

Office of the Minister for COVID-19 Response

Cabinet

## **COVID-19 RESPONSE: 6 SEPTEMBER REVIEW OF ALERT LEVEL SETTINGS**

### **Proposal**

1. This paper seeks Cabinet's agreement to:
  - 1.1. keep Auckland at Alert Level 4 until at least 11.59pm, Tuesday 14 September (as previously agreed); and
  - 1.2. shift the rest of New Zealand to Alert Level 2, commencing:

EITHER

    - 1.2.1. For all of the country outside of Auckland, from 11.59pm, Tuesday 7 September (Preferred option);

OR

    - 1.2.2. For the South Island, from 11.59pm, Tuesday 7 September and for the North Island outside of Auckland, from 11.59pm, Thursday 9 September

OR

    - 1.2.3. For all the country outside of Auckland, commencing from 11.59pm, Thursday 9 September
  - 1.3. review these settings on Monday 13 September.

### **Relationship with Government priorities**

2. This paper concerns the Government's response to COVID-19.

### **Summary**

3. As at 9am Monday 6 September, there have been 821 confirmed cases detected since 17 August 2021, of which 804 are in Auckland and 17 in Wellington. There were 20 cases in the 24 hours to 9am Monday 6 September.
4. Case numbers are steadily declining, and as set out in the Director-General of Health's interim health advice, there are increasing reasons to believe that the Auckland outbreak is contained. The Director-General of Health is confident that the outbreak is now solely confined to the Auckland region.
5. The Director-General of Health's interim health advice is that Auckland remain at Alert Level 4 for at least another week, and that the rest of the country

more to Alert Level 2 from 11.59pm Tuesday 7 September. This recommendation is on the basis that restrictions on what will be the 4/2 boundary be tightened further from current settings, mandatory surveillance saliva-testing for workers crossing the boundaries be implemented, and that changes be made to strengthen Alert Level 2 settings.

6. I agree that we should keep Auckland at Alert Level 4 for another week, and that we should move the rest of the country to Alert Level 2 this week. The question is one of timing. My preferred option is that we move all the country outside Auckland on Tuesday night. It should be noted that this would not allow sufficient time for the mandatory surveillance testing regime discussed below to be implemented. As such, I propose that the surveillance testing regime take effect from 11.59pm Thursday 9 September.
7. Moving the South Island to Alert Level 2 on Tuesday night and the rest of the North Island on Thursday night would mitigate this risk, but will be complex from an operational and communications perspective. Moving all the country outside Auckland on Thursday night would be simpler, but risks straining our social license in the South Island. I seek Cabinet decisions on these timing options.
8. In terms of permitted movement across boundaries, Cabinet has previously agreed to permissions for movement across the Alert Level 4/3 boundary for work and non-work purposes. The Director-General of Health has recommended that the same permissions for businesses and services to move across Alert Level 4/3 boundaries be applied to any Alert Level 4/2 boundary established, but he recommends narrower non-work purposes (e.g. excluding providing urgent care for a child). On balance I propose that the previously agreed permissions for movement across Alert Level 4/3 boundary for businesses, services and non-work purposes should apply to the Alert Level 4/2 boundary given the low volumes and equity considerations between work and non-work movement.
9. In line with the Director-General's advice, I also propose that we establish additional surveillance testing across Alert Level boundaries. I propose that workers travelling across Alert Level 4 boundaries for permitted reasons be required to provide evidence of a COVID-19 saliva test within the last 7 days. This would also apply to permitted personal travel, but only where reasonably practicable. I anticipate that mandatory surveillance testing would be required to continue once Auckland moves down to Alert Level 3 (creating a 3/2 boundary), at least for a period of weeks.
10. I also agree with the Director-General's recommendations that we should tighten our caps on numbers permitted at indoor social gatherings, event facilities and hospitality venues from 100 to 50 and prohibit standing on public transport. I also propose that we amend physical distancing requirements for customers and clients of businesses and services such as gyms, public facilities (such as libraries, museums, recreation centres, and swimming pools), and public-facing social service offices from 1 metre to 2 metres. 1 metre distancing requirements would remain in places such as non-public-

facing offices and factory floors, and in places subject to an explicit cap on numbers, such as hospitality venues and event facilities.

11. I propose that we next consider our Alert Level settings for the whole country on Monday 13 September.

## **Introduction**

12. This paper is structured in four parts.
  - 12.1. Part 1 includes a situation report on the current COVID-19 outbreak, the Director-General of Health's recommendations, timing options for our Alert Level settings in different parts of the country, and an assessment against the health and non-health related factors for Alert Level decision-making.
  - 12.2. Part 2 outlines proposals for settings at Alert Level boundaries.
  - 12.3. Part 3 discusses options for revised settings at Alert Level 2.
  - 12.4. Part 4 considers remaining matters including financial and legislative implications.

## **PART 1: SITUATION REPORT, ALERT LEVELS, AND ASSESSMENT AGAINST HEALTH AND NON-HEALTH FACTORS**

### **How we make Alert Level decisions**

13. Cabinet has previously agreed to use eight factors to guide decisions on the appropriate Alert Level settings for New Zealand [CAB-20-MIN-0199; CAB-20-MIN-0387 refer]. This includes the Director-General's assessment of a range of health factors, and evidence of the measures on society, at-risk populations, public attitudes, and our ability to operationalise the restrictions.
14. This approach is underpinned by the Elimination Strategy and supports New Zealand's vaccine roll-out, which in turn will support the Reconnecting New Zealanders approach to opening our borders when it is safe to do so.

### **Situation report**

15. Following detection of a case of community transmission of COVID-19 on 17 August, Auckland is currently at Alert Level 4, and the rest of the country is currently at Alert Level 3.
16. As at 9am Monday 6 September, there have been 821 confirmed cases detected since 17 August 2021, of which 804 are in Auckland and 17 in Wellington. There have been 20 cases in the 24 hours to 9am Monday 6 September.
17. Case numbers are steadily declining, and as set out in the Director-General of Health's interim health advice, there are increasing reasons to believe that the Auckland outbreak is contained. While there are some causes for concern,

including several cases and sub-clusters remaining un-linked, most indicators are trending in the right direction.

18. The Director-General of Health is confident that the outbreak is now solely confined to the Auckland region. The last time a case was infectious in the community in Wellington was on Friday 20 August.

### Updated modelling in relation to the current outbreak

19. Te Pūnaha Matatini (TPM) has continued to provide updated modelling results from its “branching process” and “contagion network” models. This now includes an estimation of the effective reproduction number ( $R_{\text{eff}}$ ) during the period of Alert Level 4 restrictions.

#### *Estimating the effective reproduction number and future case numbers*

20. Using case data up to and including Friday 3 September, the modelling estimates that it is highly likely that the  $R_{\text{eff}}$  was significantly below 1 between Monday 23 August and Friday 3 September. It is highly likely that the  $R_{\text{eff}}$  was significantly below 1 between 23 August and 3 September: the central estimate for  $R_{\text{eff}}$  is 0.4 with a 95% confidence interval (0.2, 0.7). The modelling therefore projects a continuing reduction in case numbers and eventual return to elimination under Alert Level 4.
21. Estimates for  $R_{\text{eff}}$  can give us confidence that Alert Level 4, contact tracing and case management have combined to create a significant reduction in transmission. However, we must be aware that this is a backwards-looking measure; a cautious approach will account for the risk that  $R_{\text{eff}}$  may be higher than central estimates or may increase in the future, even without relaxations in Alert Levels.
22. As it is uncertain how far  $R_{\text{eff}}$  is below 1, and how stable it is over time, it is also uncertain how long transmission is expected to continue. Nevertheless, modelling can give a sense of the timeframes associated with a return to lower case numbers and elimination, thereby supporting expectations around the timing of future Alert Level choices.
23. Using case data up to Friday 3 September, over half of the model simulations result in fewer than 10 daily cases beyond Wednesday 15 September. However, the estimated timeframes are very sensitive to emergent case data; the same method has suggested much longer timeframes on earlier case data and a few days with higher numbers than the modelling expects will generate higher predicted case numbers later into September and beyond.

#### *Probability of undetected transmission*

24. Earlier modelling results estimated the probability of undetected transmission outside Auckland, if cases had been seeded early in August. They indicate that there is a very high likelihood that we would have detected at least some of the resulting cases by now, based on community testing and wastewater surveillance results. Our greatest risk of community transmission outside

Auckland now relates to those with undetected infection travelling across an Alert Level boundary from Auckland.

25. Te Pūnaha Matatini will publish materials on their website this week which outline the methods used to model transmission dynamics and estimate  $R_{\text{eff}}$  during the outbreak. Discussion with the TPM modelling teams over the next week will look more closely at transmission scenarios following a future move to Alert Level 3 in Auckland.

### **Director-General of Health's assessment against the health factors**

#### *Source of the case(s)/outbreak*

26. After significant investigation, the most likely source case of this outbreak is the returnee from New South Wales who arrived at the Crowne Plaza MIQ facility on 7 August. All samples that have been sequenced to date are genomically linked and are due to the Delta variant.

#### *Update on outbreak sub-clusters*

27. There are currently eight epidemiologically linked sub-clusters identified within this outbreak, and a further 6 epidemiologically unlinked sub-clusters. The Director-General notes that the two largest clusters – the AOG church and the Birkdale Social network – appear to have peaked in terms of new cases. Overall, the proportion of cases that were infectious in the community has stabilised at around 30% and the number of exposure events has decreased markedly since the beginning of the Alert Level 4 lockdown. This suggests the lockdown in Auckland is working, but we may have some way to go before we can be confident that the outbreak is under control.

#### *Likelihood that the Auckland outbreak is contained*

28. There are several reasons to be increasingly confident that the outbreak in the Auckland region is contained. In particular:
  - 28.1. The outbreak in Auckland appears to have peaked on Saturday 28 August, with daily numbers decreasing steadily since then.
  - 28.2. The proportion of cases infectious in the community has been decreasing, with 70% of the cases reported on Saturday 4 September having no exposure events in the community while infectious. Recently many of these exposure events have been in supermarkets (with masks and physical distancing in place). There have been 10 or fewer new exposure events per day since Tuesday 31 August (compared to a peak of 251 on 17 August).
  - 28.3. The proportion of new cases that were known or household contacts of other cases has increased throughout the outbreak, with 15 (75%) of the cases reported on Saturday 4 September contacts of known cases.

29. Some causes for concern remain, but data points are trending in the right direction:
  - 29.1. There continue to be cases unlinked epidemiologically, however this proportion is decreasing daily, with only 3% of cases (27 people) not yet epidemiologically linked or connected to a cluster as at 9am Sunday 5 September.
  - 29.2. Across the country, only 86% of contacts have been reached by contact tracers, although 99% of close plus contacts have been reached. 99% of contacts for which location data is held have been reached.
  - 29.3. There is a cluster of concern – the Mangere Manurewa subcluster. It is not yet known whether the numbers have peaked in this cluster. This subcluster has also not yet been linked to other clusters.
  - 29.4. Transmission between essential workers in the Auckland region remains a risk, including from temporary workers moving between facilities. Since the start of lockdown there have been 108 exposure events at workplaces of cases. Of these, 16 exposure events included workplaces where there were essential workers. However, there have only been a small number of cases identified who were infected within workplaces after lockdown, and no new workplace exposure sites since Tuesday 31 August.
  - 29.5. Testing rates have declined significantly since peaking on Tuesday 24 August, with some hesitancy emerging. The main drivers for the decline is that Alert Level 4 settings are suppressing transmission of all respiratory symptoms (therefore there are fewer symptomatic people) and fewer locations of interest. Efforts are underway to increase surveillance testing, particularly of health and MIQ workers, and essential workers crossing the boundary. Part 2 of this Cabinet paper outlines these proposals in more detail.

*Potential for undetected community transmission outside of Auckland*

30. The Director-General of Health is confident that the outbreak is now solely confined to the Auckland region with recent sporadic cases occurring in Wellington in known household contacts who have been in quarantine during their infectious period. The last time a case was infectious in the community in Wellington was on 20 August. Close to 100% of known contacts outside of Auckland have been reached and have had at least one test.
31. Testing rates outside of Auckland could be better but recent results from modelling have estimated that with current rates of testing and no further cases detected, the estimated probability that areas outside Auckland and Wellington are COVID-19 free is close to 95%. Although this advice has not included Wellington, the Director-General is confident that the modelling estimates can also apply to the Wellington region and that the probability that it is COVID-19 free is also very high.



32. There have been no unexpected wastewater detections outside of the Auckland region. Analysis of wastewater samples during this outbreak has included samples from 154 sites, covering and estimated 3.8 million people. There are 103 locations in the North Island, and 51 locations in the South Island.

*Health system capacity including surveillance and contact tracing systems*

33. As at 9am 5 September 2021, there are 38 current hospitalisations associated with the current outbreak. 6 of these are in ICU and 4 are requiring ventilation. 31 of those hospitalised are Pacific peoples. As at 11.59pm on 3 September, there are high levels of ventilator availability across all DHBs and all DHBs other than Whanganui have available beds in ICU.
34. As at 9am Sunday 5 September, there were 38,120 contacts identified in relation to the August community cases recorded in the National Contact Tracing Solution. 32,935 of these have been reached. Of the total number of contacts, 34,781 are close contacts. These volumes are unprecedented, compared to only approximately 2,600 close contacts identified during the August 2020 outbreak over a six-week period.
35. Testing volumes remain elevated but have declined significantly from previous highs. In the 7 days to 9am Saturday 4 September, 119,938 tests have been completed (7 day rolling average is 17,134). There were 4,750 tests across the whole country in the 24 hours to 9am Monday 6 September. Even though testing numbers have declined from the highs of the early outbreak they are still relatively high in the Auckland region (and higher than the comparative stage of the August 2020 outbreak).

*Director-General's of Health's conclusions<sup>1</sup>*

36. Based on the most recent public health risk assessment completed at 10.30am on 5 September, the Director-General's interim health assessment is as follows:
- 36.1. Given the information and test results received to date, continuing community transmission in Auckland cannot yet be ruled out, so the risk of community transmission remains high to medium.
- 36.2. Given the information and test results received to date, the risk of community transmission in the remainder of New Zealand is low.
37. The Director-General's interim health advice is therefore that:
- 37.1. Auckland remain at Alert Level 4; and
- 37.2. the remainder of New Zealand shift to Alert Level 2 at 11:59pm on Tuesday 7 September 2021.

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<sup>1</sup> The Director-General of Health's conclusion is based on information available as of Sunday, 5 September. Where possible, case/contact data in this paper reflects the latest figures as at 9am Monday 6 September.

38. The Director-General has emphasised that his recommendation for the rest of New Zealand to shift to Alert Level 2 is based on parallel advice to Ministers suggesting:
- 38.1. further restrictions to reduce movement across what will become the new Alert Level 4/2 boundary (see Part 2 of this paper);
  - 38.2. mandatory surveillance saliva-testing for workers permitted to cross Alert Level boundaries (see Part 2 of this paper); and
  - 38.3. that changes be made to strengthen Alert Level 2 settings in recognition of the high transmissibility of the Delta variant (including a new 50-person gathering limit and a 'no standing' requirement for public transport) (see Part 3 of this paper).
39. The Director-General's interim advice is that at least another week is required at Alert Level 4 to gather the evidence necessary to be confident that the outbreak in Auckland is being successfully contained. Before moving to Alert Level 3 in Auckland, the Director-General considers we would hope to see:
- 39.1. all known cases have been contacted and are in isolation or quarantine, as deemed necessary by a health professional,
  - 39.2. any new emerging cases have been in isolation throughout their infectious period no new unlinked sub-clusters,
  - 39.3. high testing numbers provide reassurance there is no undetected community transmission in Auckland, and
  - 39.4. no unexpected wastewater results.

#### **Options regarding Alert Levels**

40. I agree with the Director-General's interim advice in respect of the Alert Level settings in and outside of Auckland. I therefore propose that, as previously agreed, we keep Auckland at Alert Level 4 until at least 11.59pm, Tuesday 14 September.
41. The remaining question is a matter of timing for regions outside of Auckland moving down Alert Levels. The reason I have presented a range of options regarding the timing for the shift down from Alert Level 3 outside of Auckland relate to the Director-General's recommendations that any shift to Alert Level 2 be accompanied by mandatory surveillance saliva-testing for essential workers crossing Alert Level boundaries.
42. It is worth noting that schools require a minimum of 48 hours' notice when we shift any region from Alert Level 3 to Alert Level 2. Therefore an earlier shift in alert levels may not fully realise all benefits until schools are re-opened and parents and caregivers currently home schooling are able to return to work.



*Timing Option 1: All New Zealand outside of Auckland to move to Alert Level 2 as of 11.59pm Tuesday 7 September (Preferred)*

43. The first – and my preferred – option is for all New Zealand outside of Auckland to move to Alert Level 2 as of 11.59pm Tuesday 7 September. At this stage, agencies involved in standing up the operations of a mandatory surveillance testing regime advise that it is very unlikely that such a regime can be stood up by 11.59pm Tuesday 7 September. Given this, I propose that the mandatory regime would take effect from 11.59pm Thursday 9 September. This does create a greater risk of undetected spread of COVID-19 outside of Auckland, but this is mitigated by the restrictions on movement and increased communication about the importance of general public health practices (e.g. staying home when sick).

*Timing Option 2: South Island move to Alert Level 2 from 11.59pm, Tuesday 7 September, North Island outside of Auckland to move to Alert Level 2 from 11.59pm Thursday 9 September*

44. The second timing option is for the South Island (including Stewart Island and the Chatham Islands) to move to Alert Level 2 from 11.59pm Tuesday 7 September, and for the North Island outside of Auckland to move to Alert Level 2 from 11.59pm Thursday 9 September. Advice from operational agencies is that this would allow time for the proposed mandatory testing regime at the land border between Auckland and the Waikato and Auckland and Northland to be stood up, consistent with the intent of the Director-General's advice. However, this option would involve a 4/3/2 split for 2 days, which would be complex to communicate, and involve some operational complexity.

*Timing Option 3: Rest of the country outside of Auckland to move to Alert Level 2 from 11.59pm Thursday 9 September*

45. The third timing option is for the rest of the country outside of Auckland to move to Alert Level 2 from 11.59pm Thursday 9 September. As with the second option, it would allow time to set up the proposed mandatory testing regime. It would also avoid the need to have three parts of the country in three separate Alert Levels at once. However, there is not a strong public health justification for keeping the South Island at Alert Level 2 for two additional days which would have attendant economic and social costs.
46. Regardless of which option we select, I propose that we review our settings for the whole of the country on Monday 13 September.

*Other options considered*

47. In addition to the two options outlined above, I have considered, but discarded, two other options:
- 47.1. Auckland remains at Alert Level 4, the northern part of the Waikato remains at Alert Level 3, and the remainder of New Zealand moves to Alert Level 2 (not operationally feasible); and

- 47.2. Auckland remains at Alert Level 4, and the rest of the country remains at Alert Level 3 (not considered to be proportionate to the current health risk assessment).
48. I have also had regard to the situation with Northland. Reflecting the health imperatives and the need to avoid putting communities at risk, tight restrictions on movement between Auckland and Northland are appropriate. This will mean though that those in Northland can only cross the boundary for permitted reasons.

**Assessment of the proposed measures/options against the non-health factors**

49. I have assessed the options considered above against the non-health factors agreed by Cabinet, as set out below. As discussed above, the options presented above differ only in the timing at which New Zealand outside of Auckland would move down to Alert Level 2. Each presents differing challenges regarding ability to operationalise, and communicate the proposals, and to maintain a social licence. As such, it is a matter of judgement regarding how to best weigh up the non-health factors.
50. Regardless of which option we select, the economic and social supports available will exist to cushion the blow associated with elevated Alert Levels as best as they can. We continue to refine our economic and social support, communications, and operational implementation of the response to COVID-19 in response to the challenges experienced on the ground.

*Economic impacts from Alert Levels*

51. Treasury’s estimates about the size of the impact of different combinations of Alert Level restrictions are listed below. There is considerable uncertainty about the size of the impact of the Alert Level restrictions. Treasury last formally estimated the impacts of the Alert Level restrictions in the Budget Economic and Fiscal Update forecasts in April 2021.<sup>2</sup> High-level estimates of the impacts of the proposed changes to Alert Level 2 settings are discussed in Appendix 1 of this paper.

**Approximate economic impacts of the Alert Level restrictions relative to Alert Level 1 (rounded to nearest \$10m)**

Restrictions	Reduction in economic activity per week	
AL3 across all of NZ	\$520 million	9% of national GDP
AL4 in Auckland, AL2 rest of country	\$650 million	11% of national GDP
AL4 in Auckland, AL3 rest of North Island, AL2 South Island	\$820 million	14% of national GDP
AL4 in Auckland, AL3 rest of country	\$920 million	15% of national GDP

<sup>2</sup> Some of these GDP losses will occur even without Alert Level restrictions, as people adjust their behaviour in response to perceived risk.

52. The impacts will differ across industries and within regions. Relative to Alert Levels 3 and 4, Alert Level 2 will enable activity to increase in some industries more than others. Industries such as retail and hospitality are expected to see substantial increases in activity when moving into Alert Level 2 relative to Level 3. As shown in the table above, the overall economic impact depends significantly on the extent of the country that is at higher Alert Levels.
53. These estimates are derived from the observed impact previous Alert Level escalations have had on activity and they do not account for potential changes over time (such as firms adapting their behaviour). Previous lockdowns indicate that while activity does fall sharply, a significant amount is deferred, rather than lost, if the time spent under higher Alert Levels restrictions is kept short.
54. The above estimates of GDP impacts do not account for any supply chain disruptions that may result from the Auckland region being in Alert Level 4 while other regions are at lower Alert Levels. These impacts have been raised during engagements with business. Treasury's initial assessment suggests that Auckland being at Alert Level 4 could increase the impact of COVID-19 restrictions in other parts of the country by up to \$50m per week given the importance of Auckland's manufacturing, warehousing and logistics sectors. These impacts are likely to be uneven and are relatively small compared to the overall impacts of COVID-19 restrictions.
55. Domestic and international economic data since the emergence of COVID-19 has backed our strategy that a strong health response has been the best economic response, as set out in CAB-21-SUB-0330.

*Financial and in-kind support*

56. The Ministry of Social Development (MSD), in collaboration with other social agencies and NEMA, continues to monitor the social impacts of any change in Alert Levels, and any additional support that might be required for people and communities.
57. The Wage Subsidy Scheme August 2021 has had strong uptake with \$998.425 million paid as at Thursday 2 September, supporting 889,627 jobs. Applications have been almost entirely from businesses with under 500 employees. There has also been strong take-up of the August 2021 Resurgence Support Payment, with 146,732 payments totalling \$453 million having been made to businesses as at Friday 3 September.
58. The number of people on a main benefit increased by 7,086 in the two weeks to Friday 27 August and further increases are likely. Food grants also increased significantly compared to the week before lockdown, especially in Auckland, and the increase in grants has been higher than that seen following the shift to Alert Level 4 in March 2020.
59. Any move down Alert Levels in parts of the country that enable more economic should reduce demand for financial and in-kind support. However,



the proposals in this paper will result in continued and possibly increased demand in Auckland and any other areas that remain at Alert Level 3.

*Impacts on at-risk populations*

60. The outbreak of COVID-19 and the associated Alert Level response is having a range of impacts on at-risk populations. These are set out in more detail in Appendix 2, and include:
  - 60.1. higher vulnerability to COVID-19 amongst Māori and Pacific populations (more than 70% of the cases to date Pacific peoples), exacerbated by lower rates of vaccination amongst these groups;
  - 60.2. restrictions on earning capacity (e.g. loss of jobs, reduced hours, and the impact of finances of families) which can amplify income and poverty inequities;
  - 60.3. issues with access to support for those still working at Alert Level 4 (including childcare arrangements, and support to adhere with public health advice and get vaccinated);
  - 60.4. challenges associated with digital connectedness, and inequitable access to testing sites and material essentials such as food, hygiene products, and shelter and warmth; and
  - 60.5. ongoing concerns around mental health, with support services experiencing a significant surge in support being sought by communities in relation to their mental and general wellbeing.
61. A particular theme in reporting from agencies across the previous week is increased needs from vulnerable people relating to food, with high demand for food banks and food grants.
62. MSD, NEMA and social service providers will continue to work with communities and provide consistent messaging about the supports already in place and how to utilise existing support channels.

*Public attitudes and compliance*

63. Social licence remains crucial to a successful COVID-19 response through the maintenance of public trust. Research undertaken on 28-29 August (focused on Pacific, Māori, Asian and South East Asian Communities) showed broad public support for the current measures. Most New Zealanders remain “happy” to do their part when it comes to the current Alert Level restrictions and guidelines, with this emotional acceptance shaped strongly by the spread of Delta in Australia. A New Zealand Herald-Kantar poll conducted between Thursday August 26 and Monday August 30 shows 85% of those surveyed continue to support the elimination strategy, at least until vaccination rates are higher.
64. There are some indications of fatigue, with a slight increase in negative sentiment on social media in recent days. There is a strong sense that life will

not return to normal any time soon and, as more of the population is vaccinated, New Zealanders are increasingly realistic about what a world with the vaccine looks like. Anecdotal feedback indicates one area of concern is access to food and essential items, partially due to financial insecurity, but more connected to logistical access through the need to self-isolate and some supermarket closures (particularly in Auckland).

65. Business sentiment analysis has found that, while the themes are similar to the 2020 Alert Level 4 lockdown period, business sentiment this time is more positive. The research also found that, with the lengthening of the lockdown period, many small business owners are feeling anxious, as they are having to factor in the compounding impact of a lack of skilled staff.
66. The prohibition on Auckland businesses supplying non-essential goods to businesses outside of Auckland is causing some confusion and creating supply constraints in other parts of the country, particularly where Auckland-based businesses are the key or only source of supply of products. This is likely to lead to increasing frustration in the coming week.
67. By 5pm, Saturday, 4 September, Police had received 16,572 online breach notifications through its 105 system. Overall, Police have conducted 61,853 COVID-19 related activities and have issued 3,379 infringements. Issues identified in recent Police reporting include:
  - 67.1. small-scale protest activity and online attempts to incite protests;
  - 67.2. disorder, aggression, and non-compliance with restrictions at supermarkets;
  - 67.3. complaints about non-essential Auckland-based businesses trading at Alert Level;
  - 67.4. a spike in reports relating to tradespeople, staff or customers not wearing masks, associated with the shift to Alert Level 3 south of Auckland;
  - 67.5. some close contacts of positive COVID-19 becoming increasingly non-compliant while undergoing their 14-day isolation period in a MIQ facility;
  - 67.6. non-permitted gatherings;
  - 67.7. small numbers of people attempting to cross Alert Level boundaries when not permitted; and
  - 67.8. lockdown measures exacerbating issues for those experiencing mental health issues and substance abuse.

*Ability to operationalise the proposals in this paper*

68. As discussed above, each of the three timing options for a shift to Alert Level 2 outside of Auckland presents differing challenges regarding ability to

operationalise and communicate the proposals. The specific operational implications associated with establishing 4/2 boundaries and setting up a surveillance testing regime are discussed in Part 2 of this paper.

69. In terms of the options presented above, agencies have highlighted that, if there are three Alert Levels operating at once, communications will need to be very clear to ensure that people understand what their obligations are. This is especially important where people are undertaking cross-boundary travel.
70. Similarly, Te Puni Kōkiri emphasises the importance of iwi and hapū involvement in the implementation of boundaries, community response and planning activities, and collaboration with agencies at the local level. Responses led by Māori in connection with their communities will lead to stronger wellbeing outcomes for whānau and embedding increased community resilience. This is being seen in some areas, with iwi standing up online reo, tikanga, karakia or wellbeing sessions for their members, to support their ongoing connections to whānau, whakapapa and wellbeing.
71. Police has noted that changes to gatherings number limits (and physical distancing requirements) are likely to be very challenging to enforce, given the potential number and nature of these gatherings and previous experience, particularly in relation to funerals, tangihanga and church services. Enforcement presence at such gatherings would also be more challenging from a social licence perspective, than at other gatherings such as sports events.

## **PART 2: BOUNDARY SETTINGS**

### **Update on current boundaries**

72. On Friday 27 August, Cabinet agreed the permissions for travel across the boundary between Alert Level 4 and Alert Level 3 areas [CAB-21-MIN-0344 refers]. The following statistics provide an indication of current volumes across the Auckland boundaries.
73. As at 3.30pm, 4 September, a total of 18,493 vehicles had attempted to travel through a checkpoint at the Alert Level 4/3 boundary and were stopped by Police. This excludes heavy vehicles passing through the freight priority lanes. Of these, 675 (or around 3.5%) were turned around, with 607 attempting to travel south and 68 attempting to travel north.
74. As an indicator of volumes *including* freight passing through checkpoints, on Wednesday 1 September, 9,776 vehicles passed through the state highway checkpoints between Auckland and the Waikato. Of these, 3,738 were heavy vehicles through the freight priority lanes.
75. The shift to Alert Level 3 south of Auckland resulted in a 16% increase in heavy traffic flows across the Auckland boundary on Thursday 2 September relative to the previous week, while light traffic flows remained low, down by 5% compared to the previous week.



76. On Thursday 2 September, Air New Zealand carried 228 passengers out of, and 241 passengers, into Auckland, which is indicative of daily traveller volumes under current settings.
77. As at 9.30am Saturday 4 September, 4,766 companies had been issued Business Travel Documents that can be used as evidence of a worker's permission to cross an Alert Level boundary. These support 31,274 people to cross the Alert Level 4/3 boundary. Transport (10,078 workers) and the primary sector (6,897 workers) currently make up the largest shares of documents.
78. Generally, compliance is good. However, issues have been raised of people travelling to the Waikato from Auckland for vaccinations. Travel for medical reasons is a permitted movement under the Order and therefore these people can cross the boundary. The Waikato DHB is looking into setting up vaccination services at the boundary line to allow travellers from Auckland to be vaccinated and return to Auckland.

**A Cook Strait boundary would be established to support a 4/3/2 split**

79. If we were to move the South Island to Alert Level 2 ahead of the North Island (which is not my preferred option), an additional boundary would need to be established at the Cook Strait. Under the current Alert Level 4/3 boundary settings, there are very few people travelling between the North Island and South Islands. For example, on Thursday 2 September:
  - 79.1. 276 passengers travelled from the North Island to the South Island on Air New Zealand flights, s9(2)(b)(ii) [redacted] and
  - 79.2. 77 passengers travelled across the Cook Strait on the Interislander ferry.
80. In addition, on Friday 3 September, s9(2)(b)(ii) [redacted] In the week of 23-29 August, 661 people travelled across the Cook Strait on the Bluebridge ferry, most of whom were freight drivers.
81. Officials anticipate that the number of people travelling from the North Island to the South Island, while the North Island remains at Alert Level 4 or Alert Level 3, will remain low.
82. Police currently oversee the operation of existing road checkpoints and would take the lead in overseeing the Cook Strait boundary checkpoints, with operational support from AvSec and MPI officers at relevant airports and ferry terminals. MPI and AvSec officers would check permissions and evidence to ensure that those moving across the boundary are permitted to do so. Police would be available to provide enforcement support, as needed.

*Permitted movement across the Cook Strait boundary would be consistent with the current Alert Level 4/3 boundary*

83. If a 4/3/2 split were to be implemented (which is not my preferred option), the previously agreed permissions for movement across Alert Level 4/3 boundaries should also apply to the Cook Strait 3/2 boundary for work and non-work purposes.
84. Permitted personal movements at the Alert Level 3/2 Cook Strait boundary would be more restrictive than they were for the previous Alert Level 3/2 boundary when Auckland was in Alert Level 3 in March 2021. However, the current context is different, with Auckland at Alert Level 4 to control an outbreak of the Delta variant, and the risk of transmission therefore higher.
85. Public health advice is that there continues to be a risk of rapid and widespread transmission of COVID-19 if it reaches an Alert Level 2 area, given there are fewer restrictions on movement and socialising than the higher Alert Levels. These relatively low restrictions rely on effective risk management of the boundary to neighbouring higher Alert Levels where the risk of transmission is higher.

*If an Alert Level 4/2 boundary between Auckland and the rest of the country were required, public health advice is that permitted movement would need to be tightened further*

86. If an Alert Level 4/2 boundary between Auckland and the rest of the country were required (as it is under my preferred option), public health advice is that permitted movement would need to be tightened further. Current permitted movement at the Alert Level 4/3 boundary between Auckland and the rest of the North Island is based on the public health premise that under both Alert Levels 3 and 4, people should stay home, unless it is essential to do otherwise. At both Alert Levels there is very limited permitted movement, which reduces the risk of transmission of COVID-19. As noted above, at Alert Level 2, settings are far less restrictive and transmission of the virus could occur quicker and with greater reach, and potentially be difficult for contact tracing and other measures to manage.
87. The Director-General of Health advises that businesses and services permitted to cross the current Alert Level 4/3 boundary should be permitted to cross a future Alert Level 4/2 boundary. However, he recommends some Alert Level 4/3 permissions for essential personal movement should be removed to reduce the risk of the spread of COVID-19 from Alert Level 4 to a more permissive Alert Level 2 area. He proposes that the following categories of movement, currently permitted for the Alert Level 4/3 boundary, not be permitted across an Alert Level 4/2 boundary:

- 87.1. shared bubble arrangements and shared caregiver arrangements;
- 87.2. urgent care of children, or care of person in critical or terminal condition (when traveling out of the Alert Level 4 area);

- 87.3. leaving New Zealand (if that first requires travelling out of the Alert Level 4 area);
  - 87.4. caring for animals; and
  - 87.5. accompanying others permitted to cross the boundary where reasonably necessary (e.g. to access a health service with an appointment).
88. The Ministry of Health advise that these categories present either a medium or high risk of transmission, though other than for shared bubble and caregiving arrangements, they consider the volume of travel is either likely to be low or is unknown.
89. If the changes above were made, movement would only be permitted across Alert Level 4/2 boundaries for the following purposes:
- 89.1. for businesses and services that are permitted to operate at Alert Level 4;
  - 89.2. going home from managed isolation or quarantine, going home to an Alert Level 4 area, or transiting an Alert Level 4 area; and
  - 89.3. if required or permitted to attend a court, tribunal, New Zealand Parole Board hearing, or other judicial institution, or to comply with a court order, and/or in the case of emergencies, including health and wellbeing emergencies.
90. For any other situations, case by case exemptions would be needed to determine genuine need for a person to travel out of the Alert Level 4 area. This would be one way of reducing the volume of travel across the boundary and thus COVID-19 risk. Changes to boundary permissions will increase the number of travel exemptions received and processed by the Ministry of Health. Clear public communications would reduce the volume of requests for travel that is permitted by the Order or that are unlikely to meet the threshold for an exemption by the Director-General.

*However, on balance I consider that using the previously agreed Alert Level 4/3 permissions for an Alert Level 4/2 boundary would be the most effective approach*

91. These additional restrictions could have significant implications for the groups outlined in paragraph 87. For example, removing permissions for the urgent care of children or care of a person in a critical or terminal condition would have social implications for children and whanau. Removing permissions to care for animals could lead to breaches of the Animal Welfare Act 1999, if someone on the other side of the boundary is unable to care for an animal. Preventing someone from being accompanied may make it impossible for some people to attend required health appointments if, for example, they cannot drive themselves.
92. Any decision to restrict personal movement across the Alert Level 4/3 boundary must also be even-handed or proportional. There must be a

rational basis for the decision to retain the existing settings for movement across the boundary by businesses and services while removing some permitted personal movement. In addition, the restriction on personal movement must be proportionate to the risk of COVID-19 spreading from an Alert Level 4 area into an Alert Level 3 area as a result of this personal movement – the restriction must be no more than is necessary to accomplish the prevention of the spread of COVID-19.

93. On balance, if Cabinet agrees to leave Auckland at Alert Level 4 and move the rest of the country to Alert Level 2 (creating an Alert Level 4/2 boundary), I propose that the previously agreed permissions for movement across Alert Level 4/3 boundary (for both workers and non-workers) should apply to the Alert Level 4/2 boundary for work and non-work purposes.
94. I consider that this approach is proportionate to the level of risk and minimises equity issues. This approach will also be clear and easy to understand by both workers and individuals.

#### *Business Travel Documents*

95. The Business Travel Documents register can be used to support an Alert Level 4/3/2 split. MBIE have confirmed that the BTM register can now support multiple boundaries, and different settings across boundaries, if required.
96. MBIE and sector lead agencies are continuing to improve monitoring of documentation issued through the BTM and can increase monitoring and auditing of auto-processed categories. Currently monitoring is a sample of 10%, and has surfaced a 84 erroneous requests (1.6% of total requests). Two categories have been changed to manual processing, due to very high error rates (in the order of 20 requests per category).<sup>3</sup>
97. Given the level of compliance highlighted in the current monitoring regime, MBIE proposes that the BTM system continue to auto-process most requests under an Alert Level 4/3/2 boundary. If monitoring does indicate increasing levels of non-compliance, samples could be increased to 20%, and/or categories with high error rates could be manually reviewed. This would likely mean processing of exemptions would take longer.

#### *Implementing a Cook Strait boundary*

98. Police oversee and enforcement support at additional Cook Strait checkpoints will place additional demands on Police resources, which cannot be fully assessed until sailing and flight schedules are confirmed by the operators. The cross-agency compliance checking role will assist to mitigate the operational impact on Police. However, the presence of Police officers at Cook Strait boundary checkpoints will impact Police's ongoing ability to

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<sup>3</sup> This includes entities required to provide distance or online learning for primary and secondary education and entities with statutory responsibilities for building and resource consenting that is necessary to enable the building, construction, and maintenance services

respond to other demands, including crime and enforcement of other COVID-19 restrictions.

99. Supporting the management of the Cook Strait check points would also have operational impacts on MPI. Specifically, fisheries patrolling and coastal presence and compliance would need to be reduced.

**Additional surveillance testing can reduce the risk of the transmission and spread of COVID-19 out of an Alert Level 4 area**

100. Under an Alert Level 4/2 boundary split there is an increasing public health risk that COVID-19 is seeded from Alert Level 4, where community transmission is more likely, to lower Alert Levels where there are fewer restrictions on personal movement.
101. The Ministry of Health considers that requiring surveillance testing for workers crossing an Alert Level boundary would provide a high level of assurance that they are not infected with COVID-19. This includes COVID-19 saliva testing requirements for:
  - 101.1. workers of Alert Level 4 businesses and services to provide evidence of a COVID-19 test within the 7 days prior to crossing an Alert Level boundary; and
  - 101.2. workers doing necessary work at any premises to provide evidence of a COVID-19 test within the 7 days prior to crossing an Alert Level boundary.
102. Surveillance testing is not a guarantee that nobody with COVID-19 would cross Alert Level boundary. However, it is an additional layer of protection and is in addition to other fundamental public health measures in place such as advice to stay home if sick.
103. Workers that are employed by a business or service that are exempt from the requirements of the Order – e.g. Police or NZDF personnel – would also be encouraged to get a COVID-19 test within the 7 days prior to crossing an Alert Level boundary.
104. The Director-General, in granting any exemptions to individuals to enable them to travel across an Alert Level boundary for personal reasons, could require a test as a condition of an exemption.
105. Public health advice is that surveillance testing should apply for either an Alert Level 4/2 split (including all movement out of Alert Level 4) and also an Alert Level 4/3/2 split (including all movement across an Alert Level 4/3 and Alert Level 3/2 boundaries). However, COVID-19 testing for travel out of an Alert Level 4 area should be prioritised, as this movement carries the greatest public health risk.



*Implementing mandatory surveillance testing*

106. I propose that we introduce a mandatory surveillance testing requirement for all business travel into and out of an Alert Level 4 area, from 11:59pm Thursday 9 September. Workers in Alert Level 4 businesses or services (and workers doing necessary work at any premises) could be required to provide evidence of a COVID-19 saliva test within the last 7 days before crossing an Alert Level 4 boundary. People permitted to travel would have to be able to show evidence of having had a test when crossing an Alert Level 4/3 boundary. They would not have to have a negative result or self-isolate until they receive the result.
107. Similarly, I propose that those travelling into or out of an Alert Level 4 area for permitted personal reasons would be required – if reasonably practicable – to provide evidence of a COVID-19 saliva test within the last 7 days before crossing an Alert Level boundary, from 11:59pm Thursday 9 September.
108. I anticipate that mandatory surveillance testing would be required to continue once Auckland moves down to Alert Level 3 (creating a 3/2 boundary), at least for a period of weeks.
109. People such as Police, Members of Parliament and prison workers who are exempt from Alert Level Orders but who travel across Alert Level boundaries, would be strongly encouraged to have regular tests.

*There are operational implications for implementing additional surveillance testing for workers crossing the boundary*

110. Officials consider that surveillance testing could be implemented by 11:59pm Thursday 9 September. However, introducing surveillance testing for workers crossing an Alert Level boundary will have significant implications for operational agencies and businesses.
111. Further work needs to be done to prepare for implementation of additional surveillance testing, which includes:
  - 111.1. consulting with agencies, sectors, and workforce unions;
  - 111.2. confirming and establishing sufficient testing capacity to ensure demand can be met from both existing and new (saliva testing) providers;
  - 111.3. working through any required amendments to relevant operational mechanisms;
  - 111.4. developing the necessary communication plan to support implementation; and
  - 111.5. including a relevant provision to the upcoming Alert Level Order drafting to make it a requirement for specified workers crossing between Alert Level boundaries show evidence of having had a test



within 7 days prior to their travel, with appropriate exceptions for those who cannot be tested due to physical or other needs.

112. There is a risk the proposed testing requirement will cause delays at Alert Level boundary checkpoints and impact on the current (generally free) flow of freight and transport connectivity. This could further impact supply chains as businesses would have limited time to prepare and organise themselves and their people. There would be similar implications for others who might need to travel at short notice. There could also be implications for people who may need to travel at short notice and who need to get a test. Police and other supporting agencies involved in monitoring and enforcing these requirements are concerned about the enforcement of the requirement and delays compliance monitoring could cause at checkpoints. Officials consider that introducing testing requirements by 11.59pm Thursday 9 September could have implications for the supply chain, as businesses would have limited time to prepare, and organise themselves and their people.

### **PART 3: REVISED ALERT LEVEL 2 SETTINGS**

#### **Clarifying the risk assessment for Alert Level 2**

113. Each of our Alert Levels is associated with a risk assessment, to help guide shifts between Alert Levels as part of the eight decision-making factors outlined in Part 1. Ahead of any shift to Alert Level 2, the Ministry of Health has reassessed the risk profile of Alert Level 2. Officials propose amending the key criterion for triggering a shift to Alert Level 2 as set out below. This is due to the transmissibility of the Delta variant of COVID-19, and the expectation that Alert Level 2 may likely be applied concurrently alongside higher Alert Levels.

<b>Alert Level</b>	<b>Current definition</b>	<b>Proposed description</b>	<b>Risk assessment</b>
2	The disease is contained, but the risk of community transmission remains.	Low risk of community transmission within applied area	There could be limited community transmission. There are active clusters in more than one region.

114. The practical implication of this change will depend on the specific facts of an outbreak, but it might mean that in future that we stay at Alert Level 3 until we have a high degree of confidence that the risk of community transmission within a particular area is indeed 'low'.

#### **The Director-General of Health considers that tighter Alert Level 2 restrictions are now required**

115. While our Alert Level 2 settings have evolved over time, Alert Level 2 has previously been relatively permissive, with most activities allowed, subject to controls on physical distancing, and on numbers permitted at gatherings, hospitality and events to prevent 'super-spreader' events such as large

concerts. Appendix 1 sets out our previous Alert Level 2 settings in more detail.

116. Although the proposed Alert Level 2 definition will see it used where there is a low risk of transmission of COVID-19, the Director-General of Health proposes further changes be made to the settings in light of the increased transmissibility of the Delta variant. This follows the mandatory face covering requirements Cabinet recently agreed to introduce at Alert Level 2, and new record keeping requirements at all Alert Levels. In particular, the Director-General of Health has recommended that:

116.1. there should be a reduction in limits on indoor gatherings from 100 to 50 for any area at Alert Level 2; and

116.2. standing on public transport should be prohibited.

117. Currently, what are commonly referred to as gatherings, and for which there has previously been a cap of 100 people per 'defined space', include:

117.1. social gatherings (e.g. weddings, funerals, tangihanga, church services, school and inter-club sports);

117.2. hospitality venues; and

117.3. event facilities, such as stadiums, cinemas, and casinos.

118. In line with the Director-General's advice, I propose that we:

118.1. lower caps on the number of people that may be present in an indoor defined space at such social gatherings, event facilities and hospitality venues from 100 to 50 per defined space. Outdoor caps would remain at 100; and

118.2. prohibit standing on public transport (excluding school transport).

119. In line with the spirit of the Director-General's recommendations, I also propose that we amend physical distancing requirements for customers and clients of businesses and services such as gyms, public facilities (such as libraries, museums, recreation centres, and swimming pools), and public-facing social service offices, from 1 metre to 2 metres. This would align with existing physical distancing requirements for retail stores. 1 metre distancing requirements would remain in places such as non-public-facing offices and factory floors, and in places subject to an explicit cap on numbers, such as hospitality venues and event facilities.

120. Officials will update guidance in respect of physical distancing for these businesses, and consider whether we should be more explicit about what these physical distancing requirements should mean for capacity in a premises. Officials will also review whether our guidance or settings relating to multiple adjacent 'defined spaces' needs to change, to ensure that the public health intent of the changes to caps on numbers is achieved.

121. Other than these matters, I propose that we generally retain the Alert Level 2 settings that were most recently in place in June of 2021, amended to take into account subsequent decisions by Cabinet relating to use of face coverings, record keeping, and removal of the single server rule in hospitality.

### **Implications of the proposed Alert Level 2 changes**

122. The proposed changes to Alert Level 2 would, if implemented, have implications for a range of sectors. These are set out in more detail in Appendix 1, but include:
- 122.1. materially impacting on the revenues of businesses such as cinemas, larger bars and restaurants, and potentially gyms;
  - 122.2. impacting on school and club sports (particularly with regard to spectators), churches, weddings, funerals and tangihanga;
  - 122.3. limiting capacity on public transport, potentially affecting people's ability to travel to work or other activities, particularly at peak times; and
  - 122.4. increasing the disparity between businesses and services covered by an explicit cap on numbers, and those that are not subject to an explicit cap (but have requirements around physical distancing), such as retail, offices, and factory floors.

### *Face coverings in schools*

123. I also consider that wearing face coverings in schools should be encouraged in line with our general approach to face coverings, i.e. for people over the age of 12 in indoor settings. This would not be mandatory. Practically primary and intermediate school students would not be expected to wear face coverings.



## PART 4: REMAINING MATTERS

### Financial Implications

124. On Wednesday 18 August, Delegated Ministers agreed to activate both the Resurgence Support Payment (RSPAUG21) and Wage Subsidy Scheme (WSSAUG21). The tables below provide a high-level estimate for the costs of the schemes under two Alert Level scenarios.<sup>4</sup> The WSSAUG21 costs have been updated for actual uptake data and updated assumptions. Keeping Alert Level 4 restrictions in place for longer will increase uptake, with costs more likely to be in the higher end of the ranges presented.

#### Approximate WSS and RSP costs in different Alert Level scenarios

Scenario	WSS	RSP <sup>5</sup>	Total
AL4 in Auckland, AL3 across rest of NZ – 2 weeks	\$700 to \$1,050 million	\$300 to \$400 million	\$1,000 to \$1,450 million
AL4 across all of NZ – 2 weeks	\$1,150 to \$1,450 million	\$400 to \$800 million	\$1,550 to \$2,250 million

#### WSSAUG21 and RSPAUG21 actual costs and appropriation balances

	WSSAUG21	RSPAUG21
Payments made at 3 September <sup>6</sup>	\$1,207 million <sup>7</sup>	\$453 million
Amount remaining in appropriations at 3 September	\$864 million	\$447 million

#### Wage Subsidy Scheme August 2021

125. Applications for the first payment under the WSSAUG21 have closed.
126. The Alert decision taken by Cabinet on 27 August 2021 [CAB-21-MIN-0344 refers] means that a second payment for the WSSAUG21 has been triggered. This payment opened at 9am, Friday 3 September and will close at 11:59pm, 16 September [CAB-21-MIN-0346 refers]. The cost of the second payment is expected to be less than the first payment as a result of the change in Alert Levels (see the first scenario in the cost table above). If parts of New Zealand drop to Alert Level 2 before the second payment closes, we expect the cost of the second payment to be less than the costs above.
127. Cabinet has delegated authority to Joint Ministers to draw down up to \$2,200 million from the COVID-19 Response and Recovery Fund for future payments under the WSSAUG21 [CAB-21-MIN-0328 refers]. As at Friday 3 September,

<sup>4</sup> Note while uptake of the WSS and RSP is expected to be highest in areas under Alert Level 4, firms in areas under Alert Level 2 and 3 are also able to access both schemes.

<sup>5</sup> Officials expect most of the RSP's uptake to be realised in the first 10 days of a lockdown. Any lockdown of 10 or more days is therefore likely to have costs at the higher end of our estimates.

<sup>6</sup> Note the \$1,207 million represents actual payments made. It does not represent the value of actual applications made due to the lag in processing time.

<sup>7</sup> This total includes amounts for the first and second payments from the WSSAUG21.

the balance of the COVID-19 Response and Recovery Fund (CRRF) is \$2.7 billion.

#### *Resurgence Support Payment August 2021*

128. Under initial Alert Level scenarios and associated estimated uptake, the RSPAUG21 was estimated to cost \$600 million, though officials recognised that a more severe public health situation requiring prolonged periods at Alert Levels would push costs beyond that figure.
129. On Friday 27 August, in response to the public health outlook and implications of high uptake in the initial days of opening, Cabinet agreed to increase the funding available under the RSPAUG21 by \$300 million [CAB-21-MIN-0344 refers], raising the total value appropriated to \$899.9 million. Cabinet also authorised Joint Ministers to draw down on the CRRF if costs escalate beyond estimates again, up to a cap of \$100 million.

#### **Legislative Implications**

130. I will make an Order under section 11 of the COVID-19 Public Health Response Act 2020 informed by Cabinet's decision.
131. Before making a replacement Order or amending an Order, I must have regard to any advice from the Director-General about the risks of the outbreak or spread of COVID-19, and the nature and extent of any measures that are appropriate to address those risks. I may also have regard to Cabinet's decision on the level of public health measures appropriate to respond to those risks and avoid, mitigate, or remedy the effects of the outbreak or spread of COVID-19.
132. Ministerial consultation requirements will be satisfied through previous consultation on template Orders for Alert Level requirements and the proposals outlined in this paper.
133. It is unlikely that an Order will be able to be made until the afternoon of Tuesday 7 September. The Act requires that there be 48 hours between publishing the Order and its coming into force. However, this requirement does not apply where I am satisfied that the Order should come into force urgently to prevent or contain the outbreak or spread of COVID-19, or when the effect of the order is only to remove or reduce requirements imposed by a COVID-19 order. For the proposals in this paper, I am satisfied that both circumstances would apply.

#### **Impact Analysis**

134. The Treasury has determined that the regulatory proposals in this paper are exempt from the requirement to provide a Regulatory Impact Statement because they are intended to alleviate the short-term impacts of a declared emergency event of COVID-19 outbreak. These proposals are required urgently to be effective, making a complete, robust and timely impact analysis unfeasible.

## Human Rights

135. s9(2)(h) [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Proactively Released



s9(2)(h)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

**Population impacts**

146. The impacts of community outbreaks of COVID-19 (and the associated Alert Level measures put in place) on vulnerable populations has been canvassed earlier in this paper and are outlined in more detail in Appendix 2.

**Consultation**

147. This paper was prepared by the COVID-19 Group within the Department of the Prime Minister and Cabinet. The Ministry of Health reviewed the paper and provided specific input and text, including advice on the course of the outbreak, the public health response, and the views and recommendations of the Director-General of Health. The Crown Law Office advised on Bill of Rights Act implications.

148. The Treasury, Te Puni Kōkiri, the Ministry of Social Development, Ministry for Ethnic Communities, and Ministry for Pacific Peoples have provided input into relevant parts of the paper. The Ministry of Business, Innovation and Employment, Department of Internal Affairs, Waka Kotahi, Ministry of Transport, Ministry for Primary Industries, Ministry of Social Development Ministry of Education, and Police were consulted on relevant parts of this paper.

## Communications and proactive release

149. The Prime Minister will communicate the decisions set out in this paper after Cabinet agreement. I intend to proactively release this paper after Cabinet consideration subject to redaction as appropriate under the Official Information Act 1982.

## Recommendations

The Minister for COVID-19 Response recommends that Cabinet:

1. note that since 17 August 2021, 821 community cases of COVID-19 have been identified in New Zealand (as of 9am Monday 6 September);
2. note that on Monday 30 August, Cabinet agreed to [CAB-21-MIN-0351 refers] keep Auckland at Alert Level 4 until at least 11.59pm, Tuesday 14 September, keep Northland at Alert Level 4 until 11.59pm, Thursday 2 September, and then move to Alert Level 3, move all New Zealand below Auckland to Alert Level 3 from 11.59pm, Tuesday 31 August; and review these settings on Monday 6 September;
3. note the Director-General of Health's interim assessment that, given the information and test results received to date:
  - 3.1. continuing community transmission in Auckland cannot yet be ruled out, so the risk of community transmission remains high to medium; and
  - 3.2. the risk of community transmission in the remainder of New Zealand is low;
4. note that the Director-General of Health's interim health advice is that:
  - 4.1. Auckland remain at Alert Level 4;
  - 4.2. the remainder of New Zealand shift to Alert Level 2 at 11:59pm, Tuesday 7 September;
5. note that the Director-General of Health has emphasised that his interim recommendation for the rest of New Zealand to shift to Alert Level 2 is based on parallel advice to Ministers recommending:
  - 5.1. further restrictions to reduce movement across what will become the new Alert Level 4/2 boundary;
  - 5.2. mandatory surveillance saliva-testing for workers permitted to cross Alert Level boundaries; and
  - 5.3. that changes be made to strengthen Alert Level 2 settings in recognition of the high transmissibility of the Delta variant (including a new 50-person gathering limit and a 'no standing' requirement for public transport);

*Alert Levels*

6. agree to keep Auckland at Alert Level 4 until at least 11.59pm, Tuesday 14 September (as previously agreed);
7. agree to shift the rest of New Zealand to Alert Level 2, commencing:  
EITHER
  - 7.1. for all of New Zealand outside of Auckland from 11.59pm Tuesday 7 September (recommended);OR
  - 7.2. for the South Island, from 11.59pm on Tuesday 7 September and for the North Island outside of Auckland, from 11.59pm Thursday 9 September;OR
  - 7.3. for all New Zealand outside Auckland, commencing from 11.59pm, Thursday 9 September;
8. note that schools will re-open no earlier than 48 hours after a shift to Alert Level 2 in any given region is announced;
9. agree to review these settings on Monday 13 September;

*Permitted movement across Alert Level boundaries and surveillance testing*

10. note Cabinet has previously agreed to permissions for movement across the Alert Level 4/3 boundary for work and non-work purposes [CAB-21-MIN-0344 refers];
11. note the Director-General's advice that the same permissions for businesses and services to move across Alert Level 4/3 boundaries be applied to any Alert Level 4/2 boundary established, but that he recommends much narrower non-work purposes (e.g. excluding providing urgent care for a child);
12. agree, for reasons of equity, that the same categories of permitted movement for businesses and services and non-work purposes across the current Alert Level 4/3 boundary be applied to any Alert Level 4/2 boundaries established;
13. note that the Director-General's advice that additional surveillance testing would provide a high level of assurance that workers crossing an Alert Level boundary are not infected with COVID-19;
14. agree that workers in Alert Level 4 businesses or services (and workers doing necessary work at any premises) be required to provide evidence of a COVID-19 saliva test within the last 7 days before crossing an Alert Level boundary into and out of an Alert Level 4 area, from 11:59pm Thursday 9 September;

15. agree that those travelling into or out of an Alert Level 4 area for permitted personal reasons would be required – if reasonably practicable – to provide evidence of a COVID-19 saliva test within the last 7 days before crossing an Alert Level boundary, from 11:59pm Thursday 9 September;
16. note that the mandatory surveillance testing would likely be required to continue once Auckland moves down to Alert Level 3 (creating a 3/2 boundary), at least for a period of weeks;

*Revised Alert Level 2 settings*

17. agree to amend the risk assessment for Alert Level 2 as follows:

Alert Level	Proposed description	Risk assessment
2	Low risk of community transmission within applied area	There could be limited community transmission. There are active clusters in more than one region.

18. note that, due to the emergence of the Delta variant of COVID-19, the Director-General of Health considers that our Alert Level 2 settings should be tightened;
19. agree to reduce the cap on the number of people who may attend indoor social gatherings at Alert Level 2 from 100 to 50 per defined space;
20. agree to reduce the cap on the number of people allowed in a defined space in an indoor event facility or hospitality venue at Alert Level 2 from 100 to 50;
21. agree to prohibit standing on public transport at Alert Level 2;
22. agree to amend physical distancing requirements for customers and clients of businesses and services such as gyms, public facilities (such as libraries, museums, recreation centres, and swimming pools), and public-facing social service offices, from 1 metre to 2 metres;
23. note that existing physical distancing requirements of 1 metre will be retained for non-public-facing offices, factory floors, and hospitality or event facilities;
24. note that I consider wearing face coverings in schools should be encouraged in line with our general approach to face coverings, i.e. for people over the age of 12 in indoor settings;

*Other matters*

25. agree that Cabinet's decision today will be communicated by the Prime Minister.

Hon Chris Hipkins  
**Minister for COVID-19 Response**

## APPENDIX 1 – FURTHER INFORMATION ON ALERT LEVEL 2 PROPOSALS

### Our previous Alert Level 2 settings were relatively permissive

1. While our Alert Level 2 settings have evolved over time, the most recent Alert Level 2 settings agreed to by Cabinet include:
  - 1.1. all businesses able to open and have customers on the premises, with no caps on numbers in most businesses other than those outlined below, provided that physical distancing rules can be complied with;
  - 1.2. a cap of 100 people per 'defined space' in event facilities such as cinemas, theatres, stadiums, concert venues, conference venues, and casinos;
  - 1.3. on-premises hospitality allowed, subject to requirements for customers to be seated and separated from people at other tables by 1 metre, and with a cap of 100 people in any one 'defined space';
  - 1.4. social gatherings, including church services, weddings, funerals and non-professional sport, of up to 100 people in any one 'defined space';
  - 1.5. no physical distancing requirements on public transport or aircraft;
  - 1.6. most recreation and travel allowed;
  - 1.7. all early learning services, schools, kura and tertiary education facilities open for in-person learning; and
  - 1.8. physical distancing, face covering, and record keeping requirements in a range of situations.
2. These settings were relatively permissive, with the biggest impact of the settings being on 'super-spreader'-type events such as concerts, and other activities where physical distancing cannot be maintained.

### The Director-General of Health considers that tighter Alert Level 2 restrictions are now required

3. As discussed in the body of this paper, the Director-General of Health has recommended that there should be a reduction in limits on indoor gatherings (including caps on event facilities and hospitality) from 100 to 50 for any area at Alert Level 2; and prohibitions on standing on public transport. I propose to adopt these options.
4. As set out in the body of this paper, I also propose that we amend physical distancing requirements for customers and clients of businesses and services such as gyms, public facilities (such as libraries, museums, recreation centres, and swimming pools), and public-facing social service offices from 1 metre to 2 metres. The below table sets out the current and proposed settings at Alert Level 2 in relation to physical distancing and caps on numbers in different settings.



Current Alert Level 2 settings and changes proposed

Activities	Retail		'Controlled access' businesses and services		Gyms, public facilities, social service offices		Event facilities		Hospitality venues		Public transport		Social gatherings								
<b>Examples</b>	Supermarkets, retail stores, shopping malls, takeaway food outlets		Non-public-facing office workplaces and factory floors		Gym classes, libraries, museums, recreation centres, swimming pools, MSD offices		Cinemas, stadiums, casinos		Restaurants, cafes, bars		Busses, trains, planes		Weddings, funerals, religious services, parties, informal get-togethers								
<b>Physical distancing</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>							
	2m for customers (except from friends/family)		1 metre for everyone (except from friends/family)		1 metre for everyone (except from friends/family)		2m for customers (except from friends/family)		1 metre for everyone (except from friends/family)		1 metre between tables adjacent tables		No legal requirement but encouraged where practicable.		No legal requirement but encouraged through guidance.						
<b>Number limit</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>							
	No cap on total numbers; cap achieved through physical distancing		No cap on total numbers; cap achieved through physical distancing		No cap on total numbers; cap achieved through physical distancing		100 per defined space		50 per defined indoor space, 100 per defined outdoor space		100 per defined space (seated)		50 per defined indoor space (seated), 100 per defined outdoor space (seated)		None		No specific cap, but no standing permitted during journey		100 per defined space		50 per defined indoor space, 100 per defined outdoor space

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## Implications of the proposed changes

5. The Ministry of Health considers that the proposed changes to Alert Level 2 settings will materially reduce the extent of transmission if a case of COVID-19 remains in, or enters, an Alert Level 2 region. However, the proposed settings will also impact several sectors and activities. It is also important to understand what the proposed changes will not achieve. These considerations are set out below.

### *Event facilities and hospitality venues*

6. The proposed cap of 50 people in indoor event facilities may significantly impact on the revenues of businesses such as cinemas, and larger bars and restaurants. It is unlikely to substantively impact professional sports events or concerts, which were largely unviable even at the old cap of 100.

### *Social gatherings*

7. A 50-person limit on social gatherings will impact on a range of settings, including weddings, funerals, tangihanga, church services, and club and inter-school sports<sup>8</sup>. These restrictions may be accepted by most members of the community for short periods of time. However, if part of the country needs to remain at Alert Level 2 for a period of months, there may be community pressure to ease these restrictions.

### *Public transport and workplaces*

8. The proposal to prohibit standing on public transport (but not school transport) will add to capacity constraints (particularly at peak times) which may limit people's ability to travel to work or undertake other personal movement. These constraints may be addressed in part by some people travelling to work by other modes (including additional car use), or at different times. However, given existing capacity constraints (e.g. driver shortages) in urban centres such as Wellington, any additional capacity that may be available is unlikely to meet the demand that will result from this change. As such, this proposal may need to be accompanied by guidance that people should work from home part of the time (such as at least one day per week) to be implementable.
9. In addition to the above, compliance and enforcement will be challenging, particularly for trains where capacity will difficult to monitor because of the number of access points and carriages. Concerns also continue to be raised by operators about the safety of their staff from non-compliant passengers who may become abusive if asked not to board a service, and Police have noted that they would not be able to enforce the restrictions at scale. There may also be a reduction in farebox revenue if maximum loadings are reduced, with associated implications for demands on the National Land Transport Fund.

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<sup>8</sup> The 50 person cap would not apply to education facilities more generally

*Gyms, libraries, museums, swimming pools, and social service offices*

10. Extending physical distancing in these settings from 1 metre to 2 metres may impact significantly on the capacity of many of these venues, and in turn, their revenues.
11. The extent of the impact will likely depend on normal levels of capacity. For example, it may impact significantly on gym classes, but have little impact on large venues such as Te Papa.
12. The extent of the impact will also depend on how directly businesses translate physical distancing requirements into capacity limits for a premises. Officials are exploring whether guidance needs to be more prescriptive about what physical distancing requirements mean for the number of people allowed to be in a particular premises at one time.

*Activities that will not be impacted by the proposed changes*

13. The changes proposed to be adopted at Cabinet today will not affect settings such as:
  - 13.1. factory floors or office workplaces; and
  - 13.2. shopping malls and individual retail stores.
14. As set out in above, each of these facilities is not currently subject to a cap on attendees, other than ensuring that physical distancing requirements being complied with (which imposes an effective cap in itself). However, experience to date suggests that physical distancing restrictions are often not rigorously enforced in many of these venues. Reducing the cap to 50 will therefore create a greater disparity between the activities subject to a cap on numbers, and those that are not.

*Economic impact of revised Alert Level 2 settings*

15. The Treasury has considered proposals to tighten gatherings limits and reduce numbers caps on event facilities and hospitality premises. The economic impact of potential changes to Alert Level 2 settings to tighten gathering rules and mandate physical distancing on public transport is difficult to quantify. However, the Treasury expects the combined impact of these changes to be less than 0.2% of GDP if applied to all of New Zealand outside of Auckland. The broad sectors most likely to be impacted by setting the gathering cap at 50 are accommodation and food services, and arts and recreation. At Alert Level 2, these sectors contribute around 4% of GDP, which limits the aggregate impact to New Zealand's economy. Other sectors might also see a reduction in activity, including community/voluntary sector events.
16. Treasury's analysis above did not consider the economic implications of additional physical distancing restrictions for gyms and public facilities proposed in this paper. At an aggregate level, the economic impacts of these additional restrictions are likely to be relatively small. However, as a number of these

activities are publicly or community-provided, there could be broader social impacts.

17. A number of additional factors should also be considered when weighing up the economic impact of these proposed changes, including seasonal effects on demand for hospitality services, businesses adapting their offerings (e.g. restaurants moving toward takeaway and outdoor dining), and consumers changing their behaviour (e.g. additional spending at supermarkets). These factors may further mitigate any aggregate economic impacts.

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## APPENDIX 2 – IMPACTS ON AT-RISK POPULATIONS

### *Māori*

18. At an overall population level, whānau Māori experience the impacts of ongoing lockdowns disproportionately and are more vulnerable to COVID-19 because of higher rates of health co-morbidities and other health disparities. Māori also feature disproportionately in mental health statistics, with Te Puni Kōkiri regional offices reporting increased mental health concerns and anxiety, increased family violence, and alcohol and drug addiction issues compared to the lockdowns in 2020.
19. In the Auckland and Northland areas in particular, regional Te Puni Kōkiri offices report increasing stress and anxiety within Māori communities because of uncertainty, lack of access and affordability of food and other essentials, households struggling to pay bills such as increased heating costs, reduced income and increasing food prices. Community providers, NGOs, iwi and hapū report they are running low on operating funding. Although this is expected to be covered during the next fortnight through funding announced this week, information provided to Te Puni Kōkiri regional offices raise concerns that that smaller iwi and hapū may have their needs overlooked in favour of larger iwi and hapū.
20. Lockdown extensions will impact on the ability of small Māori businesses to sustain themselves into lower Alert Levels due to low cash reserves and their ability to further adapt to new conditions and restrictions (i.e. digital and contactless delivery).
21. In the event of a longer lockdown period, Te Puni Kōkiri supports further consideration of strategies to address access to education through digital devices and connectivity for rangatahi and tamariki. This is likely to be a particular issue for the Auckland region because of the likelihood of a lengthy period before a return to school is possible and where a high proportion of school age Māori reside. Attendance will need to be given to students accessing Alternative Education, where we have received reports of ongoing difficulties accessing school learning resources.
22. Critical to the COVID-19 elimination strategy will be increasing the vaccination coverage across the eligible population, with a particular focus on Māori and Pacifica. While Māori over the age of 60 years are vaccinated at a similar rate to non-Māori, there are significant differences between lower age population groups – the disparities will be particularly exacerbated by the higher proportional numbers in Māori age cohorts that have only recently become eligible to access vaccination services. While some progress is being made – for example, vaccine booking appointments by Māori in Tāmaki Makaurau increased by almost 3,000 last week – vaccination hesitancy and misinformation may be eroding confidence in government.

### *Pacific peoples*

23. A significant proportion of the Pacific population living in New Zealand live in the Auckland region. The current outbreak and associated higher Alert Levels



(i.e. Alert Level 3 and 4) is impacting the Pacific population in the following ways:

- 23.1. Pacific peoples account for over 70% of the current Covid-19 cases, with the Māngere Assembly of God Church (AOG) of Samoa presenting as the largest sub-cluster of this outbreak.
- 23.2. Higher Alert Level settings are creating restrictions on earning capacity which can amplify income and poverty inequities. Food security and financial struggles continue to be key issues. There is ongoing significant demand for food parcels and social services, and other essentials e.g. PPE. Some needs still not being met, e.g. students and churches without devices.
- 23.3. Nationally, the impact of the lockdown on RSE workers and overstayers is a growing concern. Cook Islanders unable to get home due to closed borders are being supported by New Zealand-based community because they are ineligible for support.
- 23.4. There has been a significant increase in reported mental health issues, particularly among young people, and increased racial discrimination targeted towards Pacific peoples which is linked to the large outbreak among the Pacific community in South Auckland.
- 23.5. Pacific people currently have relatively low vaccination rates and vaccine hesitancy, particularly among young people. This is driven by misinformation, religious beliefs, and concerns about the recent myocarditis case.
- 23.6. There are self-isolation challenges for larger intergenerational families, challenges meeting the criteria to access support (e.g. food parcels, financial support), and issues with vaccination and testing stations requiring a booking.
- 23.7. A need for support for elderly and people living alone (to prevent against abuses) has also been identified.

#### *Disabled people*

24. For disabled people, the following issues require ongoing consideration while Alert Level restrictions are in place:
  - 24.1. If Alert Level 4 is extended in the Auckland region, targeted well-being out-calling should be considered to ensure that at risk family/whanau and individuals have access to food and essential services when these are not able to be accessed independently.
  - 24.2. Improving communications about the flexible COVID-19 testing and vaccination options available when disabled people have transport difficulties and/or need adapted approaches.

- 24.3. Encouraging greater respect for those who have face covering exemptions, alongside a tightening up of the exemption process.
- 24.4. Access to key information in alternate formats – New Zealand Sign Language translations, easy read, blind and low vision formats.
- 24.5. Maintaining the provision of home and personal care services, and ensuring support workers service is not compromised by border issues.

#### *Ethnic communities*

25. Ethnic communities are feeling particularly vulnerable in this lockdown, due to the combined effects of uncertainty due to broader policy changes in immigration (the inability to reunite with families and uncertain immigration status for those on work and student visas) and lacking appropriate support particularly in mental health and wellbeing. This is despite filling an important role in the country's response to COVID-19 as essential workers, and the contribution to the economy.
26. New Zealand's ethnic communities make up roughly 20% of the population. About 60% of people from these communities live in Auckland. As with previous lockdowns, there continue to be concerns around the loss of jobs, reduced hours, and the financial impact on families. Challenges associated with digital connectedness and a limited understanding of English can leave ethnic communities, especially the elderly, highly socially vulnerable in the context of COVID-19, particularly if they are not living with whānau as part of their bubble under Alert Level 4. Within ethnic communities, there are many self-employed or small business owners, which cannot operate under Alert Level 4 – a large number of these businesses will be in Auckland. Further, there have been reports that dairy owners have received racist abuse after enforcing new face covering requirements. There are also reports of increasing online racism.
27. The continuation of Alert Level 4 in Auckland may exacerbate the systemic issue of lack of options for culturally appropriate food from food banks, and the stress of senior citizens who may have language barriers or anxiety around leaving the house for essential items or vaccination. Moving down to Alert Level 2 in parts of the country will enable further businesses to operate and will allow small gatherings, which would provide many communities the opportunity to reconnect with their wider communities and support networks.

#### *Older people*

28. Issues that will impact older people during a longer period of time spent at higher Alert Levels include:
  - 28.1. Accessing online services – some people still pay bills in person and will be impacted by the lockdown and not being able to pay their essential service bills (power, telephone etc).

- 28.2. Food delivery services – during lockdown, older people are encouraged to get others to do their shopping. This becomes problematic if they can't go online or aren't able to get someone to assist them. Sometimes payment becomes an issue (access to cash).
- 28.3. Anxiety - how older people keep themselves and others safe will continue to be high due to the virulent nature of the Delta strain. These increased levels of anxiety are reportedly putting demands on providers that specialise in providing support to older people. Officials predict that demand for these services/support will remain high.
- 28.4. Resuming normal activities – the longer we remain at Alert Level 3 or 4 the more difficult it becomes for older people to resume normal activities with confidence. Moving to Alert Level 2 will be widely welcomed by older people. Many will continue to have heightened levels of anxiety.

#### *Young people*

29. As reported previously, officials have seen a significant surge in support being sought by young people in relation to their mental and general wellbeing. Temporary funding has been allocated to Youthline to allow them to cope with the significant increase in demand they are experiencing for support from young people.
30. Providers are reporting that there are pockets of young people across the country struggling. There are a range of issues being reported, including needing support to leave unsafe living environments, being isolated and having no way to engage support networks, misinformation around vaccine risk leading to a lack of interest in being vaccinated, and increased anxiety.

#### *People experiencing family violence or sexual violence*

31. Sector bodies have not reported any significant shifts in demand for sexual violence and family violence services since Alert Level 4 commenced. Preliminary data from Police shows that there has been a small increase in family harm reports, noting that they fluctuate due to a range of external factors, and it is currently within the normal range. It may be that people are finding it difficult to reach out for support, and this may result in an increased demand for relevant services as areas reach lower Alert Levels. The Ministry of Social Development is continuing to keep closely connected to the family and sexual violence sector to monitor any increased demand so it can understand additional support that may be required.

#### *Low income individuals and households*

32. Income disruption due to Alert Level 3 and 4 may make it harder for some people to meet their current and future financial obligations. The impact on current financial obligations has been reported by community food providers where the majority of people seeking food parcels are on low incomes (for example due to reduced wages or the wage subsidy scheme not being sufficient) as opposed to MSD clients on a main benefit.



# 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 Response: 6 September 2021 Review of Alert Level Settings

Portfolio                      COVID-19 Response

On 6 September 2021, Cabinet:

#### Situation update

- 1        **noted** that since 17 August 2021, 821 community cases of COVID-19 have been identified in New Zealand (as of 9.00 am Monday, 6 September 2021);
- 2        **noted** that on 30 August 2021, Cabinet agreed to:
  - 2.1      keep Auckland at Alert Level 4 until at least 11.59 pm on Tuesday, 14 September 2021;
  - 2.2      keep Northland at Alert Level 4 until 11.59 pm on Thursday 2 September 2021, and then move to Alert Level 3;
  - 2.3      move all New Zealand below Auckland to Alert Level 3 from 11.59 pm on Tuesday, 31 August 2021; and review these settings on Monday 6 September 2021;

[CAB-21-MIN-0351];
- 3        **noted** the Director-General of Health's interim assessment that, given the information and test results received to date:
  - 3.1      continuing community transmission in Auckland cannot yet be ruled out, so the risk of community transmission remains high to medium;
  - 3.2      the risk of community transmission in the remainder of New Zealand is low;
- 4        **noted** that the Director-General of Health's interim health advice is that:
  - 4.1      Auckland remain at Alert Level 4;
  - 4.2      the remainder of New Zealand shift to Alert Level 2 at 11:59 pm on Tuesday, 7 September 2021;
- 5        **noted** that the Director-General of Health has emphasised that his interim recommendation for the rest of New Zealand to shift to Alert Level 2 is based on parallel advice to Ministers recommending:



- 5.1 further restrictions to reduce movement across what will become the new Alert Level 4/2 boundary;
- 5.2 mandatory surveillance saliva-testing for workers permitted to cross Alert Level boundaries;
- 5.3 that changes be made to strengthen Alert Level 2 settings in recognition of the high transmissibility of the Delta variant (including a new 50-person gathering limit and a 'no standing' requirement for public transport);

### Alert Levels

- 6 **agreed** to keep Auckland at Alert Level 4 until at least 11.59 pm on Tuesday, 14 September 2021 (as previously agreed as referred to in paragraph 2 above);
- 7 **agreed** to shift the rest of New Zealand to Alert Level 2, commencing for all of New Zealand outside of Auckland from 11.59 pm, Tuesday, 7 September 2021;
- 8 **noted** that schools will re-open no earlier than 48 hours after a shift to Alert Level 2 in any given region is announced;
- 9 **agreed** to review these settings on Monday, 13 September 2021;

### Permitted movement across Alert Level boundaries and surveillance testing

- 10 **noted** that Cabinet has previously agreed to permissions for movement across the Alert Level 4/3 boundary for work and non-work purposes [CAB-21-MIN-0344];
- 11 **noted** the Director-General's advice that the same permissions for businesses and services to move across Alert Level 4/3 boundaries be applied to any Alert Level 4/2 boundary established, but that he recommends much narrower non-work purposes (e.g. excluding providing urgent care for a child);
- 12 **agreed**, for reasons of equity, that the same categories of permitted movement for businesses and services and non-work purposes across the current Alert Level 4/3 boundary be applied to any Alert Level 4/2 boundaries established;
- 13 **noted** that the Director-General's advice that additional surveillance testing would provide a high level of assurance that workers crossing an Alert Level boundary are not infected with COVID-19;
- 14 **agreed** that workers in Alert Level 4 businesses or services (and workers doing necessary work at any premises) be required to provide evidence of a COVID-19 PCR test within the last 7 days before crossing an Alert Level boundary into and out of an Alert Level 4 area, from 11:59 pm on Thursday, 9 September 2021;
- 15 **agreed** that those travelling into or out of an Alert Level 4 area for permitted personal reasons should be encouraged to provide evidence of a COVID-19 PCR test within the last 7 days before crossing an Alert Level boundary, from 11:59 pm on Thursday, 9 September 2021;
- 16 **noted** that the mandatory surveillance testing would likely be required to continue once Auckland moves down to Alert Level 3 (creating a 3/2 boundary), at least for a period of weeks;

**Revised Alert Level 2 settings**

17 **agreed** to amend the risk assessment for Alert Level 2 as follows:

Alert Level	Proposed description	Risk assessment
2	Low risk of community transmission within applied area	There could be limited community transmission.  There are active clusters in more than one region.

18 **noted** that, due to the emergence of the Delta variant of COVID-19, the Director-General of Health considers that the Alert Level 2 settings should be tightened;

19 **agreed** to reduce the cap on the number of people who may attend indoor social gatherings at Alert Level 2 from 100 to 50 per defined space;

20 **agreed** to reduce the cap on the number of people allowed in a defined space in an indoor event facility or hospitality venue at Alert Level 2 from 100 to 50;

21 **noted** that the limit of 100 will be retained for outdoor social gatherings, event facilities and hospitality venues;

22 **agreed** to prohibit standing on public transport at Alert Level 2;

23 **agreed** to amend physical distancing requirements for customers and clients of businesses and services such as gyms, public facilities (such as libraries, museums, recreation centres, and swimming pools), and public-facing social service offices, from 1 metre to 2 metres;

24 **noted** that existing physical distancing requirements of 1 metre will be retained for non-public-facing offices, factory floors, and hospitality or event facilities;

25 **noted** that the Minister for COVID-19 Response considers that the wearing of face coverings in schools should be encouraged, in line with the general approach to face coverings, i.e. for people over the age of 12 in indoor settings;

**Other matters**

26 **agreed** that Cabinet's decisions today be communicated by the Prime Minister.

Michael Webster  
Secretary of the Cabinet

*Secretary's note: This minute has been updated to clarify the wording of paragraph 15.*