

**POST-CABINET PRESS CONFERENCE: MONDAY, 26 AUGUST 2024**  
**HANSARD TRANSCRIPT**

**PM:** Kia ora koutou. Good afternoon, everyone. I hope you've all had a very good weekend. Today, I'm joined by our energy Minister, Simeon Brown, and RMA reform Minister, Chris Bishop.

There is no reason New Zealand can't have or shouldn't have abundant affordable energy. As a country, we are blessed with incredible natural resources, with huge potential for investment in geothermal, wind, solar, and natural gas to fuel our growth and power our homes and our businesses. But, as you'll be well aware, in the last few weeks severe shortages have pushed energy prices higher for families and businesses. New Zealanders have been paying some of the highest electricity prices in the Western world. In the first quarter of 2024, the International Energy Agency shows that prices were US\$138 per megawatt hour in New Zealand but only US\$56 in Australia. And, in the second quarter, as both countries entered winter, New Zealand's price shot up to US\$192 but it was only US\$86 over the Tasman. On my recent visit to Australia, energy prices were the most-cited concern among potential investors in New Zealand, and those prices have become too much for some local businesses to withstand, and it's forced employers to close their doors, cutting production and also putting jobs at risk. The impact that that all has on individuals, on families, and communities that rely upon these employers is devastating.

The bottom line is New Zealand should not be in this situation, but we are and it's important to remember how we got here, because it did not happen by accident or because of factors entirely outside of Government control. The previous Government's ban on oil and gas exploration threatened investment in the upstream energy sector, and as good as it may have sounded on a bumper sticker or to climate activists in Europe, it was reckless and counterproductive. For the second quarter this year, Genesis reports a 264 percent increase in coal-fired electricity generation compared to the same time last year. They're doing the best that they can to keep the lights on with the policy settings that they've got. The bottom line is less gas means more coal. More coal means higher emissions, because coal has around twice the carbon intensity of natural gas for the same amount of energy. The ban has increased New Zealand's reliance on imported coal, which has around, as I said, twice the carbon intensity. The Labour Government's, I think, 100 percent renewable target by 2030 put energy security at risk, and National told them, at the time, that this policy would increase electricity prices and reduce reliability, and it has. And their Lake Onslow proposal, which wasn't going to provide energy until 2038 at the earliest and would have a cost of at least \$16 billion, had a chilling effect—a chilling effect—on the investment into more renewable generation.

These policies have together created the perfect storm for New Zealanders, New Zealand's energy security and affordability when we inevitably had a dry winter. Kiwi families and businesses are now paying the price, quite literally, for that. But the bottom line is that New Zealand can have abundant affordable energy if we clear away the blockages and unleash investment in solar, wind, geothermal, natural gas, and everything we need to keep New Zealand moving. So, today, our Government is announcing a comprehensive plan to do exactly that, and I'll now pass over to Simeon Brown to talk about our Government and our plans to do just that.

**Hon Simeon Brown:** Thank you, Prime Minister. New Zealand currently has an energy shortage. The lakes are at their lowest level since 1992, we've had low wind being produced, we've had a significant downgrade in gas supplies, and the effects of these shortages are being felt throughout the economy. We do not have enough natural gas to power our industries and support our, largely renewable, electricity sector. And our hydro lakes are at some of their lowest levels. The result is that New Zealand currently has the highest wholesale electricity price of any of the countries we normally compare ourselves to, and

firms are reducing production or, sadly, closing entirely. The past few weeks have shown the importance of an affordable and reliable supply of energy to reduce costs on households and keep our businesses internationally competitive.

We are taking this issue extremely seriously, and today I can announce the urgent actions Cabinet has agreed to in order to secure New Zealand's energy security. First, the Government will act with urgency to reverse the ban on offshore oil and gas exploration, with legislation passed by the end of 2024. We will remove regulatory barriers to the construction of critically needed facilities to import liquefied natural gas, and we will ease restrictions on electricity lines companies owning generation. We will ensure access for gen-tailers to hydro contingency, and we are going to improve electricity market regulation. In announcing this suite of policies today, we want to make clear to energy companies both in New Zealand and abroad that New Zealand is open for business. We need your investment, we need you to get constructing, and we need more production and generation to power New Zealand's economy.

I'll now pass to my colleague Chris Bishop, who will talk further about the regulation aspects.

**Hon Chris Bishop:** Thanks, Simeon and Prime Minister. To achieve our ambitions and the changes laid out by the Prime Minister and the Minister of energy, we do need to make fundamental changes to our planning and regulatory settings. It costs too much and takes too long to consent renewable energy projects. To give you an example, back in 2003, the Te Āpiti Wind Farm took 77 days to consent and had 20 conditions attached. If you fast-forward to 2014, when Mill Creek was built, it took 1,437 days to consent and had 90 conditions attached. This is unacceptable if we want to take renewables seriously. Even renewing consents for existing renewable power assets takes far too long. Hearings and appeals to re-consent the Clyde and Roxburgh dams and the Wairākei geothermal power station ran from 2001 to 2007. It took 18 years to re-consent the Raetihi hydro dam, and when that was consented its conditions increased from 4 to 136.

So, today, we're announcing five key elements as part of our Electrify New Zealand plan to make it easier to get the renewable generation that we need. The first is establishing our one-stop shop fast-track approvals regime. As you'll have seen yesterday from the announcements by Minister Jones and myself, we've already had 71 applications for renewable energy projects to be included in the fast-track bill, which is really encouraging.

The second is we're going to make amendments to the RMA to speed up resource consenting. We will legislate to reduce consent and re-consenting times for renewable energy to be within one year, and we will increase the default consent period to 35 years for renewable energy consents. We're also going to extend the default lapse periods for renewable energy transmission and local electricity lines from five years to 10 years.

The third change is to provide stronger national direction for renewable energy by amending the national policy statements on renewable electricity generation and electricity transmission. They will be far more enabling and directive around the fact that the Government wants more renewables and the transmission and distribution to facilitate that. We'll also be developing standards for different types of energy generation and infrastructure to make it simpler across the country and make the consenting pathway easier.

The fourth is a new regime for offshore wind. We'll be introducing a bill to enable a regime for offshore renewable energy to be in place by mid-2025, with the first round of feasibility permits to be opened for application later that year, to give developers greater confidence and certainty to invest.

And, fifthly and finally, we'll be updating the regulatory settings for networks and new connections. That work is under way by the CommComm—Commerce Commission—and the Electricity Authority, and it will ensure that we can cope as an economy with the shift to electrification, including electric vehicle infrastructure. Back to you, PM.

**PM:** Well, look, and thank you both, Ministers. I do appreciate you and also Minister Jones for the way you've worked incredibly hard, I think, to deliver some urgent solutions in

a very short space of time. This is a Government of action, and we are responding to a situation, as I said, that New Zealand should never have seen in the first place. I urge Opposition parties to support what we have announced today. It would be the sensible, common-sense thing to do if they genuinely cared about New Zealand's energy security, a lower emissions future, and hard-working New Zealanders. Voting against the repeal of oil and gas exploration would mean voting against hard-working New Zealanders. Voting against fast-track legislation would mean voting against hard-working New Zealanders, because it is, ultimately, them—particularly those on lower incomes—who bear the brunt of energy insecurity driving higher electricity prices and potential job losses. That's who we are backing with our announcement today.

Just before we open it up to questions, in terms of my movements for the rest of the week, I'm in Wellington tomorrow and then flying to Tonga for the Pacific Islands Forum. Of course, the forum is an opportunity for Pacific leaders to come together and discuss priority issues across the region, ranging from climate change and security and development. And as a region we are working very hard towards a peaceful, secure, and prosperous Pacific, and New Zealand stands ready to support that agenda and advance that with our partners this week. After returning from Tonga on Friday, it's a quick turnaround before heading to Malaysia and Korea on Sunday morning for a series of political and business meetings.

And this week in Parliament, there will be the Estimates debates for the finance and children's portfolios, and we'll also have the third reading of the Local Government (Water Services Preliminary Arrangements) Bill, the Resource Management (Extended Duration of Coastal Permits for Marine Farms) Amendment Bill, and the associated gangs bill plus Sentencing Amendment Bill. Our changes with the gangs legislation are all part of our plan, as you know, to restore law and order, and it's great to see this bill pass its final reading. And, with that, we're happy to take your questions.

**Media:** Prime Minister, in the Pacific Islands Forum today, Winston Peters said that New Zealand's energy crisis means that we could be facing blackouts in the future. Is that a perspective that you share, that we might be looking at blackouts if you didn't make the changes that you made today?

**PM:** Well, that's why we are making the changes. There's a series of short-, medium-, and long-term changes that the team have been working on over the last few weeks. As you will have seen, short-term decisions have meant that electricity prices have come back in recent weeks versus what we were experiencing, say, three or four weeks ago. But what we are putting in place are the conditions to make sure that a country like New Zealand with abundant natural resources shouldn't be in this position. And so the reality is, yes, we do need gas in terms of that firming part to our energy strategy. We obviously need to double the amount of renewables that we have if we're going to meet the demand that we want to see in the economy being built over the next few years. But we're doing everything we can to avoid that, and that's why we're taking this very seriously. Simeon's done a great job of coordinating Ministers to actually work with the sector to make sure what rationing can happen immediately, which is what you've seen over recent weeks with prices coming down. But, importantly, we're there to focus on the medium- and long-term decisions, as both Ministers talked about.

**Media:** So have you received advice to say that without changes there could be blackouts?

**PM:** Well, I think, you know, what you're seeing is industrial organisations, you know, actually going to the wall, and that is incredibly worrying. So, you know, there's no doubt about it; we have an energy security crisis. We're making an intervention about that. We shouldn't be in the position that we are. We now own it, we've got to fix it, and that's what we're doing.

**Media:** How long do you think it will take for the moves that you're announcing today to actually lead to better energy security and lower prices?

**PM:** I'll let Simeon talk to that.

**Hon Simeon Brown:** Well, I think there's a short, medium, and long term. In terms of the short term, what we've seen is Tiwai's reduced its demand, Methanex has shifted its gas temporarily to electricity production, and we've also seen Transpower allow for that contingent resource to be brought forward. All of that's led to lower prices, more stable prices, but they're still too high.

So then you go to the medium term around LNG which is something which we are saying we're going to consent the importation and get rid of all the regulatory barriers there so we can get that in as quickly as possible. Our expectation and working with the gas industry company is the latest. Should be winter 2026, but, ultimately, they'll work with the industry to find if there can be quickest solutions to that. Regardless, the message today is we will remove all regulatory barriers so we can have that in place as quickly as possible.

And then there's the sort of medium to long term, which is around offshore wind. It's the removability of those—it's making it faster to consent new wind farms, solar farms, geothermal. There is a huge amount of investment wanting to come into New Zealand to invest in electricity generation, and we need to enable that so we have an abundant supply and competitive prices so New Zealand households and businesses can succeed here in New Zealand.

**Media:** The review that you're undertaking of the electricity market, will that take the form of a market study, and do you think there is anti-competitive behaviour going on with the gen-tailers?

**Hon Simeon Brown:** No, it won't be a market study. The EA and ComCom will be leading their own piece of work as well, but this will be looking at the market regulatory regime, whether it's delivering competitive affordable prices. I think we all know at the moment, we don't have the affordable prices, but we want to ensure that it is competitive and that we're seeing that investment in New Zealand. And we want to make sure that the regulatory framework can deliver what is required during a time of great change. We have a huge amount of intermittent energy production coming on-stream over the coming years. We need to make sure the regulatory framework is nimble enough to manage that to ensure security of supply.

**Media:** The Crown is the majority shareholder in most of the gen-tailers. Have you considered using your leverage as a shareholder to try and get those companies to moderate prices?

**Hon Simeon Brown:** Well, ultimately, we have a supply shortage; that is actually the issue. So, you know, the Government is not interested in just simply trying to move things around. What we're actually wanting to have is more supply, more generation. That's why we've said very clearly that liquefied natural gas is something that we will ensure can come into New Zealand, and we will remove barriers to make that happen. But, you know, all of those questions that you're raising aren't actually looking at the core issue, which is we do not have enough supply of energy in New Zealand. That is the key issue that we're dealing with.

**Media:** Surely that could be a short-term, you know, answer for some of the serious pressures that other businesses are facing—

**Hon Simeon Brown:** Well, the reality is that we need more generation and we need more supply. Those are the key issues that we're addressing.

**Media:** On the contingent reserve issue, just going off Fran's questions, Meridian and Genesis have said they're not likely to actually use that water to generate electricity. So here you've got really high power prices, you've got Transpower saying, "Here, use this water to generate power", and you've got Meridian and Genesis saying, basically, "No". So should they be using that storage to generate power to bring down prices?

**Hon Simeon Brown:** Well, yes, but also, if you look at Meridian's submission, they've raised a range of regulatory barriers around, actually, the use of it and then being able to replace it, as required. And so that's why we've said we'll be reviewing those regulatory barriers and, if need be, we'll be using legislation to make amendments to ensure Transpower has the tool,

particularly going into winter 2025, so that we can actually ensure that that contingent resource is used to keep prices down.

**PM:** Thomas. Go to Thomas, guys, and then we'll come—sorry, we've just got an order here. We'll go to Thomas, and I'll come to you, Maiki.

**Media:** The Government has enjoyed half a billion dollars of dividend payments from the gen-tailers for the last financial year. Is the Government ready to absorb a loss, I guess, or reduce the amount of dividend that it receives should the gen-tailers be required under the new regulation to invest more in renewable generation and, therefore, pay a lower dividend?

**PM:** Well, what I'd say is, look, the sector—and when we say “chilling effect”, it has had a chilling effect. I mean, there was talk of Lake Onslow sitting there at \$16 billion, delivery in 2038—that stops people from wanting to invest in actual, proper infrastructure in renewables as a consequence. When we had uncertainty around Tīwai, that was another issue that was sitting in the market place—

**Media:** But the issue is: can the Crown—can you afford it? As the Government, can you afford that hit to your books of losing half a billion dollars' worth of savings?

**PM:** Well, what I'd say to you is we're focused, first and primarily, on making sure that we get these energy companies to actually invest, which—they want to invest. They've now got certainty by virtue of the settings that we can create, the operating system that we put in place in the sector, and we expect them to invest, and I know a lot of them do want to invest, very strongly.

**Media:** Do you wish that they had invested, instead of paying out those dividends to the Crown?

**PM:** Ah, look, again, you know, the reality is we didn't need to be here if we hadn't banned oil and gas in the candid way that the previous administration did. It's a bumper sticker, Post-it note, “didn't think through the second and third order” consequences, and now we pay the price for that. So thank you, Labour, for that.

Right—Maiki.

**Media:** When do you think those regulatory barriers will be addressed in order to access that reserved water?

**Hon Simeon Brown:** We've said ahead of winter 2025—that is critically important to have that in place. Obviously, Transpower already has some tools. We're going to be reviewing those tools and have legislation passed before winter 2025 around LNG and also in regards to those regulatory barriers. So we understand there's a need to address this issue, because this winter has been tough, but there are serious concerns about next winter, as well.

**Media:** Why is taking so long to get that done—why is it taking like a year in order to sort out those regulations? And then the second question is just on benefits. In terms of when people will see their power bills come down—is it winter 2025 or winter 2026, like you mentioned earlier?

**Hon Simeon Brown:** Well, I think, as I said earlier, these are short, medium, and long term, so the short term is around the three things I mentioned earlier: Tīwai reducing demand, Methanex providing its gas so there's more—you know, we have a 450 megawatts of gas peaker plant not able to operate because there wasn't enough gas a few weeks ago, and the contingent resource. In terms of the medium term, that's about making sure LNG can enter into the market. That's making sure that accessing that contingent resource is more efficient and, when Transpower makes it available, those generators actually use it, and there are a range of regulatory—if you read Meridian's submission, where they talk about—and I think Chris Bishop mentioned it earlier. The increased number of permits and conditions attached to using it make it, actually, really complicated. So we need to cut through that red tape so we can actually make it able to be used. And then, finally, it's actually those long-term, getting rid of the consenting barriers so we can actually have more generation created.

**Media:** Sure, but for someone sitting at home who's listened to that complicated answer—they just want to know when they can expect cheaper energy prices. So what is the answer to that?

**Hon Simeon Brown:** Well, the answer to that is that these changes are short, medium, and long term; that we are acting on all three of those elements. The reality for the vast majority of consumers is that through their retailers, their retailers have hedged, and that their power prices for their power—their individual power prices—are mostly protected. It is mostly industrials who are at risk to the wholesale spot price, so the message to consumers at home is your retailers, for the most part, are well-hedged, but we need to make all of these changes—short, medium, and long term—to protect their interest so that we are not putting their power bill at risk over the long term.

**PM:** Sorry—go to Luke. Go to Luke.

**Media:** On LNG, you mentioned you're going to get rid of the regulatory barriers. Obviously, given the uncertainty of the last few years, you know, the longer power companies—the people who might invest in any sort of gas plant are a bit reluctant to put their hand in their pocket. From the industry, what appetite have you heard about people wanting to invest in an LNG-import terminal, or what moves might the Government have to make in order to help that happen—like some sort of underwriting or something?

**Hon Simeon Brown:** Well, there's strong interest from the sector about investing in LNG. The gas industry company is also working to coordinate all aspects, whether that's the investors plus also the gen-tailers, to make sure that that investment can happen. So they're playing a critically important role around coordinating all parts of the sector and then identifying all of those regulatory barriers, as we've committed today, that we will be removing.

The key issue that is raised is around sovereign risk, and that is because the Labour Party and the decision they made back in 2019 put New Zealand's sovereign risk around electricity generation at risk. And my message to Labour is: back these changes so we can have a secure, affordable, and reliable energy system going to the future.

**Media:** But as Minister, are you prepared to take steps in order to mitigate some of that sovereign risk if you need to?

**Hon Simeon Brown:** We are seeking advice around the options required to mitigate sovereign risk.

**Media:** What are those options?

**Hon Simeon Brown:** Well, there will be a number of options in regards to what's—probably we're not providing subsidies. That is ruled out, but we are looking at a range of things which could be done to ensure that they can invest in New Zealand. But long-term contracts are critically important in this regard. That is what is required, and that's why the Gas Industry Company's playing a role to coordinate long-term contracts to get that in place as quickly as possible.

**Media:** I can't remember if it was you, Prime Minister, or you, Minister, who used the word "rationing"—that we're having to ration electricity at the moment. New Zealand's a first-world country. Is that acceptable?

**PM:** Well, no, it's not acceptable. That's what we're saying—is this is a consequence. When you have a system that's 87 percent renewables and we have a dry year, the wind's not blowing, and the sun's not shining, we end up at a situation where we need a gas supply, and we're going to need that for decades. And we've said that from the beginning. That's why we opposed in Opposition. We articulated that very, very well, and, lo and behold, we're not feeling the consequences of that.

We need a foundation of gas supply in this country to make sure it all works. So that's not the position we want to be in. It has been good, over the last three weeks, as I said, that Simeon's worked his way through those three issues to make sure that we can get Methanex,

we get Tiwai sorted, and, obviously, lake regulations as well in place. So that helps us in the short term, but, again, what we're trying to find is the right medium- to long-term solution so we don't have a repeat of this each and every year going forward.

And it's a fundamental shift to say, "Look,"—and we've been saying it for ever, for the last few years—"you cannot have a goal that you're going to have a 100 percent renewable electricity system in New Zealand and no role for gas." We need gas. There's no doubt about it. When you see, you know, a 268 percent increase, or whatever it was, in coal importation into this country. That's insane. It's absolutely insane.

**Media:** Just on oil and gas. we did see that the UN Secretary-General, who was here on Friday, said that the oil and gas that will be discovered now will never be used, and made similar comments when he was in the Pacific Island Forum today. (a) Do you think that this is, essentially, an attack on what your Government is doing; and (b) do you agree with the comments?

**PM:** Look, no, he never raised that with me when I met with him on Saturday.

**Media:** He said it, though. I'm just asking you—

**PM:** And I have real sympathy for his remarks. But that was directed at countries around the world that are not running at 87 percent renewables today. And, as I've well articulated, we are going to need gas. We will have gas for decades to come because we need it to make sure our system is safe and secure.

**Media:** But he was asked about it directly. He was asked about the Government's overturning of the oil and gas exploration ban—

**PM:** Sorry, the New Zealand Government's?

**Media:** Yes.

**PM:** Yes—and what was the answer because I didn't—I read journalists' interpretation of his generic remarks on G20 countries.

**Media:** Well, he said the oil and gas that will be discovered now will never be used.

**PM:** In New Zealand?

**Media:** That's the end of the quote.

**PM:** Yes, well, I was just saying that was a general comment to many countries around the world. Remember, we're probably in the top five with respect to our renewable energy mix today. Many of the countries in South-east Asia are running at 20 percent—maybe 40 percent is a good number. So there's a lot of options for those countries to move to a higher mix of renewables, which they should be doing and should be embracing, and we encourage that, for sure. That's what we're doing with our own aid money in the Pacific—is putting it into renewable energy projects, you know, as you would have seen in Niue and other places. So, you know, from our point of view, let's be clear, though, we need gas, and whether we do it locally or whether we import it in, we need a consistency of supply and—and—we also need to double the amount of renewable electricity we've got in this country, which is what we're working on.

**Media:** Very quickly, Simeon Brown, with your Minister of Transport hat on, have you received any briefings about the accident that we've seen occur in South Auckland today on State Highway 1?

**Hon Simeon Brown:** Yes, I have received a number of notifications through NZTA. Obviously, it's a very tragic incident. There's been a number of fatalities, but, obviously, there's an investigation and a closure in place.

**Media:** Will anything that you've announced today make any difference for those pulp mills and factories that have closed because of that energy—

**PM:** Yeah. Look, I mean, it's incredibly frustrating and sad. You're seeing big industrial players that actually have good jobs in regional New Zealand having to close because they can't get energy, you know, supply. What we're doing here is trying to make sure that their—and their problem is energy supply. That's what they desperately need to get hold of, and that's what we're trying to do here. It's a supply-side problem that we actually are dealing with here.

**Media:** So is any of this going to make any difference to them now, in the short term?

**PM:** Well, I mean, we are working very, very hard to make sure that we can do the process we've talked about in the last weeks and making sure energy's available where it can be, but the reality is it's incredibly challenging. Our job is to make sure we increase supply as quickly as we possibly can so that those jobs can actually stay in place, all those places can reopen, if possible.

**Media:** Shane Jones called for the Electricity Authority to man up, and kind of forced them to do it. So what you just gave us sounded like an extended—

**PM:** I'll let Simeon talk to the Electricity Authority.

**Media:** —no, it won't make any difference to those companies.

**Hon Simeon Brown:** Well, I mean, ultimately, we've been very clear with the Electricity Authority: their job is around competitive markets, affordable supply, and secure supply. That's their role, and we've been making sure that that is their core focus. In terms of the future there, obviously there's some vacancies coming up in October. We've asked for advice around the appropriate mix and skills required to be able to address the current serious circumstances that are needed.

**Media:** How would you rate the Electricity Authority's performance on those metrics that you just gave us?

**Hon Simeon Brown:** Ah, well, I'd say under the last Government, they were focused on supporting the Government's priorities of meeting climate change obligations rather than a secure, affordable, reliable supply of electricity. That's our priority for this Government, and that's why we're asking for advice around what's required around that board table.

**PM:** OK, could I go to Jo and then Claudia and then go to Richard.

**Media:** Simeon, can I just clarify, sorry—in terms of the oil and gas ban, is what we are seeing now being impacted by those decisions, or would we not see it until the future? What have your officials told you in regards to the timing around that?

**Hon Simeon Brown:** Well, we've been advised that since that ban was put in place, the amount of investment has rapidly reduced in terms of exploration activities in New Zealand. And that has had a significant impact. And so, ultimately, you know, if you look at the Climate Change Commission's own pathway for gas out to 2050, they are expecting a significant amount more gas being produced and used than what is currently being produced. And so that puts us in a position where we'll need more gas. We need it either to be produced from indigenous sources, or we need to import it. What we're saying is we're going to do both.

**PM:** Sorry, I'll just finish off with Jo's question and then we'll come to—

**Media:** I just have one other thing too after this. So it's not about the fact that we don't have it at the moment; it's the fact that there hasn't been the investment put in at—

**PM:** Correct, that's what we mean by the chilling effect.

**Media:** OK, so it's not about the sort of mineral; it's about the fact that there wasn't investment put into infrastructure—

**PM:** If you were an investor in gas exploration in New Zealand and in 2018 you got told it's going to come to an end and you had 195 other countries in the world where you could potentially invest, would you choose to invest in New Zealand? That's been a problem.



**Hon Simeon Brown:** And a lot of those permits have actually been given back. That shows the investment has fled the country.

**Media:** Yeah. Can I also just ask as well about the market review—the review? What's the difference between the review that you're planning to do and a market study, and what do you expect the reaction to be from the sector and from consumers as well? Would you have a greater ability to home in on what is actually going wrong if you did it as a full-blown market study versus a review? There was obviously, in 2019, a review done. Did we learn anything from that? And what is the point of the review? What are you trying to get out of it?

**Hon Simeon Brown:** Well, we need to ensure the market settings are set so that we can have affordable, competitive, and secure markets during a time of significant change. That is critically important. That is what the purpose of that review will be. In terms of a market study, I mean, there is work under way that EA and ComCom are doing work around making sure they are maximising use of their existing levers. They're going to have more to say about that in coming days as well. But, ultimately, this is about, actually: are the levers right and flexible enough to be able to deal with the challenges that we are facing as a country?

**Media:** Because people often criticise the fact that there have been a number of reviews done by the previous Government. I mean, presumably a reasonable amount of information was gathered in 2019, what has been learnt from that exercise, and why are we doing it again?

**Hon Simeon Brown:** Well, ultimately, we have an energy shortage, and we have some of the highest prices in the world. And I think New Zealanders expect the Government to make sure that the regulations are keeping pace and are adequate to deal with the challenges that we're dealing with.

**Media:** But you have also said that there isn't price gouging, which Shane Jones has been saying. So what exactly are you trying to find out?

**Hon Simeon Brown:** Well, I haven't said there hasn't been price gouging. What I've said is the EA and the ComCom have a role to play to ensure there isn't, by making sure there is more readily available information, which is what they're doing.

**Media:** Prime Minister, the Waitangi Tribunal, the urgent meeting, inquiry, into MACA—some of the claimants have described the Crown as being duplicitous, disingenuous, dishonest, and unfair. What are your comments—what is your response to those claims?

**PM:** I disagree completely. All we're doing is reversing the decision back to what it was in 2011 when the Parliament passed a piece of legislation around it, balancing the interests of recognising, you know, legal entitlement through customary rights of Māori but also protecting legitimate interests of all New Zealanders. As you know, the courts took that on, and they ended up lowering the threshold. That was not the intention of Parliament. I'm proud of that 2011 piece of legislation, introduced by a National-led Government, and all we're doing is just bringing it back to that position.

**Media:** What do you say to those claimants who are still in court, who haven't had their decisions, some as far back as 2021, who will then have to relitigate because of this decision?

**PM:** Well, there are many that actually have put applications in and are in varying stages through the process. From memory, there was quite a small number that actually had their hearings and then awaiting a decision. That's probably the toughest group—that they have to go back through the process. Everyone else actually may not have even had a hearing, frankly. They might have put the application in, haven't had a hearing, haven't had a decision. So, look, that's the way we're doing it, and it's the most efficient, best way to do it. Everybody goes back to prove that you've had customary title since 1840—the threshold that was established back in 2011.

**Media:** So that means more litigation, then? You are expecting more litigation because they've identified that there are breaches—

**PM:** Well, just be clear—many have put applications in, but they haven't put—

**Media:** —and there is also tested in law as a breach of fair and just law.

**PM:** I'm sorry; I don't know what your question is. You've read a statement.

**Media:** You were saying you're welcoming more litigation from these claims.

**PM:** No. We're saying we've got a new—we're just resetting the law back to what it was in 2011, to what Parliament intended. We're making sure that that threshold that was set here in Parliament to balance the interests of Māori and all New Zealanders. That's all we're doing, and we're very proud about that. The courts took that legislation on, and, as you know, interpreted it with a lower threshold. All we're doing is bringing it back, and I think that's the right balance to have.

**Media:** Will these various market reviews consider the possibility of separating the retail and generating functions of the gen-tailers?

**Hon Simeon Brown??:** I think the key issue is we have a supply shortage. That is the focus. We want to make sure we have a competitive market, that we have affordable prices, and we've got a secure supply of energy. That's the key thing. There's a lot of commentary on these issues, but, critically, that is the most important element of what we're doing.

**Media:** But companies like Octopus, for example, are saying that they won't invest or can't invest in generation in New Zealand, because they can't get access to the market.

**Hon Simeon Brown:** And there's some key issues around ensuring that small retailers and also industrials are able to access the hedge market, which has become a major issue. That is something that we expect will be dealt with as part of that.

**Media:** Prime Minister, was it appropriate for Paul Goldsmith to tell seafood industry reps that changes to the MACA law should reduce the amount of coastline Māori are granted under customary marine title?

**PM:** Well, again, I wasn't at that—I'm not aware of his comments or what he said precisely. But what I just say to you is our intention on MACA's pretty straightforward. I don't know how to articulate it any clearer. We're just moving it back to the 2011 legislation.

**Media:** I guess the issue is that under the OIA, 1News has revealed that Paul Goldsmith met with seafood representatives and he told them that law change was coming that would reduce the amount of coastline that Māori would have to 5 percent. Was that appropriate for him to make those comments to seafood reps?

**PM:** Well, what is appropriate is what we're doing, which is resetting the legislation back to 2011. That is the focus of our Government. We've been very transparent about it from the beginning—from the coalition formation. That's what we're doing.

**Media:** Was it appropriate for the Minister to meet with seafood reps and to make those comments ahead of the law change even being announced, Prime Minister?

**PM:** Well, again, I'm not going to go into that particular meeting. I don't have the detail with me around that, but what I can say to you very clearly is the MACA legislation—it's important to get the balance right. And the balance was right when it was passed in 2011. The courts interpreted it and lowered the threshold. And all we're doing is returning it to the original state that it was. Right, last question.

**Media:** With regard to importing LNG, is that an interim measure pending the discovery of more gas here or is that, like, indefinitely into the future?

**Hon Simeon Brown:** Ultimately, we're about ensuring the market can invest in the importation facilities and be able to import into the country. The period of time—we're not drawing any conclusions on that. Ultimately, we need the gas to be able to firm intermittent electricity renewable sources, such as wind, solar, and hydro. That's the critical feature here, and if we can't find it domestically, indigenously, we will import it.

**PM:** We should be agnostic about the supply of it. Whether it's developed locally here, or whether it's imported in, we just want supply, supply, supply.

**Hon Simeon Brown:** And the shame at the moment is we're importing coal.

**Media:** A very quick question on that: did you have someone lined up to build that terminal? You're going to pass a law to consent it, but do you have someone lined up?

**Hon Simeon Brown:** The Gas Industry Company is coordinating. They are coordinating all market participants in that regard.

**Media:** Your trip to Tonga, Prime Minister—can we just talk about [*Inaudible*] please? What exactly are your top priorities for this trip? Are you expecting to make funding announcements? Can you give an overview of that trip?

**PM:** Yeah, look, it's a series of bilaterals that I'll have over the course of the three days as well. Obviously, there's a collective piece around the leaders' retreat—a plenary session—but also then the leaders having time to themselves to talk about some issues. I think predominantly New Caledonia will be sort of a key issue for leaders to be talking about, particularly at the end of the week. But there are other issues, around banking, around climate change, around regional security—those kinds of topics—that will be—you know, we'll talk about transnational crime and drugs—will be, I imagine, a topic of conversation that I want to pick up, particularly, in Tonga as well.

**Media:** We've spoken to an academic who talks about climate change being the true existential threat to New Zealand and the Pacific. Is that something you agree with?

**PM:** Yeah, I do—yeah, I do. OK, thanks, team.

**Media:** Lydia Ko—real quick—shall we make her a dame?

**PM:** Well, I reckon she's a pretty good candidate, without saying so, but I think she's amazing. I don't know whether you've actually studied Lydia Ko's record, but, like, she has been the youngest person to hit so many milestones in that game of golf, and she's done it all, but, man, she's a—whether she's a dame or not, she's true dead-set legend Kiwi. So well done. Last question.

**Media:** Today there was a fairly significant court ruling at the Court of Appeal involving Uber and Uber drivers. ACT campaigned on preventing people from taking their employers to court to challenge their employment status, because, you know, they want to create certainty around who's a contractor and who's an employee. Are you open to preventing people from going to the Employment Court to challenge their employment status?

**PM:** Yeah, look, I'm not going to say too much about the case, because, obviously, there'll be running court issues about this. It's inappropriate that I do so. But let's be clear: a lot of New Zealanders have contracting arrangements with respect to their work, and the Minister Brooke van Velden is actually working hard to make sure that that's clearer, and that's as much as I'm going to say on that. OK. Thanks, team.

**Media:** Sorry, the coalition agreement is quite unclear around that. Will you stop people from taking their issue—

**PM:** All I'm saying to is we're very clear—contracting, we know, is an issue, with a lot of New Zealanders having those arrangements with their work, and we'll make sure that the Minister is working hard to make sure it's even clearer. OK. Thanks, team.

### conclusion of press conference