

PRIME MINISTER'S PRESS CONFERENCE: TUESDAY, 14 APRIL 2020

PM: Good afternoon. It's day 20 of our COVID-19 alert level 4 lockdown. Today, I am joined by the finance Minister, Grant Robertson, who will shortly make some comments about the Treasury scenarios for our economy, which were released earlier today by the Treasury. But I want to start by recording that we have had a sad and sobering reminder of the need to stay the course, today, with four more deaths from COVID-19 in the last 24 hours—our deadliest day to date.

We always knew there would be more deaths, even at level 4, and especially in cases where the virus enters a vulnerable community like an aged care facility. It is, however, a reminder of how much worse the spread and death toll would be had we not taken the actions we have taken to break the chain of transmission. The Director-General of Health and I have spoken frequently today, and I want to reiterate the actions he is leading in an area where every country has faced vulnerability—in particular, the requirement for all DHBs to audit arrangements in aged care facilities to ensure compliance with COVID protocols and procedures. This should also help to identify any issues with supply and best-practice use of PPE. He has also initiated a review into aged care facilities where COVID has already been present. As he said, COVID-19 is present in less than 1 percent of our aged care facilities—a stark contrast to the situation in many other countries—but, as we have seen at Rosewood, we now know how devastating it can be when it gets there. The review will look at Rosewood but also the facilities where containment has been successful and we have had aged care facilities who have successfully managed to contain COVID-19. It is timely, and I do endorse the quick action taken by the director-general on this—it was something I absolutely agreed with and supported.

As I said yesterday, this is likely to be the most challenging week we face in lockdown, as we see the beginnings of success in terms of getting the virus under control and numbers coming down sitting alongside an increase in the number of deaths. Over the weekend and today, I have seen some commentary that is not unexpected—commentary that reflects our success to date in stamping out the virus as reason enough to take our foot off the pedal; it is not. As the director-general said, we are successfully over the peak. That is not the same thing as being out of the woods. In the meantime, this week, the Ministry of Health continues to undertake more analysis of the testing done to date, seeking that DHBs expand testing once again, and further strengthening contact-tracing efforts and the information around cases where it has not been possible to identify the source of the case. Now, while a small number, these cases—the ones of possible community transmission—are the most important to understand and have under control if we are to move out of level 4 with confidence.

We've also been reminded over the Easter break of the need for continued enforcement of alert level 4 rules. To give you a quick update of the numbers, to date under level 4, there have been 1,452 breaches. So far, police have made 169 prosecutions. We did anticipate this would rise over time, with the police having used warnings but progressed up the chain when those warnings had not been heard. Thousands of motorists were stopped, at 661 Easter checkpoints, and I note the road toll was zero—the last time this occurred was in 2012. Most New Zealanders understand that now is not the time to let up. We must not squander the good work that everyone has put in over the last 20 days.

I will now turn to an announcement that relates to tertiary education. As a Government, pre-COVID-19 we already had a very strong focus on trades training in particular, with vocational education reforms and two years' free trades training. The foundations for more New Zealanders enrolling in vocational education have already been put in place, but we know we will need to do much more to support tens of thousands of New Zealanders to

retrain to get back into the workforce, possibly in an entirely different job. Education will be key to our economic recovery. Today, I can confirm an immediate package of support for our tertiary students to continue and stay in their studies. We know these students often use part-time work to fund their education—work which is no longer there. They're also facing the loss of support payments due to a learning break of more than three weeks, as their providers put in place alternative forms of teaching.

That's why Cabinet has made some really practical decisions today: to help cover extra costs by increasing the student loan amount available for course-related costs for full-time students from \$1,000 to \$2,000 on a temporary basis; to continue support payments such as student loans and allowances for students unable to study online for up to eight weeks; and we've made technical changes to ensure that, where students receive partial tuition fee refunds in 2020 because their course has been discontinued due to COVID-19, this will not affect their future entitlement to student loans, and where students are unable to complete a course of study in 2020 due to COVID-19, this will not affect their entitlement to fees-free tertiary study. We do not want to see students unfairly disadvantaged from discontinued courses. This gives flexibility during the lockdown period and for four weeks beyond. The extra support will be available from tomorrow.

The Minister of Education, Chris Hipkins, will release more detail, but I know he would want to thank all those in the sector, particularly student representatives, who have fed in their insights and supported their fellow students. I thank you too and particularly want to acknowledge the other work that students are doing at this time to help our most vulnerable, including, I'm told, the Student Volunteer Army's contactless food ordering and delivery services for over-65s, the medically vulnerable, and families of healthcare workers or healthcare workers themselves. Of course, tomorrow's officially the start of term 2, and I want to also thank our teachers for putting in place the distance learning to help parents during the start of the school term under lockdown. I think we're all doing a bit of learning at this time; hopefully having Suzy Cato back on our tellies will lighten the load for many. I'll now hand over to Minister Robertson for an update before taking questions.

Hon Grant Robertson: Thank you, Prime Minister. Today, the Treasury released a number of scenarios for the possible impact on the economy based on potential different times spent at different alert levels, the state of the global economy, and the level of fiscal response from the Government. They cover a wide range of scenarios based on previously released public health modelling and lead to a wide range of potential outcomes. It's important to note that these are not like normal Treasury forecasts or even projections; the comparative data points we use for those are just not there. They are, rather, stylised examples of what the impact might be in different scenarios. They also do not foreshadow any Government decisions to exit the lockdown; these will be made, as the Prime Minister has announced, on 20 April.

These scenarios show the Government was right in our decision to go hard and go early in the fight against COVID-19, and they continue to show that the best protection for the economy is to fight the virus. As the Prime Minister has said, we can all be cautiously optimistic about the impact of the work we're all doing. But some of the forecasts show what could happen if we don't stick to the current alert level 4 rules or if we have to stay in it for longer or return to level 4 at some point in the future. The scenarios also show just how important the Government's actions to date, such as the wage subsidy scheme, have been in cushioning the blow of the impact of COVID-19 on the economy and why there is a need for further significant investment to support businesses and households, as we have signalled that we will be doing.

As you can see in the two scenarios 1A and 2A, how important it is for this continued investment to protect jobs and support businesses. For example, under scenario 1, unemployment peaks at 359,000, or 13.5 percent, in the June 2020 quarter. Scenario 1A includes an extra \$20 billion of Government support for workers and businesses and shows unemployment peaking at 224,000, or 8.3 percent, in the current quarter before reducing to 5 percent next year. Importantly, in scenario 1A, with that additional Government

investment, unemployment is only above 200,000 once in the quarter that I have mentioned. This shows the importance of us continuing to invest, and, as a country, we are in a good position to be able to do so. Our net debt, at less than 20 percent of GDP, compares favourably to the OECD average of above 70 percent. We begin this journey from a strong starting position. We are continuing to work on the next stages of our support for New Zealand businesses and households, and tomorrow I will talk about our next steps in our plan to support businesses.

PM: Thank you, Minister Robertson. Happy to take questions.

Media: Minister Robertson, where will you target that next cash injection—that extension of the fiscal stimulus that you've signalled will be significant?

Hon Grant Robertson: Well, what we'll be announcing this week will be in the area of further support for businesses and, in particular, looking at how we use the tax system to continue to support small businesses particularly. Beyond there, our focus has to be on how we position for recovery initially, and I've mentioned before when I've been here the different sector packages that we're looking to develop to be able to support those sectors that are particularly affected. We're also looking into what comes next after the wage subsidy scheme, and, obviously, the front-loading of that scheme was important. A 12-week lump sum payment gives both businesses, workers, and ourselves time to plan and prepare for those next steps. So we're continuing to look at what we can do to support households as well as what we can do to support businesses and in particular sectors.

Media: And, Prime Minister, with the news of 200 jobs being cut at NZME today, do you feel the Government is acting fast enough to support the media sector?

PM: I think one of the points, of course, that's been raised is that, whilst COVID may not be entirely responsible for some of what we're seeing in some places, it's exacerbated existing issues. We are looking at bringing in a response to that very shortly, but, really, the first stage will be triaging before we then look to longer-term solutions that take us beyond the COVID environment we're in right now.

Media: Has the Government left it too late to respond given these existing issues?

PM: And again, what I would say is that, when we have, for want of a better turn of phrase, you know, issues that have pre-existed before COVID, we've got to make sure that we're supporting, ultimately, a sector that can continue to provide for the public, make sure that there is robust journalism, contestable information and advice to the public, and this highlights the kind of environment where that's really necessary but, at the same time, where advertising revenue can also disappear. So, yes, we will be moving quite quickly. We have been in regular contact with large media outlets around what we're working on, and they've given us a sense of their status, and we've of course had that in mind as we've worked up those packages.

Media: On that scenario 3 that the Treasury's put out, what assurances can you give New Zealanders that it won't come to that?

Hon Grant Robertson: Well, it's not a scenario that I foresee at all, and, certainly, that level of unemployment would not be acceptable to me as the Minister of Finance nor, I'm sure, to the Prime Minister. I simply don't see that scenario playing out, but it is a good indication of why it is so important that we stick to the rules and we emerge from level 4 as soon as we possibly can.

PM: The whole point of a strategy of going hard and going early is so that we do not have prolonged periods, as the Treasury has run scenarios on, of being in lockdown, and we can see overseas countries that are in lockdown at the moment that are extending for very long periods of time. The reason we moved quickly was to avoid those situations.

Media: So are you committing to the scenario where New Zealand's unemployment stays roughly below 10 percent? Are you promising that now?

PM: Oh, ultimately, all of us want unemployment to be as low as possible. What we're simply ruling out is the idea that we would be in lockdown at level 4 for six months.

Media: Minister, how sobering were those numbers, looking through those scenarios today?

Hon Grant Robertson: Oh, look, I mean, what they show is the significant impact that COVID-19 is having on not only our economy but the global economy. And it is important to note that the variables that Treasury used when they were preparing these scenarios were not just how long we are in each alert level; it was also what state was the global economy in and how much fiscal input would the Government have. So they're extremely sobering. The point is we have already put in significant resources—around 6.3 percent of GDP—into our recovery and response plan, and there is more to come. And we've signalled from the beginning that the package we announced, I think, back on 17 March was only the first stage. We've continued to roll out more, and there will be more to come.

Media: If things go well, when do you think the economy could bounce back from this?

Hon Grant Robertson: Well, again, I mean, you can take a look at the scenarios that are here, and you can see in that scenario 1, for example, in 1A, that things do come back relatively quickly as we move out, but, clearly, there'll still be restrictions on the economy at level 3 and some at level 2 as well. Also, there are sectors of our economy that we all know will be fundamentally changed from this, such as tourism, as we've discussed before. So those impacts will last over a period of time. The great news for New Zealanders is that we are in a strong position to be able to invest significant resources in supporting households, in supporting businesses, and other sectors to get through this.

Media: Minister, is scenario 1A the most likely one, or the central one, you're working on for the Budget?

Hon Grant Robertson: These are just scenarios that the Treasury has developed in a stylised form, based on a set of assumptions. I wouldn't ascribe any of them to a particular point in terms of the Budget process; I would just indicate that the Treasury has endeavoured to do what many people have asked: to try and sketch out what the impact on the economy would be with those different variables in place. We'll produce the Budget on 14 May.

Media: Would that \$20 billion response be something that you'll be talking about this week or in the lead-up to the Budget?

Hon Grant Robertson: Oh, certainly, we'll talk more in the lead-up to the Budget of the kind of response we're looking at. I think you've seen, from what we've already done in terms of the investments we've made across the board, from the wage subsidy scheme through to the tax changes and the support for vulnerable people, that we're prepared to spend the money we need to to get New Zealanders through this. We do that with an eye to our long-term health of our economy, and we'll, at Budget time, be able to announce the full details of that.

Media: That scenario is the most optimistic one—it has unemployment peaking at about 8.5 percent. So I guess the million-dollar question is: how likely is it?

Hon Grant Robertson: I think that's probably a billion-dollar question nowadays rather than a million-dollar one. We're working towards making sure that we keep unemployment as low as possible. The whole point of the wage subsidy scheme has been to keep people connected to their jobs. We now want, as we move through the different levels of the framework, to be able to establish more economic activity, have people coming back into work, and, at the same time, working on those recovery plans that start to redeploy people to different industries, retrain people. So our belief is that, if we execute our plan, if we stick to making sure we're supporting businesses and households, we can come out with a good outcome for New Zealand. Certainly, one of my main reasons for being in

politics is about keeping people in work and jobs, and so I will make sure that whatever we do is focused around that.

Media: The family of a man who died at Burwood last night, part of the Rosewood cluster, wants to know why they couldn't put on PPE gear and be with him in his final moments.

PM: And this is one of the devastating effects of COVID—that we are losing people to it, and loved ones aren't being given the chance to be with them when that happens, but that's because we don't want to lose more people. PPE is not failsafe, and, ultimately, I need to rely on clinicians making those incredibly tough decisions, because I know that I would find it incredibly difficult to tell a family member that.

Media: Um—sorry—

PM: No, I will come back to you—no problem. I do worry about your sleep at the moment, though, Jason.

Media: Sir David Skegg says Cabinet could be playing Russian roulette with Kiwi lives by making a decision on the COVID-19 lockdown, especially if we don't ensure rapid contact-tracing and complete surveillance testing. How confident are you that we won't be in a risky, unclear position come Monday?

PM: So, two quick things. On contact tracing, we absolutely agree with the imperative that our contact tracing has to be second to none. We had Dr Ayesha Verrall come in and undertake that audit around our contact tracing for that very reason. There is more work for us to do off the back of that, because it will continue to be a critical part of our response. So I don't disagree with David Skegg on that. On the second point, around the knowledge that data and testing brings us, you will have seen now the Ministry of Health is making available that at a regional level. The Director-General of Health has gone out to DHBs and reiterated once again that we want to up the testing that we are seeing in particular regions, and so is even saying, "Look, if someone presents with a runny nose, test them." Basically, test the people who are coming through with sore throats. Regardless of whether they have a cough, test them so that we can continue to build that data. What we're not saying at the moment is test someone who has absolutely no symptoms, randomly, and that seems to be the consistent advice from all medical professionals. Jason, I'll come back to you.

Media: So, Mr Robertson, this morning you said that any additional spending would have a wellbeing lens. Could you go into some detail about what that actually means in a practical sense?

Hon Grant Robertson: I'm sad that, Jason, you don't recall the last two years of Budgets in that regard. What that means is we look not just at our financial wellbeing but also our wellbeing as people, what the Treasury like to call human capital; the environment: natural capital; and the strength of our communities: social capital. And I think you can see, in terms of the impact of COVID-19, why it's necessary to do that. Absolutely there's a focus on the economy—getting people back into work, getting jobs going, getting productive investment infrastructure under way—but there's also the impact in the other parts of our lives. The Minister for Arts, Culture and Heritage has been very keen to make sure I'm aware of the impact on the arts sector; the same within the sports sector. Right across our society, we are seeing these impacts; so the approach we're taking as we look towards the Budget is not only just about rebuilding those core economic ideas; it's also about the society we want to live in.

Media: Prime Minister, are you comfortable with the level of information you've got—you're confident you won't be playing Russian roulette next week?

PM: Oh, we of course have to make a decision that we can have confidence in, and we have to have confidence that we won't be squandering all of the work and sacrifice that has gone into the past 20 days by New Zealanders. I don't take lightly that decision. We'll

keep making sure that we're doing everything we can to have the best data available, and, as I say, we won't take that decision lightly.

Media: Can I just ask a question about the tertiary support package—the \$98 million in capital expenditure. What can we expect to see there?

PM: Sorry, can you start from the top.

Media: The \$98 million you announced for capital expenditure for the student tertiary package.

PM: Yes, that will be the way it's accounted for by Treasury.

Hon Grant Robertson: It's because the student loan scheme counts as capital within our accounts, because we will get it back eventually.

PM: So that's just a simple accounting quirk, but it's, essentially, the student loan scheme and the discretionary opt-in option of the additional loan facility then getting \$2,000 rather than \$1,000 for course-related costs.

Media: Prime Minister, a lot of iwi have substantial capital, especially those that have already settled their Treaty settlements. This could play a big role in stimulating the Māori economy post-lockdown. What will the Government be doing to help provide support or work with those iwi and rūnanga to help stimulate that Māori economy?

PM: Yeah, and this is where, you know, in a post-COVID environment we do need to start thinking about what New Zealand's economy will need to look like in order to make the most of what will be often the domestic opportunities we have, but also some of the trade opportunities that will emerge as well, particularly in food production. So that's where we as a Government need to work at that iwi level to make the most of the thinking we're doing now around what the future of New Zealand's economy will look like in a post-COVID world. And so that's something where we're looking to reach out. We're doing it sector by sector, and I'd expect us to do the same with iwi.

Media: Prime Minister, can you say why surveillance testing has not yet started? I know there's complications with less face to face contact, but it's been four weeks since—

PM: Yeah, again, this is where I'd say it's the same thing. So I think, because of sentinel testing, there's been an assumption that, unless it has that title, it's not happening. Sentinel testing actually happens at a much smaller scale than what we're doing with our testing at the moment through COVID-19. My recollection is that it's in the low hundreds—maybe 200 tests—and so, of course, the quantum of data that we're getting through COVID testing and the proportion of that that is negative really is giving us a form of surveillance around our wider community. What we're finding, though, is that we need to enrich that data in areas where we might not have as much testing—so areas where there haven't been a lot of cases, we haven't had as much testing happening—which is why the director-general has now gone out to those areas and said, "Actually, don't wait for a cough. Don't wait for a temperature. If there's a runny nose, test. If there's a sore throat, test." These may just be coughs and colds, but let's enrich the data we have in the same way that we do with sentinel testing in normal circumstances, but on a much larger scale.

Media: Will the Government be taking any action against *Ruby Princess* based on the legal advice you requested from Crown Law over a week ago now?

PM: I'm still waiting, and, of course, as you would imagine, formulating legal advice that may lead to a wider investigation will take a bit of time, and so that will need to—of course Crown Law will need to engage with Customs in particular. So that's not something I've got a final response on yet.

Media: But you're not ruling out the prospect of taking legal action against—

PM: No, I haven't ruled that out, and that's the reason I asked for legal advice in the first place.

Media: We've spoken to business owners who say that their rent is going to go up by 15 percent as soon as the lockdown ends. Why haven't you acted on commercial rents yet, and will you implement a rent freeze like you did with residential tenancies?

Hon Grant Robertson: Well, the first thing I'd say is, if we have examples of the commercial landlords who are doing that, then we need to call them out. At the Epidemic Response Committee this morning, the chair of that committee gave us the name of a company. I don't know if it's the same one that you're talking about, Jenna, and I regard that behaviour as not in the spirit of what we're doing. We will have more to say about the question of commercial leases, but overall we are seeing good cooperation and collaboration between landlords and tenants in that regard.

Media: You're, obviously, releasing some more guidance on a move out of lockdown, the lowest levels, later this week. Mr Robertson gave a good steer today, I think, around the principles-based approach for businesses. But, on the social community side of things, can you give any sort of initial indication of what that might look like in terms of being able to travel around—households that may have been separated into different bubbles because they couldn't reach each other before the lockdown? Will there be flexibility around that?

PM: And these are all things, of course, that, as you can imagine, we are thinking about and working up as part of the advice that will go out on Thursday. But, keeping in mind, as I've already signalled, alert level 3 still does have considerable restrictions. It is still a level where we are trying to reduce down the amount of contact—social contact—with people to a significant degree, and, in large part, that's, of course, because, if we do have outbreaks, it's about making sure, within that alert level, they are as contained as possible, because alert level 3 is still at a place where there's risks of community transmission. So if you think about that principle, as you can imagine, we will still have guidance that really does restrict wider social engagement. But we do want to think about people's mental health and wellbeing; so that's part of our thinking, too.

Media: What guarantees can you give about pay cuts and job losses in the public sector, and is there an argument for some public servants to take a pay cut seeing as so many in the private sector are?

PM: When it comes to the public sector, of course, we need to keep in mind that many of them are currently our front-line workers and make up a huge part of our essential workforce. And a significant number of them are also offering up and redeploying themselves within different parts of the sector where there's demand. And so they are a very important workforce to us. I know that they'll be looking out, though, at what's happening around them. We are not proposing here that anything happens to their wages, but I know that they will be feeling acutely that, if they are in the public sector, that puts them in a position that many other people are not.

Media: When it comes to rebuilding the Government's balance sheet following this crisis, are you willing to relook at things that you've previously ruled out, like raising the super age, and the CGT and other things like that?

PM: No.

Media: Just following on from Sam's question, is it fair to say that big social gatherings—the ban on big social gatherings will be the new normal given that a lot of those clusters originate from, as you say, these normal social outings and the ban on 500 people outside is still there at alert level 1?

PM: Yeah. And, you know, one of the, of course, ongoing things that we'll all experience are restrictions at our border and very managed gatherings at every alert level. So I think the thing to think about in the longer term—and for those who do work in the space of events and so on—is have a think about how you can structure your business in such a way that we can always find people if we need to, because that is going to be a critical part of our ongoing response—contact tracing. If you put on an event, can we find

one person in that event and their contact with, say, 20 people around them? If you can't, that probably says you need to reshape the way you're doing things.

Media: It's also like physical distancing—like a music festival, for example; you can't have 2 metres of physical distancing. Certainly, weddings probably wouldn't be able to happen unless there were unusual arrangements. Can people sort of forget doing that for the time being?

PM: Physical distancing, social distancing, will be with us for a long time. Now, of course, we keep those big distances when they're complete strangers. When we have more controlled environments, then that becomes slightly more manageable—and think about that in terms of the way we look at schools, for instance. We know who's there; so we can manage if we have problems with social distancing. But, at the same time, it needs to be part of our every day.

Media: I've just got a question about the wage subsidy. So, if a company applied for the wage subsidy, got it, and then went under—and had received that subsidy—would there be a scenario where they would have to pay that back? How would it work?

Hon Grant Robertson: Yeah, so at the moment what we've said to companies—not necessarily those who completely fold, but those whose circumstances change—that money is there to pay the wages of their staff, and it should get to their staff in the first instance. We're not in the business of chasing down companies to try and get money back; it should be paid on to their employees.

Media: Prime Minister, we have strict controls on essential businesses but today MBIE have quietly released advice saying that golf course greens keepers are now essential workers. How can you maintain that?

PM: The Minister for sports would probably like to respond.

Hon Grant Robertson: Oh, I don't think that's been quietly done; I think that was telegraphed well and truly last week. Clearly, this is an issue where we've had a particular call from the community around the assets that are available in terms of bowling greens, golf courses, other turf, non-plantation nurseries, where there is a huge risk of an enormous loss of those facilities to the communities and also in terms of the economic impact of that. So we worked that through, and we've come up with a method by which that can be done safely, following all of the public health guidelines.

Media: But how do you square that circle with the public when, you know, you've got this sport for rich white guys—now they get their greens keepers—and you've got a whole lot of people that want to go back and can't?

PM: Keeping one thing in mind: councils, for instance, are doing this kind of maintenance as well, and the fact that you can have a singular person has been of course part of that public health messaging, and also one of the reasons was, even from the beginning, for councils and things the Ministry of Health acknowledged right from the outset that you didn't want scenarios where you had rats or other pests congregating because you weren't doing basic routine maintenance, and so that was the basis on which councils have already been able to undertake that kind of maintenance work as well.

Media: Prime Minister, students say a one-off loan doesn't do enough to cover the cost of living. How are students who have had their income cut supposed to get by?

PM: Well, another point I would make is that, of course, even if they are casualised staff, they are eligible for the wage subsidy as well; it also accounts for part-time staff. So I would, again, really just implore employers: where they have had staff—particularly who may be students who have been reliant on that income—remember the wage subsidy is there for them, and it should be passed on to that group.

Media: Because student unions are asking why the students have to take out loans when other interest groups get straight-up subsidies?

PM: What example would that be?

Media: Um—

PM: So I guess the point I'm making is that, if they're referring to employers as an interest group, those are employers who employ students. They should be getting that wage subsidy so that they can pass that on to those students who may be in that students, in the same way they do with any other employee. So this is not the only form of support that students who may have lost work should be able to access. The other point is that they are also able to access support through MSD hardship, and my understanding is that they have been doing that. So that's equally available for them as well—this is in addition to that.

Media: Are you going to offer any additional support for businesses for paying rent—so over and above the wage subsidy? Because, if they can't pay their rent, there's no point in having the wage subsidy—they're not going to employ people.

Hon Grant Robertson: Yeah, look, as we've said from the beginning, that was our first step. We continue to work on what is possible to support small businesses in particular to get through this. There's ongoing work. There will be further announcements—some of those will be made this week.

PM: Ultimately, people, of course, should continue to access their banks as well.

Media: Māori healthcare providers are reporting that they're not being able to access part of that \$30 million that was put aside. Can you give any detail—a breakdown—on where that money is going to go and when they can expect to receive it?

PM: Broadly speaking, I'm told that within the next two days elements of that package will begin to be paid out to those relevant providers. Important to make the point, though, that it is not just simply a blanket payment for all iwi providers, but rather those that are providing, for instance, clinics, outreach, and are part of the COVID-19 response. OK, I'll take the last two—Bernard and then Ben.

Media: Are you concerned that one of the responses from business is across-the-board pay cuts, and that this might create expectations of permanently lower wages or some sort of inflationary—

PM: I don't know why you're asking just the Minister of Finance; I have a pretty strong view on this as well. Shall we both have a go?

Hon Grant Robertson: You have a go, and then I'll have a go.

PM: You know, I think that, at this time, it's about leadership, and if ever we've got a time to perhaps close some of the inequalities that exist, now would be that time, and so let's show leadership at the top, and not ask those on some of the lowest incomes to carry that burden. Minister Robertson?

Media: Are you taking a pay cut, then, Prime Minister?

Hon Grant Robertson: No, I don't have anything to add to that.

PM: I'm not making any announcements today, but as you know, this is an issue we have been considering. Ben?

Media: On behalf of Interest, only two—I think it's to you, Mr Robertson—of Treasury's seven scenarios consider the impacts of more Government spending, and this is despite the Government making it quite clear for some time that more spending is coming. So you're happy with the analysis, or do you expect Treasury to do more robust analysis?

Hon Grant Robertson: Look, I think it's a pretty tough call on Treasury to say that the analysis should be more robust. As I said before, we don't actually have the kind of data points we would normally have when we're doing forecasting; so they've taken on both different alert levels, also with the state of the global economy, and, as you say, two examples with extra Government spending in them. I can just reiterate my point: we

understand we need to support New Zealanders, businesses, and households through this. We've already done that significantly, and we have committed to doing more.

PM: OK. Thanks, everyone.

conclusion of press conference

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