

POST-CABINET PRESS CONFERENCE: MONDAY, 1 JULY 2024
HANSARD TRANSCRIPT

PM: Kia ora and good afternoon everyone. As you all know, the last few years have been economically challenging for New Zealand. Rampant inflation and rising interest rates have squeezed family budgets, and that squeeze has driven the country into recession and now unemployment is rising. There's no doubt about it, it's currently a very tough time for Kiwis dealing with the cost of living, which is why we know as a Government that rebuilding the economy to lower the cost of living is job number one. And that is why from today new measures kick in to support Kiwis struggling with the cost of living. From today, the Auckland regional fuel tax will be abolished, saving motorists 11.5c per litre every time they fill up. If that's a hard-working tradie in a Toyota Hilux, it's about \$9 per fill; if it's a senior in a Toyota Corolla hatchback, it's about \$6 every time they fill up. And, of course, from today FamilyBoost also kicks in, with families eligible for a 25 percent rebate, up to \$150 per fortnight. And, of course, tax relief is coming at the end of the month too.

Yesterday was the final day of the coalition Government's Q2 action plan, and these ambitious quarterly action plans are important because they focus our public sector agencies and our Ministers on delivering what matters most to New Zealanders. Our quarterly action plans are focused on three key things: rebuilding the economy, restoring law and order, and delivering better public services. We were proud to deliver all 49 actions in our 100-day plan, and we've kept the momentum going by delivering 35 of the 36 actions in our Q2 action plan.

To give you a feel for it, in the last quarter we've delivered a Budget that has reduced wasteful Government spending while investing more in front-line services like health, education, and police. From July 31 Kiwis will be going home with more in their back pocket thanks to the tax relief that is coming. And we've taken action to restore law and order by bringing back three strikes and introducing a serious young offender category alongside our military-style academy pilot that will help young offenders turn their lives around. And we are making meaningful changes in education to help our children succeed: structured literacy, better teacher training, bringing back charter schools, and a new way of assessing progress that Erica Stanford will have more to say about this week.

The one item in our Q2 action plan that we haven't fully ticked off in the plan relates to the disestablishment of Te Pūkenga. The Government has agreed to proposed changes to consult on, which was the first part of that commitment, but the consultation itself has not yet begun and will be released in the coming weeks. As mentioned, our quarterly action plans are effective because they create momentum and they drive focus, and we have every intention of continuing in this way.

Today we are launching the Government's Q3 action plan, and today I'll take you through some of the 40 actions that we're taking there. A significant focus is on restoring law and order, and this includes passing four laws that will crack down on criminal activity and support offenders to turn their lives around. We will (1) give police more powers to go after gangs by restricting their ability to associate, and banning gang patches in public. We will give police more power to get guns out of the hands of criminals. We will increase the access to effective rehabilitation for prisoners on remand, and we will improve efficiency in the courts and increase access to justice.

In addition to these laws coming into effect, the Government will introduce legislation to toughen up sentencing and to ensure that there are real consequences for crime, while also launching a military-style academy pilot for serious and young offenders. We're also taking steps to keep Kiwis safer on our roads, and we'll introduce legislation to enable roadside testing for drug-driving. Improving education outcomes remains a key part of the plan. The Q3 plan sees the opening of applications for new or converted charter schools; releasing a draft of new English and maths curriculum; and continuing initiatives to improve school attendance.

As I've said before, New Zealand has become a country in which it has become too hard to get things done, so it is also vital that we take steps to make it easier to deliver long-term projects. So also prominent in our Q3 agenda are actions to deliver high-quality infrastructure that will drive economic growth, boost productivity, and enhance our way of life, and this includes passing the legislation on our Local Water Done Well policy to deliver financially sustainable water services, opening the \$1.2 billion Regional Infrastructure Fund to applications, and making Cabinet decisions on sensible changes to the fast-track consenting programme. This Government is committed to delivering for New Zealanders, which has been demonstrated by the success of the 100-day plan and the Q2 action plan. Kiwis expect us to continue the momentum, and I am determined to do so.

And, lastly, before I open it up to any questions, can I just acknowledge Newshub, who are covering this press conference for a final time after 35 years. It is an organisation that has played a big part in the lives of many Kiwis, and I just want to thank the "Newshub-ers" both past and present for their contributions and for all that you have given over the better part of four decades. And with that, I'm happy to take your questions.

Media: You used the phrase "ambitious" when you were talking about the quarter three plan, but some of those include things like banning gang patches and other things that you've previously signalled before. Is this really ambitious enough; and, if it is, shouldn't you have more lofty targets than things that you've pretty much already started the process of?

PM: Yeah, so what I'm doing is sharing, each quarter, what we're doing to drive as a Government, and we're driving the internal processes of the Public Service agencies and also our Ministers. And so, you're quite right, there are some codification where we, say, take decisions or Cabinet decisions, introduce legislation, or actually pass legislation. A lot of the law that we just talked about is things that we've introduced in our first 100 days, has gone through the select committee process, and has gone through a couple of readings, and is now going to be passed. And particularly in the law and order space, where I know I'm sick of it; I know people are very frustrated with the progress that we're making on law and order. It's important for us to make sure that we actually get these legislations passed and delivered in August, September, so they can be operationalised in October and November.

Media: So do you think "ambitious" is the right word?

PM: Absolutely. Yep. We are super-ambitious for New Zealand. We're very aspirational. We're very positive about our future, but we are determined to turn the country around to get it working again and to get it moving in a good direction.

Media: Why did you fail to tick off that Te Pūkenga exercise?

PM: Yeah, it was two parts to it. One was to agree a proposal to disestablish Te Pūkenga, which we have done as a Cabinet. But the second part of it was to take that proposal out for consultation to the public, which hasn't been achieved. That will, of course, happen in the next few weeks.

Media: I mean, it seems pretty simple to launch a public consultation, doesn't it?

PM: Well, I mean, there's quite a lot to go through, as you know, with Te Pūkenga. It's been a hell of a mess for the last six years—there's a lot to unpack. We want to agree the model and proposal, first and foremost, which we've agreed. But now it is about going out and actually getting the public's feedback around the proposal that we've got.

Media: Is it because Penny Simmonds had too much on her plate with that disability portfolio as well—?

PM: No, I don't think so. It just genuinely has been really complex. And, look, I mean I'd sooner set an ambition and we fall a bit short and be very transparent and very straight up about it than not try at all. And, you know, we're doing a lot as you can see every quarter. We're being very disciplined about what we are doing and what we're not doing,

and that's the way that we have to be in order to turn the country around. That's what's needed in a turn-around job.

Media: You were pretty quick to sack both Melissa Lee and Penny Simmonds from their jobs when you didn't think they were doing a good job. It's become quite apparent that Shane Reti did not have control of the cancer-drug situation at all. Why are you not holding him to the same standard?

PM: Well, look, I'm very proud of what we've delivered on cancer drugs. I said that we had a great proposal in Opposition about wanting to get more cancer drugs to New Zealanders—13 at that time. We've ended up delivering, as you know, 26 and 54 new medicines that previously wouldn't have existed in New Zealand or have been available to New Zealanders—certainly wouldn't have been available under the previous administration, given they hadn't funded the core Pharmac pieces of it. But, yes, as I said to you at the time, we've come about it a different way, but I think we've got to a much better outcome and a better result in the end.

Media: But, specifically, Shane Reti did not have control of that policy.

PM: I disagree. There was a strong commitment to deliver more cancer drugs to New Zealanders. What we were debating was not the “what” but was actually how to go about doing it. And there was a number of pathways that we had to consider and could consider. We ended up choosing one that I think delivered a much better “what” and a better set of outcomes for New Zealanders.

Media: What did Amy Adams mean when she said that she was not able to advance the changes that she believed needed to be made on the Te Whatu Ora board?

PM: I'm not sure. You'd have to ask her.

Media: Do you think there are big changes that need to be made on that board that you're not, as a Government, making?

PM: Yes, I do. I think there is needing to be big change in Health New Zealand. I think it's an organisation that we're putting \$16.7 billion more into health, as you know, from the Budget. It's one where we've put \$1.8 billion in to fund Pharmac and I know another \$600 million on drugs. But I'd just say to you, Health New Zealand needs to be a high-performing organisation, because we're putting in good money and I want to make sure it's a highly performing organisation with a great leadership team.

Media: And in relation to your item to clarify the employment status of contractors, are you going to get ahead of the Uber court decision on that and legislate regardless, or are you going to wait for that court decision?

PM: Again, you'll just have to wait and see. We'll announce that when we're ready to do that.

Media: But are you going to be guided by what the court decides, or are you just going to legislate—

PM: Again, I'm not going to go into the details and pre-announce what we're proposing, but you can see there's a very strong desire. We know it's an area that needs to be fixed and cleaned up, and clarity needs to be in place. And we'll have more to say about that later.

Media: Prime Minister, you began this press conference talking about the cost of living and how difficult it is for Kiwis at the moment. Can you go through the specific actions for your next quarter that addresses the cost of living crisis?

PM: Yeah, look, I think, certainly you're seeing our tax relief will come in on 31 July, which will be really helpful. You've seen the changes that we've announced for 1 July start to bite in this third quarter; that'll be going through. We're going to continue to work hard to get inflation marching down—you know, that is a series of ongoing initiatives about making

sure Government spending has been well delivered and well focused. As a result, we can bring domestic inflation down and interest rates, ultimately, down; get the economy growing, and, obviously, lower levels of unemployment. But I think a lot of what we want to do in the economic space in the coming quarter is get the infrastructure that we know we need to get going to improve the productivity of New Zealand, and I know that sort of has a more medium to long term benefit, but actually getting that foundation in place is really very important because we're going to deal with lowering inflation and dealing with the cost of living—that's our short-term financial focus of getting the economy moving again. But the second thing is that we really have to have a really good growth plan for this country. And I just want to say to everybody, I know it's tough now, but we actually have a fantastic future ahead of us in this country, but for that to happen, you've got to invest in world-class education, you've got to get modern infrastructure in place—and that's a big focus of us in this quarter.

Media: You're talking about things specifically like the building products. Are you hoping that that's going to have, eventually, a flow-on effect—

PM: It's all of those things, because, essentially, what we're trying to do is unblock the system and to get the economy moving again, and sort of aerate it, and a big part of that is removing what we call red tape—that is, just frankly, regulation that doesn't have a benefit—and that's a good example. You know, if we can lower building cost products by actually getting the legislation introduced this quarter to get that moving so we can take products from overseas that, therefore, are cheaper and more competitive, that's great, because—why? Well, you know, a house in New Zealand is 50 percent more expensive to build than a house in Australia. Building costs have gone up 41 percent in the last five years. So it's all of those things, and I know—you know, what we are focused on is we've got to rebuild the economy by lowering inflation, so we have to get rid of the cost of living crisis. But then we're also bending our minds very clearly through the Budget but in the back half of this year to: right, what are the five big things that are going to help grow this country and make it more productive so that we can all enjoy a higher standard of living—and a lot of it is some of those things in that infrastructure space.

Media: Prime Minister, is there any further funding going to Wairoa in terms of their recovery from—

PM: Yeah—good question. Mark Mitchell was there last week, as you know, for a few days. Nicola Willis also had a longstanding engagement in Hawke's Bay, so she was able to see things in Hawke's Bay, in particular, and we sent our three local MPs home at the end of last week, in the middle of urgency, so that they could be on the ground, as well. And Mark will go back there this week, and I hope to go on Saturday, as well, myself. What we are focused on is probably two things. One is—you're right—it's Wairoa that's really taken the brunt of it, and the river has broken in a place where it has historically not broken before. There's a need for us to do a review of the regional council's actions around the bar and the management of the bar, out of the river. And the second piece is we stand ready to go with any more assistance financially that's needed, as well.

Media: But no decisions have been made thus far?

PM: Mark Mitchell will have more to say about it through the course of this week, but what I'd say to you is we are open to investing more. We've got, as you know, \$1 billion in this Budget going into the regions; we've got \$7.5 billion in multiple capital allowances, as well; and we're very open to supporting Wairoa, in particular.

Media: But nothing's yet decided?

PM: Mark will have more to say about it in a few days.

Media: Prime Minister, Andrew McKenzie's redundancy from Kāinga Ora—why is that a good thing?

PM: Well, look, ultimately, that's a decision around an employment contract between the board and the CEO. I can probably comment on the broader KO initiatives, as you well know, which is that it has been a chronically underperforming organisation. It's a large organisation. It needs to deliver better, and, as a result, we've changed the chairman; we're refreshing the board; and, importantly, we're getting a turnaround plan in place by the end of the year.

Media: One of the former board members says that the whole review was an overreaction. Are they right?

PM: I don't think it's an overreaction when you look at the debt that was being racked up and was likely to be racked up. When you think about the huge amount of assets that are sitting there and how they are managed, I think there's very good reasons, as we talked about with Chris Bishop and myself and with you all, about why we needed a review, and we needed to make a powerful intervention there.

Media: Do you think the problems with Kāinga Ora, though, sat with the individuals running it, or with the instructions that they were being given by Government?

PM: All I'd say to you is we're interested in results and outcomes, and then the management and the board are the people that deliver those results and outcomes. And so replacing the chair—which is something the Government does—replacing and refreshing the board, and, ultimately, asking for a turnaround plan is what we've asked for. As to, then, what happens with respect to the board and the management team—that is a decision for them. But I don't want to be under no illusions: it's a \$45 billion enterprise that has been performing very badly. It has run up huge amounts of debt and was due to run up more over the next 10 years, and we needed a powerful intervention to stop that. We want to see a strong commercial focus, we want to see a better customer focus, and we want to see a good culture emerge inside the organisation.

Media: What about the six-month pay out that McKenzie's receiving? You know, what do you say to taxpayers who might look at that and think, you know, is that really the best use of taxpayer dollars?

PM: Well, I'll just say, those are ultimately decisions for the board and the CEO—for the board to make around their CEO and the employment of a CEO and management team.

Media: Prime Minister, the select committee isn't due to report back on the fast-track bill until September. Why are you signalling a need to make changes now? Is that a recognition that you've unnecessarily alarmed people—

PM: No, not at all. We genuinely are waiting for the select committee feedback. As you've heard the Minister say from day one, we're up for any sensible changes that we think can strengthen the legislation. So we're very open to hearing that feedback. And then, as you heard from the Minister, happy to take any adaptation or any changes to that legislation after that point.

Media: Could taking mining out of that legislation be one of those changes?

PM: I'm not going to presuppose those outcomes. I think we need to let the process run and let the Minister digest it and see what else needs to be strengthened.

Media: Did you watch the US presidential debate on Friday and what did you think of any of it you saw?

PM: I was coming out of Wānaka in Queenstown, so I saw a little bits of it from Matariki and opening up a chairlift in The Remarkables, but I saw bits of it. But again, those are issues for US domestic politics. My job is to work with whoever the public selects.

Media: Is the New Zealand Government preparing for a possible Trump presidency?

PM: Again, the New Zealand Government and myself will build the most excellent relationship we can with whichever leader is selected by the American people. That's my job is to act in New Zealand's national interest and build a rapport and relationship with whoever is selected as the leader from any country.

Media: What would it mean to have a Trump presidency for New Zealand and, in particular, a 10 percent universal tariff on New Zealand goods?

PM: Well, again, you're getting well ahead of yourself. Again, we need to let US domestic politics run its course. My job is to make sure I can work with whoever is selected as the new president.

Media: Military-style youth academies, Prime Minister: do you have a start date this month when that trial will start, and can you run a through the day to day of the in-residence component—what that will actually look like?

PM: Yeah, look, it's starting—look, I don't have a particular day, but I know it's starting in the month of July. And again, it's taken on board a lot of learnings from different programmes and the bits that have worked and the bits that haven't kind of worked.

Media: So what would the day to day look like?

PM: Essentially, it's a three-month residential piece and a nine-month community-based piece. Obviously, there's bits around, you know, regular discipline and routine and skills and, you know, teamwork and all those kind of good sort of exercises that you would expect when people think of a bootcamp. But as you well know, and I've tried to explain this many, many times before and I think some have just started to get it, we've got our community organisations embedded from day one as well, because these are high-risk, highly vulnerable young people, and we want to make powerful, targeted interventions in their life. And if that means changing their housing circumstances when they come out, maybe making sure that they've actually got those skills with the trauma that they're dealing with, and some of the issues that they have, and complex needs that they have—we've got that embedded from day one as well.

Media: So do you know specifically day to day in that in-residence component what the young people will be doing?

PM: Yes, Oranga Tamariki do. But again, that first part in the residential programmes are about building discipline and about building teamwork—

Media: I asked the same question to the children's Minister last week, she didn't know those specific details, you don't seem to know those specific details; are you confident that Oranga Tamariki do know those details?

PM: Absolutely. I've sat down with Oranga Tamariki, with the Police, with others that have been involved in the programme. I'm very confident that we're going to have a really good pilot. Again, the point of the pilot is to make sure before we—

Media: But you don't know what's going to happen day to day.

PM: Well, I have enough of an idea. As I just said to you, in the first three months it's going to be a lot about discipline, around habits, around teamwork, around some physical exercise. But in addition, from day one, there will also be the community organisations in there. That is important because you can actually get changed behaviour in a residential programme, but actually it's the nine months and the resettling back into the community that's the challenging part. And so we'll continue to work in that way.

Media: The Northland Regional Council is waiting for Government to confirm more funding for *Caulerpa* removal. They say all their eradication work will be undone without more funding; is more funding coming?

PM: Again, I've spoken to the regional council chair—I know well. They've done a great job up there. We put some extra money in, from memory, I think, back in April. I'm

quite concerned about *Caulerpa* and the threat that it represents to New Zealand in particular. I know many other countries have not been able to eradicate it, but I think we should do everything we can and use some Kiwi ingenuity to try and solve it. So what we were testing in the North was actually can we get at scale larger dredging equipment and suction and vacuum equipment in place. I had a chat probably to the chair a week and a half ago or two weeks ago and I was hearing initially that it was going well. There is a formal review that MPI will do of it, and then if we have to spend more money behind it, we're prepared to do that too.

Media: They're saying it will cost \$100 million to do the job properly and deal with *Caulerpa* everywhere—I mean, are you willing to foot that cost?

PM: Well, again, I'll just say to you, let's let MPI do what we agreed to do, which was we'll get to the end of 30 June with the trial period to see whether we've got a proof of concept that we can scale up and actually deal with this issue. It's really challenging—other countries, as you know, have the problem and haven't been able to eradicate it. We are trying something quite different, which is vacuum—there's a whole bunch of issues about particle sizes and actually do you remove it or do you just sort of, you know, stamp it out for a bit. We need to get that review done, and then if we have to put more money into it, we're open for that conversation.

Media: Your dream scenario would be eradication, though?

PM: Yeah, that's what I want us to strive for. I want us to be working really hard; using some Kiwi ingenuity; activating iwi, regional councils, district councils, the public, and all our NGO organisations to work together on that. And, frankly, Jenna, the other thing I'd say is the problems are different in different parts of the country as well. You know, it's well established at Aotea—at Great Barrier—a little bit more in the north; less so in Waiheke and other parts of the gulf as well.

Media: Is scrapping Auckland's fuel tax going to make it harder to fund desperately needed infrastructure?

PM: No, there's \$400 million, I think—around about that, maybe a bit more—that's sitting in a bank account in Auckland that's going to be agreed to be spent on critical infrastructure projects in Auckland. We've agreed that between the Government and council, which is really good. So the Eastern Busway and a number of other projects as well.

The second thing I'd say is that, you know, actually getting Auckland Watercare sorted—it was sort of something I was really proud about, the way the Government and the council worked on that, you know; that for a couple of hundred thousand dollars we found the model, rather than the \$1.2 billion, to actually separate the balance sheets so that, actually, Watercare can borrow its own money for those lifelong assets. And that actually freed up \$800 million on to the Auckland Council balance sheet for them to spend on infrastructure as well. So I know this doesn't sound particularly arresting to many people listening to that, but it is a mechanism that actually has unlocked quite a lot of value.

And we know there's a lot to do in Auckland: we've got, you know, good investments going into local roads—I think there's another \$400 million going into potholes in local roads, but we'll continue to do that.

Media: Prime Minister, can I just clarify on Wairoa—Mark Mitchell said this morning he would take an appeal to Cabinet today for more funding. So did that happen?

PM: Yeah, I don't talk about what happens in Cabinet, but I said to you that Mark will have more to say shortly.

Media: Prime Minister, can I check on scrutiny week—during scrutiny week, the Office of the Clerk kind of raised concerns about the funding of sign language interpreters, saying that if more money didn't arrive that would have to stop. Would you be willing to see that stop?

PM: No, I think that's really important. Sign language is one of our official languages in New Zealand and it was pretty awesome, actually, to be down at Matariki in Wānaka and we actually had te reo sign languages translating our speeches and remarks. So, no, I'm a big fan of it, and I'm not aware of the particular issue. But again, I'll just say to you, Government spending is a big Budget and I am sure we can find money for that sort of thing.

Media: Just kind of on the same vein as that, when you first came into office, you were quite critical of the fact that Parliament usually didn't sit over the summer periods, and you were saying that politicians didn't need that big of a break. In basically the seven weeks—the last three weeks and the next few—there's one sitting week out of seven. Are you frustrated that you're not getting enough time to pass your legislative agenda?

PM: Look, we're moving as fast as we can, as you can see. And so I think, you know, by any admission, people would say we've hit the first two quarters pretty hard. You can see that we're going to continue to keep that pace up over the third quarter. Obviously, the sitting of Parliament and the schedule is something that's done through the House and through Parliament. My view is we'll work pretty hard on it, and where we need to—like you saw last week—go through urgency because of the post-Budget piece, we'll continue to do that.

Media: But is it a bit frustrating to you that you had to use that urgency because the Parliament was sitting so little in the last—

PM: Well, yeah, I mean it's a bit of an anomaly, sort of, as I understand why the last few weeks have been like that. But I can just tell you, the pace of Government for us is just full bore, so we're full steam ahead.

Media: Justice Minister Paul Goldsmith has talked previously that the gang powers wouldn't be kind of in place until November. So has that been moved up the—

PM: Yeah, so you might remember in the first 100 days we had, you know, introduce the legislation and find a way to get that into the House, which we've done. We've gone through select committee processes, and now we'll do the third readings and pass the legislation, I think, by the end of September. But some of it will be in August/September, I suspect, depending upon the legislative calendar and work plan. And then, as I understand it from police, certainly they'll be starting to operationalise that in October and November.

Media: Right, so the legislation will be passed then and then the powers won't come into force until around October-November?

PM: Well it's just, practically speaking, for them to operationalise what they need to do with those legislations around the gang pieces in particular, that'll start to kick in, as I said, I think the laws—we're just debating on when we can get it done, and whether it's August and/or September. There's a bit to get through, as you can imagine, and we want to get those final readings done and passed into law. And then it's up to the police to take that law and then make sure that they've got the operational resources and support to do it.

Media: In your "Rebuild the economy and ease the cost of living" section you've got—no. 6—"Release the draft of the second emissions reduction plan. Is the climate going to pay the price for rebuilding the economy?"

PM: No, not at all. I mean, we are very confident we can grow the economy and deliver on our emissions targets and goals that we've set ourselves, so we'll have more to say about that very shortly. But there's been very good progress across Government, across a number of portfolios that are impacting the emissions plan, and I'm very pleased with that work, actually; I'm very proud of how that's going. It's being well led by Simon Watts.

Media: Also in that section you've said, "Take Cabinet decisions on legislation to support congestion charging"—how's that easing the cost of living, putting an extra cost on?

PM: Well, what that's actually about is easing congestion. And as you would know, in the last Parliament all parties across the Parliament actually supported, you know, congestion charging or "time-in-use charging" as it's called. Simeon Brown is leading the work on that and the thinking on that. All parties recognise that it's a great way not for raising revenue, it's actually a way of actually managing and directing congestion.

Media: If it's not for raising revenue, will you ring-fence it?

PM: Sorry?

Media: If it's not for raising revenue, will you ring-fence that and give it back to transport projects?

PM: Oh, look, we'll let Simeon Brown go through that process. But I'd just say to you, having sat on the transport select committee a few years ago, there's very good bipartisan support for congestion charging. Again, we need to work with some of the local councils; we've been talking with Auckland, for example, about that. We'll have more to say about that.

Media: Because with the Auckland fuel tax, it was ring-fenced to use for transport projects.

PM: Yeah, I'd just say to you again, the Auckland regional fuel tax—you know, there's over \$400 million sitting in a bank account that has been not spent yet, and so we're determined to make sure that's used on key infrastructure in Auckland. And with respect to congestion charging, what it's really about—when you look at how it's being used around the world, it's really about getting people to manage their schedules in a way to get an 8 to 15 percent reduction in congestion. And I'm just saying that would be fantastic to achieve because that would drive so much more productivity into the New Zealand economy as well.

Media: Forgive me if you just said this, but are you signalling that the congestion charging will be available to other councils around the country and not just Auckland?

PM: Again, I'm not going to get into that now. I'll let Simeon talk to that when we have that fully agreed. But I'm just signalling to you the intention for us to progress that work over this coming quarter.

Media: What do you make of being sent an alleged terrorist manifesto?

PM: Sorry?

Media: The alleged terrorist manifesto from Australia, what do you make of being sent that?

PM: Look, again, we've got well-established protocols on handling things like that, and I don't talk about security matters.

Media: Can I just go back to Thomas's question about Uber? MBIE has gone out to stakeholders to, you know, consult on the policy advice on this. Do you think that is premature, given the court case is, you know, not been—

PM: No, not necessarily. It's just important that we get clarity in the system in the workplace relations area. So that's again, what Minister van Velden will lead.

Media: Would it be appropriate, though, to legislate before that verdict has been—

PM: Again, I'm just not going to get into pre-empting what we may or may not do. What I'm just signalling, again, in the spirit of transparency, is this is what our Government will be focused on in the next 13 weeks and it's important that we move that one forward and we get more clarity emerging about the role of contractors, in particular.

Media: The question isn't what decision [*Inaudible*] make the decision, the question is whether you're going to decide to do that thing before or after the court decides.

PM: Yeah, again, I'm not getting into it. We'll let the processes run. We'll have more to say about that when we can talk to that with more detail.

Media: Prime Minister, just back to the bootcamps that Jack was asking about, I understand that you aren't keen to have kind of an intellectual debate about it but, just, NZDF has come out and said that they don't think that these types of, I guess, programmes work for them to be part of for young people. Mark Mitchell has said on a couple of occasions that he thinks that NZDF will play a critical part in this. Could you kind of walk through that and whether you think that there's—

PM: Yeah, I'm not sure where the comment's come from because today the NZDF and police—retired officers or active personnel in the forces or in the police—are actually involved in something called the LSV programme. It's a volunteer thing; it's not mandated by the Government for them to participate in it. They are individuals who choose to get involved in that because they want to make that impact on young people's lives. That programme, granted, is for an older person—18 to 25, from memory. But the key principles of that have helped inform some of what we're doing here. And so from the New Zealand Defence Force, as you know, we have Oranga Tamariki taking the lead in one of their residential facilities. It's in Palmerston North so it's actually close to the defence assets that are there that can be used, as I understand, from time to time. But we've also had defence inputting into the programme about what sorts of things to do work as well. So I don't know where those comments have come from, I just—

Media: They came from the defence force.

PM: No, I get that. But I'm just saying to you in the spirit of—defence force has never run a programme, apart from the LSV, which they do on a voluntary basis, that individuals choose to participate in that.

Media: But they specified that they weren't comparable—

PM: Sorry?

Media: They specified that they shouldn't be compared to.

PM: Well, what I'm just saying to you is we've had LSV people involved in actually the design of the programme that we're putting together for young people. And, look, again, I'll just say it to you, and I've said it to you before, it's all very interesting the debate and the discussion—it's very intellectually curious, and I'm sure everyone's got lots of different points of view about it—but, actually, when we've got violent crime up 33 percent, we've got gangs up 50, we've got a quadrupling of ram raids, and we've got retail crime up 100 percent, we are going to try something different, and we're going to try this.

Media: Sorry, it's not trying something different. It has been tried before. And one of the managers of a youth justice facility who was there when it was put in place before, who I was talking to the other day, said it was an unmitigated disaster. She said that if you take young, hardened criminals and you ask them to do 25 press-ups, you have fit and fast hardened criminals. Then you've got your defence force saying that this type of programme doesn't work in this situation. These are people with very complex needs. Not listening to the manager of a youth justice facility and not listening to the defence force, and not listening to other experts.

PM: Well, I'm sorry, but I have sat in meetings where we've actually discussed how it's going to work, and there's no doubt about it; we've taken learnings from the LSV programme. We've taken learnings from what's happened before. One of the big learnings, frankly, was that not having any community supports embedded in from day one was a major, major problem, and, in fact, we could get turnarounds of young people on the programmes and as soon as they went back into the community, recidivism went straight up again. So that's the bit that's very different. It's a much more nuanced, layered programme that we're putting together here. And I appreciate people want to put it under

the tabloid headline of a bootcamp, and that's fine, but the reality is there is more sophistication going on behind the scenes.

Media: Are you able to guarantee there will be rehabilitation and counselling facilities for these young people in the first few months?

PM: That's right. That's what we're trying to do is make sure that we've got community organisations embedded in from day one and sticking with the young person after they leave the residential facility. We want to try something different. We've got a pilot going on with 10 young people. We'll kick it off this month. As soon as we start to learn what's working, what's not working, we'll tweak it as we go. But the bottom line is, I'm sorry, we are going to do something different, because what we're doing isn't working.

Media: Do you think it was safe for National to call it a bootcamp?

PM: Sorry?

Media: Do you think that was wrong?

PM: What's that?

Media: For National to call it a bootcamp.

PM: No, we always called it military academies. It was the media that called it bootcamps.

Media: Do you think it will succeed?

PM: Well, I think we should try, shouldn't we? We should try and do something different, because what we're doing is not working. So the counterfactual is pretty straightforward. We've had a fourfold increase in ram raids, a 100 percent increase in retail crime. Last week, I spoke to a gentleman who I visited last year who's in hospital because he got hit by a hammer and has got a metal plate in his skull. When you go talk to those families and the victims of crime, we've got to stand up for them. So we're standing up for the victims. In this case, we're taking young offenders—serious young offenders—off the streets and out of the community and we're investing in them with intensive interventions.

Media: You keep comparing it to the LSV programme, but the Defence Force has taken real issue with that in this OIA, saying (a) the LSV programme is for adults; it's for 18- to 24-year-olds—

PM: Correct—18- to 25-year-olds.

Media: —so you can't compare it to children. It is voluntary, so you can't compare it to a court-mandated sentence—that the military in this case is only involved in a governance level, not in a boots-on-the-ground level. So they're quite different programmes. Why do you keep making the direct comparison?

PM: Well, they are different programmes. Yeah, they're different programmes because we're actually doing something different, and that's what I've been trying to say to you is that we learnt in the past, with the previous incarnation under the Key Government, the major learning we got out of that was that we didn't have the community organisations embedded. It was a shorter run duration. You need to stick with the young person for a year, it's really intensive; you've almost got to have an individual with them the whole time. You've got to set up their coming back into community; there's a whole bunch of work there. There are principles in the LSV that are relevant; there are some that won't be relevant, but we've taken pieces from that, and we've seeing other work that's been happening in the community with different community organisations working with troubled young people that we think's useful too. So, look, all in all, you know, we'll take a bit from everything, we mix it all together, we put a programme together that we think has got the best shot at making the most and biggest intervention in these young people's lives. And, again, I just make no apologies for it, because, I'm sorry, but we have to do something different here. We have

said that our second goal is to restore law and order so that people feel safer, and at the moment Kiwis don't feel safe.

Media: If in 12 months' time it turns out that these things just really aren't working, are you willing to come down here and say, "We tried it and we got it wrong."?

PM: Well, that's why we're doing a pilot, to make sure we get learnings along the way so that we can optimise before we scale up and make sure that it does work.

Media: Is it correct to say that the NZDF will be only involved in a governance level and not in terms of the delivery of the actual programme?

PM: I think that's a fair characterisation. They've been embedded in the design of the programme, and working with OT around that—as have police, as have community organisations, as have OT from their own experiences as well.

Media: A Tongan family is facing deportation and Penk has advised that he won't intervene. Don't you think they deserve ministerial intervention, especially because legal professionals say that they haven't gotten a fair hearing?

PM: Yeah, look, I saw that story as well, and it sounded quite heartbreaking, but I just say to you: I'm not in a position where I can comment on individual immigration cases. We have a process and a protocol for that. That's now an issue for Immigration New Zealand?

Media: Have you spoken with Penk about the case?

PM: No, I haven't—no, I haven't.

Media: The family has written to Chris Penk, who does have the ability, I think, to make a compassionate intervention. Would you discuss, you know, your options in that particular case—

PM: Yeah, look, I'm sorry, I'm just not going to get into individual immigration cases. We have a lot of them. Each of the circumstances are different, and there's lots of information involved in those individual cases. But you'd well understand as Prime Minister, it's inappropriate for me to comment on individual cases.

Media: Don't you think if you do deport this family back, don't you think this will affect New Zealand's relationship with the Pacific moving forward?

PM: No, look, I think the relationship with the Pacific is in really good heart. I've visited some of the Pacific Islands. I've spoken to the political leaders across the Islands. I'm actually due in Tonga for the Pacific Island leaders forum, and I think, you know, New Zealand's relationship with the Pacific is continuing to improve bit by bit.

Media: Prime Minister, on the 757 plane, there's a poll out from Newstalk ZB that says 51 percent of Kiwis wouldn't mind spending the money to replace the plane. Labour told me today that they support replacing the plane as well. Are you committed to replacing the plane?

PM: Sorry?

Media: Are you committed to replacing the plane?

PM: Yes, we are. We are. And that's why we've got a defence capability review up and running. A big component of that is looking at the aircraft. As you well know, 80 percent of the aircraft is actually used for troop movements, 20 percent is used for Prime Minister and ministerial movements and delegations. We need a solution for that, and all options are on the table and the defence forces are looking at it right now.

Media: When will that plan be published?

PM: Sorry?

Media: When will that plan be published? It keeps getting kicked down the road.

PM: No, no, the defence capability review is a very comprehensive piece of work, and what we are trying to do there is make sure that we now have new heads of the defence forces—you know, army, navy, air force, and a new CDF, we have a new Minister, and we have a new Secretary of Defence. So, look, new leadership, I've asked them to come back and say, do a bottom-up rebuild of our strategy through the defence capability work—that will take some time, I imagine, but a small component of that is the aircraft piece, and we can pull that out and make that decision independently.

Media: Are you totally re-drawing the DCP from what was promoted earlier?

PM: Yeah, I think it's entirely appropriate that new leaders actually sign up and are on board with the strategy that we're going to ask them to follow, and to be held accountable to deliver.

Media: Sorry, but, yeah, the question was: are you actually doing sort of wholesale changes to the DCP as it was shaping up?

PM: No, I just want it to be owned and delivered by a new leadership team in defence.

Media: It was due to be published in June. Judith Collins says September-October, but it's not in the quarter three plan, so where is it?

PM: Well, October is in quarter three, so we'll have a look at it closer to then.

Media: Were you unhappy with what you'd seen of the existing one?

PM: No, it's just, in fairness, as a new leader coming in, what you don't want to do is inherit someone's previous strategy or previous work. I'm going to hold you accountable as the new leader for delivering the defence strategy; I don't want excuses for why I don't buy into it. And so when you've got a whole reset of the military—it's just been fortuitous it's sort of happened that way. I want them to build that strategy from the ground up to say, "Where is New Zealand's capability going to sit over the next 10 to 20 years? What are the domains that we want to be focused on?"—and a range of things that I want them to own. And I think that's entirely appropriate that that's the case.

Media: Do you anticipate pulling the replacement of the 757s out of that plan and dealing with it—

PM: Potentially, yeah, it's a component of it but we'll work our way through it. The defence forces are working on this and have been working on it for a bit, yep.

Media: Very, very quickly on the LSV course—RNZ are reporting today that the staff running the military course have suffered mental distress, some even suicidal as they struggle to deal with violent at-risk youth. Given you pointed to it as, you know, you like elements of it and you're going to use this as part of the youth academies, has there been any considerations for further support—

PM: All I can say is, look—

Media: —for the LSV course?

PM: Yeah, look, all I'd say to you is I've spoken to patrons of the LSV; I've spoken to parents who have their kids on the LSV, who've come up to me on the main street of Coromandel, I think, from memory, saying how wonderful the programme was for changing the trajectory of their daughter's life. And I know many of the retired police officers that have been working on the programme as well have talked very highly of it. So I'm not aware of those comments, in fairness, but I'd just say to you it's a pretty successful programme. OK. Thank you much, team. Appreciate it. Take care.

conclusion of press conference