

## **POST-CABINET PRESS CONFERENCE: MONDAY, 20 JULY 2020**

**PM:** Kia ora koutou katoa. Good afternoon. This week I am in the House on Tuesday and Wednesday for our final sitting block of this term, which will see several important pieces of legislation, including pay equity, passed into law.

On Thursday, I am in New Plymouth to speak at the launch of the National New Energy Development Centre. On Friday, I am in Auckland to open new buildings at Mount Albert Grammar and Fisher & Paykel healthcare.

Before we begin today, I want to acknowledge those communities hit by flooding over the weekend. I was in close contact with the Minister of Civil Defence, Peeni Henare, and Te Tai Tokerau MP, Minister Kelvin Davis, who were in Northland yesterday to see where the Government can best assist affected communities as damage assessments continue this week to determine the full cost of this event. Minister Henare attended Cabinet today to give us the latest briefing and update.

While floodwaters have mostly receded, the clean-up will take some time. So, as a very early and initial response, Cabinet has agreed that it will make available \$30,000 to the mayoral relief fund which is being set up. In the first instance, it will go to emergency replacement of emergency items. This may include whiteware, assistance with sewage clearance, and damage by flooding.

Civil Defence, MSD, MPI, and rural support trusts are on the ground providing welfare support, and the Northland civil defence and emergency management group is arranging skip bins for Whangarei and Moerewa residents to dispose of water-damaged household goods. They are also coordinating the pumping of septic tanks in Moerewa and we are giving consideration at the moment to other support urgently being provided. That's something that I expect the Minister of Finance and the Minister for Regional Economic Development to give an update on in the near future.

In terms of the current roading situation, I'm advised that most local roads have reopened with some traffic management, but that State Highway 1, Mangamuka Gorge, is currently closed due to eight slips including a major slip located at the top of the gorge, and four major under-slips. An alternate route north via State Highway 10 will take about an extra 10 to 15 minutes travel time but does provide an alternative route for those travelling through that part of the country. Site assessments are taking place again today to better understand the size and the scale of the damage.

We will stay in contact with local councils to see what further assistance may be needed as those site assessments are completed over the coming days. In the meantime, I urge anyone affected by damage, by flood damage, to contact those who are on the ground for our local civil defence emergency response, but also MSD opened their doors over the weekend and, of course, continue to be available to provide support.

Today, finance Minister, Grant Robertson, joins me to provide a clear outline of the way in which we will approach the remaining allocation of the COVID Response and Recovery Fund.

It's now becoming clear our moves to go hard and early in the fight against COVID-19 are paying off. The types of investments we are making are only possible, though, because of the discipline Minister Robertson demonstrated in meeting Budget responsibility rules in reducing debt below 20 percent of GDP early on in our term. That low debt has given us considerable headroom to invest and stimulate the economy to protect jobs and business.

We will not be a Government of austerity, because we know about the detrimental effects on future generations if we do not look after New Zealanders now. But we also know this is debt that we will have to pay back, and that is why the Budget already has a debt

repayment plan in it, by investing in our people, growing jobs, and growing our economy. We're making sure we are balancing the need to invest in businesses and to support households through the worst of the COVID economic hit while keeping debt as low as possible and keeping funds in reserve when it is needed, such as in the event of any potential resurgence of COVID-19, which we must continue to need to be prepared for.

The current lessons, from looking around the world, is that this global pandemic is ongoing—that we are one of the few countries not to experience a second wave or uptick in cases, and second waves are driving some places back into costly lockdowns. Early on, we stated that our best economic response was a strong health response, going hard and early to beat the virus, and the success of our team of 5 million means that we are opening up our economy faster than others. Growing our economy will give us the ability to pay back the debt that was needed to fight this virus. I'll hand over now, though, to Minister Robertson to make an announcement on our approach to debt management and our general approach when it comes to the COVID recovery and response fund.

**Hon Grant Robertson:** Thank you very much, Prime Minister. Governments around the world are investing in their economies with fiscal stimulus at unprecedented rates to try and fight the global recession caused by the COVID-19 pandemic. The New Zealand economy is currently doing better than predicted. The New Zealand activity index was only down 0.9 percent on a year ago in June, led by growth in electronic card spending and heavy traffic movements as well as, we've recently seen, expansion in the manufacture and services sectors. However, this good progress in New Zealand is contrasted with the rest of the world, which is not in the same position as we are at this stage. The global recession and global economic activity over the next few years are set to be worse than forecast. Our first stimulus package, announced on March 17, was one of the largest in the world at the time. This and other fiscal stimulus measures we have taken, like business tax cuts, investments in jobs and training and in shovel-ready infrastructure, will continue to flow through the economy in the coming months. We have taken a no-regrets approach to this investment, and I stand by that decision every day.

We are also fortunate that New Zealand went into COVID-19 with one of the lowest Government debt positions in the developed world. Post-COVID, we will remain with one of the lowest debt positions in the developed world. The Budget estimates our net debt peaked at about 54 percent of GDP. This is inclusive of all of the investments we are making to respond, recover, and rebuild, and it is also inclusive of the debt repayment plan already set out in the Budget. The average for advanced economies when it comes to debt before COVID-19 was net debt of around 80 percent of GDP. The UK went into COVID with net debt already above 75 percent of GDP. In the US, it was more than 90 percent. In Ireland, it was 40 percent. We started with net debt below 20 percent of GDP, and at our peak we will remain lower than when most of our peers started. Our investments are being funded through the COVID Response and Recovery Fund announced in Budget 2020. However, the \$50 billion in this fund is not a target; it is an envelope of available spending. Our significant stimulus and investments prior to and including Budget 2020 meant that \$20.2 billion remained available in the COVID recovery fund on Budget day.

Since the Budget we've announced a number of important investments, including \$570 million for the COVID income relief payment, an extra \$700 million for the wage subsidy extension, and more than \$300 million to keep supporting our health response, including \$150 million for extra PPE announced at the end of June. As I outlined to Parliament on 30 June, these and other investments meant that at the beginning of July, there was about \$17 billion remaining in the fund. The need to support the ongoing health response while putting in further measures to support the economy to recover and rebuild means that Cabinet has decided another \$3.2 billion from the COVID fund will be required to meet our response. This includes the \$760 million already announced for the three waters reform, which will generate infrastructure investment and create jobs.

Detailed announcements about the remaining investments will be made over the next couple of weeks, before the House rises. Our responsible approach to managing the

Government's books pre-COVID remains the same. We want to ensure stimulus spending is targeted and creates jobs now, and we want to manage debt as tightly as possible and stay prepared for any future rainy days. As we look around the world, as new waves of infection hit, it is essential we remain ready for all possibilities. So today I am confirming that the remaining \$14 billion in the COVID Response and Recovery Fund will not be spent prior to the election and will be set aside to make sure it is available in the case of any future rainy day related to COVID-19. This means we have money in the back pocket if we need it, including if a future lockdown is required, or the outlook for the international economy continues to get worse and further stimulus is needed for the economy. If it's not needed, the money will not be spent. It will not be borrowed, and we will have less debt to repay. This is the fiscally prudent thing to do: avoid taking on more debt than is necessary, while holding some cash in reserve in case we need it. COVID will be with us for some time, so the wise and prudent thing to do is to keep some money in our back pocket, as we cannot predict exactly what lies ahead.

I am also reaffirming our commitment to the clearly defined criteria for spending the money from that fund, which is to provide support for the economy and people in the here and now in response to COVID-19. As a responsible Minister of Finance, I will not be using this fund for political projects that won't be started for a decade at the expense of making sure we are able to invest immediately to protect New Zealanders from a second wave.

So to briefly recap: we went hard and early with our economic response to COVID-19, in step with our health response. This means our economy is doing better than expected and is more open than nearly anywhere else in the world. Our strong economic management prior to COVID-19 meant we have been able to act swiftly and decisively to make considerable investments in our health response, support businesses, cushion the blow for households, and open the economy more quickly than expected. We went in with lower debt and we will come out of this with lower debt than comparable countries. And the continuation of our responsible approach to managing the books means that a significant \$14 billion will remain in the COVID Response and Recovery Fund. This is a balance, investing in our response, recovery, and rebuild while being cautious and keeping a buffer for an uncertain world ahead.

**PM:** Thank you, Minister of Finance. We're now happy to take questions.

**Media:** Why have you decided to announce this? Is it in relation to all of the spending that National racked up at the weekend?

**Hon Grant Robertson:** No. I mean, this is the appropriate time for us to signal some announcements that will be made over the next couple of weeks. Those announcements are focused around directly the response, recovery, and rebuild. They're about making sure our health system remains strong; filling gaps caused by people not being able to raise the revenue they might have—Government agencies not being able to raise the revenue they might have; and making sure we get that balance right. I think we only need to look across the Tasman to see that we have to keep a buffer of expenditure available lest the worst happens.

**Media:** Prime Minister, the correspondence that you received with regards to Andrew Falloon—can you tell us what it involved, or what was it?

**PM:** As you've inferred, I was sent some correspondence. It was received by my office. I was advised of the general nature of that correspondence. We sought the permission of the person who had written to us for that correspondence to be shared with the most appropriate person, and the most appropriate person was the Leader of the Opposition. That permission was granted, and the correspondence was passed on to the Leader of the Opposition. As far as I'm concerned, though, it is important to maintain the confidentiality in which correspondence is shared with us, and I now see this as entirely a matter for the National Party. My office dealt with it appropriately.

**Media:** Was the incident unbecoming of an MP?

**PM:** Again, for me, the most important thing here is maintaining, from our perspective, the confidentiality with which that information was shared with us. It now sits where it needs to sit, which was with the National Party. It is now a matter for them. It's not a matter for which I believe I need to be involved in or should be.

**Media:** Why did the correspondent get in touch with you?

**PM:** That, ultimately, would be a matter for them. I can't disclose or predetermine why they would have decided that we would be the best place to send that information. Again, ultimately, permission was sought to share that correspondence directly with the person best placed to deal with it, which was ultimately the Leader of the Opposition, and when it was granted, it was shared, and that, from our perspective, is the end of our involvement in the matter.

**Media:** Based on that correspondence, do you think that Andrew Falloon made the right decision, stepping down?

**PM:** Again, I'm not going to be drawn on that. I do see these as matters for the National Party. My view is that my office dealt with it entirely appropriately. This was a matter for them. It was not something with which we wished to be deeply involved with politically. It needed to be dealt with by them if the permission was granted by the correspondent, and it was.

**Media:** How long was it between receiving that correspondence and passing it on to the Leader of the Opposition's office?

**PM:** I believe that once my chief of staff was notified, he dealt with immediately. I believe there might have been something like 48 hours' turnaround there.

**Media:** Do you know the person who sent the correspondence?

**PM:** I know very little information. My perspective: it was a matter of managing the best way for it to be dealt with. In my view, in matters such as this, actually limiting the number of people involved is appropriate. It was most appropriately dealt with by the Leader of the Opposition, and that was where it was sent.

**Media:** But were you told who sent the correspondence, and do you know that person?

**PM:** No, no, nor did I seek to know. I did not seek to know the personal identity of any of the MP in question either.

**Media:** Prime Minister, I appreciate you don't want to deal with the subject matter of that. That seems appropriate. But mental health was raised. Mental health was raised in Todd Muller's resignation, and the intolerable pressures of the job were cited when Clare Curran stood down a couple of years ago now. So do you believe that New Zealand has a toxic political culture? Do you think there's something amiss in this environment?

**PM:** Look, I'll put aside the subject matter of this particular matter because ultimately I do believe it needs to be dealt with by the party in question.

If you're asking me generally about the political environment in New Zealand, we all have a role to play in the tone of politics in New Zealand, particularly leaders of political parties. Now, when I took on the job as leader of the Labour Party, at that point in Opposition, I made a pledge at that time that I would control what I could control and that was the Labour Party—that we would commit to positive campaigning, that we would commit to trying to do things differently. And I stand by that. We do have the ability to change the nature of debate in New Zealand by the way that we act and the way that we conduct ourselves, and I believe that, for the most part, we have done that. But it is a constant challenge in a political environment.

**Media:** Was the issue of alcohol raised in that correspondence that was sent to your office?

**PM:** Again, the detail that I had was reasonably limited. I was given a general overview, discussed what I thought was the best approach, and I believe that the office dealt with it entirely appropriately.

**Media:** What do you make of the Deputy Prime Minister appearing to challenge another MP to a fistfight via Twitter?

**PM:** That would be the matter for the leader of New Zealand First and the leader of the ACT Party.

**Media:** On a slightly different matter, the RSE workers from Hawke's Bay were sort of abused by their employer and have now been moved to Auckland, and they're saying that they're concerned MBIE is going to have them leave the country. Or else, if they stay here, have their day in court. They're not going to be—

**PM:** Ultimately two things at play here. We need to make sure that we are supporting RSE workers, who, up until now, have in all different circumstances had real difficulty being repatriated, and many have been in circumstances where they've wanted to be able to return and be reunited with their families. And so when those opportunities are arising, it's absolutely understandable that we would want to encourage those to be taken up, because it has been difficult to make sure we are supporting people that are wanting to get home.

When it comes, however, to any follow up on cases that may then come before the courts, what I can assure anyone potentially involved in a case is, regardless of whether they are present or not, we have a track record of pursuing cases where there is exploitation of workers, regardless of whether or not they are able to testify in court. So that's an assurance I want to give. Just because someone is no longer here does not mean we do not pursue these cases.

**Media:** Can they have an expectation that they'll have a harder time getting a new RSE visa next year because of—

**PM:** No, not at all. And it should never be the case that anyone who acts as a whistleblower should feel like they therefore have their ability to find work in the longer term affected by that. And that's the case for any workplace, and that holds for RSE workers.

**Media:** Megan Woods said yesterday that managed isolation and charging returning Kiwis would be discussed by Cabinet today. Did you reach a decision on when that might occur?

**PM:** Yeah, so, look, what I would say there is that we haven't made final decisions in this regard at this stage. But our first priority—and this must be the priority for New Zealand—is making sure that we have facilities that are well run and that are protecting the health of those within them and New Zealanders. So that has been our focus. What we will not do is make policy on the fly or make haphazard decisions, because that could run the risk of undermining our entire quarantine regime. A decision like this needs to be able to stick either way, and so we don't want to do anything that opens our quarantine regime up to legal challenge. That is why we'll make sure it's considered and that we make the decision that is right for New Zealand and New Zealanders in the long term.

**Media:** What did you think of the National Party putting a date on it? Does that risk, do you think, there being a massive rush in—

**PM:** Yes. Yes, it does. You know, ultimately, what we have to make sure we are doing at present is managing the flow of returning New Zealanders in permanent residence into New Zealand, such that we can be assured that our quarantine regime can manage the large number of individuals wanting to come home.

**PM:** If you put a date on and then tell everyone to rush back, that potentially undermines your facilities, and we cannot afford that in New Zealand. That is where our biggest risk exists.

**Media:** Is there any chance that you will back down on the idea of charging for quarantine—

**PM:** Well, we haven't taken a position on it to date. We've said that we are exploring it, but, again, it is a complex issue. There are a number of legal issues attached to it. When we make a decision, we'll make sure it's one that we can stand by and that won't undermine our quarantine arrangements.

**Media:** But there is a chance you won't charge Kiwis?

**PM:** Again, we have made no final decision, and, again, the really important point for me here is whatever we do, it has to stick. It cannot undermine our ability to require people to go into quarantine

**Media:** Are you still waiting on advice on that, or have you received it all and you're simply—

**PM:** It's not—we haven't received all the final information we need in order to make decisions, but, again, we will be very considered on this question. The most important thing is that we have a robust regime at the border. Secondary to that, then, is whether or not there's a regime around charging attached to it. Either way, I am not going to risk those border controls. They are too important.

**Media:** You say you haven't made a decision yet, but Megan Woods stated yesterday [*Inaudible*] she believed the return to New Zealand should assist with the considerable expense of accommodating them. So isn't there a decision in principle there?

**PM:** Again, I've just given all the reasons why we need to go through quite a range of different advice to make sure that what we do really is sustainable—that it doesn't undermine our wider regime.

**Media:** You talked about setting a date being problematic. Are you saying that if a decision is made it would be immediate, or there'll be some kind of warning time?

**PM:** I'm saying that you've got to sequence these things appropriately so you can manage demand. Telling people to rush back to New Zealand, in my mind, is not a responsible approach when we do need to make sure that we have numbers that we can manage in a responsible way.

**Media:** If you're one of the tens of thousands of New Zealanders overseas right now and you think I probably won't be able to afford this, if they bring in a \$3,000 fee, should you come home now?

**PM:** Obviously, at the moment we do have limits on how many are able to come back based on passage, so it's not simply that there is a wide range of options available—that is limiting a bit of flow, but that is not to say that that hasn't meant that putting out arbitrary dates like has been done by the Leader of the Opposition couldn't have an effect with people presuming they need to rush. The Government has not finalised its decisions. When we do, we will make sure that we can equally manage flow at the same time.

**Media:** Should the COVID fund be spent on roads?

**Hon Grant Robertson:** Well, the COVID fund is designed specifically to make sure that we are responding to COVID-19, that we're helping with the recovery and the rebuild. What we're saying is we've allocated a significant portion of that fund already to all three of those things. What we now need to do is be responsible with the remaining \$14 billion to make sure that we actually have a buffer in the event that the worst happens. So I don't think—I mean, I've laid the position out today, which is that we do not believe that \$14 billion should be spent on projects that don't deliver jobs in the here and now and that are not part of the COVID-19 recovery.

**Media:** So therefore is it irresponsible to say you're going to spend it on roads?

**Hon Grant Robertson:** I think it's irresponsible to say that you're going to spend it on roads that will not deliver jobs for years and years.

**Media:** Is it responsible to put aside \$2.4 billion to spend in the next three weeks?

**Hon Grant Robertson:** Well, what that is is—and \$750 million of it we've already announced, is the three waters. Beyond that, what you'll see when those announcements are made over the next couple of weeks is that they focus on core public services: on our health system, on supporting our education system, on making sure that we provide the public services that are necessary. What we want to be clear about is that that will be the extent of the spending of the fund. The remaining \$14 billion is there because we live in an uncertain world and we need to make sure we've got a buffer.

**PM:** And you'll see from the nature of that spending there are ongoing COVID-related expenses that a number of our core public services are experiencing, so those are issues that need to be dealt with immediately.

**Media:** So it's not a \$2.4 billion pre-election bribe?

**Hon Grant Robertson:** No, it most definitely is not. What it is is part of the response, the recovery, and the rebuild from COVID-19. We are sticking to the criteria we've set. That is about making sure that we have the public services that we need, the health system response that we need, and that we're investing in jobs in the here and now.

**Media:** What does that mean for the wage subsidy?

**Hon Grant Robertson:** Well, the Prime Minister's already indicated that the wage subsidy extension is the end of the wage subsidy. We have a number of other schemes currently under way to both support businesses but also to support individuals in terms of the COVID income relief payment.

**PM:** Businesses ultimately have been asking for that certainty and we need to give that certainty. We've had two rounds of wage subsidy. Beyond that, there are some sectors, of course, where the impact of COVID will be ongoing, particularly tourism. There are some sectors of our arts community, sporting sector—there, there have been specific packages that we continue to roll out as we see what the direct impacts of COVID have been for those sectors, but when it comes to the wage subsidy, there had to be a time when we've said we need to phase this out now. The time has come, ultimately, where businesses will need to pivot or seek, for instance, support through the business loan scheme.

**Media:** On the last question before, I just wanted to read Winston Peters' speech to you. He said there'd be three hits: you hitting me, me hitting you, and the ambulance hitting a hundred. Do you think that's appropriate for the Deputy Prime Minister?

**PM:** Again, look, an exchange on Twitter between two party leaders—if I start now in an election run-up getting drawn into those discussions, I could spend the entire election on that. I'm not going to. Those are matters for those party leaders, not for me, and people make their own judgment.

**Media:** If one of your MPs said that, would there—

**PM:** If one of my MPs said that, then it's a matter for me. I would not expect that kind of exchange from one of my MPs, and if I did, then I would deal with it. But that's because we've set a tone in the Labour Party. It's up to everyone else to set their own tone in this election campaign.

**Media:** Coming back to the COVID fund, does this mean that helicopter cash payments have been taken off the table?

**Hon Grant Robertson:** Yeah, for the foreseeable future, yes. So this fund is one that is designed to be able to deal with COVID both in terms of the health response but also the economic response. If that were to be something, it would be a matter in the future. What

we're saying is \$14 billion has been left there to deal with the potential need for a second wave, if that comes along, or any other economic stimulus that might be required.

**PM:** We need to put this in context. Obviously the first round of the wage subsidy to cover the expense of lockdown, whilst we are doing everything we can to avoid that eventuality again, that was over \$10 billion. And so what we are leaving here, \$14 billion, we have to be mindful and prepared and responsible by allowing that fund to be available in the event that we need it or in the event that we continue to see ongoing COVID-related costs. It is about striking a balance and we believe this is a prudent approach.

**Media:** The Warehouse has announced further details of its restructure plan. Would you say that you are still angry at the restructure?

**PM:** My views are the same, and you would've heard me say at the time, look, if this is a restructure because they believe they want to operate their business differently, that is one matter. If it's another, to draw on COVID for that, ultimately I think the Warehouse just needs to explain, particularly, first and foremost, to their workforce, what the driving force behind these decisions are.

**Media:** What's your interpretation?

**PM:** Well, based on what I've seen I think that this is a restructure that was in the making and it just happens to be done in the aftermath of COVID.

**Media:** Do you think that the other parties are relying too much on the COVID fund to fund their election promises?

**Hon Grant Robertson:** Well, that's not what it's for. The point is it's for responding to COVID-19 and making sure that we are prepared for the event of the worst, which we are trying to prevent, and to invest in things that create jobs in the here and now. So if people are looking at it as some kind of fund to fund far-off expenditure into the never-never, they're looking in the wrong place.

**Media:** Prime Minister, what are you expecting tomorrow when you go head to head with Judith Collins for the first time in question time?

**PM:** I'm expecting some questions.

**Media:** Any thing in particular in the approach of the National Party—they seem much more full of confidence under her leadership?

**PM:** Ultimately, this is leader No. 4, so we've had a bit of a change up in the House. I'll treat it no differently. Question time is the Opposition's chance to ask me questions. I go down with the exact same approach, regardless of whomever the leader is on the opposite bench.

**Media:** Are you confident you'll get your full legislative programme through the House?

**PM:** Yes, yes, as we have done with our three-party arrangement up until now. I see that that will be no different. We do have a range of different issues that we will, of course, be working hard to get through before the conclusion of the session before the House rises.

**Media:** Health Minister Chris Hipkins has been saying that he wants to see 4,000 COVID-19 tests each day. Yesterday, 681 were processed and 673 of those were taken from managed isolation facilities. So that's only eight tests done in the community. Is that good enough?

**PM:** No. So a couple of things we need to factor in there. Probably a Sunday is not our best guide because we've always seen a dip over weekends. What we want to see, though, is that rolling seven-day average come up. Four thousand is generally an indication that we believe for surveillance testing—we want those numbers to be higher. Obviously, the case definition has gone out to our primary health providers, which we today as a Cabinet discussed, and we've set down an expectation with the Minister that he will go



away and work with the Ministry of Health on whatever adjustments are required to see that surveillance testing increase, because, no, it's not meeting our current expectations.

**Media:** So the criteria could be widened?

**PM:** Ultimately, I'd like to see the Minister work with the director-general on that, but what we've said consistently is for us to give the ongoing reassurance we do believe that those surveillance numbers need to increase.

**Media:** Do you expect there'll be no community transmission if there are only eight—I mean—

**PM:** Yes, yes. Look, that doesn't—and, again, this is one of the ongoing issues, of course, that the case definition is built around making sure that we are picking up symptomatic people who meet the case definition of COVID. So, yes, we are still confident of that, but we want that ongoing reassurance that that surveillance and sentinel style testing provides.

**Media:** Can we expect some of the \$2.4 billion to go towards expanding the small business loan scheme and the business finance guarantee scheme?

**PM:** There's quite a bit still available.

**Hon Grant Robertson:** Yeah, so no is the short answer to that—the additional money, no, because there is money available in those schemes.

**Media:** Prime Minister, just back on National's announcement from yesterday to charge returning travellers \$3,000. National says that that would apply to New Zealanders deported from Australia. Do you think that's fair?

**PM:** Look, ultimately, those individuals are coming back to New Zealand against their own desires and against New Zealand's desires as well. As I say, we haven't made final decisions, and if there were to be a co-payment arrangement, we would have to work through that detail. But I think they are a group of individuals who aren't always choosing to be the circumstances they're in.

**Media:** Over the weekend, Winston Peters said he had opposed the woke pixie dust of the governing parties. What do you think he meant by "woke pixie dust"?

**PM:** I have absolutely no idea. But whether it's star dust or pixie dust, I notice these terms of phrase tend to come up around election times.

**Media:** Ōtīria Marae has continued to support its people through the droughts in Northland and now through the flooding. What do you have to say to marae across Tai Tokerau who continue to step up for their people?

**PM:** Yeah, some of whom have experienced flooding themselves. Look, one of the things we discussed at Cabinet today was just how hard hit Te Tai Tokerau has been. You know, we've had droughts. Now we have flooding, and, of course, the impacts of COVID, which have affected all communities. That is why we wanted to make sure that we were moving as quickly as we can to support what is a community response on the ground.

Yesterday I saw images of housing that were flooded. Today I've seen that, actually, the fire service has got in there and with pumps in place have managed to clear a lot of the water around some of those houses. But now we need to make sure we stay there, working alongside marae, iwi, those who are on the ground providing a response as well.

**Media:** Is this concerning work being done around, perhaps, a lack of home and contents insurance by a number of these households, who perhaps are struggling financially? Is that, sort of, something that you discussed?

**PM:** Yeah. And that's why MSD were opening their doors over the weekend. We are really aware that there may well be very immediate hardship. So that's why we want to be there and available. It's why we've provided directly into the mayoral relief fund, to help respond to some of that need. But, actually, what we also discussed as a Cabinet is what

we can do to prevent this kind of flooding in the future, what plans might there be that we can support at a council level to make sure that we don't see these communities flooded again, and that's something that we'll be working on immediately.

**Media:** Are you confident that every dollar of the COVID fund has been spent in relation to the COVID-19 recovery—\$15 million went into preventing food waste; about \$20 million went to containing wallabies?

**PM:** Yes, on both of those. On food waste, we have seen an incredible draw on food banks. Just on Friday, I was at the Papatoetoe food hub, where they are in partnership with their nearby supermarket, working closely to reduce waste and provide low-cost meals to families in the local area. And those who are being hit by COVID are experiencing a decline in incomes. And this is about supporting that food bank network and those who are providing low-cost food options whilst reducing, of course, landfill. So win-win. Wallabies? Job creation. Pest control and pest management provides direct immediate jobs, and it's all part of the Jobs for Nature fund.

**Hon Grant Robertson:** Just to be really clear, the fund's criteria are around the response, the recovery, and the rebuild, and the rebuild part is about job creation. It's about establishing a base for us to be able to see if some of those people who have lost their jobs come back into work. The distinction I'm making here is there is not a huge amount of money lying around. This money is money we have to borrow. It's money that we have to decide whether or not as country we're using for recovery and rebuild, and we're putting to one side to make sure we're prepared for the worst, or people who are looking to spend it on projects that won't deliver jobs until years and years away.

**Media:** Given that rapid decision-making phase of this crisis seems to have abated somewhat, would you look at bringing Treasury's RIS's, back now?

**Hon Grant Robertson:** They are.

**Media:** While speaking in the past about bringing in fees at the border, you seemed to take pains to say that you'd like to see it applied to people who've decided to leave the country and then come back. You haven't mentioned that at all today, and over the weekend, the Minister described a system that seemed much more universal in scope. Who would you like to see exempt from border fees?

**PM:** Again, this is something, of course, at the point that Cabinet's made decisions that we will be sharing all of the details around what any potential proposals will be. Yes, I have spoken about the difference between, for instance, New Zealanders who have been offshore for some time who through no fault of their own find themselves in circumstances that necessitate them needing to come home versus New Zealanders who may be at home who are choosing to go overseas for a period and then return. The question is whether or not regimes can be fairly designed around these different circumstances. That's a level of detail that we as a Cabinet and as a Government need to go through. It needs to be considered. We don't make policy on the fly because there are significant legal ramifications when we make changes like this.

**Media:** There's been a lot of talk about a green recovery from COVID-19. What policies or projects that are COVID-funded reduce or significantly reduce greenhouse gas emissions?

**PM:** Particularly the waste response. So there's a number of initiatives that all are about reducing waste. Of course, what we've already done with the New Zealand Upgrade but also our ongoing transport response has also been about trying to bring in multi-modal transport options which reduce the burden of our climate emissions that are coming from transport as well. Those are two significant ones, but there are actually some more to come which will also contribute to our climate response, but I'll leave relevant Ministers to make those announcements in the coming week or so.

**Media:** As finance Minister, how concerned, or not, are you at the cost of managed isolation given at the moment it's sitting around \$80 million, which doesn't seem like a lot in the \$14 billion scheme of things given how crucial it is to our defence against the virus?

**Hon Grant Robertson:** The cost's significantly more than \$80 million. I think Minister Woods actually stood on this platform and said the \$80 million was to the end of June. Another \$300-odd million has been put aside to carry us through these months. The indications are it's like to be even more than that. It is vital that we have managed isolation and quarantine that is secure and safe. It is the most important thing we can do, so we'll keep investing in it. But obviously, as those costs rise, we start to look at what other options there might be, and that's why we've been investigating the co-payment.

**Media:** On the Highlanders, Minister?

**Hon Grant Robertson:** The Highlanders and the Hurricanes!

**conclusion of press conference**