



# New Zealand Report

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Sustainable Governance in the  
Context of the COVID-19 Crisis

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## Executive Summary

From a public health perspective, New Zealand is a COVID-19 success story. As of January 2021, New Zealand recorded only around 2,200 cases and 25 deaths caused by COVID-19, which translates to a mortality rate of 0.51 deaths per 100,000 population – the lowest death rate among OECD countries. Only 122 cases had to be hospitalized, with 18 cases treated in ICU. In 2020, community transmissions were effectively eliminated, allowing public life to return to normal.

New Zealand had several crucial advantages in fighting COVID-19. In particular, its geographical isolation helped manage the logistics of strict border controls and the relatively late arrival of COVID-19 gave authorities an opportunity to learn from the experience of other countries and prepare. The government under Jacinda Ardern did not squander these advantages, but instead formulated an aggressive “go hard, go early” response to COVID-19 that succeeded in eliminating the virus and containing later outbreaks. Only three weeks after the first New Zealand COVID-19 case had been diagnosed, Ardern announced a coherent and credible four-level COVID-19 alert system; four days later a strict nationwide lockdown was imposed that would last for five weeks. The rules of the alert system are clear and publicly accessible, and shifts between different alert levels have been guided by scientific considerations.

The alert system is embedded in a wider intervention regime that rests on three pillars: testing, contact tracing and isolation. By January 2021, health authorities had administered close to 1.5 million free-of-charge COVID-19 tests, averaging 5,000 per day and peaking at 20,000 per day in mid-August. New Zealand also implemented a contact-tracing program comprised of a manual contact-tracing system – able to make 10,000 phone calls a day – and the digital NZ COVID-19 Tracer app, designed to collect users’ updated contact details and track their whereabouts. In addition, the government not only imposed mandatory quarantine at the border, but – from mid-August onwards – cases of community transmission were moved into centralized isolation facilities.

Judged by key public health indicators, New Zealand had been poorly equipped to handle a global pandemic. The country had only around 150 ICU

beds and just over 500 ventilators. Arguably, it was this ill-preparedness that prompted Prime Minister Ardern to act swiftly and decisively. To implement its COVID-19 response, the government was able to rely on a high degree of executive capacity, facilitated by New Zealand's Westminster-style democracy as well as its highly centralized state administration. Government officials – in particular, Ardern – have also been praised for their clear and consistent communication, which helped to build trust and mobilize collective action.

The core institutions of New Zealand's democracy have continued to function relatively unaffected by COVID-19. Legislative oversight has – with the exception of the controversial COVID-19 Public Health Response Act – remained strong, with the Epidemic Response Committee providing opposition parties with an accountability channel and independent supervisory bodies (e.g., the Auditor-General and the Privacy Commissioner) have been able to perform their “watchdog” roles without significant limitations. The Independent Electoral Commission was well prepared to support the general election, originally scheduled for 19 September, with postal voting and social distancing options if in-person voting was possible. The election was delayed by one month, due to the Auckland lockdown, and was run under conditions that were safe, smooth and legitimate. The outcome was the highest voter turnout since 1999 and a majority Labour government.

On the other hand, the government's policy efforts to mitigate the economic and social impacts of COVID-19 have been less convincing. The NZD 50 billion recovery and relief fund announced in May has been criticized for its “one size fits all” approach, which fails to address structural inequalities exposed by COVID-19. For example, women – in particular, those of Māori and Pacific Islander descent – disproportionately felt the effects of the coronavirus pandemic: due to the nature of their work, they not only risked higher exposure to the virus than other social groups, but they were also more vulnerable to job losses. Likewise, tourism-centric regions have been severely affected by the government's strict border regulations.

While the economic recovery package supports investment in environmental protection and restoration, it falls short of delivering on sustainability. Specifically, critics have slammed the Ardern administration for its short-term vision and for missing an opportunity to set New Zealand on a course toward a low-emissions economy.

## Key Challenges

New Zealand will face a number of policy challenges in the post-coronavirus pandemic world. None of these challenges are new, but they have become even more pronounced with COVID-19.

Even before the outbreak of COVID-19, New Zealand's economy had been highly dependent on the export of agricultural products. Dairy, meat and horticultural export revenues continued to grow during the coronavirus pandemic and helped the economy weather the global recession. Demand for New Zealand agricultural products has mainly been driven by the enduring appetite of the Asian market. Since 2017, China has been New Zealand's largest trading partner; in 2019, 23% of New Zealand's total goods and services exports went to China. There is thus a strong possibility that economic dependence on primary commodities and agricultural products – in particular, for the Chinese export market – will increase further in the wake of COVID-19. The Ardern government has done very little to counter this trend. For example, the NZD 50 billion COVID-19 recovery budget pledged a mere NZD 401 million for innovation and development, which may not be enough to address New Zealand's long-standing neglect of the technology sector.

The economy's "addiction" to agricultural products also presents challenges in terms of environmental sustainability. Most importantly, methane gases created by farming make up around half of New Zealand's total greenhouse gas emissions. Under current legislation, New Zealand will fail to meet its Paris Agreement obligations. The 2019 Climate Change Response (Zero Carbon) Act aims to achieve net zero emissions of all greenhouse gases by 2050, but makes an exception for methane emissions from agriculture and waste (the two sectors are covered by a separate target of at least 24 – 47% reduction below 2017 levels by 2050).

Meanwhile, ballooning public debt amidst COVID-19-related economic pressures (the 2020 budget deficit of NZD 28 billion translates to 9.6% of GDP) has underscored fundamental problems in the way that New Zealand's tax system works. Compared to other OECD countries, the New Zealand tax system performs relatively poorly in terms of revenue collection; the tax-to-GDP ratio (32% in 2017) is significantly lower than the OECD average (34.2%). In addition, New Zealand's tax system lacks vertical equity: government income is based heavily on the regressive goods and services tax (GST), and the "broad base, low rate" income tax. In the run-up to the October

general election, the Green Party and other progressive groups called for the introduction of a capital gains tax as a means to recover COVID-19-related debt. The Labour Party and Prime Minister Ardern ignored these pleas and instead promised a new top tax rate of 39% for people earning more than NZD 180,000 a year – a tax that would only affect 2% of New Zealanders and which is projected to raise a mere NZD 550 million a year.

The coronavirus pandemic has also exposed structural inequalities in society. COVID-19 job losses and pay cuts have likely further exacerbated the income gap, thus continuing an alarming trend: since 2015, the top 20% of New Zealand households have seen their median net worth increase by about NZD 131,000 per year, whereas the net worth of the bottom 40% has failed to grow. A particularly troubling manifestation of social inequality is child poverty. In the year ending June 2019, about one in eight New Zealand children (13.4%) lived in households reporting material hardship. The Māori population is disproportionately affected by socioeconomic inequality. For example, working Māori earn on average NZD 140 less per week than the typical New Zealander. Part of the blame for New Zealand's inequality has been put on the overheated housing market; house prices are (compared to average income levels) among the most unaffordable in the world. While the 2019 “well-being” budget and the 2020 COVID-19 recovery budget included a number of measures to mitigate social inequalities, house prices continued to soar during the recession and are forecast to rise even more steeply.

# Resilience of Policies

## I. Economic Preparedness

### Economic Preparedness

Economic Policy  
Preparedness  
Score: 7

The Labour-led government under Prime Minister Jacinda Ardern pursued a cautious economic agenda, characterized by prudent fiscal policy despite increased welfare and healthcare spending. Partly because of government prudence, but also because tax receipts exceeded expectations, New Zealand reported a budget surplus of NZD 7.5 billion for the year to June 2019, up NZD 2 billion from the previous financial year. However, at the same time, the economy grew by only 2.1% – the slowest rate since 2013. In the last three months of 2019, growth on the previous year even dipped to 1.8% (Carroll 2020).

New Zealand's export figures are evidence that the economy continues to be heavily dependent on primary commodities. In the year to December 2019, goods exports continued to expand – by NZD 2.7 billion (4.7%) to NZD 59.9 billion. This growth was largely driven by dairy products (up NZD 1.5 billion to NZD 15.8 billion) and meat products (up NZD 623 million to NZD 8.0 billion). However, these rises were offset by falls in logs, wood and wood articles (down NZD 194 million to NZD 5.0 billion) (Stats NZ 2020). Critics have long charged that the country is not doing enough in terms of moving the economy toward the production of high-value exports – for example, through research and development investment. In addition, there are some concerns that New Zealand trade is becoming too reliant on China. From 2003 to 2019, goods exports to China increased from about 5% of New Zealand's total exports to 26% in 2019. Likewise, as of 2019, China was New Zealand's fourth largest destination for service exports, constituting 13% of the country's total exports of commercial services, which includes education and tourism. In 2003, this figure was less than 2% (Sen 2020).

The Labour-led government (2017 – present) took a number of measures to balance economic growth with social well-being and environmental sustainability. In May 2019, New Zealand became the first Western country to design its entire budget based on well-being priorities, pledging billions for mental healthcare services and child poverty as well as a record investment in measures to tackle family violence (Roy 2019). In November 2019, parliament passed the Zero Carbon Bill, which sets climate change targets into law: zero net carbon emissions by 2050 and a reduction of between 24% and 47% of methane emissions by 2050 (Cooke 2019).

Citation:

Carroll, M. (2020) “NZ’s economy ended 2019 with 0.5% growth, before coronavirus hit.” Stuff. <https://bit.ly/32PIWff>

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### Labor Market Preparedness

Labor Market  
Policy  
Preparedness  
Score: 7

The rate of unemployed New Zealanders dropped to 3.9% in June 2019 – the lowest unemployment rate since the global financial crisis in 2008 – before rising to 4.2% in the three months ending September. However, the underutilization rate, which captures those who were unemployed as well as those who were employed but would like to work more, fell to 10.4% – the lowest since the global financial crisis in 2008. At the same time, wages for the public and private sectors grew at their strongest rate in 11 years, with an annual rate of 2.4%, reflecting several large pay settlements and the continued effect of the increase in the minimum wage. On 1 April 2019, the minimum wage was raised from NZD 16.50 per hour to NZD 17.70 per hour. The minimum wage will continue to rise in annual increments, reaching NZD 20 per hour by 2021 (RNZ 2019), though the government’s attempts to implement Fair Pay (collectively styled) agreements was vetoed by Labour’s coalition partner New Zealand First.

While New Zealand’s unemployment rate is relatively low in comparison to other OECD countries, it needs to be noted that unemployment continues to vary widely across different regions and social groups. In particular, Northland (5.7%) struggles with above national average unemployment rates (as of December 2019) (Ministry of Business, Innovation and Employment 2019a). Unemployment also remains comparatively higher among Māori (8.2%),

despite falling from 9.0% in December 2018 (Ministry of Business, Innovation and Employment 2019b). Meanwhile, the proportion of young people (aged 15 – 24 years old) who are not in employment, education or training is still over 11.6% (Stats NZ 2020).

In a report published in November 2019, the Productivity Commission highlighted that New Zealand lags behind most other OECD countries when it comes to government-funded or mandated support for people made redundant. The report noted that current policies are largely based on job security – to keep people in their jobs – but instead should focus on income security to encourage retraining and reskilling (Satherley 2019).

Meanwhile, the New Zealand job market suffers from a shortage of skilled workers and seasonal labor. The viticulture and horticulture sectors in the Hawke’s Bay and Bay of Plenty regions have been particularly affected by low workforce availability. Hospitals and schools have also complained of shortages. The construction industry says it needs over 50,000 skilled workers by 2023 to meet demand (Menon and Greenfield 2019). The government has increased funding for teaching education and increased its intake of nurses from overseas. Some easing of immigration rules has been applied to address seasonal worker shortages and improvements to the vocational training system (including trades associated with construction) is underway. More generally, however, the government has been reluctant to ease immigration rules to attract foreign jobseekers, mainly because – in the run-up to the 2017 elections – both Labour and New Zealand First campaigned on promises to tighten immigration, in part to ease pressure on infrastructure, which had failed to keep abreast of the significant increases in net migration experienced during the term of the previous government. In view of the current policy stasis, the Reserve Bank of New Zealand forecasts annual net immigration of working-age people to fall to 29,000 in 2021 from 40,000 in 2018 and a mid-2017 peak of 72,400.

Citation:

Menon, P and Greenfield, C (2019) “Plunge in migration deepens New Zealand labor shortage, chokes businesses.” Reuters Business News. <https://www.reuters.com/article/us-newzealand-economy-immigration-idUSKCN1SX1WI>

RNZ (2019) “Unemployment up to 4.2%, wages rising strongly.” <https://bit.ly/3lGb18c>

Satherley, D. (2019) “NZ’s poor productivity linked to fear of technology.” Newshub. <https://bit.ly/36KwkiC>

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Fiscal Policy  
Preparedness  
Score: 9

## Fiscal Preparedness

Between the 2008 global financial crisis and 2019, budgetary policy had been prudent and sustainable. In the financial year 2017/18, New Zealand reported a budget surplus of NZD 5.5 billion. In the 2018/19 year, the surplus increased by a further NZD 2 billion to NZD 7.5 billion. In the same timeframe, net government debt fell to 19.2% of GDP from 19.9% (The Treasury 2019a). The Half Year Economic and Fiscal Update published in December 2019 forecast a deficit of NZD 900 million for the financial year 2019/20, following an additional NZD 12 billion of government capital investment in infrastructure like schools, transport networks and hospitals (The Treasury 2019b).

New Zealand's budgeting process – as is typical of Westminster-style democracies – is highly centralized, providing the government with a great deal of discretion over the level and allocation of public expenditure. The planning and preparation of the budget (the executive phase), which is dominated by the minister of finance and the treasury, is characterized by secrecy and consultation on a need-to-know basis. Likewise, the subsequent legislative phase is not a forum for inter-party negotiations over the details of the budget (Boston & Church 2002).

However, government budgets must comply with the principles of fiscal responsibility outlined in Part Two of the Public Finance Act (PFA). These principles include reducing and maintaining debt to prudent levels, and – once those levels have been reached – running operating surpluses; managing any fiscal risks that the government faces; considering the impact on present and future generations; and ensuring that the crown's resources are managed effectively and efficiently. The PFA requires the publication of a Fiscal Strategy Report (FSR), which must be delivered on Budget Day. In this report, the government must outline their specific long-term objectives and short-term intentions, and the extent to which these objectives and intentions are consistent with the principles of responsible fiscal management.

The PFA – which was first passed in 1989 – has been remarkably successful in improving fiscal performance and position. The government's net worth has increased almost every year since the early 1990s, barring four years after the global financial crisis (2008) and the Canterbury earthquakes (2010 and 2011) (Ball 2019).

A further feature of New Zealand's political system is the high degree of revenue and expenditure centralization. In fact, New Zealand is one of the most centralized jurisdictions in the OECD. More than 90% of government workers are employed by central government organizations, and almost all

citizen-facing public services – including policing, fire services, education and healthcare – are central government activities. Local governments are not permitted to tap into commonly used sources of subnational revenue, such as sales and/or income taxes. Local governments therefore raise a relatively large proportion of their revenue from rates (taxes on real-estate holdings and charges) (Crawford & Shafiee 2019).

Citation:

Ball, I. (2019) “Public Finance Act has proved its worth in good times and bad.” Stuff. <https://bit.ly/32S3hZr>

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Crawford, R. & Shafiee, H. (2019) Scope and funding of local government: an international comparison. New Zealand Productivity Commission Working Paper 2019/2. <https://bit.ly/3pAzjTC>

The Treasury (2019a) Budget 2019. <https://bit.ly/2IGnPNl>

The Treasury (2019b) Half Year Economic and Fiscal Update. <https://bit.ly/3pTDHMw>

## Research and Innovation

Research and  
Innovation Policy  
Preparedness  
Score: 6

In 2020, New Zealand dropped five places from 24th in 2019 to 29th in the Bloomberg Innovation Index, which scores countries using seven criteria, including R&I spending and concentration of high-tech public companies. This came off the back of a four-place drop in 2018, which saw New Zealand slip out of the top 20 with a fall from 19th to 23rd. New Zealand is now placed behind newly industrialized countries, such as China and Malaysia (Bloomberg 2020).

The OECD has also identified deficiencies in the New Zealand government’s commitment to R&I strategies and expenditure, high-technology employment, and patent indicators. The problem stems from New Zealand’s small size and geographic isolation as well as the absence of large companies operating at an international level (OECD 2019). The Ministry of Business, Innovation and Employment (MBIE) has overall responsibility for coordinating R&I policy implementation.

New Zealand continues to be ranked low on these metrics among OECD countries, including its closest economic partner, Australia. Recognizing New Zealand’s R&I deficits, the Labour-led administration (2017 – present) chose “Foundations for the Future” as the theme for its 2018 budget, with the aim to increase R&I expenditure to 2% of GDP over the next 10 years (New Zealand Government 2018). The main vehicle to achieve this goal is a tax credit on eligible R&I expenditure. Since the scheme was first announced, the originally proposed 12.5% tax break has been upped to 15%, while the minimum of R&I spending has been halved to NZD 50,000 from NZD 100,000. In addition, the maximum amount that can be claimed by any company in any one year has

been increased to NZD 18 million and the definition of R&I has been broadened, shifting the focus from “scientific research” to “systematic approaches to solving scientific and technical uncertainty.” While these changes address key concerns expressed by critics, it remains unclear how startup companies – as generally startups do not make substantial profits against which they can claim tax breaks – will benefit from the government’s R&I scheme (Junn 2019; Pullar-Strecker 2018).

Citation:

Bloomberg (2020) Bloomberg Innovation Index: Germany Breaks Korea’s Six-Year Streak as Most Innovative Nation. 18 January. <https://bloom.bg/2ZOyACA>

New Zealand Government (2018) Budget 2018: Foundations for the Future. <https://bit.ly/2Kg9192>

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New Zealand Herald (2019) “New Zealand further down world innovation rankings.” <https://bit.ly/3pzEdQB>

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## II. Welfare State Preparedness

### Education System Preparedness

Education Policy  
Preparedness  
Score: 8

New Zealand’s education system performs well on a number of indicators. According to recent OECD Education at a Glance reports, New Zealand is ranked highest in the OECD in terms of education spending as a percentage of total GDP. Furthermore, national rates of enrolment in early childhood care and education are above the OECD average, the “not in employment, education or training” (NEET) rate for 18 to 24 year olds is below the OECD average, and – compared to other OECD countries – New Zealand has an above-average proportion of the population with a bachelor’s degree (OECD 2020).

New Zealand also ranks high in terms of equipping students with future skills. The Economist’s 2019 Worldwide Educating for the Future Index – which evaluates inputs to education systems rather than outputs – ranks New Zealand third out of 50 countries, behind only Finland and Sweden. New Zealand also does well in global comparison when it comes to innovating pedagogic practices. For example, the OECD highlights the increased use of computer-based resources in primary schools, which is significantly higher than in most other industrialized countries (The Economist 2019; OECD 2014).

However, at the same time, New Zealand has one of the most unequal education systems in the industrialized world. According to a 2018 UNICEF report, which analyzes the gaps between the highest and lowest performing pupils in OECD countries, New Zealand ranks 33rd out of 38 countries for educational equality across preschool, primary school and secondary school levels. The reading gap between New Zealand's highest and lowest performing students at age 10 puts the country at 230 points compared to 153 points for the Netherlands, the country with the smallest gap. At age 15, New Zealand's reading gap is 271, 22% greater than the best performing country (UNICEF 2018).

Inequality in the education system has a strong ethnic component, as education outcomes are generally poorer for Māori and Pasifika (Pacific Islander) students. In particular, Māori and Pasifika students are significantly less likely than Pākehā (New Zealanders of European descent) or Asian students to leave the education system with a qualification. While around 71% of Māori stay at school until 17, for Pākehā that rate rises to 85% (Walters 2018).

Public expenditure on tertiary education as a percentage of total public spending remains one of the highest in the OECD – even though an increasing proportion of this money goes to students as loans and grants rather than as direct funding to institutions. Meanwhile, New Zealand's tertiary education system stands out by having the second-highest proportion of international students across the OECD, making the export of education the fourth largest contributor to the New Zealand economy (Hipkins 2018). This increase has been partly driven by a desire to internationalize the curriculum and the student experience, but is also tied to the sector's financial need to supplement operational costs. This trend has made the sector vulnerable to exogenous shocks should the supply of international students decrease (NZIA 2019). The share of New Zealanders with a bachelor's degree (29%) is considerably higher than the OECD average (18%).

Citation:

The Economist (2019) Worldwide Educating for the Future Index. <https://bit.ly/3IGqoh7>

Long, J. (2018) "Technology shakeup in New Zealand schools all about 'balance', say educators." Stuff. <https://bit.ly/3f7Bd9r>

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## Social Welfare Preparedness

Social Welfare  
Policy  
Preparedness  
Score: 6

Social inequality is a growing concern in New Zealand. The income gap has been widening steadily. Since 2015, the top 20% of New Zealand households have seen their median net worth increase by about NZD 131,000 per year, whereas the net worth of the bottom 40% has failed to grow. As a result, the top 20% of New Zealand households collectively now hold about 70% of total household net worth. A particularly troubling manifestation of social inequality is child poverty. In the year to June 2019, about one in eight New Zealand children (13.4%) lived in households reporting material hardship, with material hardship defined as households missing out on specific items that most people regard as essential, such as not eating fruit or vegetables, putting off a doctor visit or not being able to pay the electricity bill (Stats NZ 2020).

The Māori population is disproportionately affected by socioeconomic inequality. On average, working Māori earn NZD 140 less per week than the average New Zealander. Māori work the same number of hours as the New Zealand average, but only 16% of Māori hold an advanced qualification (compared to 30% of the country's workforce). Māori communities also suffer more from child poverty: almost one in four Māori children (22.3%) live in material hardship, compared to one in 10 New Zealand children of European descent (9.8%) (Walters 2018).

Part of the blame for New Zealand's inequality has been put on the overheated housing market. According to the 2020 Demographia International Housing Affordability survey, house prices in New Zealand are among the most unaffordable in the world. Auckland was ranked as the sixth most unaffordable major city in the world, behind Hong Kong, Vancouver, Sydney, Melbourne, and Los Angeles (Demographia 2020). A study by the Ministry of Social Development published in 2018 reveals that New Zealand-wide, more than half of households that receive the Accommodation Supplement (a benefit to people deemed unable to fully afford the rent on their home) spend more than half their income on housing (Ministry of Social Development n.d.).

The Labour-led government took a number of steps to ease the housing crisis. However, the KiwiBuild policy, launched in 2018, which targeted the construction of 100,000 affordable homes over 10 years, had only delivered around 250 new homes and was subsequently scrapped in its original form in mid-2019. Instead, the government revealed alternative measures that include NZD 400 million of funding for ownership schemes such as rent-to-buy and

shared equity. In addition, the deposit required for government-backed mortgages was reduced by half to 5% (The Guardian 2019).

The 2019 “well-being” budget dedicated NZD 1.1 billion to child poverty measures, including a NZD 150 payment (per child) to decile one to seven schools if they agreed to stop asking parents for donations. The government’s aim is to lift 70,000 children out of poverty by 2020/21 and 120,000 by 2027/28. While the “well-being” budget gained widespread praise from social agencies, the Ardern administration has been criticized for not recognizing the structural underpinnings of inequality. Despite the fact that Māori children and youth are twice as likely to be in poverty as New Zealanders of European descent, the 2019 budget seeks to tackle child poverty issues through universal development schemes rather than allocating funding to Māori-specific programs.

Citation:

Demographia (2020) International Housing Affordability Survey 2020. <https://bit.ly/36ZBHej>

The Guardian (2019) “New Zealand scraps ‘overly ambitious’ plan to tackle housing crisis. <https://bit.ly/31FSd93>

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### Healthcare System Preparedness

Health Policy  
Preparedness  
Score: 6

New Zealand’s public healthcare policies achieve high-quality and inclusive healthcare for most citizens. However, similar to other OECD countries, cost efficiency and long-term public spending pressures remain an issue. An OECD publication points out that the largest projected long-term public spending pressure is healthcare, which is expected to jump from 6.2% of GDP in 2015 to 9.7% of GDP by 2060, owing to both aging demographics and the expected increase in expensive new treatments (de la Maisonneuve & Oliveira Martinsc 2014).

In terms of pandemic preparedness, New Zealand’s healthcare system rates poorly. In the 2019 Global Health Security Index (GHSI), New Zealand scores approximately half marks (54/100), coming in 35th in the world rankings (NTI 2019). In particular, authorities’ ability to detect and report epidemics of potential international concern (36.7/100) as well as the healthcare system’s ability to “treat the sick and protect health workers” (45.2/100) are highlighted as weak spots. For example, as of early 2020, New Zealand had only around 150 ICU beds and just over 500 ventilators. On the other hand, New Zealand scores better in terms of its capabilities to rapidly respond to public health

emergencies (58.1/100) and its compliance with international norms (59.4/100).

The public healthcare system is already showing signs of being overburdened. Reports of chronically understaffed hospitals abound, large numbers of specialist referrals are declined because of a lack of resources and waiting lists for surgical procedures have become a serious issue. Mainly due to lengthy waiting lists in the state healthcare system, a large number of New Zealanders (around 1.4 million) now have private “queue jumping” health insurance. In recent years, however, premiums have increased, thereby fueling income-related inequality in healthcare (Jones & Akoorie 2018).

Health inequality disproportionately affects Māori parts of the population. For one, Māori life expectancy is lower than that for non-Māori, according to 2013 Ministry of Health figures. Life expectancy at birth was 73.0 years for Māori males and 77.1 years for Māori females; it was 80.3 years for non-Māori males and 83.9 years for non-Māori females. In addition, the 2017 – 2021 Ministry of Health and Addiction Workforce Action Plan finds that, while Māori make up approximately 16% of New Zealand’s population, they account for 26% of all mental healthcare service users (Walters 2018).

In May 2018, the minister of health announced a wide-ranging review designed to future-proof New Zealand’s healthcare and disability services. The review was led by Heather Simpson, chief of staff to former Prime Minister Helen Clark. The final report was released in June 2020 and recommended to the Ministry of Health a new crown entity to lead the healthcare sector, major structural changes to the provision of healthcare, a stronger focus on mental healthcare, governance arrangements that include 50% Māori representation and an independent Māori Health Authority to strengthen health outcomes among New Zealand’s indigenous peoples (<https://systemreview.health.govt.nz/>).

Citation:

Baker, M. et al. (2020) “A preventable measles epidemic: Lessons for reforming public health in NZ.” University of Otago: Public Health Expert. <https://bit.ly/3pDTyzW>

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Jones, N. & Akoorie, N. (2018) “Unfair care: What’s going wrong in the health system?” New Zealand Herald. <https://bit.ly/36JaPyR>

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RNZ (2020) “Covid-19: Does NZ have enough ICU beds, ventilators?” <https://bit.ly/3fkMR0Z>

Walters, L. (2018) Fact check: Disparities between Māori and Pākehā, Stuff. <https://bit.ly/3kBVkcd>

Family Policy  
Preparedness  
Score: 7

## Families

The 2019 Women in Work Index (published by consultancy firm PwC) rates New Zealand third in the OECD, behind Iceland and Sweden. Employment rates for women are well above the OECD average – even though mothers with young children have lower employment rates and women are also more likely to work part-time than in most OECD countries (PwC 2019). The median gender labor earnings gap is significantly lower than the OECD average (7.2% vs. 13.9%). However, a research report commissioned by the Ministry for Women finds that the wage gap between men and women widens to 12.5% when they become parents. When women become mothers, they are less likely to be employed and, if they do work, they work fewer hours and have lower earnings – even 10 years later. Mothers earn 4.4% less on average than non-mothers, with the gap widening the longer they are not in employment (Ministry for Women 2017).

A number of family support policies have been passed under the government of Jacinda Ardern that are designed to enable mothers to decide freely whether they want to return to employment. Most importantly, a new Families Package has been rolled out since mid-2018. Its provisions include increasing the rate of paid parental leave from 22 to 26 weeks from July 2020; the introduction of a Winter Energy Payment for beneficiaries including pensioners; a weekly NZD 60 payment to low and middle-income families with babies and toddlers; reinstating the Independent Earner Tax Credit; and increasing benefits for orphans, unsupported children and foster careers. It is estimated that 384,000 families will benefit from the policy package (Dreaver 2018).

That said, there are more than 200,000 “one parent with children” families in New Zealand, which represents around 20% of all family types. Of these families, 84% are headed by women. However, the Welfare Expert Advisory Group Report, commissioned by the Ardern government, identified that benefit levels for these families were inadequate and that many of the system’s rules for single parents were overly punitive (Healey and Curtin 2019; WEAG 2019). The main benefits were raised by 3% in February 2020, but in June the same year New Zealand’s Household Labour Force Survey showed that single parent households were financially worse off than other households (Stats NZ 2020).

In the government’s 2019 “well-being” budget, measures to combat family violence received a record investment of NZD 320 million, in a bid to tackle New Zealand’s entrenched family and sexual violence statistics, which see the police respond to a domestic violence incident every four minutes (The Treasury 2019).



A Pay Equity Working group has been established to find a mechanism to reduce the gender pay gap, which sits stubbornly at 9% but is considerably wider for some groups of women. In the public service, the gender pay gap for Pacific Islander women is 21% (New Zealand Government 2016). The Ministry for Women has introduced an online tool to assist policymakers in attending to gender differences in policy design and budget bids titled “Bringing Gender In” (Ministry for Women n.d.).

Citation:

Dreaver, C. (2018) “Govt’s families package takes effect: ‘Step in the right direction.’” RNZ. <https://bit.ly/3kFjgAm>

Healey, O. and Curtin, J. (2019) Relationship Status and the Welfare System in Aotearoa New Zealand. [https://cdn.auckland.ac.nz/assets/auckland/arts/our-research/research-institutes-centres-groups/ppi/ppi-reports/16May19%20Repartnering%20Report%20PPI\\_CPAG%20Final.pdf](https://cdn.auckland.ac.nz/assets/auckland/arts/our-research/research-institutes-centres-groups/ppi/ppi-reports/16May19%20Repartnering%20Report%20PPI_CPAG%20Final.pdf)

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Ministry for Women (n.d.) Welcome to Bringing Gender In. [women.govt.nz/gender-tool](http://women.govt.nz/gender-tool)

New Zealand Government (2016) Pay equity working group reports back. <https://bit.ly/3bc9F2E>

PwC (2019) Women in Work Index 2019. <https://pwc.to/35By9iK>

Stats NZ (2020) <https://www.stats.govt.nz/news/wellbeing-outcomes-worse-for-sole-parents>

The Treasury (2019) Budget 2019. <https://bit.ly/2IGnPNl>

WEAG (2019) Restoring Dignity to Social Security in New Zealand. The report of the Welfare Expert Advisory Group <http://www.weag.govt.nz/weag-report/>

### III. Economic Crisis Response

#### Economic Response

Economic  
Recovery  
Package  
Score: 8

As with other OECD economies, New Zealand’s economy shrunk amid the coronavirus pandemic. The country’s gross domestic product (GDP) fell 12.2% in the three months to the end of June, compared with the previous three months. The contraction plunged New Zealand into its first recession in a decade, following a 1.4% fall in GDP in the first quarter (Menon 2020)

However, the effects of COVID-19 have been felt unevenly across the economy. Key economic sectors that took a particularly hard hit include forestry exports (reflecting the effects of reduced global construction demand), higher education and tourism (due to stringent border restrictions imposed in March 2020 that had not been lifted by the time of writing). The level four and level three lockdowns (March to May 2020) cost Queenstown-Lakes – one of the country’s main tourist destinations – 16.7% of its GDP, more than double the cost to the Greater Wellington region (minus 6.9%) and Auckland (minus 7.7%).

On the other hand, dairy, meat and horticulture export revenue between February and June 2020 grew by NZD 713 million, NZD 80 million and NZD 292 million, respectively – compared to the same period in 2019. Trade experts credit the resilience of agricultural exports in part to New Zealand’s image as a trusted source of clean, high-quality products – a major draw for global consumers during the coronavirus pandemic. In particular, demand for New Zealand agricultural products has been driven by the enduring appetite of the Asian market. Since 2017, China has been New Zealand’s largest trading partner; in 2019, 23% of New Zealand’s total goods and services exports went to China (NZIER 2020a; 2020b).

The government took a number of measures to protect the economy from the pandemic (The Treasury 2020). Perhaps most importantly, the level four lockdown in March was cushioned by a NZD 12.1-billion economic response package (the equivalent of around 4% of GDP), which included a \$6.25 billion loan program for small and medium-sized enterprises (Business Finance Guarantee Scheme), \$2.8 billion in business tax changes to free up cashflow, a wage subsidy scheme to support worker retention initially costed at \$5 billion, plus investment in a number of “shovel-ready” infrastructure projects. The government also provided more than \$50 million to support education institutions, extended free tertiary education for infrastructure-relevant programs of study and provided \$400 million to help the tourism industry.

In addition, the government under Jacinda Ardern trod carefully on the diplomatic front. While Australia – after calling for an inquiry into the origins of the coronavirus – had its barley and beef exports blocked by China, Ardern waited until a coalition of dozens of countries was ready to seek an inquiry before backing one, declaring that New Zealand was not interested in a “witch hunt.”

Domestically some concerns were raised that the support packages were primarily targeted at male dominated sectors, overlooking the care economy and social infrastructure. By contrast, the government’s efforts to handle the economic fallout from the pandemic have been widely lauded internationally. For example, according to a survey among 700 international business leaders conducted by Bloomberg in August, New Zealand is the country that gives senior executives the most confidence for future investment (Farrer 2020). New Zealand ranked strongly for political stability, economic recovery, virus control and social resilience – ahead of Japan, Taiwan and sixth-placed Australia.

Citation:

Farrer, M. (2020) “New Zealand’s Covid-19 response the best in the world, say global business leaders.” The Guardian, 8 October. <https://bit.ly/36hLjAv>

Menon, P. (2020) “New Zealand economy in deepest recession as second-quarter GDP shrinks.” Reuters.

<https://reut.rs/3rZQsXS>

NZIER (2020a) Land-based industries help see New Zealand through tough COVID times. NZIER Insight 90. <https://bit.ly/32frUPG>

NZIER (2020b) The potential local and regional impacts of COVID-19 in New Zealand: With a focus on tourism. NZIER Working paper 2020/03. <https://bit.ly/38dAORq>

The Treasury (2020) COVID-19 Economic Package updated. <https://bit.ly/2XgJf3>

### Sustainability of Economic Response

Recovery  
Package  
Sustainability  
Score: 6

Parts of the 2020 budget, which includes the \$50 billion COVID-19 recovery and relief fund, respond to environmental sustainability challenges. In particular, the Labour-led government pledged \$1.1 billion for weed and pest control, biodiversity enhancement and regional restoration projects, including wetlands and waterways – projects that will help to sequester carbon emissions. New transport funding went entirely to rail, with more than \$1 billion in capital expenditure for renewing and upgrading existing networks. In addition, the 2020 budget includes a \$56 million boost for the government’s insulation and heating program, and \$30 million for decarbonizing the state sector – including schools and hospitals – by phasing out coal boilers and installing clean heating and lighting (Daalder 2020).

While conservation bodies welcomed the government’s record investment in biodiversity and habitat restoration work, the 2020 COVID-19 response budget was widely criticized for its short-term vision, failing to set New Zealand on a course toward a low-emissions economy. Critics have also highlighted that the government’s spending is insufficient. For example, the \$1 billion investment in rail infrastructure needs to be seen in comparison to the \$5.3 billion for roads in the government’s January infrastructure spend and the \$1 billion Air New Zealand bailout. Likewise, the \$56 million earmarked for improving insulation will be enough for only 9,000 homes, leaving 591,000 still under-insulated (Hall 2020; Roy 2020; Thomas 2020).

Citation:

Daalder, M. (2020) “Budget 2020: trading coronavirus for the climate crisis.” Stuff. <https://bit.ly/31FaumX>

Hall, D. (2020) “New Zealand’s COVID-19 budget delivers on one crisis, but largely leaves climate change for another day.” The Conversation. <https://bit.ly/3nwW88R>

Roy, E. A. (2020) “New Zealand budget: \$1bn for ‘nature jobs’ but dismay at lack of climate action.” The Guardian. <https://bit.ly/2K7P7gg>

Thomas, R. (2020) “Experts say vision needed for Budget’s 11,000 nature-based jobs.” RNZ. <https://bit.ly/35CfLX3>

### Labor Market Response

Labor Market  
Policy Response  
Score: 8

Initial forecasts had New Zealand’s unemployment rate rising above 10% as a result of the coronavirus pandemic, but the job market developed more positively than economists had predicted. There was an unexpected decline in

the unemployment rate to 4% in the June quarter, which included the level four lockdown. Over the next three months, the jobless rate rose by a record 37,000 to 151,000 – up 1.3% points from the previous quarter. This rise in unemployment in the September quarter was the largest quarterly rise since the statistic began to be recorded in 1986. However, New Zealand still fared better than many other OECD countries in the same time period, including Australia (7.1%), France (7.5%) and the United States (7.4%) (Carroll 2020).

The service industry has borne the brunt of the lockdowns and the government's strict border policies. As over 60% of retail workers and over 70% of hospitality workers are women, the female workforce has been disproportionately hit by labor market shocks, with the unemployment rate for women rising to 5.8% and the unemployment rate for men up to 4.8%. Most of the affected jobs for women were in tourism-related industries, such as accommodation, travel agencies, passenger transport and hospitality. Young people were also badly hit, with 9,100 more 15 – 24 year olds unemployed, followed by 6,100 more 55 – 64 year olds unemployed (Carroll 2020). In the June 2020 quarter, the female underutilization rate shot to 14.9%, up from 12.7% (an increase of 29,000 women in the quarter). Total employment fell 0.4% over the same period, which equated to 11,000 fewer people in paid employment – and roughly 90% of the 11,000 lost jobs due to COVID-19 had been held by women (RNZ 2020).

The Labour-led administration passed a number of measures to contain the labor market damage resulting from COVID-19. Most significantly, to help businesses tackle the fallout from the level four lockdown imposed in March without laying off staff, the government introduced a \$5.1 billion wage subsidy program for affected businesses across all sectors and regions over 12 weeks with a \$150,000 cap. After the original announcement, the scheme was repeatedly tweaked. For example, the subsidy cap was lifted and, when Auckland – New Zealand's largest city, which contributes around 40% to national GDP – was placed under a renewed level three lockdown in August, the revenue-drop test (at least 40% due to COVID-19) was removed. Already by July, more than \$13 billion had been paid out under the wage subsidy scheme, supporting more than 1.7 million jobs (Robson 2020). The government, with the support of the Green Party, also promised to pass legislation to extend statutory minimum paid sick leave to 10 days before the end of 2020, a direct response to COVID-19.

At the same time, COVID-19 worsened workforce shortages in the agricultural and horticultural sectors – sectors that had weathered the pandemic relatively well. Representatives of the horticultural industry warned that the government's tight border restrictions, preventing seasonal workers from

entering the country, put \$9.5 billion of New Zealand’s economy at risk. In the Hawke’s Bay region alone, about 10,000 workers were needed in October to prune and pick \$1 billion worth of fruit. Immigration Minister Kris Faafoi said that “the government understands the challenges the tight border restrictions create,” but also emphasized that “tight border restrictions remain the backbone of the government’s border strategy to protect New Zealand against Covid-19.” To help fill key labor shortages, the government announced a Supplementary Seasonal Employment (SSE) visa in September 2020, which will be automatically given to around 11,000 working holiday visa holders in New Zealand with visas expiring between 1 November 2020 and 31 March 2021, allowing them to work in horticulture and viticulture roles (Flaws 2020).

Citation:

Carroll, M. (2020) “Record jump in jobless rate to 5.3%, but NZ set to avoid unemployment disaster.” Stuff, 4 November. <https://bit.ly/3p8EyK3>

Flaws, B. (2020) “‘This just cannot happen’: \$9.5 billion at risk as horticulture sector struggles to fill \$25-an-hour jobs.” Stuff, 12 September. <https://bit.ly/3mYXSHE>

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### Fiscal Response

Fiscal Policy  
Response  
Score: 7

Due to the COVID-19 economic crisis, the government’s \$7.5 billion budget surplus (financial year 2018/19) turned into a deficit of \$28 billion (9.6% of GDP). This is forecast to be followed by a deficit of \$29.6 billion in 2021, \$27.2 billion in 2022 and \$16.5 billion in 2023. The government’s books will only return to surplus in 2028, when the New Zealand Treasury is forecasting a surplus of 0.1% of GDP. The Treasury also expects net debt to increase in the coming years – from 27.6% of GDP at the end of June 2020 to 55.3% of GDP by the fiscal year 2024 (Coughlan 2020).

Finance Minister Grant Robertson said the coronavirus pandemic was a “one-in-100-year event” which demanded record spending. “This is the rainy day we have been preparing for – now we must weather the global storm.”

The 2020 budget’s cornerstone is the NZD 50 billion COVID-19 Response and Recovery Fund (CRRF), which includes \$6.9 billion to extend the wage subsidy scheme beyond the initial funding announced in March and a business tax relief package of \$1.9 billion. A separate \$1.1 billion package was set up with the aim of creating almost 11,000 jobs in the environment sector (e.g., in pest control and wetland restoration) and \$1 billion will be invested to improve transport, including \$667 million in rail infrastructure and \$400 million to replace Interislander ferries. District Health Boards are to get an extra \$3.9 billion over four years (McCulloch 2020). Despite calls for more attention to

gender responsive budgeting after the delivery of the Wellbeing Budget in 2019 and changes made to Budget Guidance to include the Ministry for Women’s “Bringing Gender In” tool, the COVID-19 Recovery Budget offered little that would advance gender equality, despite women being hard hit by the pandemic.

The government’s move to take on high debt levels to cope with COVID-19 has prompted fears of higher tax rates and a greater burden placed on future generations. Very little mention was made of tax in the budget and economists criticized Labour’s tax policy proposals during the 2020 election campaign for being too “soft.” Prime Minister Jacinda Ardern ruled out a capital gains tax, but instead promised a new top tax rate of 39% for people earning more than \$180,000 a year – a tax that would only affect 2% of New Zealanders and which is projected to raise a mere \$550 million a year (Ensor 2020).

Citation:

Coughlan, T. (2020) “Budget 2020: A decade of economic pain, Robertson uses balance sheet to shield economy.” Stuff, 14 May. <https://bit.ly/3eFQoqj>

Ensor, J. (2020) “NZ Election 2020: Labour’s tax policy a ‘nudge’, hard choices down the road – economist.” Newshub, 10 September. <https://bit.ly/32tNiki>

McCulloch, C. (2020) “Budget 2020: \$50bn rescue fund in ‘once in a generation’ budget.” RNZ, 14 May. <https://bit.ly/3loveiE>

## Research and Innovation Response

Research and  
Innovation Policy  
Response  
Score: 7

The 2020 COVID-19 budget pledged more than \$401 million for innovation and development, including \$196 million for Crown Research Institutes, \$150 million for an R&D loan scheme, and \$33 million for Māori research and development opportunities. While this commitment was welcome by stakeholders, the R&D loan scheme has been criticized for lacking detail (Wade 2020).

In mid-2020, the government also fast tracked a \$2.9m subsidy for biotech firm Biocell to upgrade its research facility in Auckland, to manufacture a potential vaccine for COVID-19 (Hurley 2020). Other high-tech companies, too, benefited from the coronavirus pandemic. For example, Fisher & Paykel Healthcare – a \$20-billion maker of respiratory products used to treat COVID-19 – has said that its profits in the year ending March 2021 could rise by as much as a third due to the pandemic. Shares in Xero – a Wellington-based accounting software platform for small businesses – have doubled since the Ardern administration ordered the nationwide level four lockdown in March, as its business has boomed (Smyth 2020)

While (aside from a few success stories) there are certainly questions about the effectiveness of New Zealand’s research and innovation policy, it needs to be

stressed that – in a somewhat ironic twist of fate – the reliance on raw commodity exports has helped the economy absorb the COVID-19 shock. In particular, New Zealand – as a major exporter of meat, dairy and horticultural products – has benefited from the fact that, amidst the pandemic, consumers around the world are focusing their spending on basic necessities such as food. In fact, New Zealand’s dairy, meat and fruit exports grew in the first half of 2020 (NZIER 2020).

Citation:

Hurley, B. (2020) “Covid-19: Govt fast tracks \$2.9 million for NZ biotech firm to build vaccine lab.” Stuff. <https://bit.ly/32S3f3U>

NZIER (2020) Land-based industries help see New Zealand through tough COVID times. NZIER Insight 90. <https://bit.ly/32frUPG>

Smyth, J. (2020) “New Zealand Inc reaps benefit of hard and fast Covid lockdown.” Financial Times. <https://on.ft.com/38PZkrW>

Wade, A. (2020) “Research and development to get more than \$400m ‘to help secure and create jobs.’” New Zealand Herald, 5 June. <https://bit.ly/3eQYFb3>

## IV. Welfare State Response

### Education System Response

Education  
Response  
Score: 9

Due to fact that lockdown and social distancing measures were only enforced over relatively short time periods, disruptions to the education system remained low compared to other industrialized countries. It was only during the nationwide level four lockdown that lasted for five weeks from late March to late April that schools were forced to shut down completely. During level three lockdowns (nationwide between late April and mid-May, and in Auckland in August) schools were open for children of “essential” workers.

To further reduce disruption to students’ learning, the government brought forward the April school holidays. After the end of the holidays, schools opened for distance learning for the remainder of the level four and level three lockdowns. To support teachers and parents in helping children to continue to learn, the Ministry of Education launched the “Learning from Home” and “Ki te Ao Mārama” websites. In August, the government released \$214 million from the COVID-19 response and recovery fund to ease financial pressure on schools: \$38 million to help schools cover unexpected costs related to COVID-19, \$69 million upgrade for online learning and \$107 million contingency funding to support school construction suppliers facing additional costs due to the lockdown (RNZ 2020a; RNZ 2020b). To ensure students completing their final year at high school were not disadvantaged, the credit requirements for university entrance and NCEA level three were adjusted.

Online learning during the level four and level three lockdowns posed a problem for many families. In 2019, a survey carried out among schools by Network for Learning (N4L) showed that about 100,000 children had no internet access at home. To address this issue, the government introduced a number of measures to increase the number of students with internet access and digital devices, and deliver hardcopy versions of materials for different year levels. The government also provided funding to two television channels to broadcast education-related content (one in English, one in Māori) (Stewart 2020).

Tertiary education providers also shut their campuses during lockdowns and shifted to online learning. In April, the government made available a \$133 million support package, allowing students to borrow an additional \$1,000 on their student loans for course-related costs. In early May, the government announced a \$20 million fund to help 18,500 learners to access digital devices and the internet (RNZ 2020c).

The government's 2020 budget included a \$1.6 billion Trades and Apprenticeships Training Package, earmarking \$334 million for additional tertiary education enrolments, \$141 million to support tertiary and trades education, and \$32 million to meet demand in trades academies (Kenny 2020).

Meanwhile, the finances of universities have been severely affected by the coronavirus pandemic. Because of the government's strict border rules and the steep drop in international fee-paying students, New Zealand's universities are expected to forgo about \$200 million in 2020, with that figure rising to \$400 million by the end of 2021 (Walters 2020).

Citation:

Kenny, L. (2020) "Tertiary sector welcomes \$1.6b for free vocational training for the unemployed." Stuff. <https://bit.ly/3fb478H>

RNZ (2020a) "Coronavirus: What you need to know about school and uni closures." <https://bit.ly/3kD6xOp>

RNZ (2020b) "Covid-19: Ministry of Education reveals support plans for distance learning." <https://bit.ly/2UDFRTk>

RNZ (2020c) "Covid-19: PM unveils new support for students on NZ's 'deadliest day to date.'" <https://bit.ly/2UBvRd3>

Stewart, I. (2020) "Covid-19: Online learning poses challenge for low-decile schools." RNZ. <https://bit.ly/2IHFsmO>

Stuff (2020) "Coronavirus: \$20m Covid-19 fund announced to help tertiary students to learn online." <https://bit.ly/32Vt1nL>

Walters, L. (2020) "Tertiary sector to feel effects of Covid for years to come." Newsroom. <https://bit.ly/3bacpNY>



Social Welfare  
Policy Response  
Score: 8

### Social Welfare Response

The government funded a wide range of social policy responses to the coronavirus pandemic. In mid-March 2020, before New Zealand entered the nationwide level four lockdown, a \$2.8 billion support package for low-income families and pensioners was announced. This included rising working-age benefits by \$25 a week, doubling the Winter Energy Payment and expanding in-work tax credits to cover families who lost income due to COVID-19. In addition, the government announced a \$27 million package to support social services provided by community groups and a \$107 million funding package to secure housing for people living rough and homeless (McCulloch 2020; Walls 2020).

The 2020 budget, published in May, included additional measures to mitigate social inequalities. These measures included increasing the rates of foster care allowance and orphan's benefit by \$25 per week; committing \$80 million to social services (including \$32 million for foodbanks and other community food services); establishing a \$36 million fund to help community groups that support Māori, Pacific Islander, refugee and migrant communities; and spending \$220 million over two years to grow the current school lunch scheme from 8,000 students to about 200,000 by the middle of 2021 (Manch 2020).

However, despite these social policy responses, critics have argued that the pandemic has laid bare structural social inequalities in New Zealand. For example, research has shown that women of Māori and Pacific Islander descent disproportionately felt the effects of the pandemic: due to the nature of their work they not only risked higher exposure to the virus than other social groups, but they were also predominantly susceptible to job losses (Massetot & Hayes 2020). Similarly, as key services moved online during the level four lockdown, COVID-19 exposed a digital divide. In particular, Māori and Pasifika people, the elderly, those living in social housing, unemployed people, disabled individuals, and those living in rural areas are more likely to be digitally excluded (Forbes 2020).

#### Citation:

Forbes, S. (2020) "Coronavirus: Covid-19 exposes digital divide, internet have-nots further cut off." Stuff. <https://bit.ly/3kGC5mC>

McCulloch, C. (2020) "Budget 2020: \$50bn rescue fund in 'once in a generation' budget." RNZ, 14 May. <https://bit.ly/3loveiE>

Manch, T. (2020) "Coronavirus: Low-income families and pensioners target of major payment boost." Stuff. <https://bit.ly/3lGWlpy>

Massetot, A. & Hayes, M. (2020) "Exposing Gender Inequalities: Impacts of Covid-19 on Aotearoa | New Zealand Employment." *New Zealand Journal of Employment Relations*, 45(2).

Walls, J. (2020) "Covid 19 coronavirus: Government to spend \$100 million on housing homeless in motels." Stuff. <https://bit.ly/2lCWdt3>

Health Policy  
Response  
Score: 9

### Healthcare System Response

New Zealand’s healthcare system had been ill prepared for a pandemic (see indicator P7.1). However, the government’s “go hard and go early” COVID-19 response – combined with strict border controls and high compliance with lockdown measures from “the team of 5 million” – succeeded in keeping infection numbers relatively low, thereby preventing hospitals from becoming overwhelmed.

As of January 2021, New Zealand had recorded only around 2,200 cases of COVID-19 and 25 deaths, which translates to a mortality rate of 0.51 deaths per 100,000 population – the lowest death rate among OECD countries. Only 122 cases had to be hospitalized and 18 cases treated in ICU (Johns Hopkins University 2020; Ministry of Health 2020a). Moreover, research has found that, in the first half of 2020, New Zealand had “no detectable excess deaths” – that is, indirect loss of lives caused by social, economic, environmental or healthcare changes – compared to higher mortality rates in other OECD countries (Kontis et al. 2020).

Three days after the World Health Organization (WHO) declared the COVID-19 outbreak a “public health emergency of international concern” on 30 January 2020, New Zealand began introducing disease prevention measures. The government’s strategy was based on strong testing, contact tracing and isolation (World Health Organization 2020).

By January 2021, health authorities had administered close to 1.5 million free-of-charge COVID-19 tests, averaging 5,000 per day and peaking at 20,000 per day in mid-August. Even at COVID-19 Alert Level 1 the government’s rules state: “If you have cold or flu-like symptoms get tested.” In the early stages of the coronavirus pandemic, the government operated around 120 testing centers nationwide, including community-based assessment centers (CBACs), designated general practices (GPs) and mobile clinics. The number of testing sites was scaled down considerably after the Auckland August cluster had been contained (New Zealand Government 2020; Ministry of Health 2020b).

New Zealand also implemented an aggressive contact-tracing program comprised of a manual contact-tracing system – able to make 10,000 phone calls a day and trace 80% of people who had come into contact with a COVID-19 case within three days – and the digital NZ COVID Tracer app, which is designed to collect users’ updated contact details and help them keep track of their whereabouts. The tracer app was released in mid-May; in mid-

August, the government made it mandatory for all businesses and services to display the NZ COVID Tracer QR code poster under alert levels two and three. By early September, more than two million New Zealanders had downloaded the app; around the same time, QR code scans peaked at 2.5 million per day (Kenny & Killgallon 2020). In addition, public health authorities have employed “world leading” genome sequencing technologies to reveal viral lineages between positive cases and help contact tracers identify separate infection clusters (Morton 2020).

On 20 March, New Zealand closed its borders to non-New Zealand residents and citizens. Three weeks later, the government imposed a mandatory quarantine at the border, requiring residents and citizens returning to New Zealand to spend 14 days in government-managed isolation facilities. Cases of COVID-19 community transmission were initially allowed to self-isolate at home. However, faced with a new infection cluster in mid-August after 102 days without a locally transmitted case, New Zealand enacted a new strategy: moving contagious people – including those with mild or no symptoms – into centralized facilities while they get over their infections.

Citation:

Johns Hopkins University (2020) Coronavirus Resource Center. <https://coronavirus.jhu.edu/>

Kenny, K. & Kilgallon, S. (2020) “Coronavirus contact tracing: Are we seeing the benefits of promised improvements?” Stuff. <https://bit.ly/2IRBOAh>

Kontis, V. et al. (2020) “Magnitude, demographics and dynamics of the effect of the first wave of the COVID-19 pandemic on all-cause mortality in 21 industrialized countries.” Nature Medicine. <https://go.nature.com/2JL31V>

Ministry of Health (2020a) COVID-19: Case demographics. <https://bit.ly/3f7R9s8>

Ministry of Health (2020b) Testing for COVID. <https://bit.ly/3pJLs8C>

Morton, J. (2020) “Covid 19 coronavirus: NZ’s genome sequencing effort ‘world leading’, but needs improvement.” New Zealand Herald. <https://bit.ly/35KdTLG>

New Zealand Government (2020) 120 COVID-19 testing centres now operating. <https://bit.ly/3IIWvfX>

World Health Organization (2020) New Zealand takes early and hard action to tackle COVID-19. <https://bit.ly/38VOosW>

## Family Policy Response

Family Support  
Policies  
Score: 6

The service industry has borne the brunt of the lockdowns and the government’s strict border policies. Furthermore, because over 60% of retail workers and over 70% of hospitality workers are women, the female workforce has been disproportionately hit by labor market shocks. In the June 2020 quarter, the female underutilization rate shot to 14.9%, up from 12.7% (an increase of 29,000 women over the quarter). Total employment fell 0.4% over the same period, which equated to 11,000 fewer people in paid employment – roughly 90% of the 11,000 jobs lost due to COVID-19 had been held by women (RNZ 2020).

In July 2020, the Labour-led government allocated \$3 billion to “shovel-ready” physical infrastructure projects to help boost employment opportunities post-COVID-19, with the fund expected to create 20,000 jobs across 150 projects. However, critics have argued that insufficient funding was provided for social infrastructure (the care economy) and that as a result these positions will be “overwhelmingly male” (Curtin et al. 2020; Giovannetti 2020).

Considerably smaller amounts of public money were invested in a community fund for organizations providing services or support to women and girls (0 million), and an expanded school lunch program (0 million), which – according to the government – is expected to create 2,000 jobs in local communities (Andelane 2020).

Citation:

Andelane, L. (2020) “Coronavirus: Calls for Govt to help women back into work post-COVID with gender equality plans, reference group.” Newshub. <https://bit.ly/2IV0eHm>

Curtin, J. Bickerton, S. Morrissey, S. (2020), “What the Budget means for Women” <https://www.newsroom.co.nz/ideasroom/what-the-budget-means-for-women>

Giovannetti, J. (2020) “The election’s message to women losing their jobs to Covid-19: pick up a hammer.” The Spinoff. <https://bit.ly/3IRNEss>

RNZ (2020) “Covid-19: Where are the jobs for women?” <https://bit.ly/2J0hlZK>

### International Solidarity

International  
Cooperation  
Score: 7

New Zealand has – generally speaking – long underdelivered on its international aid commitments. The 2018 budget pledged a further \$714.2 million to New Zealand’s official development assistance over a four-year timeframe, bringing official development assistance (ODA) to 0.28% of gross national income (GNI) by 2021 (up from 0.25% in 2016), but still falling short of New Zealand’s promise to spend 0.7% of GNI on aid. What is more, the allocation is heavily prioritized toward the South Pacific. Amid concerns about China’s growing influence in the region, around 60% of New Zealand’s total aid spending goes to its small-island neighbors (Walters 2018).

The 2020 COVID-19 budget delivered \$55.6 million in additional funding for ODA, which translates to almost 0.33% of forecasted GNI in 2021. Of this money, \$10 million was earmarked to support Pacific Island nations contain the spread of COVID-19 (McKay 2020). In mid-December, Prime Minister Jacinda Ardern announced that New Zealand had procured enough COVID-19 vaccines to vaccinate every New Zealander as well as everyone in Samoa, Tonga, Tuvalu, Tokelau, Niue and the Cook Islands, if the governments of those countries agreed to accept the offer (Manch 2020).

At the same time, the New Zealand government ignored pleas from its neighbors – which, partly due to their geography, remained largely free of

COVID-19 – to establish a Pacific “travel bubble.” The Labour government’s strict border policies not only had a dramatic impact on the tourism industry in the South Pacific, but they also prevented seasonal workers from entering New Zealand, thereby denying many Pacific Islander families important income through remittances (Sachdeva 2020).

Citation:

McKay, B. (2020) “Coronavirus: Aid agencies urge New Zealand to help poorer nations.” Stuff. <https://bit.ly/2UQN8iF>

Manch, T. (2020) “New Zealand to purchase Covid-19 vaccines for Pacific Island neighbours, including Samoa and Tonga.” Stuff. <https://bit.ly/2XqoEOL>

Sachdeva, S. (2020) “How NZ can aid the world in the Covid-19 response.” Newsroom. <https://bit.ly/3lSTRhF>

Walters, L. (2018) “NZ is a long way off its international aid commitment, but is moving in the right direction.” Stuff. <https://bit.ly/2lOglIJ>

## Resilience of Democracy

### Media Freedom

Media Freedom  
Score: 9

New Zealand performs well in terms of media independence. In the 2020 World Press Freedom Index – published by Reporters Without Borders – New Zealand is ranked ninth, two places down on 2019. The report highlights that press “independence and pluralism are often undermined by the profit imperatives of media groups trying to cut costs” (Reporters Without Borders 2020). However, the media is considered to be free from political pressure and intervention. This assessment also applies to state-owned broadcast networks: Television New Zealand (TVNZ) and Radio New Zealand (RNZ). Despite being identified as a public broadcaster, TVNZ is fully commercially funded.

Media pluralism, on the other hand, is an issue of concern. New Zealand’s media market is only partly competitive. In the TV segment, competition is mainly between Television New Zealand (TVNZ) and two international media giants: U.S.-owned MediaWorks and Australian-owned Sky. The commercial radio market is largely divided up between MediaWorks, and New Zealand Media and Entertainment (NZME), with publicly owned RNZ acting as a third player. Finally, a near-duopoly also exists in the newspaper and magazine publishing industry, where the market is essentially split between NZME and Stuff (which was bought by journalist Sinead Boucher from Australian-owned Nine Entertainment for \$1 in May 2020).

During the coronavirus pandemic, New Zealand’s media continued to fulfill its role as an independent watchdog. What is particularly noteworthy is that the news media have provided ample space for voices that are critical of the government’s COVID-19 response. For example, a “cross-disciplinary group of academics” called Plan B became ubiquitous in the media, arguing that “New Zealand’s lockdown may now be unnecessary, and even more harmful than the problem we’re trying to solve.” Similarly, opposition parties were given a platform to attack the government’s COVID-19 policies. In fact, the

media was criticized for simply parroting many of the National Party’s attack lines. For example, after a surge of community transmission in Auckland in August 2020, deputy leader Gerry Brownlee implied that the government had known about the COVID-19 outbreak for some time but had withheld this information from the public (Johnson 2020).

In the run-up to the October election, Advance NZ – a fringe party that had repeatedly made false claims about the pandemic (including the claim that 5G mobile networks spread the virus) and ended up winning less than 1% of the vote – went to court over its exclusion from a televised “powerbrokers debate” alongside other minor parties. The judge rejected the claim, stressing that “courts will not lightly interfere with editorial decisions of media because an independent media, divorced from political influence, is critically important for a functioning democracy” (Owen 2020). In October 2020, Facebook removed the Advance NZ page for “repeated” violations of its misinformation policy (Molyneux 2020).

While ensuring the independence of the press, the government was – at the same time – slammed by critics for not providing enough financial support for the media during the COVID-19-induced economic downturn, thereby further exacerbating the problem of media pluralism. In April, the New Zealand Herald announced that it would lay off 200 staff and those remaining would take a 15% pay cut for three months. Magazine giant Bauer – publisher of The Listener and the Women’s Weekly – closed its doors that same month, firing more than 250 staff without warning. In late April, the government announced a \$50 million aid package. However, this was met with widespread derision from within the industry (in comparison, the racing industry received a \$72.5 million emergency support package) (Roy 2020).

Citation:

Johnson, G. (2020) “How New Zealand’s media endangered public health.” Al Jazeera. <https://bit.ly/2IWvNSa>

Molyneux, V. (2020) “Facebook removes Advance NZ page for ‘repeated’ misinformation about COVID-19.” <https://bit.ly/35Rk8h1>

Owen, C. (2020) “Election 2020: Advance NZ loses bid to be included in Newshub debate.” Stuff. <https://bit.ly/3nKeqDG>

Reporters Without Borders (2020) World Press Freedom Index. <https://bit.ly/395scg1>

Roy, E. A. (2020) “New Zealand to give \$50m to help ailing media groups during Covid-19 crisis.” The Guardian. <https://bit.ly/3pRuyVH>

### Civil Rights and Political Liberties

Civil Rights and  
Political Liberties  
Score: 10

New Zealand has a well-institutionalized liberal democracy with fully implemented and protected rights for citizens. Based on the Bill of Rights Act 1990 and the Human Rights Act 1993, the Human Rights Commission actively promotes compliance with civil and human rights by public bodies and in

society. The 2020 Freedom in the World Report – published by the U.S.-based think tank Freedom House – awards New Zealand perfect or near-to-perfect scores on the “political rights” (40/40) and “civil liberties” (57/60) dimensions (Freedom House 2020).

During level four and level three lockdowns, New Zealander’s political and civil rights were severely restricted. Under COVID-19 Alert Level 4 (five weeks in March/April), all of New Zealand was placed under a full lockdown – only trips for essential needs were allowed and “essential” workers were the only people allowed to leave home for work. Under COVID-19 Alert Level 3 (nationwide for two weeks in April/March and in Auckland for two weeks in August), most businesses and services – provided that social distancing was maintained – were allowed to reopen. Gatherings were capped at 10 people and travel beyond regional borders was not allowed.

It was only under COVID-19 Alert Level 2 and Level 1 that New Zealanders were able to exercise a broader range of political and civil rights. In particular, level two regulations allowed religious buildings to reopen for gatherings of up to 100 people and public demonstrations to be held outdoors (examples include Black Lives Matter rallies on 1 June and various anti-lockdown protests in September). New Zealand was due to have a general election on 19 September. However, after Auckland was placed back under COVID-19 Alert Level 3 due to a resurgence of community transmissions in August, the election date was moved back to 17 October. Voter turnout was over 82%, the highest rate since 1999. Almost two million votes were cast in advance of election day – a significant jump from previous early voting numbers in the 2017 (1.24 million) and 2014 (718,000) general elections (New Zealand Herald 2020).

New Zealand’s government has gained international praise for its four-level COVID-19 alert system (Jefferies et al. 2020; McCarthy 2020). The rules are clear and publicly accessible, and shifts between different alert levels are driven by scientific considerations. What is more, not only were level four and level three restrictions on citizens’ liberties relatively short lived, but – according to research – they were also key in effectively eliminating COVID-19 in the community.

During level four lockdown measures, courts – using remote participation – continued to hear proceedings “affecting the liberty of the individual or their personal safety and wellbeing” (Hurley 2020). The Epidemic Response Committee, comprising members of parliament from across the political spectrum and chaired by the Leader of the Opposition was established on 25 March 2020 to consider and report to the House of Representatives on matters



relating to the government’s management of the COVID-19 epidemic. The hearings and submissions were televised and transcribed to support public participation and scrutiny. To help New Zealanders understand their human rights during the coronavirus pandemic, the Human Rights Commission launched a specialized website. Between January and early May, the commission received 311 enquiries and complaints related to the pandemic (Human Rights Commission 2020).

Citation:

Freedom House (2020) Freedom in the World: New Zealand. <https://bit.ly/2J2HzuE>

Jefferies, S. et al. (2020) “COVID-19 in New Zealand and the impact of the national response: a descriptive epidemiological study.” *The Lancet: Public Health*, 5(11), E612-E623.

Human Rights Commission (2020) “Large Number Of Human Rights Enquiries And Complaints Related To COVID-19.” *Scoop*. <https://bit.ly/2UNlrHz>

Hurley, S. (2020) “Covid-19 coronavirus: Court to continue during lockdown if liberty, safety and wellbeing affected.” *New Zealand Herald*. <https://bit.ly/2USMf9o>

McCarthy, J. (2020) “Praised For Curbing COVID-19, New Zealand’s Leader Eases Country’s Strict Lockdown.” *NPR*. <https://n.pr/3pUeWkz>

New Zealand Herald (2020) “Record numbers vote early in 2020 New Zealand election – almost 2 million.” <https://bit.ly/3m1vncw>

## Judicial Review

Judicial Review  
Score: 9

New Zealand’s judicial system is hierarchical, with the possibility of appeal. The highest court is the Supreme Court. However, legislative action is not justiciable in the Supreme Court under the existing constitutional arrangements; rather, as is typical for Westminster-style democracies, parliament is sovereign. That is to say, while it is the role of the judiciary to interpret laws and challenge the authority of the government where it exceeds its parliamentary powers, the judiciary cannot declare parliamentary decisions unconstitutional. What is more, New Zealand follows the British legal tradition in that the constitution is not codified in a single legal text. Instead, the constitution includes a mix of conventions, statute laws and common laws.

Within this framework, New Zealand’s judicial review process has remained largely unaffected by the coronavirus pandemic – both in a practical and an official sense. Despite the disruption caused to public life by the level four lockdown in March and April, the chief justice stated that courts would “continue to uphold the rule of law and to ensure that fair trial rights, the right to natural justice and rights under the New Zealand Bill of Rights Act are upheld.” Court proceedings carried on in “priority” areas, including liberty of the individual, personal safety and well-being, and matters in which resolution was time critical (Hurley 2020). The State of National Emergency declared on 25 March had no negative effect on the judicial review process either. The declaration merely granted civil defense authorities special powers to combat the spread of COVID-19, including powers to provide for the supply of food,

fuel and other essential supplies; to regulate land, water and air traffic; and to evacuate any premises (Pearse 2020).

In August, the Wellington High Court ruled that the early stages of the level four lockdown (nine days between 26 March and 3 April) unlawful. While the measure was a “necessary, reasonable and proportionate response” to the pandemic at that time, the requirement was not mandated by law and was contrary to New Zealand’s Bill of Rights Act, the court stated. A law change on 3 April then made the lockdown legal (Mitchell 2020).

Citation:

Hurley, S. (2020) “Covid-19 coronavirus: Supreme Court and many other courts to close doors this week ahead of lockdown.” New Zealand Herald. <https://bit.ly/33acP25>

Mitchell, J. (2020) “High Court rules some of Covid-19 level 4 lockdown was unlawful.” RNZ. <https://bit.ly/35Tg27T>

Pearse, A. (2020) “Covid-19 coronavirus: State of emergency declared, no new Northland cases.” The Northern Advocate. <https://bit.ly/2IQUUH2>

### Informal Democratic Rules

Informal  
Democratic Rules  
Score: 10

New Zealand’s mixed-member electoral system produces a moderately polarized party system and typically requires parties to form coalition governments. However, generally speaking, this has not been a significant obstacle to finding cross-party agreements in policymaking. The minority administration that ruled New Zealand between 2017 and 2020 – formed by Labour and New Zealand First, with the Green Party holding a “confidence and supply” agreement – is a case in point. Based on a comprehensive coalition agreement in which the two governing parties swapped concessions, the government succeeded in steering clear of policy deadlocks and paralysis.

Cross-party cooperation remained robust after the COVID-19 outbreak in early 2020, as both New Zealand First and the Green Party rallied behind Prime Minister Jacinda Ardern’s “go hard, go early” COVID-19 response. Even the main opposition party, the National Party, was lauded for its cooperative behavior. This cross-party consensus was mirrored in the population – for example, a public opinion poll conducted in April found that 87% of New Zealanders approved of how the government responded to the coronavirus pandemic, with only 8% disapproving (Coughlan 2020).

As time progressed and the general elections drew closer, policy disagreements became sharper. The National Party – in an attempt to brand itself as the party that was better placed to manage economic recovery after COVID-19 – began to push for an easing of the government’s lockdown measures. Likewise, the Green Party, seeking to communicate a progressive

image, questioned Labour's economic recovery plan and proposed distinct policy ideas (e.g., policies addressing the climate change crisis and a capital gains tax to stabilize government debt). Nevertheless, despite these (comparatively minor) cross-party differences, the issue of COVID-19 did not become politicized during the election campaign. Instead, the Ardern administration – boosted by popular trust – largely ignored other parties and stuck to its science-led approach to combating COVID-19.

The government's response to COVID-19 received overwhelming support at the polls. Labour won the October elections by a landslide, gathering over 50% of the vote – up by over 13 percentage points compared to 2017. Despite winning a majority of parliamentary seats (65 out of 120), Ardern sought a formal cooperation agreement with the Green Party (10 seats) (BBC 2020; Patterson 2020).

Citation:

BBC (2020) "New Zealand election: Jacinda Ardern's Labour Party scores landslide win." <https://bbc.in/3pVfPZQ>

Coughlan, T. (2020) "Coronavirus: The Government's Covid-19 lockdown measures have overwhelming public support, according to a poll." Stuff. <https://bit.ly/3pRy3LQ>

Patterson, J. (2020) "Labour and Greens formally sign cooperation agreement." RNZ. <https://bit.ly/2HpEyUS>

# Resilience of Governance

## I. Executive Preparedness

### Crisis Management System

Crisis  
Management  
System  
Score: 8

Before the outbreak of COVID-19, New Zealand had an Influenza Pandemic Action Plan in place, with the Ministry of Health tasked with leading pandemic planning, including national planning, risk management and coordination of healthcare service delivery. The Pandemic Influenza Technical Advisory Group was established to provide expert clinical, virological, epidemiological, infection control and ethical advice to inform Ministry of Health pandemic response planning. The advisory group comprises experts from government agencies and the healthcare sector (including from universities).

Independent reviews, however, rated New Zealand's pandemic preparedness rather negatively. For example, the 2019 Global Health Security Index ranked New Zealand 35th in global comparison, with a score of 54 out of 100 possible points (NTI 2019). As of early 2020, New Zealand had only around 150 ICU beds and just over 500 ventilators. The supply of PPE (personal protective equipment), on the other hand, appeared adequate. In a press conference on 2 March, Director-General of Health Ashley Bloomfield said that 200,000 masks were being produced locally each day, and that the Ministry of Health and District Health Board (DHB) stores contained 1.9 million aprons and gowns, 2.7 million pairs of gloves, 60,000 eye protection sets and 18 million masks (RNZ 2020a).

Whereas New Zealand's pandemic preparedness had been lacking, its general crisis management system was – at the time of the COVID-19 outbreak – considered to be highly effective and responsive. The 2020 World Risk Report – which assesses the extent to which countries are prepared against natural disasters – concluded that New Zealand, while being highly exposed to extreme natural events (such as earthquakes and floods), is equipped with very

high “coping capacity” to mitigate the impacts of natural disasters (Bündnis Entwicklung Hilft 2020).

The key actor in New Zealand’s crisis management systems is the National Emergency Management Agency (NEMA), which replaced the Ministry of Civil Defence and Emergency Management (CDEM) in 2019. NEMA is an autonomous departmental agency hosted by the Department of the Prime Minister and the Cabinet. The decision to establish NEMA was part of the government’s response to a ministerial review into New Zealand’s civil defense system, which recommended the creation of an agency with stronger oversight of emergency responses, and the ability to set and enforce national standards for local and regional CDEM teams (Sachdeva 2019).

During the coronavirus pandemic, NEMA has supported the Ministry of Health and local DHBs with non-health related tasks. To this end, the government announced a State of National Emergency on 25 March, which gave NEMA far-reaching powers, including the ability to close or restrict access to roads and public places; provide first aid, food and shelter; conserve essential supplies; dispose of fatalities; and evacuate premises or places (RNZ 2020b). NEMA issued a nationwide mobile alert to inform New Zealanders about the State of Emergency.

Citation:

Bündnis Entwicklung Hilft (2020) World Risk Report. <https://bit.ly/2Ksh6HD>

Hayden, L. (2020) “Covid-19: Who really needs to be wearing protective gear?” The Spinoff. <https://bit.ly/2Ku4ZKd>

NTI (2019) Global Health Security Index: Building Collective Action and Accountability. <https://bit.ly/32RdEN2>

RNZ (2020a) “Covid-19: Does NZ have enough ICU beds, ventilators?” <https://bit.ly/3fkMR0Z>

RNZ (2020b) “Covid-19: State of National Emergency explained.” <https://bit.ly/3pWzBoa>

Sachdeva, S. (2019) “New emergency agency coming this year.” Newsroom. <https://bit.ly/2URbAQR>

## II. Executive Response

### Effective Policy Formulation

Effective Policy  
Formulation  
Score: 10

Three days after WHO declared the coronavirus outbreak “a public health emergency of international concern” on 30 January, New Zealand began introducing disease prevention measures (World Health Organization 2020). The first COVID-19 case was diagnosed on 26 February; on 21 March, the government announced a four-level COVID-19 alert system.

The system is highly coherent and shifts between alert levels are informed by scientific evidence, which safeguards the system's credibility.

Alert Level 1: Travel restrictions are introduced. National case and contact management guidelines are implemented, and communication campaigns are launched.

Alert Level 2: Physical distancing is enforced, additional precautions are encouraged for higher-risk groups and gatherings of more than 100 people are banned.

Alert Level 3: The population is asked to stay within their "bubbles" (comprising household close contacts) and encouraged to work from home. Businesses must not physically interact with the public and gatherings of more than 10 people are not allowed. Only essential inter-regional travel is permitted.

Alert Level 4: The population is required to stay at home, except for essential reasons (e.g., short periods of exercise). Businesses are closed unless they offer essential services (e.g., supermarkets).

Research has found that the government's four-level COVID-19 alert system played a key role in allowing New Zealand to "crush the curve" and effectively eliminate COVID-19 (Jefferies et al. 2020). In particular, the government has been praised for rapidly escalating suppression strategies, which led to a substantial reduction in daily infections. Only two days after the COVID-19 alert system was announced, the country moved to COVID-19 Alert Level 3; 48 hours later it moved to Alert Level 4. The government shifted down to level three in late April after the transmission rate had dropped below 0.4. Level three measures were kept in place until mid-May, at which point daily new case numbers had dwindled to single digits. In mid-August, after more than 100 days without recording a locally transmitted COVID-19 case, a new infection cluster was detected in Auckland. This prompted the government to place the country's largest city under level three restrictions for just over two weeks.

While the government's harsh lockdown measures were initially criticized for prioritizing public health over economic concerns – for example, a group of academics called Plan B publicly demanded "a more balanced response" in mid-April – the "elimination" strategy subsequently proved to be beneficial for New Zealand's economy. For example, in November, a Bloomberg report assessing where COVID-19 had been handled "most effectively with the least amount of disruption to business and society" ranked New Zealand first among 53 countries (Chong et al. 2020).

New Zealand established a network of independent science advisers over 10 years ago, which included the appointment of a chief science advisor to the prime minister. These advisers together with a raft of academic experts from across the country, representing different views and backgrounds, were brought in to provide real-time modeling and data analysis on a range of issues relating to the control of COVID-19. This transparent and open scientific advice was rapidly translated for public consumption, often with supporting imagery.

Citation:

Chong, R. et al. (2020) "The Covid Resilience Ranking: The Best and Worst Places to Be in the Coronavirus Era." Bloomberg. <https://bloom.bg/33CIRE5>

Jefferies, S. et al. (2020) "COVID-19 in New Zealand and the impact of the national response: a descriptive epidemiological study." *The Lancet: Public Health*, 5(11), E612-E623.

World Health Organization (2020) New Zealand takes early and hard action to tackle COVID-19. <https://bit.ly/38VOosW>

### Policy Feedback and Adaptation

Policy Feedback  
and Adaptation  
Score: 9

The government's non-pharmaceutical interventions have been very successful in combating COVID-19. Moreover, due to the fact that level four and level three measures were only implemented for relatively brief time periods, social and economic impacts remained limited. Consequently, there has been very little need to review and assess the government's anti-COVID-19 management.

Problems did become apparent, however, in relation to the mandatory quarantine program imposed at the border (which requires residents and citizens returning to New Zealand to spend 14 days in government-managed isolation facilities). Quarantine management issues included releasing people without prior testing, allowing new arrivals to mix with those who had been in quarantine for several days and insufficient security measures.

The way in which the government responded to these issues demonstrates fast and effective policy adaptation (Mazey & Richardson 2020). Housing Minister Megan Woods was placed in charge of the quarantine system, and set up "a review of managed isolation and quarantine" in late June. The review confirmed that the system was "under stress" and proposed a raft of detailed recommendations for improvement. For example, the government ended quarantine release on compassionate grounds, it deployed the New Zealand Defence Force (NZDF) to manage the quarantine process, and it ratcheted up COVID-19 testing of border workers, staff at quarantine facilities and international airline crews.

At the same time, the government's border restrictions have been criticized for being too harsh. In particular, the wine and horticultural sectors complained that travel bans prevented seasonal workers from neighboring Pacific Islands (which had remained largely COVID-19 free) from entering the country. In late November, the government exempted 2,000 workers from these border restrictions, but this was criticized as being "not enough" (Cook 2020).

A second report (by Roche and Simpson, and released in December 2020) was also critical of the government's response. In summary, it stated that the consistency and quality of communication, and consultation with relevant stakeholders were suboptimal; border control directives were difficult to understand and implement; there had been a lack of clarity in the testing framework and a lack of forward planning from the perspective of an end-to-end system; and analysis and planning documents were suboptimal, with officials left unprepared for the coronavirus outbreak and the Auckland lockdown, which followed 102 days of no community transmission. The overarching conclusion was that New Zealand's system is not yet sustainable (Simpson and Roche 2020).

Citation:

Cook, C. (2020) "Government's seasonal workers move 'not enough, but a good start.'" RNZ. <https://bit.ly/2Vrq54>

Mazey, S. & Richardson, J. (2020) "Lesson-Drawing from New Zealand and Covid-19: The Need for Anticipatory Policy Making." *The Political Quarterly*. doi: 0.1111/1467-923X.12893

Simpson, H. and Roche, B. (2020) "Review of Surveillance Plan and Testing Strategy" [https://covid19.govt.nz/assets/Review-of-Surveillance-Plan-and-Testing-Strategy/Final\\_Report-of-Advisory-Committee-to-Oversee-the-Implementation-of-the-....pdf](https://covid19.govt.nz/assets/Review-of-Surveillance-Plan-and-Testing-Strategy/Final_Report-of-Advisory-Committee-to-Oversee-the-Implementation-of-the-....pdf)

## Public Consultation

Public  
Consultation  
Score: 7

Generally speaking, New Zealand has a strong tradition of broad policy consultation with interest groups and citizens – both at the national and the local levels – and consultation is mandated in many cases under the Local Government Act 2002. Consultation is also commonly used by central government agencies with respect to new policy initiatives. When a consultation has taken place, the details are set out in a regulatory impact analysis (RIA). RIAs must explain who has been consulted and what form the consultation took, outline key feedback received, and describe how the proposal has been altered to address these concerns (and if not, why not). If no consultation has been undertaken, the reasons must be presented.

Policy consultation continued throughout the pandemic on a range of subjects, including government procurement rules (New Zealand Government Procurement 2020), gambling (Department of Internal Affairs 2020) and



recycling of single-use plastic items (New Zealand Government 2020). However, two government decisions in relation to policy consultation attracted strong criticism.

First, in May, the government temporarily suspended Treasury RIA requirements for “regulatory proposals relating directly to Covid-19, so that these proposals may proceed to cabinet decisions without accompanying RIA at any time up until or on 31 August 2020.” This decision was justified on the basis that RIAs “do not provide for proposals developed at pace to respond to emergencies such as the Covid-19 pandemic.” Opposition politicians voiced concerns that the suspension of Treasury RIAs would mean that government spending would receive less scrutiny (Coughlan 2020).

Second, on 13 May, parliament passed the COVID-19 Public Health Response Bill, which grants police the right to enter premises without a warrant if they reasonably believe coronavirus-related orders are being breached and gives the prime minister the ability to grant the health minister special powers to issue public health orders. Several stakeholders – including the Human Rights Commission and the New Zealand Council for Civil Liberties – expressed concern about the rushed legislative process (the bill went through parliament in less than two days) and the lack of scrutiny. Speaking during the bill’s third reading, Justice Minister Andrew Little acknowledged it was unusual for legislation to be passed with such limited notice and consultation, but said parliament needed to be nimble and agile in responding to what were extraordinary circumstances (Sachdeva 2020).

Citation:

Coughlan, T. (2020) “Government suspends financial oversight.” Stuff. <https://bit.ly/33EuhMy>

Sachdeva, S. (2020) “Covid-19 powers approved under urgency.” Newsroom. <https://bit.ly/33D2FqS>

Department of Internal Affairs (2020) Gambling consultation. <https://bit.ly/3dJTU4p>

New Zealand Government (2020) Government announces plan to tackle problem plastics and seven single-use plastic items. <https://bit.ly/3aV9ZT9>

New Zealand Government Procurement (2020) Consultation on extending the Government Procurement Rules. <https://bit.ly/2Mxa85O>

### Crisis Communication

Crisis  
Communication  
Score: 10

The government’s crisis communication has been proactive, clear and consistent. Only three weeks after New Zealand’s first COVID-19 case was diagnosed, the Ardern administration announced a four-level COVID-19 alert system. Strong emphasis was placed on ensuring that the population understood the restrictions at each alert level and the science behind the “go early, go hard” approach to tackling the coronavirus pandemic. The language of “alert levels” almost immediately became part of the everyday lexicon of

New Zealanders. In particular, the household “bubble” metaphor employed by the government was pivotal in enabling New Zealanders to make sense of their role in the national coronavirus pandemic response.

The COVID-19 alert system was embedded in the wider “Unite against COVID-19” campaign, which aimed to provide citizens with a sense of mission. Using a minimalistic yellow and white chevron design, the campaign pushed a simple message: “stay home, save lives.” Other political communication efforts reinforced the importance of collective mobilization – for example, Prime Minister Ardern regularly used phrases such as “all New Zealanders” and “a team of five million.”

The government’s COVID-19 campaign became ubiquitous, running on every channel possible: radio, print media, posters, letter box drops, social media, TV, online. According to an industry insider, it was “the biggest media spend in the history of New Zealand advertising” (Greive 2020). Ahead of the level four lockdown in March, the Civil Defence Alert system – mostly reserved for tsunami warnings – sent an emergency text message to all residents explaining what the restrictions would entail. “This message is for all of New Zealand. We are depending on you,” the message read. “Where you stay tonight is where you must stay from now on ... it is likely level 4 measures will stay in place for a number of weeks.”

In addition, during level four and level three lockdowns, Prime Minister Ardern gave almost daily press conferences, which were streamed live on a number channels and were prominently reported in the news media. Ardern used these public appearances not only to inform residents of the lockdown rules and the trajectory of new cases, but also to emphasize the importance of kindness and compassion. Repeatedly, Ardern asked that all New Zealanders “be kind” and offer support to one another during the pandemic.

The government’s approach to COVID-19 has been widely hailed as a “masterclass in crisis communication” (Greive 2020; Wilson 2020). For example, a global survey among PR industry professionals fielded in May 2020 ranked New Zealand as “the most impressive” in terms of its response to the COVID-19 pandemic (PRovoke 2020). New Zealand received just over 20% of votes among the 289 respondents, ahead of Germany on 16.5% and Singapore on 9%. Meanwhile, within New Zealand, public sentiment has also proved overwhelmingly supportive. For instance, in a public opinion poll published in late April, the government response was judged to be “excellent” or “good” by 86% of people (Brain 2020).

## Citation:

BBC News (2020) “Coronavirus: How New Zealand relied on science and empathy.” <https://bbc.in/39KDCpL>

Brain, D. (2020) “Exclusive: New poll shows support for level four extension despite economic pain.” The Spinoff. <https://bit.ly/36LhDx3>

Greive, D. (2020) “Covid 19 coronavirus: Lockdown a masterclass in mass communication – and control.” New Zealand Herald. <https://bit.ly/3oo00JR>

PRovoke (2020) “Covid-19 Comms: US Government Worst, New Zealand & Germany Best Say PR Pros.” <https://bit.ly/3lMdQDS>

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### Implementation of Response Measures

Implementation  
of Response  
Measures  
Score: 9

Even before the coronavirus pandemic, New Zealand had featured a high degree of executive capacity. Based on the Westminster model of democracy, which is characterized by a low number of institutional veto players and which centralizes political decision-making power in the executive, New Zealand’s political system gives the government – at least in principle – the ability to respond to new challenges promptly and effectively. The enforcement of regulations is generally effective and unbiased. The state’s bureaucratic apparatus enjoys a high degree of administrative capacity and is perceived to be one of the least corrupt in the world. There is a very low risk of encountering corruption in the public service, police or the judicial system.

In general terms, institutional capacity to formulate and implement strategic frameworks is high. Political power is concentrated within the cabinet, resulting in a highly cohesive system of decision-making. The Department of the Prime Minister and the Cabinet (DPMC) has a number of strategic policy-advisory units. Formal and informal coordination between ministries and with the government office is common, with all policy proposals reviewed in cabinet committees.

When the coronavirus pandemic hit, the government applied a number of policy instruments that strengthened executive capacity even further. To implement its “go early, go hard” strategy effectively, the Ardern administration set up 120 testing centers nationwide, rolled out a comprehensive contact-tracing program (comprised of a manual contact-tracing system with a daily capacity of 10,000 phone calls and the digital NZ COVID Tracer app), and deployed the New Zealand Defence Force (NZDF) to enforce mandatory quarantine at the border.

It has to be pointed out, however, that the build-up of executive capacity took time. In the early stages of the pandemic, the government was criticized for ramping up testing too late (Morton 2020). Critics also highlighted that the

government only forced businesses and public services to display the NZ COVID Tracer QR code poster from mid-August onwards (1 News). Likewise, the border quarantine regime was found to have serious issues, which were only addressed in late June.

Meanwhile, despite concerns that the centralization of crisis management could create incentives for self-serving and corrupt behavior, there has been no evidence yet to suggest that public funds – earmarked either for public health measures or economic recovery – have been misused for particularistic purposes (Fonseka 2020).

Citation:

1 News (2020) “Flaws in Government’s contact tracing app beginning to surface, just hours after release.” <https://bit.ly/3mPUSH2>

Fonseka, D. (2020) “Funding in crisis mode: The Covid corruption risks.” <https://bit.ly/33MzB0m>

Morton, J. (2020) “Coronavirus: Why NZ needs to keep ramping up Covid-19 testing.” New Zealand Herald. <https://bit.ly/2JT6tNI>

### National Coordination

National  
Coordination  
Score: 10

New Zealand is the most centralized jurisdiction in the OECD. More than 90% of government workers are employed by central government organizations, and almost all citizen-facing public services – including policing, fire services, education and healthcare – are central government activities. Almost all local regulation is undertaken by an agent of central government, with little locally initiated regulation. In addition to their relatively narrow task profile, local governments are not permitted to tap into other commonly used sources of subnational revenue, such as sales and/or income taxes (The New Zealand Productivity Commission 2018).

Because of the highly centralized nature of the political system, the issue of coordination between national and subnational governments did not really arise in New Zealand. Both the COVID-19 response as well as the economic and social recovery effort have been steered centrally from Wellington. The COVID-19 testing program – although executed by local District Health Boards (DHB) – has been funded by the central government and coordinated by the Ministry of Health. The latter has also been responsible for New Zealand’s contact-tracing system, while the management of border quarantine facilities was placed under the control of the Ministry of Housing and the New Zealand Defence Force (NZDF). Likewise, the post-COVID-19 economic recovery package is exclusively funded by the central government budget. A regional economic taskforce – consisting of iwi (Māori tribes), business, local and central government leaders, and economic development agency representatives – was created to give regional subunits a voice in the central government’s spending decisions (Whanganui Chronicle 2020).

While communication across different tiers of government has not been an issue, the central executive can be criticized for not paying enough attention to regional imbalances in terms of the economic and social impacts of COVID-19. For example, both tourism-centric regions (Queenstown-Lakes, Rotorua) and horticultural regions (Hawkes' Bay, Bay of Plenty) have been severely affected by the government's strict border regulations, which have prevented international tourists and seasonal workers from entering the country (NZIER 2020). Yet, this issue concerns specific policy responses, and did not affect coordination between central government and local authorities.

Citation:

The New Zealand Productivity Commission (2018) Local government funding and financing issues. <https://bit.ly/2Lp8Qc9>

NZIER (2020) The potential local and regional impacts of COVID-19 in New Zealand: With a focus on tourism. NZIER Working paper 2020/03. <https://bit.ly/38dAORq>

Whanganui Chronicle (2020) "Covid-19 coronavirus: Taskforce created to support region's social and economic recovery." New Zealand Herald. <https://bit.ly/3mO2XTs>

### International Coordination

International  
Coordination  
Score: 8

During the coronavirus pandemic, the national institutional capacity has been employed to coordinate an international COVID-19 response. Three policy areas have been given particular attention: trade, New Zealand's partnership with its Pacific neighbors, and vaccine research and procurement.

In early 2020, the government's priority was to ensure that critical cargo transport lines were maintained in order not only to import essential goods (e.g., medicines, PPE and COVID-19 testing kits) into New Zealand, but also to keep New Zealand goods flowing to export markets. A number of ministries were involved in this effort, including the Ministry of Transport, and the Ministry of Foreign Affairs and Trade (MFAT). The latter has also coordinated with New Zealand Trade and Enterprise (NZTE), and other government agencies to deliver the "trade recovery" strategy, which – among other goals – aims to reinvigorate the international trade architecture and refresh key trade relationships (Ministry of Foreign Affairs and Trade 2020a).

In addition, MFAT has been at the heart of the government's Pacific COVID-19 response. In particular, MFAT has worked in collaboration with over 30 other government agencies to deliver development cooperation across the Pacific region (Ministry of Foreign Affairs and Trade 2020b). Neighboring Pacific countries receive almost 60% of New Zealand's official development assistance (ODA).

Finally, under the leadership of the Ministry of Business Innovation and Employment, a number of key executive agencies are coordinating to implement the government’s COVID-19 vaccine strategy, including the Ministry of Health, the Pharmaceutical Management Agency (PHARMAC) and MFAT (Ministry of Foreign Affairs and Trade 2020c).

While institutional capacity to coordinate international efforts to tackle COVID-19 is high, communication with domestic stakeholders is weaker. For example, the government was criticized for joining the Regional Comprehensive Economic Partnership (RCEP) in November. Critics have highlighted that the deal – which creates a free-trade zone among 15 economies in the Asia-Pacific region – was signed with “no effective public consultation” (RNZ 2020).

Citation:

Ministry of Foreign Affairs and Trade (2020a) Trade Recovery Strategy. <https://bit.ly/2JSQEXt>

Ministry of Foreign Affairs and Trade (2020b) Our aid partnerships in the Pacific. <https://bit.ly/37J9SHp>

Ministry of Foreign Affairs and Trade (2020c) New Zealand’s COVID-19 Vaccine Strategy. <https://bit.ly/33ODe5Y>

RNZ (2020) “Opposition as NZ joins world’s largest free trade agreement.” <https://bit.ly/3ghipVP>

## Learning and Adaptation

Learning and  
Adaptation  
Score: 9

From the early stages of the coronavirus pandemic, the Ardern administration has shown great willingness and ability to learn from other countries’ experiences. New Zealand COVID-19 cases only hit double digits in mid-March, at which point the virus had already overburdened public healthcare systems in other industrialized countries. Witnessing the devastating effects of the unfolding pandemic significantly shaped the government’s “go hard, go early” response to COVID-19. When Prime Minister Ardern announced a nationwide lockdown in late March she stated: “We currently have 102 cases, but so did Italy once” (Roy 2020).

While New Zealand’s COVID-19 approach is rather unique in that it focuses on elimination rather than mitigation, the specific control tools – movement restrictions, physical distancing, hygiene practices, and contact detection and management – were designed on “what worked” in other countries, such as China, Singapore and South Korea. For example, the digital NZ COVID Tracer app is closely modeled on Singapore’s TraceTogether platform (Small 2020).

Likewise, the Ardern administration has drawn lessons from flare-ups and “second waves” in other countries. When – after more than 100 days without a community transmission – a new infection cluster was detected in Auckland in

mid-August, New Zealand's biggest city was placed under restrictive lockdown measures for over two weeks. Ardern justified these measures by arguing that "one of the most important lessons we've learned from overseas is to go hard and go early to stamp out flare ups" (Wade & Cheng 2020).

Finally, New Zealand's COVID-19 vaccination campaign has lagged some way behind that of other fastest-moving countries. While in the United States and the United Kingdom vaccinations were rolled out in December 2020, New Zealand's government expected frontline workers to be vaccinated against COVID-19 in the second quarter of 2021 (although border workers received their first of two vaccine doses in late February 2021), with vaccinations for the general public beginning in the second half of 2021. As Prime Minister Ardern explained, "we are moving as fast as we can, but we also want to ensure the vaccine is safe for New Zealanders" (Daly 2020).

Citation:

Daly, M. (2020) "Covid-19: Why New Zealand is waiting to roll out vaccines, when some other countries have already started." <https://bit.ly/38uLxXb>

Roy, E. A. (2020) "'Kiwis – go home': New Zealand to go into month-long lockdown to fight coronavirus." The Guardian. <https://bit.ly/2LhwQxT>

Small, Z. (2020) "Singapore's COVID-19 contact tracing tech TraceTogether catches Jacinda Ardern's eye to fight coronavirus." Newshub. <https://bit.ly/2IkSrnV>

Wade, A., & Cheng, D. (2020) "Covid 19 coronavirus: Auckland in lockdown, rest of country in level 2 – Four cases of community transmission." New Zealand Herald. <https://bit.ly/39LiZtB>

### III. Resilience of Executive Accountability

#### Open Government

Open  
Government  
Score: 10

During the coronavirus pandemic, New Zealand's government has made sure to keep citizens up to date with information regarding the spread of COVID-19 (e.g., infection rates and clusters) and the effectiveness of non-pharmaceutical interventions (Wilson 2020). During levels four, three and two of the COVID-19 alert system, the government held daily press conferences, led either by the prime minister or a cabinet minister. These events – which were streamed live and featured a New Zealand sign language interpreter – were praised for their clear and consistent crisis communication. At COVID-19 Alert Level 1, the Ministry of Health has been publishing daily reports, which are easily accessible online or through the news media.

On the other hand, government communication has been more limited in relation to the economic and social impacts of COVID-19. For example, the government has been criticized for avoiding questions around how to manage

the fiscal deficit and how to cool down the property market, which saw house prices soar to record levels amidst the COVID-19-induced recession (Reidy 2020; Taylor 2020). That said, there have been numerous requests by journalists for information under the Official Information Act, which have led to extensive additional data analysis and critical engagement of the government's policies at different times. Alongside this, the Ministry of Foreign Affairs and Stats NZ have provided statistics updates relating to COVID-19 on at least a monthly basis, sometimes more often.

Citation:

New Zealand Election Study (2017) Results from the 2017. NZES. [nzses.org/exec/show/2017\\_NZES+Results](https://nzses.org/exec/show/2017_NZES+Results)

Reidy, S. (2020) "Budget 2020: Next generation will pay price as Government expected to post eye-watering deficits for foreseeable future." Newshub. <https://bit.ly/3gfI4ye>

Taylor, P. (2020) "New Zealand house prices soar despite Covid recession, worsening affordability crisis." The Guardian. <https://bit.ly/3gmDTk3>

Wilson, S. (2020) "Three reasons why Jacinda Ardern's coronavirus response has been a masterclass in crisis leadership." The Conversation. <https://bit.ly/3qxIxjW>

## Legislative Oversight

Legislative  
Oversight  
Score: 9

Legislative oversight is generally strong in New Zealand, albeit weakened somewhat by the fact that, due to its small size, the New Zealand parliament is unable to establish as many select committees as would be necessary to fully correspond to the number of ministries. Moreover, members of parliament have insufficient financial and personnel resources to monitor government activity. However, they do have access to party research budgets, which fund party research units.

As New Zealand switched to COVID-19 Alert Level 4 for five weeks (March to April), the House of Representatives was suspended. To ensure that parliamentary oversight continued, a new select committee – the Epidemic Response Committee – was set up, chaired by the Leader of the Opposition. Six of the 11 members were from the opposition; the committee met remotely. No bills were passed while the house was not sitting (Dreaver 2020).

New Zealand was due to have a general election on 19 September. However, after Auckland returned to COVID-19 Alert Level 3 due to a resurgence in community transmissions in mid-August, the election date was moved back to 17 October. The dissolution of parliament – after which general elections are mandatory – was rescheduled for 6 September, thus allowing the House of Representatives to continue to function (Wade 2020a).

In short, parliamentary oversight has been ensured throughout the coronavirus pandemic. Significant concerns have only been raised in relation to the



government's COVID-19 Public Health Response Act, which was rushed through parliament in less than two days in mid-May without the normal select committee process. The act grants police the right to enter premises without a warrant if they reasonably believe virus-related orders are being breached and gives the prime minister the ability to grant the health minister special powers to issue public health orders. Although the government backed down on some of the "extraordinary powers" (e.g., a two-year limit on the law was switched to three months), opposition parties voted against the bill (Wade 2020b).

Citation:

Dreaver, C. (2020). "Special committee set-up as Parliament is adjourned." RNZ. <https://bit.ly/2lj2E43>

Wade, A. (2020a). "Prime Minister Jacinda Ardern delays election until October 17 – survey shows 60% of Kiwis wanted it delayed." New Zealand Herald. <https://bit.ly/3otQYLf>

Wade, A. (2020b) "Covid-19 coronavirus: Controversial bill passed to enforce alert level 2 powers." New Zealand Herald. <https://bit.ly/36MrW3Y>

### Independent Supervisory Bodies

Auditing  
Score: 10

The auditor-general is an officer of the New Zealand parliament responsible for auditing public bodies. Mandate and responsibilities are set out in the Public Audit Act 2001. The auditor-general is appointed by the governor-general on the recommendation of the House of Representatives.

The Office of the Auditor-General has continued to perform its functions during the coronavirus pandemic and has taken on new tasks related to COVID-19. The auditor-general gave special attention to the government's emergency response – in particular, legislation passed in late March allowed the government to spend up to \$52 billion more than the \$129.5 billion already authorized for 2019/20. Except for a minor issue (the Ministry of Foreign Affairs and Trade loaned money to would-be stranded New Zealanders to help them get home, which technically it was not allowed to do), the auditors concluded that "we have not identified any concerns about the system for approving Covid-19-related spending" (Walls 2020). The auditor-general also conducted a review of the government's management of personal protective equipment (PPE), which found gaps in the Ministry of Health's planning and a lack of clarity over roles and responsibilities (Controller and Auditor-General 2020).

Citation:

Controller and Auditor-General (2020) Ministry of Health: Management of personal protective equipment in response to Covid-19. <https://oag.parliament.nz/2020/ppe>

Walls, J. (2020) "Spending watchdog gives the Government's 'substantial' Covid-19 spending seal of approval." New Zealand Herald. <https://bit.ly/36OQGZF>

Data Protection  
Score: 10

The Office of the New Zealand Privacy Commissioner was established to administer the Privacy Act 1993. The Office of the Privacy Commissioner is

entrusted to protect personal information of New Zealanders in accordance with the Privacy Act. Between July 2018 and June 2019, the office responded to almost 8,000 public enquiries. During the 2018/19 reporting year, 894 investigation files were closed – a 26% increase on the 2017/2018 period. 87% of investigation files were closed within six months (Privacy Commissioner 2019).

Since the outbreak of the coronavirus pandemic, the Office of the Privacy Commissioner has issued guidance relating to privacy implications of COVID-19 and conducted a number of privacy impact assessments. Perhaps most significantly, the privacy commissioner launched an investigation into how the Ministry of Health discloses COVID-19 patient information to emergency services, after it came to light that National Party member of parliament Hamish Walker and former party president Michelle Boag had leaked confidential patient data to the media (RNZ 2020). The privacy commissioner also reviewed the government’s digital NZ COVID Tracer app, concluding that the app “is a privacy-friendly solution for contact tracing which New Zealanders should feel secure in downloading and using” (Ministry of Health 2020).

As an aside, it is worth noting that New Zealand’s privacy commissioner is active on social media, providing some personal insights into the privacy rules and governance in New Zealand (@JCE\_PC).

Citation:

Ministry of Health (2020) COVID-19 Contact Tracing Application: Privacy Impact Assessment. <https://bit.ly/37FsQib>

Privacy Commissioner (2019) Annual Report of the Privacy Commissioner 2019. <https://bit.ly/3nh6Uj7>

RNZ (2020) “Police apologise for revealing Covid-19 status to prospective employers.” <https://bit.ly/3gl7t9S>

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