



THURSDAY, 29 MARCH 2012

QUESTIONS FOR ORAL ANSWER

QUESTIONS TO MINISTERS

iqsACC, Minister—Confidence

**1. GRANT ROBERTSON (Deputy Leader—Labour)** GRANT ROBERTSON (Deputy Leader—Labour)281ROBERTSON, GRANT to the **Prime Minister** Prime Minister: Does he have confidence in the Minister for ACC?

Hon BILL ENGLISH (Deputy Prime Minister)32ENGLISH, Hon BILL14:04:35**Hon BILL ENGLISH (Deputy Prime Minister)** on behalf of the **Prime Minister**: Yes, the Minister is a hard-working and competent Minister.

Grant Robertson281**Grant Robertson**: What occurred after the ACC Minister's first denial that she was behind the leak of the email sent by Michelle Boag that prompted him to ask her a second time, as he told the media he had done?

Hon BILL ENGLISH32**Hon BILL ENGLISH**: I think the member is making a mountain out of a molehill. The fact is that these matters were serious matters of public interest, and as the story unfolded the Prime Minister simply checked his understanding of what had occurred.

Grant Robertson281**Grant Robertson**: Did someone from his office ask blogger Cameron Slater whether he received the email from Ms Collins' office, and if so, what was the reply?

Hon BILL ENGLISH32**Hon BILL ENGLISH**: I simply do not know the answer to that question.

Grant Robertson281**Grant Robertson**: Who else has he or his office spoken to about whether they were part of or behind the leaking of the Michelle Boag email?

Hon BILL ENGLISH32**Hon BILL ENGLISH**: What happened with the email is a matter for the Minister and a matter for the ACC board. The Prime Minister does not regard it as his—

**Hon Member** Hon Member: Why did he ask her then?

**Hon BILL ENGLISH** Hon BILL ENGLISH32: The Prime Minister is not involved with managing ACC cases. He has asked the Minister for an assurance and he has received it, and he has confidence in that Minister.

Grant Robertson281**Grant Robertson**: Does he agree with Bill English's assessment of Judith Collins as being "pushed beyond her capacity", with an "unfortunately high estimate of her own competence.", and that she "spent too much time cultivating the media herself, and believing the resulting publicity."?

Hon BILL ENGLISH32**Hon BILL ENGLISH**: I think those comments were made some 7 or 8 years ago. The Prime Minister understands that Mr English has changed his views on all of those matters.

iqsState-owned Assets, Sales—Fiscal and Economic Benefits

**2. MAGGIE BARRY (National—North Shore)** MAGGIE BARRY (National—North Shore)312BARRY, MAGGIE to the **Minister of Finance** Finance: What are the fiscal and economic

benefits of selling minority shareholdings in four State-owned energy companies and Air New Zealand?

Hon BILL ENGLISH (Minister of Finance)<sup>32</sup>ENGLISH, Hon BILL<sup>14:06:52</sup>**Hon BILL ENGLISH (Minister of Finance)**: The rationale is quite simple. The sale of Government shares would free up \$5 billion to \$7 billion, less than 3 percent of taxpayers' total assets of \$245 billion, to invest in priority assets like modern schools and hospitals, without having to borrow more money on volatile world markets from overseas lenders. The Government is still spending and borrowing more than it can afford, so it makes sense to reorganise the Government's assets and redeploy capital to higher-priority areas so that we do not have to borrow more.

Maggie Barry<sup>312</sup>**Maggie Barry**: What other benefits will the Government's mixed-ownership programme deliver?

Hon BILL ENGLISH<sup>32</sup>**Hon BILL ENGLISH**: Under the mixed-ownership programme New Zealanders would have an opportunity to diversify their increasing savings away from property and from bank deposits, which are growing quite rapidly at the moment, and also the public listing of these companies will increase scrutiny of their decisions, and encourage better business disciplines, as well as deepening capital markets.

Maggie Barry<sup>312</sup>**Maggie Barry**: What have recent profit and dividend payments been from the four State-owned energy companies?

Hon BILL ENGLISH<sup>32</sup>**Hon BILL ENGLISH**: Over the 6 years to 2011, ordinary dividends, that is, dividends that exclude one-off sales of Government assets by these companies, have totalled \$356 million. That is a 2.4 percent annual return to the taxpayer on the most recent commercial valuations of these companies. The Crown Ownership Monitoring Unit advises that the average cost of Crown borrowing over the last year is 4.5 percent. That is, these companies are returning ordinary dividends of 2.4 percent per annum. The average cost of Crown borrowing is 4.5 percent. Estimates of 18.5 percent returns are quite misleading because they include major revaluations and changes in accounting methodology, and also one-off large asset sales by these Government companies.

Maggie Barry<sup>312</sup>**Maggie Barry**: Under the mixed-ownership programme, what do comparisons of forecast loss of profits with expected savings on interest costs tell us?

Hon BILL ENGLISH<sup>32</sup>**Hon BILL ENGLISH**: On its own, comparing lost profits with reduced interest payments tells us nothing. As any owner of an asset will tell you, it is not just what you forgo in profits that matters; it is the price received up front in the sale. If investors believed there would be strong profits from these companies, then that would be reflected in a higher sale price. If they believe the profits will be weaker, that will be reflected in a lower sale price.

#### **iqsAccident Compensation Corporation—Release of Personal Information**

**3. ANDREW LITTLE (Labour)**ANDREW LITTLE (Labour)<sup>318</sup>LITTLE, ANDREW to the **Minister for ACCACC**: When was the email she received between 12 March 2012 and 18 March 2012 from Michelle Boag concerning Bronwyn Pullar and the involvement of both in a meeting over a mass privacy breach first printed by her or a staff member in her office?

Hon JUDITH COLLINS (Minister for ACC)<sup>202</sup>COLLINS, Hon JUDITH<sup>14:10:19</sup>**Hon JUDITH COLLINS (Minister for ACC)**: Since this matter is before the Privacy Commissioner, it is not in the public interest for me to answer that.

Andrew Little<sup>318</sup>**Andrew Little**: Does she stand by her statement in an interview on Radio Live this morning, commencing at 8.22 a.m., that "I know exactly what has happened in terms of my office and myself."?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS**: I stand by all my statements.

Andrew Little<sup>318</sup>**Andrew Little**: In whose custody and control was the copy or copies of the email that was made in her office placed?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** That matter is before the Privacy Commissioner, and it is not in the public interest for me to answer that.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** Order! I want to hear Andrew Little's question.

Andrew Little<sup>318</sup>**Andrew Little:** What instructions did she give to any staff in her office, or any ACC staff member, in relation to the Michelle Boag email or any copy of it?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** Since that matter is before the Privacy Commissioner, it is not in the public interest for me to answer that.

**Dr Russel Norman**Dr Russel Norman<sup>267</sup>: I raise a point of order, Mr Speaker. The Minister has been in the media discussing this issue, and now she is using a public interest defence in the House. How can you accept that she can use a public interest defence here, when she is in the media discussing this issue?

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** As I have said to the House before, it is not the Speaker's decision whether or not a matter is in the public interest. As Speaker I would certainly intervene were I to see that such a claim was outrageous. But on this occasion the Minister has indicated that the matter is being inquired into by an independent authority—the Privacy Commissioner—and it is not uncommon for Ministers to declare, in their answer to such questions on matters that are being examined by an independent authority, that it is not in the public interest to answer them. So in my view, it is not outrageous for the Minister to be making that claim. It seems reasonable, given the fact that an independent authority is conducting an investigation.

**Hon David Parker**Hon David Parker<sup>215</sup>: I raise a point of order, Mr Speaker. Can I ask you to reflect upon an earlier series of difficult questions for a Government, which were questions by the then Hon—still honourable—Lockwood Smith in respect of Taito Philip Field. There were inquiries in respect of Taito Philip Field that were under way, and yet the Government was still required to answer questions in respect of its conduct where Ministers had ministerial responsibility. I suggest to you that that shows that we cannot have Ministers just avoiding answering questions by claiming public interest, when, patently, it is a matter of ministerial responsibility.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** I would be very happy to look back over that *Hansard*. If I could refresh the member's memory somewhat, the bulk of those questions all occurred after the publication of the Ingram report, if I remember correctly. Questions prior to that time were usually met with an answer that there was an inquiry under way. I think it is pretty standard practice. What I would, I think, make clear to the House, because this—*[Interruption]* Order! I am on my feet. This is a serious issue. Were the inquiry to be an internal inquiry by the Government, I think that would be a different matter. That would be a different matter, but where we have an independent authority conducting an inquiry or an investigation, that can be compromised by the matter being questioned in this House. I think that is not in our interests. I make that distinction. Were it to be simply an internal Government inquiry, I think the matter would be different, but this is an independent authority.

**Rt Hon Winston Peters**Rt Hon Winston Peters<sup>86</sup>: I raise a point of order, Mr Speaker. This is an inquiry being conducted by the Privacy Commissioner. It is not a commission of inquiry; it is not a judicial inquiry. The Minister has raised no issues of there being a sub judice rule preventing her from answering a question. It is not a matter of law; it is a matter of evidence. "When was that email reproduced?" is what she is being asked, and to get up and fob the House off by saying it is not in the public interest is a decision that you have got to make, not her. She is the Minister; she is being held accountable. Whether it is a matter of public interest or not is over to you to make, and my submission is that I would like to hear from her why she thinks—

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** No, no, no—

**Rt Hon Winston Peters**Rt Hon Winston Peters<sup>86</sup>: —based on the law or Speakers' rulings—

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** No, no, the member has gone far enough now. The member has been here long enough to know the Speaker does not, according to the traditions of this House, decide whether matters are in the public interest or not. That is a decision of Ministers, and the

member knows that full well. As I have said before, I would be prepared to depart from the tradition if I were to see a situation that was clearly outrageous. However, the Privacy Commissioner has very significant powers of inquiry, and it is an independent authority set up by statute. The Privacy Commissioner operates under statute. It is therefore, I think, not unreasonable for a Minister to claim that it is not in the public interest, given an inquiry by such an independent authority is under way, to answer detailed questions on the matter. That is my ruling on the matter. If the member wants a ruling from the Speaker, that is my ruling.

**Hon Clayton Cosgrove**Hon Clayton Cosgrove159: I raise a point of order, Mr Speaker. Can I seek a clarification? You mentioned that if you saw an instance of—I think the word you used was “outrageous”, or “outrageous conduct”. Can I just ask you this: in terms of definition, are you saying that if a Minister was to wax eloquent in the media about an issue and then come into this House and claim public interest to shut it down, you would look at that issue? I just seek your clarification.

Mr SPEAKER101**Mr SPEAKER**: No, no. By way of clarification, what I want to make clear is that it is where a Minister claims that it is not in the public interest to answer a question, and clearly the claim has no merit at all that it is not in the public interest. I mean, here we have an inquiry being conducted by a statutory authority, and it is not unreasonable, in my view, for a Minister to claim it is not in the public interest to answer detailed questions, just as a Minister not long ago asserted in the House here, quite reasonably, it was not in the public interest to answer detailed questions about the Pike River tragedy while that was under investigation. But were a Minister to claim it is not in the public interest—and I will be watching the issue quite carefully. I will be taking advice on the matter, because it has cropped up in recent days more than once. I accept the concern of Opposition members that it is unacceptable for Ministers to use the claim that it is not in the public interest unless it is genuinely not in the public interest. But on this occasion I believe that it is a reasonable claim for the Minister to make that that is not in the public interest, given the independent authority is conducting the inquiry.

Grant Robertson281**Grant Robertson**: Did she make the comments on Radio Live this morning that the member mentioned in an earlier supplementary question after the inquiry of the Privacy Commissioner was announced, and if so, why are those comments able to be made and ones in the House not able to be made because of the public interest?

Hon JUDITH COLLINS202**Hon JUDITH COLLINS**: Because they quite different, and also the Privacy Commissioner has emailed me today and advised me of the extent of her inquiry.

**Hon Trevor Mallard**Hon Trevor Mallard67: I raise a point of order, Mr Speaker. I would like to ask the Minister whether, in fact, she has that with her. I have an email—

Mr SPEAKER101**Mr SPEAKER**: Order! The member will resume his seat immediately. That was totally outside the Standing Orders of the House. It was not a point of order, at all. I do not know what rush of blood caused that, and there will be no repeat of that.

**Hon Trevor Mallard**Hon Trevor Mallard67: Point of order, Mr Speaker—

**Dr Russel Norman**Dr Russel Norman267: Point of order, Mr Speaker—

Mr SPEAKER101**Mr SPEAKER**: Point of order to the Hon Trevor Mallard. Since I have admonished him, I will consider his point of order.

**Hon Trevor Mallard**Hon Trevor Mallard67: I seek leave to table an email to Judith Collins and me from the Privacy Commissioner this morning.

Mr SPEAKER101**Mr SPEAKER**: Leave is sought to table that document. Is there any objection? There is no objection.

Document, by leave, laid on the Table of the House.

**Dr Russel Norman**Dr Russel Norman267: I raise a point of order, Mr Speaker. If we accept that the Privacy Commissioner’s announcement of the investigation was yesterday—and the tabling was to establish that—and then the Minister went on radio and talked about exactly this issue, she cannot

come into the House and claim a public interest defence. I believe that you should label that outrageous. I think that does step over the boundary of “outrageous”—where the Minister spoke about this issue on radio this morning, after the announcement of the inquiry, and then claims public interest. How can it be that to speak about this topic on radio is in the public interest, but not to speak about it in this House?

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** To me the difference that we have seen in the House today was that there was a question relating to the Minister’s comments on the radio this morning. The Minister answered that question. It was other matters that the Minister has asserted as not being in the public interest to answer. But I recollect a question from Andrew Little about whether the Minister stood by her comments on a radio programme this morning, and the Minister answered that question. So I have not seen anything outrageous so far, and I assure members that I will watch this issue carefully, because I accept the concern that it is not acceptable for a Minister to assert that it is not in the public interest to answer just to avoid being held to account. That would not be acceptable. Speakers have to be careful, because they are normally guided by Ministers on their judgment, but I am prepared, as Speaker—if I saw something that is to me outrageous in that regard, I would overrule the Minister if I saw that to be the case.

Rt Hon Winston Peters<sup>86</sup>**Rt Hon Winston Peters:** What is it about the date of the reprint of the email referred to in the primary question that is not in the public interest, and yet her comments to the public via the media are apparently in the public interest?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** That matter goes to the heart of the Privacy Commissioner’s inquiry.

**Rt Hon Winston Peters**<sup>Rt Hon Winston Peters<sup>86</sup></sup>: I raise a point of order, Mr Speaker. What goes to the heart of the Privacy Commissioner’s inquiry? I asked her a question about why she is giving that answer—

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** Order! Indeed the member asked his question. He is just trying to ask it again by way of a point of order. The Minister answered it. I accept that the member is not particularly satisfied with the answer, but that is the answer and the member cannot ask his question again by way of a point of order. I will hear the member further on the matter.

**Rt Hon Winston Peters**<sup>Rt Hon Winston Peters<sup>86</sup></sup>: I am not asking my question again, at all. But surely the answer “that goes to the heart of the inquiry” begs the conclusion that there has to be more than that, because I am asking about the issue of public interest and she has not answered that at all. Maybe the Privacy Commissioner is; I do not know that. But I did not ask her what is going to the heart of the Privacy Commissioner’s inquiry; I am asking her, what is different about these two different occasions: in this House, and this morning on radio?

**Hon JUDITH COLLINS**<sup>Hon JUDITH COLLINS<sup>202</sup></sup>: I might be able to assist. The member asked for my opinion. I have given it.

**Rt Hon Winston Peters**<sup>Rt Hon Winston Peters<sup>86</sup></sup>: That is outrageous.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** Order! The House will come to order. It is not outrageous for a Minister—the Minister raises a fair point that she was asked what the difference was, which is seeking her opinion on a matter. She gave her opinion, and that is an answer to that question. There is nothing I can do about that.

Andrew Little<sup>318</sup>**Andrew Little:** What inquiries has she made about how the email or a copy of it made it into the hands of the media, including social media?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** That matter is a matter for the Privacy Commissioner, and it goes to the heart of the inquiry.

**Dr Russel Norman**<sup>Dr Russel Norman<sup>267</sup></sup>: I raise a point of order, Mr Speaker. That was a question about—*[Interruption]*

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** Order! I want to hear this point of order.

**Dr Russel Norman**<sup>Dr Russel Norman<sup>267</sup></sup>: That was a question about what inquiries she had made. It was not about what the Privacy Commissioner was up to; it was about her responsibility as a

Minister. It was about what inquiries she had made. I would also draw your attention to Speaker's ruling 173/1, which says that a Minister must answer a question "if it can be given consistently with public interest". That was Speaker Wilson's ruling. If an answer can be given consistent with the public interest, the Minister must give it. This was about her inquiry. She has a responsibility for that.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** What I will do, because I want to make sure that everyone has a fair opportunity to pursue a serious matter like this, is let the member repeat his question, so that everyone can hear exactly what he is asking.

Andrew Little<sup>318</sup>**Andrew Little:** What inquiries has she made about how the email, or a copy of it, made it into the hands of the media, including social media?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** Since the Privacy Commissioner is looking into how this email document ended up in the media, I think this goes to the heart of the Privacy Commissioner's inquiry, and I do not believe it is in the public interest for me to answer that.

**Andrew Little** Andrew Little<sup>318</sup>: I raise a point of order, Mr Speaker. The question was about the actions of the Minister and the inquiries she made. The responsibility of the Privacy Commissioner is whether or not a complaining individual's privacy was breached. It has nothing to do with the actions that this Minister has taken with a publicly acknowledged action she has taken in copying this email.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** Clearly, the Privacy Commissioner's investigation will investigate the actions of the Minister. I have to be careful; I am presuming. But it would be extraordinary if the investigation by the Privacy Commissioner did not investigate the actions of the Minister, and therefore again it is not unreasonable for the Minister to claim that to talk about her actions while that investigation is under way is not in the public interest. Again, I am concerned that I do not want to see this argument of it not being in the public interest used to block this House's ability to hold members of the executive to account. But at the same time, I think where we do have an independent inquiry by a statutory authority, I do have to respect that assertion of it not being in the public interest to comment while that inquiry is under way. Once that report is out, members will have a lot of opportunity to ask questions, and questions can be just as effective. One of the member's colleagues referred to the Ingram report. Most of the questioning happened after that report came out. It was pretty effective.

Charles Chauvel<sup>261</sup>**Charles Chauvel:** To which Minister does the Privacy Commissioner report, and to whom is she accountable, and how can this Minister possibly expect the House to believe or accept that the Privacy Commissioner can conduct an independent inquiry into her own Minister's actions?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** The Privacy Commissioner reports and is responsible to the Minister of Justice. She has independence under the Privacy Act. I say that it is an extraordinary statement and comment by that member that the Privacy Commissioner cannot be independent. I have to say that is one of the most extraordinary statements, and I suggest he might want to apologise to the commissioner.

#### **iqsOil and Gas Extraction—Hydraulic Fracturing**

**4. GARETH HUGHES (Green)** GARETH HUGHES (Green)<sup>307</sup> HUGHES, GARETH to the **Minister of Energy and Resources** Energy and Resources: Will he implement a nationwide moratorium on new fracking wells until the Parliamentary Commissioner for the Environment can assure the public it is safe?

Hon PHIL HEATLEY (Minister of Energy and Resources)<sup>166</sup> HEATLEY, Hon PHIL<sup>14:27:54</sup>**Hon PHIL HEATLEY (Minister of Energy and Resources):** No.

Gareth Hughes<sup>307</sup>**Gareth Hughes:** Would it not make sense to wait for the results of the investigation before allowing new fracking wells to go ahead, given the Minister has said in the media that the investigation "will answer some questions that have been unanswered,"?

Hon PHIL HEATLEY<sup>166</sup>**Hon PHIL HEATLEY:** It did not make sense to stop using 1080 when the commissioner was looking into the use of 1080. Consequently the commissioner found that the use of 1080 was probably sensible. In the same way, it is a bit silly to stop everything just because the Greens want to stop everything. Inquiries are going on.

Gareth Hughes<sup>307</sup>**Gareth Hughes:** Why will the Minister not wait for the questions to be answered when the East Coast, Hawke's Bay, and Horizons regions will be considering their first fracking wells in those regions shortly?

Hon PHIL HEATLEY<sup>166</sup>**Hon PHIL HEATLEY:** Hydraulic fracturing has been used in New Zealand for well over two decades and appears to have been well managed. That is what I have been advised. We did not stop the use of 1080 when the commissioner looked at that, so I think the member is getting ahead of himself, in my view, by asking for a moratorium on hydraulic fracturing, which has been going on for a long time as well.

Gareth Hughes<sup>307</sup>**Gareth Hughes:** Given that the Gisborne District Council has admitted it does not have the expertise to regulate fracking, and TAG Oil is pursuing what it itself describes as an aggressive programme there, why will he not implement a nationwide moratorium on new fracking wells until the Parliamentary Commissioner for the Environment can assure Kiwis it is safe?

Hon PHIL HEATLEY<sup>166</sup>**Hon PHIL HEATLEY:** Because hydraulic fracturing has been undertaken for well over two decades in Taranaki—successfully, on the face of it, from all the information that is put towards me—and the expertise in Taranaki from both industry and the regulators, such as the Taranaki Regional Council, and from my officials can certainly be transferred to Gisborne should that be necessary.

Gareth Hughes<sup>307</sup>**Gareth Hughes:** Is the fracking issue different from the 1080 issue, and was there a cusp of a massive expansion of 1080 use at the time of the Parliamentary Commissioner for the Environment's report into that? Given that we have seen a 170 percent increase in new fracking wells in just the last year alone in New Zealand compared with the last 18 years, and that this Government has permitted 4 million hectares of New Zealand land to be used for fracking, why will he not wait until the results are in?

Hon PHIL HEATLEY<sup>166</sup>**Hon PHIL HEATLEY:** Hydraulic fracturing is different from the use of 1080. I hope the House understands that. But also hydraulic fracturing—

**Hon Clayton Cosgrove**Hon Clayton Cosgrove<sup>159</sup>: The man's a genius!

**Hon PHIL HEATLEY**Hon PHIL HEATLEY<sup>166</sup>: Well, I could explain the difference, and actually I am happy to give the member a briefing on the difference between the use of 1080 and hydraulic fracturing should he approach my staff.

**Gareth Hughes**Gareth Hughes<sup>307</sup>: I raise a point of order, Mr Speaker. I know I cannot raise a point of order in respect of flippant answers. But the question was not: "What is the difference between fracking and 1080?". It was about the situations at the points in time when the Parliamentary Commissioner for the Environment was investigating both controversial topics.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** I invite the member to repeat his question, because the answer did get a fair way away from the member's question. I invite him to repeat his question.

Gareth Hughes<sup>307</sup>**Gareth Hughes:** Is there a difference between the situation where the Parliamentary Commissioner for the Environment investigated the use of 1080, and were we then on the cusp of a massive expansion in the use of 1080? Given that with fracking we have seen a 170 increase in new wells in the last year, and that this Government has permitted 4 million hectares of new Kiwi land to be used for fracking, will he wait until the results are in on the Parliamentary Commissioner for the Environment's investigation?

Hon PHIL HEATLEY<sup>166</sup>**Hon PHIL HEATLEY:** I have made it clear why we are not going to have a moratorium on hydraulic fracturing while the commissioner investigates this. We will be very interested in her findings and certainly we will take them into account. I draw the comparison between the use of 1080 and hydraulic fracturing in the sense that both are claimed to have significant environmental effects. Both might have significant use. But it would be fair to say that

although 1080 use was not on the cusp of significant use throughout New Zealand, it is in fact used very, very widely in New Zealand, and it is hard to see how you could actually increase its use. I accept that the comparison is not exactly apples with apples, but I think I have made my point. We cannot stop everything just because an investigation is in place.

Gareth Hughes<sup>307</sup>**Gareth Hughes:** Given that we have seen well blowouts, water contamination, and consents being breached right now in Taranaki, is it not prudent to wait until the results are in so we can answer those questions and make sure we have got regulations and practices to protect our water, to protect our communities, and to protect our health?

Hon PHIL HEATLEY<sup>166</sup>**Hon PHIL HEATLEY:** Unfortunately, whenever the member has put these claims to the media, to my officials, or even to an independent body such as the Taranaki Regional Council, they have come back with substantial science to say that it is not, in fact, the case. In terms of water contamination, the independent body, Taranaki Regional Council, went to Hill Laboratories, which is independent too, did water testing, and found no effects on water quality. This is the point of the commissioner's inquiry, and that is why I welcome it. She will be able to determine the difference between fact and science, and fiction and the Green Party.

**Gareth Hughes**<sup>Gareth Hughes<sup>307</sup></sup>: I seek leave to table the Shell Todd Oil Kapuni study from 2007, jointly published by the Taranaki Regional Council and Shell Todd Oil, which showed water contamination from the Kapuni wells.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** Leave is sought to table that document. Is there any objection? There is no objection.

Document, by leave, laid on the Table of the House.

**Gareth Hughes**<sup>Gareth Hughes<sup>307</sup></sup>: I seek leave to table the Cheal Petroleum report from 2011, also jointly published with the Taranaki Regional Council, which showed water contamination from those wells as well.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** Leave is sought to table that document. Is there any objection? There is no objection.

Document, by leave, laid on the Table of the House.

Gareth Hughes<sup>307</sup>**Gareth Hughes:** Given that the hydrocarbons are not going anywhere, what is the rush to frack them?

Hon PHIL HEATLEY<sup>166</sup>**Hon PHIL HEATLEY:** The member may not have walked along Lambton Quay this morning, but actually there are cars and trucks there and all over the world that are using oil and gas reserves. I believe that the member has used such transport facilities. The reality is there is a world demand for oil and gas. If we can access that oil and gas in New Zealand, sell it, get the royalties and the tax income, build better schools and hospitals, and create jobs, I think we should.

#### **iqsBenefits and Superannuation—2012 Annual General Adjustment**

**5. ALFRED NGARO (National)**<sup>ALFRED NGARO (National)<sup>329</sup></sup>**ALFRED** to the **Minister for Social Development**<sup>Social Development:</sup> How will this year's annual general adjustment provide greater certainty to those receiving benefits and New Zealand Superannuation?

Hon PAULA BENNETT (Minister for Social Development)<sup>251</sup><sup>BENNETT, Hon PAULA<sup>14:35:40</sup></sup>**Hon PAULA BENNETT (Minister for Social Development):** This will give greater certainty to more than 1 million New Zealanders who will benefit from this year's annual general adjustment rate increases on 1 April. This adjustment increases rates of New Zealand superannuation and the veterans pension; rates and thresholds for main benefits, student allowances, student loan living costs, and the foster care allowance; rates and thresholds for some supplementary assistance; and thresholds for the community services card.

Alfred Ngaro<sup>329</sup>**Alfred Ngaro**: What effect will this adjustment have on the amount paid to superannuitants?

Hon PAULA BENNETT<sup>251</sup>**Hon PAULA BENNETT**: From 1 April, the married rate of New Zealand superannuation after tax will increase by 2.65 percent, from just over \$1,045 per couple per fortnight to \$1,073.60. That is an increase of \$27.68 per fortnight. It will also mean that over the last 4 years since 1 April 2008 the married rate will have increased by \$194 per couple per fortnight. That is an increase of over 22 percent.

Alfred Ngaro<sup>329</sup>**Alfred Ngaro**: How does this adjustment support those receiving benefits and student allowances?

Hon PAULA BENNETT<sup>251</sup>**Hon PAULA BENNETT**: As part of our 2008 campaign commitments, National locked in this adjustment into legislation, ensuring it happens every year to give certainty to those who rely on benefits. This means that payments match the increases to that of inflation.

#### Questions for Oral Answer **Question No. 6 to Minister**

Rt Hon WINSTON PETERS (Leader—NZ First)<sup>86</sup>PETERS, Rt Hon WINSTON<sup>14:37:34</sup>**Rt Hon WINSTON PETERS (Leader—NZ First)**: I seek leave for this question to be held over till next Tuesday.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER**: Leave is sought for that purpose. Is there any objection? There is no objection.

Question withdrawn.

#### iqs **Rt Hon John Key—Recording of Conversation**

**7. CHARLES CHAUVEL (Labour)**CHARLES CHAUVEL (Labour)<sup>261</sup>CHAUVEL, CHARLES to the **Minister of Police**Police: Did the Police Commissioner or any of his staff inform the Prime Minister or any of his staff of the decision not to prosecute Mr Bradley Ambrose; if so, on what date?

Hon ANNE TOLLEY (Minister of Police)<sup>181</sup>TOLLEY, Hon ANNE<sup>14:37:53</sup>**Hon ANNE TOLLEY (Minister of Police)**: Yes; I am advised that police contacted John Key on Monday 26 March to advise him, as the complainant in the case, of their decision.

Charles Chauvel<sup>261</sup>**Charles Chauvel**: Were the police aware that John Key would be overseas on Tuesday 27 March, the date on which they publicly announced the decision not to prosecute Mr Ambrose?

Hon ANNE TOLLEY<sup>181</sup>**Hon ANNE TOLLEY**: I was not involved in that conversation. It is an operational matter, and as policing Minister I have no knowledge of that.

Charles Chauvel<sup>261</sup>**Charles Chauvel**: Can she assure the House that there is no relationship between the delay in making the decision not to prosecute Mr Bradley Ambrose and the public announcement of that decision on the one hand, and the fact on the other that the complainant is the Prime Minister, and that he would be overseas on the date of the announcement?

Hon ANNE TOLLEY<sup>181</sup>**Hon ANNE TOLLEY**: The police, who are operationally independent under section 16 of the Policing Act, deal with operational matters on a case by case basis, and exercise their discretion as appropriate. It is absolutely inappropriate for any Minister of Police to take any part in an operational matter.

**Charles Chauvel**Charles Chauvel<sup>261</sup>: I raise a point of order, Mr Speaker. I want to be very clear with the Minister that I was asking a question about the connection between a decision not to prosecute, which I accept is an operational matter that is not within her competence, and the public relations matters that were associated, for which she is responsible to this House. She has not dealt with that issue, at all.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER**: Well, no, the Minister, if I heard her correctly, said that the Minister's office is not involved in the decision as to when they make announcements, at all. She made very clear to the House that her office had no involvement in that whatsoever. I have got to take her word for that.

**Charles Chauvel**Charles Chauvel261: I raise a point of order, Mr Speaker.

Mr SPEAKER101**Mr SPEAKER**: Is this speaking to the point of order?

**Charles Chauvel**Charles Chauvel261: Yes. My primary question should have put the Minister on notice that I was interested in knowing about the communication decisions that were made about the decision not to prosecute Mr Ambrose and liaison with the complainant. So, as I say, I am not asking her about the operational prosecution decision. I am asking her about the public relations and the communication with the Prime Minister, for which she is responsible.

Mr SPEAKER101**Mr SPEAKER**: Order! The Minister has made it clear, unless she wishes to change her answer, that she had no part in that communication decision, at all. That is what I understood the Minister said, and I have got to take the Minister's word. She answered the question. She said she had no part to play in that whatsoever.

**Charles Chauvel**Charles Chauvel261: I raise a point of order, Mr Speaker. I sought an assurance from her that there was no relationship between the communication decision, on the one hand, and the absence of the Prime Minister overseas. I submit—

Mr SPEAKER101**Mr SPEAKER**: Order!

**Charles Chauvel**Charles Chauvel261: —that the primary question—

Mr SPEAKER101**Mr SPEAKER**: Order! The member's question has been answered. He has got more supplementary questions he can use to pursue the matter further, should he want. But in terms of that question he asked, the Minister, I thought, was very clear in answering it. She said that her office had no involvement in the public relations decision, if that is what the member wants to call it—the communication management of the decision made. That is a clear answer and I have got to take her word for that, as the House does.

Kris Faafoi309**Kris Fafoi**: Given that charges were not laid, does she agree with the Prime Minister's comment that Mr Ambrose's actions have been "deemed unlawful", and if so, why?

Hon ANNE TOLLEY181**Hon ANNE TOLLEY**: Firstly, I have no responsibility for the Prime Minister. Secondly, I always agree with the Prime Minister.

Kris Faafoi309**Kris Fafoi**: Given that the Prime Minister said, in November last year, that police "do have a little bit of spare time" to investigate the teapot tape, how much did this investigation—done in police spare time—cost the taxpayer?

Hon ANNE TOLLEY181**Hon ANNE TOLLEY**: I understand that that question was asked of the police at the Law and Order Committee and they said they were unable to put a cost on the investigation. However, anyone in this country has a right to make a complaint. The police deal with operational matters, and Ministers do not get involved.

### iqsElectricity—Generation from Renewable Sources

**8. JONATHAN YOUNG (National—New Plymouth)**JONATHAN YOUNG (National—New Plymouth)279YOUNG, JONATHAN to the **Minister of Energy and Resources**Energy and Resources: What progress has the Government made towards increasing the proportion of electricity generated from renewable energy sources in New Zealand?

Hon PHIL HEATLEY (Minister of Energy and Resources)166HEATLEY, Hon PHIL14:42:35**Hon PHIL HEATLEY (Minister of Energy and Resources)**: I am pleased to advise that electricity generated from renewable energy sources increased to 77 percent in 2011, up from 74 percent in 2010. The National-led Government is focused on ensuring that renewable electricity generation thrives in New Zealand, and I am pleased to see us well on our way towards achieving our goal of 90 percent renewable generation by 2025.

Jonathan Young279**Jonathan Young**: What environmental benefits come from increased renewable electricity generation?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY**: The Government is aiming for 90 percent of electricity generation to be from renewable energy sources by 2025, and there are significant environmental benefits from increased levels of renewable generation. These include a reduction in

reliance on thermal electricity generation sources and a reduction in electricity generation emissions, leading to a reduced environmental footprint.

### **iqsRetail Deposit Guarantee Scheme—Deposits**

**9. Hon DAVID PARKER (Labour)** Hon DAVID PARKER (Labour) 215 PARKER, Hon DAVID to the **Minister of Finance** Finance: What written reports did he receive from the Treasury during the 5 months after his appointment as Minister of Finance in late 2008 describing the increases in deposits in finance companies after they entered the Crown guarantee scheme, as referred to in paragraphs 6.2 and 6.5 of the Auditor-General's performance audit report on the Treasury's handling of the Crown Retail Deposit Scheme, and what did those reports tell him, if anything, about how much the Crown's exposure to those financial companies had increased?

Hon BILL ENGLISH (Minister of Finance) 32 ENGLISH, Hon BILL 14:43:50 **Hon BILL ENGLISH (Minister of Finance)**: Before I address the details of that question, I just want to remind the member that the point of the deposit guarantee scheme, which was set up by the previous Government in 2008, was to protect depositors in extraordinary financial times, and administration of the scheme was delegated to the Secretary to the Treasury. The risk that finance company deposits would increase was recognised by the previous Government when it set up the scheme. Indeed, allowing the institutions to continue lending was one of the scheme's main aims. In terms of the member's question, I received no written Treasury reports specifically about the increase in deposits, although I discussed the management of risks associated with the scheme regularly and intensively with Treasury.

Hon David Parker 215 **Hon David Parker**: In the light of the fact that he received no reports during that period to that effect, is he aware that the Auditor-General's report says: "It took 5 months for the Treasury to begin monitoring", and that South Canterbury Finance's deposit base increased by 25 percent in the first 4 months, and it increased its loans, including many new loans capitalising interest—in other words, Ponzi schemes—and second mortgages, all of which increased the risk profile under the guarantee?

Hon BILL ENGLISH 32 **Hon BILL ENGLISH**: I did not say I received no reports; I said I had received no written reports, but the matters were discussed extensively. As the Auditor-General has already pointed out, in the early stages of the scheme Treasury did not have immediately in place the kinds of arrangements you would expect for the management of such a large liability. But can I also remind the member that in early 2009, now 3 years ago, South Canterbury Finance was regarded as a large, strong, sound finance company, but in hindsight it now appears that its bad lending practices meant that regardless of the guarantee it was going to fail, because of the impact of the global financial crisis.

Hon David Parker 215 **Hon David Parker**: Has he heard that Treasury's main excuse for not monitoring finance companies or advising the Minister—and I am not blaming the Minister here—as advised by the Auditor-General to the Finance and Expenditure Committee yesterday, was that Treasury does not like to intervene in finance markets; and does he agree with the Auditor-General that that does not withstand scrutiny, because the Crown had already intervened through the grant of the guarantee, and should have been guarding against that risk growing unwisely?

Hon BILL ENGLISH 32 **Hon BILL ENGLISH**: Yes, I have heard that, but we need to bear in mind that the deposit guarantee scheme as set up by the previous Government was correctly focused on protecting the depositors. It was not intended as a means of running the companies. As I said to the member earlier, South Canterbury Finance was regarded as a big, strong successful, soundly run finance company. It actually took most of 2009 for anyone to get enough information about its activities to understand that it was likely to struggle to survive, and matters went on for another 6 or 8 months, with every effort being made to protect the taxpayer by supporting South Canterbury to trade through. As it happened, it could not.

Hon David Parker<sup>215</sup>**Hon David Parker:** Will he support Treasury appearing before the Finance and Expenditure Committee to answer questions about the Auditor-General's criticism of Treasury's monitoring and its failures to advise you as Minister, which may have caused \$100 million or more extra and avoidable cost to taxpayers?

Hon BILL ENGLISH<sup>32</sup>**Hon BILL ENGLISH:** That is a matter for the select committee. It is not within the Minister's purview. However, I would ask the member to consider this issue: that although some people say there should have been more intervention, no one has actually said what that intervention should have been, short of becoming deemed directors of the company and, therefore, essentially taking over the running of it, and that, as I understand it, was never the intention even of the previous Labour Government when it set up the guarantee.

**Hon David Parker**Hon David Parker<sup>215</sup>: I raise a point of order, Mr Speaker. My question was not whether he believed that the Finance and Expenditure Committee should have Treasury in front of it. That is for the Finance and Expenditure Committee. My question was whether he would support Treasury appearing in front of the Finance and Expenditure Committee to answer the Auditor-General's criticisms.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** That was, indeed, the question. It would be helpful if the Minister were to answer that, because that was the absolute thrust of the question—whether the Minister would support Treasury appearing in front of the select committee. The Minister made it clear he thought it was the select committee's responsibility, but the question asked for an opinion—whether the Minister would support it—and some attempt to answer that would be helpful.

**Hon BILL ENGLISH**Hon BILL ENGLISH<sup>32</sup>: I do not take a view about that. It is hypothetical. The committee will make up its own mind whether it wants to get Treasury in. All public agencies know they are open to parliamentary scrutiny.

#### **iqsAccident Compensation Corporation—Release of Personal Information**

**10. KEVIN HAGUE (Green)**KEVIN HAGUE (Green)<sup>290</sup>HAGUE, KEVIN to the **Minister for ACC**ACC: What advice has she received about when ACC Board Chairman John Judge first became aware of the issues that were the subject of the December meeting between senior ACC managers, Bronwyn Pullar and Michelle Boag; and if she hasn't asked for that advice, why not?

Hon JUDITH COLLINS (Minister for ACC)<sup>202</sup>COLLINS, Hon JUDITH<sup>14:49:55</sup>**Hon JUDITH COLLINS (Minister for ACC):** That particular meeting that the member is referring to is, I know, the subject of a matter that ACC has referred to the New Zealand Police. However, I can refer the member to the written report from ACC for me that was placed on its website on 16 March this year, and I can read from that. It says: "The client who received the file contacted an ACC Board member to discuss matters pertaining to her specific case. No specific reference was made to the data held or the breach of privacy. As is normal practice the Director referred the matter to the Chairman, who in turn referred the matter to senior ACC management, who confirmed the matter would be dealt with at an operational level."

Kevin Hague<sup>290</sup>**Kevin Hague:** Has she been briefed on all the correspondence between Ms Pullar and John Judge prior to that December meeting, and what was she told?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** Well, I do not know whether I have been, because I do not know what all the correspondence is. I have received some correspondence, which is the ministerial file, which is held in the Minister for ACC's office. There may well be other correspondence that I have not seen, and therefore have not been briefed on.

Kevin Hague<sup>290</sup>**Kevin Hague:** Does she believe that two senior managers from ACC met with Ms Pullar and Ms Boag on 1 December at a meeting arranged by an ACC board member with the knowledge of the ACC board chair, during which they learnt of serious concerns about ACC processes and risk to the organisation, yet apparently did not then report those concerns to either the chief executive officer or the board chair?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** What happened in that meeting is, as I have said, forming part of a matter that ACC has referred to the New Zealand Police. But I do know that it related as well to a massive breach of privacy, and I would also like to take the opportunity to congratulate that member, when those same documents were sent to him, on referring them straight back to ACC.

**Kevin Hague**<sup>Kevin Hague<sup>290</sup></sup>: I raise a point of order, Mr Speaker. I know a bit about what the content of that meeting was, but that was not my question. My question is about whether, given what we know about the meeting, how it was set up, and the level of the risk to ACC that was exposed in that meeting, the Minister believes the account that those senior managers reported that to no one.

Mr SPEAKER<sup>101</sup>**Mr SPEAKER:** The Minister has been asked for an opinion on that matter, and it would be helpful if the Minister was able to express an opinion without compromising any—I call the Hon Judith Collins.

**Hon JUDITH COLLINS**<sup>Hon JUDITH COLLINS<sup>202</sup></sup>: If I am told a matter by people, then I accept their word, unless I have evidence—real evidence—to the contrary.

**Kevin Hague**<sup>Kevin Hague<sup>290</sup></sup>: Given what she now knows of John Judge's management of all the issues concerning the Pullar case, does he retain her full confidence, and does she believe he should remain chair of ACC?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** I do not know yet, until the investigations have been completed as to who knew what in the Pullar matter. I do have confidence that the board of ACC has done an excellent job around the finances of ACC, but I have on numerous occasions said that I am not yet satisfied that all of the provisions relating to privacy are, in fact, where I would like them to be. That is one of the reasons why ACC is working with the Privacy Commissioner and other independent people to make sure that it gets those processes right.

Grant Robertson<sup>281</sup>**Grant Robertson:** Why did she forward the email from Michelle Boag to John Judge, when she explicitly agreed with Ms Boag that that email would not be forwarded to anyone else?

Hon JUDITH COLLINS<sup>202</sup>**Hon JUDITH COLLINS:** The member's assumption is quite incorrect.

### **iqsHousing Affordability—Government Measures to Address**

**11. Hon ANNETTE KING (Labour—Rongotai)**<sup>Hon ANNETTE KING (Labour—Rongotai)<sup>58</sup></sup>**KING,** Hon ANNETTE to the **Minister of Housing**<sup>Housing:</sup> What action is the Government taking to make housing more affordable?

Hon PHIL HEATLEY (Minister of Housing)<sup>166</sup>**HEATLEY,** Hon PHIL<sup>14:55:17</sup>**Hon PHIL HEATLEY (Minister of Housing):** The most important action this Government has taken is to manage the economy well during a difficult period. This includes less tax, putting more money in people's back pockets to pay their mortgage, and a sustained period of low interest rates, making homeownership more affordable for Kiwis. We have also changed the Building Act and the Resource Management Act to remove unnecessary red tape, and we have increased the Welcome Home Loan caps. Since we have been in Government, in fact, 7,500 people have bought their first home using the scheme—a total value of borrowing of \$1 billion. That is an awful lot of first-home buying.

Hon Annette King<sup>58</sup>**Hon Annette King:** Is he aware there is now a housing crisis in Christchurch, with agents saying last week that it is impossible to find rental accommodation; if so, how many of the over 600 Housing New Zealand Corporation rental houses currently boarded up, with no decision made to repair or rebuild them, could be made available to help relieve the growing housing problem?

Hon PHIL HEATLEY<sup>166</sup>**Hon PHIL HEATLEY:** The member may not be aware, but there is a red zone in Canterbury where a large number of those 600 houses are. The Government has made it pretty clear, and residents have made it pretty clear, that they want to shift out of them. If she is

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suggesting that we should leave State house tenants in the red zone, but everyone else gets moved to safety, I do not know where this Labour Party is going.

**Hon Annette King**Hon Annette King58: I raise a point of order, Mr Speaker. That answer was most unnecessary. I did not raise the red zone. I asked about 600 houses, and asked how many of them could be used and made available for people where there is a housing shortage in Christchurch. It did not warrant that answer or attack on the Labour Party, and on what we thought about the red zone.

**Hon PHIL HEATLEY**Hon PHIL HEATLEY166: I made it clear that many of those houses are in the red zone.

Mr SPEAKER101**Mr SPEAKER**: Order! The Minister's answer, I accept, was somewhat more aggressive perhaps than necessary, but he did indicate that most—he said the majority—of those 600 houses are in the red zone, and that is why they would not be used. The member has the chance to pursue that answer further in further supplementary questions.

Hon Annette King58**Hon Annette King**: Has Gerry Brownlee raised with him the problem faced by an 85-year-old Christchurch Housing New Zealand Corporation tenant who has been told to vacate her temporary accommodation on Saturday, with no accommodation offered by Housing New Zealand Corporation, and with her family finding it impossible to even contact the department, and if so, what action has he taken to assist this woman?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY**: It has not taken Gerry Brownlee to tell me of that particular case. I am aware of it, and so is Housing New Zealand Corporation. There is no doubt that there are significant housing issues in Canterbury, but it would be fair to say that over the last 12 months the pressure on Housing New Zealand Corporation tenants—the way that they have been managed, shifted to alternative accommodation—has caused very little political or actual noise at all, and Housing New Zealand Corporation has done an excellent job.

Mr SPEAKER101**Mr SPEAKER**: Just before I call the next question, I thought the question asked what was done about this particular case, which the Minister has acknowledged he is familiar with. Given the nature of the Minister's answer, perhaps he could have said what was being done for this person, since he is familiar with it.

**Hon PHIL HEATLEY**Hon PHIL HEATLEY166: I was asked whether Gerry Brownlee had told me about it. I started my answer with that, but I am happy to develop the answer if you would like me to.

**Hon Annette King**Hon Annette King58: I raise a point of order, Mr Speaker. I asked whether Gerry Brownlee had raised it, and what he had done about it if it had been raised. In his answer he said he was aware of it, so he could have told us.

Mr SPEAKER101**Mr SPEAKER**: Order! I accept that people interject when they should not—on my right here—when a point of order is being considered. One could technically argue that it is two questions. Had the Minister been absolutely 100 percent helpful in his answering of these supplementary questions, I might have ruled differently, but given the fairly aggressive answers that have been given, I will ask the Minister to provide the further information—what has he done to assist this person?

**Hon PHIL HEATLEY**Hon PHIL HEATLEY166: I had been assured that Housing New Zealand is looking at the case. It looks at many hundreds, if not thousands, of cases. I am not completely up to speed with where that one is at the moment. I think if the member gets permission for me to release the details on that particular woman, perhaps I will look at providing her with a detailed response.

Dr Jian Yang336**Dr Jian Yang**: What recent reports has the Minister seen regarding home affordability?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY**: I have seen a report as recently as this morning by Massey University's real estate analysis unit, stating that in the 3 months ended February the national affordability measure has improved even more. According to the report, falling house

prices, rising wages, and falling mortgage interest rates have all combined to make housing its most affordable in 8 years.

**Hon Annette King**Hon Annette King58: I seek leave to table the said report that the Minister has just mentioned, which goes on to say—

Mr SPEAKER101**Mr SPEAKER**: Which report is this?

**Hon Annette King**Hon Annette King58: This is the home affordability report from Massey University. It goes on to say that there is demand causing pressure in the housing market, particularly in Auckland and Christchurch.

Mr SPEAKER101**Mr SPEAKER**: Leave is sought to table that document. Is there any objection? There is no objection.

Document, by leave, laid on the Table of the House.

Rino Tirikatene337**Rino Tirikatene**: What reports has he received on affordability and overcrowding in Christchurch—for example, of 11 people crowded into a two-bedroom house, people renting a garage to live in for \$160 a week, or the young man sleeping in his car when he is not delivering pizzas, because he cannot afford the rental or find a place to live?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY**: I am aware of some of those media reports. I think Opposition members need to realise that, yes, there are housing pressures in Canterbury due to the earthquake, but they should also remember that when we set up temporary accommodation, whether in the form of caravans or the units that are very successful in Kaiapoi and Linwood now, the Opposition parties attacked that and opposed it. They cannot have it both ways.

Hone Harawira244**Hone Harawira**: Why did the Government get rid of the rural housing fund, leaving more than 7,000 Tai Tokerau households without the badly needed renovations that had been approved under the fund?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY**: Because we decided to put that amount of money, plus some, into the development of new housing, particularly papakāinga housing on multiple-owned Māori land or other land that Māori and iwi use. That fund has been very successful. We figured that new houses, well insulated and well designed, are much better than patching up roofs that are leaking and rusting, and patching up houses that are uninsulated and rotting, which is what happened under the previous Labour Government.

Hon Annette King58**Hon Annette King**: Has he got his priorities right, when he has Housing New Zealand Corporation restructuring its services at a cost of \$80 million—

**Andrew Little**Andrew Little318: How much?

Hon Annette King58**Hon Annette King**: —\$80 million—getting rid of staff, and overspending its transformation project budget by \$8 million so far, and when you have a woman in Christchurch who cannot get a house from Housing New Zealand Corporation, and to this moment nothing has been done about it? Where is this better service?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY**: Housing New Zealand Corporation provides almost 70,000 houses across New Zealand. That is 70,000 families—actually, that is 220,000 people. That is a huge commitment. The fact that it is increasing the housing supply in places like Auckland is the right direction. What happened under previous Governments, where you had one person rattling around a four-bedroom house and entertaining gangs in States houses, and all those things are being put behind us. I believe that Housing New Zealand Corporation is heading in the right direction.

Denis O'Rourke331**Denis O'Rourke**: Will the Government regulate the exploding home rental increases in Christchurch?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY**: I refer the member to the answer in the House by the Hon Gerry Brownlee in recent weeks.

Mr SPEAKER101**Mr SPEAKER:** Order! I think it is unreasonable to refer a member to an answer in the House in recent weeks. The Minister is the Minister of Housing, he has responsibility for Housing New Zealand Corporation, and I think he should answer the question.

**Hon PHIL HEATLEY**Hon PHIL HEATLEY166: I do not think he was asking particularly about Housing New Zealand Corporation; I think he was talking about the rental market in general.

Mr SPEAKER101**Mr SPEAKER:** I apologise to the Minister. The question did indeed ask about the general housing market; it did not specify. To sort this matter out I invite Denis O'Rourke to repeat his question, because he should have realised that the Minister is not responsible for the general housing market.

**Rt Hon Winston Peters**Rt Hon Winston Peters86: I raise a point of order, Mr Speaker. Where does it say that this Minister is not responsible for housing practice and building and construction in this country?

**Hon PHIL HEATLEY**Hon PHIL HEATLEY166: Speaking to the point of order—

**Hon Trevor Mallard**Hon Trevor Mallard67: I raise a point of order, Mr Speaker.

Mr SPEAKER101**Mr SPEAKER:** No. I will hear the Hon Phil Heatley first.

**Hon PHIL HEATLEY**Hon PHIL HEATLEY166: Can I introduce Winston Peters to the Minister for Building and Construction.

Mr SPEAKER101**Mr SPEAKER:** Order! The House will come to order and stop this nonsense. Someone will be leaving very soon, unless there is silence all around. This nonsense will stop. Of course the Minister is not responsible for markets. I have not cut out the member's question. I was not happy with the answer the Minister gave; it was not good enough. However, he points out that the question went beyond his responsibilities, so I invite the member to repeat his question, to make it clearly within the Minister's responsibility, and I expect an answer.

**Hon Trevor Mallard**Hon Trevor Mallard67: I raise a point of order, Mr Speaker. It may or may not assist the Minister, but he is the Minister responsible for housing policy.

Mr SPEAKER101**Mr SPEAKER:** Order! The member will resume his seat. It is nothing to do with the Opposition which Minister is responsible for what; that is a Government matter.

**Hon Trevor Mallard**Hon Trevor Mallard67: I raise a point of order, Mr Speaker.

Mr SPEAKER101**Mr SPEAKER:** I have heard the member sufficiently, and as far as I am concerned it has nothing to do with the order of this House. I have ruled on the matter, and I will hear Denis O'Rourke's supplementary question.

Denis O'Rourke331**Denis O'Rourke:** The question was, will the Government regulate the exploding home rental increases in Christchurch?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY:** We are not considering that at this time.

Denis O'Rourke331**Denis O'Rourke:** Will the Government do anything about the exploding home rental increases in Christchurch?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY:** The Minister for Canterbury Earthquake Recovery announced last week that we are providing more temporary accommodation in Christchurch to provide more supply. Clearly, we have got new developments coming on stream, and we believe that supply will help meet demand and will, therefore, drive down rents and house prices. That is what our primary objective is.

Denis O'Rourke331**Denis O'Rourke:** Given that some people forced out of their homes in the red zone in Christchurch cannot afford to buy a replacement home, will the Government provide some form of affordable bridging finance to assist them?

Hon PHIL HEATLEY166**Hon PHIL HEATLEY:** At the moment there are a number of forms of finance that the Government does supply. Clearly, we are buying people out of housing properties in the red zone, so they can take that cheque and buy elsewhere. I am assured by the Minister for Canterbury Earthquake Recovery that when he reads a newspaper, there are sections and house packages available. We also have the temporary housing villages. We have the accommodation supplement. Those who are seeking rental in Housing New Zealand Corporation properties have the

income-related rent supplement. Yes, we are open-minded to any other interventions, but at this stage we believe that our progress so far is sufficient. If we need to ramp up, we will.

Denis O'Rourke<sup>331</sup>**Denis O'Rourke:** Given the growing gap between accommodation allowances and actual rentals in Christchurch, will the Government review those allowances?

Hon PHIL HEATLEY<sup>166</sup>**Hon PHIL HEATLEY:** Those particular allowances are a matter for the Minister for Social Development. I believe that they are passed through her department, so it might be best to put that to that Minister.

### **iqs Treaty of Waitangi Settlements—Deeds of Settlement**

**12. LOUISE UPSTON (National—Taupō)** LOUISE UPSTON (National—Taupō)<sup>278</sup> UPSTON, LOUISE to the **Minister for Treaty of Waitangi Negotiations** Treaty of Waitangi Negotiations: What progress has the Government made towards enacting deeds of settlement with iwi in legislation?

Hon CHRISTOPHER FINLAYSON (Minister for Treaty of Waitangi Negotiations)<sup>254</sup> FINLAYSON, Hon CHRISTOPHER<sup>15:09:30</sup>**Hon CHRISTOPHER FINLAYSON (Minister for Treaty of Waitangi Negotiations):** This morning the Ngāti Manawa and Ngāti Whare claims settlement bills and the Nga Wai o Maniapoto (Waipa River) Bill all passed their third readings. After question time we will debate the Ngāti Pāhauwera Treaty Claims Settlement Bill and the Ngati Porou Claims Settlement Bill. This is a very significant number of Treaty settlements to be progressed, against a historical average of around 1.7 bills per year.

Louise Upston<sup>278</sup>**Louise Upston:** What has contributed to this progress?

Hon CHRISTOPHER FINLAYSON<sup>254</sup>**Hon CHRISTOPHER FINLAYSON:** First, the Government has taken steps to increase the rate at which historical claims negotiations are resolved by the Crown and iwi through better resourcing and taking innovative steps to improve negotiations, and, secondly, there is the support and cooperation of this House in progressing these important bills. Today we have seen members sit during the extended hours of 9 a.m. to 1 p.m. in order to give three bills third readings without having to go into urgency. I am very grateful to all members for their assistance.