



THURSDAY, 25 FEBRUARY 2010

QUESTIONS FOR ORAL ANSWER

QUESTIONS TO MINISTERS

Economy—Benefits of Rebalancing

1. PESETA SAM LOTU-IIGA (National—Maungakiekie) to the **Minister of Finance**: Why is the Government intent on rebalancing the economy, and what benefits will that bring?

Hon BILL ENGLISH (Minister of Finance): The Government needs to work on pushing our resources back to where New Zealand has a competitive advantage. This is a big job. Our tradable sector has been in a 5-year recession, during which its output has declined by 10 percent. By contrast the non-tradable side of the economy has grown by 12 percent, but we do need to reorient it in order to create sustainable jobs and higher incomes.

Peseta Sam Lotu-Iiga: Which sectors have performed the best and the worst over the past 5 years?

Hon BILL ENGLISH: The major weaknesses have been concentrated in services and manufacturing. Exports of services have fallen by 18 percent in real terms since 2004, and every category of manufacturing has shown a similar decline. This includes major areas such as food processing, which is a core part of our economy. In fact, the overall output of the tradable industries has now not increased since 2002. By far the strongest sector of the economy has been Government administration, which has grown by 29 percent in real terms since 2004. Clearly this divergence cannot continue.

Peseta Sam Lotu-Iiga: What impact on New Zealanders has this unbalanced economic performance produced?

Hon BILL ENGLISH: An unbalanced economy tends to hold growth back. That is why this economy grew by less than 1 percent per year in the 3 years before the global crisis arrived. This is a big drain on the potential for higher incomes in New Zealand. Had the economy grown at its normal rate over the past 5 years, the average household income would now be \$5,000 per year higher after tax than it is.

Hon Sir Roger Douglas: Does the Minister agree that any rebalancing must focus on private sector job creation; if so, can he explain to the House how it makes sense to prohibit young people from accepting a job at the rate of \$10 per hour, or \$400 per week, and in the process force them on to the unemployment benefit, where they receive about \$3 per hour, or \$120 per week, without contributing anything to society?

Hon BILL ENGLISH: The Government shares that member's concern about the high number of young people who are unemployed. We will have the opportunity to discuss his solution as he brings his bill, the Minimum Wage (Mitigation of Youth Unemployment) Amendment Bill,* to the House.

Peseta Sam Lotu-Iiga: What steps is the Government taking to rebalance the economy?

Hon BILL ENGLISH: The range of measures that are in place was outlined in the Prime Minister's statement to the House a few weeks ago. Currently we are considering the advice from the Tax Working Group, which advises on ensuring there is more uniform taxation of all sectors, including property, and on switching from our reliance on consumption and income taxes. We believe this could give New Zealanders better incentives to work, save, invest, and reduce their tendency to consume more than they earn by borrowing to make up the difference.

Social Development and Employment Programmes—Reports

2. Hon ANNETTE KING (Deputy Leader—Labour) to the Minister for Social Development and Employment: What reports, if any, has she received on programmes she has put in place since she became Minister?

Hon PAULA BENNETT (Minister for Social Development and Employment): I have received a number of reports that show that the programmes put in place since National came into Government have been achieving well.

Hon Annette King: Does she agree with the Hon John Key, who said that New Zealand needs fewer politically correct programmes like listening to music, and we need closer alignment between our economic needs and Government-supported programmes to ensure people flow into trades and apprenticeships; if not, why not?

Hon PAULA BENNETT: I certainly agree with the Prime Minister, particularly when he talks about the need for us to create real jobs for young people and for New Zealanders out there. It is about a bigger programme than just one particular need. It is about real jobs. It is about giving businesses confidence so that they can invest and employ more people.

Hon Annette King: Does she agree with the Hon Bill English, who said that it was a nonsense to spend money on dodgy community programmes when the economy is suffering from a lack of skilled workers; if not, why not?

Hon PAULA BENNETT: I certainly agree with the Minister of Finance when he talks about how we need to assist those young people at this time with some Government initiatives. It is about the right investment. It is about infrastructure programmes. It is about the Government putting the money where it needs to be, so that businesses have that confidence to grow more real jobs for our young people.

Katrina Shanks: Can she give us example of how the Government is working hard to ensure the success of its programmes?

Hon PAULA BENNETT: The Government is taking a long hard look at the way we contract with the *non-governmental organisation sector and the relationships that we have with communities. We are not just pointing at providers and saying that they have to change. We are saying that if we want different outcomes, we have to do things differently. We have to change the way we contract, which is why I am delighted that more high-trust contracts with non-governmental organisations are about to be signed.

Hon Annette King: Are the criteria for *Community Max still to support the completion of projects that benefit the community or the environment, creating jobs for young people and providing an opportunity for them to build skills and work experience while contributing to the community; if not, what are the criteria?

Hon PAULA BENNETT: Yes, that is part of the criteria. But I want to be quite clear that this Government is not over-prescriptive. We are backing communities to get on with it and do what is best for them within their communities. I must admit that when designing this programme, we did not take the control freak approach that we have certainly seen in the past. We trust those we contract with to get on with the delivery and do what is best for their communities.

Hone Harawira: Has the Minister seen the many enthusiastic reports showing how Community Max participants are now confident, knowledgeable, and skilled enough to begin employment or

training? What incentives are being developed to create supported training, work options, and jobs to build on this success?

Hon PAULA BENNETT: Yes, I have seen many reports of positive outcomes from Community Max. I know that the member himself has certainly approached me many times with good news stories of how it is working in his community to keep young people on. The follow-up* is most important. We need to make sure that we are addressing long-term real jobs at the end of it.

Hon Annette King: Does the use of Community Max funding—which by one provider's own admission is a recruitment tool for a rugby league team paying 18 young men for 30 hours a week to have an opportunity in their sport, with no literacy, numeracy, or particular skill or training provided—meet the Community Max criteria or the promise of the Prime Minister and Minister of Finance to get rid of dodgy politically correct programmes; if so—

Mr SPEAKER: I ask members to show some courtesy. There is a structured question being asked and the House should hear it.

Hon Annette King: For such a programme to exist under her watch, will she tender her resignation for failing to meet the high standards that the Prime Minister has set for his Ministers?

Hon PAULA BENNETT: I am not aware of the particular programme that the member is talking about. But I will say that the previous Government was so controlling—it had to be only its way; it had to tick certain boxes—that it did not support young people to be engaged and have real—

Mr SPEAKER: I apologise to the Minister, but on this occasion I ask the Opposition to show a little respect. A question has been asked, in fact, by the Opposition. Even if Opposition members are not interested in hearing the answer, I am.

Hon PAULA BENNETT: As far as Community Max is concerned, we have put it back to the communities to look at what is best for them in their environment.

Hon Annette King: Blame them.

Hon PAULA BENNETT: I am not blaming them at all. I think they are doing a fantastic job. That is certainly the difference between us and Labour. The communities are stepping up and finding real opportunities for their young people. One way to engage them is through sporting activities. So, I will back them. There will be the odd time that we need to go back and check on some things, but I reckon they are doing a fantastic job and it is working well.

Hon Annette King: Is accountability for the expenditure of taxpayers' money an important part of this Government's programme?

Hon PAULA BENNETT: Yes, it certainly is. Amusingly enough, just last week the criticism from Labour in this House was that we were not extending *Community Max. It wanted to see more programmes, and now says there are bad things. It is bit like any policy we have seen from the other side, it is sort of up and down and all around and not really well structured.

Hone Harawira: What assurance can she give the House that the Community Max programme, which has been very successful in, and warmly welcomed by, rural Māori communities right throughout the country, will be sustained beyond the next financial year?

Hon PAULA BENNETT: We are pleased how the programme has developed. It has always been time limited, it was always a recessionary measure, and Cabinet did put a major investment in that, but there has been no obligations for that since then.

Radio New Zealand—Funding

3. SUE KEDGLEY (Green) to the Minister of Broadcasting: Has he told Radio New Zealand that its funding will be frozen for a number of years; if so, how many?

Hon MAURICE WILLIAMSON (Minister for Building and Construction) on behalf of the **Minister of Broadcasting:** The Minister has made it clear to the Radio New Zealand board that, like a number of other Government agencies, Radio New Zealand must live within its current baselines.

Dr Russel Norman: I raise a point of order, Mr Speaker. The Minister has had this question for some time. It is a pretty straightforward question: have the funds been frozen; if so, for how long? There was no attempt to address either part of the question.

Mr SPEAKER: I appreciate the point the member is making, because the question is on notice and it does ask “if so, how many” years. I ask the Minister to respond, because the answer could be interpreted as meaning indefinitely. I ask the Minister to respond to that part of the question.

Hon MAURICE WILLIAMSON: As many members of this House will know, funding changes year by year. However, for the foreseeable 2 to 3-year baseline *out-years, Radio New Zealand has been asked to live within that baseline.

Sue Kedgley: Why is he ignoring the advice of the board and chief executive of Radio New Zealand that current funding levels are already unsustainable, and that any freeze in funding will undermine the quality and standards of Radio New Zealand and its charter?

Hon MAURICE WILLIAMSON: It is quite the opposite. I quote from a letter to Dr Coleman from Christine Grice*, the chairman, dated 21 January—that is, just last month—in which Ms Grice says: “The board is satisfied that the funding gap will be bridged to meet the requirements you laid out at our December meeting as being the bottom-line requirements to enable Radio New Zealand to manage within the present funding over the next 2 to 3 years while meeting its statutory and charter obligations on a sustainable basis, and be ready for this implementation on 31 March.”

David Garrett: Does the Minister know, through the radio ratings, how many people listen to Radio New Zealand, or is he, like the rest of the New Zealand taxpayers who fund it, kept in the dark about listener numbers?

Hon MAURICE WILLIAMSON: I do not have those ratings, but I think they are very well publicised.

Sue Kedgley: Is not a freeze in baseline funding really a cut when other costs for rent, transmission, power, and so forth are all going up?

Hon MAURICE WILLIAMSON: No, it is not. Many Government organisations find a number of various ways in which they can make savings—savings they should have been making over many years. Those savings can allow for at least the same, if not an even better, product to be delivered over time within those baselines.

Sue Kedgley: Why did the Minister give the Radio New Zealand board an ultimatum to change its mindset and adopt a more commercial approach, or else, in his letter to the chair of the Radio New Zealand board on 2 February?

Hon MAURICE WILLIAMSON: The Minister has not given any clear direction to Radio New Zealand about what it must do to achieve the goal. All he has asked it to do is to make sure it can work within its baselines, and to reply to him in detail about how it will achieve it. So all the rumour-mongering and scare-mongering that the Minister has directed Radio New Zealand to cut FM or to start getting sponsorship is not correct.

Sue Kedgley: What did he mean, then, when he demanded that the board change its mindset and look at alternative revenue models—in other words, adopt a more commercial approach—when Radio New Zealand’s legislation says explicitly that it must be free of advertising and sponsorship, and must remain commercial-free?

Hon MAURICE WILLIAMSON: I am quite perplexed as to why the questioning carries on, given that I have read a letter from the chair of Radio New Zealand, who says that Radio New Zealand can deliver all its statutory and charter obligations from within the current baselines. I am really not sure what the member is on about.

Clare Curran: What level of cuts in programming at Radio New Zealand is he prepared to accept?

Hon MAURICE WILLIAMSON: Again, I refer the member to the statements the Minister has made. He wants Radio New Zealand to look at its service and its delivery, and to look at how it can make changes, as so many other Government departments and agencies have been asked to do, to

find out areas that can be made more efficient, that can deliver things better and more cost-effectively, but without reducing its ability to deliver both its statutory and its charter obligations. I would have thought Labour would think that was an absolutely perfectly natural thing to do with any Government agency.

Sue Kedgley: Does he agree that some of the options for cost savings that Radio New Zealand has been forced to consider, such as reducing its regional news coverage, will undermine the quality of Radio New Zealand programmes and its charter?

Hon MAURICE WILLIAMSON: Once again, I am quite gobsmacked. Radio New Zealand has not been forced to consider anything. It has been asked to come back with a plan about how it will deliver the requirements under the Act and the charter within its baselines. It will make the decision about what changes it makes to its operations; it is not being directed to do any specific thing.

Sue Kedgley: Has he discussed Radio New Zealand's funding with any chief executives from private sector radio, such as the former **MediaWorks chief executive, **Brent Impey, who campaigned last year for cuts to Radio New Zealand?

Hon MAURICE WILLIAMSON: Because I am answering on behalf of the Minister, it would be impossible for me to answer that question.

Question No. 8 to Minister

Hon TREVOR MALLARD (Labour—Hutt South): In order to assist the Minister of Education with her answer to question No. 8, I seek leave to table an email invitation to **Andrew Oh of the board of trustees of the now abolished *Aorangi School, inviting him to a “web-inar” to be held on 8 March.

Mr SPEAKER: This is an invitation to—

Hon TREVOR MALLARD: This is an invitation to someone who has been tossed off the—

Mr SPEAKER: The source of this document is—

Hon TREVOR MALLARD: Andrew Oh. It is an email that was sent to him on her behalf.

Hon Gerry Brownlee: Can we have more explanation? Mrs Tolley's email to this guy is being tabled by Trevor?

Mr SPEAKER: If the member wants to raise a point of order he is more than welcome to do so, if he wants clarification. I see that the House is confused. Could the member clarify exactly what this document is.

Hon TREVOR MALLARD: It was sent on behalf of the Minister, it is about one of the ministerial-approved training sessions, and it is to Andrew Oh, who used to be a member of the board of trustees at Aorangi School. She is sending it to a trustee of an abolished school.

Mr SPEAKER: Is the member saying this document was sent by the Ministry of Education?

Hon TREVOR MALLARD: Yes.

Mr SPEAKER: Leave is sought to table that document from the Ministry of Education. Is there any objection? There is no objection.

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

Finance, Minister—Statements

4. Hon DAVID CUNLIFFE (Labour—New Lynn) to the Minister of Finance: Does he stand by all his recent statements?

Hon BILL ENGLISH (Minister of Finance): Yes, particularly those statements in respect of the weak performance of the New Zealand economy in the last term of the previous Labour Government.

Hon David Cunliffe: Which statement is correct: his claim to this House recently that over the past 10 years the New Zealand economy performed very poorly, or the statement he made 5 minutes later to the House that over the past 10 years the economy grew significantly?

Hon BILL ENGLISH: I would not necessarily take that member's representations of my statements at face value. But I can understand why he is sensitive about the fact that New Zealand's economy grew poorly under his management, at a time when the rest of the world was growing strongly.

Hon Darren Hughes: I raise a point of order, Mr Speaker. My colleague David Cunliffe put to the Minister a question containing two quotes from the Minister—the person to whom he is actually asking the question. So far all the answers have been about David Cunliffe, and not Bill English. I do not think it is fair for the Minister to get up and say he understands why the member is sensitive or embarrassed or whatever it might be. He should just answer the question. *[Interruption]*

Mr SPEAKER: There should not be interjections—*[Interruption]* I am on my feet now. What is more, points of order should be heard in silence. I expect that. I think the difficulty with the question as asked is that the Minister clearly, as he started his answer, disputed the context of the components of the member's question. As the question is not a question on notice, there has been no authentication of the validity of the context of the two quotes, and that is why I cannot insist on a particular answer.

Hon David Cunliffe: I raise a point of order, Mr Speaker. If the difficulty was in the way that the question was phrased, may I seek leave to rephrase that question?

Mr SPEAKER: No. The member asked his question and got an answer.

Aaron Gilmore: What statements has the Minister made about the Government's economic priorities for 2010?

Hon BILL ENGLISH: The statements I have made about the economy looking ahead are focused on the need to rebalance the economy and on the Government's programme for doing so. We simply cannot continue to be a country that spends more than it earns and tries to create wealth by people buying and selling houses off each other.

Hon David Cunliffe: How does he reconcile his statement that between 2005 and 2008 "this economy grew by less than 1 percent per year" with official statistics that show that the economy grew at almost twice the rate he has claimed?

Hon BILL ENGLISH: I think the member is retelling a story from a couple of weeks ago on one of those left-wing blogs, and the problem there is that he is using nominal growth in the economy, when the standard measure is real growth in the economy.

Hon David Cunliffe: Can the Minister confirm that during the last year of National's administration, from September to September, *GDP actually declined by 2.2 percent?

Hon BILL ENGLISH: I can confirm that, and I am pleased that the member has discovered that. But this Government is dealing with the economy as it found it, and the fact is that from about 2005 onwards the Government sector grew strongly and our earning capacity shrank. We then had a global crisis, and it is our job to clean up that mess.

Hon David Cunliffe: Is the Minister aware that over the 9 years of the Labour Government GDP growth averaged 3.2 percent, which is higher than under the previous National Government and obviously his own; and is he further aware that that strong and sustained expansion was achieved at the same time that net debt was cut to zero, gross debt was cut in half, unemployment was less than half the current rate, thousands of New Zealanders were lifted out of poverty, and the minimum and average wages rose every year; if so, why does he not just admit to New Zealanders what is patently obvious: that he is shonky in his use of figures, and he has no plan for growth?

Hon BILL ENGLISH: I think that shows why Labour got into Opposition and is staying in Opposition. Labour is unable to understand the negative impact that it had on this country and on the thousands of people who have no jobs or little job security because of the poor economic management in the last years of the previous Labour Government.

Prisons—Steps to Prevent Assaults on Staff

5. Dr CAM CALDER (National) to the Minister of Corrections: What steps are being taken to reduce the risk of assaults on prison staff?

Hon JUDITH COLLINS (Minister of Corrections): This Government is serious about reducing the risk faced by front-line staff. Corrections officers are managing some of the most difficult and dangerous individuals in our country. I am pleased to report that the Department of Corrections is currently providing all of its 3,000 prison staff with tactical communication training and de-escalation training. It has already trained more than a third of its staff. Staff have provided examples of situations where, as a result of this training, highly tense situations have been safely defused.

Dr Cam Calder: What else is she doing to ensure that prison staff are safe at work?

Hon JUDITH COLLINS: Tomorrow at Spring Hill Corrections Facility* I will officially launch the roll-out of stab-resistant body armour, spit hoods, and batons. The department will also begin a 12-month trial of pepper spray. This equipment will help prison staff to manage hostile situations. The spit hoods will protect staff from saliva and blood, and the batons will be used by specially trained staff as a last resort. The last administration had 9 years to make prison staff safer and did nothing.

Health Services—Access

6. Hon RUTH DYSON (Labour—Port Hills) to the Minister of Health: Can he guarantee New Zealanders will not have reduced access to health services this year?

Hon TONY RYALL (Minister of Health): There is more money in *Vote Health than under the previous Government and there are more front-line* services being delivered overall.

Hon Ruth Dyson: Why did he give Parliament contradictory answers when I asked him about assessments: first, saying that everyone would be assessed, and then, later in an answer to the same question, saying that everyone who wants an assessment would get one; and how do those comments line up against the announcement from the Otago and Southland district health boards that there will be no assessment for any client receiving 1 or 1½ hours of home support a week, and that they will just have that home help cut?

Hon TONY RYALL: With regard* to the later point, the *Otago District Health Board has made it clear that all those people will be offered an assessment, and if they seek an assessment, their hours will be maintained.

Hon Ruth Dyson: When he made the offer on Tuesday to personally intervene in any individual case of home support cuts, did he know that his ministerial colleague's office in Southland had told a 76-year-old woman with leukaemia that the cuts to her home support were "nothing to do with the Government"?

Hon TONY RYALL: I would be unable to confirm the veracity of the member's claim, but I tell the member that if she has any constituent cases of people being unable to stay in their homes or they will not be safe, then those cases should be brought to our attention, and we will take action.

Hon Ruth Dyson: I raise a point of order, Mr Speaker. In the introductory comments to his answer, the Minister implied that what I was saying was untrue. That is unparliamentary—

Mr SPEAKER: I ask the member to resume her seat. I do not think the Minister said that. He said he could not establish the veracity of the information contained in the question. I think that that is not accusing the member of anything—

Hon Ruth Dyson: Very close.

Mr SPEAKER: The member is doubting it, and that is fair enough, but the Minister is not accusing the member of saying anything false, at all. I think it would be incorrect to interpret it that way.

Dr Paul Hutchison: Why are the Otago and Southland district health boards having to review services being provided to their communities?

Hon TONY RYALL: We have inherited significant clinical and financial problems in the Otago and Southland district health boards. These issues have been longstanding and unresolved, creating much uncertainty for local people and staff. These pressures are a large part of why locally they have come to the conclusion that the two boards should come together. This financial year the National-led Government increased funding for *Otago-Southland by \$28 million, which goes only some way to dealing with the \$20 million of unfunded services we have inherited. We are endeavouring to fill this gap steadily over some years, which is essential to securing the future of local health services for the people of Otago-Southland.

Hon Trevor Mallard: I raise a point of order, Mr Speaker. I apologise for being one supplementary question behind, because I wanted to remind myself of my old Latin and the word “veracity”. The definition, as I think it is, goes to truthfulness and honesty. The Minister used that word in relation to the information supplied by the Hon Ruth Dyson. If the Minister had said it was factually incorrect, wrong, or inaccurate, that would be fine. But doubting someone’s truthfulness or honesty is something that this House has not allowed in the past.

Mr SPEAKER: I am not going to go back to this particular issue. Although I accept the member has looked up the meaning of “veracity” in the **Collins English Dictionary*—I totally accept that—I think in common usage today it does not mean to imply that someone is intentionally not telling the truth. I think the Minister was questioning the facts that were put in front of the House. As it is a supplementary question, we cannot validate the facts. Ministers are entitled to disagree with the facts. They do need to be careful how they do that, but I do not believe that questioning the veracity of the facts is in any way implying that the member was being in any way untruthful at all. I do not think we should get too pedantic in ruling out too many things.

Chester Borrows: I seek leave to table correspondence between myself and the then Minister for Disability Issues* relating to an incident on 4 September 2007 when 300 people had their home care cut in Wanganui City, followed the following year by a similar number.

Mr SPEAKER: Leave is sought for that document to be tabled. Is there any objection? There is objection.

Hon Ruth Dyson: What will happen to older people in Southland who not only are facing these cuts to their home support but have now been told by the district health board that it will cut the number of people entering rest homes by 1,000?

Hon TONY RYALL: I have rung the chief executive of the district health board. We can tell the member that, as I have said earlier, if there is any evidence that someone is going to be unsafe in his or her home or will be unable to stay in his or her home as a result of the changes to home care, then those matters will be taken up. We are dealing with a legacy of neglect with the Otago and Southland district health boards. The previous Government left them with over \$20 million of unfunded services, and we are dealing with that.

Sue Kedgley: I raise a point of order, Mr Speaker. The Minister continued to address the issue of home care in his answer when, in fact, the question was on the number of people entering rest homes. I wonder whether the Minister did not realise that we had moved on to rest homes. Could he then attempt to answer the question about how many cuts to people entering rest homes?

Mr SPEAKER: I must confess the member has caught me there; I did not pick that up. The question was the question of the Hon Ruth Dyson, was it not? Does the member feel that her question was not answered at all?

Hon Ruth Dyson: Consistently.

Mr SPEAKER: Silly me, I guess, in asking such a question. Given that such a question has arisen under a point of order, I will invite the member to repeat her question so long as she does repeat the question she asked.

Hon Ruth Dyson: What will happen to older people in Southland who face not only these cuts but have now been told by the district health board that it will cut the number of people entering rest homes by 1,000?

Hon TONY RYALL: What will happen to these people in Southland is that they will realise that those people who are seeking rest home care will still get the assessments that the member is worried about. But what Mrs Dyson needs to realise is that the Government has inherited a very difficult situation at Otago-Southland, which has created a lot of uncertainty for staff, and we are endeavouring to deal with the \$20 million of unfunded services that we inherited from the previous Government.

Hon Ruth Dyson: I seek leave to table comments from Mr *Peter Harding, an 81-year-old Invercargill man, who has agreed for his name and feelings to be made known publicly, who says—

Mr SPEAKER: Before the member goes through what has been said, can I establish the source of the document, because leave is being sought to table a document.

Hon Ruth Dyson: It is Mr Peter Harding, an 81-year-old Invercargill man, as reported in the *Southland Times** yesterday.

Mr SPEAKER: No, I think we will not be seeking leave to table reports from yesterday in a significant newspaper.

Dr Paul Hutchison: What changes to patient services, if any, is he aware of that have been undertaken in recent years as district health boards look to live within their means?

Hon Trevor Mallard: I raise a point of order, Mr Speaker. I am just making sure that you are going to remind the Minister to stay within areas of his responsibility.

Mr SPEAKER: I do not think the member should be pre-empting by way of a point of order what Ministers may say.

Hon TONY RYALL: I am aware of a number of changes to patient services under the previous Government, for which I have seen reports, such as the hundreds of people who had their home-cleaning services stopped in Wanganui a few years ago while Ruth Dyson was the *Minister for Disability Issues. One would be very confident on the basis of this week's apparent outrage from Ruth Dyson that she would have fought these home-cleaning changes tooth and nail. But after searching high and low for copies of press statements, letters, or even a whisper, no one can find a snippet of protest from Ruth Dyson.

Project Protector—Progress

7. TODD McCLAY (National—Rotorua) to the Minister of Defence: What progress has been made with Project Protector?

Hon Dr WAYNE MAPP (Minister of Defence): We have now taken delivery of the first of the two offshore patrol vessels, the **Otago*. The delivery of the second, the **Wellington*, will take place in April. This completes the delivery of the *Project Protector fleet, and it will be a substantial addition to the Navy. I might note that the programme has been bedevilled by delay and dispute, largely because the Labour Government chose a one-off solution with the **Canterbury*, which has led to a very large repair bill.

Todd McClay: What progress is being made with the rectification of the defects of the *Canterbury*?

Hon Dr WAYNE MAPP: We have now settled the dispute over the defects of the *Canterbury* with *BAE Systems, by way of mediation. BAE Systems has paid \$84.6 million to the Crown, based on current exchange rates. I might note that Labour spent years talking about the problems but never actually got around to solving them. In contrast, we had to initiate a legal process, which has resulted in a very good outcome, and it will enable a comprehensive rectification of the defects of the *Canterbury*.

Education, National Standards—Minister's Understanding of asTTle

8. Hon TREVOR MALLARD (Labour—Hutt South) to the Minister of Education: Does she understand the asTTle reporting system and the process leading to it?

Hon ANNE TOLLEY (Minister of Education): I would not claim to have an understanding on a par with that of Professor *Hattie, but I understand the core elements.

Hon Trevor Mallard: What is the difference between the national standardisation used by *asTTle and the standardisation required by her national standards?

Hon ANNE TOLLEY: I am advised that *asTTle is set to population norms. National standards are nationally consistent benchmarks that set clear expectations about achievement and progress, and are aligned to ensure that students are on track to achieve National Certificate of Educational Achievement (NCEA) level 2. I am advised that in some cases the national standards expectations are above current norms. We have set these national standards at this level to ensure that all of our students are able to succeed at NCEA level 2.

Hon Trevor Mallard: What is her best estimate of the extra time that teachers will spend, and the cost of using a non-standardised system rather than one that is already standardised?

Hon ANNE TOLLEY: I say to the member that that would very much depend on the assessment tools that teachers are currently using and the effectiveness of those. Many teachers in our schools are already using assessment tools and practices extremely effectively, in which case for them very little will change. Perhaps all that might change is the additional requirement to report to parents against the national standards. But we know that there are many, many students whose teachers are not using effective assessment techniques and tools, and we hope that they will have to make many changes.

Hon Trevor Mallard: In light of the Minister's last answer, for a teacher currently using asTTle—given that the Minister said that the cost would depend on the system that teachers currently used—what is the Minister's best estimate of the extra time spent by the teacher and the extra cost to the school of using a non-standardised system rather than the already standardised asTTle system?

Hon ANNE TOLLEY: It would depend on exactly what reports those teachers are currently giving parents. It is my understanding that there is not a standard asTTle report. But if teachers are using an asTTle report, they will have to provide an additional report that includes placing results and the progress of students against the national standards. However, if teachers are not producing an asTTle report for parents, they will have to produce just a report showing progress against the national standards.

Jo Goodhew: What advice has the Minister of Education received on the difference between asTTle norms and the benchmarks set by the national standards?

Hon ANNE TOLLEY: I am advised that asTTle is based on population norms—that is, what students are currently learning. We know—*[Interruption]*

Mr SPEAKER: I apologise to the Minister. The House showed courtesy while the Minister was answering a question from the Opposition; I now ask the House to show the same courtesy while the Minister is answering a question from a member of the Government. I think that that is only fair and reasonable.

Hon ANNE TOLLEY: I am advised that asTTle is based on population norms—that is, what students are currently learning. We know that, in this modern world, that is not significant enough for our students, and the national standards have been aligned through to NCEA level 2. We know that that is the level that students need for success.

Hon Trevor Mallard: Did I understand the Minister to just say that asTTle results are based on what students are currently learning; if not, would she care to revise that answer?

Hon ANNE TOLLEY: I am happy to add to that: learning and achieving.

Hon Trevor Mallard: Does she accept that the asTTle reports for parents provide more, more in-depth, and more useful information to parents than her national standards will; if not, why not?

Hon ANNE TOLLEY: As I said to the member before, my understanding is that there is not one standard report from asTTle. Some parents whose schools are using asTTle are getting very detailed information. But I know of one parent, who has talked to me, whose school uses asTTle

and translates the asTTle reports into “average”, “above average”, or “below average”. So there is no standard asTTle report. What schools will have to do, in addition to anything else that they are reporting to parents, is to report progress against the national standards, in plain language, at least twice a year. We know that parents cannot wait for that to happen.

Hon Trevor Mallard: Has she looked carefully at the asTTle graphs that are available for parents, which most schools using asTTle give to parents; and does she accept that the information in those graphs provides more, more in-depth, and more useful information to parents than the reports that will be provided as a result of her national standards?

Hon ANNE TOLLEY: Yes, I have looked carefully at the console of reports.

Passports—Roll-out of New Passports

9. KANWALJIT SINGH BAKSHI (National) to the Minister of Internal Affairs: What reports has he received on the *roll-out of new passports?

Hon NATHAN GUY (Minister of Internal Affairs): I have received reports from the Department of Internal Affairs on how successful the transition to new passports has been. The last old-style e-passport* was issued yesterday. From today we are issuing the new model solely, with new security features and a new black and silver design. Forty-five thousand of these passports have been issued, and the new technology is working very well. All production targets were met during the transition to the new-style e-passport, and they continue to be met.

Kanwaljit Singh Bakshi: Why was it important to update the New Zealand passport?

Hon NATHAN GUY: The New Zealand passport needs to be updated to keep up with technology and to stay ahead of fraudsters. The new passport has over 50 new security features. This helps to protect the good reputation that our passport enjoys overseas, and, indeed, it secures visa-free access for New Zealanders to over 50 countries. What is more, it is value for money; we have kept the price at the same level of \$150 as previously.

Housing—Salvation Army Report

10. MOANA MACKEY (Labour) to the Minister of Housing: What is he doing to address the housing issues raised in the Salvation Army’s recent *State of the Nation Report*?

Hon MAURICE WILLIAMSON (Acting Minister of Housing): As the Prime Minister appointed me to the role of Acting Minister of Housing only at lunchtime, I guess it will come as no surprise to the House to know that I have not, as yet, read the *Salvation Army’s recent **State of the Nation Report*.

Moana Mackey: What is he doing to address the urgent issue of homelessness in Auckland, given that more than 20,000 Aucklanders alone are now believed to be homeless?

Hon MAURICE WILLIAMSON: I am still waiting on even initial briefing notes to come from my new department. Until I get those, I am not doing anything. [*Interruption*]

Mr SPEAKER: I say to honourable members that I have called their colleague Moana Mackey.

Moana Mackey: I am sure that would be a great comfort to the homeless of Auckland. [*Interruption*]

Mr SPEAKER: I ask the member to resume her seat. Members can see what happens when we do things that are out of order. It leads to disorder. I ask the member to please just ask her question, and I ask her colleagues not to interject while she is doing it.

Moana Mackey: Does he stand by his Government’s response to the report that changes to the Resource Management Act and the *Building Act, as well as the Auckland *super-city, will fix the homelessness problem, or does he agree with **David Zussman from the *Monte Cecilia Housing Trust, who said that that response lacks vision and leadership?

Hon MAURICE WILLIAMSON: I think it will be no surprise to any member of the House that I stand by the Government’s reaction to the report

Moana Mackey: If the Resource Management Act and Building Act reforms are the answer to homelessness, how soon will these homes be available, given that 20,000 people are homeless now, and how many will be priced at an affordable level for someone who is homeless?

Hon MAURICE WILLIAMSON: If I could just divert from my portfolio of housing to the building and construction portfolio for a second, and say that only next week we will be launching, in cooperation with the Housing New Zealand Corporation, a new, low-cost house design and a sample home. These things are already under way.

Paralympic Committee Athletics World Championships 2011—Government Support

11. MELISSA LEE (National) to the Minister for Economic Development: What support will the Government provide for the 2011 International Paralympic Committee Athletics World Championships?

Hon GERRY BROWNLEE (Minister for Economic Development): Last month I announced that the Government will contribute \$400,000 towards the **2011 IPC Athletics World Championships, to be held in Christchurch in January 2011. The 2011 IPC Athletics World Championships are the world's second-largest international sports event for athletes with a disability, and they are expected to attract around 1,300 athletes and 900 officials, all coming from 75 countries. This is an elite international event, and it is the first in a great sporting year for New Zealand.

Melissa Lee: What is the expected legacy for New Zealand from hosting the 2011 IPC Athletics World Championships?

Hon GERRY BROWNLEE: The event will leave a significant social legacy, namely the continued development of *Paralympic sport in New Zealand. The event is a sporting showcase for elite athletes, and it will highlight many role models, not only for disabled but also for able-bodied individuals in New Zealand and around the world. In addition, it is estimated that the potential economic impact for Christchurch will be over \$12 million. As well as this, media coverage of the championships is expected to be extensive.

Chris Hipkins: Is funding available from the Ministry of Economic Development for other international events held in New Zealand that attract international media and television coverage, such as the *Rally of New Zealand?

Hon GERRY BROWNLEE: On a *case by case basis, the member will be aware that the major events unit inside the Ministry of Economic Development considers support for events of that type.

Chris Hipkins: Why did he decline an application from **Motorsport New Zealand for support from the *Major Events Development Fund for the Rally of New Zealand?

Hon GERRY BROWNLEE: We set high criteria for the economic benefit that is to accrue from events like that. Of course, I suspect that the sum requested for that event would have been somewhat higher than that granted to the Paralympians.

Chris Hipkins: What steps will he take to ensure that New Zealand does not lose other significant events of a similar or larger scale to the 2011 IPC Athletics World Championships, particularly in light of the recent loss of the Rally of New Zealand after he refused to back it?

Hon GERRY BROWNLEE: I am surprised to learn that I am personally responsible for the loss of the Rally of New Zealand event. I will say we are trying to encourage a pipeline of events that will occur in New Zealand over a number of years, where those events are to become annual, biennial, or whatever their frequency may be. We are also trying to encourage those events, on an increasing basis, to become self-sufficient. But we are very active in seeking opportunities for events that will give economic benefit and profile to New Zealand to be attracted to this country.

Power Prices—Reduction

12. CHARLES CHAUVEL (Labour) to the Minister of Energy and Resources: What actions, if any, is he taking to reduce power prices?

Hon GERRY BROWNLEE (Minister of Energy and Resources): I have often said that no Government can promise to lower power prices. Certainly, the Labour Opposition cannot do so, because under the Labour Government's watch residential power prices increased by three times the rate of inflation. The aim of the Government's electricity industry reforms is to flatten out the very steep price path that New Zealanders faced during those years. I would point out that since the National Government has been in office we have had a 1 percent price rise in real terms in the electricity sector. I hope that will continue through the coming year. It is significantly better than what was done by the previous administration.

Charles Chauvel: Does he know that his own expert advisory group says that, on average, 227 megawatts per year in new generation were added under Labour between 2004 and 2009, and that only 174 megawatts per year are projected to be added between 2009 and 2014—not enough, according to the Electricity Commission, to keep the lights on past 2012?

Hon GERRY BROWNLEE: Yes, but I am also aware that those projections are somewhat determined by the ability of those proposing projects to get consent. I am confident that many of those seeking consents or considering seeking them are waiting for the Government to pass the next round of Resource Management Act legislation, which we believe will make it much, much more straightforward to gain consent.

Jonathan Young: What is the Government doing to increase competition and constrain future electricity price increases?

Hon GERRY BROWNLEE: The electricity bill that is currently at the select committee contains a suite of important changes to the electricity sector. The key initiatives that will beef up competition include the transfer of *Tekapo A and *Tekapo B power stations from Meridian Energy* to *Genesis Energy; requiring all major electricity generators to put in place an accessible electricity hedge market; allowing lines companies back into electricity retailing, subject to strict controls; and establishing a \$15 million fund over 3 years to promote customer switching for retailers.

Charles Chauvel: Does he still say that it would be “audacious” for any power company to raise its prices while he was still considering changes to the electricity sector; if so, what does he say to those New Zealanders now facing increased power bills while electricity companies ignore him and simply put up prices?

Hon GERRY BROWNLEE: I spoke before of the measurable period of price rises under the National Government. In that time we had a 1 percent, in real terms, price rise. That is a third of the record for each and every year of the 9 years of the Labour Government. So I think it is a very proud record. What I would say is that last year most power companies appear to have made reasonable profits, and they have done so while containing the price. I think that is the way we will see things happening in the future.

Charles Chauvel: Has he seen comments from *David Baldwin, the Chief Executive of Contact Energy, that “The outcome of the electricity review itself is of no particular concern to Contact.”; if so, how does he expect to address issues within the electricity sector—in particular, price rises—when one of the major players in the industry dismisses his reforms and increases its prices by 5 percent?

Hon GERRY BROWNLEE: The reason that Mr Baldwin suggested that the *Electricity Act changes were of no consequence or concern to *Contact Energy is that it supports them and knows that it will be able to operate successfully within them. It is the most balanced electricity generating company in New Zealand, and I welcome his comments.

Charles Chauvel: Supplementary question.

Mr SPEAKER: By my reckoning and from the advice I have received, the Labour Party has now used its 28 supplementary questions, and that is not counting the one where I gave the Hon Ruth Dyson the opportunity to repeat one of them—I did not count that one.

Hon Trevor Mallard: I raise a point of order, Mr Speaker. I know that this is relatively unusual and I am doing something that I have never done before. I am almost certain that I used five supplementary questions. My colleague the whip counted my asking five supplementary questions, which is what I was allocated. Your—

Hon Bill English: Can't count.

Hon Trevor Mallard: That is the man who should have—

Mr SPEAKER: The member will resume his seat immediately, and that is the end of that point of order.