

**POST-CABINET PRESS CONFERENCE: MONDAY, 21 FEBRUARY 2022
HANSARD TRANSCRIPT**

PM: Kia ora koutou katoa, and good afternoon. I have two important messages to share today. I'm joined by the Deputy Prime Minister, who in a moment will share details of additional financial support to help business through the accelerating Omicron outbreak. But first, I wish to speak as frankly as I can about where we are at, currently, in our fight against COVID-19, and also where we are going.

After two long years, we are now in a position where COVID has reached our shores in a widespread way. Our seven-day average for cases is 1,667, and we are predicting cases will continue to double every three to four days. It's likely, then, that very soon, we will all know people who have COVID or we will potentially get it ourselves. There was a time when that was a scary prospect, but it doesn't have to be now, and that's for three reasons. Firstly, we are highly vaccinated, and that happened before Omicron set in. Secondly, our high vaccination coverage means COVID will be a mild to moderate illness for most people—and if you're boosted, you are 10 times less likely to end up in hospital. Thirdly, even though for some people, COVID will still be more severe, we're using public health measures like masks, gathering limits, and vaccine passes to slow down the spread, to ensure there is a hospital bed for everyone who needs it.

So far, that plan is working. We have 46 cases per 100,000 people compared to 367 in New South Wales and 664 in Victoria at the same point in the outbreak. Our hospitalisations, too, are well below Australian states at a similar time. That all means that our healthcare system can continue to keep people safe—so, if someone has a heart attack tonight, the ambulance will arrive and take them to a hospital with a free bed. And that is thanks to everyone who has stayed the course, despite it being so incredibly hard at times. But what comes next? Our primary goal is to manage COVID with as few restrictions on our daily lives as possible, to keep people feeling confident and safe, and to accelerate our economic recovery.

As always, what that means in terms of changing restrictions isn't an easy question to answer in an often unpredictable pandemic. But by looking at what is happening overseas, we can begin to look to the future. Firstly, we know our wave of cases is likely to hit a peak in roughly mid to late March; only three to six weeks away. At that point, if we follow the pattern of other countries, we'll likely see a rapid decline followed by cases stabilising at a lower level. That is the point when we can start to do things differently. First, the traffic light system will change. The COVID protection framework is built to keep our hospitals and wider health system running. Once we come out the other side of the peak, it will be clearer that we've reached our high point and that we have managed it—that our hospitals have managed—and we can begin to ease the public health measures that did their job in slowing the wave down.

And so, we'll be able to look at moving through the traffic lights; easing off the gathering limits, for instance. But we also employed extra tools like vaccine passes in the face of Delta and Omicron. As we have always said, these were necessary. If we hadn't had vaccine passes as we managed Delta, we would have had to instead use more general restrictions across the whole population. They have always been the least bad option. But while they have been necessary, as I've always said, they've also been temporary. Vaccine passes were a way of ensuring that within the relatively free system of the traffic lights, that people who were in high-risk places had some layer of protection. But once we come through a wave and a peak of Omicron, that equation changes because many unvaccinated people at that point will have been exposed to COVID-19. Put simply, the reason we will be able to move away from vaccine passes and many mandates is because more people will have had COVID.

So in the same way that coming out the other side of the peak will give us the chance to step down through the traffic light system and ease things like gathering limits, it will also enable us to move on from vaccine passes and ease mandates in places where they are least likely to impact on vulnerable people. They will remain important in some areas, though, for some time. There can be no specific date given at this point, but what I can tell you is that we'll be

looking to make sure that we are well beyond the peak, and that the pressure on our health system is manageable.

Some might ask, “Why not do away with the traffic light system entirely?” The first answer is: new variants and potential future waves, for which we must remain prepared. And a second is that we will go through our first winter with COVID at the same time that flu returns, following two winters of very low rates. So as our borders open, we approach winter with the potential of more illness. We need to ensure our health system can manage a heavier burden as well.

To summarise, then, the coming weeks: COVID will increase, and rapidly. There will be disruption and pressure from Omicron. We must brace through the next six weeks, but we can do so knowing a future with fewer restrictions is near because that has always been the course we have charted. We’ve stopped using lockdowns, our borders reopen to Kiwis in Australia in a week, we progressively keep on opening, our use of MIQ—which has helped us so much—will change dramatically, and, as we reach that peak and start to come down, we can start to move towards a life that feels a little more like a new normal that we can all live with. Two thousand twenty-two is about moving forward. New Zealand is in demand internationally, and again our primary goal is to manage COVID with as few restrictions, and accelerate our economic recovery, while continuing to ensure that lives and livelihoods are protected.

And while everything I have said today has been directed to every New Zealander who is anxious about the future, either because they’re afraid, or because they just want COVID to be over, I’ll leave this final message for those occupying the lawns of Parliament: everyone is over COVID. No one wants to live with rules or restrictions. But had we not all been willing to work together to protect one another, then we all would have been worse off as individuals, including losing people we love. That hasn’t happened here for the most part, and that is a fact worth celebrating rather than protesting. We all want to go back to the way that life was, and we will—I suspect sooner than you think—but when that happens, it will be because easing restrictions won’t compromise the lives of thousands of people, not because you demanded it. Now is not the time to dismantle our hard work and preparation; to remove our armour just as the battle begins.

I’ll now, though, hand over to Minister Robertson, who will set out new economic supports for businesses who have been affected by Omicron.

Hon Grant Robertson: Thank you Prime Minister, ngā mihi nui ki a koutou katoa. When the Government made the hard decisions in 2020 and 2021 to put New Zealand into lockdown, it was clear that we needed to put in place broad-based financial support to help our workers and businesses get through. Since the beginning of the pandemic almost two years ago, the Government has paid out almost \$23 billion in support, via the wage subsidy scheme, the resurgence support payment, and the Small Business Cashflow Loan Scheme. Taking into account other related support, more than \$25 billion worth of income and financial support has been paid out since the onset of COVID-19. This has contributed to the New Zealand economy performing better than many of the countries we compare ourselves to, and ahead of our forecasts.

Throughout the pandemic we’ve been monitoring our support schemes and adapting them to fit with the changing impacts of the pandemic and the needs of businesses and workers. As I said back in October when we announced the traffic light system, the Government has been monitoring the impact of the new framework on business and the economy. Overall activity in the economy has remained strong, as most businesses are able to operate with only limited restrictions. This reinforces the decision not to have across-the-board financial support, like the wage subsidy scheme available during the COVID protection framework.

However, for some sectors there has been a significant decline. The latest retail card data that we have shows that spending on food and beverage services, art and recreation services, and accommodation all fell further compared with the same week in 2020—down 27 percent, 47 percent, and 59 percent respectively. When we created the COVID protection framework we were clear that it was still possible for people to travel, eat out, and go to bars—

albeit with restrictions. It was not possible to predict how people would behave under the settings, or as Omicron took hold. A combination of the gathering restrictions, particularly in hospitality, and people's behavioural responses has seen an impact that may cause some viable businesses to cease to be able to operate. Therefore, we have to act. We've looked closely at how best to target this support. We have created some bespoke packages for the arts and events sectors. However, doing the same for hospitality or accommodation runs into significant definitional and integrity issues. In order to provide targeted support, we have decided to use a revenue drop figure that is higher than we previously had in place, and there will be declarations required to link the revenue drop to the impact of the COVID protection framework and the spread of Omicron.

A new payment has been created, the COVID Support Payment, which is similar to the former resurgence support payment. The COVID Support Payment will be \$4,000 per business plus \$400 per full-time employee, capped at 50 FTEs or \$24,000. This is the same calculation as we used for the Transition Support Payment just before Christmas. Applications for the first payment will open on February 28, with payments starting from 1 March. It will be available on a fortnightly basis for six weeks—so three payments in total. We believe that this will get people through the worst of the Omicron outbreak but, as I have said, we constantly monitor the situation and we do have the option to extend this if necessary.

Like the resurgence support payment, there are criteria. Firms must show a 40 percent drop in seven consecutive days within the six weeks prior to the shift to phase 2 of the Omicron response on 15 February. As before, there will be exceptions for seasonal businesses. The revenue drop test is the most effective way to target support to where it is needed most. It captures the businesses within specific sectors that are the most affected and, by proxy, targets particular sectors over those less affected. The Treasury estimates that the cost of each payment will be between \$160 million and \$260 million.

I'm also announcing today that we're making changes to the Small Business Cashflow Loan Scheme to increase the amount of funding available to eligible businesses through a new top up loan. The top up loan will allow those firms that have already accessed the loan to draw down an additional \$10,000 with a new repayment period of five years, and the first two years being interest free, as they are now. Cabinet has also agreed to remove the first two years of accrued base interest from all borrowers who have or will take out a loan under this scheme. This change will mean that interest will only start accruing at the beginning of year three. These changes will come into effect in about four weeks.

Finally, we are also extending Inland Revenue's flexibility for tax payments to assist firms with cash flow pressures. This means that if a business is struggling to pay its tax in full or on time because of COVID-19, it can pay it off over time simply by setting up an instalment arrangement in their myIR account. Inland Revenue also has existing discretions for providing financial relief for customers that have been unable to pay their tax on time. I strongly encourage businesses struggling to pay tax because of the impacts of COVID to communicate with Inland Revenue to see if they could delay starting payments to a later date, or if any part of their tax could be written off. Inland Revenue can help with both GST and provisional tax payments.

We have sufficient resources in the COVID response and recovery fund to cover the costs of these announcements. However, we have taken the precaution of topping the fund up by \$5 billion to cover for other expenditure that is expected—in particular, to support the health response to Omicron, including the purchase of vaccines, anti-viral drugs, and the ongoing support for increasing the capacity of the health system. As we've previously said, the money will only be spent when it is needed. We have the resources to do this because the economy continues to outperform expectations, and our levels of debt remain below forecast and relatively low compared to the rest of the world.

I want to finish by reiterating something that the Prime Minister has said. We know from the international experience that Omicron cases rose rapidly but then hit a peak after around four to six weeks, and then they drop off. We also know that consumer demand tends to pick up

very quickly. Under our settings of the COVID protection framework, people can continue to go out, shop, and travel. And our reconnecting New Zealand framework will see the borders progressively more open. So my message to the business community is that we are providing temporary support to get through this phase. But there is every reason to be confident that this will pass relatively quickly and businesses will be able to operate normally, as they have done, for extended periods over the last two years. Prime Minister.

PM: All right. Happy to take questions.

Media: For two weeks people haven't been able to move around our capital city, why not give a date for mandates will end?

PM: We've given a very clear indication here today that, firstly, we'll be looking to do that when it is safe to do so. But all of the evidence is suggesting—and our experts—that once we come down off the other side of a peak and we know our hospitals have coped and, frankly, unfortunately, more of those unvaccinated individuals will have been exposed to COVID, that means we're less likely to need vaccine passes and mandates, and that is when it will be safe to start removing them.

Media: Do you have confidence in the Police Commissioner?

PM: Yes, I do, and I've expressed confidence, of course, in the enormous job and very difficult job that the police do on our behalf every day, including on the forecourt of Parliament right now. That doesn't mean necessarily that every single decision that's made there will be broad agreement with, but that does not change my absolute support for the police force.

Media: We've got a situation where people can't move around the capital city. Who is responsible for that and for doing something?

PM: Well, when it comes to the enforcement of the law, there is absolute clarity that that is a decision for the police. And that is for very good reasons: you've got to have the independence of the police, or people will, of course, lose faith if you ever have politicians interfering with decisions around charging and arresting citizens. That has to lay with them.

Media: Do you believe police could have acted sooner, then?

PM: Ultimately, the thing that will resolve what is occurring out on our forecourt right now and in the centre of Wellington and obstructing business, passers-by, school children will be protesters leaving. So let's be really clear on where the responsibility now sits to resolving this situation. There will be a time when we have the opportunity to cast back and learn from this situation, but, right now, my message would be a simple one: the protesters have made their point; it is time for them to leave.

Media: You've said that your speech today wasn't a response to the demands of the protesters—

PM: Absolutely not.

Media: But with the Opposition parties taking a more sympathetic view to what the protesters are advocating for, have you felt pressure to respond to those protester's demands?

PM: What I feel is a responsibility to keep New Zealanders safe through this pandemic, but to continue to ease all of the restrictions as it is safe to do so. And we're getting a very clear indication based on what we've seen internationally on when we believe that will be able to occur. But I can tell you it's not as you're on the upside of a growing outbreak; it's when you come down that it will be safe to do that. And look, to the Opposition I would say: we all took, as parties, a position, rightly so, that none of us would engage with what is ultimately illegal activity outside that borders on and demonstrates bullying and harassments of Wellingtonians. I find their position at the moment quite upsetting to see now they seem to be responding and sympathising with the protesters.

Media: Police had human waste thrown at them this morning. How disgusting is that behaviour?

PM: You know, I grew up in a police family, and so that is why I feel like I have a real appreciation of the difficult job that police officers do on our behalf, day in day out. No one should have to face having human waste thrown at them while they are just trying to keep people safe.

Media: You mentioned a period of six weeks, early on. Is that the period that you would be able to tell the protesters, if you'd talked to them, that they could be looking at the removal of mandates?

PM: So what I've set out today is, based on modelling and overseas experiences, a view that in three to six weeks we'll likely see that peak. And what we'll, then, be looking for is a clear indication that we are on the other side of it, that hospitalisation rates have normalised, and our health system has demonstrated that it's been able to hold up against that higher case load. That's when we'll be in a position to, then, safely start easing both things like gathering limits but also moving away from things like vaccine passes. We've also been clear that the reason our experts believe that will be safe to do at that point is because so many more people, including, sadly, unvaccinated individuals, will have been exposed to COVID, which means it's a very different scenario than what we have now.

Media: So you didn't mention mandates there—

PM: Oh, sorry. Yes, mandates for similar reasons. I would just add, though, that the health advice that we're receiving, or the advice that you hear from experts, there's still a concern around those really vulnerable communities that are served by the likes of certain parts of our health workforce. So I'll be looking to get more advice on that, but there are other mandates that I believe, yes, we will be in a position to remove at that time.

Media: What would be so wrong in you now maybe taking a step back and meeting with, at least, a delegation of protesters from the front lawn?

PM: On the day that protesters have thrown human waste at police as they have sought to simply bring law and order to Wellington and allow Wellingtonians to move around the city, the suggestion that we would then engage with that kind of behaviour I just reject. My responsibility is to speak to all New Zealanders, and they all deserve to hear what we believe our forward plan will look like in the coming weeks. Right now, the focus has to be on getting us through this outbreak safely and looking to changes once we're out the other side.

Media: Prime Minister, a question for you, or maybe Mr Robertson: have you looked at cutting off funding streams to the occupiers out there? I mean, I know that in the US—sorry, in Canada there were some emergency powers passed. What do we know about it, and are you looking at doing anything about it?

PM: Yeah, and look, ultimately, I think the first thing I'd say is those decisions would sit with the police. They have both the ability to investigate and then enforce. What we've seen at this stage has been more anecdotal than hard evidence around the connection to overseas protests, but what we have all observed is that there's something in the order of up to 25 countries who are experiencing this kind of activity right now. New Zealand is not alone in what we're seeing here, and there has been, of course—and you will have all observed yourselves—elements of international influence, and that's not just been flag-flying but some of the messaging and misinformation and disinformation. But, ultimately, the decisions on pursuing or identifying whether or not there's particular sources of funding that should be focused on—that would still be a matter for the police.

Did you have anything to add on—

Media: This is—as you say, this is a global issue.

PM: It is global.

Media: Other nations have taken a legislative path. Is that something that you would be open to, were it necessary?

PM: Again, I think really we'd want to take some advice there before determining what needs to be done, understanding whether or not those tools are available in an adequate way here, and actually understanding what is occurring here. At the moment, as I say, you can observe it, you can see it in the messaging—a bit of anecdotal data being shared. But we'd want to see the evidence to ensure that we were—that any steps towards regulatory changes were actually targeted at the identified problem that exists.

Media: Prime Minister, you painted a little bit of a picture about what life would be like after the peak and into the future. Are you able to give us any sort of insight as if to—it's going to be a movement down the traffic light system, or will it be a move to another staged system, or will it be back to life as we knew it in 2019?

PM: So what we would expect at this stage—and, again, we're casting forward, but you'll already have seen that the traffic light system already has all of the criteria that I've talked to. It's all about our health system's ability to cope with the cases we have. It's not based simply on community transmission and cases. That was our old way of managing COVID; our new way very much looks on health system impacts, and there's a simple reason for that. If our health system can cope, everyone gets better healthcare, whether you've got COVID or whether or not you've had a stroke or a heart attack or a car accident, and that's what we all want. So we'll have a much better idea of our ability to cope with those higher levels once we come off the back of the peak. That will enable us then to progressively move back through the system. The one change in settings I'm suggesting today is that because of that widespread exposure to COVID, vaccine passes will likely be able to then be removed as part of that move down the stages.

Media: So you're saying that we would see a return to orange, then to green?

PM: Yeah, and I absolutely expect that as we're able to, and our health system is managing, we'll be able to do that, and keeping in mind then, actually, as you move through, things really ease up. But masks still are helpful, and at different stages you have different gathering limits. But we all remember orange—it was a bit more normal than where we are now.

Media: So you're expecting green to be the stock standard for New Zealand for the foreseeable?

PM: Yeah, well, green, of course, has many, many freedoms. It mirrors what we were used to with 1, really. So I think that would be something people would be wanting to aspire to move back to. What I would just caution, of course—the Ministry of Health's very, very, you know, I think responsibly do want us to be cautious as we hit winter. Our borders are opening, flu will come in; that places pressure on our health system in any given year. We'll have Omicron. That may peak again, so we'll just need to make sure we've again got the ability to move through. But once we get through this first peak, vaccine passes are less likely to be necessary for those other outbreaks that we experience.

Media: Can you confirm that thousands of tests will be dumped because of the backlog of being able to assess them? So after the five-day period can you confirm whether or not they will be dumped?

PM: No, that's not what I've been advised. What I've been advised is that there is an ability to move through some of the backlog in a way that should prevent that from happening. But what is happening in Auckland today—because you'll see, we have, overall, enough PCR capacity, the issue is we have a lot of tests being taken in one region. So rapid antigen tests have been rolled out. We're replacing PCR in some of those surveillance areas to put some extra capacity in. And at our community testing stations, you'll see rapid antigen tests used from today. We also expect them to start being used in GP clinics this week as well.

Media: And can you also confirm that prisoners who have tested positive will be moving into isolation segregation?

PM: You'll have to forgive me, I can't give you the exact protocols that corrections are using for COVID-positive inmates. I do know that we have been experiencing cases in and around corrections, but if you don't mind I'll ask them to respond to the protocols they're using.

Media: Prime Minister, you said that mandates will remain important in some areas.

PM: In some areas.

Media: So will that be healthcare—

PM: Yes.

Media: —what about in schools?

PM: Yeah, so at the moment—and again, this is where we do want to make sure that we have the ability to receive, based on the latest science and evidence, which of course is emerging still with Omicron, get the latest from our experts. The early indications are that it may be something you'd want to continue to use when you've got really vulnerable groups, like particular parts of healthcare, but that there is the ability in other areas to move away from mandates. I do want to give them the space though to give us that formal consideration once we see more evidence.

Media: Are you seeking consideration particularly for schools, though, or do you already know one way or the other where mandates would land there?

PM: We know that a particular focus is healthcare settings, and really vulnerable individuals. And so my expectation is that we'll see a real narrowing of where we use mandates, again, once we come through a peak, because in those cases we'll see many more unvaccinated people who will have experienced COVID-19 by then.

Media: Do you expect parents may be concerned if mandates were to be removed from schools?

PM: And again, keep in mind, when we put them in place, very much it was because also there was the inability to vaccinate children. Also because we had what they call a naive population, a population that hasn't experienced COVID. The reality of Omicron is that, with a large peak, many, many will experience COVID, including many of our unvaccinated people. So it does mean the reason and rationale for mandates in some areas—not all; in some areas—does change.

Media: Just back to the testing. So the testing regime in Auckland has basically collapsed under the weight of cases—

PM: I wouldn't agree with that.

Media: But how concerned are you that people who should be getting tested aren't because of those wait times?

PM: We have the capacity to process 35,000 or more PCR tests in any given day. My recollection is that we processed somewhere in the order of 27,000 yesterday. The issue is we have a large number coming through in Auckland. That's why we, of course, have readied ourselves with rapid antigen tests—they're already in place in community testing stations, and they are being used as of this week.

Media: But they ran out of RAT tests today in a number of places.

PM: Sorry?

Media: A number of places actually ran out of RAT tests.

PM: I could not verify that that was necessarily the case, though. I'm only hearing your version.

Media: And the secondary schools association—

PM: We do have 4 million in distribution across New Zealand, so keeping in mind that pre-stocked across the country there are 4 million rapid antigen tests right now.

Media: And the Secondary Principals' Association says within a week most Auckland high schools will be online learning only because of staff shortages. When will teachers get RAT tests?

PM: They already have them. I've been advised that up to 200,000 rapid antigen tests have been distributed across the country to enable schools to make a decision as to whether or not they would like to use those to allow teachers to return to the school grounds, even if they are a close contact.

Media: The Northland DHB is so short on hospital beds that it's planning on using a field hospital when there's a rush of Omicron cases. Are you comfortable with COVID patients being treated in tents?

PM: I think keeping in mind that, actually, both in other countries we'd compare ourselves to, but also across our DHBs, they have been putting in place contingency plans to make sure that we, for instance, have enough physical space to triage people before they come into hospitals, space around EDs to make proper assessments in the safest way possible. So each DHB is undertaking that work. So that is not unusual. That does mean in some places that, either through commercial means, DHBs are acquiring additional shelter should they need to build those triage spaces, or they may well have sought the advice of the Defence Force. But that is all part of our expectation of making sure that we have the right capacity should it be needed.

Media: Just a question for you and then a question for the Minister as well, if that's—

PM: I'm sure he'll be delighted.

Media: Just you've used in several answers today that "if the health system copes" and talked about that normalisation of hospitals as well, in terms of how you might be able to move to the next stage. How much will whether the health system ends up being overwhelmed—we've obviously seen, even just in Australia, there's been quite an overwhelming in New South Wales and Victoria at times. How much would what happens with the health system, given we don't know what is going to happen, push out any sort of changes you might have, because that three to six period could be quite longer if there is—

PM: Yeah, and this is where we've given an indication based on overseas of what we've seen happen in peaks. Some countries have had prolonged peaks; that is true. And much of the difficulty in making this judgments is because the world has not had Omicron for long. New Zealand, indeed, has only had it three to four weeks. So we're giving our best advice to New Zealanders about our direction of travel based on what we've seen overseas and based on what we're modelling. It's one of the reasons I just cannot give dates, but I can say, once we are confident we are through the peak and coming out the other side of it and we're confident our health system has been able to cope and is coping again, that enables us to move away from some of those restrictions.

Media: Because I guess the question there is that the number of cases and what's happening within the health system won't always necessarily match up and you might have a situation where cases have started to come down but the health system is still incredibly overwhelmed for any number of reasons, and then heading into the flu season thing. So I guess when you are talking about that, and I know you've not given a time line on that, but is the likelihood that you could be pushed out by quite a few months?

PM: Yeah, so the thing, the point that I'd make, is that that's probably more relevant for the movements around through the traffic light system than it is necessarily for changes like vaccine passes. Because, remember, the reason our experts are saying that we'll be in a position once we come through the other side to move away from things like vaccine passes is actually the level of exposure everyone will have had. So that's one of the factors that we'll

be taking into account, but broad changes to our settings, you are right, will be about our health system, but we will be looking at both in order to assess when the time is right.

Amelia, if I may just clarify—I'm not sure whether or not your question was based on a tweet by David Seymour—but the Ministry of Health has confirmed that no centres have run out of PCR test kits; two centres briefly paused to adjust traffic management to take accounts of their rapid antigen test's use. I imagine that might mean people are lingering for their use in those car parks, but they've since reopened and all community testing stations are open in Auckland and operating.

Media: It was based on one of our reporters going out to one of the testing stations and—

PM: I'm happy to clarify, though, we have not run out of PCRs.

Media: We talked last week about you wanting to see businesses having employees going out, staff—you know what I'm talking about. In terms of where we're at now, with the next phase, does that change at all? Does your message change to people who are self-imposed lockdown or bosses are telling people not to go out? Does that change in terms of cases going up, the next phase etc.?

Hon Grant Robertson: So the settings don't change. That's the important point. So we have, because we've worked so hard as a country to get vaccinated, to get boosted, because we do still have, within those venues, restrictions about distancing and mask wearing, we are in a position where people can continue to travel and go out and see their friends and eat out at a restaurant. Obviously, there are people who for their own reasons are going to decide they don't want to do that. What's important to me is that we emphasise that it is still safe to do that, but, obviously, people will come to their own conclusions. What we've recognised in this economic support package today is that when we look at the real data of what's happened under the red settings, we've got viable businesses whose existence, frankly, is at risk now. We don't want the scarring effect of that to occur, and so we can do both of these things at once: still have people safe to go out but also provide support.

Media: Prime Minister, what do you think of the Speaker's suggestion that a fence around Parliament be investigated?

PM: Yeah, just for clarity, this is not something that Ministers or—indeed, I don't believe it's something that the Parliamentary Service Commission have necessarily discussed at this stage. And so my view is that this is something that requires full consideration of all parties in Parliament. What I have no doubt of is the value in us undertaking an assessment in the aftermath of this experience around both the safety of the building but also the importance of ongoing accessibility. This is the peoples' House, and I think will want to make sure that we're balancing the need to keep the people who work here safe with also the need to ensure that people can access their democracy. So, I've seen no detailed plans so I have no particular view—just that it needs to be discussed by everyone.

Media: This afternoon, in a speech National Leader, Christopher Luxon, said that you were “missing in action”. Do you have any direct response to that and do you think that his more recent commentary is stoking division?

PM: Well, I—certainly as I've said, it did risk certainly giving the impression of sympathy towards those who have behaved, frankly, in a way that all Wellingtonians, I believe, would utterly reject.

As for the missing in action, I'll just let my presence here speak to that and, of course, my media engagements this morning, and my media engagements tomorrow and the next day, and likely the next day.

Media: Can I just quickly follow up before asking about self-isolation, because previously during outbreaks you've had the “1 pms”, you've had Dr Bloomfield explain science and other things, cases are higher than ever, there's going to be more hospitalisations, and, upsettingly, more deaths. Are you planning on wheeling that back or not?

PM: Yeah. Look, one of the things that you know that we do is just have a look at, when we are moving in to different phases, whether or not we're in a position to answer the questions of the day that may arise, and we will give a bit of consideration to whether or not we're meeting all of those needs as we come through those next stages.

For me, it is about making sure that we (a) are able to be held to account but (b) continue to provide reassurance if there are issues that arise that we're very publicly responding to those. But, of course, we also often do like to hear the view of others as to whether or not they're something that are necessary.

Media: Can I also ask about home self-isolation because it feels like that's the piece of the puzzle we haven't been given any clarity yet about when that will happen, either a time line on when you provide the time line, or the criteria that need to be met before you—

PM: Close contacts or returnees?

Media: Sorry, before you get rid of self-isolation provision from returnees abroad.

PM: Ah, OK. Yes.

Media: So are you closer to making that determination or is that just too hard or it's too early?

PM: First thing, because I know this will be of interest to New Zealanders—just a reminder of course. You'll see that we have been narrowing, based on the evidence we have, who we define as close contacts, so it's getting to be a smaller group based on what we're seeing with onward transmission. When we hit phase 3—which of course we did indicate, somewhere in the order of 5,000 cases or thereabouts—we're likely to move again to narrow to those who we consider akin to household contacts. So that would mean fewer people would be caught by close contact provisions. So I just thought I would make that clear for New Zealanders.

For returnees, we've already dropped it down to seven days. We've said that we believe that it will likely reduce again. We are seeking advice from David Skegg's group on his view on that question, and that's a group we've often used for some of our decisions that relate to the border.

Media: Since you brought up David Skegg, he suggested you bring in third booster shot as part of a fully vaccinated—to be considered fully vaccinated, to go to the gym, to use vaccine passes, all of those things. Is there a delay in doing that? Is there a reason?

PM: Are you sure that was for everyone or was that for returnees?

Media: No. He's suggesting it should be part of the vaccine pass.

PM: Yeah. Look, I'm sure if he takes that view he will likely share that with us, but I also—my understanding is that he also is of the view that once you have greater exposure to COVID-19 in the community that starts changing the equation for vaccine passes generally.

Media: How concerned are you by reports that the Muslim community in Dunedin was warning of a culture of racism and Islamophobia at Otago Girls and no steps were taken before a student was assaulted two weeks ago?

PM: Look, I'm not privy to the individual issues that have been raised within the Dunedin community, but I think what we have heard has happened here to a member of a school community is absolutely appalling, and I'd like to think that all New Zealanders would take that view.

Whether or not there were warnings within the school community or issues that have been raised, I can't speak to that, but I'd like to think if they were they would be heeded. We need to take seriously the safety of members of our Muslim community, but particularly those who are able to be easily identified, and that is an issue that has generally been raised as a concern both prior and in the aftermath of March 15.

Media: Both the principal and the board have responded to this and said they have no further public comments to make and that any disciplinary actions won't be made public. There are calls for some type of public response.

PM: I thought that it had been publicly reported, but given you claim it hasn't been, I want to just be cautious there in not then repeating something that hasn't been publicly reported. But I thought that it had. Perhaps someone else could clarify that.

Media: On PCR test capacity—that figure you quoted, 35,000-plus per day.

PM: Yes

Media: Is that based on pooling samples?

PM: No. That is based on individualised, because you'll remember our pooling took us up to about 60,000 but when you stop pooling—off the top of my head it's around 35,000.

Media: And have you received any advice on the sort of likelihood or chances that we do get a new variant post Omicron that requires a change in tack?

PM: Yes. I think you'll see that there is an undercurrent of concern globally that we just cannot anticipate what we may see next, and so what that means for us is how do we then make sure that we are easing and using the ability that we have to get back as much as possible to some level of normality whilst keeping in some warning systems that will allow us to identify quickly and pivot quickly should we see a more dangerous variant that would be a concern for all of us arise. Much of those warning systems will need to be at the border, and we're thinking about how we can integrate those but in a way that also reduces the friction at the border. But that's part of what we're having to consider.

Media: Prime Minister, you said earlier that the growing Omicron issue shouldn't be a scary prospect. Do you think Omicron is, in terms of fatalities, worse or better than the flu?

PM: Well, it is true to say that in terms of the experience that most will have that it is more mild to moderate. So I don't think that's where the debate lies. I think the issue is that COVID is in a pandemic state, so the issue is the cumulative impact of people getting it all at once. And so that's where the real issue lies—making sure that you're able to properly manage that, because if you're overwhelmed, people who otherwise might be able to be cared for properly through treatment miss out on that because of the pressure on the system.

Media: But in terms of the flu, New Zealand loses about 500 people a year.

PM: Yes. And, look, again, Barry, as I say, no one is arguing that Omicron is a more mild to moderate illness for most people. But, again, it's the fact it's a pandemic and that we have large numbers all at once that is the area for concern and the cause for our health professionals, rightly, I believe, to want to ensure that we're protecting our health system and slowing it down.

Media: Just for the Minister of Finance, we've got the OCR decision coming up this week. We've had a number of economists come out and say they're expecting a raise in that figure. Do you think this will put pressure on highly leveraged households that are already struggling to see their mortgage rates go up if this does happen?

Hon Grant Robertson: Obviously, the first caveat's the one that I always make, which is that I don't comment on the specific decisions that the independent Monetary Policy Committee of the Reserve Bank make. However, the Reserve Bank have made the direction

of travel relatively clear. Obviously, when interest rates rise for some people that will see either both an immediate or in the near term a rise in what they have to pay back. I've consistently said that when people take on mortgage debt, they need to remember that the interest rate that they borrow at may well and almost certainly will not be the rate that they end up paying back overall. So, yes, there will be some families and some households where there'll be some additional stress put on them by this. Obviously, we hope that that is not widespread.

Media: How much of a concern for wider financial stability of New Zealand is this?

Hon Grant Robertson: Oh, look, we have to bear in mind we're coming from historically very low interest rates and so where we are now is still well below where we have been on average for most of the last decade or so. We have to make sure that as a country we support people who find themselves in financial stress, and we have many different ways of doing that. But overall, for the financial stability of New Zealand, I'm very confident in where the New Zealand economy is at. We have a very robust economy. It's continuing to operate well.

Media: You mentioned earlier, Prime Minister, that you're looking overseas, obviously, as we move through the Omicron wave. Are there any particular jurisdictions you're looking to at the moment?

PM: Actually, quite a wide range. Very helpfully, some of the analysis that I received looks at both those areas where we've already seen them come off the peak, those who are still yet to reach theirs, and those that have plateaued. And one of the reasons is, we're interested in whether or not there's anything particular that has caused those different patterns. Very hard to decipher why different countries are having different experiences, and so that's why we do need to caveat what we're saying with, "It is early days for the world when it comes to Omicron, but when we come out the other side of the peak, this is what you can expect to see." Do you have anything else?

Media: Just a quick follow-up, do you have any more detail on when you're meeting with Sir David Skegg's group?

PM: Well, we tend to undertake that advice on papers in between time. We might canvas with questions with the group from time to time, but we tend to get written advice and that goes through Minister Verrall.

Media: Yeah, just on the COVID support schemes, can we afford this? Can we afford another round of this?

Hon Grant Robertson: Absolutely. And as I said, we have enough money in the COVID response and recovery fund to meet these costs. They're temporary payments—we're talking here about, you know, across six weeks. I think they're important too—and bear in mind that our calculation is for a business of up to, say, 20 people. This payment would be 50, nearly 60 percent of their fixed cost, so that's not even about meeting the basic costs that a business has. It's a contribution, and I think it is important that we keep our small and medium enterprises healthy and functioning. But certainly from a fiscal point of view, yes we can.

Media: And the other thing that businesses told me that they need—specifically, sort of tourism businesses—is that they want certainty of the light at the end of the tunnel. They want to know that tourists won't have to do that seven day isolation period. Can you give them the certainty that tourists coming into New Zealand, when the border opens to them, that they won't be facing those lengthy isolation periods?

Hon Grant Robertson: Well, obviously we've already outlined what happens with the reconnecting New Zealand plan, and for now that isolation period is there. Because the Prime Minister's indicated, just in an announcement earlier, we're continually reviewing it. When the Prime Minister announced the reconnecting framework, she said that, and, obviously, it has reduced to seven days and we want to see it reduce further when it's safe to do so. So what

I can assure those tourism operators is: we're looking at this on a very regular basis and as soon as we can, we will reduce it.

PM: The sweet spot we all want to find, is our tourists being able to come in and experience a country with as few public health restrictions as possible because we are managing, we're moving into a new normal, and our health system isn't overwhelmed, and people feel confident and safe. So that's the constant balance we're looking to strike.

Media: Can I just quickly follow up on an earlier question?

PM: A little cheeky, Jenna.

Media: Sorry, how can you have confidence in the Police Commissioner when they've effectively allowed a two-week siege of Parliament?

PM: I feel like I've covered that off in relatively large amount of detail, both this morning and this afternoon. But I am happy to reiterate: I have confidence in the police, and our front-line police, who have been doing a very tough job out there. That doesn't mean that I'll always agree or understand every operational decision that they take, but we're very clear that those operational decisions will always be for them. You would never want a country where politicians are instructing the police on how to enforce the law.

Media: So, what specific operational—

PM: Sorry, over here.

Media: What is your response to Victoria University students who are frustrated with being unable to study on their campus due to protests you've refused to engage with?

PM: Perhaps there's as the local member of Parliament—I'll hand to the Deputy Prime Minister.

Hon Grant Robertson: Well, the thing I would say is that I sympathise or empathise greatly with them. And this is, as the Prime Minister said earlier, in the hands of those protesters—having made their point—to leave, to allow the likes of students from Victoria University to be able to get on with their lives. The university ultimately has to make the decisions that it makes around the safety of the people who are in their charge; they have made those decisions particularly with reference to the Pipitea campus. But, unfortunately, university students arriving for the new year were some of the people who were yesterday subject to abuse and harassment, simply for wearing a mask. And so, I would say to those people: I'm very sorry that that is the case. You know, we want this to end as soon as possible—the enforcement of the law remains in the hands of the police.

PM: OK, I'm going to come to John, and then I'm going to finish up with Luke.

Media: The protest occupation campsite area has some very interesting attractions—yoga, free food, music. It seems a lot of people in the crowd at any time—apart from being children—are curious observers or onlookers. So what is your message to those people who might be there as day-trippers or curious onlookers? Are they unintentionally emboldening more extreme elements in the crowds?

PM: My message would be very simple: do not attend—do not attend. You will have seen some of the signage that is down on that forecourt that I would like to think would offend most New Zealanders, and so whilst some may simply be interested I think they wouldn't want to send a message of support for some of the messaging that we've seen down there. Do not attend. The police are trying and working very hard to enforce a barricade around the outside. I'm sure you would not want to make their job any harder.

Hon Grant Robertson: Prime Minister, if I may? Also I'd ask those people to think of the businesses in the area, the students that we referenced before—those students who are just trying to go to school in the local schools here. I'd say to those people: if you're here because you're curious, think about the level of disruption that has been caused to all of those people and the harassment that those people are currently receiving.

Media: On available intelligence, what percentage of the crowd do you think would be counted among the category of [*Inaudible*]?

PM: Oh look, you know, that's not something I'm in a position to make any statement over. What I do know is that there are a range of groups out there. That has been made clear by the letters that they have produced, listing the different groups that are represented, and I would remind people that in their letter they demanded that all of the protections that we currently have in place to slow down the pandemic they wish to have removed. I believe the majority of New Zealanders would disagree with that. I do not for a moment think that differences in opinion mean that we are divided as a nation. I absolutely reject that and I don't believe that that is what we have on display now. OK, I did say I'd finish with Luke.

Media: Just a quick one for Grant Robertson. Obviously, this new payment's starting off at six weeks, based on the back of what you said, you know, consumer spending, based on overseas—you know it ticks back up quite quickly. You know, are you ready and prepared to extend that further if the uptick doesn't occur? How have you sort of assessed that?

PM: Not just cases; its human behaviour.

Hon Grant Robertson: Yeah. As we've said, and as I said in my introductory remarks, we have the ability to do that, but we do believe that the experience overseas is a pretty good indication. In New South Wales, in particular, we've got good data there about what happened after that sort of six-week period and as things come off their peak. As the Prime Minister said, it's not just about cases; it is about the way people react to that. We know from the time that New Zealanders spent in lockdown that there's only a certain length of time people will do that, and so we're very confident that we will see that come back. But, yes, to answer your question, the facility is there to extend it should we need to.

PM: OK, thank you very much everyone.

Media: Minister Robertson, just very quickly, you mentioned the businesses. Has any thought been given to support for the businesses—

PM: Oh, I usually just depart.

Media: —support for the businesses that are affected by the protest?

Hon Grant Robertson: So a number of them will be eligible for what we've announced today anyway, and I've been talking to the Ministry of Business, Innovation and Employment and also the Wellington City Council about what might be possible for those businesses. I don't have a resolution on that yet, but a number of them will be eligible for this payment.

Media: Not ruling out further?

conclusion of press conference