

**SE** Press Release  
**HD** Questions and Answers - December 9  
**BY** Office of the Clerk  
**WC** 7,025 words  
**PD** 9 December 2014  
**ET** 14:52  
**SN** Scoop.co.nz  
**SC** SCCONZ  
**LA** English  
**CY** Copyright 2014, scoop.co.nz All Rights Reserved.  
**LP**

#### QUESTIONS TO MINISTERS

Financial Systems—Stability 1. JONO NAYLOR (National) to the Minister of Finance: What reports has he received about the stability of New Zealand's financial system?

**TD**

Hon BILL ENGLISH (Minister of Finance): The Reserve Bank recently issued its 6-monthly Financial Stability Report, which I am sure all members have read. It concluded that New Zealand's financial system remains sound according to a range of measures. The banking system is well capitalised, funding and liquidity buffers are above required minimum levels, and non-performing loans continue to fall, which is good news because it means fewer businesses and people are defaulting on their loans. The Reserve Bank stress tests of all the major banks' portfolios over the past 6 months demonstrated that each bank has the capacity to manage a range of significant events.

Jono Naylor: According to the Reserve Bank, what are some of the ongoing risks and challenges facing New Zealand's financial system?

Hon BILL ENGLISH: The Reserve Bank talked about four ongoing risks: imbalances in the housing market, which is really about the constraints on supply that are putting pressure on prices; high levels of indebtedness in the dairy sector, which has seen significant falls in global prices; the potential effects of a slow-down in the Chinese economy; and the banking sector's continued, although lesser, reliance on offshore funding. The bank says that these are the same risks it noted 6 months earlier, but that it regards the financial system as sufficiently sound to be resilient to the realisation of these risks.

Jono Naylor: What did the Reserve Bank say in its Financial Stability Report about the international economic environment and its possible impact on New Zealand?

Hon BILL ENGLISH: Part of the Reserve Bank's job is to assess the risks in the global economic environment. It noted that growth is firming in the US, prompting a gradual removal of monetary policy stimulus and, possibly, rising interest rates there. However, monetary policy is seen remaining accommodating in Europe and Japan, both of which face weak outlooks for growth, if not recession, and it notes that in China a slowing housing market and tighter credit conditions have moderated growth. Overall, the global outlook is somewhat mixed, but our banking system and financial system are in good shape to handle any negative impacts from these risks.

Jono Naylor: What other reports has he received regarding the better management of the financial system, and what impact will they have on New Zealand? (uncorrected transcript—subject to correction and further editing)

Hon BILL ENGLISH: Over the weekend the Australian Financial System Inquiry reported. It made a number of recommendations to reduce financial system risk. For instance, it recommended that the four big Australian banks—all of which have subsidiaries in New Zealand—improve their capital ratios as a way of improving the resilience of these banks. It is worth noting that the capital requirements for New Zealand banks are already at, or above, the levels recommended by the Australian Financial System Inquiry. Our requirements are relatively conservative when compared with banks from other countries. That means that

steps that may be taken by the Australian Government to strengthen its banking system further will help to reinforce the strength of the New Zealand banking system.

Rt Hon Winston Peters: Is it not a fact that Mr English, the Minister of Finance, has been holding out that the surplus is imminent for years, but in reality all he has ever done as the Minister of Finance is deliver deficit after deficit?

Hon BILL ENGLISH: As is often the case with Opposition parties, they want you to get to surplus very quickly without cutting expenditure or putting up revenue. The Government has taken a very reasonable approach. Yes, we have had 6 years of deficits, including financing a recession and the Christchurch earthquake recovery. But if the member can just be patient, we will get to surplus.

Rt Hon Winston Peters: Will he, as the Minister of Finance, tell the New Zealand public the complete and unadulterated truth about the state of our public finances [Interruption]—I know it is laughing matter to them—as a country, instead of using the "off again, on again, off again, on again" deficit as a way of detracting from the truth?

Hon BILL ENGLISH: Yes, on 16 December, at I think about 1.00 p.m. The member should look out for it.

Rt Hon Winston Peters: Is it his intention to draw the attention of the public to the "on again, off again, on again, off again" deficit and away from the scary numbers like, for example, the \$150 billion of liability that we owe the rest of the world, or the really serious figure: Government debt is up to \$65 billion, which is over six times higher than the amount he inherited as Minister of Finance?

Hon BILL ENGLISH: Unlike that member, I do not underestimate the New Zealand public. I think the New Zealand public has a very good understanding of the challenges that the Government has faced in managing its books. In fact, it has been remarkably resilient, tolerant, and forward-looking in supporting the policies of this Government that are enabling us to get back to surplus.

Economy—Treasury Forecasts 2. Dr RUSSEL NORMAN (Co-Leader - Green) to the Minister of Finance: Does he have confidence in Treasury's economic projections?

Hon BILL ENGLISH (Minister of Finance): Yes. However, I note that all projections are subject to uncertainty and, in some cases, considerable uncertainty—for instance, the Greens' projections about the very large vote that they would get in the 2014 election—

Mr SPEAKER: Order!

Dr Russel Norman: Does he accept Treasury's projection in its briefing to the incoming Minister released just last month that continued failure to reduce New Zealand's greenhouse gas emissions could result in a bill to the Government of up to \$52 billion?

Hon BILL ENGLISH: No, because that was not Treasury's projection.

Dr Russel Norman: Does he understand that Treasury is advising him in this briefing to the incoming Minister that the Government will have to buy up to \$52 billion in carbon credits on the international carbon market to cover the projected increase in New Zealand's greenhouse gas emissions if he continues down the current path?

Hon BILL ENGLISH: No, I do not accept that. The projection the member is using is not Treasury's projection. All matters related to climate change are subject to considerable uncertainty. (uncorrected transcript—subject to correction and further editing) For instance, 3 years ago Treasury projected we would be collecting around \$1 billion in revenue from the emissions trading system, and I think this year we are going to collect pretty much nothing. So it was at least \$1 billion out just over that 3-year period—the main reason being that the world carbon price has come way down because emissions have dropped much faster than Treasury expected.

Dr Russel Norman: Does he think Treasury got it wrong in the briefing to the incoming Minister released just 1 month ago when it told him that if we continue down our current path, there is a huge cost to pay by the taxpayer if we do not reduce our greenhouse gas emissions?

Hon BILL ENGLISH: It is implicit in an emissions trading system that if the carbon price rises, that puts a further impost on households and businesses. That is why we have an emissions trading system—precisely to send that kind of price signal, but exactly what that price is going to be is a subject of great uncertainty. As I said, no one really predicted as recently as 3 years ago that the current carbon price would be close to zero.

Dr Russel Norman: Does the Minister not understand that in Treasury's briefing paper on page 8, where it is referring to the forecast price for carbon prices, it is not referring to the domestic price; it is referring to the international price, because New Zealand will be 315 **million** tons over its target and it will have to **buy** carbon credits on the international market to cover 315 **million** tonnes, and if the price is \$10 a tonne it is over \$3 **billion**?

Hon BILL ENGLISH: No, I do not agree with that because there are a whole lot of assumptions involved in it. If the Greens are worried about us getting into a hole, then I think the leader of the Greens should follow his members' advice from the beach campaign in Timaru, where his members went down to the beach and one of them said: "I put a plastic bag in the hole so I did not get sand in my ears." That might be very useful advice for him.

Dr Russel Norman: Instead of making jokes—[Interruption]

Mr SPEAKER: Order! The member has a right—[Interruption] Order! The member has a right to ask his question.

Dr Russel Norman: Has he seen this graph from the Ministry for the Environment, his own Government graph, in which the blue line is going up because the blue line—

Hon Members: Yay!

Dr Russel Norman: It is our greenhouse emissions, you idiots—

Mr SPEAKER: Order! Order! As I have just risen to my feet earlier and said, the member has a right to ask his question and he certainly has a right to use a visual aid if that is helpful to him in asking that question. I want less interjection from my right-hand side. I invite the member to repeat his question.

Dr Russel Norman: Has the Minister seen this Ministry for the Environment graph that shows New Zealand's projected emissions going up—the blue line, that is right—and big increases in New Zealand's greenhouse emissions under this Government's policies; the green line, of course, being our target to reduce our emissions, and the gap between the two will have to be covered by buying carbon credits on the international market, a cost that his own Treasury says will be up to \$52 **billion** on the taxpayer?

Hon BILL ENGLISH: Yes, I have seen the graph. The Government is fully aware of the implications of the emissions trading system. However, we are not as certain as the member is about the projections, as indicated by the ways extrapolated—the costs mentioned by Treasury. New Zealand has a pretty enviable track record in high levels of renewable energy and investing in technology to reduce agricultural emissions, and we remain pretty optimistic that we will continue with the relative success we have had in recent years with our contribution to reducing climate change.

Dr Russel Norman: Does he think it is responsible economic management to expose the New Zealand Government to a carbon bill of up to \$52 **billion** for the period 2021 to 2030, as Treasury is (uncorrected transcript—subject to correction and further editing) projecting, and does he believe it is responsible environmental management to increase New Zealand's net greenhouse gas emissions by 50 percent over the next decade?

Mr SPEAKER: The Hon Bill English can answer either of those two supplementary questions.

Hon BILL ENGLISH: I just do not agree with the assertions that the member has made. Certainly, as a responsible Government we would not want to expose New Zealanders to such large-scale liabilities if we believed that was the case, and we do not.

State Services Commissioner—Management of Harassment Complaint 3. ANDREW LITTLE (Leader of the Opposition) to the Prime Minister: Does he stand by his statement that Iain Rennie made a "serious miscalculation" over the handling of a sexual harassment complaint against former Canterbury Earthquake Recovery Authority boss Roger Sutton?

Rt Hon JOHN KEY (Prime Minister): Yes.

Andrew Little: Was it a serious miscalculation for Iain Rennie to hold a joint press conference with Roger Sutton, after receiving advice against it from his own communications staff?

Rt Hon JOHN KEY: In my opinion, yes.

Andrew Little: Does he accept that the head of his own Department of the Prime Minister and Cabinet made a serious miscalculation by appearing at the joint press conference and embracing Roger Sutton at the end?

Rt Hon JOHN KEY: I do, although that should not be taken as a marriage proposal.

Andrew Little: Does he accept that the behaviour of Iain Rennie and Andrew Kibblewhite indicates an "I'll scratch your back if you'll scratch mine" culture of unaccountability at the top of the Public Service?

Rt Hon JOHN KEY: I do not. I think that is what the unions were doing when they voted that member in.

Andrew Little: Is it a serious miscalculation that his own Department of the Prime Minister and Cabinet has just 15 percent women in top roles, even though women make up half of the staff employed in that department?

Rt Hon JOHN KEY: My understanding is that those numbers, on the advice I have had from the chief executive, will be improving. One of the issues for the Department of the Prime Minister and Cabinet is that it includes Government House within its staff numbers, and that has some impact on skewing quite a lot of the data that it records.

Andrew Little: Why is he doing nothing at all about the serious miscalculations that Iain Rennie and the head of his own department made in mishandling the Roger Sutton case?

Rt Hon JOHN KEY: I do not think it could be characterised as doing nothing, but the State Services Commissioner has statutory independence and that needs to be preserved. I have made it clear, both publicly and, in the case of Mr Kibblewhite, privately—

Hon Annette King: You've made it a joke. You've turned it into a joke.

Rt Hon JOHN KEY: —you are a joke—that I am disappointed in their behaviour.

Andrew Little: Why does he still have confidence in Iain Rennie?

Rt Hon JOHN KEY: Because Iain Rennie has been around the State services and the State sector for nearly 30 years. Over that period of time of 30 years he has, I think, conducted his leadership roles very successfully. He was appointed under a Labour Government and reappointed under a National Government, and although he would accept that he made a mistake in terms of the joint press conference, I think it is fair to say that for the most part the rest of his performance has been good. (uncorrected transcript—subject to correction and further editing)

Investing in Educational Success Programme—Progress 4. JOANNE HAYES (National) to the Minister of Education: What recent announcements has she made about progress in the Government's \$359 million Investing in Educational Success initiative?

Hon HEKIA PARATA (Minister of Education): Yesterday I was delighted to announce that I have approved the first communities of schools as part of Investing in Educational Success. Eleven communities will begin from term 1 of next year, covering nearly 38,000 students from primary through to intermediate and on into secondary schools. Schools will be working together in a way that has not been seen before to lift the achievement of their students. This is a big win for our kids.

Joanne Hayes: How will these communities of schools help lift educational achievement?

Hon HEKIA PARATA: These communities of schools will have agreed and shared achievement goals, and will be sharing and collaborating around expertise and best practice in leadership and teaching. The communities also form clear pathways for kids as they transition through their education from day one through to senior schooling. Boards of trustees, principals, teachers, and parents around the country see the real potential this has for their children, and we are backing them to win.

Chris Hipkins: If she is satisfied that the Investing in Educational Success initiative is gaining the support it needs to succeed, why is the Ministry of Education spending taxpayer funding on an online advertising campaign to promote it, including on the Whale Oil website?

Hon HEKIA PARATA: It is a very positive policy, and we want to ensure that every community across the country is aware of the opportunity to participate.

Chris Hipkins: I seek leave to table the screenshot of the Ministry of Education's advertisement on the Whale Oil website. [Interruption]

Mr SPEAKER: Order! The member will resume his seat. If it is as freely available as the member has alleged in his supplementary question, then any member can go and grab it.

Chris Hipkins: I raise a point of order, Mr Speaker.

Mr SPEAKER: Is the member questioning the decision I have just—

Chris Hipkins: No, I am going to explain, as a matter of clarification.

Mr SPEAKER: I will hear from the member on this occasion.

Chris Hipkins: Website advertising is dynamic advertising. It means that if one person accesses the website, they might not get the same advertisement that somebody else gets, which is why we use screenshots to demonstrate that an advertisement has actually run.

Mr SPEAKER: I think it is a very thin line the member is arguing, but in a Christmas gesture I will put the leave and it will be over to the House to decide. Leave is sought to table this particular screenshot. Is there any objection to it being tabled? There is.

Prime Minister—Statements 5. JULIE ANNE GENTER (Green) to the Prime Minister: Does he stand by all his statements?

Rt Hon JOHN KEY (Prime Minister): Yes.

Julie Anne Genter: If he stands by his statement "The Government's direction on transport in Auckland is clear—we want to accelerate vitally needed projects and get on with the job.", will he commit to funding to start the City Rail Link next year?

Rt Hon JOHN KEY: No.

JULIE ANNE GENTER: If he will not commit funding to start the City Rail Link, why not?

Rt Hon JOHN KEY: We brought forward the construction of the central **business** district rail link by a decade. I might note that the Auckland City Council is going through the process of actually wanting to delay its overambitious start date of 2016 to 2018-19. The Government set clear conditions under which it would look at an accelerated start earlier than 2020 and those conditions have not been met. (uncorrected transcript—subject to correction and further editing)

Julie Anne Genter: I seek leave to table the patronage statistics, which show that rail patronage is on track to reach 20 **million** trips by—

Mr SPEAKER: The source of the document please.

Julie Anne Genter: It is Auckland Transport. It is in the **board's** agenda.

Mr SPEAKER: On the basis that it is not freely available to members I will put the leave. [Interruption] Order! The member has every right to deny leave if he wants rather than interject when I am speaking. Leave is sought to table those particular statistics. Is there any objection? There is.

Julie Anne Genter: Is he telling Aucklanders, who are already standing on packed peak-hour trains, that the rail link is not needed urgently when the city cannot put on any more trains until the rail link is built?

Rt Hon JOHN KEY: The Government has spent about \$1.7 **billion** on rail infrastructure in recent years. It has committed to everything from double-tracking, to electrification, and to new rolling stock, and it is committed to a 2020 start date on the central **business** district rail link. At the same time we are spending about a **billion** dollars a year, I think, in Auckland on roading and other motorway networks. I think the Government is investing very heavily in Auckland. If the member wants to continue to hold up pictures of trains that indicate people who are off to a National Party conference when we held it recently, I can only congratulate her on doing that.

Government Financial Position—Return to Surplus 6. GRANT ROBERTSON (Labour - Wellington Central) to the Minister of Finance: Does he stand by his statement that he is not going to do "anything sort of random and unpredictable with government spending" in order to get to surplus in 2014/15?

Hon BILL ENGLISH (Minister of Finance): Yes. In particular I stand by my full statement, which was: "we believe the strength of the economy and constrained government spending can deliver a surplus when the final accounts are published late next year. The Government has a track record of sticking to our spending plans to protect the most vulnerable and to provide certainty for public services. We won't be changing that approach."

Grant Robertson: If he is not on track to make surplus in 6 months' time, what will he do that is not random and unpredictable to fulfil his promise to post a meaningful surplus in 2014/15?

Hon BILL ENGLISH: The member will just have to wait and see how much on or off track we currently are. But I can reassure the member that if a forecast, for instance, showed that we might not reach a surplus, we are not going to overreact to that forecast and do what he would like us to do, which is go around cutting services to people who really need them.

Grant Robertson: Is it random and unpredictable to hike up ACC premiums simply to achieve a surplus on paper, and will he rule out doing that again, as he did in Budget 2014?

Hon BILL ENGLISH: Actually, ACC levies have dropped. I think that in the next 12 months we will collect about a **billion** dollars less than 3 or 4 years ago. Every New Zealand **business** and taxpayer benefits from that, and given the progress we are making both with ACC and the Government books, there is potential for further reductions over the next 2 or 3 years. We look forward to the opportunity to deliver those.

Grant Robertson: Is it random and unpredictable to include in the Budget an unprecedented loan for a major transport project simply in order to give the impression of a surplus in the Government's books, and will he rule out doing that again, as he did in Budget 2014?

Hon BILL ENGLISH: I am not exactly sure what the member is referring to, but there have been some financing arrangements entered into with the New Zealand Transport Agency precisely to enable the kinds of projects that the member, the Labour Party, and the Greens want to see happen, and we will certainly continue with our programme of investment and infrastructure. I know it is frustrating to the member, but even under quite tight fiscal constraints, the Government (uncorrected transcript—subject to correction and further editing) has been able to deliver a very extensive infrastructure investment programme, more schools and hospitals, and better value for public services, and we expect to keep doing that.

Hon Ruth Dyson: Is it random and unpredictable to remove \$500 **million** from the original allocated budget provision for horizontal infrastructure rebuild in Canterbury, and does he now accept that there is not sufficient funding for the required work?

Hon BILL ENGLISH: Again, on the detail of that matter, the Minister for Canterbury Earthquake Recovery could fill it in. There has been ongoing discussion about what it was going to cost for the horizontal infrastructure, because at the start you could not see what damage had been done. We now have a growing understanding of the finances of Christchurch City Council, and we will continue negotiations, which are bound to be tense, between the Government and Christchurch City about a fair share of the burden. I might say that the taxpayers' contribution to the earthquake recovery has now reached \$16 **billion**, which has been generous and effective, and we want to make sure that Christchurch City can come through this whole process in sound financial shape.

Hon Ruth Dyson: What **business** case, if any, has been made to him for the anchor projects in the central **business** district of Christchurch City, and when will they be made available to the public?

Hon BILL ENGLISH: Again, I could not be specific about where each one is in the pipeline, but I can say that the Minister and the Canterbury Earthquake Recovery Authority are prosecuting, as quickly as they can, the process of getting the facilities in the central **business** district rebuilt, and the Government will consider those **business** cases as they come forward. We are certainly trying to move as fast as is reasonable to get Christchurch rebuilt, but also ensure that we follow good process because it is taxpayers' money that is involved.

Employment and Skills Training—Reports 7. IAN McKELVIE (National—Rangitikei) to the Minister for Tertiary Education, Skills and Employment: What reports has he received on the progress of improving New Zealanders' skills and employment?

Hon STEVEN JOYCE (Minister for Tertiary Education, Skills and Employment): I have received a number of reports, all of which indicate good progress as we approach the end of another year. On skills, more Kiwis hold tertiary-level degrees than before, and we have had big increases in Māori and Pasifika enrolled in Bachelor's degree levels and above, in particular. The number of qualifications completed across all levels of study is up by 54 percent for Māori students in the last year and 88 percent for Pasifika students. That is since 2008. At 5.4 percent, the unemployment rate is the lowest it has been since March 2009 and trending down, and the most recent figures show that on average New Zealanders are receiving wage rises each year ahead of the cost of living, which is helping them to get ahead.

Ian McKelvie: What is the Government doing to build New Zealand's skill base to meet the ongoing needs of the economy?

Hon STEVEN JOYCE: The Government is working hard right across a range of areas to deliver the skilled workforce necessary to drive our growing economy in the years ahead. For example, we are investing an additional \$40 **million** over 4 years for more engineering places in universities and polytechnics to raise



the proportion of students graduating with engineering qualifications. We are responding to the need for more skilled information and communications technology workers by launching information and communications technology graduate schools next year in Auckland, Wellington, and Christchurch, and we are increasing the number of Māori and Pasifika trade training places over the next few years from 3,000 to 5,000. With 72,000 new jobs created in the past year and the Government on track to meet its target of 171,000 new jobs by mid-2015, these initiatives will help ensure that we have the right skills for a productive and competitive economy. (uncorrected transcript—subject to correction and further editing)

Phillip John Smith—Management of Temporary Release 8. KELVIN DAVIS (Labour—Te Tai Tokerau) to the Minister of Corrections: Does he agree with all the findings of the Summary of the review of the failure to return from temporary release of prisoner Phillip Smith?

Hon Peseta SAM LOTU-IIGA (Minister of Corrections): Yes.

Kelvin Davis: What steps is he taking to improve the management of Spring Hill Corrections Facility given that the report found senior management "did not act with sufficient urgency" and the "escalation process beyond the prison was inadequate", yet it made no recommendations on this?

Hon Peseta SAM LOTU-IIGA: The review covered 13 recommendations and dealt with how prisoner Smith escaped from custody. So, in terms of the communication between officers, the recommendations in the review dealt with having a multidisciplinary approach to the assessment of temporarily released prisoners, and that is in recommendation 2.

Kelvin Davis: I raise a point of order, Mr Speaker.

Mr SPEAKER: Order! Can I just clarify before the member raises a point of order whether it is effectively saying that the question was not answered.

Kelvin Davis: Yes, it was not answered. The Minister referred to the recommendations. I was referring to a point where no recommendations were made and asked what he was going to do about it—given that no recommendations were made.

Mr SPEAKER: That sounds like an additional supplementary question the member now wants. [Interruption] Order! In my mind there is some doubt about whether the question was actually asked. No, that has not been raised by the member, so I will allow him an additional supplementary question.

Kelvin Davis: What steps is the Minister going to take to improve the management of Spring Hill given that the report did not make recommendations on Spring Hill?

Hon Peseta SAM LOTU-IIGA: I will say it again. The report did not actually review the operation of Spring Hill; it reviewed temporary releases in terms of Phillip Smith escaping from custody. And those 13 recommendations dealt with issues that relate specifically to Spring Hill but also to other prisons across the country.

Kelvin Davis: Why was no recommendation made around reviewing the development of offender plans, given that Phillip Smith's plan wrongly identified that he was suitable for release to work in minimum security?

Hon Peseta SAM LOTU-IIGA: Recommendation No. 2 refers to how multidisciplinary teams will deal with temporary releases. In terms of the plan, we know that it was overly optimistic and we know also that it was misinformed. So recommendation No. 2 deals specifically with that issue.

Kelvin Davis: How many other prisoners like Smith—

Mr SPEAKER: Order! I am just going to ask the member to start again; I am having trouble hearing it.

Kelvin Davis: How many other prisoners like Smith have been released into the community on temporary releases without the Department of Corrections checking that the Parole **Board** was likely to release them in the near future?

Hon Peseta SAM LOTU-IIGA: I do not have that figure to hand, but if he would like to place that question as a written question, I am happy to answer it.

Kelvin Davis: How will it be checked whether offenders are safe to be returned to the community before releasing them, now that temporary releases are limited to 12 hours?

Hon Peseta SAM LOTU-IIGA: Sorry, I missed that. Could the—

Mr SPEAKER: Order! I invite Kelvin Davis to repeat that question.

Kelvin Davis: How will it be checked whether offenders are safe to be returned to the community before releasing them, now that temporary releases are limited to 12 hours?

Hon Peseta SAM LOTU-IIGA: The fact that they are limited to 12 hours is actually irrelevant to the issue of how you assess prisoners for release. As I have already said, one of the (uncorrected transcript—subject to correction and further editing) recommendations was that the multidisciplinary teams—whether it is the police, Child, Youth and Family Services, the psychologists; or various other professionals—will come together and give a holistic approach to how prisoners will be released. Whether they are released 12 hours or not is actually irrelevant.

Ebola, International Response—New Zealand Volunteers 9. SCOTT SIMPSON (National—Coromandel) to the Minister of Health: What response has the Government received to its call for volunteers to help combat Ebola in affected countries?

Hon Dr JONATHAN COLEMAN (Minister of Health): On November 17 the Government announced that it would be deploying up to 24 volunteers to travel to West Africa as part of the international response to help combat the spread of Ebola. This is part of a \$2 million contribution towards an Australian-flagged Ebola treatment centre in Sierra Leone. Registrations of interest closed on Sunday and I am pleased to announce that there has been a fantastic response, with 82 New Zealanders registering an expression of interest to be a volunteer.

Scott Simpson: What systems are in place to ensure the safety of these volunteers?

Hon Dr JONATHAN COLEMAN: New Zealand volunteers will receive the best possible pre-deployment training, and the Ministry of Health will be monitoring their progress and welfare before, during, and after their deployment. The Government has ensured that our people will have access to a British National Health Service - standard facility in Sierra Leone in the unlikely event that they should become unwell, as well as guaranteed medevac to Europe.

Schools, Buildings—Hato Pētera College 10. TRACEY MARTIN (Deputy Leader—NZ First) to the Associate Minister of Education: What reports has she received about Hato Pētera College buildings and property?

Hon NIKKI KAYE (Associate Minister of Education): Although I have not received any formal reports on Hato Pētera College, I did receive a verbal briefing today. Hato Pētera College is a State integrated school, and the buildings and the property are the responsibility of the Roman Catholic Bishop of the Catholic Diocese of Auckland. However, I do understand that officials from the Ministry of Education have been working closely with the proprietor of the school over the last month and are meeting again tonight to discuss matters raised in the recent Education Review Office report on the school.

Tracey Martin: In light of that answer, has the Minister read the 2012 and the 2014 Education Review Office reports that identify Hato Pētera College as a "Special character Roman Catholic Māori" State school, and, therefore, the Ministry of Education has the ultimate responsibility for ensuring a safe physical environment is provided; if not, why not?

Hon NIKKI KAYE: Although I have not specifically read that report, I can clarify for the member the way that our system works in terms of overall responsibility in property in this area. We fund about \$66 million around State integrated schools. A large chunk of that money is allocated to the diocese. It then allocates that to schools. The issues are, really, with the diocese and the school at the moment. However, I am aware of the issues that have been raised around the hostel, and it is my expectation that there is better quality. That is why the ministry will be ensuring that there is an inspection of that hostel in the next couple of months.

Tracey Martin: In light of the fact that the Education Review Office in its 2014 report identified Hato Pētera College as a "Special character Roman Catholic Māori" State school—not an integrated school—is the Minister confident in the verbal briefing she received this morning that the school has been appropriately identified?

Hon NIKKI KAYE: Again, I am operating on the information that I have. What I can say to the member is that on the previous information that I gave in answer to the last question around how our system works, it is very clear to me from the information I have been given that it is the (uncorrected transcript—subject to correction and further editing) responsibility of the diocese to allocate that money. There are regulations under the Education Act around hostels and there is a responsibility for that school to meet those regulations, and there has previously been an inspection. But, as I said before, there are issues that have been raised in that Education Review Office report and it is my expectation that there will be another inspection.



Tracey Martin: In the 2012 Education Review Office report in which Hato Pētera College hostel caregivers and school staff were commended for promoting a safe emotional environment and supporting the learning of these priority learners, no mention was made—

Mr SPEAKER: Order! Can we have the question, please.

Tracey Martin: —certainly—of any maintenance issues; and does this concern the Minister that 2 years later it is suddenly a matter of urgency?

Hon NIKKI KAYE: Well, look, there are 2,500 schools in New Zealand, so obviously I have not read that report in detail. What I can say to the member is that there is a range of hostels around New Zealand. All that we can do is do what we can with the report that we have got now, which is that there are quality issues around that hostel and that the responsibility lies with the school and the diocese. We are raising those issues with them and it is their responsibility to sort out any issues of quality.

Tracey Martin: Will the Minister accept that the \$11 million of taxpayers' money spent on the ACT Party's Aspire Scholarship subsidies for private schools would have been better spent on State special character schools such as Hato Pētera College and the priority learners it supports?

Mr SPEAKER: That question is a long, long one. I am going to allow it to stand because I am sure that the Minister can handle it, but the question has to relate to the supplementary. I call the Hon Nikki Kaye, if she chooses to answer.

Hon NIKKI KAYE: No, and I am very proud that under our National Government, every year that we have been in office we have increased the education budget. It is a tribute to Minister Parata. Well done.

Marama Fox: What reports has she received about the impact of Te Umanga Oranga, a specialist health sciences academy on site, utilising Hato Pētera College buildings, to advance educational excellence for Māori seeking to enter the health sector?

Hon NIKKI KAYE: Although I have not received any formal reports, I have got information and I understand that it has been extremely successful in raising student achievement. The programme provides years 11 to 13 students with leadership development, education support, and engages people in e-learning and mentoring, and I am also aware that it has been so successful. I think it is important for us to acknowledge in this House that they have another academy coming, specifically around the armed services.

Canterbury Recovery—Christchurch Central Recovery Plan 11. NUK KORAKO (National) to the Minister for Canterbury Earthquake Recovery: What reports has he received about international recognition for the Christchurch Central Recovery Plan's blueprint?

Hon GERRY BROWNLIE (Minister for Canterbury Earthquake Recovery): I have received reports that the consortium that developed the blueprint for the development of central Christchurch has been named joint winner of the World Architecture News urban design award. There were more than 1,300 entries in the awards, and 80 entries were shortlisted in the category that these people have won. The judges said they were blown away by the scale of the proposed framework for central Christchurch. This is a prestigious international honour and it is well deserved for the people who put it together. It is recognition of the vision that is now being realised for Christchurch.

Nuk Korako: How has the blueprint plan contributed to confidence in the recovery?

Hon GERRY BROWNLIE: The blueprint has provided a strong and clear direction for the city's future. It has been a positive counterfoil for the negative people who have wanted to drag the (uncorrected transcript—subject to correction and further editing) city down and suggest that it could not make a future for itself. Certainty about the shape of the city and the location of key buildings and projects has given investors confidence to return to the central city, and it is undoubtedly driving the city's economic confidence. Those people who are making investments in the centre of Christchurch should be commended, not vilified.

Pacific Island Affairs, Ministry—Confidence 12. KRIS FAAFOI (Labour - Mana) to the Minister for Pacific Peoples: Does he have confidence in his Ministry?

Hon Peseta SAM LOTU-IIGA (Minister for Pacific Peoples): Yes.

Kris Faafoi: Does he think that taxpayers in the Pacific community will see an 850 percent increase in spending to "staff the Minister's office" between the past 2 financial years as acceptable, reasonable, and legitimate?

Hon Peseta SAM LOTU-IIGA: Ultimately, staffing matters are the responsibility of the chief executive, but what I can say is that I expect my ministry to spend taxpayers' money prudently. I have sought reassurances that the chief executive and the State Services Commissioner were spending money for legitimate ministry work and that it was consistent with the ministry's policies and procedures.

Kris Faafoi: Given that answer, how does he explain an eightfold increase for air travel for "staffing the Minister's office" from \$2,500 in 2012-13 to over \$21,000 in 2013-14? Is that a reasonable and acceptable increase?

Hon Peseta SAM LOTU-IIGA: As I said, I expect the ministry to spend taxpayers' money more wisely. That is why when I became the Minister for Pacific Peoples the person in question whom you are referring to was transitioned out of my office, and a more suitable Wellington replacement was found.

Kris Faafoi: Given that answer, does he think it is acceptable and reasonable that the bill went from zero to \$17,000 for an **apartment** to "staff the Minister's office" in the last financial year?

Hon Peseta SAM LOTU-IIGA: As I have said in this House, when I became the Minister I transitioned out of my office the person whom you are referring to, and a more suitable Wellington replacement was found. Hence those expenses will come down.

Kris Faafoi: Does he think it is acceptable and reasonable that the taxi bill has gone from \$324.57 to nearly \$9,500, and the bill for incidentals and meals to staff his office went from zero to \$9,605 between 2013 and 2014?

Hon Peseta SAM LOTU-IIGA: As I have already said in answer to this question, in terms of the person whom he is referring to who staffed my office, as soon as I became the Minister that person was transitioned out of my office and a more suitable Wellington replacement was found.

Kris Faafoi: I seek leave to table an Official Information Act response showing the increase in costs of staffing the Minister's office went from—

Mr SPEAKER: Order! The document has been described—a particular Official Information Act document. Leave is sought to table it. Is there any objection? There is none. It can be tabled.

ENDS

**IN** i81402 : Commercial Banking | i814 : Banking | ibnk : Banking/Credit | ifinal : Financial Services  
**NS** gpol : Domestic Politics | gvtre : Treasury Department | gcat : Political/General News | gpir : Politics/International Relations | gvbod : Government Bodies | gvexe : Executive Branch  
**RE** nz : New Zealand | auckl : Auckland | austr : Australia | well : Wellington | apacz : Asia Pacific | ausnz : Australia/Oceania  
**PUB** Scoop Media Limited  
**AN** Document SCCONZ0020141209eac9000bj