

POST-CABINET PRESS CONFERENCE: MONDAY, 20 FEBRUARY 2023**HANSARD TRANSCRIPT**

PM: Kia ora, everybody. Good afternoon. Today I'm joined by the finance Minister, Grant Robertson: more on that in a moment. Cabinet met this afternoon to discuss the ongoing response to Cyclone Gabrielle, but first, a quick recap of the latest information that we have to hand. Tragically, 11 individuals have lost their lives, and our thoughts remain with their families, friends, and communities, who are grieving loved ones in such a difficult time. There are 6,500 people still unaccounted for, but we know that 4,260 are OK, and police are continuing to work to urgently reconcile the others.

Approximately 1,500 customers are still without power across the North Island; the bulk of those are now concentrated in Napier and Hastings. We've managed to get around 70 percent of Napier reconnected, and work continues to prioritise reconnecting the rest. Council-supplied drinking water in Hastings and Napier is safe. Water supply is operating safely in Wairoa, but a boil water notice remains in place there. In Gisborne, the main water treatment plant is now operating. However, there are still water restrictions in place. In Northland there are no boil water notices in place, and the water is safe.

Where power supply to pumps remains an issue, the regional and local councils are supplying bottled water or installing large water tanks where those are required. Fibre connections have been restored to all of the affected areas and are running at pre-cyclone capacity where the mains power is on.

Cell tower coverage is at around 95 percent across the affected areas—some are on generator power and are therefore capable of voice and text communication only. As power comes back on, those towers will be able to be supported by fibre to provide data connections.

NEMA have deployed 60 Starlinks so far into the Hawke's Bay and the Tai Rāwhiti regions; 30 more are in transit to Gisborne today to help plug gaps. The Defence Force has more than 950 personnel involved in the response efforts, and they continue to support local civil defence and emergency management groups in Tai Rāwhiti and the Hawke's Bay with multiple activities. The HMNZS Canterbury departs Lyttelton this evening and it is expected to arrive in Napier tomorrow with further supplies including Bailey bridges, generators, gas bottles, and emergency packs.

Last week we declared a national state of emergency for only the third time in our history. While some areas are further advanced in their emergency response and are starting to look towards recovery, others are still very much in the emergency response phase. Today, Cabinet agreed that the Minister for Emergency Management will extend the national state of emergency for a further seven days. This allows us to continue coordinating the response at a national level, ensuring those areas receive the resources that they require. The declaration continues to apply to seven regions: Northland, Auckland, Tai Rāwhiti, Bay of Plenty, Waikato, Hawke's Bay, and Tararua. Extending the national state of emergency for all the areas presently covered allows us to transition those areas together into the recovery phase, meaning that they'll get all the of the support on offer from a nationally-supported recovery.

Recovering from Cyclone Gabrielle will be one of the major areas of focus for the Government in the coming weeks and months. We're committed to working in partnership with business and the community while we do this. Our overall approach to a recovery will be informed by lessons learned from past responses to events such as the Christchurch and Kaikōura earthquakes. We need strong and experienced coordination across all arms of Government, working alongside local government, the business community, social service providers, iwi, and community groups. We're committed to a strong local voice informing recovery priorities and decisions. At a local level, a lead Minister will be appointed for each of the affected regions, and I'll finalise a list of lead Ministers tonight. I'll be tasking them with reporting back,

working with their communities—within a week—on the local recovery approach that's best going to meet the needs of their regions.

To ensure the Government is guided closely by the advice and needs of those affected on the ground, we will be establishing a new cyclone recovery task force to ensure those local voices have direct input into decision making. The task force will be headed by Sir Brian Roche and will be structured similarly to that of Australia's Queensland task force that was established following their floods, including regional groups.

It's important that this recovery effort is led by the needs of those on the ground. Further information, including the membership and the terms of reference for the task force, will be available in the coming days.

A new Cabinet committee will be established to take decisions relevant to the recovery, and it will include each of the Ministers leading their regional efforts. Grant Robertson will chair the Cabinet committee and will also take on the newly created role of Cyclone Recovery Minister. I also intend to appoint Barbara Edmonds to support him as an Associate Minister in that new portfolio. Grant's experience in managing New Zealand's finance through times of economic disruption places him in a strong position to take on this new role.

While the full impacts of the cyclone continue to be assessed, it's clear that the damage is significant and on a scale not seen in New Zealand for at least a generation. The required investment to reconnect our communities and futureproof our nation's infrastructure is going to be significant, and it will require hard decisions and a whole-of-Government approach. We won't shy away from those hard decisions, and we're working on a suite of measures to support New Zealanders by building back better, building back safer, and building back smarter.

Today, Cabinet agreed an initial support package to re-establish critical transport infrastructure and support businesses while we assess the full extent of the impact of the cyclone. Shortly, I'll hand over to the Minister of Finance and the incoming Cyclone Recovery Minister to run through the details of that package, but first to the week ahead.

Tomorrow, the House will resume, and I will be giving the Prime Minister's statement, setting out the direction and priorities for the Government this year. Tomorrow evening, I'll also be speaking with the NATO Secretary-General regarding our ongoing support for Ukraine. On Wednesday, I'll be in Wellington, undertaking a range of meetings and attending the first question time of the year. I'll also have an introductory call with the Prime Minister of the Netherlands, Mark Rutte. On Thursday, Deputy Prime Minister Carmel Sepuloni will travel in my place to represent New Zealand at the Pacific Islands Forum in Fiji. I'll be remaining in New Zealand and looking to travel to cyclone-affected regions. On Saturday, I'll be in Auckland, visiting those affected in Muriwai and attending the 2023 National Kapa Haka Festival Te Matatini.

Grant.

Hon Grant Robertson: Thank you, Prime Minister. Before I begin, I do want to acknowledge the enormous impact of this disaster. Spending time, as I did yesterday, in the Hawke's Bay area, I saw this first hand, and I know that it is replicated across other regions. There is a big journey ahead to respond, recover, and rebuild, and I want all of those in affected regions to know that we will be with you on that journey.

As the Prime Minister has said, the investment into this response and the recovery and rebuild that follows will be significant. We have already put tens of millions of dollars into immediate emergency responses, including civil defence payments, mayoral relief funds, voluntary and business sector support, plus, of course, the countless hours of work by public servants and also the New Zealand Defence Force on the ground. In that context, Cabinet has agreed today a further support package, which, as the Prime Minister has said, is in two parts: one to re-establish critical transport infrastructure, and the other to support businesses.

I want to be very clear: this is an interim package, and more support will follow as we get a better picture of the scale, cost, and needs in the wake of this disaster. I would note that in responding to previous major disasters, a rolling maul approach has had to be taken, and this situation is no different.

So to today's decisions. Cabinet has agreed to a \$50 million fund to get immediate support to businesses, workers, and the primary sector. The fund will provide a range of support, depending on need, but it is expected to include discretionary funding for flood recovery, business continuity support, resilience advice, and mental wellbeing support. Ministers will finalise the allocation of this fund in the coming week, and we will do that in cooperation with local business associations, iwi, and local government.

Cabinet has also agreed today to extend a range of tax relief measures to cyclone-affected regions, including interest write-offs and filing date waivers. The temporary exemption made to the Credit Contracts and Consumer Finance Act has now also been extended to include Gisborne, Hawke's Bay, and Tararua, allowing banks and other lenders to quickly lend money to affected consumers.

The exemption provides a streamlined process for temporary credit up to \$10,000, and also to remind of the announcement made at the weekend of the New Zealand Claims Resolution Service, which has opened nationwide today, particularly to support homeowners with their insurance claims. This is a lesson taken from the Canterbury recovery.

Cabinet has also heard today from the Minister of Immigration on the work that he's undertaking to ensure that skilled workers are able to come from overseas and work in the affected regions, and also to ensure to wellbeing of and ongoing work for regional seasonal employees, and the Ministry of Immigration will progress that work and make comments in the near future.

In terms of transport, the damage to highways and local roads in these two recent weather events has been massive. About 400 kilometres of our State highways are being worked on urgently through Tai Rāwhiti, Hawke's Bay, and the central North Island in order to reopen safely. Cabinet agreed today an initial contribution of \$250 million to top up the National Land Transport Fund's emergency works budget. This funding will be available for both local roads and State highways. Our primary focus is, of course, on getting lifeline roads open and reconnecting isolated communities. We also want to ensure that supply chains are open to get goods to market. The devastation that has seen some growers lose all of their crops sits alongside other producers who are actually anxious to get their goods to market. Transport links are essential to be able to do this.

We have a large job ahead to determine which State and local roads can be rebuilt and which cannot or, perhaps, should not be replaced. This medium- and long-term work will take time, and it will require additional funding over and above that announced today. But for today, our focus is on making sure we do the emergency and remedial work that is necessary to rebuild our transport network. As I've said, we have a long job ahead of us to rebuild after this disaster, but we have the resources to do it, and we have the will to do it. Rest assured we will support New Zealanders through this, as we have through all the other disasters that we have faced as a country.

PM: Thank you.

Media: With the Esk Valley, is it possible to rebuild there and how much will it cost and how long will it take?

PM: I don't want to get ahead of that. Of course, you will be aware that I visited the Esk Valley and I've seen first-hand the damage there. It will take a little bit of time to just fully assess what the best options there are. I think it's just a little bit too soon to be speculating on that.

Media: One of the ideas that's come through from National is wanting to double the sentences for those committing crimes during a cyclone. What do that make of that suggestion?

PM: Look, I want to be careful on the issues around law and order that we're not just responding to unsubstantiated rumours. I've been getting a daily briefing from police on exactly what they're confronting on the ground. It is true that there is a heightened level of stress in the Hawke's Bay where people have been without power and without phone lines and so on, but police aren't reporting an increase in crime over and above what they would normally be expecting to deal with on a day-to-day basis. They have surged extra police into the district to provide that additional public reassurance. But any suggestion that things are out of control is just wrong, and amplifying those kinds of rumours isn't helpful and it doesn't help the police to do their job.

Media: Just on transport, how long until we're able to reconnect the really critical roading links?

Hon Grant Robertson: That's obviously the focus of Waka Kotahi right now—is those lifeline links, to be able to particularly support those isolated communities. Yesterday, when I was in the Hawke's Bay, I was travelling around, but one of the things I got to do was do a flyover and we saw some of those areas. Total wipe-out of the bridges there. You can imagine that does take a little bit of time but Waka Kotahi is prioritising based on lifelines, getting access for isolated communities. The funding we've announced today is to give some assurance that over the next few months we can prioritise that work and get those other networks reconnected.

Media: Is \$250 million going to scratch the surface of—

Hon Grant Robertson: This is just for the emergency fund, so let's be really, really clear. Waka Kotahi has a fund that deals with, effectively, emergency road maintenance and so on. As I said in my comments, this is only the beginning. There is a massive programme of work required over the course of the next months and years

Media: Have you seen any roads in particular that you've looked at and gone, "Absolutely not. We're not building it back there again."?

Hon Grant Robertson: Again, similar to what the Prime Minister just said, it's early days for some of those really big decisions. People will be aware of some of the roads in other parts, not just the Hawke's Bay, that have had previous issues and have been rebuilt and are now facing issues. We've got to work our way through all of those. I'm not going to comment on a specific one—we're going to work through all of those.

Media: Can you give any particular details about, in practical terms, how that money's going to get to businesses? You'll have businesses and farmers out there now—can you tell them when it's going to arrive, how they're going to access it in a practical kind of way?

Hon Grant Robertson: Yep, sure. So I was actually in the Hawke's Bay discussing that exact thing with those businesses yesterday. We will use the agencies that already interact with them—so, for example, the Ministry for Primary Industries, who already have, you know, systems where they give support and grants from time to time to the primary sector. We'll work through the local business associations who are right on the ground, who know exactly the position that their local members are in. So we'll announce that within days. I would expect within a week some of those businesses will be receiving that funding. What they need is funding to tide them over while some bigger decisions need to get made. It's making sure that they've got the ability to clean up the site that they're on. So it's that kind of very practical support that's needed right now.

Media: And wage support: you mentioned workers—I mean, is that money going to realistically be enough to provide any kind of wage support in the meantime, or—

Hon Grant Robertson: So businesses will have a range of costs that they are facing. So, for example, I visited some orchards yesterday, and, yep, some of what they're dealing

with is what they will do in that space. We want to work closely with them to give them some time. What's needed here is some cash flow, absolutely. Different businesses will have different needs for that cash flow, and then we will take—that gives them the space to then be able to say, well, what do we prioritise, what we do next in terms of the businesses that we're looking after.

Media: Can I just clarify: so it's not the wage subsidy?

Hon Grant Robertson: Again, we're taking this in stages. This is the first interim funding that we've set up that businesses can access quickly. That's about making sure they're dealing with the very immediate needs that are in front of them. The questions about whether there needs to be a long-term wage subsidy scheme, we'll consider those as we go, but the message I heard loud and clear from the businesses I met within the Hawke's Bay yesterday was some immediate and targeted support is needed for those most affected.

Media: Given that you've said that this is only the beginning and there's likely to be millions, millions, if not billions more to come, could you tell us (a) give us a bit of a scope about how much money you're expecting—it doesn't have to be exact, just sort of, maybe, back of the envelope calculations at this stage, and (b) where is that money coming from? Is it being reallocated from the COVID fund, or are you taking it out of Budget 2023?

Hon Grant Robertson: So in terms of the announcements that we've made today, the \$250 million is a pre-commitment against Budget 2023. The \$50 million is being dealt with via the Between-Budget Contingency and funding that we already have. In terms of the longer-term issues, it is very hard to scope it out. I've been clear that I think it will be in the billions of dollars; I think that's clear from what we've already seen. Beyond that, it's still very, very early days to be able to make that assessment. When we come to the Budget in May, we will be in a position then to be able to look back and see where we've had to get money from, but this will be a significant investment.

Media: So is the Government considering any revenue-gathering policies such as tinkering with tax laws or anything to that degree?

Hon Grant Robertson: No decisions have been made about that, but, clearly, when I come to put the Budget together, I consider revenue and I consider expenditure.

Media: On infrastructure, the Cyclone Recovery Minister said that you have the resources to do it and the will to do it, but isn't the issue not resourcing or will; it's labour? Where are you going to get the staff to carry out these works?

PM: Well, one of the things that we've got to do is make sure that we've got the right labour in the right place, and that is one of the things that we'll factor in when we're talking about wage subsidies, for example. So, in some cases, people will be moving around to different jobs in the recovery period, and we don't want to impede that. We are also looking at immigration settings, though, and as I indicated yesterday, one of the issues that we're working through is that immigration settings already allow a fast track for many of the sorts of workers that we're talking about but we've got to make sure that we've got the capacity to be able to process that.

Media: That's a fast track to residency, though. Would you be looking at, sort of, more of a rebuild visa, for example—call it a working visa as opposed to residency?

PM: Certainly, that's certainly one of the options on the table.

Media: The \$50 million, is that just available to the Hawke's Bay area—

Hon Grant Robertson: No, no, that's across the regions that've been impacted.

Media: Can I also follow up: on crime, hearing what you're saying about the lower levels of dishonesty crime, the boom seems to be in family harm callouts, so I just wanted to know what the Government's actually doing to tackle that?

PM: So, look, the police have indicated a heightened concern around family harm, and I think we do see that in periods where people are under significant pressure and there is significant stress. The police will continue to follow up, as they do, and so will all of the relevant social support agencies who are there to support families who are experiencing those kind of things.

Media: Just on housing, there's thousands of people who are now displaced and need a home. How much is that going to add to our existing housing crisis? And how quickly can you give them some kind of permanence to what is a very traumatic loss of their homes?

PM: So the Temporary Accommodation Service is working to accommodate people as quickly as possible. We know that in Auckland there's very significant pressure, because a lot of the places we would go for temporary accommodation are also themselves under pressure with a number of events that are happening in the Auckland area at the moment.

In other parts of the country, it's too soon to tell exactly how much pressure will come under there, because we know in that first period people often find alternative arrangements for themselves. So they might end up staying with family and so on, and they will flow into the Temporary Accommodation Service as they outstay the goodwill that they might have with other people who they might be staying with. So we're gearing up for that. We are prepared for that, but we won't know the true extent of that for a little while longer.

Media: The Temporary Accommodation Service themselves is expecting thousands and that they're going to need to build, sort of, temporary villages with portacom accommodation. So for those people who have lost their homes and are looking at potentially 18 months to two years for some kind of temporary accommodation, what guarantee can you give them for how quickly they're able to get some semblance of normality?

Hon Grant Robertson: Yeah, look, yesterday when I was in the Hawke's Bay I actually talked about this issue with the Hastings District Council, and they're sitting down now with Kāinga Ora—and the ministry of housing and development has as well—to be able to work this through. There are a range of different options here. For example, you have Airbnb accommodation that's not going to be used immediately. We have to just work through and be quite flexible about this. We need to prioritise, making sure that we can rebuild homes and houses that are in this area so that we can shorten some of those time frames that you're talking about. But we will work to be as flexible as we can and use the resources across the community that are available.

Media: Your colleague Phil Twyford has written you a letter asking for the Government to buy out homeowners who have lost their homes in the flooding. What's your response to that?

Hon Grant Robertson: Look, I was with Phil Twyford in Auckland last week, visiting some of the people in Henderson that he's referring to in his letters, and it's a traumatic situation for them. Phil's doing his job, as a local MP, to advocate on their behalf, and we'll take seriously what he's written. I'm aware, obviously, of it because I was with him that day. When it comes to the broader issue, though, of how we look at managed retreat within the context of adaptation, there are a lot of different ways forward. Some of it does involve communities thinking again about where they're located, but also it involves better resilience. It involves making sure that those stop banks and those stormwater drains and everything work better than they did in the circumstances that have happened here. So, Phil's doing his job, advocating in that way. We have to make decisions about the whole country, as we do.

Media: Just [*Inaudible*] to go back to housing. If you had any advice—you said some mixture of things, like Airbnb and some kind of workable prefab-type thing. What are the different options there, and have you had any preliminary advice? In the medium term, over the next six to 12 months, how many dwellings that you might need to parachute into the affected areas?

PM: It's very early days yet. But you've had a chance to look at this in a bit more depth than I have.

Hon Grant Robertson: Yeah, the problem, Luke, is that the number—the question you've asked is exactly the question we now have to work through, is over the coming weeks and months. And I want to emphasise again, this is extremely stressful for the people involved. They're very anxious about where things are going to be in the medium term.

We work firstly on the short term, making sure that people have got shelter—that if they are staying with family and friends, they need to move out of that. That's got to be your first priority. Now we do the exercise of scoping out exactly the scale. That's exactly the work that I was talking about that is taking place between Government and local government right now. We don't have that number right now, but what we do have is the work under way to find it.

Media: So, just on the timeline, you've really stressed the fact that today is just a really initial sense of thought. So what's the sort of timeline from now? Over the next week I believe you said the regional, sort of, lead Ministers will check in. So what can we expect a week from now or two weeks from now?

Hon Grant Robertson: I think I used the phrase "rolling maul", and for those who've been around a while, you'll know where that comes from. And for every one of the big disasters that New Zealand's faced in my time in this building, we've taken the approach of getting the emergency response bit right, moving to the recovery phase, moving to the rebuild phase. It will be continuous, because right now, today, we don't know what exactly that rebuild phase needs to look like. So you will hear announcements from us regularly, and as the Prime Minister's indicated, he's established a Cabinet committee so that we can make those decisions on a regular basis and get that out so that people can see the continual delivery of our response.

PM: Jane.

Media: Coming back to the law and order, and I take your comments about the police reporting, but we had mayors saying that they had people very anxious, very worried. They're worried about aggressive and intimidating behaviour. What is your message to people who are concerned who might not feel that there is enough law enforcement there, and what would your intentions be if you did feel it needed more resources?

PM: There's about 140 extra police have surged into the Hawke's Bay from other parts of the country to support that local, on-the-ground effort. People are being arrested. So where people are committing criminal activity, they are being arrested and they'll face the consequences of that, but police aren't seeing any evidence to suggest that there's a degree of lawlessness, as some of the rumour mill might be suggesting. In fact, they've got the situation under control. That's not to say that people aren't feeling anxious; of course they're feeling anxious. In many cases, they've gone for nearly a week without power, they've been disconnected, they've been cut off. That, of course, is going to manifest itself in more stress in the community and more anxiety in the community. I don't think that people should play to that fear, though. Let's be objective about this. The police do have the situation under control. *[Interruption]* Jane, we'll let you finish.

Media: In terms of the immigration changes, you mentioned that there are already fast-tracked provisions there, but are you looking at something over and above what's in place now to open up that labour supply?

PM: I don't want to pre-empt decisions that have yet to be taken. I'm not taking any options off the table—

Media: But that's on the table, actually looking about whether they do need to be—

PM: Well, I'm not taking any options off the table at this point. So—Jo.

Media: There will be a lot of people who have taken friends and family in, and obviously that's been sort of the priority where it's been able to happen. But you couple that with the cost of living crisis, and some of those families will be starting to feel the extra power, the extra food costs, etc. Is that something that you'll look to deal with through some sort of a

wage subsidy, or will there be a step that comes before that where you can help people out who are themselves helping other people out, I guess?

PM: So bear in mind that there is already support available through MSD for people who have been displaced, and that is exactly what that support is designed to do: it's designed to help people get through that first initial period where they might be staying with other people, where they might be looking for temporary accommodation, and so on. So that financial support's available, so people who find themselves in that position should, in the first instance, talk to MSD and make sure they're accessing all of the financial support that's already available to them, because there is a significant amount of financial support already flowing out into the community.

Hon Grant Robertson: Twenty eight million dollars through the civil defence payment so far.

PM: That's right.

Media: Who does that tackle? Does that tackle everyone who has been displaced, or is it relevant to, say, beneficiaries, people who I guess still have work and it doesn't count—

Hon Grant Robertson: No, no, no; it's available—I mean, it's available beyond just the core normal customer base of MSD.

Media: And how long is that set in place for?

Hon Grant Robertson: I beg your pardon?

Media: How long will that continue for?

Hon Grant Robertson: Well, it's available for people to apply to—I mean, it doesn't stop; it's ongoing, yeah. Richard.

Media: [*Inaudible*] efficient legislative and regulatory tools to enable building back better, and in particular managed retreat?

PM: As I said yesterday, I wouldn't rule out the need for some custom legislation. Once we've got a clearer picture of exactly what we're going to have to confront and what the pressing needs are going to be. We do have other tools available, though, that we didn't necessarily have in terms of legislation the last time we faced a significant natural disaster. We already have fast-tracked consenting legislation, for example, and we've been using that quite regularly already. The civil defence legislative framework has changed, and so there are more tools available there. But in an event of this scale, it's quite possible that we're going to need some, you know, custom legislation. We'll be able to shake that up in the next week or two, and if we need it, we'll seek to achieve support for it so that we can get it in place quickly.

Media: How do you stop someone who wants to rebuild their house in a not very good place?

PM: That is going to be one of the big conversations that we're going to have in the next little while. They're not going to be rebuilding in the next couple of weeks, so we do have time to work our way through that. But, yes, those are going to be very live conversations in the next little while.

Media: Did you discuss pushing back the census?

PM: Ah, we've had some preliminary conversations about the census; no decisions have been made on that at this point.

Media: You've got a central bank leaning on Wednesday, and it's expected there's going to be a 50 basis point rate hike. Do you think a rate hike is appropriate given we're in a national emergency?

PM: I'll pass that to the Minister of Finance.

Hon Grant Robertson: And the Minister of Finance will say what I always say: that that is an independent decision of the Reserve Bank. It is clearly a very challenging time with inflation for everybody. The Reserve Bank, within their mandate, to use their phrase, “look through” current events. So that will part of what they’re thinking, but I don’t express views about that.

Media: Speaking on the Reserve Bank topics, this might be premature, but an ANZ strategist has suggested that if there is not enough demand for New Zealand Government bonds, if we have to really ramp up our issuance, the Reserve Bank could slow its quantitative tightening process, which could loosen things up a bit. Have you thought about that yet, or have you received any advice on whether there is enough demand for the bonds that we’re going to need to issue?

Hon Grant Robertson: It’s certainly premature, to use your words. The advice I’ve received is that there is no concern about demand for New Zealand Government bonds. There’s been some specific circumstances. That’s the advice that I’ve had, and I continue to have full confidence in the Government bond programme. In terms of the ANZ proposal, I did read that. I haven’t currently sought any specific advice on that, but we’ll continue to monitor the bond programme.

Media: Do you expect that on Wednesday we’ll hear anything from the bank that deals with funding, or is that premature again?

Hon Grant Robertson: You’d have to ask the bank.

Media: Prime Minister, we have situations where people are spending thousands of dollars on private helicopters to drop off supplies and even evacuate people. Is that an acceptable situation?

PM: You can’t stop people from doing that, but I am confident that our local civil defence structures are identifying where the need is and tasking the publicly available resources to get support to those areas. We’ve got military helicopters, for example, dropping off supplies, and so on. So it’s not required. I’m not going to stop people doing that, but it isn’t required.

Media: And just on the crime situation, too. Some communities are setting up road blocks, or at least talking about doing that—what do you think about that? And also some of them are also calling for the army to be involved in that too, you know, restore order but also provide a sense of calm, I guess, for those—

PM: So the threshold for invoking military support for local police is a very high one. The police have not given us any indication that we’re anywhere near that at the moment. There is no state of lawlessness. Let’s be really clear about that. The police are reporting regular levels of offending as they deal with on a day-to-day basis. They’ve got extra police in the region to make sure that they are getting on top of any issues that emerge, because there’s higher tension there because of the situation that people have faced. But again, I’d encourage everybody to look at this objectively and focus on what the police are saying—because they’re dealing in facts, they’re dealing in actual reported incidents of crime rather than just the rumour mill—and actually have faith in the police. They’re doing a good job; they’re doing what they need to do.

Media: Objectively, we’re hearing first-hand accounts of people setting up community checkpoints and having firearms pulled on them by gang members.

PM: Well if they’re setting up community checkpoints, they should be doing that in conjunction with police. People don’t have an ability just to set up a checkpoint willy-nilly. Everyone needs to operate within the bounds of the law.

Media: But are you essentially gas-lighting those people who’ve said that—they’ve first-hand accounts that they are experiencing a state of lawlessness, and they have people coming around videoing their streets so that people come back and take generators. They are saying that on the ground—it doesn’t marry with what you’re saying.

PM: On the issue of people videoing, the feedback that we've had from the police is that where incidents of that have been reported, it more accurately falls into the rather sad category of disaster tourism issue of people videoing, the feedback that we've had from the police is that where incidents of that have been reported, it more accurately falls into the rather sad category of disaster tourism—so people filming and taking photographs of damaged areas, rather than necessarily people filming or taking photographs for the purposes of coming back and committing criminal activity. Whilst that's unfortunate, again, I think it highlights the fact that rumours and people speculating can lead to heightened levels of fear unnecessarily. In terms of specific instances, and I'm only aware of one specific instance where a firearm has been presented, the police have followed that up. That is the role of the police, and I have complete faith in their ability to do that.

Media: You keep talking about some people in this rumour mill. Are you talking about the Opposition? We know that Winston Peters has come out, and the ACT Party, National have all come out and said the Government should be doing more to tackle this issue that we've seen.

PM: Look, people can make their own judgments on that.

Media: Do you view the looting thing as, I guess, a moral panic, based on a few anecdotes?

PM: Look, like I said, I'm dealing with the factual information being provided by the police, in terms of crimes that have been reported to them and crimes that they are following up on. And the feedback from them is that, whilst, yes, tensions are high and people are naturally worried, the level of crime that they are seeing is not of an elevated level such that they haven't got it in hand and they can't deal with it.

Media: Just back on housing, do you have the updated number of displaced people in front of you?

PM: No, I have the numbers as of yesterday, and they haven't changed as of yesterday, but I just don't have—I think it was about 8,000. Actually, I have—sorry, 800? I'd have to go back and check, sorry. Don't quote me on those numbers because I just don't have them right in front of me, but I haven't had a new number since yesterday.

Media: And just back on the Airbnb point, is the Government actually going to consider paying the market rate, nightly, for Airbnbs to put people in?

Hon Grant Robertson: No, I'm just highlighting the fact that there is some potential short-term accommodation options that are available. And you yourself alluded to some of the other things that might happen with modular accommodation and so on. The work's going on now—I know you're looking for an answer right now as to exactly where people might be living in a week or a month or six months. We're going through the process right now at a local level—central, local government, community organisations—to identify the extent of that. And there will need to be a range of options to resolve that, because—as you said in your own question—there aren't necessarily a lot of empty houses or homes sitting around right now.

Media: *[Interruption]*

PM: There's still lots of questions, so we'll go for a few more minutes.

Media: There's been a lot of reports of farmers in unaffected cyclone areas getting hay, silage, baleage sent to those affected areas for stock. Have you heard any update from the agriculture Minister whether that is actually meeting demand, or are we in a situation where stock are going to end up having to be culled because there simply isn't feed available?

PM: No, I haven't had an update on that. We can get you one, but we just don't have that to hand.

Media: I understand that you're meeting with the climate change Minister later in the week to discuss climate change adaptation. Is it your hope to take something to Cabinet next week? Some early policy decisions on climate change?

PM: Clearly we're going to need to build climate change adaptation into our overall response. So next week—or within the next few weeks, I should say—Cabinet will sign off the terms of reference for the work that I have just set out, in terms of how we're structuring our response. And the need for greater resilience and adaptation to climate change is going to be embedded within that. So I fully expect that the Minister of Climate Change will be involved in the process of helping us to shake that up.

Media: [*Inaudible*]

PM: Credit Contracts and Consumer Finance Act (CCCFA)?

Media: On the CCCFA exemption, the fact the Government is having to introduce this exemption and it's done this before with COVID: is that an admission that the legislation wasn't fit for purpose from the start?

Hon Grant Robertson: No, I don't think so—I mean, what it is is showing we're flexibly responding to the situation that we've got. Clearly, there were some changes made around the CCCFA last year that were designed to make sure that certainly from a regulatory point of view, we made that easier. This is a very specific situation, and one where we recognise the importance of temporary overdrafts. It's one part of the CCCFA, but I don't think it speaks to the wider Act.

Media: What about people who have been affected by the floods in Nelson and the West Coast in the past? There wasn't an exemption made then, so commercial lawyers are raising this concern with me, saying, "Well, so the Government makes an exemption for this, but not for that.", and, ultimately, you know—

Hon Grant Robertson: Look, we deal with the circumstances in front of us, and we believe this is the right thing to do here.

PM: OK, I'm going to wrap up shortly, but—down the front.

Media: For the Cyclone Recovery Minister—going back to the workforce issue. The Canterbury earthquake recovery coincided with the global financial crisis, and we had a horde of willing Irishmen willing to come here and rebuild the country. We're at the opposite situation now, so on top of immigration settings, we have to look at—like, you can give them a visa, but why will they come here?

Hon Grant Robertson: Yeah, and look, that is a—you're right, it is a different labour market that this is occurring in, but that doesn't stop the fact that we still need to make sure we've got the right workforce here. So that's the work that the Minister of Immigration has under way, and he'll be reporting back to Cabinet on that.

PM: Right, one more. The quick sweep of questions—Ben.

Media: On cost of living, in Australia, there's a huge debate at the moment about banking profits. In New Zealand, we've seen more and more banks announce record profits—I think it was \$822 million for ASB over the last six months of last year. Are bank profits too high here?

PM: I might pass that one to the Minister of Finance.

Media: I'm actually interested in your view, though, because we know Grant Robertson's financial views; we don't know the new Prime Minister's.

PM: Look, I'll echo the comments of the last Prime Minister: I expect to see banks operating in a way that preserves their social licence, and I'm not going to make announcements on that today, though.

Media: But is that happening at the moment, do you think?

Hon Grant Robertson: I think what I would say is that most of the banks have stepped up with packages for people affected by the weather events. And that's continuing, and as the weather events have changed, those packages have been expanded. That's great—we think that that is a really positive step forward. As the Prime Minister says, on the broader issue of social licence, that remains our expectation.

PM: Marc.

Media: Just on the—you've created this new cyclone recovery portfolio. Given that we know that there are likely to be more events like this with, potentially, even more intensive events in the future, is there a case for a more permanent sort of extreme event recovery portfolio or agency—that sort of thing?

PM: The issue that we have is that if you look at where specific ministerial portfolios have been created over the last decade and a half or so, all of those events have been quite different, and so they've all required quite different responses. This is different to the Canterbury earthquake, it's different to the Kaikōura earthquake, and it's different to the COVID-19 response, and so we just have to adapt to whatever the circumstances are in front of us.

And I think you had a question—you can have the last question. Did you have a question over here?

Media: Oh yes, I did have a question. You talked about the number of people you had grave concerns for over the weekend—that was at about 10. Do you have any kind of update on that number?

PM: No, sorry, I still don't have an update on that.

All right, thanks, everybody.

conclusion of press conference