitment as the incoming Government to get that delivered. And yes, you're right: it's about 500 beds plus a specialised mental health unit of about 100 beds, which will be delivered the middle of next year.

**Media:** But that will now be 810 under—

**Hon Mark Mitchell:** Yes, because we've committed to the full expansion of Waikeria.

**Media:** Right. So some from the 500 had dropped off; you've topped them back up and you're now also going to add another 310 in addition to that. And where does the 100 dedicated mental health and addiction service beds fit into that?

**Hon Mark Mitchell:** That sits under Waikeria. That's the first phase that will be delivered in the middle of next year.

**Media:** OK, so within the 810, 100 of them are the mental health and addiction service beds?

**Hon Mark Mitchell:** A hundred of those are, yes, absolutely.

**Media:** Yeah, so we're now down to 710 beds we're talking about; 500 announced in June 2018 by the last Government, is that right?

**Hon Mark Mitchell:** Well, I think they are 810 beds. They're still corrections; they're still prisoners inside the system. It's just that there's a specialised—it's a unit that can deliver additional psychological treatment for those with severe mental health issues.

**Media:** OK, so to be crystal clear: 710 beds for prisoners within this new site, and 100 for mental health and addiction services—810 total—and how many of them will be built by May?

**Hon Mark Mitchell:** So we'll be delivering 610 in May, and the additional—which is a whole new wing, so that's—

**Media:** Yep, and then there's an additional 200 to come?

**Hon Mark Mitchell:** Yeah, yeah, that's right.

**Media:** So what is the current capacity of Waikeria Prison?

**Hon Mark Mitchell:** So at the moment the Waikeria Prison hasn't been delivered, so it won't have—

**Media:** There are prisoners at Waikeria right now, aren't there?

**Hon Mark Mitchell:** Well, so that's the old prison—I'm talking about the new prison. I'd have to check on those numbers.

**Media:** So is that old prison still being decommissioned, or are you keeping it open?

**Hon Mark Mitchell:** Well, again, that's a decision for Corrections. At the moment, it's part of the overall network, but that will be a decision for Corrections.

**Media:** So what is the capacity of Waikeria Prison going to be once you add these 800 beds?

**Hon Mark Mitchell:** Well, because, if some of the prisons are old and you're looking at replacement, we're looking at investment—Christchurch men's is a classic example. And I come back to the point that I made that, yes, we're building 810 new beds in terms of capacity—there's an additional 400 that we're going to bring back online that were decommissioned under the previous Government.

**Media:** So as part of the old prison at Waikeria, there were 400 beds decommissioned, and you're going to bring the old ones—

**Hon Mark Mitchell:** No, no, there were 400 beds decommissioned through the whole, entire network in the country at different prisons.

**Media:** Right. The reason that I'm asking is because the previous National Government to you guys promised 1,500 beds there. So are we hitting that?

**Hon Mark Mitchell:** Well, the thing is with Waikeria, there is the ability to—there's plenty of land there, and if we needed to we could increase capacity there.

**Media:** Because you're talking about increasing capacity, and if you're going to end up with the same number of beds as you do with the old prison, you're just replacing things—you're not increasing capacity.

**Hon Mark Mitchell:** No, no, we—

**PM:** There's an 810-bed extension.

**Hon Mark Mitchell:** Yeah, no, no, we're definitely—

**Media:** It's an extension—

**Hon Mark Mitchell:** Absolutely.

**Media:** So that's why I'm asking what the total number of beds at Waikeria is going to be once you add this 800.

**Hon Mark Mitchell:** Well, we're adding the 810 additional beds with the new facility in Waikeria. The rest of the network, that's a decision for the CEO of Corrections. It is a moving feast for us because there has been severe underinvestment in corrections over the last six years of the Labour Government. We are bringing fresh investment into corrections. We are creating capacity because what we're doing is we're putting public safety at the heart of what we're doing, which is not what happened in the last six years, which means we have to build capacity, and we're building the capacity that we believe will meet our needs going forward.

**PM:** So, Jenna, there's an 810-bed extension to Waikeria from where we sit today—we'll make sure we get you the total numbers.

**Media:** How much is that 200 beds—that 200 extra beds from where we were from before you guys were elected to where we're going to get to by 2026, is it?—how much is that extra 200 beds going to cost?

**Hon Mark Mitchell:** Well, I mean, I can't give you a number now because it's commercially sensitive, we're actually—

**Media:** Budget—you have to.

**PM:** No, no, no, it's because we've got a prison build up and running and it's commercially sensitive.

**Hon Mark Mitchell:** That's right. They're under negotiation at the moment, so there's commercial negotiations going on in terms of the delivery of the extension to Waikeria so I can't give you a number on it—

**Media:** You put a \$1.9 billion figure on it, how did you get to that number?

**Hon Mark Mitchell:** I can't give you a number on that because the number sits inside the \$1.9 billion and we have budgeted enough there to be able to deliver Waikeria, but at the moment Corrections are in commercial negotiations to make sure they deliver the best possible value for every taxpayer dollar spent. So I can't give you a number and I can't talk to that because there's commercial sensitivity around it.

**PM:** Sorry, can I go to Adam?

**Media:** On the workforce increases: after attrition, how many net extra corrections officers will we have after the four years?

**Hon Mark Mitchell:** Well, I mean, the good news is at the moment, as the incoming Government, we've changed the recruiting campaign—that looks quite different now. We've had a massive uptake: we've had about 20,000 applications—I thought it was 13, but I got the updated number—

**PM:** [Inaudible] 20,000.

**Hon Mark Mitchell:** It's closer to 20. We're currently recruiting, training, and deploying 130 corrections officers a month, which is the best they've done for a long time. And, finally, we've actually got ahead of attrition, so now we're getting a net gain in terms of corrections officers coming into the system.

**Media:** So in terms of the question, though—when we get to the four years, factoring in attrition, how many extra will we have?

**PM:** Six hundred in extra front-line staff, corrections staff—685.

**Media:** But factoring in the people that we're losing, though, was my question.

**Hon Mark Mitchell:** No—well, we always have to take into attrition—Corrections will do that. What I'm telling you, though, is that we're on the right side of the ledger for the first time in a long time. We're actually recruiting and training and deploying corrections officers over and above the attrition rate, so we're doing very well. We've got a big pipeline of people applying, we've got big cohorts being graduated every month, and we've now got ahead of attrition. So we're tracking in the right direction, but as the Prime Minister has said in the announcement today, it's—

**PM:** 685.

**Hon Mark Mitchell:** —685.

**Media:** Yeah, what are the other 215 staffers—what do they do?

**Hon Mark Mitchell:** Well, they could be working in the community, with community-based sentences; they could be psychologists—they could be a range of other roles that are front line inside Corrections.

**Media:** And when do those—the pay increases: when do they take effect?

**Hon Mark Mitchell:** Well, obviously, there's one pay round negotiation that will take—that will kick off mid-year, and the second one is in December.

**Media:** So that's the negotiations, though—not when they will take effect?

**PM:** Well, we've got to go through a bargaining process, as per normal.

**Media:** But do you know when the pay increases will take effect, though?

**PM:** Again, that's a part of the bargaining process, and all we're saying is we're budgeting for pay increases. We're obviously budgeting for the extension of Waikeria, we're budgeting for extra incremental new front-line officers, we're budgeting for extra remand services and rehabilitation services to remand us up.

Sorry—Jo.

**Media:** Just on that \$1.9 billion, can I just clarify—because if you look at last year's Budget, 2024 had \$1.9 billion budgeted for it. So is this a \$1.9 billion announcement or is this the make-up of the Corrections budget that you're setting out?

**PM:** This is the Budget—so what we're saying is there's \$1.9 billion of new money, essentially, coming into Corrections, or there's \$1.9 billion going to be spent on Corrections; \$442 million of it has come from savings that have been identified within the Corrections budget through the back-office functions. So it's being deployed out to the front-line services, and, in addition to the \$442 million of that \$1.9 billion, there's about \$1.5 billion that's coming in that's new money coming into Corrections.

**Media:** So that's really consistent, then, with what was being budgeted for this year already in last year's—

**PM:** This is the new money coming in on top of—

**Media:** But in terms of money spent year on year within the Budget—I mean, \$1.9 billion was set down for 2024. So this is consistent in terms of Budget funding— isn't it—for Corrections?

**PM:** Again, we'll look into that on Budget night. You'll see it all revealed as to how it all hangs together, but what I'm just saying to you as part of this pre-Budget announcement is there's \$1.9 billion going to Corrections; about \$442 million of it comes out of savings that have been recycled into that front-line service—

**Media:** Of that \$442 million, can you say where that money came from? Can you give some examples of what this money—

**PM:** Yeah, well, as I've said, we've alluded to it. We've asked for savings to come out of Corrections. They've gone off and done their exercise. They've identified that there were a number of unfilled vacancies that were sitting in the back office, in the bureaucracy. A lot of it has come—you know, there's been a significant amount of money that's been saved out of that and, obviously, being redeploying those roles, given they've been unfilled for some period of time, and then, likewise, just streamlining some programmes and making sure that what we're doing is actually working, and just reorganising the back office. So I think that's a good example of what we've talked about, and I think Corrections have actually done an exceptionally good job where they've taken that exercise of generating those savings, thinking through their own organisation, taking responsibility for it, and then offering those savings up, which we can recycle back into the front-line services where it needs to be—much better use of the money.

**Media:** Sorry, just again on the numbers: \$1.9 billion; \$400 million of that is reprioritised, which leaves \$1.5 billion. So is that over four years—right?

**PM:** Correct—yep.

**Media:** So that is \$1.5 billion divided by four—your maths is probably better than mine, but—

**PM:** Oh, I doubt it, Jason—you're very good at maths.

**Media:** —that is new money in terms of operating allowance—that's completely new?

**PM:** Correct.

**Media:** Right, it is—OK.



**PM:** Correct—yeah, correct. And that's coming from other reprioritisations and savings, which you'll see when we put the whole Budget together and we announce that on 30 May.

**Media:** Sorry—is it all operating allowance? None of that's capital?

**PM:** Yes, it's all operating—

**Media:** So none of it's for actually building the buildings?

**PM:** Well, in that Budget is the money that we need to expand Waikeria by 810 beds, and that money is also the money that we need to make sure that we are expanding the number of prison officers and corrections officers that we've got. There's \$80 million for rehabilitation services for remand, and, obviously, a pay increase, as well.

**Media:** So none of it's—sorry. Sorry, can I just absolutely double check you on that: there's no capital funding in that?

**Hon Mark Mitchell:** No—so the capital funding is inside the \$1.9 billion.

**Media:** So the \$1.9 billion doesn't include what was already budgeted for in terms of that 500 beds, then?

**Hon Mark Mitchell:** Sorry?

**Media:** Does the \$1.9 billion include what was already budgeted for for those 500 beds, considering that that was announced in 2018—does that \$1.9 billion include what was already budgeted for those 500 beds, or does it not include that?

**Hon Mark Mitchell:** No, it includes that. So it covers the delivery of the 600 beds next year, and the additional 210 on top of that. The one thing that I would say is that we did have to immediately, as the incoming Government—where the previous Government only funded Corrections up to 8,500 prisoners. So we've had to fund it up to 10,000 straight away. We're at about 9,600 at the moment, so we've got about 400 capacity.

**Media:** Yeah, and so that extra 200 beds that you're talking about on top of the 600, is that going to be a redesign of the project or are you going to double-bunk people to make that work?

**Hon Mark Mitchell:** Listen, we don't want to double-bunk people but if we need to, we will. The reality of it is—we've been very clear about it—that we're putting public safety at the heart of what we're doing, and that means that offenders that commit crimes and are violent towards law-abiding members of our society in our communities—they're going to go to jail. We have made a big announcement today—\$1.9 billion—because we're investing into our capacity to make sure that we can meet that need. We're hoping that with our approach, which is a tough-on-crime approach putting victims at the heart of what we're doing, is that maybe the criminal world might figure out there's a different Government here and it's just not worth it anymore.

**Media:** Can I just ask you, when you were coming up with that Budget, so when you're budgeting for the \$1.9 billion, did you take into account building new buildings for those extra 200 beds, or will you be double-bunking them in what is already being built?

**Hon Mark Mitchell:** Well, we'll have enough capacity—we believe we have enough capacity right now in terms of what we've committed to that we won't have to move to double-bunking. But I'm just saying to you that if we have to move to double-bunking, we will do that.

**Media:** That's a little bit confusing, because the specifications for the old project were 600 beds. You're saying there's 800 now. How can you build those beds within the same capacity?

**Hon Mark Mitchell:** No, what we're saying is that we're going to deliver an additional 810 beds at Waikeria, which we think, without a doubt, will meet the capacity needs of the approach that we're taking to public safety in our country. And the budget, \$1.9 billion, has

got enough money there to be able to deliver that for us. The first stage will be delivered the middle of next year. The second stage will be delivered end of 2028.

**Media:** Are you going to have to redesign the project—

**PM:** OK, sorry guys; we need to move on.

**Media:** How confident are you that this \$442 million that's been reprioritised from Corrections is only back office and doesn't touch the front line at all? I ask because it seems to be about 10 times the annual policy advice and Ministerial Services budget in Corrections entirely. There's obviously potentially back-office functions outside of policy, but how confident are you no one is going to come out and say, "I'm a front-line worker and I've just had my job cut"—?

**PM:** Look, I don't know how to make this any clearer. Maybe it's a completely different philosophy from what you've experienced under the previous administration, but what we've been doing has not been working. What we know is there was an 84 percent increase in Government spending. There was 18,500 more public servants added into Wellington. There was \$2 billion spent on consulting and contracting. And what we're saying is that money can be better deployed—if we take those resources to deliver ourselves better outcomes. We are focused on the outcomes here, and the outcomes here are less violent crime, less gang members, lower levels of ram raids, retail crime—that's what our outcomes are about. So we're backward engineering and saying, "You take the money and deliver those outcomes." It's not actually about—the money is interesting to a point and the quantum does matter, no doubt about it, but it's what you do with the money to get an outcome. And so what we're saying to Corrections is—

**Media:** Some of that money may have been taken off the front line to back into—

**PM:** Well, I'm just saying to you the brief has been pretty clear to all CEOs of all agencies across Government, which is there is wasteful spending going on, there is inefficiency management layers in the back office, there's huge amounts of bureaucracy that have been created, and we want that money taken out of the bureaucracy and out of the wasteful spending out of the back office, and we want to prioritise the front line. Now, that's up to the assessment of an individual CEO, who we're holding to account to deliver the targets and the outcomes. So it's a different approach, right? We start with the outcomes and you work backwards to say, "What do I do with the dollar to get a better result than what I was getting before?" And it may mean stopping some programmes that actually just do not work, and just because we've been doing them, doesn't mean we just keep doing them. We will stop dumb stuff. We will stop stuff that's not getting results and outcomes, and that is across the whole of Government and it's very necessary, because we are focused on outcomes, not the inputs, right? The inputs matter to enable you to get to that outcome, but I'm going to hold those CEOs and Ministers accountable for those outputs and those outcomes.

**Media:** Just using that logic, then, Nicola Willis has confirmed that one of the agencies that won't be having to meet that 6.5 or 7.5 percent cut is the ministry of foreign affairs. So why do they get an exemption here?

**PM:** Well, look, again, we'll talk about that with the Budget. What we're talking about here today is actually Corrections, and we're making sure that Corrections is getting \$1.9 billion—

**Media:** I understand that. We've traversed that pretty well. I'm just interested in MFAT. Why would they be operating outside what everybody else has been operating in—

**PM:** I'm sorry; you're going to have to wait till 30 May to see the totality of the picture, but I'm just giving you a fundamental philosophy about how we're actually going to fund public services going forward.

**Media:** Nicola Willis has confirmed that that would be the case, though.

**PM:** Sure—got it. But you'll actually have to look at it in the totality of the 30 May Budget.

**Media:** On Corrections, do you have a desired ratio of corrections officers to prisoners?

**Hon Mark Mitchell:** Look, that is a question for the chief executive of Corrections, in terms of ratios and numbers.

**Media:** As a Government, do you want to impose—do you know of a ratio? Is there one now, or, if not, do you want to impose one?

**Hon Mark Mitchell:** Well, we want to deliver the amount of corrections officers that Corrections tell us they need to be able to run a world-class corrections service, and that's what we're doing.

**Media:** Is that determined through a ratio based on that—officers to prisoners?

**Hon Mark Mitchell:** Well, in terms of the ratio, I can get that information for you. I'll ask the chief executive to be able to supply that to you. But, from a Government perspective, we want to make sure that we deliver the corrections officers that we've been told they need to be able to run a world-class corrections service, to be able to deliver the programmes that we want to deliver. By the way, a big part of the announcement that no one's asked us about is the \$78 million that's going towards remand prisoners. They're prisoners that under the previous Government were not getting any programmes delivered at all.

**PM:** OK, guys, we got time for two more questions, sorry.

**Media:** I've also got a question about the Nelson Hospital.

**PM:** Sure.

**Media:** On the rehab programmes, the number of sentenced prisoners accessing rehab programmes has dropped significantly over the past eight years. How are you going to make sure that those guys are not missing out?

**PM:** Well, we clearly want sentenced offenders to get access to those rehabilitation services. And I agree. I've looked at that, I remember, a year or so ago, and could see there was a big drop off in participation in those rehab services. But, also, we've got 45 percent of our prisoners on remand, and, actually, we also want to make sure that those also get access to those rehab services quicker too, and that's what this is about in this particular piece of spending here. But, obviously, we've still got work to do to make sure we've got more rehabilitation being done while we've got prisoners in our system. That's our big opportunity to get them to turn their lives around. So we are very committed to rehabilitation. We're very committed to social investment, ultimately, as well, but we are going to be really clear. We are going to restore law and order in a series of actions in 161 days, of which this is one of them—it will help us do that.

**Media:** Prime Minister, the \$445 million over four years, that's 5.8 percent of Corrections entire budget over the next four years. So how can you possibly not touch the front line if you're cutting 5.8 percent from the entire Corrections budget?

**PM:** Well, as you know, we've asked for 6.5 to 7.5 percent across the system—out of the system, out of expenditure—and, as we've said, we've tasked CEOs very much with delivering that, saying go back to the back office, look at your front office.

**Media:** But that works out as 5.8 percent of the entire budget, not the back room; the entire budget, so [*Inaudible*] billion a year.

**PM:** And that is a good thing. I mean, there's been identifying 5.8 percent of expenditure that is actually not adding value that can be better redeployed into the front-line services.

**Hon Mark Mitchell:** That's right.

**PM:** That's a good thing.

**Media:** So it doesn't matter to you whether it comes from both the front line and the back office? That's 5.8 percent of the whole lot, including the front line.

**PM:** Well, it has come—we've tasked our CEOs very clearly, and say, you need to prioritise the front-line services. I don't know how I can be any clearer about this. But it's just naturally what you do as a CEO. You take over an organisation, you have a certain budget. You've got to ask yourself, for the dollars that I'm spending, am I getting the results or the outcomes that I'm being asked to deliver against? We've been very clear on the targets and the goals that we have, and how CEOs deploy that money is completely up to them. But, in this case, this is a great example of where we've been able to recycle funds out of the back office into the front office so we can better support front-line corrections services.

**Media:** Just on the Auckland shooting quickly, are either of you aware whether the alleged offender has left the country or not?

**PM:** Again, all I'd say on that is that, you know, it's a tragic set of circumstances and our hearts go out to the family that has been impacted here. It's an ongoing police investigation and it would be inappropriate for us to comment further than that at this point in time.

**Media:** So you haven't been advised either way? Have you received any kind of update on the search for the alleged offender, either of you?

**PM:** No, just what police have talked about publicly.

**Media:** In terms of the rehabilitation for Māori prisoners, will you be ensuring that there is an increase in tikanga, reo programmes—rehabilitation—because they are working very well?

**Hon Mark Mitchell:** Absolutely. We remain fully committed to those and highly value the relationships that we have with iwi and hapū that are engaged with the corrections system in a really positive way, and have got a big input to that, so, yes.

**PM:** And are getting good results.

**Hon Mark Mitchell:** Yeah, absolutely.

**Media:** Prime Minister, is the Government committed to funding the Nelson Hospital?

**PM:** Look, I mean, again, it's not something I've been briefed on. I'm conscious of the story that's broken today. What I'd say to you is the Minister has a huge amount of complex pressures and infrastructure across healthcare. He'll be taking advice on that and obviously we'll have more to say about that shortly.

**Media:** Have you asked Health NZ to cut costs with regards to the rebuild of the Nelson Hospital?

**PM:** Not that I'm aware of, no. I'm just conscious that, you know, we've got workforce challenges in healthcare, we've got infrastructure challenges in healthcare, and, you know, we want to put targets in place to get to focus on the front-line services, not the back office. OK, team, thank you so much.

**Media:** On the remand prisoners, we did a story on Friday about a remand prisoner who's spending 23 hours a day, for months on end, locked in his cell. Should that be a priority over rehab programmes?

**Hon Mark Mitchell:** So let me be clear: some of those prisoners that are locked up for 23 hours a day—and of course we want to see a movement in the right direction on that—they are violent prisoners, and when you're a violent prisoner and you're a risk to other inmates and staff, then there's consequences around that. But, on saying that, and coming back to the question around a sentenced prisoner receiving programmes, I recognise—I'm the first one to recognise and say—that Corrections have been under a lot of pressure for the last six years in terms of numbers, and that has dictated the way that they manage the prisons and the prisoners. And I'd have to say that because now we're starting to move in the right direction, we're actually starting to see quite a bit of success around recruiting, training, and

deploying new corrections officers. It means that now they're freeing up time and they're able to re-engage with programmes. So there's movement in the right direction on that.

**Media:** On that, Corrections has acknowledged in court that it's failing to meet its minimum entitlements to prisoners, so is any of this investment going to go towards ensuring that those minimum standards are upheld, and if what you're saying in terms of heading in the right direction, at what point can you tell us—when will that happen?

**Hon Mark Mitchell:** I think we're just going to continue to see incremental movement in the right direction. I think it just comes back to the numbers. The numbers have been a big challenge around resources, and we're moving in the right direction on that. I'm very proud of the work Corrections are doing; the recruiting campaign is going extremely well, and, like I said to you, I'm going to graduations every month. We're graduating over 130 new corrections officers a month at the moment.

**PM:** OK, team, thanks so much—appreciate it.

**Hon Mark Mitchell:** Thank you.

**conclusion of press conference**