

POST-CABINET PRESS CONFERENCE: MONDAY, 3 AUGUST 2020

PM: Kia ora koutou katoa. Good afternoon. This week is the final sitting week of this Parliament, although, from turnout, I suggest I probably don't need to tell everyone here. I will be in the House on Tuesday, Wednesday, and Thursday, where a number of important pieces of legislation will move through their final stages, including the Fuel Industry Bill, that legislates to improve competition in the retail fuel market, and the Residential Tenancies Amendment Bill, which will bring a fairer, more secure rental market for renters and landlords, as well as family-funded care legislation.

On Wednesday, I will join the associate education Minister, Minister Martin, at the National Library to help announce the establishment of a new role, the New Zealand Reading Ambassador. On Thursday morning, I will Zoom into a meeting with the Auckland Tourism, Events and Economic Development Agency and Rob Fyfe to hear from the business community about further ways we may be able to progress New Zealand's economic recovery. On Thursday afternoon, I will give my adjournment speech, as my first term as Prime Minister wraps up. And, on Thursday evening, I will speak at the Indian Newslink Lecture in Auckland. On Saturday, I will launch the Labour Party campaign in Auckland.

Today, I am joined by health Minister Chris Hipkins to update you on our ongoing COVID response and recovery. This may be our last sitting week of Parliament and my last more formal post-Cabinet press conference, but our COVID response continues, and I want to give some detail on how that will work and the ongoing engagement of Ministers even during that campaign period. Cabinet will continue to meet fortnightly to discuss and make key decisions. These will be held on August 10th, 24th, and September 7th. I am also able to convene Ministers remotely at any point if required, something we have done in more recent times as required, particularly during our COVID response.

The Ministry of Health will continue to issue a daily COVID update on key numbers, including cases and any important information for New Zealanders, and the Director-General of Health, Ashley Bloomfield, will also hold a weekly media press conference, as will the Minister of Health. Our all-of-Government team has also dialled back up its Unite Against COVID-19 campaign, calling on New Zealanders to be ready, because, of course, while we're still at alert level 1, ongoing vigilance is still required. You will start seeing a reiteration of the need to stay home and seek medical advice if you have symptoms, to practise good hygiene, and to keep a record of your movements using the official New Zealand COVID Tracer app or another method, if that works best for you.

We have all seen the re-emergence of devastating community transmission in Victoria. While we have gone 94 days without a case in our community, they too had very low numbers for a number of days in June, with some zero-case days. They reported over 600 cases yesterday and have declared a state of disaster. We cannot afford to be complacent, which is why we are dialling back up the COVID messaging in response to some behaviours that we're seeing in New Zealand, in a view that we need to make sure that we maintain that vigilance.

In order to stay on top of COVID, we all have a part to play. One of those roles is getting tested. One thing we are finding when digging into some of our lower testing numbers is that people in some cases are refusing testing when offered. A recent survey shows a quarter of people have declined a COVID test at their GP. At level 1, ongoing contact and surveillance testing is critical to keeping COVID out and knowing if it has arrived. Someone refusing a test could be the difference between identifying a chain of transmission or it going undetected in our community, in a hugely damaging way.

Surveillance testing to check for the virus in our community is key because, as the Minister of Health has said today, we have seen how quickly it can spread overseas and around the world. It does remain a raging pandemic. So, while our borders remain our first line of

defence, surveillance testing is important to ensure it has not crept in undetected. During level 4 we were regularly hitting 6,000 tests a day; we are currently averaging about 2,276. That is roughly a third of what we were, around half of what we are also aiming for, at a time when we need to continue to be searching as hard as we can to ensure the virus isn't here.

To lift these numbers, we're doing a number of things, including increasing the frequency of testing of staff working at airports and managed isolation and quarantine facilities, as well as providing clear guidance to GPs so that plentiful testing is applied for those who have cold and flu symptoms. And, again, one of the things we're combating there is a much lower than usual flu season.

And there's something that you all can do to help as well. Please say yes to the test. Our flu tracker is showing lower numbers of people with flu, from 70,000 respondents in lockdown to 50,000 now. While that may be due to increased hygiene measures and also more people being vaccinated and fewer people travelling, if you are sick, do still please go to your GP or seek advice, and if you are offered a test, please say yes. We can only keep this COVID-free status by knowing a sick person isn't a sick person with COVID-19. As a member of our team of 5 million, it's one way that you can make a contribution to keeping New Zealanders safe, and it will be hugely appreciated.

In summary, work goes on. The structural oversight of our COVID response continues, and we must all remain vigilant. We are now happy to take your questions, and I include in that the Minister of Health.

Media: Just on the change in the branding to be ready, is that a reflection on the fact that Kiwis are now a little bit more complacent?

PM: Yeah. Obviously, when we moved into level 1, that was always our intent—was that those basics would be maintained, that if people are sick they stay home, that they keep up those personal hygiene measures, and, of course, if they have those symptoms that fall into that category, that they are getting tested. We have seen, however, that there is a bit of a sense that New Zealand is free of COVID and therefore that vigilance isn't required. We still need people to be on guard, and so that is one of the reasons why we have that extra messaging and are encouraging people, of course, to use the COVID tracker to help us, should we ever need to trace your steps.

Media: Do you regret at all not changing the amount of statutory minimum sick leave that all employees have? Would that encourage people to stay home more often if they were perhaps feeling sick?

PM: Of course, we still have the COVID sick leave provisions available, and the ability to cover people, and that's been an important part of our response. So if someone does need to stay at home for COVID-related reasons, we have that mechanism in place. That's also been important for our public health units so they know that if they're asking someone to stay at home, there is that provision there and that discretion to be able to make sure that they have financial support if they are staying home for those reasons.

Media: But you're saying basically everyone should stay home if they're unwell, or—would COVID leave cover all of that staying home?

PM: Obviously, those are specific to those circumstances, but we are still asking people to stay at home if they're sick, and that has been part of our ongoing messaging. Of course, if they're then getting a test, you can demonstrate whether or not it's COVID-related, or if a PHU has asked you to stay in quarantine, then, of course, you're again covered by COVID-related costs.

Media: Have you completely ruled out a trans-Tasman bubble for this year?

PM: I haven't put a time frame on it, but everyone can see, based on our clear criteria right from the beginning, that we will not open a trans-Tasman bubble until it is safe. It will be obvious to everyone that that is not right now, and it will not be for some time to come.

Media: Would you open to all states, barring Victoria?

PM: Again, that would all, firstly, come down to Australia's decision making. Secondly, it would come down to very tight border controls and restrictions so that you could guarantee that there weren't any issues with movement between the likes of Victoria and others. To date, we have seen cases that have come through at the border within Australia, nor have we had any suggestion from Australia that that's the way that they would like to approach movement with New Zealand.

Media: When you were talking about the Pacific or any potential Pacific bubble, you were talking about one of the barriers being safety through the airports. Auckland Airport has just announced that it's going to be—

PM: Yes, I just saw their—

Media: —separated into two zones. Does that satisfy your concerns?

PM: Well, firstly—and I will let the Minister of Health speak to this as well—our borders, and I include very much the physical space of airports, are places where people with COVID are moving and interacting and engaging, so they are very high-risk environments. We need to be absolutely assured, when we're looking at any Pacific bubble with the likes of the Cook Islands, that there is no contact between both people who may have come from high-risk areas but also making sure even that we're not engaging with the same surfaces. That's the level of rigour that we need. It's not the only thing. We have to have in place the legal arrangement, protocols for pre-checks for arrival and departure, health declarations and whether they're taken from health or airlines, and whether or not you'd have things like testing or temperature checks as extra layers. We have to move through this very, very carefully.

Media: Does this move us any closer to getting to a bubble—the fact that airports are making these safe travel zones?

PM: Oh, it's one part of many elements that need to be worked through. And just the one thing that I would say is that many of you will remember that there was a lot of pressure for us to move quickly on a trans-Tasman bubble. We have always moved cautiously, and with very good reason. I feel utterly justified in making sure that if we moved to quarantine-free travel, even with a place that is declared COVID-free such as the Cook Islands, we have to do it with absolute caution, for New Zealand's safety and for the safety of the Pacific.

Media: How worried are you about us infecting them?

PM: Oh, that has to be a key consideration, but equally we also have to think about not just whether or not someone's come into the border COVID-free but whether or not they can manage to get through the airport whilst maintaining COVID-free status as well.

Media: Presumably, with all those days of no community transmissions now, there isn't COVID in New Zealand to be carried to the Cook Islands?

PM: Again, as I've set out, it's not just around the status of those who are moving through but their engagement even in an airport and border environment that we also need to be cautious around. And equally we are saying that we need to maintain our vigilance within New Zealand to maintain our transmission-free status within New Zealand. We also need to have extra checks and balances to make sure that not only we're maintaining it, but we don't potentially risk exporting anything as well. Is there anything you want to add on that, Minister?

Hon Chris Hipkins: No, I think the Prime Minister's covered it all. There's a huge number of different variables that we have to work through. We have to think about the arrangements when people arrive in the Cook Islands—if it was the Cook Islands that we're talking about—and the travel back. We have to think about how we handle transit passengers. There are a whole variety of issues that we need to work through very, very

carefully. I don't think anybody in New Zealand wants to be responsible for us inadvertently seeing COVID-19 make its way into the Pacific, where it's not currently present.

Media: Just on the national climate change risk assessment that came out today, are things in a better or a worse situation than what you would have expected, given this is the first, sort of, comprehensive assessment that's been done, and do you agree with James Shaw's assessment today that up until this point, climate change has been dealt with in terms of a, sort of, ambulance at the bottom of the cliff approach?

PM: Now, I don't think anyone will be surprised to see in a national risk assessment issues like sea-level rises, ecosystems, social inequalities being impacted by the effects of climate change, and risks to coastal buildings and so on—in large part because we're already seeing it. We've recently seen investment from this Government into Northland and Southland around flood protections, and that is because we are increasingly experiencing severe weather events. The question for us is, of course, making sure that we're continuing to invest in both mitigation, which we have, but also adaptation, as we see the full risk assessment that demonstrates there's some areas where we actually just need to prepare ourselves whilst, at the same time, not accepting the inevitability of sea-level rises while we have the ability to make a difference.

Media: Local Government New Zealand says that there's a massive legislative hole when it comes to central government around allowing councils to actually do that adaptation-style work, and, obviously, there's been a reference to it with the RMA that that could potentially be years away.

PM: Yeah, so I think you've already seen, and you have already seen, where central government, particularly in recent times, has been investing directly in local communities to support—flood protections is a very good example. But there is an ongoing issue that—yes, we have discussed between ourselves—both local and central government need to resolve some of where that liability exists for ongoing adaptation. You know, we aren't through that conversation yet, but where there's immediate need you'll see that we are already partnering and moving on some of that.

Media: You said before that you're a bit concerned by some behaviours we're seeing in New Zealand in relation to COVID. What behaviours are those?

PM: Oh, as I've said, just a sense that perhaps our COVID-free status within the community is not something that we need to continually work hard to maintain. So just things like if someone's offered a test, refusing to take it. That's where I'm asking—you know, I know that, of course, people will often tend to be a bit dismissive. They'll feel like perhaps what they've got is just a flu and they don't need to worry. It is hugely helpful to us if people accept a request from a GP for someone to have a test.

Media: Prime Minister—

PM: Yep, I'll come back to Jackson.

Media: Prime Minister, just back on the trans-Tasman—

PM: Oh, sorry, Barry. It's a rare thing that I don't hear you, but Jackson, and then I'll come to you, Barry.

Media: Just back on the bubble, I know you don't want to speculate, and you've never wanted to speculate—

PM: No.

Media: —about a time frame. At this stage, is quarantine-free travel by Christmas unlikely or is it still realistic?

PM: Oh, I think people can see for themselves that while we're seeing a whole-of-Australia approach to travel, and while we've got border movements between Australia, it is going to take a significant amount of time before we will have the state of Victoria back in a

COVID-free status. And that will be obvious to everyone. I don't think that you need to be an epidemiologist to see the very difficult path that they currently are on. We wish Victoria all the very best as they continue to combat what is a devastating situation. But I think the reality for both of us is that this is going to slow things down for us.

Media: Is it fair to see this upcoming election as a COVID election, given that you indicated this morning that the manifesto will be fairly light on policy this year?

PM: Well, I think the way that I would describe it is that in large part, yes, the next three years have been predetermined by the need for whoever makes up the future Government to continue to lead us through our health and our economic response. And we have already laid out a very significant plan, including a very significant investment regime, as part of our plan on COVID recovery and rebuild—and it is significant. We, for some time to come, will be continuing to make investments in skills, in job creation, in small business investment, and the work we're doing with foreign partners around trade and export growth. So, yes, you're right—COVID will predetermine a lot of what we debate this election—but voters still have a choice to make as to whether or not they continue with the plan that we have pitched or whether or not they choose to stop and move on to an alternate programme.

Media: [*Inaudible*]

PM: Ah, well, you can expect that we will have—we will have points of difference. We will still have policy that, as a Labour Party, we'll roll out. But it is clear that the fiscal position we as New Zealand finds itself in is tight. We have had to include additional borrowing for the likes of the wage subsidy, which is the right thing to do, but we also have to maintain careful fiscal management, and that will be part of our thinking for any future policies.

Media: Just following on from that, can you just give people an idea of what they can expect from Labour on the campaign trail in the next few weeks?

PM: Yeah, the public will continue to hear our plan for the COVID recovery and rebuild. And we're asking to keep going. We already have momentum with our five-point plan, which is about investing in New Zealanders' skills, it is about creating jobs, it is about supporting small businesses, who are the ones creating employment opportunities, and making sure that when we are rebuilding, we're rebuilding New Zealand back better, investing in, for instance, energy and waste projects—things that are challenges anyway.

So those are the types of initiatives we will keep taking to New Zealanders. We're asking to keep going rather than to put the brakes on our recovery.

Media: Do we need a new top tax bracket to help deal with the debt that we're taking on with the COVID response?

PM: You will have heard me this morning talk about our plan around debt. And, of course, our debt trajectory has been set out in the Budget. And the very clear difference that's emerging between the Opposition and the current Government is our plan to grow the economy by investing in our people, by investing in job creation, versus the alternative, which is austerity measures and up to \$80 billion worth of cuts, which could include health and education. So there are very clear differences in the way that we plan to deal with those issues over the coming decade.

Media: So will you reduce debt to 30 percent of GDP in a decade like National is [*Inaudible*]?

PM: No, we have already—you can already see at the Budget that debt track was laid out. We disagree with the Opposition, who have proposed what would be significant and deep cuts to services like health and education in order to take that kind of debt track. Keeping in mind, because of the very, very low rate of debt we had through our careful fiscal management going into this crisis, our position after using, for instance, spending on

the likes of the wage subsidy means that we'll come out the other side with debt at a lower rate that many countries went in—in some cases, half the rate that many countries went in.

Media: Can you rule out campaigning on a higher tax bracket?

PM: I've been very careful to point out that we haven't put out some final parts of the Labour Party's policy—happy to debate those at the time we do. But you can already see some of the clear differences emerging between Labour and National.

Media: A final question on that. Would Labour introduce income insurance?

PM: You'll have already seen through the tripartite future of work that we've already signalled that through the likes of the global financial crisis, through the earthquakes, and now through COVID, every Government, both Labour and National Governments, have responded with something that looks like a form of our income payment that we put in recently. So that demonstrates that there is some work there to be done. We've said we'd like to keep doing that work. The Council of Trade Unions and Business New Zealand agree with us, and so that's something that we've indicated already.

Media: If Labour was to win on its own or with the Greens, would you like a mandate to do transformational tax and welfare reform?

PM: Well, we will campaign on Labour's policy, and we'll campaign on our position on a number of issues, to try and seek the strongest mandate we can as a party. We're not here to campaign on behalf of anyone else. We will, however, stand proudly on the coalition Government's record. So—

Media: So do you want to change the tax or welfare system?

PM: Again, I'll refer back to my previous question. We have—for a large part, you will have seen already some significant approaches between what we have proposed as a Government and the Opposition. For finer detail around some of these policy issues, you won't have to wait too much longer. We do know that these are some of the issues that people want to hear about—

Media: You said in your opening remarks—

PM: Yeah. And then I'll come back to—

Media: You said in your opening remarks, "My first term as Prime Minister"—is that, basically, an indication from you that you've got this election in the bag?

PM: No, it was a statement of fact.

Media: Are you considering pulling out any more—the WEAG policy—are you considering—

PM: Oh, sorry, if you have another question, Jason. I don't want to be flippant, but no.

Media: Fair enough, to be honest.

PM: You will see the way that I always talk. Again, I often preface with "should we be re-elected", "should we have the privilege of forming Government". We take nothing for granted. I have been around politics for too long to take anything for granted. You know, the 2017 election—and a lot of people made assumptions about that. We will campaign hard every single day. I assume nothing, but, of course, I am equally very proud of our record and I will campaign on it strongly.

Media: On testing, you're currently having to use the survey of GPs, which is not scientific. It's a kind of self-selecting survey, and that's all the data you really have on whether people are refusing to test or not—

PM: On people—yeah.

Media: Are you looking—

PM: It's New Zealand—you also get a lot of anec-data.

Media: Yeah, but you want more than anecdotal data, presumably. Are you looking to get more, you know, concrete statistics on how many people are refusing tests, and do you have those statistics for the tests done in managed isolation and quarantine?

Hon Chris Hipkins: In answer to the first part of your question, obviously we're always after better data. What I don't want to do, though, is create an entire bureaucracy around collecting data that we can get more efficiently through other means. The survey data is actually pretty reflective of the feedback that we're getting—that increasing numbers of people are saying no, they don't want to have a test. And as the Prime Minister has said, our clear message to them is, you know, play your part as the team of 5 million and have your test. If you're offered a test, take the test. You're being offered the test for a very, very good reason, and we do need people to take those tests.

I am working with the Ministry of Health at the moment on looking at how they present the data from managed isolation and quarantine facilities, just to get a better line of sight between the cohorts coming through and the daily testing rate—just so we can be absolutely certain that we're getting the right rate of testing. Now, there won't always be a direct correlation between the number of people at day 3, for example, and the number of day 3 tests, because we don't test babies, for example. But we just want to know that we're getting the right match-up there.

The overall numbers of testing that we're getting at day 3 and at day 12 roughly lines up with the proportion of the MIQ population that you would expect to be tested on a daily basis, so we're pretty confident about that. But I just think for the avoidance of doubt and for public transparency purposes, it wouldn't hurt for us to be able to do that. Now, the biggest issue there is that data-matching exercise, and so there's some work going on to make that happen.

Media: People are generally saying yes to tests inside the hotels, right?

PM: Sorry?

Media: People are generally saying yes to tests inside the hotels—

PM: Yes, because if they don't, they stay in the hotel for longer.

Media: What about day 3—what happens if they say no at day 3?

Hon Chris Hipkins: Look, at the end of the day, they're encouraged to take the test at day 3. There is huge incentive for them to have the day 12 test, because that's the one that they have to have a negative result for before they are released. Most people are doing the day 3 test as well.

Media: So there's allegations within the Fire and Emergency New Zealand of sexual assault and harassment. What's your response to that, and is that behaviour acceptable?

PM: So, my understanding is that—well, to answer the last part of your question, no. Fire and Emergency New Zealand brought in Judge Carol Shaw in 2018 to do a piece of work around the environment within FENZ, after, as I understand, complaints were made. And, as a result of that, I am also told that they are working through establishing a complaints mechanism that responds to some of the allegations that have been made. What we will need to make sure is that any mechanism that is brought in, complainants have to have faith in. There is no point establishing a system that is just underutilised or does not have the support of people who have had these experiences in the first place.

Media: Just on the independent authority to take over the complaints, is that good enough, if Crown agencies can't handle their own complaints?

PM: Well, you know, we have seen situations before where, in order to make sure that we have culture change where there have been significant issues, to give confidence back to those who have had these experiences, you will often have that level of independence, and I don't think we should shy away from being willing to do that, particularly if it brings that confidence to people who have had these experiences. Ultimately, though, it's not good

enough for this to be happening in any agency, or indeed in any workplace. So it is all about what we do to fix it.

Media: The experience in Victoria, where suburban lockdowns have been largely ineffective—has that influenced your thinking around regional or local lockdowns here?

PM: I do think it's important to just look—when we were talking about the use of more localised lockdown, you'll remember that we were also talking about very specific scenarios. So I do think what we were very clear on at that point, and will continue to be, is that it does rely on you having very clear data and information about cases and their reach. We have also always said that where you're in an unknown situation, a precautionary approach is required. And so that was the approach that you will have seen in that broad overview we gave around the resurgence plan, and I think that is reinforced by what we've seen in Melbourne. I'll come to Ben, and then, Jenna, I'll come to you.

Media: A question on the bubble and a question on the campaign. Previously, Australia was first cab off the rank. It was going to be the first place open. Obviously, the cases have rendered that impossible, pivoting to the Pacific. But might you be of a mind to also pivot to a place like Taiwan or another place in South-east Asia, now that we know that one of your criteria is 28 days without community transmission—if that was [*Inaudible*]?

PM: Yeah, one of a range—one of a range. It's not the only thing. And you will have heard us talk about reversing the order, actually, a little while ago. And one of the other reasons that you'll see that we're focusing in on very particular countries within the Pacific, not necessarily the whole Pacific, is because they are Realm countries. These are individuals who are passport holders, that have a right to travel and move between New Zealand and either the Cook Islands or, say, Niue. Tokelau is a bit of an exception, because, of course, you can only travel into Tokelau through Samoa, and so that adds a little extra layer of complication. But that is the reason we are treating the Realm countries differently.

Media: Thank you, but that's not the question that I asked. Would you be then going to Taiwan and other countries after that?

PM: Yes, it was what you asked. You asked, given we were doing that, would we do the same with others. I was pointing out that there are specific circumstances that mean that we're doing them first.

Media: So you're not necessarily thinking about that next tier yet?

PM: No. At the moment, no. We're prioritising the Realm. We haven't thought more broadly. We have always, when working through some of the criteria, had a mind to the fact that we may in the future have approaches. We would have, however, very strict criteria we would apply in those circumstances, but it's not on our mind currently.

Media: Just on the campaign, if I might, I'm just trying to understand the expectations, because you've said this morning that there's not going to be this big screed of manifesto—

PM: Well, of course, most people equate manifestos with large spending decisions as well. This is not the environment for that.

Media: That's what I was going to say. Is this just going to be an election campaign for our times? Is it going to be "Run on our record, not on our dreams, because we just can't afford it"?

PM: Well, I don't know that I would be still inclined to say that this isn't still an opportunity for us. And what do I mean by that? Well, it's undeniable that COVID is going to shape this election, because this is the biggest challenge New Zealand has faced in, some would say, a hundred years. It will have a huge impact on our economy for generations. But that does still mean we have choices. In the past when we have faced economic challenges, one of the choices has been to cut—to cut services, to lead to situations with

high-level unemployment, and it has predominantly been groups like young people and Māori who have paid the price for that.

The other choice, however, is to use our ability to invest in things like the wage subsidy or to invest in things like training, and to invest in areas where we already had issues: a lack of public housing, the chance to increase New Zealand's renewable energy options to face the future, make sure that we can do more of our waste management within New Zealand. There are opportunities here to realise some of the aspirations we have as a country, even if it's a crisis that has expedited it. *[Interruption]* I will come to Jenna. I did say Jenna next, and then Bernard. I don't necessarily need to reward volume, but I will come to you anyway.

Media: Can I just ask about cystic fibrosis. There's mounting pressure from cystic fibrosis sufferers for the miracle drug Trikafta to be funded. Scotland's Government has bypassed the equivalent of our Pharmac to fund cystic fibrosis drugs. Why can't your Government do the same?

PM: For one thing, my understanding is that Pharmac has actually received an application for funding for this drug, but putting that aside, you all well know that we have got a distinction between these decisions being made between politicians and Pharmac. Our view is that we aren't the people to make these decisions; however, that hasn't stopped us increasing the ability for Pharmac to make them. So we have had \$405 million go into Pharmac. Now, I acknowledge that some of that—\$185 million—has been to deal with some of the COVID-related costs, but some of that funding has actually enabled Pharmac to provide another drug for cystic fibrosis. But, ultimately, those are decisions for Pharmac.

Media: This particular drug would cost \$200 million a year to prolong the life of New Zealand cystic fibrosis sufferers. Surely that's outweighed by the benefit to the economy compared with—

PM: Again, as I've said, decisions around what drugs are funded, they are rightly made by those who are in a position to make those decisions, rather than politicians, but what we have done is put \$400 million more into Pharmac to give them the ability to make some of those choices for new drugs, be it cancer, or in the case of cystic fibrosis, another drug that has been funded by them.

Media: When those Pharmac decisions are taking six years to come to fruition, do you understand why the drug companies aren't putting forward the proposals and that sort of thing? Does it need to be sped up?

PM: That wouldn't always necessarily be the case, and, again, as I say, my understanding is that they haven't actually received an application for that drug. I will stand corrected if that's—

Media: Yeah, because their last application took six years to go through the process, so they're struggling with the process. Does something need to be done to speed up that agency so we get drugs quicker?

PM: And there's plenty of examples that will not take that length of time. *[Interruption]* OK, everyone, you will still have me on a daily basis even if it's not at this podium. Yes—

Media: An Australian comedian has—

PM: Oh, sorry, Bernard, I gave you the next question. Forgive me. Oh—no? OK. *[Interruption]* Yeah, go ahead.

Media: I would like to ask, why do you say the Budget situation is tight and therefore you can't propose a more aggressive policy when you can borrow at 0.7 percent?

PM: That's a good question. Look, because we have always been careful around our fiscal management. In fact, I would point to you, Bernard, as one of the people who were not necessarily in favour of us getting debt down to below 20 percent before we came into this COVID crisis. But actually I stand by that decision, because it has now meant when that rainy day of COVID arrived, we are now in a position where even at its peak we will have

debt levels lower than some of those countries in the OECD that we compare ourselves to before they even went into COVID. So that is something that I maintain as being important. We have to maintain that fiscal management and discipline. We are a country who tends to experience shocks. The pandemic, in this case, everyone is experiencing, but our earthquakes are something unique to us. So I do think that careful management is still required. Just the last couple.

Media: An Australian comedian in a stand-up show has been caught on camera making light of the Christchurch mosque attacks. I won't repeat the joke, but is that an acceptable thing for a comedian to be doing?

PM: Look, if I'm talking in very general terms, no one in New Zealand, of course, would ever want to see anyone taking lightly something that had such an extraordinary impact on our Muslim communities in the entire country. I can't really comment further than that, because I'm only responding to what you've described to me.

Media: But would your message be to stop making jokes like that, full stop?

PM: As I've said, no one in this country would wish to see anyone take lightly something that had such an extraordinary impact on our nation. I haven't seen what's in question, but that would be my general sentiment to anyone who would seem to take that issue that is burned deeply into our history as anything but seriously.

Media: With income insurance, are you thinking about, sort of, having something permanent or just extending the current income payment, you know, like, by a year or for sort of a medium-length time?

PM: As I've said, this is just something we've flagged that we believe extra work should be done, particularly given we've seen it used a number of times. As I've already said, the tripartite future of work, that forum, we believe, would be the best place to keep that work going, because it has been supported by Business New Zealand and the CTU, but in terms of detailed policy responses, those are questions I can't answer for now. But what I don't want to see is just that ongoing ad hoc behaviour in response to what has been a pattern. OK, we'll take the last one here.

Media: In terms of beneficiaries with children, they're still being hit by drug sanctions. Is this acceptable, and what do you say to those kids?

PM: Oh, actually, the last time this was raised, when we dug into it, actually the number of cases there was very, very small. My recollection is far less than 10, and in those cases it was after a lot of work had been done by MSD to try and get support for families. Now, that is the first port of call. We do want families to receive a health response rather than a punitive one, and that is the initial response that MSD is and should be taking in those cases. OK, thanks everyone. I'll see you tomorrow.

conclusion of press conference