

# NEW ZEALAND AND COVID-19

New Zealand's COVID-19 response has been enviable.  
It has had less than 5 infections per 10 000 inhabitants.  
Its COVID-19 mortality rate is less than 1.3%.  
The Kiwis are able to get on with their lives.  
*What did they do right?*

## Safety Measures and Buy-In

- **Testing and case management** improvements allowed NZ to remove infected individuals from wider transmission chains
- Time between onset of symptoms and isolation reduced to -2.7 days by late April 2020, meaning that on average, **people were isolating for 2.7 days before illness onset**
- Starting in mid-April 2020, **higher-risk groups were targeted for tests** to avoid undetected virus circulation
- The **Alert Level system** was prepared 21 March 2020, leading to **daily cases dropping below 10 by mid-April**
- By the Alert Level system, **lockdowns were short and stringent**, with only one lockdown lasting over a month
- **Other respiratory infections decreased substantially** due to isolation, social distancing, and other changes

## Patient Care & Vaccination

- Hospital capacity was not an issue due to testing and case management, but NZ quickly **prepared for a worst-case scenario and tripled intensive care unit capacity**
- All COVID-19 cases and deaths are **analysed and reported by the NZ government in detail**
- NZ's **COVID-19 mortality rate is one of the lowest in the world** at less than 1.3% of confirmed cases
- **Border workers and their households are being vaccinated first**, with other high-risk groups to follow
- Due to **extremely low community transmission**, seniors and people with medical conditions are lower on the priority list
- **Average Kiwis can expect to be vaccinated around July**
- **Government will cover all vaccine-related costs**

## Relief For Individuals

- NZ introduced **new unemployment assistance benefits and raised their benefit levels**
- **COVID-19 Income Relief Payment**: workers who lose their job receive up to NZD \$490.00 weekly for up to 12 weeks
- **Permanent increase of all core benefits**, such as Jobseeker Support, by NZD \$25.00 weekly
- Further improvements to **support for workers and households not covered by unemployment benefits**
- Over half of renters in bottom 20% of earners cannot meet housing costs; **NZ banned evictions due to missed rent payments** and instituted a **rent freeze**
- **Emergency support created for homeless population**, providing urgent shelter and services

## Remote Work

- OECD reported in July 2020 that NZ had the **largest proportion of respondents working from home**, at 60%
- As expected, blue-collar jobs had fewer opportunities to start working remotely:
  - **72% of post-secondary graduates** worked from home
  - **49% of high-school graduates** worked from home
  - **35% of those with no education** worked from home
- **More workers between the ages of 35 and 49 worked from home** than other age groups
- There were **no gender gaps in labour market outcomes** (in remote work and stopping working completely)
- This **preparedness for remote work allowed for effective lockdown measures** and a controlled recovery

## Remote Learning

- At the beginning of the first lockdown in March 2020, the Ministry of Education **made educational resources available online**, in both **English and Māori**
- This included **two online platforms and two dedicated TV channels** that were populated with educational content and could be accessed during lockdown or at any other time
- **Early-learning educators and teachers were also provided resources** to adapt, plan lessons, and continue connecting with their students via remote learning platforms
- **Prime Minister Jacinda Ardern held virtual press conferences for children**, to listen to their concerns and answer their questions regarding the pandemic and the challenges of remote learning

## Testing Capacity

- In March 2020, after a spike in total confirmed cases from 8 to 11, the **NZ government pledged to increase testing capacity tenfold**
- **Testing capacity increased to 5 400 per day** by early April 2020, meaning that 0.1% of the population could be tested
- In August 2020, during their second lockdown, **daily tests peaked at 25 000**; NZ has not needed to return to that level
- In February 2021, NZ administered around **15 000 tests per day for several days, well under their true capacity**
- **Capacity is no longer a question for NZ**, since their current confirmed infection rate has been kept **lower than 5 infections per 10 000 inhabitants**, with **less than 2 500 confirmed cases**

## Economic Indicators

- Real Gross Domestic Product (GDP) **fell by 0.94% in Q1 2020, fell again by 9.46% in Q2**, then **rose by 15.65% in Q3**
- This represents a **real GDP growth of 3.77%** in the first three quarters of 2020; NZ data is unavailable for Q4 as of yet
- To compare, **OECD's average is estimated to be a decrease of 4.12%** for the first three quarters of 2020
- As expected, the **employment rate fell**: 1.2 pp lower in Q3 2020 than the start of the year; however, **NZ's labour force grew** by 1.34% over that same span, more than in 2019
- **Hourly earnings of workers increased by 2.97%** between the start of the year and Q3 2020, while **consumer prices only rose by 1.03%**
- Overall, an **excellent recovery** from the COVID-19 downturn

## Relief For Businesses

- The only major relief for businesses was a new **wage subsidy programme**; 66% of dependent employees participated to keep their jobs, and **all applications were approved**
- NZ had operated a short-term work programme during the global financial crisis in 2008-2009, but elected to not use one for this downturn due to the low uptake observed previously
- Layoff costs are relatively low in NZ, which leads to firms typically choosing to lay workers off rather than increasing procedural costs by participating in job retention programmes
- NZ's new wage subsidy programme **helped labour confidence remain high even as employment decreased**
- **COVID-19 case management, testing, and lockdowns** greatly attenuated the pandemic's shock for businesses

## Reopening

- NZ's **Alert Level system** allows it to control the community spread of COVID-19 and **flexibly enter lockdown or reopen**
- Even at the lowest Alert Level, **face coverings must be worn** 'on all public transport', 'on domestic flights throughout New Zealand', and 'by taxi and ride-share drivers'
- **Businesses and individuals have been provided personal protective equipment** and can react to changes in the Alert Level quickly and cohesively
- **COVID-19 tracing app** is being used; Kiwis trust their government to manage their data and maintain privacy
- **Border has not reopened completely**, with visas and the refugee quota still being restricted; most travellers require a negative COVID-19 test before entering NZ

## In-Person Learning

- **In-person learning continues safely** outside of areas in lockdown, per NZ's Alert Level system
- **Alert Level 1**:
  - Students and educators are encouraged to be cautious, stay home if feeling ill, and be tested for COVID-19
- **Alert Level 2**:
  - If a learning facility is linked to a probable or confirmed case of COVID-19, it must close by law
- **Alert Level 3**:
  - Students are encouraged to stay home, but parents can still send children to school if they have no other choice
- **Alert Level 4**:
  - All education must be done remotely; facilities are closed

New Zealand's cohesive efforts to manage COVID-19 cases and control the spread made it much easier to manage the myriad facets of recovering from the pandemic's impact.