



## Proactive Release

The following Cabinet paper and related Cabinet minute has been proactively released by the Department of the Prime Minister and Cabinet, on behalf of Rt Hon Jacinda Ardern, Prime Minister:

COVID-19: Preparing to Review New Zealand's Level 4 Status

The following documents have been included in this release:

***Paper: COVID-19: Preparing to Review New Zealand's Level 4 Status  
(CAB-20-SUB-0161 refers)***

***Minute: COVID-19: Preparing to Review New Zealand's Alert Level 4 Status  
(CAB-20-MIN-0161 refers)***

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant section of the Act that would apply has been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

### Key to redaction code:

- 9(2)(f)(iv), to maintain the confidentiality of advice tendered by or to Ministers and officials.

COVID-19 Ministerial Group

## **COVID-19: PREPARING TO REVIEW NEW ZEALAND'S LEVEL 4 STATUS**

### **Proposal**

1. This paper reviews our progress on measures to counter the spread of COVID-19 and proposes a path forward.

### **Summary**

2. The COVID-19 virus is a challenging adversary. It can be deadly and, if unchecked, we spread it quickly and, at first, invisibly. Internationally, there have now been more than 1.2m cases, a figure that continues to rapidly grow. These characteristics favour a strongly precautionary approach to decision-making, which is what we have been taking.
3. Our overall strategy is to eliminate the virus from New Zealand by keeping it out of the country and rapidly stamping out any outbreaks. We want to detect cases and close contacts quickly and quickly isolate those affected. We must avoid importing new cases from abroad with strict border controls, and minimise the spread and impact of the virus with appropriate restrictions on the activities of people in New Zealand.
4. It is very early, but so far there are encouraging signs. As expected, shutting the border and imposing the lockdown has slowed down transmission in the community. Slower growth in the number of new cases amid growing testing volumes makes it more likely that there is not widespread community transmission. Our hospitals are prepared but far from overwhelmed. Our contact tracing capabilities have been enhanced (although there is more to do here, including the use of mobile phone technology as an adjunct). Public support for the restrictions we have imposed remains high.
5. That said, the social, economic, fiscal and non-COVID health costs of the Level 4 restrictions are large and growing. Available data, although it is imperfect, shows that some control measures are more effective against the virus, and less costly to society and the economy than others. In the next phase, assuming our preparations continue to go well, and the number of cases continues to level out, we will look to gradually step down those measures that are the most costly and have the least impact on the spread of the virus or the severity of the cases.
6. Granular implementation planning is underway to explore exactly what that will look like. We may see different arrangements in different regions, depending on the number of cases there, our capability to respond to new cases, and our ability to implement or enforce differential restrictions. Detailed planning on the specifics of what moving to Level 3 (and then Level 2) means for different sectors will give us greater confidence that changes in the restrictions will not lead to a resurgence in cases of the virus. It will also give better information to the public, business and workers on what life will be like for the next little while. All going well, we can gradually, cautiously but resolutely reduce restrictions, as well as provide more clarity to New Zealanders about the next steps.
7. Some things will remain in this next phase. We will maintain our physical distancing guidance and personal hygiene behaviours, and continue to actively find cases through our testing (including of those with symptoms and of their close contacts). We will continue enforced self-isolation of both these groups, and increase the capacity and

speed of our contact tracing. We will respond rapidly to any clusters of cases and ensure these are contained. We have deployed some technology that can help. There is more to come, which will need to be rolled out urgently to strengthen contact tracing capabilities necessary to meaningfully roll back restrictions.

8. We will also keep the border as closed to passengers as it is now (with consequent implications for freight movements), and quarantine or put into managed isolation all arrivals, including New Zealanders, for two weeks, rather than allowing them to self-isolate. This controls the main pathway through which COVID-19 cases have emerged.
9. We will need to continue widespread testing, some level of border controls, and some population restrictions until either there is an effective vaccine or other treatments or developments that make COVID-19 more manageable. That could mean another year or 18 months of cycling between levels. Much more will be required of this government in fiscal, social and economic support.
10. But our strong early actions, our geography and the timing of the virus's arrival give us an opportunity that few other countries have, to eliminate this virus from our shores and continue to stamp out any minor outbreaks until it no longer poses a significant threat.
11. I propose that we come to a final decision on whether we will step down some restrictions and, if so, when and how at Cabinet on Monday 20 April. An announcement would be made soon after, including the detail of the controls, to enable the public to prepare. Any new level would come into effect from midnight on Wednesday April 22, four weeks after the present Level 4 lockdown began.

## **Introduction**

12. There are four main parts to this paper:
  - Some background information on the virus. Its characteristics will shape our response.
  - A check in on our overall strategy and on our encouraging progress so far, but also on the costs of our response to our people and the economy.
  - A discussion of the criteria that we will use to decide when and where to change levels. Even if we do reduce or clarify Alert Levels after this lockdown ends, credible modelling says that we will need to return to Level 4 in the future, perhaps several times.
  - Some information on the more granular implementation plans that are being developed, including for communications.

## **About the virus**

13. Unchecked, COVID-19 spreads quickly with each infected person infecting perhaps 2.5 others, and some people can be contagious without showing any symptoms. There are typically 4 to 6 days between infection and first symptoms, which (combined with asymptomatic transmission) means it is hard to know who is contagious, and there is a lag between imposing movement restrictions and seeing their effect in the new case numbers. In some countries, the first manifestation of the virus was a cluster of unusual pneumonia cases that turned out to be the tip of an iceberg of thousands of cases of community transmission. Our early actions avoided this.
14. Although most cases are mild, COVID-19 can also be deadly, with an average case fatality rate given widespread testing of perhaps of 1.7% (in South Korea), or nearly 20 times that of the normal seasonal flu. This is a disputed figure, since the number of mild and asymptomatic cases who have not been tested is unknown. But the number of

deaths and the steep disease progression that has overwhelmed health systems overseas is without doubt. COVID-19 is especially deadly for older people and those with other illnesses, in particular heart disease, diabetes, high blood pressure or cancer. Case fatality rates of up to 22% for those over 80 have been reported in China. Fatality rates are also much higher for patients without access to ICUs, which has happened in countries where case numbers have overwhelmed health system capacity.

15. Our knowledge of the disease carries with it some uncertainty. As at April 6, more than 1.2m people in the world were confirmed to have had the virus, a figure that is at present doubling each week. About 60,000 are reported to have died from it. This high case fatality rate either means that case numbers are understated (at a 2% fatality rate, actual current cases must be around 3m) or the disease is much more deadly than the 2% fatality rate assumed above. Time and more widespread testing will tell us more, but the changes in these worldwide infection and case fatality numbers are unlikely to affect our choice of strategy in New Zealand.
16. The speedy and initially invisible transmission and the high fatality rate make decision-making on this issue more urgent and more difficult even than in many other types of crisis. These factors also favour a strongly precautionary stance, which has been a hallmark of our approach to date.
17. We have had the benefit of a little more time to observe responses around the world to COVID-19. There appear to be three affected strategies: firm efforts to slow the spread of the virus by case finding, contact tracing and quarantine of people who may be infectious, population restrictions to stop invisible transmission, and prevention of infection arriving into the country through border measures including quarantining of arrivals. Moving too slowly can lead to rapidly escalating case numbers and an overwhelmed health system.

### **Strategy check in**

#### *Our strategy is elimination*

18. Our overall approach is to eliminate the virus from New Zealand. We will keep it out of the country with border restrictions and stamp it out wherever and whenever it occurs, minimise its spread and severity with systematic public health measures (testing, contact tracing, isolation and surveillance) supplemented by population-wide behaviour changes and social restrictions, and do all this until a vaccine or effective treatment emerges. This could be anywhere from a year to 18 months. As a first step, we closed the border and instituted a month of Level 4 lockdown to stop the exponential growth in cases, and give time to beef up our health systems.

#### *We are making firm progress*

19. So far, the measures we have taken are going well, with good adherence to physical distancing rules, slowing growth in cases, big improvements in our testing and tracing capacity, a more secure border, some new technology options underway, and high levels of public support.
20. In particular, the rate of growth in cases of COVID-19 has slowed in response to the Level 4 measures. We have a low proportion of patients in hospitals and very few in ICUs. The number of cases is now doubling only every 8 days and we expect growth will slow further in the coming days as the effects of the lockdown on virus transmission continue to be seen.
21. We have hugely increased our capacity to test (as at 8 April, over 5,000 per day) and gradually expanded the case definition so that we are, in fact, testing more people (as at 8 April, a total of just under 50,000, or about 1% of the whole population). Our testing

capacity needs to continue to lift confidence that community transmission has not been missed, and to maintain our Stamp it Out policy successfully at Level 3, especially in regions with low case numbers.

22. Around 97% of our tests are negative, with that number increasing the more tests we do. Now that we are doing more tests, as time goes by we can be more confident that we are not missing cases circulating in the community undetected. That said, because infectious cases may be asymptomatic and it takes time for symptoms to appear and become serious enough to seek medical attention, more time and a lot more testing and contact tracing will be needed to make us more confident about the absence of community transmission in areas with low numbers of cases.
23. We have boosted our capacity for contact tracing by centralising the function in the Ministry of Health (rather than in each DHB) and increased the number of workers to lift capacity to 100 cases a day. We are looking at technology options to continue to speed up contact tracing. The international view is that it needs to be very quick to keep ahead of virus transmission.
24. We have closed the inbound border to all but returning New Zealanders and permanent residents (plus some exceptions for essential persons) and some passengers in transit, and we now quarantine or use managed isolation for all arriving passengers for two weeks.
25. 9(2)(f)(iv) [REDACTED]  
[REDACTED]  
[REDACTED] Police has repurposed some search and rescue technology to check on arriving passengers in self-isolation compliance when they first arrive via their phones. An anonymous way to produce a frequently updated hourly population count of each suburb has been developed by Stats NZ from mobile phone data. This lets us quickly report population behaviour changes and provide input into the epidemiological modelling.
26. We are also improving our modelling of the potential disease spread, ensuring it can support the scenarios in which we find ourselves, explain our existing case load, and build in insights from population counting and emerging epidemiological data.
27. The Ministry of Health has commissioned expert groups to provide modelling which has informed all advice to date and has guided the scenario development. The key initial conclusion was that without the strong restrictions of Levels 3 and 4 we would face very high numbers of infections and hospital admissions, including to ICU, and high mortality.
28. The next phase of modelling will be led by Professor Shaun Hendy and supported by Stats NZ. His work is being enhanced daily as more granular data is obtained, including better data on cases and contacts, anonymised mobility data from mobile phone companies, and more refined demographic data from Stats NZ. Soon there will also be regional models developed for each DHB, aimed at assisting them in readiness planning.
29. The modelling work is also extending to shorter term scenarios which are being populated by real time case data. This will be increasingly useful in the weeks ahead as a planning tool, and to illuminate the impacts of restrictions on case numbers. Interpretation will still need to be a judgement call from senior health officials and there will need to be a regional lens applied to decision-making.

*We can learn from our existing cases and testing*

28. As at 9am on 8 April, we had carried out 46,875 tests, with 1,210 (or 2.6%) being confirmed or probable cases:

- 41% were directly obtained from overseas
  - 43% were a result of contact with a known case
  - 2% were the result of community transmission, and
  - 14% were still under investigation.
29. The average age of the 50 people admitted to hospital since the start of the outbreak is 58, with 1 person dying. Twelve people are currently hospitalised, with 4 in ICU, including 3 that require ventilation. The largest number of confirmed cases are amongst those aged 20 to 29, women have outnumbered men, and people identifying as Maori or Pasifika have accounted for 12% of cases (rather less than their proportion of the overall population).
30. Testing is carried out by 8 labs spread throughout the country, with a 7 day average of over 3,000 tests a day conducted, and a capacity of 5,300 and growing. Our ability to contact trace has increased significantly with almost 6,000 close contacts traced since 24 March, involving almost 35,000 people. Work is underway to develop and report KPIs that record how effective the contact tracing is (e.g. how long did it take to trace cases, how many calls were made that were unsuccessful). The Ministry is also building its understanding of the clusters of cases, with a similar programme of work underway (which includes, for example, obtaining a greater insight into the train of transmission). Both pieces of work are expected to be completed by April 15.

*The economic, social and fiscal costs of our response are high*

31. The social, economic, fiscal and non-COVID health costs of the lockdown are extremely high.
32. On the economic side, the impacts on employment and incomes are significant already and growing, and could be long-lasting if COVID-19 results in a sustained fall in demand and confidence similar to the Great Depression.
- The lock down is expected to slow economic activity by as much as 40% over the four weeks, with activity for the June quarter as a whole down by as much as 20%. Unemployment is anticipated to peak around 300,000 in the September quarter (it was 111,000 in the most recent, December 2019, quarter)
  - GDP is likely to fall by around 10% over the year to March 2021 under a scenario in which the Level 4 alert lasts one month followed by an extended period at level 2.
  - Scenarios illustrate that extending the time in Level 4 results in much larger falls in GDP. Extending the periods spent at Levels 3 and 4 to a combined 12 months is estimated to see the fall in GDP more than triple, even when supported by approximately \$50 billion of extra government spending.
  - Weak household demand and business investment will subdue the domestic recovery, while export-facing sectors face a prolonged period of uncertainty and low international demand for both goods and services. It may be several years before economic activity returns to pre-COVID-19 levels.
33. The social impacts of the lockdown are also likely to be significant, particularly for vulnerable populations. It is estimated there will be increases in family violence and sexual violence. The lack of community events, arts, cultural and sporting events and opportunities, and limitations on socialisation are also likely to have psychosocial impacts the longer the lockdown continues.
34. 9(2)(f)(iv)

9(2)(f)(iv)

35. The health system has postponed non-essential medical treatments, meaning that, so far, about 16,000 people will have to wait longer for treatment, and the restriction on face-to-face GP consultations at Level 4 has reduced non-urgent primary healthcare access. This has been important to enable capacity for the expected surge of cases, especially in winter months. However, it needs to be balanced with the health impacts of not delivering health interventions.
36. Anecdotal feedback from businesses indicates that while there is general support for the existing lockdown, there is mounting concern about its duration and impacts. Non-agricultural businesses whose production is not deemed essential fear losing market share to competitors, especially in overseas jurisdictions. They strongly urge a risk-management approach to protecting public health as opposed to an essential services approach. Businesses across all sectors have told officials that a continued lockdown would make recovery increasingly difficult.
37. There are no easy choices here. There is no available scenario that does not involve a substantial level of economic disruption. Even had we pursued a less assertive strategy, we would have faced very significant levels of social, human and economic disruption. The counterfactual is not one with no economic costs, but one with both significant economic and human costs. If we do not succeed in elimination or we cannot maintain control of the spread of the virus, we will spend much longer in periods of significant population restrictions and suffer even more substantial social, economic and fiscal pain.

### **How we decide whether to change the restrictions**

*A set of measures that balances health, social and economic costs*

38. Our restrictions must be effective against the virus, but also principled, science-based, proportionate and equitable. Well-justified measures that are well implemented will improve our social and economic resilience, and help maintain public confidence in the national response to this crisis.
39. The factors that we should consider in deciding whether to move up or down levels are a set of health, social and economic matters:
  - a. The number of cases, their location, whether they are contained, the speed of growth in numbers, the R value, the status of any outbreaks and what the best available modelling can tell us about potential future scenarios. A useful rule of thumb is the time it takes case numbers to double. In uncontrolled spread, we would expect the total number of cases to double approximately every three days. (As noted above, currently, the number of cases in New Zealand is doubling every 8 days at present).
  - b. Our confidence in the numbers. If we have done few tests in a region, for example, we might be less confident in what we know about the spread of the virus there. The crucial question is how many cases we have missed that will show up in the future as a bow wave in our hospitals. We need to be confident that testing has been carried out in sufficient numbers that public health experts, statisticians and modellers have reasonable certainty that community transmission has not been missed.

- c. The capacity and speed of our testing and contact tracing, with surge capacity available in the case of an outbreak.
  - d. The degree of confidence we have in our self-isolation, quarantine and border measures.
  - e. The capacity of the health system more generally, including the workforce and ICU capacity, plus as a separate issue the availability of PPE for those for whom it is recommended.
  - f. Evidence of the effects of the measures on the economy and society more broadly, including on employment, incomes, beneficiary numbers, and increases in the use of hardship assistance are all relevant indicators, and especially for groups that traditionally find it harder to bounce back after a recession,
  - g. Public attitudes towards the measures and the extent to which people and businesses understand, accept and abide by them. I am conscious that we might not be able to expect the same high levels of compliance if we move regularly up or down between levels over time. We may risk losing public acceptance and replacing it confusion.
  - h. Our ability to operationalise the restrictions. In particular, maintaining different levels in different areas would require an enforceable ban on movement between areas.
40. We also need to consider how a step down in levels would fit with our elimination strategy. In particular, if we were to step down to Level 3, we would need to be sufficiently certain that we could swiftly detect cases and stamp out any outbreaks. The emerging evidence from overseas, backed by modelling and by the basic principle of precaution, would count against dropping more than one level at a time. And we need to think about what a change in levels might mean for future changes. For example, staying in Level 4 for longer might mean that we have a lower chance of needing to return to it than might otherwise be the case.
41. I propose that we use the same measures for all decisions on changing levels. The practical reality of uncertainty on each of these factors means there will be a need for a difficult balancing of interests, both in the near term and the future every time we have to make this decision. It does require a balanced judgement. In my view, and in the view of most experts, it will be difficult to define a specific threshold in advance, e.g. "if we have more than this level of new cases at present then we should be at this level" because of the judgement and uncertainty involved in each situation.
42. Officials are working on a monitoring regime. This will bring to Ministers each week a view of the relevant indicators so that we can regularly debate whether we need to consider moving levels on the best available evidence. As well, we will have a formal check in on our strategy with an assessment against the measures drawn from the monitoring report at least monthly. Our first will be at Cabinet on April 20.

#### *Assessment of our present situation*

43. Applying the factors above to our current situation:
- a. New case numbers have flattened out and remain at a manageable level. Our total case number has doubled in the last 8 days, which means a decline in R value. We have relatively few serious cases, and relatively low incidence of cases amongst the particularly vulnerable older population.
  - b. Our high number of tests and low proportion of positive tests, together with the low number of hospital presentations, increasingly suggests that there is not widespread community transmission of the virus at this time in the areas where we have data, and that we have not had a large number of cases that have not been



tested. More evidence is needed where there are low case numbers though, since absence of evidence is not evidence of absence. More time is also needed, since there can be a delay of up to 14 days between infection and presentation at a hospital.

- c. Our testing capacity is now over 5,000 per day. Our contact tracing capacity has been sharply increased to now around 100 cases per day (with an average of 7 contacts per case), but we will need to continue to speedily grow our capacity for both testing and contact tracing in order to support ready access to appropriate testing and rapid identification of cases and close contacts.
- d. The evidence from the hourly population data, from Police and from public reporting is that people do generally comply with the self-isolation requirements, and on-going reporting will pick up changes to this behaviour. We have recently strengthened measures at the border to ensure all arrivals are quarantined or in managed isolation for two weeks. The border is now closed to all passengers but returning New Zealanders, with minor and managed exceptions.
- e. Our health system is not under strain due to cases of COVID-19 at this time. As noted above, we have freed up capacity and capabilities for treatment of a potential surge in cases. This has meant that many non-urgent medical needs have not been able to be met as planned.
- f. Again, as mentioned earlier, the economic damage of the closure of non-essential businesses and schools is very considerable. Treasury modelling shows enormous negative effects on economic activity that get worse the longer the restrictions last. The increase in public and private debt from the impacts of the virus could weigh on growth and incomes for an entire generation.
- g. The impact of the lockdown will be felt disproportionately by smaller businesses rather than larger ones, many of which are counted as essential (so will gain economic advantage) and by people on lower incomes or with low savings. We need to encourage all sectors to prepare a way of productive working that meets physical distancing requirements.
- h. So far, impacts on beneficiary numbers have been muted, but the numbers are beginning to rise sharply. We are also seeing sharp increases in family violence rates.
- i. The Judiciary has so far taken the approach that only proceedings affecting the liberty of the individual or their personal safety and wellbeing, or proceedings that are time-critical, should be heard while we are at Level 4. This reduces access to justice. The Judiciary is considering whether further services could be opened up. In the corrections systems, there are shorter unlock hours in prisons and visits have been replaced with phone calls and emails.
- j. Compliance with the controls is generally high, although there have been some incidents of concern. Police has been lifting the visibility of its enforcement. While they are supportive of the health measures as a priority, non-essential businesses that do not have retail customers and are confident they could operate with physical distancing requirements continue to push for a change.

#### *Māori and Pacific Peoples*

44. Māori community and Iwi organisations appear to have mobilised well to try and deal with the requirements of the lockdown and with demand for a range of services and advice. This work has been encouraging, but it is not as well coordinated as it might be, which has meant variable responses across the country. There is considerable effort locally in many areas, but this depends on the personalities more than a system. There is a genuine fear in these communities that the consequences of a poorly managed

public health programme will not address the health status of many older Māori, or the problems associated with recovery or preventing contagion in the living arrangements of many whanau. That could result in considerable levels of infection and possibly deaths.

45. As a consequence organisations have moved to provide advice and have distributed sanitising packages to households that may have struggled to pay for these themselves. The requirements over death and large gatherings have also been met with far less complication than was originally feared, which shows a community that understands the severity of the issues and is willing to help.
46. We have been involved in discussions with Māori organisations on how to provide assistance where we can, as well as considering the medium and long term effects of slowing the economy to the extent we have. Once again there are differing responses depending on who we engage with, but the impact on work and the social consequences are at the forefront of most of these discussions.
47. Circumstances in Pacific communities mirror the health and welfare of Māori people. They suffer from similar health problems, and live in household arrangements similar to those of many Māori. Churches provide central organisations in these communities, but have less experience or reach than many established Māori organisations. They all fear the consequences of public health programmes that ignore their health and living arrangements.
48. Managing death and grief within these communities has been hard, but the reality is understood and accepted. Adapting important practices like these is a strong indication of support from these communities for the measures put in place. There is support for the measures that have been in place these past two weeks, but there remains a concern that their circumstances are not well understood or served by the existing system.
49. The issues of crowding in housing and the prevalence of comorbidity particularly amongst older people make these two populations far more vulnerable. These conditions will be the same at any Alert Level, and will remain a complication to the overall programme of dealing with the virus. The relatively low numbers of infections amongst these populations are more to do with there being fewer international travellers than any targeted management through existing programmes. These vulnerabilities should be foremost in our approach to changing levels of alert, and how we deal with the entire programme. The virus will wash through these two communities like no other in our country. The attention we pay to these communities will have a greater bearing on the overall result than we currently recognise.

*It is time to consider limiting the economic and social damage by cautiously reducing the most costly restrictions*

50. Based on that assessment, and assuming that in the coming days the positive trends in case numbers, testing and tracing capability continue, we could signal a move down from Level 4 at end of the first four weeks, i.e., from midnight on Wednesday April 22. A decision will be made at Cabinet on April 20. We might also decide to remain at Level 4 for a period, but with some changes around the margins (e.g., changes to the list of essential services). We need to adapt to what we have learned about the virus and how our early assumptions and decisions have played out in practice.
51. As we know, there are many and severe restrictions at present. They are thought to have different impacts on the spread of the virus, and they impose different types of social, economic and health costs. A tidy analytical approach would be to reduce those measures that are the most costly and have the least impact on the spread of the virus.

52. Unfortunately the data on impacts of any particular measure at this point is uncertain. Our overall goal is an R below one, i.e. for each infected person on average to infect less than one other person. But all countries are learning what impacts these various measures have as we go along, and we cannot say at this point what the R impacts are of any individual measure with a useful level of certainty. Plus this is a constantly changing environment, so the best approach is an emergent one: planning for the next period and keeping that plan under regular review.
53. There is also some guidance and experience from overseas that we can learn from. In the last few days we have seen guidance from the WHO on exiting lockdowns, focusing on ensuring that sufficient contact tracing and testing capabilities are in place. Some countries have also released details of their plans. For example, the Austrian equivalent of Level 4 restrictions runs until the end of April, with people only allowed to leave the house to go to work, for essential errands, to help others in need, and to exercise. But small shops will be allowed to open in mid-April, and all shops from 1 May, with restaurants, hotels and other services possibly opening from the middle of May. Large gatherings will not be allowed before the end of June. All measures are reviewed regularly.
54. Whether we decide to step down or to stay at Level 4, strong restrictions would continue, especially on movement around the country, and we would continue to support ready access to appropriate testing and rapid identification and isolation of cases and close contacts, as well as improve our ability to monitor self-isolation and population movements in general. We must be ready to speedily change our approach if necessary whether in particular communities in response to outbreaks or in the country as a whole.
55. The best available modelling, while uncertain, shows that if our Level 3 measures are not sufficient to reduce the spread of the virus markedly, we will need to return to Level 4 on several occasions for short periods over the rest of this year, and until there is a vaccine or a treatment regime for the virus that renders it less deadly. We should therefore certainly expect to be facing the difficult choices involved in moving to Level 4 again. But I hope that the numbers will show that we have achieved enough of our objectives in this first and painful phase to cautiously and judiciously scale back the most intrusive of our controls.

*National or regional*

56. One of the most significant potential variations suggested in managing step-down is to respond to regional variations in infection with regionally differentiated Alert Levels. That has conceptual attraction, but practical issues and complexities with public support and cohesion. Careful planning and caution would be needed before progressing.
57. At a practical level, agencies have indicated that localised variation between Level 4 and Level 3 is possible, but that material planning time would be required. A mix of local civil defence controllers, NZDF staff, and Police would be required to enforce the restrictions, mostly through road blocks. The more that natural geography assists, the easier this would be to plan and implement.
58. The real issue is social acceptance. Variation could, if not well managed, cut away at the "we are all in this together" narrative. There would need to be compelling, widely-accepted evidence that there was a material difference between an area or region remaining at Level 4 and an adjoining lower level area. Without that, public support may be harder to secure and maintain.

59. If only some regions are in Level 4, complications would emerge for freight, as supply chains work as a network and requirements on some parts of it and not others will be problematic to manage. One solution would be to allow even non-essential freight to move freely even in regions under Level 4.
60. Finally, legal powers would need to be confirmed. Both the CDEM and Health legislation anticipate the need for powers at a sub-national level, so it seems likely that there is the legal ability to create regional variations. The powers would need to be well communicated and linked to the enforcement approach expected.
61. If Ministers so direct, the approach will be explored further to confirm that it can be operationalised, under which potential conditions or pre-requisites, and with an initial sense of which regions or areas might be most open to a regional approach.

### **Implementation from here**

62. AOG officials are currently working to develop detailed measures for all Alert Levels, as well as considering whether any adjustments need to be made to Level 4 measures. This will be an important input to the decision on moving levels, as decisions on business closures in particular are a key driver of economic costs. This paper directs officials to prepare this work for consideration at the CBC meeting on 15 April, so that the framework is well understood by the time that Ministers are asked to make a decision on moving out of Level 4.
63. As noted above, in the event that a decision is made to remain at Level 4 for a period after April 22, consideration could be given to recalibrating what Level 4 looks like at the margins. This could include two factors in particular to reduce the economic costs of continuing in Level 4:
  - a. Recalibrate what is considered an essential business during a longer period of restrictions (e.g. at some point clothing will become essential).
  - b. Consider signalling when some non-essential businesses could open. (These might include, for example, high value businesses that are under significant strain or sectors like construction; businesses that can adopt contactless operations, or businesses that support supply chains. This could be done only where businesses could demonstrate they meet safety and contact tracing requirements and, crucially, would need to be assessed against the overall objective of limiting people movement).
64. If a shift to Level 3 is proposed there are a number of things that need to be in place to support the shift. The AOG team is working on detailed implementation plans to support this. Some of the critical things include:
  - a. Public health measures, including contact tracing capacity, testing capacity, and what will be monitored and reported;
  - b. A legal framework to implement measures at Level 3;
  - c. A revised definition of essential services and how businesses can operate at Level 3;
  - d. Decisions on increased requirements for 'at risk' people over the age of 70 and with existing conditions;
  - e. Welfare support for 'at risk' individuals and communities;
  - f. Approach to managing different Alert Levels at a local or regional level;
  - g. Approach to providing health services at Level 3.

65. It will be important to start providing as much certainty and clarity as possible in the week leading up to the end of the four-week period, and the communications plan, with a timeline of announcements and supporting materials, should include:
  - a. detailed information about how decisions will be made on moving down Alert Levels;
  - b. more definition of what is in place at Level 3 and supporting guidance and frequently asked questions (including who can be in your bubble);
  - c. detailed guidance about physical distancing, hygiene, and contact tracing requirements in different environments (e.g., workplaces, schools, churches);
  - d. a revised definition of essential services and how businesses can operate at Level 3; and
  - e. guidance on recreation activities.
66. People over the age of 70 and with existing conditions are at greater risk from the virus. Advice about detailed measures at different levels for these groups will be provided by AOG officials next week. While we want to ensure these groups are protected from infection, this needs to be balanced with encouraging them to do more outside their homes at Alert Level 3 that can be done safely without compromising their bubbles. We also want to ensure that Seniors are respected when they do take these opportunities and do not face criticism from the public when they are doing this safely. This may require more nuanced guidance and key messages for the public. It will also be important that there is appropriate support and services in place for older people if they do face greater restrictions than the rest of the population.
67. There are some potential trade-offs that need to be worked through between labour market participation and capacity within schools and ECEs at Level 3 following the implementation of public health measures (particularly physical distancing). Officials will work through these issues before providing advice on detailed measures at Levels 3 and 2.
68. The current Alert Levels are an administrative framework for managing behaviour during the COVID epidemic. They are backed by appropriate legislative authorisation (such as by a State of National Emergency Declaration or s 70 notice under the Health Act), which in turn activate various powers to enforce compliance with the framework. The framework itself confers no authority to enforce compliance on its own.
69. A shift in levels will not be legally straightforward. As we move down the levels, the availability of the full range of enforcement powers will decrease and reliance on voluntary compliance will increase. Any change to the current Level 4 will require careful planning around what authorisation and enforcement strategy and powers are needed to support a change. This will be particularly important if regional or group variations to the levels are planned and if the State of National Emergency and the Epidemic Notice are lifted. Clear communications will be a vital part of this, to allay concern, bolster voluntary compliance and provide clarity around enforcement.
70. In the event Cabinet agrees to a change from the current Level 4 on April 20, this paper seeks Ministerial approval to direct Crown Law, together with Health, NEMA and Police, to report back to CVD Ministers on 21 April on the relevant authority and powers, and the communications required to implement the shift.

### **Financial Implications**

71. There will be financial implications from the recommendations in this paper. It is difficult to quantify the implications of any change to Alert Level, although they are largely expected to be more positive than the impacts of continuing the Level 4 lockdown.

### **Legislative Implications**

72. There are no legislative implications arising from the recommendations in this paper.

### **Impact Analysis**

73. The requirement for a Regulatory Impact Analysis did not apply because this is a policy proposal directly related to the COVID-19 response.

### **Human Rights**

74. Several of the measures at all Alert Levels raise significant human rights issues. As restrictions on travel limit the freedom of movement affirmed in section 18 of the New Zealand Bill of Rights Act 1990 (NZBORA). This applies both to the ability to travel within New Zealand and at the border. Restrictions on public gatherings could limit the right to peaceful assembly affirmed in section 16 of NZBORA. All restrictions have the potential to limit the right to be free from discrimination affirmed in section 19(1) of NZBORA, at least indirectly, because they could have a disproportionate impact on some groups (particularly Māori, women, and people with disabilities).
75. Several rights affirmed in the International Covenant on Economic, Social and Cultural Rights are also engaged by the measures discussed in this paper. The right to the highest attainable standard of physical and mental health (article 12) is particularly relevant. For example, restrictions on elective procedures could limit people's right to medical service and medical attention in article 12(2)(d). However, article 12 also requires States to prevent, treat and control epidemic illnesses. Other Covenant rights that could be engaged include the right to work (article 6), and the right to education (article 13).
76. This paper does not, in itself, seek decisions which would impact on the above rights. However, in the event that the Alert Level is changed, the relevant government departments will keep any restrictive measures under constant review to ensure that they continue demonstrably justified in the circumstances and remain proportionate to the threat posed by COVID-19.

### **Gender impact statement**

77. At this stage, the impacts on women of COVID-19 are unclear. However, the lockdown is likely to have increased the incidence of family and sexual violence, which we know disproportionately affects women.

### **Disability Impact**

78. Overall, the disability community is anxious about COVID-19 and the Alert Level restrictions, and its existing vulnerabilities are magnified in a situation where changes need to be made to routines of everyday life in a short timeframe, and where disability needs are not able to be specifically considered. A proportion of disabled people are at greater risk of COVID-19 either from a clinical perspective or because they are exposed to more people as a result of requiring support for activities of everyday living (or both). There are also a group of disabled people who require information to be provided in a format they can access (New Zealand Sign Language, blind formats, Easyread).
79. A large number of issues for disabled people are the same as for the broader community, and will be met through universal information and support (such as income support). It will be important that there is clear and consistent messages about what is required of them and any support people or NGOs they work with. This includes providing information in accessible formats ahead of a shift to alert level 3. This will need to be supported by some disability specific guidance and FAQs around PPE and

where to access it, welfare support, transport, and any changes to requirements about bubbles. It would be useful to disseminate this through disability networks including Disabled People's Organisations, providers and NASCs. It may also be valuable to have a disability specific channel (online or phone) for identifying and responding to gaps in guidance.

### Consultation

80. This paper was prepared by the Department of the Prime Minister and Cabinet (Policy Advisory Group). The Chief Executives of all core government agencies and several of our critical Crown Entities were provided with a brief opportunity to comment on a draft of the paper. My Chief Science Advisor and the AOG team coordinating the COVID-19 response were also consulted on that draft. Ministerial consultation was undertaken by my office. Feedback has been incorporated to the extent possible.

### Communications

81. I will communicate the decisions set out in this paper after Cabinet agreement. Communications will be co-ordinated with the Government's broader communications around its COVID-19 response.

### Proactive Release

82. I intend to proactively release this Cabinet paper following Cabinet consideration.

### Recommendations

83. The Prime Minister recommends that COVID-19 Joint Ministers:

1. **note** that we declared border restrictions and an Alert Level 4 lockdown until April 22, supported by a State of National Emergency, in an attempt to eliminate the COVID-19 virus in New Zealand [CAB- 20-Min-0142, CAB-20-MIN-0133, COVID Ministers 25/03/2020 decision];
2. **note** that there are early signs that the measures we have taken are reducing the incidence of COVID-19, but we will need further information to confirm that any change in the current Alert Level is warranted;
3. **note** that the social, economic, fiscal and non-COVID health costs of the Alert Level 4 restrictions are very large and growing, and that some measures may be more effective against the virus, and less costly to society and the economy, than others;
4. **note** that our existing Alert Level framework can be modified to take account of what we have learnt during the lockdown, and to reflect emerging international evidence about the effectiveness of various measures;
5. **note** that in the event of significant progress in limiting the spread of COVID-19 under Alert Level 4, we can consider whether to relax the Alert Level 4 restrictions either across New Zealand or in parts of it;
6. **note** that the principal matters that need to be taken into consideration in determining whether we can step down from Alert Level 4 in all or part of New Zealand are:
  - 6.1. that the Director-General of Health is satisfied that:
    - 6.1.1. there is sufficient data from a range of sources including testing and surveillance that public health experts, statisticians and modellers

- can have reasonable certainty that undetected community transmission is unlikely;
- 6.1.2. there is sufficient capacity and capability in our testing and contact tracing, with surge capacity available in the case of an outbreak;
  - 6.1.3. our self-isolation, quarantine and border measures are sufficiently robust and adhered to;
  - 6.1.4. there is capacity in the health system more generally, including the workforce and ICU capacity (plus the availability of PPE for those for whom it is recommended);
  - 6.2. evidence of the effects of the measures on economy and society more broadly;
  - 6.3. public attitudes towards the measures and the extent to which people and businesses understand, accept and abide by them;
  - 6.4. our ability to operationalise the restrictions, including satisfactory detailed implementation planning by the All-of-Government team and government agencies;
7. **agree** that regardless of the level we decide to move to, we will:
    - 7.1. maintain our physical distancing guidance, personal hygiene behaviours, and widespread testing;
    - 7.2. continue fast large scale contact tracing and enforced self-isolation of those with symptoms and their close contacts, and anyone who is sick;
    - 7.3. keep robust border measures in place, with restrictions for the majority of discretionary travel into New Zealand, and quarantine or manage the isolation of arriving passengers for 14 days;
  8. **note** that we may need to continue vigilant testing, border controls, and some population restrictions until there is an effective vaccine or other treatment for COVID-19, and that this could be another for year to 18 months;
  9. **note** that the prevalence of both overcrowding and comorbidity within the Māori and Pacific communities makes many of them more vulnerable to this virus and its treatment than for other identifiable groups;
  10. **direct** the Ministry of Health to increase the level of health surveillance testing for the whole population, with particular efforts to reach the Maori and Pacific communities;
  11. **agree** that on 20 April 2020, Cabinet will consider whether at the conclusion of the lockdown period we will remain at Level 4 or move New Zealand to another level or mix of levels;
  12. **direct** AOG Officials, working closely with relevant agencies, to report back to the Cabinet Business Committee on 15 April 2020 on the detailed measures required at Alert Levels 3 and 2, and operational preparation underway to implement these measures following a government decision;
  13. **direct** AOG officials, working closely with the Office for Seniors, to develop appropriate measures and supporting guidance for people over 70 and/or with existing conditions, that enable them to undertake activities outside their homes that can be done safely without compromising their bubbles at Alert Level 3;
  14. **direct** all government agencies to prepare for a possible Level change, including:
    - 14.1. internal implementation requirements for all Levels;



- 14.2. guidance, communications and support for sectors and the public for all Levels;
15. **direct** officials (Health, NEMA, Police and other relevant agencies) to report to the Cabinet Business Committee on 15 April 2020, confirming whether a regionally differentiated approach to step down could be implemented if desired, including how, under which potential conditions or pre-requisites, and with an initial sense of which regions or areas might be most suitable for such an approach;
  16. **direct** Crown Law Office, in consultation with Health, Police and NEMA, to report back to CVD on 21 April 2020 on the authorisations and powers that will be or have been put in place to give effect to the decision of Cabinet outlined at recommendation 11;
  17. **direct** AOG officials to develop a set of measures and regular reporting that will inform future decisions on changing levels or the overall strategy and to report them regularly;
  18. **agree** that the decision in recommendation 11 will be communicated by the Prime Minister.

**Rt. Hon. Jacinda Ardern**  
**Prime Minister**

Proactively Released



# Cabinet

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### COVID-19: Preparing to Review New Zealand's Alert Level 4 Status

**Portfolio**                      **Prime Minister**

On 14 April 2020, following reference from the COVID-19 Ministerial Group, Cabinet **noted** that at its meeting on 9 April 2020, the Ministerial Group:

- 1 noted that the government declared border restrictions and an Alert Level 4 lockdown until 22 April 2020, supported by a State of National Emergency, in an attempt to eliminate the COVID-19 virus in New Zealand [CAB-20-MIN-0142, CAB-20-MIN-0133, and COVID-19 Ministers' 25/03/2020 decision];
- 2 noted that there are early signs that the measures that have been taken are reducing the incidence of COVID-19, but that further information will be needed to confirm that any change in the current Alert Level is warranted;
- 3 noted that the social, economic, fiscal and non-COVID-19 health costs of the Alert Level 4 restrictions are very large and growing, and that some measures may be more effective against the virus, and less costly to society and the economy, than others;
- 4 noted that the existing Alert Level framework can be modified to take account of what has been learnt during the lockdown, and to reflect emerging international evidence about the effectiveness of various measures;
- 5 noted that in the event of significant progress in limiting the spread of COVID-19 under Alert Level 4, the government can consider whether to relax the Alert Level 4 restrictions either across New Zealand or in parts of it;
- 6 noted that the principal matters that need to be taken into consideration in determining whether the government can step down from Alert Level 4 in all or part of New Zealand are:
  - 6.1 that the Director-General of Health is satisfied that:
    - 6.1.1 there is sufficient data from a range of sources, including testing and surveillance, that public health experts, statisticians and modellers can have reasonable certainty that undetected community transmission is unlikely;
    - 6.1.2 there is sufficient capacity and capability in the testing and contact tracing, with surge capacity available in the case of an outbreak;
    - 6.1.3 the self-isolation, quarantine and border measures are sufficiently robust and adhered to;

- 6.1.4 there is capacity in the health system more generally, including the workforce and ICU capacity (plus the availability of PPE for those for whom it is recommended);
  - 6.2 evidence of the effects of the measures on economy and society more broadly;
  - 6.3 public attitudes towards the measures and the extent to which people and businesses understand, accept and abide by them;
  - 6.4 the ability to operationalise the restrictions, including satisfactory detailed implementation planning by the All-of-Government (AoG) team and government agencies;
- 7 agreed that regardless of the level the government decides to move to, we will:
- 7.1 maintain the physical distancing guidance, personal hygiene behaviours, and widespread testing;
  - 7.2 continue fast large scale contact tracing and enforced self-isolation of those with symptoms and their close contacts, and anyone who is sick;
  - 7.3 keep robust border measures in place;
- 8 noted that vigilant testing, border controls, and some population restrictions may need to continue until there is an effective vaccine or other treatment for COVID-19, and that this could be for another year to 18 months;
- 9 noted that the prevalence of both overcrowding and comorbidity within the Māori and Pacific communities makes many of them more vulnerable to this virus and its treatment than for other identifiable groups;
- 10 directed the Ministry of Health to increase the level of health surveillance testing for the whole population, with particular efforts to reach the Maori and Pacific communities, in line with the overall surveillance plan;
- 11 agreed that on 20 April 2020, Cabinet will consider whether, at the conclusion of the lockdown period, the government will remain at Level 4 or move New Zealand to another level or mix of levels;
- 12 directed AOG officials, working closely with relevant agencies, to report back to the Cabinet Business Committee on 15 April 2020 on the detailed measures required at Alert Levels 3 and 2, and the operational preparation underway to implement these measures following a government decision;
- 13 directed AOG officials, working closely with the Office for Seniors, to develop appropriate measures and supporting guidance for people over 70 years and/or with existing conditions, that enable them to undertake activities outside their homes that can be done safely without compromising their bubbles at Alert Level 3;
- 14 directed all government agencies to prepare for a possible Alert Level change, including:
- 14.1 internal implementation requirements for all Alert Levels;
  - 14.2 guidance, communications and support for sectors and the public for all Alert Levels;

- 15** directed officials (Health, NEMA, Police and other relevant agencies) to report to the Cabinet Business Committee on 15 April 2020, confirming whether a regionally differentiated approach to step down could be implemented if desired, including how, under which potential conditions or pre-requisites, and with an initial sense of which regions or areas might be most suitable for such an approach;
- 16** directed the Crown Law Office, in consultation with Health, Police and NEMA, to report back to COVID-19 Ministers on 21 April 2020 on the authorisations and powers that will be or have been put in place to give effect to Cabinet's decision outlined in paragraph 11 above;
- 17** directed AOG officials to develop a set of measures and regular reporting that will inform future decisions on changing Alert Levels or the overall strategy, and to report them regularly;
- 18** agreed that the decision referred to in paragraph 11 above will be communicated by the Prime Minister.

Michael Webster  
Secretary of the Cabinet

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