

POST-CABINET PRESS CONFERENCE: MONDAY, 24 FEBRUARY 2020

PM: Good afternoon. Shortly after today's press conference, I depart for Fiji, visiting Suva, Nadi, and Lautoka, and I will be meeting—as everyone knows—with the Prime Minister, students, and staff at the University of the South Pacific, women leaders, and Government, business, and civil society; and pay New Zealand's respects to three Fijian nationals killed in the terror attacks of March 15, at the Lautoka Mosque in Fiji. On Thursday and Friday, I'll travel to Australia, where I'll meet with Prime Minister Morrison in Sydney, at the Australia - New Zealand Leaders' Meeting.

Today, I can confirm that temporary travel restrictions on travel from Mainland China will remain in place for a further eight days to protect against the spread of the coronavirus Covid-19. This position, as has been the case to date, will be continuously reviewed every 48 hours, and it remains that New Zealand citizens, permanent residents, and their immediate family returning to New Zealand will be able to continue to enter but are being told to self-isolate for 14 days upon their return. This remains in line with other countries—for instance, Australia.

As you'll have seen, Australia has announced senior high school students who remain in China due to Australian travel restrictions have been offered a strict pathway to resume their studies in recognition of the importance of the final two years of school. I should note, again, that that's just for senior high school students. They've also noted that if case numbers do not materially increase over the next seven days, a temporary relaxation of travel restrictions from China, but excluding Hubei province, could extend to a larger number of students, with self-isolation a condition of entry.

We are investigating the viability of a similar approach for tertiary students intending to travel to New Zealand. Officials are now looking at what a targeted exemption might look like. We would need to be satisfied that any health risk could be practically managed, with the education sector able to reassure us and the public that it has credible self-isolation and accommodation plans in place, supported by an extensive plan in communicating that to those who would intend to travel.

The reason, of course, that we are in the position to even explore such an exemption is because of the restrictions we've had in place since 2 February. That has significantly contributed to keeping New Zealand free of a Covid-19 case to date, during what was a rapidly evolving and uncertain international situation. It's bought us time to understand the virus and how it spreads, who it affects the most, and how it can best be contained. It's given our health sector also the ability for, at the point at which we do have a case, to use appropriately international intelligence and to put in place plans for protecting our Pacific partners, given the gateway role New Zealand has for many Pacific Island countries. For example, we have been able to see that in Australia, in the cases they've had, they've been able to successfully manage using the exact same sort of public health measures that we will use, if and when a case arrives.

What we know now from ongoing international research, the epidemiology of what we are seeing emerge from the situation in China and, for instance, the likes of the *Diamond Princess*, informs our response and our preparation. Since the emergence of Covid-19 and during the period of border restrictions, we have a national supply of critical clinical equipment. It is ready to be deployed as needed—specifically, the equipment that may be in short supply in a pandemic. This includes, for instance, masks and antivirals. We have 9 million what they call P2 masks and 9 million general purpose surgical masks—so a total of 18 million—in our national supply ready to be used in the case of a pandemic.

We've initiated an intensive care network of clinical ICU directors, which will provide guidance on the management of patients' and staff safety, should we have critically ill patients from Covid-19 in New Zealand. We've undertaken a national stocktake from DHBs, which shown that we can deploy new staff across ICUs and high-dependency unit beds around the country.

We have access to negative pressure rooms across 15 DHBs. Negative pressure rooms, of course, allow us to proactively prevent cross-contamination from room to room. New Zealand can also now test for the virus in Auckland, Christchurch, and Wellington, with same-day turn-around as required, and we've been utilising those facilities to date.

We have a dedicated Healthline team. We're in contact with all those who are currently self-isolating, and, to the best of my knowledge, I believe we may be one of the only countries in the world running a regime like that, utilising our Healthline services.

We set up a quarantine facility allowing us to successfully host 157 people from Wuhan and, of course, now the six New Zealand passengers from the *Diamond Princess*, closely monitoring them at the centre in Whangaparāoa. Given its spread over approximately 28 countries around the world, it is highly likely that Covid-19 will eventually come to New Zealand, but these preparations mean we will be in a better position when it does—and to get a case but not an outbreak, as has been the case in Australia.

In the event we have a case during flu season, and in preparation for flu season generally, we have a record number of vaccines available. We have an order confirmed for 1.46 million doses of influenza vaccine. That compares with 1.35 million doses last year.

While the world is getting clarity around the virus, the scale of the economic impact, due to measures taken both in New Zealand and globally to contain and prevent the spread, remains less clear. Regardless, I think you'll see from what I've outlined we are ready from a public health perspective, and, of course, we are taking into account the wider impacts economically, and for that I'll hand over to finance Minister Grant Robertson.

Hon Grant Robertson: Thanks very much, Prime Minister. As I said last week, an economic advisory group chaired by the Treasury and including the Reserve Bank and MBIE has been taking an in-depth look at the potential impacts of Covid-19 on the New Zealand economy. This work includes a scenario analysis and potential policy responses in those scenarios so that we are ready to take the necessary action required to support the New Zealand economy.

Over the weekend, the IMF again revised its global growth forecast down, and also cut its forecast for China's economy. This is under the IMF's forecast that Chinese economic activity will return to normal in the second quarter of the year after taking a hit in the first quarter. In New Zealand, the economic advisory group is planning for a number of scenarios. The first scenario is the current base expectation. This predicts a temporary global demand shock where we experience a temporary but significant impact on the New Zealand economy across the first half of 2020 before growth rebounds in the second half as exports return to normal. We have already undertaken a number of microeconomic policy measures to support the economy as we respond under this scenario. This includes the \$11 million tourism support package that we announced last week. Earlier, Minister Nash's action to support our live rock lobster industry showed that we're working closely with industries to develop action plans as we need to respond, and the Prime Minister has already outlined today what we're now doing working with the education sector.

Other measures we are prioritising include what are known as the automatic fiscal stabilisers. This is essentially MSD and IRD doing their job to make sure that support is available to individuals and for the IRD to help affected businesses deal with their business. Our welfare system is there to provide support for people who need temporary assistance, through food grants and income support. MSD is already proactively on the ground supporting individuals, businesses, and communities, particularly in the forestry and logging sector, and particularly in the Tai Rāwhiti region. This work has been focused on helping people affected find alternative employment and provide income and other support where necessary.

At the IRD, officials are engaging with businesses to identify whether they can reassess provisional tax payments, and we're also ensuring that businesses whose provisional payments are late because of this are not penalised.

The changing nature of this situation makes it sensible and responsible to plan for the alternative scenarios, even though at this stage we are not predicting them.

I'll give a brief overview of the other two scenarios that are being worked on. However, I want to stress this is just planning rather than prediction. The second scenario is based on a longer-lasting shock to the domestic economy, as the global impact feeds through to the economy for a longer period of time. The third scenario is planning for how to respond to a global economic recession if the worst-case scenario plays out. If either of these latter scenarios play out, it will be important for the Government to play a role to invest in the economy, to support New Zealanders and Kiwi businesses through the impacts of coronavirus.

That's why I've already directed the Treasury to begin work on the possible interventions and policies that would support New Zealanders and our businesses through these scenarios if they were to play out. We're in a strong position to do this. On the operating side of the accounts, the Treasury forecast in December \$12 billion of surpluses over the next four years, on top of the \$12 billion we've already run, and you're obviously all aware of our capital investment plans, including the New Zealand Upgrade Programme.

We know that the New Zealand economy is in good shape as we look to the potential impacts of coronavirus—strong consumer confidence, a growing services sector, low unemployment, and a high terms of trade. In fact, the first six months of the financial year to the end of December had seen us ahead of forecast in terms of revenue and with a small surplus.

I want to make clear: we are planning for these scenarios two and three but we are not predicting them. We have already acted, and, as you know, the \$11 million of tourism funding was announced last week. What I can tell you is that tomorrow evening—Tuesday—the Minister for tourism, Kelvin Davis, and I will be holding a meeting with leaders from the tourism industry. We'll discuss our response going forward, off the back of the \$11 million announced last week, and I'll be making myself available to talk to you after that meeting.

In addition to that, Cabinet today directed officials to develop redeployment options for those in the forestry sector if this is necessary. This would look towards redeployment to work, supporting DOC in track clearance or possibly in the eradication of wilding pines. In addition to that, Cabinet also directed that practical business and financial advice options be investigated to be made available at a regional level.

I'll have more to say about the scenarios that we're planning for and the work that we're undertaking to respond to those scenarios in a speech I'll be giving to the Auckland chamber of commerce and Massey University this Thursday, but I felt the Prime Minister might not let me get away with delivering that whole speech here.

PM: Before I open up for questions, I did have an update on a Budget 29 decision to link main benefits to wage growth from this April, meaning, for the first time in New Zealand's history, benefit payments will rise in line with wages and increases in wages, not inflation, for the likes of the sole parent support, supported living payments, and jobseeker support.

As the Minister for Social Development will shortly confirm, this year, from 1 April, the increase in main benefits will be 3.09 percent, which is nearly double what the CPI rate would have been, at 1.66 percent. This is the largest increase outside one-off adjustments in nine years. This means a sole parent will get an extra \$10.48 a week. Under the previous system, they would only receive an increase of \$5.64. A single disabled person will receive \$8.44 extra a week; a job seeker aged 25 or over, \$6.78; for a 20- to 24-year-old job seeker, an extra \$5.63. This will ultimately help 310,000 families with their living costs.

Now, happy to take your questions. We'll start with Covid-19, if we may, and then I'm happy to take more general questions.

Media: Prime Minister, are you concerned that talking about these worst-case scenarios, like a global recession, talking about pandemic planning and the need for all these vaccines and masks and everything—are you concerned that you might unnecessarily spook the country?

PM: I think what we need to make sure we balance is that we are not predicting that those things will arrive in New Zealand but we are planning for them, and I think that's exactly what the New Zealand public would expect of us: be prepared for the worst. But, of course, we continue to maintain, based on what we've seen, the hope that we will not be in that scenario.

Media: And with the rise of cases globally over the weekend, are you looking at extending the travel ban to other countries?

PM: No. No, we've continued to focus on where has been the epicentre of the outbreak to date. And, as I've said, having those border restrictions for Mainland China has given us the ability to really learn about the way the virus is being transmitted from human to human. It's given us also the time to make sure that we've got all of our preparations in place for a scenario where we have a case here. We are ready, and we are very well prepared.

Media: You outlined in the details there things like masks and things like testing in different cities. Do you feel like it's happened quick enough that you're able to do that? Should this have been something where you should've been able to stand up in front of us and say "We're ready to go.", rather than waiting until now?

PM: And, in fact, part of our pandemic plan is the availability of these masks. Just simply the fact that I've told you about the stocks that we have does not mean that we have not had them prior to today. So I do want to be clear on that. That would be very unfair to our public health officials.

What I've sensed is a greater desire to hear some of the content of our pandemic plan, which has been in place for some time now. We have had a hub of people within the Ministry of Health operationalising our pandemic plan for some time. What I'm prepared to do, though, is share some of those details in order for people to get a sense of the kind of planning that's been under way for a while.

Media: With students coming to New Zealand, is it worth it, making these exemptions?

PM: Of course, the basis of a decision for us on students coming in to study is the public health of New Zealanders and those who are here. That is our obligation, and that is what we take very seriously. So the point that we'll be putting to the education sector is: can you give us the assurances required to ensure that there will be appropriate quarantine measures and self-isolation for those who may wish to come here to study?

Media: Finance Minister, what sort of interventions are you expecting or could the Treasury come back with on these second two scenarios?

Hon Grant Robertson: Well, I think in terms of the second of the scenarios, it would be more around whether or not we needed to have a stronger fiscal—or loosening of fiscal—policy to enable us to put more money into the economy. Obviously, we've got an accommodative fiscal stance at the moment, and then, clearly, scenario three would see more of that being required. So, basically, it's options that would allow us both to direct our support to particular sectors but then also, if it was scenario three, to the wider economy. I just want to reiterate—as the Prime Minister and I both already have—this is scenario planning. That's the work I've asked the Treasury to do. It's in its early stages, but, quite clearly, both of those scenarios would be one where I think there'd be an expectation that the Government has a role to play in making sure that the economy continues to operate well.

Media: Is that the sort of, you know, one-off baby bonus type thing that the Australian Government sought?

Hon Grant Robertson: Look, I mean, those sort of one-off injections are what Governments often have considered in the past when you reach a particularly high level of need, and, obviously, we're not at that point yet, but if we were facing a significant global recession, clearly, those kinds of initiatives that you've seen in the face of similar global crises would be ones that would be considered.

Media: The Treasury's already looked at—you know, before this virus came out—threat scenarios, including recession. I mean, what did that tell you about what we'd need to do in the event of a recession?

Hon Grant Robertson: Well, as I say, if we move into a period of global recession—and, again, I'm not predicting that, but if we're planning for the possibility of that—then, clearly, those kinds of initiatives, as I've just said to Bernard, that are about making sure that the Government's directly supporting the economy to continue to operate well are the kinds of interventions that would be required.

PM: I mean, at this stage, of course, we are not the only country doing preparatory works should we see wider economic impacts. You can see within Asian markets other countries are pulling together packages to respond to what has been a much more immediate effect, particularly in Korea, where their connection with the Chinese economy being what it is meant that they've of course already looked into some of this preparedness and planning at a economic level as well. So, look, we're not alone, but I think it makes good sense for us to be thinking ahead, not because we predict that it will get worse but because we want to be prepared just in case.

Media: What will it take for you to lift the travel ban?

PM: So we have a matrix that is informing the decision making of our public health officials. So they're looking at changes in the way the virus is behaving, what they're seeing around reported cases, human-to-human transmission, and then off the back of that they're giving us advice, and that's the basis on which we've made the decision today.

Media: On the point of redeployment, how many staff could that cater to?

Hon Grant Robertson: Oh, that's the piece of work that we've asked officials to go away and do. I mean, clearly, in the forestry sector in particular, some the impacts will be felt where you've got people whose employment status is more in the nature of contracting than it is permanent. So we'd look at whether or not those people could be redeployed to other work that's of a similar nature but not necessarily in the same geographical area. So one example is that DOC have a lot of track clearance work that they're needing to do as a result of other events that we've been facing. Equally, we've got a number of other environmental pieces of work, including dealing with wilding pines, where this could be possible. It's not, on the face of it, as—you know, it needs to be worked through. So there are issues with relocating people, whether the types of work and projects are appropriate for them, are they ready to go. I don't have a number for you of exactly how many that would be, but there's plenty of work to be done in terms of those two areas alone.

Media: Prime Minister, given the comments last week from the Chinese Ambassador, do you have any concerns about the long-term damage that this might do to the New Zealand - China relationship?

PM: Yeah, I think, as you've seen, we absolutely hear the statements that have been made. We've been very open about our rationale and our reasoning, which is for public health. And I've spoken openly with the ambassador about that. In fact, we both shared our views recently at an event held here in Parliament, and it was incredibly cordial. Ultimately, for me the overriding message to China is that during this incredibly difficult time, of course, we want to ensure that the people of China know that New Zealanders really feel for them and the experience that they're having. This is directly infecting the health of their population, and that can't be lost in all of this.

Media: So what do you say to the ambassador when she says this is an overreaction and we didn't need to do it—WHO didn't recommend it?

PM: Oh, simply what I've said in the public domain: that we based our decision based on the public health advice of our officials, and I include in that my Chief Science Adviser. So that's the basis on which we've made this decision. We understand the concerns that they've

raised, but we have to make these decisions based on the advice that we receive. And we're not alone; there's a number of other countries who are too.

Media: Why aren't you restricting travel from South Korea? We do have direct flights, and they are in the middle of a—

PM: We do. Yep, look, these are matters of magnitude, and, of course, the epicentre continues to be Mainland China.

OK, anything else on Covid-19? Thank you, Minister. Feel free, other matters.

Media: On the "feebate" scheme, scrapping it is the latest back-down on climate policy from the Government after delaying agriculture entering the ETS and watering down—

PM: Look, I'll stop you there. I've already rejected that that's the final outcome. I've seen the stories, but, as far as I'm concerned, it's a policy we're still working on.

Media: Have you told James Shaw and Ministers within New Zealand First that?

PM: I've spoken with both, and, as I've said, it's a policy we're still working on.

Media: Mr Bridges has said that he wants something potentially mirroring Australia's policy around deporting convicted criminals. Would you ever consider doing the same?

PM: Well, we already, of course, have the ability and do deport criminals from within New Zealand back to countries from which they hold citizenship. So we already have that ability and we already utilise that. But what I would point out is that this is both a matter of principle and a matter of proportion. These numbers might not be completely up to date, but we have basically, roughly, there or there about, 62,000 Australians living in New Zealand. We have over 650,000 New Zealanders living in Australia. Now, my view is: if we think this policy is wrong, why would we then repeat it? My position is that we must do and continue to do everything we can to make the point that what Australia is doing is wrong, and the best way I can continue to make that is not by replicating something that I don't agree with. Personally, I think minister—Mr Bridges' position is naive.

Media: Do you expect this to come up in discussions with Scott Morrison later this week?

PM: Yes, because I'll raise it.

Media: And what will you be saying to him?

PM: Exactly what I just said now.

Media: With all of that drum beating though, and as much as you raise it and the more vociferously you do, do you actually expect that there will be any change?

PM: Oh, look, I've been very open here and consistent: Australia is within their rights to do what they're doing. It doesn't mean what they're doing is right, and I don't think I should sit back and ignore that simply because they haven't changed their mind to date. It continues to be a policy I fiercely disagree with. It's wrong, and I'll continue to raise that.

Media: In 2017, you said that if Australia kept eroding the rights of Kiwis that you would retaliate as Prime Minister and take away access to tertiary education if they [*Inaudible*]—

PM: So the tertiary—

Media: What's the difference between Simon Bridges' retaliation and your retaliation?

PM: Well, as I've said, there is the question of proportion here, and I think his position is naive. And I have generally said that, actually, I don't think that's the way that we get extra—you're talking about the rights that have been removed. We don't give extra rights for New Zealanders by continue to eroding Australians' rights here. Deportation—extra set of situation again, not least clouded by the scale of the number of New Zealanders who live in Australia. And I absolutely maintain the position—I've always maintained—the deportation policy is wrong.

Media: Do you think Kiwis will see it that way, though—that it's simply an argument of proportion, or do you think we're being hard-done-by?

PM: Oh, I also think it's wrong, you know, and that's just one element of the argument; the most important is that it's a policy that we disagree with. But it's worth keeping in mind the difference in numbers here as well.

Media: How important is it that New Zealand's travel ban on China, and with respect to the virus generally, is in sync with Australian policies, so that there is, in effect, a common border?

PM: There is a practical consideration there, no doubt. We are also all drawing from the same information, the same knowledge. It's my understanding that our scientific community are working from a similar base of information, virtually, and are sharing that information. So it's not unreasonable that we'll be drawing similar public health advice as a consequence. But there is a practical reality that, yes, there's a lot of movement between our two nations and if we have differences in what we're doing at the border it does complicate things, but we are making our own decisions. Helpfully, because we're basing them on the same advice, we're reaching the same conclusions.

Media: Minister Robertson mentioned those three scenarios. In which of those scenarios would a, sort of, public lockdown apply?

PM: A public lockdown—you mean complete border closure. Of course, the scenarios he's planning, he's talking about the economic ramifications, which actually aren't necessarily linked entirely solely to the public health. Perception becomes reality, and the way that people are choosing to behave, to not spend, to not travel, is going to have a wider economic impact, and so those implications, regardless of what we see happen with Covid-19, we may still see significant economic impacts.

Media: Prime Minister, does it concern you that New Zealand First is looking to change its mind on some of the gun laws?

PM: Again, I would refute that. We've always said that, with any bill, we have ongoing conversations—as we do with other parties—at select committee, and that's just a part of a bill process. So I'm confident, of course, that we will be passing our reforms, our gun legislation.

Media: But do you feel like it weakened by any changes made by New Zealand First?

PM: No. No, I don't believe so. And let's come back to the primary purpose of that legislation—it's to tighten up who is able to access guns in New Zealand, and particularly to stop gang members from being able to access guns, and that's something that I would have hoped that all parties, including the Opposition, might be willing to support.

Media: So 3,000 people have signed a petition for the Breast Cancer Foundation calling on the Government to fund free GP visits for women with advanced breast cancer. Will the Government fund GP visits for those with advanced symptoms?

PM: Look, obviously we've also heard from those who represent families and patients who experience breast cancer in particular. We've heard their calls for increased funding in Pharmac. We've responded to that with an increase in funding, which has meant that we are seeing more drugs—cancer drugs—funded. We also heard that they wanted better access to, for instance, radiation therapy, which is why we are funding centrally linear accelerators, so that we do get better access. So we know that there are demands. We are improving cancer care—across drugs, across treatment, across the Cancer Control Agency. But that's not a request I've had until now.

Media: Some—one woman has told us that, you know, it's a choice between putting food on her table and visiting the local GP. So is that something the Government would consider?

PM: Well, we have already tried to make visiting the GP more accessible for those on tight incomes. So we have reduced down the amount that someone, for instance, on a community service card pays. That's made the doctor more accessible for over half a million

New Zealanders. And we already know that's made a difference. Health surveys have shown more people are going to the doctors, more people are picking up their prescriptions, because of those changes, and so I would have hoped that that change may potentially have impacted or benefited this person as well.

Media: What did you make of New Zealand First and the Greens taking pot-shots at each other over the weekend over this "feebate" scheme?

PM: Look, ultimately, my job is to continue to ensure that we all collectively work together to get the best outcome possible. That is not new to me. These are the issues that I work to manage as Prime Minister on an hourly basis.

Media: Did you ask them to tone it down?

PM: Again, I don't think I need to get into the ins and outs of conversations I have for coalition management.

Media: You say that the "feebate" scheme is still being considered, but New Zealand First said over the weekend they've killed it.

PM: Again, I stand by what I've said. Keeping in mind, of course, we have the clean car standard and what you're calling the "feebate"—these are two different elements that, of course, are still—particularly the clean car standard has the potential to make a very big difference.

Media: Where is the "feebate" scheme now? Is it back before a Cabinet committee or—since it's still being worked on.

PM: We're still in negotiation.

Media: And do you know when a decision will be made by? Before the election?

PM: You'll know from sitting through these that I very rarely give out time lines for the very reason that, actually, I need to make sure that no one feels constrained when we have these discussions.

Media: Have you ruled out further increases to the benefit?

PM: Oh, sorry? One day I should get you to stand up here and hear how distorting it can be. Have I ruled out further benefit increases? I have not speculated. Those are all decisions for Budgets.

Media: Because even what you're talking about, the benefits of indexation, they've not even really touched the sides, according to the Welfare Advisory Group. They recommended a wholesale increase as well as the indexation.

PM: Yeah. And this is why these can't be taken in isolation. So here we've got a 3 percent increase to main benefit rates. We've already had an increase to the family tax credit, which goes to those on benefits; the winter energy payment, which goes to those on benefit; the changes we've made to make the doctors visits cheaper; we've increased funding for schools so that families don't have to pay school donations; putting lunches in schools is the latest initiative to help families on low incomes; and, of course, the Best Start payment for families with young children on low incomes. That package, in its totality, is more than any Government has done in decades to address child poverty.

Media: But that specific recommendation from the Welfare Advisory Group that alongside all of those things you also do a wholesale—significant wholesale—increase of all benefits.

PM: This I would consider to be a significant increase. This is the largest one-off increase taken outside of what the Government of the last—the National Government, of course, didn't generally increase main benefits in this way in the past nine years, keeping in mind—

Media: But the Welfare Advisory Group said that [*Inaudible*]

PM: Yes, but keeping in mind this is annual. So this is the first time we've seen the effect of this decision that we made last year, and you see from this first sign that it will make a significant difference to start closing the cuts that we saw made in the 1990s. We can't fix that in one Budget, but we can make a difference over time.

Media: Why not?

PM: Ha! Because, Bernard, if you want me to run through the reasons—you've seen the predictions around the books. We are in a tight fiscal situation, and we need to also make sure we're ready to deal with things like Covid-19 and other issues that do come up and face us as a Government. [*Phone rings*]

I'll take one more if I can. I'm just on a tight time line. Who's old-school phone was that. Oh, Richard—I should have known.

Media: Do you have figures in front of you now around the value of that increase in benefits—the expected value of that over the next year?

PM: In the totality? So times 52. So that's a weekly increase across those individual benefit numbers that I gave. Is that what you mean?

Media: Yeah. I don't know if you have a figure with—

PM: Yeah, so the annual increase—I could provide those to you, but, obviously, the weekly times 52. So, obviously, those on sole parent support receiving over \$10.48 a week.

Media: Can we expect a resolution to Ihumātao this week?

PM: We had a progress report at Cabinet, but I have nothing further to update you on at this point. OK? All right, very last one, Jessica.

Media: On those benefit increases, you were talking about the sole parents, it going from \$5.64—

PM: That's the difference.

Media: Yeah, with the old system—now being \$10.48 with the new system. Is that really going to make a difference?

PM: Over time, yes. We cannot solve child poverty in one Budget or in one year, and nor can we restore what were cuts made in the 1990s in one go, but the cumulative effect of seeing that movement mean we won't continue to see this massive, gaping difference that we've had build up over a number of years because of the way we've adjusted benefit rates in the past. Great. Thanks, everyone.

conclusion of press conference