

POST-CABINET PRESS CONFERENCE: MONDAY, 2 JUNE 2020

PM: Kia ora koutou katoa. Good afternoon. Welcome to day 20 of alert level 2, and day 11 without any new cases of COVID in the country.

This is another busy week for the Government as the economic recovery from the virus continues. Parliament today is sitting, and so, obviously, I'm present and will be again tomorrow. Tomorrow, I have my regular meeting with the Farming Leaders Group, where I'll be checking in on the sector's response to COVID, job opportunities in the agricultural sector also for those displaced by the virus, and just generally a look at the health of our exporters. On Thursday, I will visit Kaikōura, with the Government's tourism recovery package as a focus. And, on Friday, I have an economic recovery related visit in Auckland.

Today, Cabinet discussed in very broad terms our alert level decision-making timetable. The good news is, as I have flagged earlier today, we are ahead of schedule. Previous advice and modelling had assumed a more persistent and potentially longer tail of cases, which, under our significantly more open settings at level 2, especially with the large gathering sizes we have in New Zealand compared to other countries, posed a real risk of further spread—hence our caution to date. Many other countries have experienced spikes in cases when lockdown restrictions have been eased, and that is what we have been keeping a close eye on at level 2. So far, that tail or spike has not eventuated, and there is increasing optimism that we will not see any cases within the transmission cycle since moving to level 2. In fact, as of today, we have had only one case of COVID recorded in the country while, at the same time, having some of the most relaxed settings in the world—at least, according to Oxford University.

Our strategy of going hard and early has paid off, and in some cases beyond expectation and what modelling and data had predicted. Therefore, because of our team of five million's extraordinary commitment to beating COVID, that means we have the enviable situation of having choices, and we could well be in a position to move to level 1 even earlier than planned. I can confirm that Cabinet will now fully review the alert level settings at its next meeting, on Monday, 8 June. If, and only if, there are no further unexpected cases over the coming days, then we could be in a position to move to alert level 1 that week. I'll be providing further details of alert level 1 this week, in terms of what it looks like. But, in short, the last remaining restrictions on physical distancing and restrictions on mass gatherings are removed, though we will need to maintain strict border controls to prevent any new infections arriving from overseas. And, moving to level 1 so soon, we will be one of the first countries in the world to have experienced a COVID outbreak and then returned to that level of normality so quickly. And I think our team should feel very proud of that. For now, however, there is a risk we need to continue to monitor. With crowd sizes only moving to 100 over the weekend, we will keep an eye on numbers through this week, especially the end of the week, to see if new cases come through, and we will also be looking closely at the results of testing of people with respiratory symptoms to see if any of these infections are due to residual COVID-19 in our communities—and keeping in mind, again, the ongoing caution we have due to the issue of asymptomatic transmission.

Today, education Minister Chris Hipkins joins me to set out the details of the free trades training and apprenticeship package announced in the Budget. Supporting New Zealanders who lose their job because of the virus is at the heart of our economic response. There have already been significant job losses, and there will be many more in the coming months. Unfortunately, the economic damage caused by the virus is something that every country is experiencing and not something we can avoid. However, we can avoid leaving people behind, and we can ensure New Zealanders and their families are supported. You will have heard me speak before a number of times of my memories of big job losses in the

'80s and '90s, when unemployment was also high. That memory is etched in my mind and informs my values and decisions today. That's why the Government is so focused on job creation at this stage of the recovery, creating opportunities for those without work to move into something quickly; however, for many, that will require retraining and getting new skills. So this trades package is an important part of our overall plan. It's about ensuring people can acquire skills and get jobs in the parts of the economy critical to our COVID rebuild and can do that for free, which is why we are announcing today that the package set out in the Budget will mean any form of apprenticeship will be free from 1 July this year.

This is a direct help to small businesses thinking about taking on an apprentice, and also ensures we're incentivising even more people entering the trades that we have skills shortages in. The theme of the Budget was "Rebuilding Together" and this investment in those who have lost their jobs and in the businesses taking on apprentices shows that plan in action—businesses, workers and Government working together to create jobs and fill skill shortages.

Hon Chris Hipkins: Thank you, Prime Minister. The Trades Training and Apprenticeships Fund will support learners of all ages to undertake vocational education and training at no cost. The fund will initially target support for areas of study and training that will give learners the best opportunity to gain employment following COVID-19. Apprentices working in all industries will have their costs paid, and high-demand areas including regional New Zealand will be targeted. We know that, as a result of COVID-19, many New Zealanders will be looking to retrain and people will be needing to upskill as they seek redeployment. We're working very hard to connect both sides of that equation by making this process as simple and as practical as possible. So this is designed not just for school leavers but for people of any age who are looking to change employment and retrain as the circumstances in their life have changed.

Every course is different, but the cost for learners at tertiary providers, or industry trainees and apprentices, can be between \$2,500 to \$6,500 per year, and we will be covering all of that cost. Apprentices and learners whose course started earlier this year but continues beyond 1 July will be eligible for a partial refund for the period beyond 1 July. We're moving very quickly to put this in place by 1 July, recognising the fact that we need to respond to the changing nature of the labour market. The fields that we will initially be covering include all of the primary industries and the building, construction, and civil engineering industry; community support, which includes things like youth work, care for the elderly, counselling, and community and mental health; manufacturing and mechanical engineering; and technology, electrical engineering, and road transport. Of course, we know we've got some skill shortages in areas like truck driving and bus driving that we can fill reasonably quickly if we can train people quickly enough for those. For 2021, we will refine those initial areas as we better understand how COVID-19 has affected the overall work force. This package sits alongside the employer apprenticeship subsidy scheme, which we'll be announcing more details of shortly. Prime Minister?

PM: Thank you. Right, questions. Yeah, Barry?

Media: Prime Minister, given the widespread protest yesterday and the thousands of people around the country, hasn't the Government effectively lost authority when it comes to restrictions on crowd size?

PM: No.

Media: Well, why not?

PM: Well, obviously we've put in place the rules, it's up to the police how they determine to enforce them. But just as we had some rules broken in alert level 4, it is no reason for us to abandon what are restrictions that have been put in place for the health and safety of all New Zealanders.

Media: Shouldn't the police—the police's job is to enforce these regulations. They didn't do their job yesterday.

PM: And that is their job, and so I will not be passing comment on what is their job. Those are operational decisions for them,

Media: Prime Minister, why didn't the Cabinet decide or make a decision on whether to move to level 1 today? Why are you postponing it to next week given that we've had zero consecutive cases for as long as we have?

PM: And, of course, we only moved to mass gatherings of 100 or more on Friday, and all the way through this we have said that what is best for business is getting our response right—that once we get to level 1, we want to stay there, and keep in mind that there is still concerns amongst the scientific and health community around asymptomatic transmission. So this is about a balanced decision. We have brought it forward, but not so far forward that we risk the gains we've made.

Media: Dr Bloomfield isn't recommending that those people who attended the protest self-isolate or anything like that, haven't we basically—isn't that giving the people license to flout the rules now?

PM: No. No it's not. Of course, you're asking for his health advice on what was required now, and, of course, he's making risk-based assessments that are for the health professionals, but, of course, he also maintains the view that we still need to keep restrictions on mass gatherings at 100.

Media: What do you think of your deputy campaigning to move to alert level 1 earlier?

PM: Oh, look. That's a view that the Deputy Prime Minister has expressed to me both privately and publicly. He had a view that we should move as of Monday. Obviously, my job is to balance, of course, all of the advice that we receive from the scientists, who remain concerned about moving at a pace that can ensure that we don't go backwards. So my job is to build that consensus.

Media: [*Inaudible*] agree to disagree measures in the *Cabinet Manual*?

PM: Again, as I've said, we had a consensus decision, although there was an alternate view presented by some members at the Cabinet table.

Media: Do you think the Deputy Prime Minister breached Cabinet confidentiality by revealing whether or not this was going to be discussed in Cabinet today, and also with his discussion about what he thought versus what was decided?

PM: No. Again, having seen some of the comments, I don't believe that that is what's happened here. There was some confusion last week when he was actually referring to comments I had already made in the public domain that was assumed to have been comments I made at Cabinet. But no, I do not believe he has.

Media: Is it a confusing message, though, when you've got the Deputy Prime Minister—yes, he wears several hats, but he is the Deputy Prime Minister—sending a message we should be at level 1? Doesn't that just create confusion?

PM: And I think we should be fair here to the Deputy Prime Minister. He does have a different view, and he has been open about that view. He is, however, not advocating that anyone break the rules that are currently in place. The rules are there for a reason. The rules are there to ensure people are kept safe and well and that we don't go backwards. Once we move to alert level 1, which we are potentially on track to do—sooner than almost any other country in the world—the most important thing for our economy is we don't go backwards.

Media: Isn't it an important time when Cabinet should be speaking with one voice?

PM: And often there will be differences of opinion around the table, but, ultimately, we have formed consensus. There is a balanced position here that is about making sure we do not slide backwards. That would be the worst thing for our economy possible.

Media: Have you been happy with the Deputy Prime Minister's conduct through this most recent alert level? Do you feel that, regardless of whether or not he's breached the letter of the *Cabinet Manual*, do you feel that he's acted in good faith?

PM: Ultimately, I was aware of his view, and I was aware that he intended to share that view publicly. It will not surprise people in this room to know that from time to time, the Deputy Prime Minister and I will take a different view, and colleagues around the Cabinet table will take a different view.

Media: Isn't the message from Ashley Bloomfield today that there's no need to self-isolate for any of these protesters effectively saying the 100 gathering limit is—

PM: No.

Media: No. Well, why not?

PM: I've already explained an answer to that, Barry. Of course, Ashley Bloomfield has not changed his views that the cumulative risk of mass gatherings above 100 when we still run the risk of asymptomatic transmission is not advisable at this stage. It does not, however, translate that he's therefore asking everyone who may have been at a mass gathering to then self-isolate. It does not change his view that there is still too much risk for us to have large-scale gatherings at this stage.

Media: Prime Minister, do you think Donald Trump is racist?

PM: It's not for me to make conclusions about other people's characters, particularly of other world leaders. It is my job to make sure that we reflect our values in New Zealand.

Media: Do you have a personal view on it, though? Do you think New Zealanders—

PM: I have a view on the incident, which I've already shared.

Media: On the issue of racism in America, is it time for us to have a look in our own backyard and the systemic racism within our own police towards Māori?

PM: It is our duty to constantly look at our own backyard, and we should never shy away from that. Of course, you have seen the police going through a journey of addressing a number of issues, including whether or not they have enough diversity within the police force. That is an area where they have been making gains, but I don't think our New Zealand Police—or even, indeed, New Zealand—would ever claim perfection, but they would say they have a job to do.

Media: We've seen examples for the—the ART, for example. You know, that was conducted in highly populated Māori and Pacific communities on the back of 15 March.

PM: Yeah. So the armed response trials were trialled in Auckland, in Waikato, and Canterbury. Obviously, that was a decision made by the police. That did not stop Ministers and MPs expressing concerns that they had with those trials. They were trials. They've now ceased. I know the commissioner is waiting to make a judgment on what happens with their future, and we have inputted into that, in the same way that I know many communities are too.

Media: Thinking internationally, I think it's only Taiwan and Japan of the developed nations who have had fewer restrictions on gatherings than New Zealand. Is there some frustration from you that other people, mainly the Deputy Prime Minister and the Opposition leader, aren't taking a more rounded approach?

PM: Oh, look, you know, for the most part New Zealanders, and what they'll be experiencing day to day, is actually very close to normality, you know, with the exception, of course, of those who may attend mass gatherings on a routine basis, like our faith community. Most New Zealanders will feel like life feels relatively normal to them, and that is actually a reflection of the fact that we have broadly opened up the economy. Roughly, about 5 percent down on what you'd usually see, and so for most people, it will feel pretty

normal. It also won't surprise you to hear that as the Prime Minister in a Government with three parties, I am used to differences of opinion.

Anna, and then Justin.

Media: Do New Zealanders get enough sick leave?

PM: This is an issue that I've heard in recent times representatives from the Council of Trade Unions raise. We are not currently reviewing sick leave provisions. We did make specific provision, though, for the extended periods that COVID may represent, so we have been mindful of the circumstances we're in right now.

Media: Is five days a bit meagre, though?

PM: Again, it's not something that we're specifically looking at at this time, but we did make provision for the fact that COVID can represent a long period of leave for those who have it.

Media: Border restrictions are going to continue under level 1. Are you concerned that there might be the appearance of two tiers appearing at the border now with this American crew who came in? It was 60 people. They were able to charter their own jet flight to where they—

PM: I don't believe it was quite that number, but—sorry, continue.

Media: Yeah. They were able to charter their own jet flight to where they wanted to fly. They didn't go into a Government-run hotel; they rented suites in a luxury hotel. Are there now two systems?

PM: It was still Government-approved. The Ministry of Health still maintains oversight of anywhere that someone is using for quarantine purposes, and they are still monitoring and providing the security around that because we have to maintain the integrity of our border. So that's the first point. They are paying for their accommodation costs, though, and I should add that. The second point to make here is that of course we have a dual process at the moment. We are providing exemptions for those who, for humanitarian reasons, for connections to loved ones, are applying to come in outside of those who are already able to come in. So citizens and those with residence class visas can come in; others can apply. We've had over 2,000 people coming in for those reasons, and it's more like 150 for economic reasons. So you can see we're trying to manage both at the same time.

Media: Prime Minister, are you satisfied with the—

PM: Oh, I should correct myself there—over 2,000 approved. They may not have necessarily come in yet.

Media: Are you satisfied with the length of time it's taking at the moment for people to get tested for COVID-19?

PM: No—no, and I should add that's not because of the processing but because of, sometimes, how long it's taking for stoic New Zealanders to determine they should have a test. Every day someone has symptoms and doesn't get a test is a day we lose for contact tracing. So I cannot enforce enough how important that is for the success of our contact tracing regime.

Media: But we're meeting that process requirement of 80 percent of swabs in 48 hours?

PM: Yes, for the—now, keeping in mind, of course, since we've been scaling up the system, we've been in lockdown and then eased lockdown, and we've had very few cases. But, yes, I have confidence in those elements of the system. Where I still have concerns is the time we're losing when people are making decisions over getting a test.

OK, I'll just check whether or not anyone—you know, I'm getting a repeat of—yep.

Media: How likely is it, Minister Hipkins, that international students will be allowed into New Zealand either under level 1 or 2?

Hon Chris Hipkins: We're currently working with international education providers to discuss what a quarantine arrangement would look like for international students coming into New Zealand, so we're working as quickly as we can there to give them as much certainty as possible. But the key test will be: we've got to have robust quarantine arrangements in place before we would look to open the border for incoming international students.

Media: And what assurances can you give or would you need from universities before allowing them to bring, potentially, thousands of international students here?

Hon Chris Hipkins: Well, among other things, that there's a very robust quarantine arrangement in place—I mean, that we're not risking the significant gains that we've made over the last two months by, potentially, bringing in people who might spread COVID-19 by coming through the border.

Media: So that's the key thing—just the quarantine?

Hon Chris Hipkins: That is the key thing.

Media: How much—

PM: Last question.

Media: How much should we read into those test numbers? They are really low—yes, it was the long weekend—

PM: Yes.

Media: —but is that because people aren't feeling nervous any more?

PM: We heard—I don't think it would be fair to judge based on a weekend or a long weekend. We saw, even much earlier on over Easter, a significant dip, and, actually, you see the same thing happening over the Ditch, as well. So let's wait till we get through the weekend period to see what kind of uplift we see, but we are proactively seeking from the Ministry of Health that they are still going out and continuing testing at high-risk areas such as our border to keep up that number of tests that we have. And I still encourage New Zealanders, if you feel sick, if you show any symptoms, please do get a test.

OK? Thanks everyone.

conclusion of press conference