

Office of the Prime Minister

Prime Minister

Minister for National Security and Intelligence Minister of Tourism Minister Responsible for Ministerial Services

1 6 SEP 2016

Graham Carter

Email: fyi-request-4538-042c65d5@requests.fyi.org.nz

agliso

Ref: PMO 127-2016

Dear Graham Carter

Official Information Act Request Relating to the Prime Minister's Speech at the NZ Seafood Industry Conference

I refer to your Official Information Act request received on 5 September 2016 for: "a copy of John Key's speech to the New Zealand Seafood Industry Conference, on 31st August, 2016 at Te Papa, Wellington."

Please find enclosed speech notes provided to the Prime Minister for the relevant conference. Please note that as the Prime Minister did not follow these speech notes verbatim, they are not an accurate record of the Prime Minister's speech.

You are entitled to ask the Ombudsman to review this response under section 28(3) of the Official Information Act. You can contact the Ombudsman online via the Ombudsman website, by email (<u>info@ombudsman.parliament.nz</u>) or by post to The Ombudsman, PO Box 10152, Wellington 6143. Further details can be found on the Ombudsman website at: <u>www.ombudsman.parliament.nz</u>.

Yours sincerely

Wayne Eagleson Chief of Staff

It's great to be here today, in a place which celebrates New Zealand's heritage, on Wellington's famous harbour.

And to recognise your success.

It is industries like yours that are behind the solid, sustainable economic growth that we are seeing right across New Zealand.

That success is doubly important – and all the more remarkable – when internationally we live in such challenging economic times.

Global growth is sluggish – and slowing growth in emerging economies continues to be a cause for concern.

The Government's role is to get the policy settings right so businesses have the confidence and flexibility to respond to changing international and domestic conditions.

And we are seeing that happening.

The dairy industry has been heavily affected by low commodity prices – and many dairy farmers are doing it tough.

But as you all know it is actually only a small part of the economy.

Despite the fall in dairy prices, total exports are up over \$2.3 billion in the last year, and more than \$7 billion in the last three years.

Meat exports increased by over 6 per cent last year, spending by international visitors is up 25 and IT exports have grown at 14 per cent a year since 2008.

Low interest rates are providing support for families with a mortgage, and helping business to invest.

When industries like yours invest we see more jobs, higher wages, and greater prosperity for families right across New Zealand.

In fact, over 250,000 more jobs in the last three years.

And wages are up 25 per cent since National came to office in 2008 – over twice the rate of inflation.

The average annual wage is up more than \$11,000 to over \$59,000, and that is expected to rise to almost \$63,000 by 2020.

You are a major contributor to that economic performance.

And today there are many reasons to celebrate because our seafood industry is in excellent health.

Seafood exports reached nearly \$1.8 billion for the year to June -15 per cent more than the previous year.

This is great news – and a credit to all of you in this room.

And it's clear that you are also confident in your own future, based on the significant investments we are seeing within your industry.

These include Aotearoa Fisheries announcing a \$30 million fleet renewal programme late last year.

And the Government and industry co-investing in the Primary Growth Partnership, including the Precision Seafood Harvesting and the mussel spat programmes.

I understand there is another significant announcement to be made here today, though I'll leave that to those involved to outline later.

It's great to see such momentum and the Government is committed to helping you build on that.

So much so that we've set a goal of doubling the value of primary sector exports to \$64 billion by 2025.

It's an ambitious target but we are ambitious for New Zealand.

And the target has been adopted by many industry groups, including aquaculture which wants to hit \$1 billion in sales by 2025.

Achieving this goal is all about adding value to what we produce, because clearly we can't just double what we take from the sea.

And it's about creating new opportunities and cracking new markets.

That's why the Government is so focused on forging new trade agreements and opening up new frontiers for New Zealand businesses – in particular, building ties right across Asia and the Pacific.

It's worth reminding ourselves that 99.9 per cent of our potential customers live overseas – many in that fast-growing region.

Through our various trade agreements New Zealand is incredibly well placed to take advantage of the opportunities opening up there.

Once TPP is in place our trade agreements will cover almost the entire Pacific Rim – a region of incredible potential.

The Asia-Pacific will be the major driver of global economic growth for the foreseeable future

The sheer weight of population and the growing middle class in China and other rapidly developing countries is driving innovation and change at rates we've not seen before.

That's good for our region and for the world.

And this Government remains focused on ensuring you have the opportunity to take advantage of that.

We won't get rich selling things to 4.5 million New Zealanders.

But we could by selling to 4.5 billion people overseas.

We understand the benefits that free trade agreements deliver and the opportunities they offer.

If New Zealanders get an equal crack at world markets, we're up there with the best in the world.

You here have proven that and this is why agreements like the TPP are important.

If signed, it will open up access to 800 million people around the world.

On surrent trade volumes, tariff savings will reach \$274 million a year once the agreement is fully implemented.

For the seafood industry that's an estimated \$9 million annually.

And of course it will also help our seafood exporters sell more to those consumers overseas.

And we won't stop there.

We also hope to upgrade our FTA with China and we're in negotiations with the EU and the Gulf States as well as with the other nations involved in the Regional Comprehensive Economic Partnership talks.

But while the Government can help create opportunities, it is also up to industries like yours to go and seize them.

And to play your part in protecting the clean, green brand we rely so heavily upon.

We all work hard to protect that brand and ensure we live up to it - but we cannot rest on our laurels.

Consumers want to feel good about what they are buying.

It will not be enough for New Zealand to produce the best products in the world.

Our produce will also have to remain among the most sustainable.

And this Government is committed to working with the sector to build on those efforts.

As you will all know, New Zealanders have an affinity with the ocean.

We're surrounded by the sea and spend a lot of time in and on it.

It supports us economically and we are fiercely protective of it.

Indeed, along with our beaches, mountains, lakes, rivers and wildlife we are in many ways defined by it.

Our natural environment is something we are known around the world for and it is hugely important to our prosperity.

Take tourism.

Our 100% Pure New Zealand campaign has been in place since July 1999 - around 17 years.

It tells the story of how the landscapes, people and activities found here combine to create a 100% Pure New Zealand experience - one that is unique to us.

And since 1999, visitor arrivals have grown from 1.5 million to 3.3 million.

Spending by those visitors has climbed from around \$4.5 billion to more than \$10 billion.

Across our top six tourist markets - Australia, China, the US, UK, Germany and Japan, our association with 'spectacular natural landscapes and scenery' is number one for consumers.

That our environment is clean and unpolluted is also important.

These factors help define our nation in the eyes of the world and they help to define our products in the eyes of its consumers.

Our oysters, crayfish, terakihi and snapper might taste the best and that's undoubtedly why they sell so well – but those eating them also know they come from an ocean well cared for, in a place of rare natural beauty.

As you will know, the Government has taken significant steps to promote and protect that brand.

Because it is important for all our export industries.

One of our most recent initiatives was the announcement of the Kermadec Rangitahua Ocean Sanctuary.

It will be one of the world's largest and most significant fully-protected areas.

Predator Free New Zealand – our ambition to rid New Zealand of all rats, possums and stoats by 2050 – is another.

Both are internationally significant conservation initiatives and they will benefit our exporters.

Because it's clear that international concerns about ethical production and environmental sustainability are only going to increase.

So these programmes are not just good in and of themselves, but help keep New Zealand at the forefront of global conservation efforts and build on our clean green reputation.

New Zealand industry has always been nimble and innovative.

We are burdened by distance but we know how to make our competitive advantages count.

We are world leaders when it comes to sustainable business practices and your industry is at the forefront of that.

We are today marking the 30th anniversary of the Quota Management System – a way of managing our fisheries that has been rated the best in the world.

It not only allows for sustainable management, but it demonstrates to markets and consumers that we are managing our resources wisely.

As I mentioned earlier, this is incredibly important for New Zealand and this Government is committed to building on those efforts.

On top of our environmental initiatives we also do this through better regulations and by working with industry to improve its practices.

Because the industry has to be seen to be doing its bit.

The Quota Management System was brought in to ensure our fisheries are managed responsibly.

But the public's expectations go beyond simple adherence to bare minimums.

And its trust is hard won and easily lost.

Your industry has had its struggles with that this year.

And I'm sure you don't need me to tell you how important it is for you to show you take issues like overfishing, under reporting and discards seriously.

And that you are committed to showing the leadership needed to raise industry standards and address community concerns

Ensuring our commercial and recreational anglers can fish alongside each other is also important to getting the public onside.

This is the aim of our Marine Protected Areas reform - to recognise the need for a balance between economic opportunity, environmental protection and the right for everyday New Zealanders to catch a fish.

The same applies to improving our fisheries management.

Last year Primary Industries Minister Nathan Guy announced a review to ensure our system it is up to date and working efficiently and fairly.

And he has also asked MPI to accelerate the introduction of electronic monitoring and reporting.

The review won't undermine the existing rights and interests of commercial, customary and recreational fishers, Treaty settlements or core elements of the QMS.

Our aim is to improve the value of our exports, and to enhance the sustainability of our fisheries.

And overall these efforts will provide greater transparency and improve public and market confidence that our fisheries are being well managed.

We will consider the industry's feedback on all of these matters before we make our final decisions.

So there is extensive work underway in an industry which is incredibly important not only to you but to New Zealand's future.

There's no doubt the industry faces challenges but we've shown we can meet these with innovation, goodwill, hard work and communication.

The opportunities in front of us are immense and I have no doubt your industry can grasp them.

The Government is here to help you do that.

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Thanks again and all the best for the rest of your conference.