

**POST-CABINET PRESS CONFERENCE: MONDAY, 16 NOVEMBER 2020**  
**HANSARD TRANSCRIPT**

**PM:** Kia ora koutou katoa. Good afternoon, everyone. I'm joined by the COVID response Minister, Chris Hipkins, today to make announcements on the next steps in our ongoing response to keeping New Zealanders safe from COVID-19.

First, though, the week ahead, which is focused on accelerating New Zealand's economic recovery, with an infrastructure, skills, and trade focus. Tomorrow, I am in Wellington. There will be a Labour caucus meeting, and I have a range of other meetings. I will also be speaking to the PSA biennial congress. On Wednesday, I am in Auckland, where I'll give the opening address to the Infrastructure New Zealand conference. I'll also meet with the APEC Business Advisory Council, and the farming leadership group as well, as well as launching the Government's vocational educational campaign to encourage more New Zealanders to take up the trades essential to our economic recovery. On Thursday, I am in Wellington and will attend and speak at an event marking the 10<sup>th</sup> anniversary of the Pike River mine tragedy. And, on Friday and early Saturday morning, I will participate in APEC 2020, hosted by Malaysia, including the annual leaders' meeting, the CEO dialogue, and a range of bilateral meetings with other APEC leaders, all of which will occur virtually this year due to COVID restrictions.

As with the East Asia and ASEAN summits that occurred over the weekend, the importance of multilateral institutions like APEC have only been amplified in the wake of COVID. International trade rules have never been so important for exporting nations like New Zealand, and the last thing we need as we seek to accelerate our economic recovery are protectionist trade policies or barriers to free and fair trade. The RCEP trade agreement, signed over the weekend, is important for New Zealand in this regard. It ensures a consistent set of rules across 15 major economies for our exporters. It guarantees the speedy processing of perishable goods, such as our meat and dairy products, as well as delivering some additional market access, in particular to Indonesia.

Following the conclusion of the APEC leaders' meeting this weekend, New Zealand then becomes the host of APEC 2021. This will be an incredibly important time for the APEC economies, and I believe that New Zealand can play an important leadership role, ensuring we continue to work cooperatively as we recover. New Zealand's management and experience over the course of navigating COVID-19 to date, and the green shoots of our economic recovery, offer a path forward for APEC countries and mean, I believe, we're well positioned to have conversations with APEC nations as we move to recover from the one-in-100-year economic downturn that's being experienced globally.

On COVID, Cabinet made decisions today that further strengthen our level 1 settings to keep the virus from spreading in our community. New Zealand remains in a unique position globally: we have economic and personal freedoms that few other countries enjoy, but these freedoms are under increased threat as COVID surges in the world around us. There have been over 53 million cases worldwide. The case tally is increasing by around 500,000 a day. Many countries have or are re-entering lockdowns, and more and more New Zealanders are, understandably, wanting to return to New Zealand, increasing demand for our managed isolation facilities. Now, despite robust infection and control measures, regular testing, daily health checks, no system is foolproof and transmission can occur, as it has in recent cases, even without an obvious exposure event. It all goes to show how tricky the virus is, and, while we have largely eliminated it from the community, with more COVID in the world and arriving at our border, it is Cabinet's view that we need to continually refresh and check our settings.

As we saw last week with the community case that popped up in Auckland, we can manage and contain cases within level 1 settings, meaning we don't necessarily have to move to levels 2 and 3 whenever new cases appear. However, in order to manage small numbers of

cases at level 1, we believe that we need additional precautions in place. These additional precautions are a small price to pay to maintain the economic and social freedoms we have at level 1. All year we have made changes to our settings as we learn more about the virus and the effectiveness of our response. Today's changes are just the latest tweaks to our system. I'll now hand over to Minister Hipkins to set out Cabinet's decisions today.

**Hon Chris Hipkins:** Thank you, Prime Minister. As I foreshadowed last week, from Thursday morning of this week, masks will now need to be worn on all public transport in Auckland, in and out of Auckland, and on domestic passenger flights throughout the country. Taxi and Uber drivers in Auckland will have to wear them, but their passengers will not. School buses will be exempt, as will charter services, tours, and private transport. Children under 12 won't have to wear a face covering, and exemptions will be made on some health grounds. A full list of exemptions will be available on the COVID-19 website. Our intention is to take an "educate and encourage" approach in the early days. Police can enforce the new rules, but this will be a last resort, and I've had conversations with them about that already. Bus drivers and other transport workers won't be responsible for enforcing the new requirements.

Mandating mask use in these environments and locations whilst we're at alert level 1 is, as the Prime Minister's pointed out, a variation of the response that we've taken to date. There's a good reason for that. As we learn more about the virus, we continue to strengthen our testing, tracing, and isolation processes and our border measures. The modelling's now telling us that we're at the stage where the tools that we have available to us mean we're better able to respond to community cases with fewer restrictions. That's not to say that restrictions may not be needed in the future, but we are in a much better position to avoid lockdowns compared to where we were at previously. That's one of the reasons why we're making mask use mandatory in areas where the risk of spreading the virus is higher, such as public transport in Auckland and on planes throughout New Zealand. So we're asking every New Zealander to continue to play their part.

We will be looking at whether mask use should be more widely applied in other settings, including public transport around the rest of the country, and we will be getting further advice on how we can further enhance our contact tracing measures. So we're going to be looking particularly at encouraging greater use of the QR code or other forms of record-keeping to ensure that contact tracing can get that vital head start. We've seen in recent weeks and months how, if we get ahead of the virus through good contact tracing, we can avoid having a wider outbreak to deal with and we can avoid having to take additional measures on top of that. None of these decisions are taken lightly. We do rely on a lot of advice and a lot of expertise in making those decisions, and this latest protection is yet another step as we continue to learn and we continue to enhance our protections.

**PM:** OK, happy to take questions.

**Media:** Why now? Do you regret not doing this earlier, with the mask use?

**PM:** Well, a couple of points to make there. One of the reasons we're moving now is because we're seeing more and more our ability to actually manage these known outbreaks connected to quarantine facilities at a level 1 environment. Previously, of course, we do already have compulsory mask use at level 2. Our view is: while we get better at managing these situations at level 1, we need to bring those precautionary approaches with us. It's another line of defence, and so why wouldn't we use that, particularly environments like buses, where it's harder to contact trace people? The second point is that we've always encouraged ongoing mask use—on planes and public transport, for instance—but we want to see that usage enhanced. So that's why we're moving to mandating.

**Media:** We have you decided to make it compulsory on all flights but not make it compulsory throughout the country for other people on public transport? And wouldn't the message be simpler: "All public transport: use masks"?

**PM:** I'll have a first cut at responding to that and then hand over to Minister Hipkins. For flights, you can see that, of course, it is—because of the movements in and out of Auckland,

it actually is much, much simpler if we just have a blanket provision that it's flights generally across the country, because often you can have someone who's come out of Auckland who's zigzagging across the country, and it would be inconsistent to only have them wear a mask on one flight but not, then, their connecting flight. So it's just that consistency. For the rest of the country, with bus use, we will consider that. For us, the immediate response that made very clear sense for us, given high usage of public transport—often, the congestion on public transport—in Auckland, but also that this is one of the areas where, given we have more of a border workforce living, it makes very good sense for us to do that there.

**Hon Chris Hipkins:** I don't have a lot to add to that, other than that our guidance—our overall guidance—to New Zealanders is: when you're in a confined space—when you can't physically and socially distance yourself from people you don't know—we would encourage you to wear a mask. So, if you're in the workplace, if you're coming into contact with people that you can't physically distance yourself from, we'd encourage you to wear a mask. It's difficult to mandate that in all circumstances, so we are relying on New Zealanders to make judgments, but we know a lot more about mask use now than we did six months ago, and we certainly would encourage people to use them where that's appropriate.

**Media:** What penalties did you decide on for people who don't follow?

**Hon Chris Hipkins:** Look, the penalties are under the COVID-19 response Act. We'll put those in the—we'll restate those in the order. They're in the Act; so you can go back and you can see that it's much the same for all breaches of the COVID-19 response Act, and for breaching orders under the Act, but I do want to just point out at the moment we're not taking a punitive approach here. We are going to take an “educate and encourage” approach.

**Media:** Did you hold off on making this move because you were concerned about a lack of public buy-in?

**PM:** No—no, not at all. And, look, actually, the advice that we'd received from the Ministry of Health was—at the time when we had, you'll recall, the port worker case—at that time, the Ministry of Health suggested bringing in short-term mask use on public transport and flights. Our view was that, actually, a short-term use in that way wouldn't necessarily carry that preventative approach; it would, perhaps, be unnecessarily confusing. So we wanted to make a decision around longer-term use. We've done that as a Cabinet now, and we believe it makes sense. So we have taken a slightly different position than they have recommended in the first instance.

**Media:** You said you're considering them in other settings; would that include mass gatherings and concerts—events over the summer?

**PM:** No, what we're considering is still public transport more broadly, and passenger transport more broadly outside of Auckland. That's the main focus of the advice that we're receiving—and QR code use. So that's what we expect to come through for us in the following weeks.

**Media:** In terms of enforcing it, there's concern that the pressure is often put on the likes of bus drivers to enforce these rules, which isn't really their job. How do you guard against that?

**Hon Chris Hipkins:** So you would have heard me say that we're not expecting bus drivers to stop the bus and to be enforcing these measures. The police will be out and about; they'll be talking to people. Of course, we all have a role here to play in enforcing ourselves and making sure that we're all following the rules.

**Media:** So what is your advice to bus drivers who have a passenger come on and isn't wearing a mask?

**Hon Chris Hipkins:** Look, ultimately, we're not expecting bus drivers to enforce the rules. That's very, very clear guidance.

**PM:** One of the things that you will notice is that, actually, you see it become self-reinforcing. When a lot of people are wearing a mask on a plane, even before we've come through with these requirements at level 1, then you see that there's obviously an expectation that builds. Our view is that, actually, by creating an environment where people know that expectation, they see people around them doing it, we hope that that will have a positive effect. But we don't want bus drivers in an unsafe situation, or stewards in an unsafe situation, where they're having to police it. That's not the right thing to do. So we'll continue to have law enforcement play that role.

**Media:** But will you be asking them to do something like, if somebody gets on to a bus without a mask, for them to radio in their HQ and say somebody's just got on without a mask?

**PM:** Well, look, in those situations, again, there's not necessarily an expectation they would be able to resolve that in a one stop or a two stop. We'll continue to work with the operators, but it is not our expectation that they would be enforcing at all.

**Media:** In terms of the decision to just do it with Auckland—

**PM:** At this stage.

**Media:** —public transport, why did you not go everywhere that has MIQs, for instance?

**PM:** Well, look, as I've said, this is the first decision that we've taken. We will be asking the question and considering as a Cabinet the issue of whether this should apply across the country. When we do that, we'll factor in a range of issues, but, as I've said, it's not just about facilities; it's about our borders more generally. We have a higher proportion of workers concentrated in Auckland around those high-risk areas. We have good measures, we are testing those staff regularly, we have infection controls, but this is an extra layer of protection, and then we'll consider that for the rest of New Zealand as well.

**Media:** Have you got a time frame around that?

**PM:** For instance, I mean we've had a case in New Plymouth. That's not somewhere that we have MIQ—that I believe—and yet there obviously was some risk there. So it's not the only thing we would want to take into account.

**Media:** Have you got a time frame around when this conversation with Ministers will play out?

**PM:** We'll await the advice. I haven't got an exact date for you.

**Media:** On encouraging uptake of the QR code and COVID scanner, are you looking for more of, like, a stick or a carrot approach? Are you looking to, say, [*Inaudible*] and perhaps have penalties?

**PM:** We're actually interested in considering all the options—something that Cabinet has actually openly talked about. You know, we don't want this to be just a penalty-based approach. I think the biggest incentive we can give people is: we all want a summer break that has freedom attached to it. No one wants restrictions during that period. Everyone wants to enjoy Christmas with one other. Everything that we do now helps get us to that point, but we are actually thinking creatively around what we can do to further encourage people to use some of those tools.

**Media:** Do you have any examples you could share with us of maybe the gamification features?

**PM:** Well, look, we haven't ruled anything out at this stage. A number of options have been discussed, but I wouldn't want to get ahead of final decisions, and before we consider all of the consequences of some of them.

**Media:** Rippl is experimenting with automated check-ins—so you walk into a bar and it just checks in; you don't do anything; you don't have to get your phone out at all. Is that something the Government could see it doing—

**PM:** Where was that, sorry?

**Hon Chris Hipkins:** It's Ripl.

**PM:** Oh, Ripl.

**Media:** Is that something the Government can see doing, or would that be too much of an intervention?

**Hon Chris Hipkins:** Look, we're following the technological developments here very closely—so, obviously, they're working with Google and Apple, using that Google and Apple platform. One of the key factors for us is around privacy. So the COVID Tracer app at the moment means that everybody stays in control of their own data, and so we are looking at further development of the COVID Tracer app, which would include things like GPS and Bluetooth—potentially, adding that functionality. But we've got some interesting and challenging privacy issues that we need to work through before we would roll anything further out in that space. But one of the key measures for us—or one of the key mechanisms for us—is making sure that people remain in control of their own data; that we're not pulling data from people and collecting information on people without their consent and without their knowledge—without them, effectively, pushing it us. So those are all the things that we've got to work our way through.

**Media:** The Australian Prime Minister is travelling to Japan tomorrow to meet the new Prime Minister, Yoshihide Suga. He's going to isolate on the way back for a fortnight, which means he's doing question time via Zoom. You've foreshadowed some trade travel early next year. Would you—

**PM:** Next year.

**Media:** That's right. Would you quarantine or would you not do it if you have to quarantine—

**PM:** Yeah, and so you will have heard that, actually, at the time that I said it was my intention to support a trade mission into, particularly the EU given the FTA talks, I was very cautious at that point to say that that would be dependent on the way that border restrictions are working, and that's not just factoring in New Zealand's quarantine requirements, but actually I want this to be a trip of value to New Zealand exporters. If we have limitations around the kinds of meetings that would be able to be undertaken, then it wouldn't have as much value to New Zealand. I'm awaiting advice from the Ministry of Foreign Affairs and Trade on what would be most useful. So we haven't got exact timing around that yet.

**Media:** So you haven't ruled in or out quarantining yourself?

**PM:** No, look, I haven't. But, again, I can't see in any of the—in the near future—the ability for us to undertake a visit that would be meaningful, given the restrictions around gatherings and meetings. And, having read some of the reports around some of those foreign affairs meetings that are occurring between leaders at present, they are very limited, they are very tightly controlled and managed, and we want to make sure that we get maximum bang for buck for our exporters when we do go.

**Media:** Can we get an update on the meat situation? Have you made any announcements on that?

**PM:** Look, happy to. We were advised, I believe, yesterday—we had been advised that there had been positive tests on packaging of beef products from Argentina. We were advised that some New Zealand products were in the same cool store as where those positive tests were returned. We were not advised that New Zealand products themselves had tested positive for COVID-19. That's the reason that we are currently seeking further information from some of the reporting that you will have seen. We certainly have not been advised officially of what has been reported by Reuters.

**Media:** So is your understanding that that information is incorrect; and, if so, how damaging is that and how quickly do we need to move to—

**PM:** I want to get to the bottom of this. As I've said, we have not been advised of anything officially by Chinese authorities, and that would usually be the case. We were aware of some products having tested positive from Argentina, that were in the same cool store but not our products. I do want to get to the bottom of this. This is incredibly important to New Zealand. We are confident, of course, that our products do not and are not exported with signs of COVID on them, given our status as, essentially, being COVID-free.

**Media:** Minister, with your education Minister hat on, are the changes made to NCEA requirements enough for students to pass after all of the COVID disruptions?

**Hon Chris Hipkins:** Yes, but there of course are individual exceptions to that, and so there are processes to deal with individual exceptions where people get derived grades, if there are additional complications for them that mean that, you know, they can't fairly sit an exam, for example. But I'm confident that the measures we've put in place around extending the timetable around those, you know, the recognition credits—that they are providing enough additional support to students, bearing in mind that schools are also providing a lot of additional support to students as well. There have been additional tutorials available over the last school holidays, for example. Teachers are often working late into the afternoons, and even into the evenings, to provide that additional support to students. So, overall, the school system and our teaching community are bending over backwards to make sure these kids get their very best shot at NCEA.

**Media:** Is it an even playing field when some schools have adapted better and earlier and more to online learning than others?

**Hon Chris Hipkins:** So you'll note that we did a lot of things over the last year, including making sure that hard packs of materials—you know, printed materials—were available to those learners who perhaps wouldn't be able to access online learning, or whose schools weren't immediately set up to support online learning. You know, I think we've got to recognise that there have been a variety of different approaches to support different groups of students, but I am confident that all students have received a good level of support.

**Media:** Where did things get to with N95 masks and whether or not nurses and managed isolation workers get to wear them?

**Hon Chris Hipkins:** So I'm just awaiting further advice on whether that should be mandatory. At the moment, the isolation facilities—the IPC experts in the isolation facilities determine what PPE is required in those facilities based on the level of risk. Some are better ventilated than others. So those are amongst the things that are being reviewed now at the moment. But I can say we've got plenty of N95 masks if we need them.

**Media:** And a time line on when that decision might be made?

**Hon Chris Hipkins:** I haven't got a—it depends on when I get the advice. But we won't be—when we get the advice, we'll be looking to act on it.

**PM:** Keeping in mind that we've undertaken infection audits twice now. This is part of our routine process in ensuring that we've got the most rigorous standards that we need to keep people safe.

**Media:** Can you give us an update on the Cook Islands bubble and what the public servants who are there have found so far?

**PM:** Yep. So, look, they've only been on the ground since the weekend. They'll be there over the course of this week. One of the things that we've specifically asked them to look into is the maritime border. We're, obviously, reasonably confident around what's happening in terms of inward flights, but that maritime border has been incredibly important for us to shore up. So that's one of the issues they'll be looking at. Keep in mind, though, of course, it's not just about New Zealand being ready; this is predominantly also about the Cook Islands being ready. We will be in a situation where we'll continue, from time to time, to have to stamp out cases of COVID-19. The Cook Islands have to be assured and confident that, in that environment, they're happy to have that open border.

**Media:** On Thursday, you said that mandating mask use at level 1 could jeopardise goodwill towards the Government's response. What's changed since then?

**Hon Chris Hipkins:** No, I think—I don't think that's exactly what I said. I think what I said was that we have preserved the goodwill of New Zealanders along the way in this process and that any decisions that we make around masks we would want to make sure we're keeping the goodwill of New Zealanders. And I think that what we've seen already in the last sort of three days is there's a high degree of compliance with mask use requirements, even though they're not a requirement yet, and, as a result, I'm relatively confident that we will see New Zealanders using masks.

**PM:** Interestingly, I stepped on a plane this morning and I'd have to say, from the vantage point I had, it was almost 100 percent mask use already, without it being mandated.

**Media:** Prime Minister, did you receive any new advice on mask use, between last week and this week, or has this latest community scare kind of pushed you towards—

**PM:** The Ministry of Health's advice appears—as I've said, the first time they made any suggestion of mask use that I can recall at level 1 was around that port worker, and it was for two weeks. They didn't suggest long-term mask use at level 1; they suggested a short-term use. That has remained their advice: short-term use while we're dealing with the current situation. Our view is, actually, that it needs to be longer term than that. We'll keep it under constant review, though.

**Media:** Can I also ask: do you have any thoughts on the latest cluster in South Australia and whether that affects the trans-Tasman bubble, and whether you have any update on what—your discussions with Australia about what a hot spot—

**PM:** Yeah. So, look, for me, what's happening in South Australia only further reinforces the importance of having that good understanding of how Australia intends to manage their internal borders when there are outbreaks, because, of course, if they have an outbreak but they are then instituting strong border controls, then that's manageable. But if they have a tolerance level for community transmission that's higher than ours, then that is problematic. So those are still issues that we are working through.

**Media:** A number of states have already closed their borders to South Australia—that must be encouraging.

**PM:** Yes, well—but, again, just ensuring that there's a good understanding of what the protocols would be, how each state, particularly those that do most frequently travel between New Zealand and Australia. But I think what it underscores is why it's so important that New Zealand has not rushed into this. This needs to be very carefully considered. We have to even look at areas where, sadly—and they've had a very prolonged period of being very, very successful, but they are experiencing the reality that we all have: that, from time to time, you have cases. So it's just a matter of us understanding well how that's managed and making a risk assessment. We have a very low tolerance for risk, because we currently have good economic freedom because of that.

**Media:** Just in regard to the passing of Rudy Taylor, what impact did he have on the Labour Party?

**PM:** I was very saddened to hear about the passing of Rudy Taylor this morning. Rudy's impact on the Labour Party—you know, it's quite hard to put that into words, but you can see it in our Parliament. There are MPs and Ministers in our Cabinet who are there because of the support that they had from Rudy Taylor. He has played a huge role in the New Zealand Labour Party, a huge role in Northland, and we're really going to miss him.

**Media:** We've spoken to victims of crimes committed by Australian deportees and they're asking you to work hard to convince Australia to rethink its policy. Where are you in still trying to get movement on that?

**PM:** Our position has not changed; you know, we have been utterly consistent on this. Look, there will be cases where, you know, based on fact, some individuals actually are our problem. But there are equally a number of cases that, for all intents and purposes, these are not Kiwis, they are Aussies, and we have always asked Australia to take responsibility for that. And we will keep sharing our view with them in the strongest of manners.

**Media:** Can you explain some of the pressures that our agencies have been put under by returning 501s?

**PM:** Oh, look, undoubtedly. You know, we've worked very hard to build in better coordination, because, while we don't like the policy, Australia is legally within their rights to exercise it. So we've worked hard to support the agencies by getting better early information around deportations, when they do occur; supporting them to coordinate social services. But, again, that will not stop us from raising, on every occurrence, our extraordinary displeasure with this policy. You know, it's just not in keeping with our relationship, and I've spoken firmly on it, and I will keep doing so.

**Media:** Does that policy put extra strain on our police force?

**PM:** Undoubtedly—you know, undoubtedly there is a correlation between this policy and the increase of new gangs in New Zealand. Unquestionably so.

**Media:** Just on house prices, a couple of weeks ago you said, in regards to people coming back to New Zealand, you can't blame them but it will be having an impact, but this morning you said there was no real evidence that returning Kiwis—

**PM:** Not yet—not yet. And so, look, I keep under advisement here. You know, if I see evidence that's suggesting there may be a question mark over that, I'll hear that. So, at the moment, it is a bit anecdotal. We can't say either way, but the suggestion seems to be, at the moment, not necessarily. But that's keeping in mind how many, of course, that we had coming in under different categories, through more open visa requirements than we had previously. So, look, time may need to bear that out a little bit more. But we keep, of course, regardless of the cause—regardless of the cause—what's happening with house prices is a problem.

**Media:** And you also said this morning that you namechecked interest rates, and, of course, the Reserve Bank's got those at record lows. I mean, obviously, the Reserve Bank maintains its independence—and I know you've been asked about this before—but maybe it's a good time for an update: what is it that the Government actually can do in regards to that?

**PM:** Look, making an observation that interest rates will be causing—or, at least, contributing to—people entering into the housing market is not a statement or a commentary on the Reserve Bank; it's the reality, and it's the global reality. We're globally seeing extraordinarily low interest rates. But we have to keep in mind that we have a number of factors that the Reserve Bank have to consider in the work that they do: employment is one of them and, of course, the strength of the New Zealand economy. We want people in jobs. We want people in well-paid jobs. When it comes, however, to the impact on the housing market and what we're doing in response to that, I've talked about what we can do are deposit assistance schemes—of course, progressive homeownership. And, with those record consents we're seeing in Auckland, we've got to make sure we have the workforce to deliver on them. We'll be talking about that more this week.

**Media:** As the pandemic, sort of, rolls on, have you given any thought to maybe moving towards more of, like, a traffic-light kind of system, where people from lower-risk countries can get into New Zealand more easily than people from higher-risk countries?

**PM:** I'll give a quick response and then hand over to the Minister. Look, as I say, we're constantly looking to shore up our system, and so we continue to do ongoing work around how we can minimise risk. So, without going into some of the detail on that, it's fair to say we're always looking at options like that—and we are at the moment—but keep in mind that we do have to continue to allow New Zealanders to come home, regardless of where they



are in the world. The second point I'd make is: even a negative test taken offshore—and this is not a reason not to do that as an extra layer of protection, but even when you do that, there is some evidence of transmission on flights. So it doesn't remove your need to have a very robust quarantine system. And, equally, we saw recently our Russian fishermen were all tested before they left their port of departure, and yet we had one of the highest sets of numbers coming out of those travellers. So the answer is yes, but it in itself is not going to fix some of the issues we need to keep addressing.

**Media:** Has the Government given up on efforts to persuade South Korea to bring the diplomat Hongkon Kim to New Zealand to face charges?

**PM:** You'll recall that that was something that I raised with the President very directly. In our view, of course, that was—you know, in terms of where our ability to respond to that case—that was probably one of the most direct things that we could do, and so we did that. That's probably really where our abilities in that area—or at least mine—sit and where they lie. We do have to be careful about how much we intervene in what is, ultimately, a matter for the police, as well.

**Media:** Is there no potential for extradition, as you see it?

**PM:** Not that I've been advised. But, again, you know, I'd like to think, when you look at the range of options we had in front of us, we took one of the most significant that was available and raised it directly with the President.

**Media:** So, just to be clear: when you say “not that I've been advised”, do you mean that there's no chance of extradition in this case?

**PM:** I would want to go back and check very carefully again the exact advice around extradition, but it is not a decision made by me; so I think that's probably the most important point to make there.

**Media:** But the advice was that it had been ruled out?

**PM:** I wouldn't want to convey that incorrectly, but, if it was an option, obviously, that would've been pursued—if it was the option that lay in front of officials, I imagine it would've been pursued.

**Media:** Minister, when you say GPS for contact tracing, what does that look like? What do you mean by that?

**Hon Chris Hipkins:** So there is existing technology—in fact, some people use it already—where they can track their own movements using the GPS that's built into their phones. Now, we know that that's more useful in a low-rise environment than it is in a high-rise environment, because it'll tell you where you've been, but in a high-rise environment it won't tell you who you've come into contact with. So that's why we look at a combination of GPS, Bluetooth, and so on. So what I'm saying is we're not taking anything off the table at this point, but we do recognise that all of the different technological solutions all have limitations. So the Bluetooth is less sensitive—gives you less information about where you've been but more information about who you might've come into contact with. So it's a combination of those things that helps with the contact tracing.

**Media:** Prime Minister, you said at the end of September that you believed two-way quarantine-free travel with Australia, or at least some Australian states, was possible ahead of Christmas. Christmas is now only just over a month away—surely that's not a possibility at all?

**PM:** And I have no doubt that that would've been while I was being pressed rigorously for a precise date, which I would've been very careful to avoid. And so look, you know, anything has been possible at any given time, but evidence keeps demonstrating why there are some limitations to being able to move quickly. So, obviously, the Cook Islands is much further along. We're closer to that arrangement than we are with Australia. They have

changed up their approach considerably, and that's meant that we've had to do additional work.

**Media:** So New Zealanders with family in Australia, they won't be having Christmas together?

**PM:** Look, at this stage, we simply don't have the necessary protections in place around managing trans-Tasman arrangements for me to give that kind of assurance. But we continue to work on it, and so every week we are getting a little further along in understanding those arrangements, but, equally, every week we see situations like we've seen in South Australia as well.

**Media:** How can the Government increase its efforts to deal with the housing crisis, including on supply?

**PM:** Well, look, it would be wrong to assume it's just about supply, but it's an obvious place to start. We, of course, have two roles to play. Firstly, investing in public housing. We have social housing waiting lists that we need to make sure that we're adequately responding to, and so we're doing that. You've already seen a considerable investment in increasing public housing, and that's on top of an already ambitious build programme. The second area is: after the GFC, we learnt that right at the time when you need there to be growth in your residential housing market, both as a form of stimulus but to ensure ongoing supply, is the exact time it declines. So we've done a number of things to try and shore that up: firstly, ensuring workforce is retained—so don't underestimate the importance of investing in apprentices through subsidies to employers to keep the workforce. The second is what the work Minister Woods is doing to ensure that our residential developers stay in the market. Despite there being record consenting, we do have concerns that some of those developer—and, indeed, those in construction are saying that they're not necessarily being supported by mainstream lenders. So that's where we've been using the fund to ensure that residential developers have the support they need and the confidence to keep building in the residential market.

**Media:** But is the 8,000 that you've talked about with State house building—is that enough? Because people are saying that that shortage is more like 50,000 or 60,000.

**PM:** Well, look, actually, had we seen the last Government build public housing at the rate that we currently are, we would have been able to clear the waiting list by now. If over that nine-year period, they'd built at the rate that we are now building, we would have cleared that waiting list, but, unfortunately, they didn't. We are making up for lost stock whilst adding more. No Government has built as many as this since the 1970s. Would I like us to be able to do it at an even greater rate? Of course. But there are limits to what we're able to do with some of the workforce constraints that we have and the capacity we have to even push it out to where we are. We have to make sure we can deliver on what we're investing in.

**Media:** So why not look at the tax settings, which clearly advantage property?

**PM:** We have. You know, we have closed tax loopholes. We extended the brightline test and we stopped foreign buyers buying in the market. We, of course, increased our public housing supply as well, and we're moving into progressive homeownership as well as supporting private developers. And so there is not one thing that will solve this crisis. We have to keep making sure we're using all those multiple levers.

**Media:** You used to say it was a capital gains tax that would solve that crisis.

**PM:** I said it was one of the things, but, of course, I didn't necessarily have the rest of New Zealand in agreement with me on that. Doesn't mean there aren't levers that we won't keep pulling or looking to use.

**Media:** Just on [*Inaudible*] have you been able to get to the bottom of whether they were offered a translator or the reports that Ministry of Health officials were given wrong information?

**Hon Chris Hipkins:** Yes, there was a Chinese-speaking nurse in the room, available to translate. The person being interviewed ultimately opted to do the interview in English.

**Media:** So you're not concerned at all about these reports that she wasn't given enough support?

**Hon Chris Hipkins:** No.

**Media:** What about the discrepancy in terms of whether or not she was told by the manager to come in or not?

**Hon Chris Hipkins:** Look, I think we canvassed this last week. I don't think that getting into a blame game here really adds much to anything. Ultimately, the real message for everybody at home is: if you have to sit down and retrace your movements over the last two weeks, how readily could you do that? I think everybody would struggle to recall absolutely everybody they've come into contact with over a two-week period, and so that's why we interview people multiple times. At the end of the day, we work on the information that they have given us.

**Media:** Have you found an epidemiological link with case A and case D yet?

**Hon Chris Hipkins:** No. Things are progressing. Obviously, there's extensive reviews of CCTV footage and re-interviews going on with the different cases and with their contacts. And that all helps to assemble a bit more—a fuller picture of their movements. So that work is ongoing. I had some updates on that over the weekend. As soon as we know more, as soon as we have something that suggests where it may have happened, we will let people know that.

**Media:** Are you concerned there might be more cases, though—without having that link—that there may be more missing that you haven't been able to find with testing yet?

**Hon Chris Hipkins:** With all of these things, we're always looking at the risk profile, what the risk probability is. At the moment, it's still low, but there's no such thing as no risk, and so of course there's risk.

**PM:** But, of course, when we assess these things, we look at the fact that there was an identical genome between A and D, and also symptom onset at least suggests very, very close proximity between the cases, but, of course, you can't 100 percent rule it out.

**Media:** The Reserve Bank wants to re-impose LVR restrictions on bank lending against both investor property and owner-occupier property. So this would obviously affect first-home buyers. Presumably they would need a 20 percent deposit. What are your thoughts on that? Are you comfortable with those LVRs being put back on both types of lending, or would you rather they just be put back on for investors?

**PM:** Yeah, I am pleased that there's that additional focus on investors, because that is the part of the market, of course, that we do have some concerns—no proof at this stage—that we're seeing an increase there. It is a bit speculative. The proportion of the market that investors are making up has remained about the same, but I am pleased to see that there has been a particular focus on investors and that three of our mainstream lenders have already moved on that in anticipation of likely moves by the Reserve Bank.

**Media:** Are you comfortable, though, with those LVRs likely going to be put back on for owner-occupiers?

**PM:** Look, I need to allow the Reserve Bank to make those decisions. That doesn't, of course, stop us from being able to look at what we can do to support first-home buyers in the market.

**Media:** Prime Minister, there's some growing political calls for you to intervene in what the Reserve Bank is doing. Can you anticipate—

**PM:** What, like Muldoon?

**Media:** Yes—well, I mean, that's sort of the question, right, is: could you anticipate either yourself or any one of your Ministers writing a letter to the Reserve Bank Governor and saying, "Hey, we don't agree with what you're doing."?

**PM:** Look, you know, those—that separation exists for very good reason, and that separation exists for the benefit of New Zealand and, equally, based on very hard lessons learnt, and I have no intention of changing that. Keeping in mind, of course, we have used our ability to set out where we have an expectation that the Reserve Bank factor into some of their decision making issues that are important to us. And you've seen us do that, for instance, on considerations around employment. But I take very seriously the separation that exists there.

**Media:** To Jason's question before, you mentioned that interest rates were having an effect on the housing market. Adrian Orr last week, on Wednesday, said that it was—interest rates were having a marginal effect on the housing market. But, at the same time, both Grant Robertson and Adrian Orr are saying fiscal and monetary policy are working together and you're on the same page, and yet your answer today is on a completely different page to those answers on Wednesday.

**PM:** How so?

**Media:** Well, he doesn't think interest rates are having much effect at all, and you just said they were.

**PM:** Oh, look, you know—"a marginal difference"; "a difference". I believe they're making a difference. You know, you can see, psychologically, the difference it would make for someone, if they're looking to enter into the market—a first-home buyer—immediately, their calculation over whether or not they can afford a mortgage changes. Whether or not they can then enter into the market is a different question, because actually some of those deposit limitations, of course, are a factor, as well. So, look, I haven't put a quantum around it, but do I think it features in people's thinking when they look to enter in the housing market? Yes, I do. I think most people in this room would say that it would make a difference when someone makes a calculation as to whether they can afford to enter into the purchasing of a home or not.

**Media:** Would you communicate that with Adrian Orr? Because he doesn't seem to think so.

**PM:** Well, look, I'm not going to interpret the comments made by the Governor of the Reserve Bank, but my view is actually that what I'm saying here is not necessarily in contradiction to that.

**Media:** Do you support New Zealand businessman Chris Liddell's bid to head the OECD?

**PM:** We haven't made the final decision as yet as to who Cabinet will be supporting in the nomination for the leadership role in the OECD. Number of things that we want to take into account, and what I would say is that we have a wide range of considerations; citizenship is not the only one. I'll take a last couple of questions.

**Media:** Prime Minister, next week the new Parliament will be sworn in. They will swear an Oath of Allegiance to the Queen. Why don't they swear an oath of allegiance to Aotearoa New Zealand or the Treaty of Waitangi?

**PM:** Well, obviously, we have a longstanding oath, and, of course, the ability for MPs to differentiate as to whether or not they choose to do that according to their own spiritual beliefs—use of the Bible versus the alternative. But we conduct that ceremony in keeping with our constitutional arrangements as a member of the Commonwealth, where our head of State is as it currently is.

**Media:** Should we modernise the law?

**PM:** Keeping in mind that, of course, that does not preclude the Government, of course, of the day having significant responsibilities under the Treaty of Waitangi, which we do. Last question—who hasn't—

**Media:** On the issue of monetary policy and fiscal policy and the relationship between the two, clearly everything the Reserve Bank does—it's really pulled out all the stops with its monetary policy, for the new Funding for Lending Programme, QE, everything. Why is the Government not rethinking its policy settings, giving consideration to the impacts of that huge stimulus that the RBNZ's doing?

**PM:** I absolutely reject any suggestion that we're doing anything other than making a huge investment and putting the weight of the Government behind ensuring that our economy, through this one-in-100-year event, not only survives but thrives. We're seeing record investment in infrastructure—over \$40 billion worth—the likes of which we have not seen in decades. We've seen stimulus going in via income support payments to our lowest-income workers; investments in trade and vocational training that, essentially, make training free for a large number of New Zealanders. We are pulling out the stops and using the levers that we have available to us. Some would argue that we should do things like tax cuts; we just happen to disagree that that's the right tool for the right time.

**Media:** But what about additional measures to address the inequality specifically? Because those asset prices are going up, the haves have more, the have-nots have less. So why is there not more of a policy response targeted to that?

**PM:** And, of course, some of the most significant investment we saw, straight off the bat, was billions of dollars to ensure people stayed in work; was investment in lifting main benefit rates, the first time that has happened in decades, across the board; the doubling of the winter energy payment—all supporting low-income workers. But, actually, I do think that we need to take into account New Zealand's relative position. Here we are with unemployment rates that, relative to other countries, are low—below the OECD average, below Australia—and we have the early signs of New Zealand's economy making an early recovery. So this is a one-in-100-year event. We can't look at New Zealand in isolation and just compare it to itself; we need to look at how we're doing relative to others, as well. Thanks, everyone.

#### **conclusion of press conference**