

POST-CABINET PRESS CONFERENCE: MONDAY, 30 MARCH 2020

PM: Good afternoon, everyone. As you will have heard from the Director-General earlier this afternoon, we now have a total of 589 cases of COVID-19 in New Zealand. It's an increase of 76 new cases today, 12 of which are in hospital, with two currently in ICU. As I have said, we've expected the numbers to rise and to keep rising for the next week or so. The growing number of cases, and in particular the number of clusters of cases, highlight why we need to take the lockdown we're currently in very seriously. The virus, once present, has proven it can spread easily at a school, at a wedding, at a conference, or even at a local bar. These are all commonplace gatherings we normally take for granted but have proven to be a place where this virus can spread successfully.

Cabinet met today via a Zoom meeting, which is something I'm sure many of you have been utilising also in the past week. As far as I'm aware, this is possibly the first time Cabinet has ever met in this way. A range of matters were discussed, including updates on the wage subsidy. Currently, we have provided \$3.7 billion, benefiting just over 580,000 employees.

I want to come back to the issue of supermarkets today, which has been a topic of much discussion, including here amongst all of you. You will have heard reports and anecdotes about price gouging, as have I. Our officials are in daily contact with our major supermarkets, and while we have found no evidence, we are setting up a channel where people can report any cases or concerns that they may have. I'm aware, for instance, that there have been incidents of fresh produce price increases. We do need to be aware that these could simply reflect seasonal fluctuations. However, during a period in which there is less competition in the food retail sector and increased demand, it is more important than ever that prices are fair and reasonable.

As such, we have created a reporting mechanism for the public: pricewatch@mbie.govt.nz. I want to repeat that again: pricewatch@mbie.govt.nz—a simple email address dedicated to reporting of potential price gouging. I've already seen some reports made online on social media. Now I ask those individuals: if you can specifically send those reports—say, a copy of your receipt, a simple photo of what you've seen—directly through to MBIE, this will enable us to make sure we are properly investigating any reports of price gouging. No one wants to see anyone take unfair financial advantage from this extraordinary period. To be clear, it is not illegal for businesses to increase their prices, but the Fair Trading Act prohibits misleading and deceptive conduct and false representation. This means that if a business gives a reason for a price increase, it must be true, otherwise the business risks breaching the Fair Trading Act, and this will be enforced.

The second issue we continue to consider is the issue of Easter trading, which primarily impacts on Good Friday. We are continuing to liaise with operators on this issue and with representatives of their workforce. It's very important to us we also have the views of those who are working in our supermarket chains. I do expect a final decision tomorrow, but I do want to flag that one of the issues currently being raised by operators is the need to restock shelves. I know we're all keen to make sure that when people make a trip to the supermarket, that they can get what they need, rather than making multiple journeys. All of this is being factored into the decision-making process, and, as I've said, I expect to clarify the position on Easter trading tomorrow. I should note that dairies are already able to open through this entire period, so no matter what, they will be available for trading.

I can also update you on the matter the Minister of Finance signalled last week around sick-leave support for people working in essential services. It is critical during this time of level 4 lockdown that employees of essential services are able to take leave when they cannot work—particularly vulnerable people, who should be self-isolating. The risk is that if these workers cannot work from home, have exhausted their sick leave, or don't have income support, they might feel pressured to keep going to work. We do not want that. Obviously,

not all essential service workers will be in this position, but for those who are it is a serious problem, as they could be left without income for the period that they have to stay away from work.

We are urgently working on guidance in this area. It was one of the issues discussed by Cabinet today. In the meantime, though, I am pleased to see the decision by Foodstuffs and Progressive, who are one of the key areas where this concern has been raised, and they have said that all vulnerable workers will not be required to work and will be paid over the four-week period that we are at alert level 4. I see this as good practice and best practice. Vulnerable workers in our essential workforce should not be on the front line in that way.

Finally, I want to say a particular thankyou to those New Zealanders who are returning to our health workforce to help with the COVID-19 response, those who had retired or had left for other reasons: 6,126 health professionals have now registered to support their colleagues, offering to work in a range of roles, including as doctors, nurses, and care and support workers—some who have literally only just retired or changed their careers. At a time when New Zealand needs its medical workforce to be at its most prepared, I say thank you for bringing your expertise back to the front line.

More broadly, I would also like to thank New Zealanders for the way that they are treating the level 4 lockdown. The vast majority are doing a great job complying with the rules. Unfortunately, there are some people who are failing to act responsibly, and I want to say very clearly: the police are geared up around enforcement, and they have been and will continue to act. This is not a time to look for ways out. It is not a time to bend the rules. This is a time to stay at home and to save lives.

Now, I am very happy to take your questions.

Media: Prime Minister, how frustrating is it for you when you see people—I mean, you've delivered that message so many times now, so has the Police Commissioner, so has Ashley Bloomfield, so has anyone who's an expert in this area. How frustrating is it to see people not complying with the rules?

PM: I've always believed in the old adage that by the time you've said it a hundred times, someone is hearing it for the first time, so I will keep repeating that same message: stay home; it saves lives. There will be people—but they are the minority—who are bending the rules or just simply breaking them. We will continue to enforce the measures that break the chain of transmission.

Media: So what can you say that really drives home what the alternative is, what the worst-case scenario is, just for—all they have to give up is staying in their homes for a month, so how do you drive that home, what the worst-case scenario is?

PM: We are at level 4, requiring people to stay home, because if we didn't do that, thousands of New Zealanders would die. It's as simple as that, and so that's why we need everyone to help us. We've put in place the mechanism to save lives, but we can't do it without everyone playing their part.

Media: With the MBIE website, what will happen when those people report? Then what are they going to do with that?

PM: Yeah. Well, it's a simple email function that we've used. Obviously, the COVID-19 website is the place where we are providing all of the information people need. But at the moment, actually what people need is just one place to tell people, to tell officials, when they've seen a problem. So just providing that simple email address so that instead of having to go on social media, you can actually redirect that into a quick note to us, provide us the background and some evidence, and then we can do something about it. We already are following up some of the anecdote that we're seeing online. This will provide us a much cleaner, simpler, singular place we can gather all of that information.

Media: What will MBIE be able to do?

PM: Then they can make sure that they're enforcing the law. As I've said, there are practices that will be simply seasonal variation in the price of produce, for instance. But in other cases, if companies or suppliers—if retailers are taking advantage of their, essentially, duopoly in the market and taking advantage of people who are acting in good faith, just going out to buy their everyday needs, then we will act on that. That is illegal.

Media: Prime Minister, have you given any more thought to allowing things like greengrocers to open, to provide that extra competition?

PM: No, because, unfortunately, that would undermine what we're trying to do, which is limit the public's contact with workers and with each other. So the use of supermarkets as a way to provide essential services allows us two things: to really monitor and make sure we have best practice when people are moving through a place to purchase their products. So, many people have experienced that there are limited numbers of people in shops, there's certain practices to keep people from being in contact with each other, and that kind of practice we can maintain because we have a limited number of stores open. It also means we have fewer workers at risk. For every greengrocer, for every bakery, for every retail store that is open, that's a workforce that's also put at risk, and we need to minimise that as much as possible.

Media: Prime Minister, can you just clarify the buddy system for people who live alone in their bubbles. Can they only have a buddy that is also another person who lives alone, or would it be OK for them to have a—

PM: The principle's always been: whoever's in your bubble, you have to remain faithful to each other. You have to make sure that you don't have contact with anyone else.

Media: Prime Minister, on border restrictions, will those be in place here in New Zealand until there is a vaccine?

PM: Well, it's one of the things that I think around the globe we will see countries having to grapple with, the way they manage their borders, until we have either herd immunity or a vaccine. I think you can see most countries are opting that herd immunity, the price of that, is too high. In fact, in New Zealand, we never considered the idea of herd immunity. Just to be clear on what that means, herd immunity basically means 95 percent of your population being immune to a disease. Usually, that's achieved through vaccination, so that's what we strive for for things like measles, and so on, but in this case, without a vaccination, it means people having been exposed. People being exposed to that degree means thousands of people dying. So that's not an option in New Zealand. It's not something we ever considered. That means that we have to continue to try and protect ourselves while we wait for a vaccine, so it does mean border restrictions will be part of our management system.

Media: In terms of essential services, have you had any lookbacks to see if there is anything missing—for instance, heaters or fridges, if people are living in cold homes?

PM: Yes, yes, and we've always said that we, of course, started with a starting point of being heavily restricted but then would continue to look at the mechanisms for people to buy other essential items. I consider the ability—and you might have remembered me talking about, for instance, access to things like plumbing parts if a toilet breaks down—you know, the basics that people need in order to keep their home safe and to keep the occupants well. So it may be plumbing products; it may be the ability to heat a home. MBIE have worked out further guidance on that, and I expect that they'll be putting that out probably later today, but that was always part of our thinking. Again, provision there will be faceless—so being able to access those products without it being in person.

Media: So people will be able to buy heaters and fridges, for instance?

PM: Yeah, that's something we always had in our thinking. If you can't, for instance, refrigerate your food, that presents health and safety issues, and was part of our three principles for what you would consider essential services and items.

Media: So who will be able to sell those—will it be, like, Harvey Norman?

PM: Online, contactless, and, of course, maintaining for that workforce all of the public health guidelines we've had for every other workforce.

Media: Doesn't that then open up a whole lot more people?

PM: No. Again, and that's where you really narrow down what people are able to access online, but, again, these were areas we were always mindful. If we're going to make sure that people can stay safely in their home and be well in their home, we do have to make sure that if they have a critical appliance like a refrigerator break down, like an oven to be able to cook—those are things we always knew people would need to be able to access; we've now had the time to work through how.

Media: So will those retailers be restricted to selling ovens, fridges, heaters, as opposed to Kindles?

PM: Yeah, because you want to keep those products limited, because the more products people access, the more workers are then working in the warehousing and so on. So that's something MBIE's been working through directly with retailers.

Media: You mentioned yesterday, I think, that Kris Faafoi was working with the community media publishers, non-daily, around some sort of fix. Where are things at? What can you say—

PM: I expect us to have a report back to you on that most likely tomorrow. We discussed it again at Cabinet today. It is an issue where we are very mindful that that is an area where people access key local information, and so the principles I set out yesterday are the ones that he's discussing with those community newspapers and their ability to meet those expectations—looking after the workforce, as much working from home as possible, and the distribution network. So I expect I'll have an update probably tomorrow.

Media: Australia and New Zealand are working to combat coronavirus in quite different ways. The restrictions here are much more severe. Have you compared notes with Scott Morrison on the different ways Australia is approaching this issue, because, obviously, you speak so regularly? Are there things you've taken from Australia; are there things that Australia has taken from you?

PM: Yeah, I do keep an eye on what Australia is doing, but I notice that they have been moving further and further up in terms of their restrictions—now expecting people primarily, if able, to work from home, reducing the groups that people are allowed to congregate in, and so I've seen that continual move up, and of course then variation around what's happening with the schools depending on states. So the starting point for comparison is different. It's much easier for us to move as a nation, of course, because of our system and the way we're organised.

I did speak with Prime Minister Morrison again this morning. It was a chance for us to just talk about the different place in which both of our countries were in, but also, again, another chance for me to raise the issue of New Zealanders in Australia. It is a group I am concerned about. I have seen ongoing reporting of some of the issues that they're facing, and I see this as a unique situation, and so it doesn't necessarily—as much as I'd like, of course, to resolve the ongoing issues. For me, this is a particular set of circumstances that I'm very keen to find a way to address.

Media: Have you been given any indication that Morrison might soften his position on that?

PM: That's ultimately a matter for the Australian Government, but it won't stop me from raising the issue, because I do see it as a very unique, now, situation.

Media: News has just broke about our troops returning from—

PM: I'll come back to you on troops.

Media: Prime Minister, currently, Māori can't have tangi for loved ones that have passed away. This is an area of distress for Māori since we hit level 4. Should those that were already living in the bubble of the person that has been deceased be able to bury that person and have a tangi for that person, and if not, why not?

PM: Obviously, those bubbles need to be—will be small. Bubbles primarily, of course, are the people that you're living with, and I think I just need to come back to the first point that you made. I understand how deeply distressing this is. I cannot imagine right now being in a situation of losing a loved one and not being able to grieve for them in the way that would be traditional for my family or for whānau. So when I read through the guidelines for tangi again yesterday, I felt that distress in just reading those guidelines. I know how hard it is, what we are asking people to do, but that is the exact kind of place where we can see this virus spread, and the last thing I want is grief on grief.

Media: News just broke about our troops returning from Iraq. How have the logistics changed with that withdrawal now that we are grappling with COVID as well?

PM: Obviously, the same rules that we are applying to all New Zealanders are applying to our returning troops. It had been my hope that we would be able to really acknowledge their return and welcome them, as many New Zealanders would want to do, but we have already started on their return. Those who have already returned are in isolation at the Royal New Zealand Air Force base in Auckland, and for those who are yet to return, the same rules will apply. They will be put into self-isolation.

Media: Did COVID-19 accelerate the plans to bring them back earlier?

PM: No—no. You'll remember that we'd already made a decision that by June at the latest, we would have those troops withdrawn, and then we worked on just the logistical time frame with the defence force around when that draw-down would begin.

Media: Do you acknowledge that it's quite a big ask for them, having spent so much time away from their families, coming back and being so close but yet so far?

PM: Yes, I do. I think we're asking all New Zealanders—we're asking a lot of all New Zealanders right now, whether it's those who lose a loved one, those who are cancelling weddings, those who have a newborn, or our troops who are coming home. So for anyone else who's flouting the rules, I'd like them to just think about those who are sacrificing a huge amount right now to make sure that they're saving the lives of other people.

Media: Did Cabinet discuss insolvency law reform today, or anything in that area, including the numbers of companies that may be facing technical insolvency in the very near future?

PM: While we know I don't get into a practice of running down everything that was and wasn't discussed, insolvency is an issue that Ministers are looking at. But I have no announcements to make on that area.

Media: Just to clarify—some companies are continuing to send goods to New Zealand customers from Australian distributors. Is that OK?

PM: Yeah, and this is an area where I have concern around our distribution network, which we have said is an essential service, but for the delivery of essential items. So it does create an unfair playing field for those who are accessing products that aren't being sold in New Zealand offshore, and then using our domestic deliverers to deliver those non-essential items. It's an area I have asked MBIE to look at, but I would really, again, make a plea to New Zealanders: there's a lot of New Zealand businesses right now who are playing by the rules, who are not trading, so that we can prioritise deliveries for our most vulnerable and those in need, and I'd ask that you think about that as well.

Media: What's your advice to the people over 70 who insist on doing their own supermarket shopping?

PM: Don't! I know that there are a huge number of our over-70s who are proudly and fiercely independent—and I know that—but now is the time when we need to look after you. Our supermarkets are working hard on trying to create mechanisms to prioritise those who are more vulnerable. They've said many of their stores have the capacity to do that, and in other areas they are working hard to create that capacity. If they can't access online delivery or shopping for any reason, a neighbour, a friend, a family member will be all too willing to help them, so please reach out; don't go out.

Media: You mentioned that you were talking to the supermarket chains each day. Have there been any concerns raised about the supply of things like flour, for example?

PM: Yeah, I haven't had that issue specifically raised but have noted in most areas people have raised the issue of access to flour. We have never had raised with us that there was any kind of shortage of supply. It's an issue I'm happy to raise, because I have seen it consistently be one of the issues. This is why, for instance, we really wanted to carefully consider the issue of Good Friday trading, because our supermarkets are saying that they don't want people to come into stores where they haven't had a chance to restock, and that may present an opportunity to restock, so I just really want to work that through.

Media: Are you prepared to let tourists, and in particular freedom campers, move to more suitable accommodation if it becomes available?

PM: My understanding is that in some areas, we would have more suitable accommodation. I accept that particularly those who are freedom camping, they are unlikely to have access to suitable long-term accommodation for the period of this self-isolation, and so I think it makes sense that if they are able to stay put in one place and there is accommodation available through the country, that would be far preferable to what I'm seeing at the moment, which is some people moving around.

Media: How would they access that?

PM: There is still accommodation on offer, as I understand. Of course, we've been accessing that in order to create quarantine and self-isolation for New Zealanders returning home.

Media: Are you taking any additional advice on the security implications of holding Cabinet via an online Skype call?

PM: Via Zoom is able to be held up to restricted level, so, of course, we just make sure that whatever we're discussing fits within those parameters.

Media: Are the security services okay with that—have you talked to them about it?

PM: As I've said, it's been guaranteed to us up to the level of restricted, so, of course, we just keep in mind what we're discussing on those calls.

Media: So you switch it off if there is anything you think that's sensitive?

PM: We just don't put it on the agenda if it's unable to be kept below that level.

Media: Do you believe the supermarkets when they say they haven't put up prices?

PM: I have had concerns around reports of there being, for instance, no specials, because there may be situations in New Zealand, for instance, where our producers or perhaps our usual exporters might be offering discounting on to supermarkets, and I have an expectation that now would be the time to pass that on to consumers. So I have been concerned around those kinds of reports. I see today some of the chains saying that they will bring back specials. This is a time where I think, actually, New Zealanders deserve goodwill.

Media: China has been busy making ventilators for a number of countries. Have we asked—has New Zealand asked for any?

PM: We have worked very diligently on ventilator supply in New Zealand. So we now have enough ventilators to match the number of ICU beds that we have—so, over 500. In

terms of accessing additional ventilators, that is work that we are still doing as well, but keeping in mind that it's not just the ventilator; it's the ICU capacity and also the trained staff. One ventilator requires one staff member 24/7 to firstly know how to use it and monitor its use, and so that's something that has to be factored in into all of our work.

Media: The PSA is calling for what they're calling "work bubbles", so—especially for people taking care of the elderly—that they only get put on the same shift, or a certain number of workers only go and see the same person. Would you support that move?

PM: I have to say, one of the areas where I've been having very close contact with the Ministry of Health is around support workers. You know, I think all of us will be mindful that we're talking about some of our most vulnerable New Zealanders here. I know many of those New Zealanders have dropped back some of their support work to only essentials, and so when someone is coming into their home, we need to make sure that they're being looked after. That's why we're having some really direct conversations about PPE provision for that workforce. But also I'm happy to look at the issues being raised by the PSA. These are things I know that the Ministry of Health are really mindful of.

Media: What about on a wider essential workforce level—do you think work bubbles would be a good idea?

PM: We're really now at a point where people need to stick with the bubbles that they have, and many are well established. It is that introduction of new people that brings vulnerability. Someone who may, for instance, in six days' time, be found to have COVID-19, you wouldn't want them, through their work, to have accessed multiple new people through that time. It is totally against the advice that we've been giving. So stick to your bubble, the one you've started with—stick with it—through this whole four-week period.

Media: There's still some reports about people who are symptomatic not being tested because they have no connection to international travel. Are you still taking a rolling brief on the approach to testing?

PM: Yes, and I do that primarily through looking at the numbers. We do have increased capacity. So we have the ability now to test over 3,000 New Zealanders daily, and so, again, I will keep sending this message very clearly: it is up to the discretion of the clinician. You do not have to 100 percent fit a case profile. If in your judgment someone should be tested, test them. The reason we're in level 4 is because we have community transmission. So you may not always be able to identify a link and the patient may not always be able to identify a link. So please use your clinical judgment.

Media: Given that we're not yet testing at capacity—I mean, would you like to see us testing at capacity, testing more?

PM: Again, it's up to our clinicians to make those individual decisions for the person that's in front of them, but we have the capacity, and you'll see on the rolling average we are growing. The average number of tests that are happening in New Zealand continues to grow, which is exactly what we want to see and is exactly what the World Health Organization says we should be doing.

Clare, I'll take this as the last question.

Media: Do you know how many tests we've done in total?

PM: I actually just asked for this update this morning, so I'll get that number for you—obviously thousands. I'll get it to you this afternoon. Actually, it's one of the things I want to include in our daily briefs, because it gives you a sense of the ratio of cases to tests. I know that we are starting to compare very favourably to the likes of Korea, for instance.

OK. Thank you, everyone.

conclusion of press conference