

POST-CABINET PRESS CONFERENCE: MONDAY, 9 NOVEMBER 2020
HANSARD TRANSCRIPT

PM: Kia ora koutou katoa. My first task today, though, is to apologise for the lack of sign language interpreters. Due to circumstances unfortunately beyond our control, they are not able to be here today. So for the community, I apologise that we will be without that interpretation.

Now I'll run through the week ahead, and then we have a couple of things to share, including an announcement from Minister Robertson, following Cabinet decisions today as it relates to small business. Unfortunately, Minister Nash couldn't be here, so we have the Deputy Prime Minister instead.

I'll this week be in Wellington conducting meetings here in the Beehive. On Wednesday, I will be in New Plymouth doing a range of business and community meetings. On Thursday, I will be making business visits in Auckland, and on Friday I'll be working out of my Mount Albert electorate office and paying some long-overdue electorate visits there. I'll also have a busy weekend, with virtual East Asia Summit meetings over the course of the weekend.

Before Minister Robertson talks to today's Cabinet meeting and decisions made there, I want to update you on some developments relating to COVID and some of the work that we've been doing on travel. First, travel with the Cook Islands, which is something we've been working on for some time. You'll recall that in August, both Governments announced that negotiations on the text of an arrangement to facilitate quarantine-free travel between the Cook Islands and New Zealand were at the point of conclusion. As the next step, New Zealand officials were to visit the Cook Islands to work with their counterparts to ensure that we can safely operationalise two-way travel without quarantine. I can now share that that visit has been scheduled for 14 November, with officials departing Auckland this Saturday.

While I don't wish to put any time frames on a potential travel bubble, it is my aim and hope that this can resume as soon as is safely possible, and this on-the-ground visit by officials to the Cook Islands is the next step in that process. We, of course, have also said to counterparts in the Cook Islands we welcome any visits that they may wish to do in the other direction to equally assure themselves of the practices that we would have in place at the border too.

Now to the room allocation system for managed isolation. The voucher system went live last week, and I've seen the stories of people not being able to get a place before Christmas—specifically, that would enable them to be released from quarantine before Christmas. This is sadly the reality of any booking system where, in the short-term, there is greater demand than there is supply of spaces. With COVID raging in the world, it is obviously completely understandable that Kiwis want to come home for Christmas. It's something I absolutely understand, having been a Kiwi abroad myself, but we can't simply turn on more places. Every new facility requires additional health staff, additional military personnel, police, and security presence. Our borders remain our first line of defence during this pandemic, and it's important that we manage those facilities and the return of New Zealanders safely.

As it is, New Zealand already has more spaces per capita in managed isolation than, for instance, the likes of Australia. The voucher system, which will better enable us to manage the flow of returning New Zealanders, has been up and running for a week now. There are elements of this system that I thought it might be helpful for me to make sure are well advertised, because they will affect some people's access. For instance, the booking system holds places for a short period of time while someone then goes and books an actual flight. That means rooms are being held and then released frequently. For example, on a single day in December, there were more than 300 vouchers returned to the system for this reason.

This re-release ensures these rooms don't go to waste. So if you're someone with a voucher that won't be using it—that you've reserved a space but have found an alternate booking on a flight or changed your mind—please make sure you cancel your booking as soon as

possible so that someone else can use that space. I encourage others who have been seeking vouchers to keep checking for the release of rooms, because, as you can understand when building a system, we've made sure that what happens first is the ability for someone to reserve a space while they then go and book their flight. Of course, what we wouldn't want is the reverse situation, where people are booking flights and then unable to access a voucher. So that's why we've designed it in that way, but it does mean people should go back and check as rooms are released.

Overall, this is a large undertaking. Since the booking system was stood up, there have been tens of thousands of vouchers allocated. But once we are through this busy spell that is the summer period and the Christmas period, I do anticipate supply and demand will be more evenly matched. And now to Cabinet, and I'll hand to the finance Minister to talk about one of the first decisions that have been made to accelerate our economic recovery. Minister Robertson.

Hon Grant Robertson: Thank you, Prime Minister. Ngā mihi nui ki a koutou katoa. Today Cabinet discussed a range of topics central to New Zealand's ongoing economic recovery, including changes to the Small Business Cashflow (Loan) Scheme. As you may know, the scheme opened in May, and to date close to 100,000 businesses have received the loan, with a total lending of \$1.6 billion. The average value of each loan is modest, at around \$17,000, with smaller businesses being the target. It is much-needed working capital to help businesses who have been in a tight spot. A small number of borrowers have already repaid their loan.

Cabinet today agreed to changes to the scheme which we signalled during the election campaign. Supporting small businesses remains a central principle in our five-point plan to keep New Zealand moving and keep up the momentum of recovery. It will provide businesses greater certainty, support confidence, and keep up the momentum of the recovery. The scheme also supports small businesses' access to finance, which was one of the key findings and recommendations from the Small Business Council. The changes we signed off today make the scheme more attractive to prospective borrowers, and they do not require legislation. We will extend the life of the scheme for a further three years. The loan scheme had been due to end on 31 December this year. Secondly, we will extend the interest-free period from one year to two years. Existing borrowers will be migrated to the new arrangements. And thirdly, we are broadening what the loan can be spent on outside of core business operating costs to, for example, capital items.

The next steps from here are that we have asked officials to provide further advice on more changes to the scheme. These changes could include allowing businesses to re-borrow if they've already paid back, and draw down a second loan; increasing the borrowing cap; and/or adjusting the eligibility criteria. We anticipate Cabinet will consider the second set of the changes to the scheme before the end of this year, and I note that legislation would be required for some of these changes that I've just mentioned. We also want to look at how this support sits alongside other measures, such as the wage subsidy scheme, the business finance guarantee scheme, and also to look at broader questions about access to finance for small businesses.

PM: Great. Thank you, Minister Robertson. Look, we're now happy to take questions. Jessica.

Media: Prime Minister, with the vouchers scheme, it isn't really a surprise that a lot of people want to come back for Christmas. Why not set up a temporary [*Inaudible*] and boost those numbers so that more people can come home when they want to?

PM: Look, we have to keep in mind that we do not have limitless capacity to just simply increase carte blanche the number of spaces that are available. It requires Defence Force personnel. It requires police. It requires dedicated health workforce that cannot be undertaking any other work across the health system because of safety issues. As it is, we have anything up to 4,000 people already working across the system. Every time we increase the number of places, we increase risk, so this is a finely balanced process here. Yes, we

want to support New Zealanders to come home, but we also need to keep New Zealanders safe.

Media: Do you run the risk, though, that some of these New Zealanders who are bringing a lot of very useful skills might say, “Well, if I can’t come back for Christmas, I’m just going to leave it for a few”—

PM: No, not at all. In fact, you know, you can see from, for instance, the survey work that Kea have undertaken that there is a real interest in a number of New Zealanders wanting to return home. I simply do not believe that if they can’t get the one precise date that they want immediately prior to Christmas, that they’ll change their mind altogether—not least the fact that New Zealand is incredibly well placed relative to other countries where many Kiwis are currently coming from, and they will be looking at their longer-term prospects. New Zealand is a great place to be right now, and that’s not going to change any time soon.

Media: Kiwis overseas have told us that they’re becoming frustrated with the booking system, because, for instance, if the airline changes their flight, there’s then not a way to change their quarantine booking. Is there anything being done about this—

PM: Well, there is. There is a way to change their quarantine booking, but the issue will be that it won’t necessarily be precisely the time that their flight has changed to. So one of the things we are working through is ways that we can directly link airlines in with our voucher system. So that is one of the modifications we’d like to make in the future. At the moment, though, of course, we’re not just dealing with Air New Zealand; there’s a range of airlines that New Zealanders are using to get home. It simply hasn’t been possible to connect the two systems at this stage, but we may well be able to link in the future.

Media: Should that connection not have been made before the voucher system was set up?

PM: No. Look, we have to think here about what is practically possible. It was much more important that we had a voucher system up and running as quickly as we could. We have front ended it so that the most important thing is done first. We have limitations on the places available. That’s why you reserve a spot. You then go and find an appropriate flight and then you lock it in. That was the simplest way to operate the regime. The idea that you could simply book on any airline from around the world and automatically book a place in a New Zealand quarantine was just not something that could be developed in quick time or efficiently without there being potential other issues to resolve.

Media: In terms of that Cook Islands travel bubble, I know you said you can’t put a time frame on it, but how quickly could we move to establishing a bubble if the officials got over there and say “Look, this looks all good; let’s go.”?

PM: Yeah. So from the time at which both sides—because keep in mind it’s not just, of course, New Zealand saying we’re ready to go; the Cook Islands need to give their approval too. That’s really important, because they have COVID-free status. It would take from that point, of giving it the tick, a couple of weeks. But at the moment, we’re getting everything in place. We do want to go over and make sure that we’re having those face to face talks. In part, one of the things we’ve always been mindful of is it’s not just the aviation border; it’s the maritime border that has been an area of risk for both countries. Just checking all those arrangements are what both sides would expect is important.

Media: What are the latest conversations you’ve had with Scott Morrison in terms of Australia, especially in light of—you know, Victoria’s restrictions are loosening as well. Where are things at there?

PM: Yeah. So the last time we talked, we talked about sharing of information around the way—again, a bit more detail on locking in the way that those hotspot arrangements would work. So keep in mind we’ve got to think not just about the status of New Zealand and Australia now but the status, you know, in two to three months’ time, say there’s an outbreak. Australia at the moment has indicated their hotspot regime wouldn’t close down travel from

any given state until they had as many as 10 cases or more a day over a three-day period. Now, New Zealand would consider 30 cases in the community an unreasonable risk. Australia at the moment is saying that that would be within their tolerance. So we do need to resolve how those border limits would work in that kind of arrangement, because you don't want to have a situation where we're opening and closing and opening and closing. So that's some of the issues that need to be resolved.

Media: Does that make it—I mean, that is just quite a different strategy in general, isn't it? We have seen Australia in some ways operating quite a different strategy. So, I mean, how long is it going to take I guess to marry those up, and does Australia need to come to New Zealand's level, I guess, to do that?

PM: Yeah. Look, in our view, there are, you know, ways through this, but we just need to be very, very clear, because if we're in a situation where we're quite comfortable with the COVID-free status of, for instance, one state and remaining open to them—that we can therefore be guaranteed that if there's resurgence in another area, that would be managed at the Australian border side. So those are the issues we need to work through. In many respects, Australia's questions for them are somewhat easier, because we're treated as one nation. We have a very low tolerance for COVID. We have, you know, a strategy of elimination, so in many respects it was always going to be a harder question for us than it was for them.

Media: How many officials are going to the Cook Islands, and will they have to go into managed isolation?

PM: Yes. So we are being consistent with the way that they are being treated on their return—my understanding is not on the way over, because the Cooks have themselves opened up to their own travelling citizens at this stage for quarantine-free travel. But on return, we would be treating them consistently as we are everyone else. I'd need to check the numbers for you, but it's—my understanding is a handful.

Media: Minister Robertson, what did you discuss at your meeting today with the Reserve Bank?

Hon Grant Robertson: Look, it was a good general catch-up on the state of the economy. I hadn't been in a position to be able to have that kind of catch-up with the Reserve Bank Governor during the election period, for obvious reasons, and so we discussed broad economic issues. Shortly we'll meet with him to have our normal pre-MPS briefing. But it was a very broad catch up.

Media: Did the Reserve Bank alert you to the likelihood of asset prices increasing on the back of all the stimulus that they're doing?

Hon Grant Robertson: Not specifically, no. I mean, obviously, we discuss a range of issues in the economy. I'm not going to get into too much detail about those, because I've found for the Minister of Finance it's wise not to, but it was a good and useful discussion.

Media: Should staff working at the Jet Park Hotel be able to meet face to face with other colleagues, given the most recent community cases [*Inaudible*]?

PM: Yeah, and so one of the things that the Minister for COVID-19 Response and myself have discussed is that with any occurrence that we have of a case within our workforce, we work very, very quickly to remove as much risk as we can. One of the things he's immediately identified is that having an individual travel in for a meeting with MIQ workers represents a risk that could be avoided. So using remote ways of meeting, reducing down travel of those who are in contact with MIQ workers—all things that he'll be seeking assurances from the Defence Force around.

Media: Will that be an immediate change?

PM: Yes, I imagine so. We have the ability to make sure, utilising remote technology—to reduce down as much as possible the contact between those MIQ workers and other workforces, and where we are able to do that, we should.

Media: Will you also be seeking assurance that anyone who does come in contact with these workers will therefore wear a mask on a plane?

PM: Look, that, for me, should be a given. What I do want to say is I don't want to be seen here to be apportioning blame to individuals who are working in an incredibly difficult environment. They are involved in a thankless task of looking after returning New Zealanders and protecting our safety, at risk to themselves. So whilst, yes, that is something that we will be requiring, I don't want to be seen here in any way to be criticising those people involved, because they are doing an enormous job on behalf of all of us.

Media: To be clear, that was the worker that wasn't working at quarantine?

PM: Correct, but was in contact with someone that was. So in our minds, of course, first focus is to remove unnecessary travel; second, if there is travel in a circumstance like that, there would be an expectation of mask use.

Media: On the prospect of a trans-Tasman bubble, Bloomfield today—Dr Bloomfield, sorry—said that the threshold for opening up is being reconsidered. Previously it was mentioned 28 days of no community transmission, from a known source, in a place like New South Wales. He's said that they're looking to reconsider that. Is that a reconsideration you're seeking? Is that one you're comfortable with?

PM: Nothing's been presented to Cabinet, so Cabinet has made no consideration of making any changes to the thresholds we currently have. Health, of course, are free to put before Cabinet any advice that they should so choose around ongoing COVID management and the issue of quarantine-free travel. But, again, at this stage, it's not—those aren't just the only questions we need to look at. Really, for me, those interstate borders and their tolerance levels are things that we need to be considering as well.

Media: Is it time now for Donald Trump to concede?

PM: I got asked about this this morning. In the same way that before the declarations were made around the President-elect and the outcome, my response was "We respect the democratic institutions of the United States.", and that is my response still now. Ultimately, it's for those who are part of the race to decide when it is that they choose to concede or not. But New Zealand, of course, has recognised and sent acknowledgement to the President-elect, Joe Biden, congratulating him and his Vice-President, as have many other leaders.

Media: Does it appear to you that Trump respects those democratic institutions?

PM: Ultimately, I'm sure that all of the voters in the United States will be making their own judgments on that. I'm sure New Zealanders here—if there were too many people abroad making judgments about our political or electoral system, we'd probably have something to say about it.

Media: How dangerous is it for someone—

Media: Can I just ask a quick—

PM: Yeah, Ben—and then I'll come back to you, Jenna.

Media: Just a quick follow on Jo's question about the bubble. So when was the last discussion you had with Scott Morrison about that, and when will the next one be?

PM: So, probably, I would say, a week and a half, perhaps—there or thereabouts, Ben. Don't hold me to that exactly, but it was certainly after the election that we spoke about that.

Media: If I could just ask you about Joe Biden as well. You've said that you have commonalities, or you have shared views, on climate change. Can I ask you particularly what you might want to work with him on climate change on—

PM: Look, I say that—

Media: —and particularly whether a net zero—sorry, a mid-century net zero target is something [*Inaudible*]—

PM: When I say “common”, I say that very broadly speaking. You know, just even the starting point that, actually, we as nations have a collective role to play in addressing the climate challenge and even membership of the Paris accord, I think, is really common ground there, and that hasn’t always been shared. So I’m encouraged that that sense of collective purpose, that sense that, actually, regardless of, you know, some of the domestic pressures we face, that we all have a collective responsibility—there I see common ground.

Media: Sure. So the mid-century target that’s been set is the same as New Zealand’s, as I understand it—the net zero. Australia doesn’t have that. So would you like to see Australia join this new spirit of lifting up climate targets?

PM: And you will have heard I’ve been asked on this many times before, and I’ve always spoke in general terms that, actually, you know, for New Zealand, we have never ever used the fact that we are a relatively small contributor to overall global emissions as a reason to be inactive. So on that basis, we encourage every emitter to play their part, regardless of whom they are.

Media: Just back to Donald Trump. On a more global scale, do you think that it is dangerous for a person like Donald Trump, who has the following that he does, to be undermining democracy in the way that he is?

PM: Do you know, I think you could, on any given day, put in front of me the statements of a leader and say, “Is it dangerous for a political platform to be used in this way?” Some time ago, I did share my view on behalf of New Zealand—and I hope this is a platform that everyone would’ve agreed on—that in a borderless world where we increasingly communicate in a borderless way, as leaders we have to think about the impact that we have beyond our own domestic borders. I would say that on issues around diversity and equality and inclusion, we always have to be mindful of the impact our words have, regardless of some of the issues.

Media: Do you think the healthcare workers in quarantine wings should wear N95 masks? Because they’re at greatest risk, and they are—Dr Bloomfield said today N95 masks protect better than the surgical masks.

PM: Look, Derek, I couldn’t get into the specifics of when N95s are used versus the basic surgical masks in different facilities. That would be a question for Minister Hipkins and Dr Bloomfield. But, of course, what I would say is any time we have had a worker who has become infected with COVID, we have gone back and really audited those individual situations. We’ve had two infection control audits now. We are constantly reviewing and making sure we learn from everything. I would expect PPE use to always be a part of that as well.

Media: With the Cook Islands bubble, it’s probably important to manage expectations. You say it’s a few weeks once the officials—a couple of weeks once the officials are happy. So how long do you anticipate it will take for them? Are we talking weeks plus a couple of weeks, or?

PM: Again, that would probably be putting a time frame on it. Look, I’m not going to be standing up in a week’s time and making an announcement on this. We do have the officials on the ground from Saturday. I expect once they’ve undertaken their work, they’ll then report back to Cabinet. We’d want to make sure that we’re in the same place as the Cooks on any decisions, and then from there it would be a lead time. So look, things are moving positively. I wanted to demonstrate that there is very real work being undertaken here. We do see that we have a role to make sure that New Zealand passport holders can move between Realm countries and New Zealand, but we are going to do it in a way that keeps in mind the wishes of the Cook Islands and the safety of New Zealanders.

Media: Is the Government considering making masks mandatory on public transport at alert level 1?

PM: Are we considering?

Media: Yeah.

PM: So we continue to encourage their use on public transport at alert level 1, and, of course, cases where we're, again, notifying people if they've been a close contact, that they'll need to take suitable follow-through, demonstrates why it is encouraged. I use a mask on a plane still at level 1, and I would encourage others to do so.

Media: Dr Bloomfield today said, though, that he advised the previous Government to make masks mandatory at level 1 on public transport, so why won't you make them mandatory?

PM: I haven't received any written advice on that. It may have been a verbal recommendation to a Minister. Again, if he wishes to put that to Cabinet, he is always, of course, free to bring those recommendations through. Again, we have always encouraged their use. One thing that I would say is that we need to keep in mind that when we make orders such as this, it is an order. It means that someone would not be able—for instance, in Invercargill—to access public transport use if they did not have a mask. So we do have to always keep in consideration the knock-on effect of these orders, but health are always able to bring us recommendations in that manner.

Media: Isn't this like this case, though, of the defence worker and the plane? I mean, is that not a reason to think more seriously—

PM: That was a reason for people to always continue to use them. Of course, at level 1 we do consider the risk level there to be at a different place than we do at the other alert levels, which is why we don't have the order in place. But again, can I be absolutely clear: I wear a mask on a plane. I encourage others to wear masks on a plane. I encourage people to use them on buses. Places where you have close contact with people that you don't know I would absolutely, in those environments, encourage mask use, regardless of whether there is an order to compel you to.

Media: What was your reaction to St John ambulance staff planning to strike because they say that St John hasn't acted on a pay agreement despite the Government now giving them a funding boost?

PM: And we obviously have been responding to some of the funding issues experienced by St John's, and we did that in the last term of Government, acknowledging that as a result of a range of quirks of the system, they have not been ever fully funded by any Government. But we have increased their support. I do need to be mindful of not inserting myself into a pay dispute, though. But we are continuing, of course, to work with St John's on ensuring service is available regardless of some of the constraints they've faced recently.

Media: Would you expect things to still be at such a difficult state that staff are going to be going on strike?

PM: Well, of course, I would expect service to be maintained, and that's critical. And, of course, we've been working alongside St John's to make sure that service is maintained.

Media: Have you had a chance yet to consider that open letter calling on you to lift benefits before Christmas?

PM: Yes, but I'd say that, of course, this is not going to be an issue that will be resolved in one week or one month or, indeed, one term. You know, over the last three years and even this year alone, we've seen a general benefit increase, just a few months ago. We also doubled the winter energy payment, and that's on top of changes that for the average sole parent has seen them receive on average \$100 a week more than when we came into office. I'm really proud of the work we've done. It's fair to say there is more work to do, but we're not going to fix these issues overnight.

Media: And you're not going to raise benefits before Christmas?

PM: That is not something currently on our agenda, keeping in mind we did just this year increase general benefit rates by \$25 a week and we doubled the winter energy payment through this year. So we have responded to some of those immediate needs. That's on top of things like indexation of benefits.

Media: But you could go further, couldn't you?

PM: Well, keeping in mind that any change like that is substantial. It's not a matter of just simply having a Cabinet paper go through and making a decision. This has a knock-on effect for budgets into the future. It's not just a one-off decision, and so we have to make sure that in weighing up these decisions, we are keeping in mind what is the best way to support low-income families under these circumstances. We did just have a significant benefit increase in April.

Media: But doesn't improving the lives of people living on benefits flow through to other benefits in, for instance, the health system?

PM: Yes—yes, it does, which is why we did have a general benefit increase just this year, one which I note the Opposition was not in support of. We also increased winter energy payment because we know that when you have that extra boost of income, of course, it reduces down things like healthcare issues. It also makes sure that there's more money in the back pocket of those who need it most, and they're more likely to invest that back into the economy.

Media: Can you rule out maybe doubling the winter energy payment again next year? Because that wouldn't have a knock-on effect for budgets in the future in the same way as raising core benefits would.

PM: As the one-offs, which, as you'll know that in situations like COVID, of course, are the kinds of one-offs, but, of course, that's not necessarily what's been called for here. They're talking about general benefit increases—

Media: But could you see yourself doing that next year? Given the economy will probably still be needing some form of stimulus, it's a pretty clean way of stimulating the lower end of the economy.

PM: Perhaps the Minister of Finance may wish to speculate.

Hon Grant Robertson: We haven't made those decisions yet, Henry.

Media: You appointed a Cabinet that's about four years on average younger than the last Cabinet, and that's not only just because of one certain MP leaving. Did you consider age at all while you were working out your Cabinet, or is that more of a by-product?

PM: No. In fact, that wasn't something that had actually occurred to me. I think, as I said when I stood at this podium and announced the Cabinet line-up, for me it was the talent, the skills, and the experience that would be brought to the table as a result of those members being elevated—all the different roles they'd take on. So no, I didn't sit down and look at their ages. In fact, for some of my members, I couldn't tell you what their exact age is. Everyone feels younger to me, these days.

Media: Is it nice to no longer be the youngest person in your Cabinet, as you were last term?

PM: That's as it should be. We should constantly be making sure that we're bringing through new people. Succession planning is important not just for political parties; it's important for New Zealand.

Hon Grant Robertson: She's wise beyond her years.

Media: What do you expect will happen to inequality when mortgage rates are going down, so people with mortgages are getting basically a benefit, if you want to call it that—their

mortgage repayments are lower; their house prices are going up. That amount is more than the benefit increases. How do you expect that might affect inequality?

PM: Well, the first thing I would say is, of course, the world we're operating in now, of course, is vastly different when those of the generations before us were taking on interest rates well over in excess of 10 percent when they were borrowing for their homes. Of course, though, the relative affordability of those homes has changed significantly as well. I think it's fair to say that at this current point in time, we do have a perfect storm. That will not be solved by one policy. We have, of course, low interest rates, which means that it is a possibility people are more inclined to look at the housing market, because they're not making as much from other forms of investment. At the same time, we have a housing crisis. We have New Zealanders returning home, who may be more inclined to enter into the housing market because they'll be here permanently. All of that is creating pressure. We need to look at ways to continue to ease that pressure, both demand and supply side.

Media: If it's a perfect storm, do we need to take some kind of urgent measures?

PM: Well, I'd say that, of course, we shouldn't discount the impact of what we've already done: stopping foreign buyers from being able to buy in our residential housing market, closing tax loopholes, moving the bright line test. We have continued to move on a range of levers that are available to us, because it was never going to be one thing that would resolve the issues with the housing market, and now we need to keep cracking on with building houses. All of that will make a difference, but there are some things we can't solve, and, of course, the impact of a pandemic on the global economy, including here, is one of the things we're going to have to keep pushing up against.

Media: Does that also mean you need to rethink the independence of monetary policy?

Hon Grant Robertson: No. No, it doesn't. Throughout this period of time, particularly in the COVID period, the importance of fiscal and monetary policy working hand in hand has been clear, and that's what we're trying to continue to achieve. But no, we have no intention at all to change that.

Media: How do you try to stop them from banging up against each other? When you look at some of the financial stability risks that are getting created with housing asset bubbles that are coming in, the prospect of negative interest rates—

Hon Grant Robertson: While the Reserve Bank has independence, it still works to a remit that we agree with it. It has the very clear criteria in the Act that it follows, and financial stability is part of their remit, along with monetary policy. But you can put questions about detail to that to the Governor.

Media: Have you phoned Joe Biden yet, or do you have a date to?

PM: No, no, and nor would I necessarily have expected that quite so soon. Look, of course, alongside a range of other leaders, we'll be looking to register our congratulations to connect with the President-elect as soon as we're able to, but it's understandable, I think, that they would want to crack on with getting things in order on their side of things too.

Media: You've often said that you don't have Donald Trump's mobile number. Would you expect to get Joe Biden's?

PM: No, not necessarily. Of course, you know, there's a range of different security protocols that I imagine exist for different leaders. There are some, of course, who I have that kind of relationship with, but I never make that assumption about whom that would be with, given the different ways that leaders operate.

Media: Homebuyers are continuing to invest in properties that are low-lying and in areas exposed to climate change—in some cases, homes that are literally built on sand dunes. Do you have a message to those homebuyers to maybe think about the long-term effects of climate change before ploughing millions of dollars into these vulnerable places?

PM: Yeah, and, look, I would hope that they would give that some thought as well, that they would also look in—you know, insurers have a role to play here, local government in conjunction with central government. Local government can of course support some of the thinking around this, around the way that their planning rules are operating. We have to think about the long term here. We don't want people in situations where they're making heart-breaking decisions down the track because they've bought a property in a place where coastal erosion is an issue.

Media: And if those homeowners are expecting a bailout down the track, what's your message to them?

PM: I want people to give thought to those long-term decisions. This is one of the biggest assets you'll ever invest in: think about it not just for the next five years; think about it for the next 25 years. And in the same way that you'd consider whether or not you've got enough space for a growing family, think about whether or not you've got it in a place that means that you can be assured of its safety.

OK, last—Derek.

Media: On your trans-Tasman criteria before, you said Australia—they wouldn't shut down interstate travel unless there were 10 cases a day for three days. Is that right?

PM: Well, let's—no, sorry. Wouldn't shut down a—wouldn't classify an area as a hotspot—yep, yep. So that's my understanding, currently, of how they intend to operate.

Media: And that's 10 cases a day for three days?

PM: My recollection is when they first propose the hotspot—and this is where we're trying to get a bit more clarity. When they first proposed a hotspot arrangement, a place would be considered a hotspot and, therefore, removed from travel arrangements if it had more than 10 cases per day over a three-day period. That may well have changed on their side, but these are some of the things that we need to understand well.

Media: Do you want a zero tolerance for COVID cases—

PM: Of course we ourselves have situations, like those that we have currently, where we would not consider what we're dealing with currently to be, you know, widespread community transmission—not at all. So of course we have that level of tolerance built in, but I think everyone in New Zealand would understand that 10 cases or nine cases consecutively over several days of community cases of unknown source would be of concern to New Zealand—yes.

Media: Do you have any idea of what your upper limit would be in that—

PM: And again, this is where I actually want the health officials to work through what a safe arrangement is, but when you have an elimination strategy, something like 10 cases a day would often be indicative of a much wider problem. And so that's what we, of course, have to be concerned with.

All right, thank you everyone.

conclusion of press conference