

Office of the Minister for COVID-19 Response

Cabinet Business Committee

QUARANTINE FREE TRAVEL WITH AUSTRALIA: FURTHER SUSPENSION

Proposal

1. This paper seeks Cabinet's agreement to continue the suspension of Quarantine Free Travel (QFT) with the Commonwealth of Australia. The suspension to QFT will continue for either:
 - 1.1. a further period of eight weeks, prior to which there would be a subsequent review of this decision; or
 - 1.2. until there is no uncontrolled community transmission in Australia.

Relationship with Government priorities

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

Background

3. On 22 July 2021 Cabinet agreed to suspend Quarantine Free Travel (QFT) with the Commonwealth of Australia from 11:59pm Friday 30 July 2021, for an initial period of eight weeks (CAB-21-MIN-0288 refers). This initial period is due to end on 24 September.
4. A decision (and announcement) on whether to extend the suspension is critical to enable people in Australia to make informed decisions about their ability to shelter in place in the longer-term or whether to seek return flights and book a space in MIQ. Access to red return flights from Sydney during August has been limited to recipients of emergency allocations of MIQ space.¹
5. A decision now is critical before MIQ voucher releases for October and November. Officials are seeking confirmation of Air New Zealand's schedule for "red" flights, so that people in Australia can secure vouchers as part of a worldwide release. Air New Zealand, the only airline expected to provide trans-Tasman passenger services, has indicated it is awaiting Government announcements before it can make schedule changes (including cancelling the QFT bookings it has from 25 September).² A Government announcement will enable "red" flights to be scheduled and MIQ spaces to be booked through the MIAS.
6. The Ministry of Foreign Affairs and Trade is reporting a growing number of distressed New Zealanders in Australia presenting to its consular network who have pressing needs to return home but are unable to meet the criteria for emergency allocations. There is currently no pathway for these people to

¹ One flight took place on 5 September, a second flight is planned for 15 September, and a possible third flight may be planned for 26 September.

² Qantas has announced it will not return to the market until QFT resumes.

return to New Zealand. Reports of mental distress are also increasing among New Zealanders as a result of the uncertainty about their ability to return.

Assessment of public health risk of QFT from Australia

7. The Office of the Director of Public Health continues to participate in the AHPPC and is monitoring developments in Australia on a daily basis. Although they have not completed a full public health risk assessment at this time, they recommend that QFT with Australia remains suspended. Overall, the COVID-19 risk to New Zealand from Australia remains high and Australia's COVID-19 situation has continued to deteriorate. The Ministry of Health remains concerned about the cumulative risk posed by QFT, particularly given the pressures on our health and managed isolation and quarantine facilities systems.
8. Since the suspension of QFT, New Zealand's health system has had to divert resources to manage the current Delta outbreak in Auckland and ensure the COVID-19 vaccination programme continues to be implemented. The Delta outbreak is putting significant pressure on the health system and MIQF. As at 1pm Saturday 11 September 2021, there have been 902 cases linked to the outbreak, 23 people are in hospital, with 4 cases requiring ventilation. One person has died.
9. In Australia, case numbers continue to steadily increase in New South Wales (NSW), Victoria, and the Australian Capital Territory. The NSW outbreak has been uncontained since its emergence in June and the current outbreak in Victoria has become uncontained in recent weeks. A small number of cases also continue to appear in other states and territories. On Thursday 9 September 2021, across Australia there were 1,752 new community cases reported, with 1,519 cases still under investigation, and six deaths.
10. Australia's 'COVID-Zero' strategy has been put under significant pressure due to the Delta variant. NSW and Victoria have now shifted from an elimination strategy as they struggle to contain respective outbreaks. Both states are now seeking vaccination rates of at least 70 percent as their strategy before easing lockdown restrictions.
11. At the time QFT was suspended the public health position was that the suspension should remain in place until the community transmission was contained. This position reflects that QFT was designed for two countries with no or very limited community transmission to travel freely and not to manage the risk of transmission from another country to New Zealand.
12. The Director-General of Health proposes that Cabinet agrees an extension to the suspension of QFT with Australia, until there is no uncontrolled community transmission. Further to this, the Director-General of Health proposes that the development and commencement of a maritime QFT system with Australia be paused and reconsidered in 2022 for the same reasons.

Proposal

13. I therefore propose that Cabinet agrees an extension to the suspension of QFT with Australia. This suspension will either:
 - 13.1. Be for an additional eight-week period, until 19 November 2021 with further review by the end of October; or
 - 13.2. Be until there is no uncontrolled community transmission.
14. Between these two options, there is a balance to be struck between providing certainty for travellers and for industry and preserving optionality to make further decisions at a later point, based on the latest information. Extending the suspension for an eight-week period would, for instance, allow us to take a further decision in late October about whether any QFT arrangement can be re-established ahead of Christmas and the summer period.
15. It is unlikely that New South Wales, Victoria and the Australian Capital Territory will return to a situation without significant levels of community transmission any time soon. However, this is not true for other states where there have generally been very few or no local cases reported in recent weeks. A further decision point would allow us to consider QFT from other states if a later public health risk assessment endorses such a move.
16. Uncertainty about the timing and conditions for resuming travel without quarantine with Australia has significant consequences for the aviation sector, and how they manage their resources, including decisions around furloughing or making staff redundant again. This in turn has consequences for their ability to retain the infrastructure, capacity and resources to rebuild services quickly when the conditions are right. Further information on aviation sector impacts is provided in Appendix 1.
17. Officials will provide advice to the Reconnecting New Zealanders Ministerial Group in October on how and when to start using the risk-based pathways for travel, including how these settings could be applied to Australia. It is worth noting that a decision to suspend QFT until there is no undetected community transmission in Australia does not preclude us from establishing alternate mechanisms for travel (i.e. in accordance with the *Reconnecting New Zealanders strategy*) in the event that community transmission in Australia does not abate.
18. I propose to communicate that people in Australia should expect for their future travel to New Zealand to be in accordance with the *Reconnecting New Zealanders strategy*; in general, a resumption of travel under the previous QFT arrangements should not be expected, given that some states have explicitly moved away from a goal of elimination. If Cabinet chooses a further review later this year, I would signal that a limited QFT arrangement would be considered for any states which are free from undetected community transmission and which are effectively managing risks at their internal border.

- 19. Additionally, I propose that the development and commencement of a maritime QFT system with Australia be paused and reconsidered in 2022 for the same reasons.

Financial Implications

- 20. The suspension of trans-Tasman QFT has had a significant impact on critical trans-Tasman airfreight connections. Since QFT has been suspended, trans-Tasman airfreight has been supported by the government's Managing International Airfreight Capacity (MIAC) scheme, s9(2)(b)(ii) [redacted]

- 21. Sufficient funding is currently available for government support until the end of October. Funding availability after that date is expected to be considered by Cabinet later this month. In the absence of QFT, this funding is expected to remain critical for trans-Tasman airfreight.

Legislative Implications

- 22. There are no legislative implications to extending the QFT suspension. Australia has been removed as a QFT place from the Air Border Order and so no legislative amendment will be required until there is a decision to lift (or not to extend) the suspension. Current exemptions under the Air Border Order continue during this suspension period.

Human Rights

- 23. s9(2)(h) [redacted]

- [redacted]

- [redacted]

Population impacts

26. Te Tiriti o Waitangi considerations include ensuring equity for Māori across health outcomes and in welfare and economic impacts. While there clearly will be concern for the wellbeing of Māori in Australia, equally the wellbeing of Māori in Aotearoa continues to be of primary concern and so measures taken to protect health here are expected to be the ongoing priority.

Consultation

27. This paper was prepared by the COVID-19 Group of the Department of the Prime Minister and Cabinet. The Ministry of Health provided input regarding the public health risk assessment for QFT with Australia. Rapid consultation was undertaken with the Ministry of Transport, MFAT, MBIE MIQ, and Customs. The Crown Law Office advised on the Bill of Rights implications.

Communications and proactive release

28. A proactive announcement of this decision is proposed. I expect to announce this decision on Wednesday 15 September.
29. The DPMC COVID-19 Group Communications and Public Engagement team will develop the communications package in support of this announcement. Unite Against COVID-19 and SafeTravel channels will communicate the decision and ensure information about trans-Tasman travel is available to New Zealanders in Australia and their family and friends in New Zealand.
30. Officials will engage with:
 - 30.1. Air New Zealand as soon as possible, before public announcements, to enable them to prepare their messaging and call centres; and
 - 30.2. Australian counterparts, informing them of a decision to extend the suspension.
31. I intend to proactively release this paper following Cabinet consideration, with redactions made as appropriate.

Recommendations

The Minister for COVID-19 Response recommends that Cabinet:

1. Note that the initial eight-week suspension of QFT from Australia is due to end on 24 September
2. note the Director-General of Health's advice that there remains a significant risk that COVID-19 transmission is uncontrolled across Australia
3. note that QFT was designed for two countries with no or very limited community transmission and not to actively manage the risk of transmission from another country to the other

4. note that the Director-General of Health recommends that QFT with Australia is suspended until there is no uncontrolled community transmission
5. note that extending the suspension of QFT for additional eight-week period would preserve optionality to reconsider QFT settings later this year
6. Either:
 - 6.1. agree to extending the suspension of QFT from 11.59pm 24 September 2021 until there is no uncontrolled community transmission in Australia
 - OR
 - 6.2. agree to extending the suspension of QFT from 11.59pm 24 September 2021 for a period of a further eight weeks
7. note that I intend to announce this decision on Wednesday 15 September and that clear public communications are critical to ensuring that people in Australia can take opportunities to return, through MIQ, to New Zealand

Hon Chris Hipkins
Minister for COVID-19 Response

Appendix 1: Further information regarding aviation sector impacts of this proposal

1. The Ministry of Transport provided additional information regarding the aviation sector impacts associated with an extended suspension of QFT with Australia and more general lack of clarity on when greater international connectivity will become possible.
2. Air New Zealand and Jetconnect (which supplies NZ-based crew to Qantas) have both furloughed staff as a result of the TTQFT suspension. They, and other aviation services, are in a “holding pattern” waiting to see when trans-Tasman flying will resume. Capacity and capability – which impact on the ability to re-start flying when permitted to do so – continues to be lost as the suspension and the uncertainty around resumption continue.
3. Australia is our largest market for high-end export goods. While the government supports a base level of airfreight capacity under the Managing International Airfreight Capacity (MIAC) scheme, this is a significant reduction on the capacity available under QFT, and comes at around a 25% higher price.
4. An announcement, and signalling of next steps, will help both the aviation sector and other affected sectors to plan – enabling them to both minimise their costs while the borders remain closed, and to resume as quickly and efficiently as possible when borders reopen.
5. Officials have separately provided advice on potential government support (in addition to maintaining freight capacity) to enable the sector to ride it out. The Ministry of Transport is preparing further advice for Ministers on this issue.



Cabinet Business Committee

Minute of Decision

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

Quarantine Free Travel With Australia: Further Suspension

Portfolio **COVID-19 Response**

On 15 September 2021, the Cabinet Business Committee, having been authorised by Cabinet to have Power to Act [CAB-21-MIN-0371]:

- 1 **noted** that
 - 1.1 in July 2021, Cabinet agreed to suspend quarantine free travel (QFT) with Australia for an initial period of eight weeks [CAB-21-MIN-0288];
 - 1.2 the initial eight-week suspension of QFT from Australia is due to end on 24 September 2021;
- 2 **noted** the Director-General of Health's advice that there remains a significant risk that COVID-19 transmission is uncontrolled across Australia;
- 3 **noted** that QFT was designed for two countries with no or very limited community transmission, and not to actively manage the risk of transmission from one country to the other;
- 4 **noted** that the Director-General of Health recommends that QFT with Australia be suspended until there is no uncontrolled community transmission in Australia;
- 5 **noted** that extending the suspension of QFT for an additional eight-week period would preserve optionality to reconsider QFT settings later this year;
- 6 **agreed** to extend the suspension of QFT from 11.59pm on 24 September 2021, for an additional eight week period;
- 7 **noted** that the Minister for COVID-19 Response intends to announce the above decision as soon as practicable to provide clear public communications so that people in Australia can take opportunities to return, through MIQ, to New Zealand.

Rachel Clarke
Committee Secretary

Attendees: (see over)

Present:

Rt Hon Jacinda Ardern (Chair)
Hon Grant Robertson
Hon Kelvin Davis
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Carmel Sepuloni
Hon Andrew Little
Hon David Parker
Hon Nanaia Mahuta
Hon Poto Williams
Hon Stuart Nash
Hon Kris Faafoi
Hon Peeni Henare
Hon Michael Wood
Hon Aupito William Sio

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet
Ministry of Health

Proactively Released



Cabinet

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Report of the Cabinet Business Committee: Period Ended 17 September 2021

On 20 September 2021, Cabinet made the following decisions on the work of the Cabinet Business Committee for the period ended 17 September 2021:

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
CBC-21-MIN-0105	Quarantine Free Travel With Australia: Further Suspension Portfolio: COVID-19 Response	CONFIRMED
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Proactively Released

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Michael Webster
Secretary of the Cabinet

Proactively Released