

POST-CABINET PRESS CONFERENCE: MONDAY, 2 MARCH 2020

PM: Good afternoon, everyone. Look, I'll start with the week ahead. Tomorrow I will be speaking at the Air New Zealand annual parliamentary function. On Wednesday morning, I will have the honour of reopening select committee room 5, the room that has traditionally showcased the contribution of women to Parliament, and that's ahead of International Women's Day on Sunday, 8 March. Later that day, I'll be heading along to Clubs Day at Victoria University. On Friday, I am visiting Christchurch, where I have a number of appointments, including visiting a school that is benefiting from Mana Ake, a programme which has been running for just under two years, that puts counsellors and a range of other mental health professionals in schools in Canterbury and Kaikōura so that all primary and intermediate students have access to mental health and wellbeing support. Mana Ake has now helped 4,500 children. Looking ahead to the weekend, I'll be heading along to the prize-giving of the 2020 Golden Shears competition in Masterton.

I'll spend my comments today on a coronavirus update, given I know that will be an area of interest, and decisions have been made at Cabinet that I wish to update you on. Firstly, I want to acknowledge the work that is going on across New Zealand to respond to coronavirus COVID-19. At the weekend, I was able to see some of this firsthand, including meeting those answering the phones at Healthline and making proactive calls at Healthline, which has helped and supported more than 8,000 people with their self-isolation measures. At Auckland International Airport, I was able to see the stepped-up screening and checks in place and the cooperation of incoming passengers. It all reinforced for me that we have an exemplary and robust plan in place across our public healthcare and our border systems. I want to thank those involved in this comprehensive line of work, which has been ongoing since we operationalised the pandemic plan at the beginning of this year.

I also want to let you know that the patient with COVID-19 is in a stable and improving condition. Also, officials have traced the 15 at-risk passengers from the flight. You'll recall that originally that number was slightly higher. Now that officials have been able to dig into the passenger manifest, it's been determined that some passengers moved during flight, and so those are the groups that the—the number that has been targeted. The Director-General of Health can give you more details and answer any of your questions around some of that contact and progress they've made on that at a press conference that will shortly follow this one.

Today, Cabinet was again focused on our work to protect both people's health and their jobs as we respond to COVID-19. The global situation continues to change rapidly, and effective border management remains that first line to protect New Zealanders. While scientific knowledge continues to evolve, we know that a precautionary approach is best. As a Cabinet, we have decided to extend the current temporary travel restrictions that are in place for China and Iran and the passengers from the *Diamond Princess* cruise ship for a further seven days. You'll recall that we have been putting in 7-day allotments and then reviewing those as a Cabinet.

We also agreed that incoming travellers from northern Italy and South Korea will now be asked to self-isolate for 14 days. They will also be required to register with Healthline. Currently, at the border, those passengers who are citizens of New Zealand and permanent residents who are returning are required to complete these forms [*Holds up forms*] as they move through our border control and border enforcement area. Now we will be adding northern Italy and we will be adding South Korea as a requirement for passengers from those areas to complete this form. That enables Healthline and health officials to proactively contact those individuals, ensure that they are in self-quarantine, and to give those individuals specific instructions about quarantine and what is expected of them whilst they're in quarantine. That, currently, work is being done at the border by healthcare officials, and some of those I visited over the weekend.

This is a balanced precautionary approach that is based on an expert assessment of risk. It recognises that while there are outbreaks in both countries, they also have well-developed health systems, and the outbreaks are largely located in specific regions. And, again, just to give context around the reason that we have a tier 1 response for China and Iran and a tier 1B response for these countries is that ultimately we have 87,000 cases globally; the vast majority still remain in China. We have 7,300 outside mainland China—3,000 of those roughly in South Korea; 1,100 in Italy, and, again, predominantly in that northern Italy region.

We know self-isolation works. It is a longstanding and successful approach to managing infectious diseases, and it has proved its worth again in recent weeks. When I visited Healthline, rather than reporting issues of non-compliance, they reported to me over-compliance. They've had contact with individuals who self-imposed extension to their quarantine, over and above the time they need to spend in isolation. We have also, of course—through previous outbreaks of swine flu in 2009, self-isolation was used then very successfully and research continues to reinforce that people are generally very compliant when self-isolation is imposed. MFAT are now notifying our partners and customers, putting these latest decisions into operation as we speak.

We've also stood up a COVID-19 Cabinet subcommittee. That's to ensure we maintain a tight coordinated Government response. To date, we have had a group of Ministers with power to act. They've been meeting often over the phone, as required. The last time that occurred was on Thursday evening, 9 p.m. New Zealand time. This formalises a decision-making process, so we have now Cabinet and the COVID-19 subcommittee that will happen midweek.

To protect jobs, the wellbeing of New Zealanders, and our economy, Cabinet has decided to expand the *regional business partners* programme. On Thursday, finance Minister Grant Robertson said the Government was looking to boost this partner programme, which we already have in place with chambers of commerce and economic development agencies around the country to assist businesses impacted by coronavirus. Now, we currently invest \$15.2 million per year in the programme. The regional structure of the programme allows for a dedicated local focus on firms and industries that are particular to each region using local knowledge and expertise.

Now, NZTE advise that regional business partners are already experiencing an uplift in requests for support on issues like cash flow and even the ability to pay taxes. Cabinet agreed today to extra funding of \$4 million for the programme. That will allow for extra advisers and give them more time on the ground supporting businesses. It means local support people providing business advisory services on specific issues, whether it's payroll issues, whether it's directly supporting them liaising with IRD around provisional taxation or GST, or employment services. I know that this is something that chambers around the country were calling for so I'm very pleased we've been able to move so quickly on this decision.

We've also agreed to bolster the support from MSD with a set-up of rapid response teams. Cabinet has decided that as many as required but up to 16 teams on needs basis. At a ground level our MSD teams are contacting employers and employees on a daily basis. They're responding to their immediate needs and escalating when MSD is unable to meet a need—for instance, referral to IRD or Kāinga Ora. Currently, regional labour market teams within MSD are proactively engaging with impacted employers and assisting people to move into employment when they're at risk of losing their current job by utilising the established networks that MSD already have in local communities, but we wanted to do more.

As this next step, we are proposing a number of rapid response labour market teams to support impacted businesses and employees at a regional level. Now, similar responses have been used in the past on an ad hoc basis. A good example would be the Cadbury factory redundancies from a period of 2017-18. They're very practical teams that will take a

lead at a regional level, supporting those impacted by COVID-19. They'll play a coordination function with other agencies, ensuring displaced workers are matched where possible into other alternative, perhaps, projects and we are, for instance, as we speak, working actively on a wilding pine project as an option for those who currently work in the forestry industry. They'll also be responsible for identifying further regional employment opportunities with other industries, creating a pipeline for potential employment opportunities.

To that end, Minister Twyford will be visiting Tairāwhiti tomorrow. One of the things that he'll be looking to are regional opportunities where we can support those who may be facing job loss. Tairāwhiti is an area where the Provincial Growth Fund, for instance, has put in additional funding into local roading projects, so we'll be actively asking whether this is an opportunity to provide, micro-credentially, training, perhaps, to transition workforces that might traditionally be in forestry into other areas where we actually have skill shortages.

The Minister of Finance and myself this evening will also meet with Business New Zealand, the Council of Trade Unions, and business representatives to discuss the ongoing economic response to coronavirus. This will include situation updates from the Ministry of Health, Treasury, and MBIE. We will be looking into additional effects in our supply chain, and focus our discussion on short-term, medium-term, and long-term interventions. I will also meet with Air New Zealand and my business advisory group this week, and coronavirus will be a topic of conversation.

Our economic response is focused on protecting jobs, supporting workers and businesses that are being impacted, and ensuring they're in a position to bounce back strongly as the economy resumes the steady growth we were experiencing before COVID-19 appeared. In the meantime, as you'll see from the announcements today, public health remains our primary focus.

And now I'm happy to take questions.

Media: Prime Minister, what's the update of the status of the person who is in Auckland Hospital?

PM: The reports I've had from health officials is that they continue to be stable and they are continuing to improve.

Media: Why are we still referring to them as "they"? Could we not share the gender?

PM: That's been a request that we've been happy to fulfil from family and from the community, just to protect privacy.

Media: What advice have you had about the number of potential job losses as a result?

PM: Look, this is still very early days, but we do know that in those areas where the labour market is very closely connected to the supply chain that some of those impacts are pretty immediate. Though to give you an example, out of the East Coast we're hearing already as many as 300 individuals affected either through reduction in hours or some other impact. That's why we've moved very quickly. We're deploying extra work brokers in the area. We're putting additional business support in the area, and we're looking at creative solutions, like, for instance, using those forestry workers to deal with our wilding pine issue in other parts of the country.

Media: Three hundred—in the realm of 300 there, it could be thousands across the country?

PM: That is an area where in forestry we've had a number of issues, not just COVID-19, which really has been the straw that's broken the camel's back in that area. So at this stage, it is too early to say how widespread the impact will be, but, regardless, we are getting in front of this issue, putting in place measures that I think will make a difference to supporting businesses who may be affected.

Media: Have you had any advice from the Treasury or your business advisory committee that would indicate that New Zealand can expect a recession as a result of the economic impact of the disease?

PM: Look, you will have heard—it is too early to go down as far as making statements like that, but you will have heard the Minister of Finance last week talk about the three scenario plans that we are actively working on. We are not predicting the worst here but we are planning for it, and that is what you would expect any Government to do, and we are.

Media: Have you had any advice to specifically indicate that New Zealand can be expecting a recession?

PM: Again, as you heard the Minister of Finance last week say, we are not predicting for that outcome, but we are planning for it.

Media: I'm asking if you've had any advice.

PM: And I'm referring to the advice the Minister of Finance gave a week ago, and I'm reiterating that here again today.

Media: Have you had an update on the passengers on that Emirates flight and whether or not any of them have presented with symptoms?

PM: We've had no reports that they have. The Director-General will be able to give you some of those specific details, but you'll remember that not only were we contacting those who—what we would consider in the region of needing to have that public health notification so they self-isolate; we've gone beyond that. I'm told now that contact has been made with all but 10 passengers. So that's all but 10 on the rest of the flight, and, again, that was us trying to give reassurance; it wasn't that they had to be contacted, but we wanted to contact them. The 10 have been unable to be contacted because they simply haven't provided correct details on their arrival cards.

Media: Those 10, were they sitting near—

PM: No. No, no, no, no. To be very, very clear, those are just wider passengers on the plane. There was no obligation or requirement for them to be contacted, but we wanted to contact all passengers to give them reassurance, to give them advice.

Media: How are you going to enforce people self-isolating, those coming from northern Italy and South Korea?

PM: Yeah, again, the same way that we have already, remembering New Zealand citizens who have already been in areas that have been part of our border ban, as it were, who have been returning home, have already been self-isolating successfully. We've had roughly 8,000 people do that. Now, I think the fact that it is a requirement because this is a disease that we have that is notifiable—and, of course, you'll remember we quickly changed those regulations. But I think the acts of people completing their information at the border, having those direct contacts with health officials, and being proactively contacted means people are very aware of their obligations, and thus far, the advice I'm receiving is people have been compliant with that. That is much more proactive than I understand many other countries are doing.

Media: What if someone was coming here from northern Italy on a holiday? You couldn't really make them—

PM: Yes, and, look, this is why we've got to communicate this publicly. We've already contacted our relevant embassies to let them know of this decision. So this does mean for someone from northern Italy who's wishing to travel to New Zealand as a tourist, the message to them now is that first two weeks will be completely stationary. It may cause them to rethink their travel plans. But to be honest, what we're seeing in people's movements globally is that that's already occurring.

Media: Are you leading the Cabinet subcommittee?

PM: Yes, I will be chairing that subcommittee. So the membership includes Ministers who are directly affected, and, in fact, is quite a large portion of Cabinet: the Deputy Prime Minister, as Minister of Foreign Affairs; Minister Davis as Minister of Tourism; Minister Hipkin, given the education impacts; Minister Robertson as Minister of Finance; Minister Twyford as the Minister for Economic Development; Minister Salesa, given the border control issues; Minister Lees-Galloway, given the issues, as well, with immigration; and Minister Clark, as you'd expect, with health. I believe I've recalled the complete list.

Media: Could you clarify something the health Minister said on *Breakfast* this morning about the person who is ill being escorted through the hospital?

PM: Ah, so, look, again, I do want to be cautious here around privacy issues. The traveller had mobility issues, and so that meant that because of their mobility issues—as I understand, unrelated to COVID-19, they had mobility issues.

Media: So they weren't in a wheelchair because they were ill?

PM: No, no. That's my understanding.

Media: What have you had about other industries—tourism, education, all of that sort of thing—that are feeling the impacts, and how it's changed or not for them in this past week?

PM: Yeah, so there are obvious areas that we're working very, very closely with—so, obviously, MPI. At the moment, really, it's a monitoring—us staying in close contact with those sectors. Rock lobster continues to be the most directly affected, but, of course, we need to look ahead to supply chain and the export, particularly for horticulture, and that will be impacted by whether or not they're able to access appropriate packaging and the like. This is why we're having conversations with the business industry right now. We need to not wait until we have those impacts felt. We need to plan ahead and we need contingency now. So there are areas that might not be impacted now, but we are doing the preparatory work alongside them as we speak.

Media: Looking at those trade figures today, showing the drop-off to China, is that a cause for alarm?

PM: Actually, some of the feedback we're getting—and, again, I am quite cautious that a lot of what we're getting is anecdotal. But we have—the Minister of Finance relayed today that he's getting some feedback that some areas are starting to see a bit of an uptick again, but I do not believe that we should be reliant on that. We need to plan ahead. We need to prepare. We do not want to see any of our produce, for instance, going to waste at docks. So that's why we're having these very early conversations with our exporters and business community. We need to get in front of it and we are.

Media: We're talking to people who are coming through our border. They're saying that the checks aren't thorough enough, just on this coronavirus. Should we be doing more?

PM: Could you give me any specificity as to where they're travelling from?

Media: I'm asking on behalf of a reporter, but—

PM: Look, I'll give you a general explanation of what's happening at the border. As of today, we've had to work alongside airlines. As of today, the expectation is that there will be verbal announcement for all incoming international flights, regardless of where they're coming from, setting out the expectations going forward of these new decisions made by Cabinet—so, around self-isolation for those hot spot areas, around the need to fill in and complete these forms, and once these forms are available, distributing these as early as possible for passengers who need them. Once they are on the ground they're also given physical information around the symptoms of coronavirus in appropriate languages and contact details for Healthline.

We have also ensured that people are having a face-to-face conversation with Customs staff, so eGates are now only applying for flights from the United States and Australia. Everyone else is having a face-to-face conversation with someone from our border control

agents, who have all been trained. Sitting directly behind them are nurses collecting these forms and public health officials. What we're also doing is looking to beef up some of the information that people can visually see with those public health officials, and move them down into the arrival hall so where people are queuing, there's another chance again for us to interact with them.

Media: Just on your comments in Sydney, challenging Australia's deportation policy, Australia's home affairs Minister Peter Dutton has described your remarks as regrettable, and he says he suspects—

PM: I'd describe his policy as regrettable. More than that, I'd describe it as corrosive, and I have for well over a year.

Media: He says he suspects you were grandstanding ahead of the election. What's your response to that?

PM: I've been raising this consistently with every Australian Prime Minister that I have met with and I will continue to do so. This has been a consistent message, and you'll recall that last year I did describe it as corrosive. So this is not the first time it has been raised. I continue to say publicly what I have always said privately.

Media: Given that in Sydney on Friday you said this issue combined with a range of others was testing trans-Tasman relations, now we have a senior Australian Government Minister taking a swipe at you, you're pushing back, taking a swipe at him, is this issue going to see—

PM: Jackson, I wouldn't describe it as a swipe. I would describe it as defence of New Zealand's position and defence of New Zealand's principle position on this issue.

Media: So you don't think trans-Tasman relations are going to slowly be eroded over this specific issue?

PM: Oh, look, you will have seen from my description of this, yes, this is testing our relationship, and it does demonstrate that when it comes to politics, actually, that is where we're being tested. But that does not undermine the fact that just today I can pick up the phone and fire off a message to PM Morrison around some of our COVID-19 activity, and that is incredibly important and that remains.

Media: What have you discussed with PM Morrison about coronavirus?

PM: We have both instituted a practice of letting each other know of any decisions that we are making as a Cabinet that might have wider impacts at the border.

Media: He hasn't lost any sleep over your—

PM: That would be a question for him, but you'll see that both of us have firmly maintained our own positions.

Media: Prime Minister, over the weekend Shane Jones said, "I think the number of students that have come from India have ruined many educational institutes." Have you talked to him about these comments or do you think that they're appropriate for a Cabinet Minister?

PM: When I see Minister Jones next, I intend to. He was not present for personal reasons at Cabinet today. But I will very happily put on record my position—and I want to just acknowledge this is the first time I've been given that opportunity to do so—that on many occasions I have witnessed Minister Jones be both loose with his language and also be wrong, and on this occasion he was both.

Media: So what are you going to say to him when you meet him later in the week?

PM: Exactly that—that I totally disagree with him.

Media: Do you have any reason to believe that banks are reducing their exposures to the dairy sector and using coronavirus as an excuse to do that?

PM: I think it's a valid concern that we have seen an indebtedness within our agricultural sector, that we as a Government are concerned about the ongoing financial wellbeing of our rural communities. And I think it's only right that we continue to remind the banking sector of the obligations that they have to the communities that they have lent to. And none of us would want to see any rationale, any excuse, for suddenly creating a difficult situation for those farmers, which I think they have obligations to.

Media: Are you interested in the fact that finance Minister Grant Robertson over the weekend made this kind of warning, and I just wonder why he would do that and why you would do that if there was no reason to believe that perhaps banks were in fact using coronavirus as an excuse to, you know, reduce that exposure?

PM: I think it's sometimes good to get in front of things before they might occur.

Media: Back to Minister Jones, Prime Minister, you've said yourself you've had to have these conversations with him a number of times. When do you reach your limit and when do you acknowledge he's not listening to your warnings?

PM: Oh, look, ultimately, I absolutely disagree with the statements that he's made. I absolutely do. But I also have to acknowledge that he is not a member of my party, so it's going to be obviously the case that, from time to time, we will disagree. That is why we are in different political parties. And he needs to be answerable for his own opinions, in that regard. And they are his own opinions, and I'm very clear on that; they are not the opinion of the Government.

Media: Does it bring up any issues between New Zealand and India with two senior Ministers pursuing a major trade deal in India when he makes these comments?

PM: My understanding is it did not have an effect on that visit or indeed the relationship. But, actually, from my perspective, we've got to think beyond that. It's not just about the effect on the relationship; it's about the effect on our community here, and I take that very seriously, which is why I'm very, very clear I totally disagree with Shane Jones. I will be telling him that, and I will also be asking him to reconsider the way that he talks about these issues in the future, because I do not believe it is good for New Zealand.

Media: Do you think those comments were racist?

PM: I think they were wrong.

Media: Prime Minister, have you been briefed about police investigating the threat made on Sunday night against Al Noor Mosque?

PM: Only very briefly—I've only seen the public reporting, so no further detail than that.

Media: What do you make of a threat of this nature being made this close to the anniversary of the attack?

PM: Yeah, I will be amongst many New Zealanders who will be devastated to see that as we head towards the 1-year anniversary of a most horrific terror attack on the Muslim community, that they should then be the target of this kind of activity. That is hard for me to believe, and for most New Zealanders they'll feel exactly the same way.

Media: What about the fact that those threats are still being made in social media platforms when you have made efforts with the Christchurch Call—how can you actually stop this in encrypted chatrooms and that sort of thing?

PM: Actually, do you know what? This just demonstrates the work that needs to be done. Our goal collectively, though, cannot just be to, for instance, improve security arrangements for people in their places of worship, but we are doing that. It can't just be removing guns from people who have hateful ideological beliefs, although we are doing that too. We have to get back to the basics of why is it that people would feel that they can make those kinds of threats against other people's lives merely for the faith that they have.

That's not the country I know, that's not the country most of us know, but that is going to be the hardest and biggest piece of work that we have to do as a community, not just as a Government. OK, I'll just take a couple more. Claire and then Richard.

Media: It's been a year since the mosque attacks. How has that day impacted on your personally over that year, and what do you reflect on the most?

PM: I feel a huge sense of responsibility, because no one wants to ever ever see that happen in New Zealand again. No one wants to see our community attacked liked that again ever, so I feel a huge burden of responsibility to that community.

Media: Do you think it has changed New Zealand and its people.

PM: Yeah, I do. Yes, I do. That's my personal reflection. Of course, you would have to ask others for theirs, but from my perspective, from what I've seen of New Zealand, I think it has changed us in many ways, but our goal has to be to make sure that in the long term it changes us for the better. Richard?

Media: Given the travel ban's been extended for another week, there are still 4,000 students in China. Do you have any concerns over the viability of our universities if this continues?

PM: Certainly I haven't had the individual financial position of each university presented to me with regard to their reliance on the international student market. What I do know is the majority, generally, of our international students are here, and what I also know is that we have to make decisions based on the public health of all New Zealanders, and that is the basis on which we have made those decisions. We did thoroughly investigate the option of exemptions, but we were not convinced that we could maintain that priority, that No. 1 principle, of ensuring the public health of every New Zealander.

Media: So will the Government then provide compensation or revenue to offset that to universities? You said last week that they were freezing staffing and it would cost \$30 million - plus?

PM: Look, that is not something that has been brought to me, and nor is it something we have considered. Equally, of course, there are some students, I've had it reported to me—and I don't know the size of this—who have quarantined elsewhere, outside of mainland China, in order to then fulfil the expectations we have at our borders around having 14 days outside of mainland China before entering New Zealand. But I do not have numbers on that. OK? Thank you, everyone.

conclusion of press conference