

Policy & Institutional Responses to COVID-19: Australia*

Editor's Note: *The Middle East and North Africa (MENA) COVID-19 Response Project focuses on governmental public health and economic policy responses designed to combat the spread of the COVID-19 pandemic in MENA countries. However, we have also reviewed the efforts by other countries to combat the virus as a means of informing our work more broadly. Here, the successful case of Australia serves as a best practice comparator for MENA countries covered in this series. This case is intended to inform policy makers in MENA states with perspectives on how they can enhance current and future response protocols during pandemics and other crises.*

Summary

Although it struggled to contain an outbreak around Melbourne in midyear and an outbreak at year's end on Sydney's northern beaches, Australia is generally considered to have responded effectively to the COVID-19 pandemic and its economic consequences. With a total population of 25 million, Australia has experienced just over 28,000 cases and over 900 deaths as of December. The number of COVID-related fatalities per capita currently stands at 35.6 per million residents.

For a federal system of government in which subnational governments have primary responsibility for the delivery of both health and education services to their citizenry, the country moved quickly to limit inbound arrivals from overseas, quarantine arrivals, mobilize the health system, raise community awareness, and implement lockdown arrangements. The most significant lapse in Australia's disciplined approach was the disembarkation of 2,700 passengers from a cruise ship in Sydney before COVID-19 test results had been returned, some of which came back positive. Despite this incident, public trust, and confidence in the governments' handling of the crisis has remained high throughout, mainly due to strong working relationships established quickly and effectively at the outset of the crisis between state and federal government agencies and representatives.

Three key innovations stand out from the Australian experience as particularly effective and integral to the country's success in flattening the curve:

- First, the risk of communication and coordination breakdowns in a federal system of government was mitigated by the establishment of a National Cabinet comprised of the prime minister and the heads of government of each state and territory. Its high-frequency formal and informal meetings have been supported by a technical committee of federal and state government public health experts.

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- Second, the federal government moved quickly to supplement traditional contact tracing approaches with the launch of COVIDSafe, a tracking and tracing application for smartphones, underpinned by specific legislated protections to ensure user privacy. By the end of May, six million people (or just under one-quarter of the population) had downloaded the mobile application.
- Third, the federal government was able to mitigate the economic consequences of the crisis by legislating three packages of financial assistance to Australian households and businesses equating to 12.4 percent of Gross Domestic Product (GDP). The cornerstone of this program has been a wage subsidy, the JobKeeper program, which was initially intended to remain in place until the end of September 2020. However, given the duration of the pandemic and the need to respond to concerns among businesses and households about its long-term economic consequences, the government extended this subsidy to 28 March 2021.

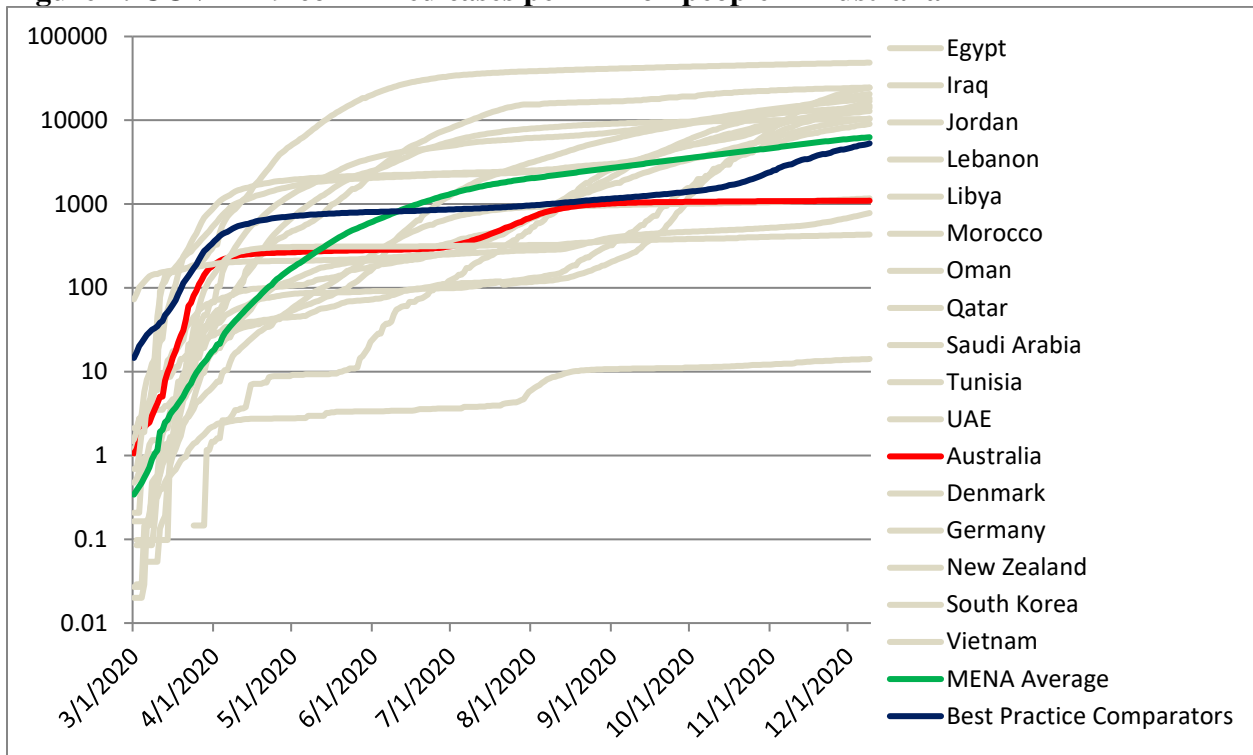
General Information (as of December 9, 2020)

Indicator ¹	December 9
Confirmed COVID-19 Cases:	28,000
COVID-19 Related Deaths:	908
COVID-19 Recovered Patients:	25,664
COVID-19 Tests Administered:	10,263,810

Source: Australia Health Department

The figures below explore Australia's efforts to combat the COVID-19 pandemic, providing a comparison of performance and outcomes with other countries reviewed in this series where relevant. Figure 1 and Figure 2 compare outcomes in terms of total confirmed cases and deaths over the course of the pandemic. Figure 3 documents Australia's expansion of testing over time. Figure 4 compares the strictness of governmental responses to the pandemic over time using the Oxford COVID-19 Government Response Tracker's Stringency Index. The index is a composite measure of responses related to school closures, business closures, and travel bans, although it should not be construed as an indicator of the effectiveness of the government response. Using this index, Figure 5 tracks the strictness of Australia's policy response against daily confirmed cases, allowing for an analysis of how closure policies have shifted with changes in virus incidence.

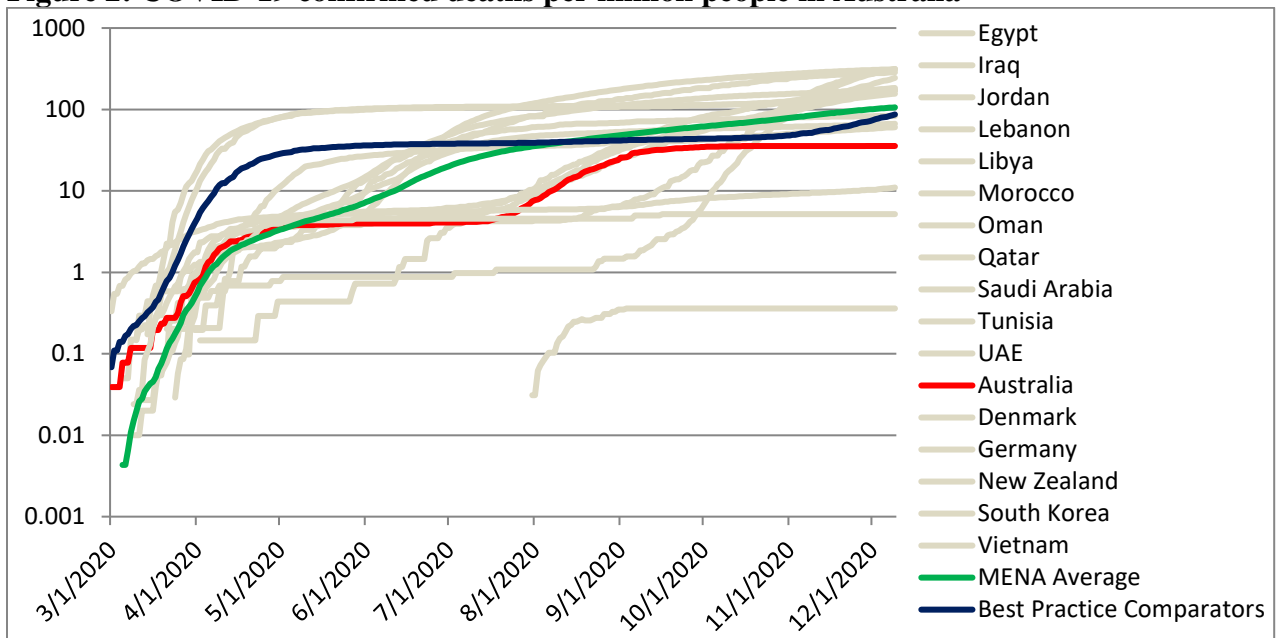
Figure 1: COVID-19 confirmed cases per million people in Australia²



Source: Our World in Data

Note: MENA Average is a population-weighted average of MENA countries for which data exists, including Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Tunisia, the United Arab Emirates, and Yemen. The Best Practice Comparators average is a population-weighted average of Australia, Denmark, Germany, New Zealand, South Korea, and Vietnam. To compare specific countries identified in this graph, the reader should consult the case studies for relevant countries in this publication series.

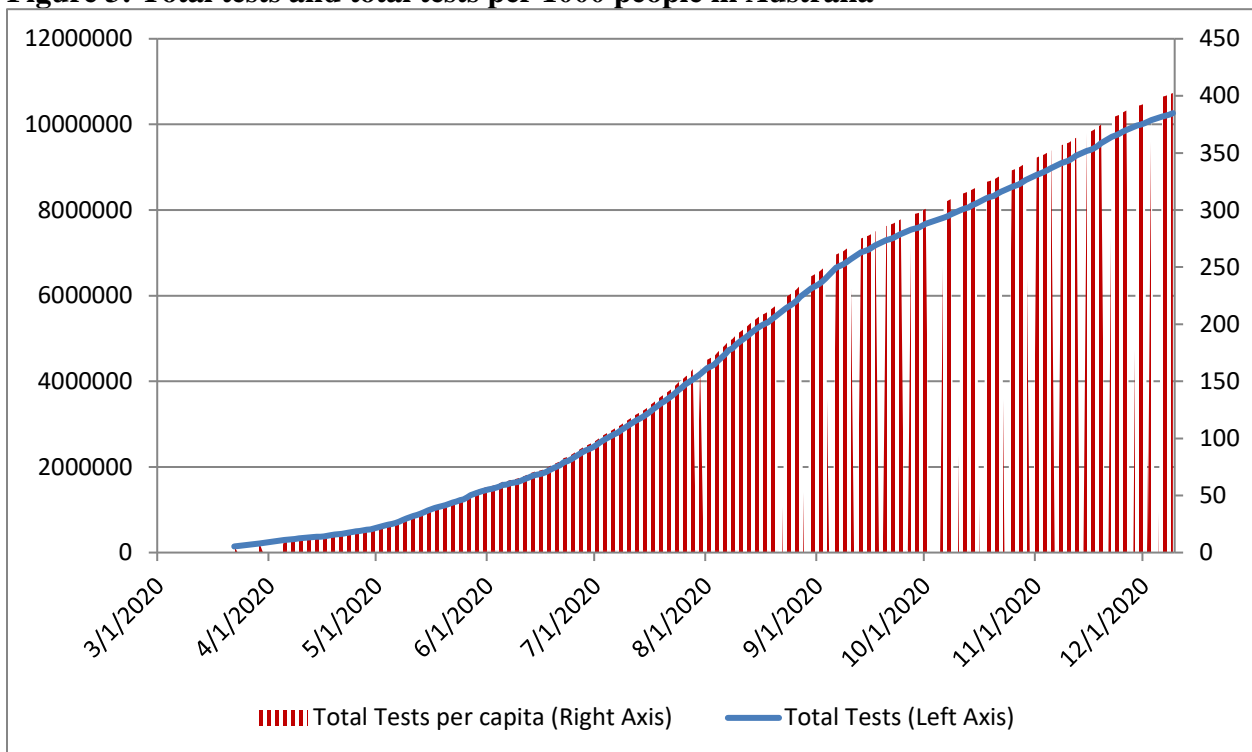
Figure 2: COVID-19 confirmed deaths per million people in Australia³



Source: Our World in Data

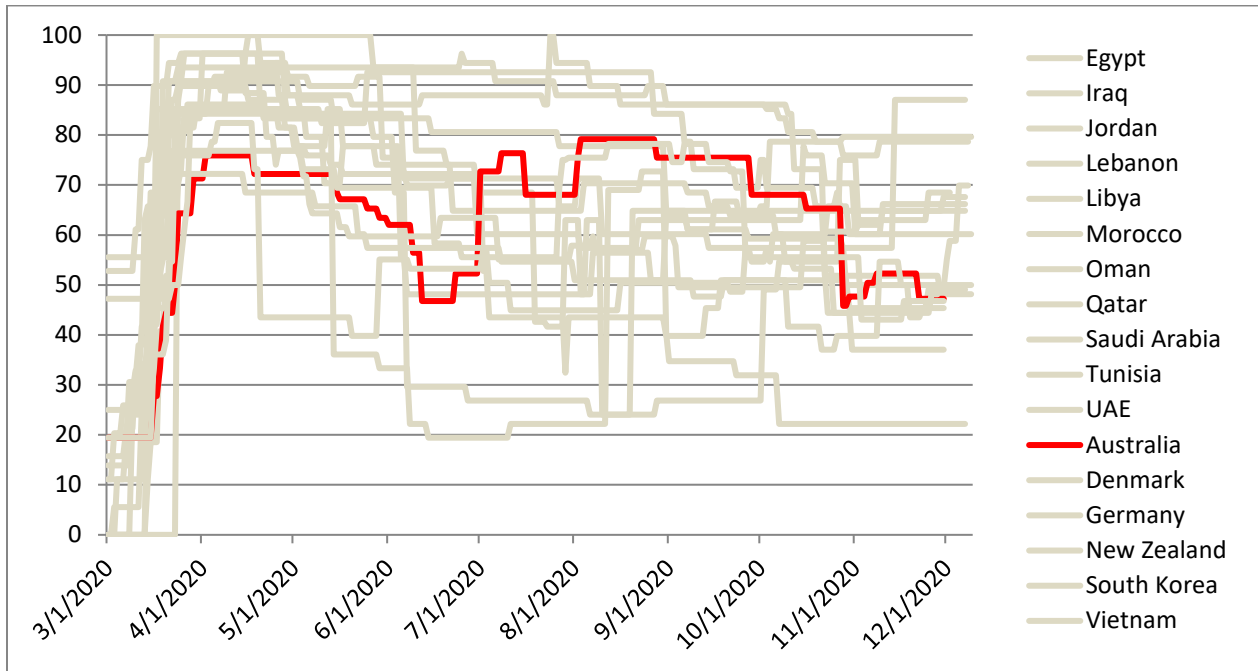
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Figure 3: Total tests and total tests per 1000 people in Australia⁴



Source: Our World in Data

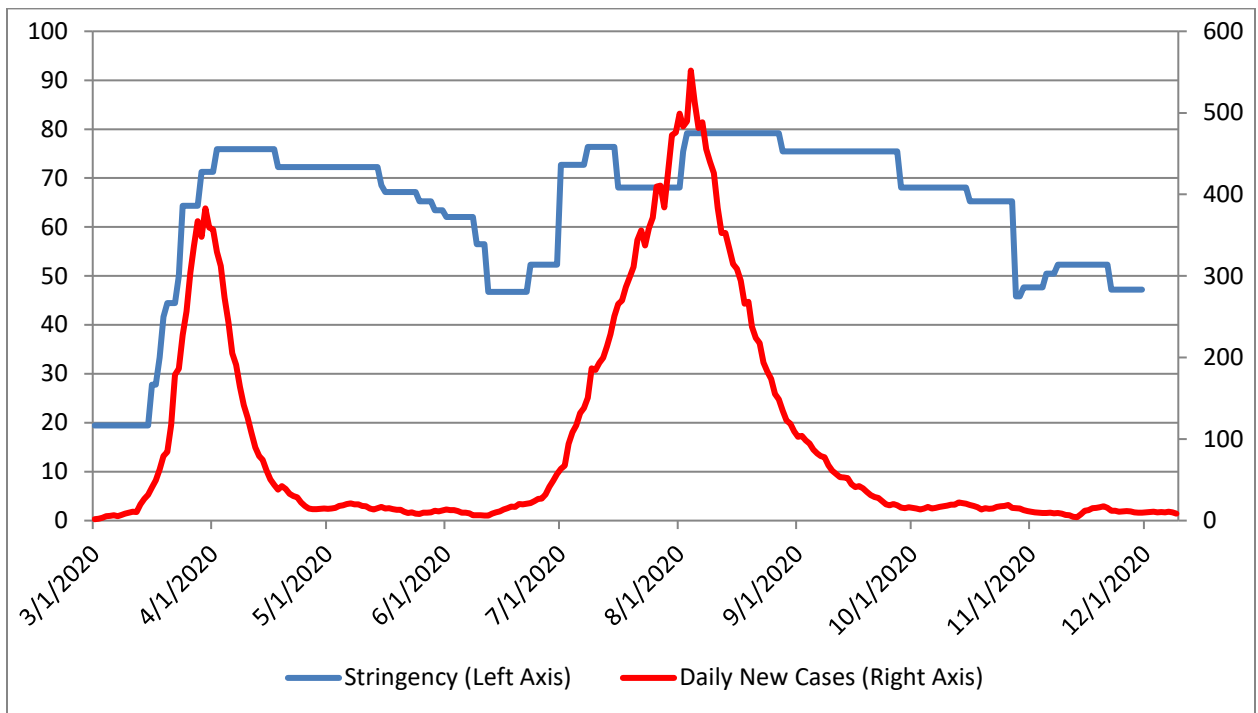
Figure 4: Stringency of COVID-19 response in Australia⁵



Source: Oxford COVID-19 Government Response Tracker

Note: On the Stringency Index, 100 represents the strictest approaches to closures.

Figure 5: Stringency versus daily new cases⁶



Source: Oxford COVID-19 Government Response Tracker, Our World in Data

Note: On the Stringency Index, 100 represents the strictest approaches to closures. Daily new cases have been smoothed using a 7-day running average.

Increase in unemployment associated with the virus:

The official unemployment rate as of March 2020 in Australia was 5.2 percent.⁷ Following the outbreak of COVID-19 in the country, officials estimated that the unemployment rate could rise to 10 percent even with an expanded economic stimulus; without the stimulus, unemployment was projected to rise to 15 percent.⁸ From March to April 2020, unemployment rose by a single point to 6.2 percent, although employees who received the JobKeeper wage subsidy under the economic stimulus program were counted as employed even if they did not work any hours during this period. Importantly, underemployment rose sharply from 8.8% to 13.7% over the same period. There were signs of recovery for unemployment in Australia, which fell to 6.8 percent in August from 7.5 percent in July. However, underemployment remained steady at 11.2 percent. By March, more than 6 million individuals had received payments through the JobKeeper program, representing nearly half of the total labor force of 13.1 million people. The program was due to end in September, but it was extended in July given the duration of the economic crisis.⁹

Description of government response (testing, treatment, social distancing, production and/or procurement of medical equipment and supplies, combating hoarding):

Australia's governmental response to the COVID-19 pandemic included preemptive efforts to reduce transmission of the virus into Australia from travelers, and comprehensive domestic policies to inform and empower citizens and officials to combat the spread of the virus.

Starting on January 31, foreign nationals returning to Australia from China were required to spend two weeks in a separate country before returning to Australia. This requirement was extended to travelers returning from Iran beginning on February 29. As the virus continued to spread worldwide, Australia required a two-week period of self-isolation for individuals entering the country in facilities such as hotels. On March 19, in conjunction with New Zealand, Australia announced that it would close its international borders to all non-residents and non-citizens beginning on March 20.

In addition to restricted international travel, individual Australian states such as West Australia and South Australia prohibited non-essential interstate travel to reduce the spread of the virus. As of mid-June, some of these interstate travel restrictions were in place, the source of heated political debate about their ongoing appropriateness and economic consequences. As of mid-September, each state and territory had set interstate travel restrictions based on the severity of the virus in their territory. Most state regulations included a mandatory 14-day quarantine, no entry on returning from hotspot areas, and more relaxed restrictions from areas with fewer cases.

In terms of testing, Australia began significantly increasing its capabilities following the declaration of a Human Biosecurity Emergency on March 18. On March 17, testing in New South Wales, Australia's most populous state, was at 3,800 per million people. By May 8, testing had increased by an order of magnitude to 38,200 tests per million people in the same state. National testing reached 27,700 tests per million citizens across Australia by early June.

Social distancing measures have been uniformly adopted across Australia. As of March 20, a social distancing rule of four-square meters was implemented in enclosed spaces and enforced by subnational (state and territory) governments. Also, nonessential indoor gatherings of over 100 people and outdoor gatherings of over 500 people were prohibited.

The approach to school closures has been the most hotly contested aspect of Australia's COVID-19 response, in large part because education and the operation of schools in Australia is the responsibility of state and territory governments, not the federal government. Consequently, Australia has not had a consistent approach to school closures, with some states (notably Victoria) closing their schools earlier than others. Most state governments began re-opening schools across the country in mid-May.

Due to a rapid and thorough government response, national stockpiles of medical equipment were mobilized and shipped to affected areas. However, there were examples of shortages of personal protective equipment (PPE) across the country and, in some cases, medical professionals resorted to purchasing masks online at much higher prices. Testing increased, and the healthcare system in Australia was not overwhelmed by a large spike in cases due to strict distancing measures.

General assessment of how the response has worked:

Australia succeeded in flattening the initial curve of COVID-19 cases. With a population of over 25 million people, there were 6,141 active cases of the virus, and 17,852 recovered cases as of August 20. That equates to about 240 active cases per capita, and 700 recovered cases per capita. There was an initial push to isolate incoming travelers from affected areas and secure national borders from nonessential travel, which limited the spread once international cases arrived in Australia. As cases began to increase in the beginning of March, the government took strict precautions to decrease human contact, which stopped the transmission of the disease and prevented many deaths. By the beginning of April, Australia experienced a consistent decrease of daily new cases, and by early May the government eased some of the restrictions.¹⁰

Despite this general success, Australia experienced several incidents that have led to a significant spread of the virus. For example, similar to the Diamond Princess incident in Japan, sister cruise ship Ruby Princess left Sydney on March 8 for a cruise around New Zealand and returned on March 19, 2020. Despite concerns about the health conditions of several passengers, 2,700 passengers were disembarked soon after arrival and before COVID-19 test results on passengers showing flu-like symptoms had been analyzed. The following day, when positive COVID-19 results emerged, health officials were forced to increase contact tracing and testing efforts and asked passengers to self-isolate. By March 24, one passenger had died, and 133 former passengers had tested positive for COVID-19. As of May 13, the death toll had reached 22, and there were 662 confirmed cases of the virus in Australia that originated from the Ruby Princess.¹¹ This incident prompted the New South Wales state government to establish an independent commission of inquiry into all aspects of the incident, including whether the ship's operator deliberately concealed COVID-19 cases on board the ship. Additionally, the handling of the cruise ship at a crucial moment in the spread of the virus raised concerns of the government's testing and response capabilities to the pandemic.¹²

More significantly, after several weeks of declining rates of new COVID-19 infections, daily cases began to increase in the last week of June. The outbreak was almost exclusively contained to the state of Victoria, with cases centralized in the Melbourne metropolitan region. As of August 20, there were 6,141 active cases in Australia, with 4,421 of the cases specifically in Victoria. Restrictions that were eased earlier were rolled back, and a new stay-at-home order was put into place on July 9. Originally put in place until August 19, the order was extended through mid-September before gradually being released. Victoria's borders were also closed to prevent the

spread of COVID-19 to other parts of Australia, where new infections were low. Authorities attributed the new outbreak to failures in the hotel quarantine situation, as well as to family-to-family transmissions in large household gatherings.¹³

When Melbourne emerged from a 111-day hard lockdown at the end of October, and inter-state border restrictions were lifted in the weeks that followed, it looked like Australia had successfully contained the virus across all states and territories. Nevertheless, a significant new outbreak occurred on Sydney's northern beach suburbs in mid-December, resulting in the reinstatement of local lockdown requirements and various travel restrictions across Australia. As of mid-December, the number of cumulative cases stood at just over 28,000.

To what extent have there been protests and/or unrest surrounding the virus outbreak or stay-at-home orders?

There have been few protests against the government's response to the COVID-19 crisis. The largest protest gathered a crowd of over 100 people outside Victoria's Parliament. Their protest centered around a number of issues related to the so-called "5G conspiracy," China's role in the spread of the virus, and their belief in Bill Gates's complicity in the pandemic's spread. Over 10 people were arrested, including the event organizers, for breaking the strict social distancing rules.¹⁴

In early September, there was another wave of anti-lockdown protests in Melbourne, the epicenter of the second wave of COVID-19 cases in Australia. The demonstrations were promoted in social media groups focused on conspiracy theories related to COVID-19, and about 90 people were arrested over two days of demonstrations that included clashes with police.¹⁵

In general, the Australian public has been supportive of the handling of the crisis by both federal and state government leaders, in stark contrast to public sentiment regarding the handling of a national bushfire emergency only three months earlier. Prime Minister Scott Morrison's approval rating soared from 39 percent at the beginning of February to 65 percent at the beginning of June.¹⁶

How accurate are the statistics perceived to be by neutral external observers (i.e., WHO, World Bank, etc.)?

Reported cases from the Australian government, and economic data, align with reported cases from the World Health Organization (WHO) and the International Monetary Fund (IMF).

Institutional Response: Health Sector

Did the Government Create Special Institutions to Coordinate its Virus Response (such as task forces and the like), or did it work through existing structures such as Cabinet?

An important feature of Australia's management of COVID-19 is that public health and pandemic response leadership has been driven by state governments, while the federal government has played a coordination role across state jurisdictions and, because of the nature of Australia's public financial management arrangements, taken the lead on financial response measures, such as the JobSeeker program.

After a meeting of the National Security Committee of the Cabinet, Australia's government declared a Human Biosecurity Emergency on March 18 in accordance with the Biosecurity Act of 2015 to enable effective management of the COVID-19 pandemic. A biosecurity emergency declared by the governor-general² gives powers to the minister of health to enact restrictions and prevent movement of goods and people, where needed, to address the emergency.

The declaration of a biosecurity emergency prompted the prime minister to announce the establishment of a National Cabinet, consisting of the prime minister and the premiers and chief ministers of the Australian states and territories. Journalists have likened the National Cabinet to the unique War Cabinet established in 1937 to respond to Australia's World War II war effort. The same national and regional leaders have been members of the Council of Australian Governments, a mechanism established in 1992 to facilitate federal-state relations within Australia's federal system. The National Cabinet differs from the Council of Australian Governments in its strict focus on the pandemic response, the coordination of policies related to health responses, the lockdown, and the lack of representation from the Australian Local Government Association. Also, Council of Australian Governments may have outstayed its usefulness and become weighed down by bureaucracy, while the National Cabinet has been able to mobilize resources quickly, and create solutions surrounding the pandemic.

Throughout the COVID-19 crisis, the National Cabinet has been advised by the Australian Health Protection Principal Committee (AHPPC), a committee made up of chief health officers from each of the states and territories. The AHPPC has been the principal technical and policymaking body providing information and recommendations to the government regarding policy measures to combat COVID-19.¹⁷

State Premiers, advised by their chief health officers and state health departments, led implementation of pandemic detection and response activities, reporting back to a national COVID-19 response secretariat at the Prime Minister's Department on a daily basis.

If the former, which ministries and agencies are participating in the task force? How frequently does it meet? Who chairs the meeting?

To provide national coordination at the highest political level, the National Cabinet met once a week during the peak of the crisis and was chaired by the prime minister. It took advice from the AHPPC with the federal minister of health empowered to act quickly based on the emergency powers granted to him under the Biosecurity Act of 2015. The AHPPC has met daily to assess the risk to Australia, and to recommend public health actions. Given the central role played by state governments in driving implementation, information sharing and agreement on actions to be taken was critical to an effective response. There were times when coordinated action came under strain as different state governments sought to adopt different response measures.

Have various operational sub-committees been formed addressing specific dimensions of the challenge? What are they, who chairs them, and how often do they meet?

² The governor-general is a unique position in the Australian government. They are Queen Elizabeth's representative to the Australian government, appointed at the suggestion of government ministers. Their duties are largely ceremonial, but they have specific duties including commander-in-chief of the Australian Defense Force, and president of the Federal Executive Council.

To support National Cabinet decision-making and provide an information clearinghouse and coordination function, a COVID-19 Response Committee was established within the Department of the Prime Minister and Cabinet. Other related issue-specific taskforces were established across the federal government, such as the Department of Industry, Science, Energy and Resources, which led the Industry Capability Taskforce and the Corporate COVID Response group to address issues of supply chain integrity, the sourcing quality PPE, and other medical equipment relevant to the COVID-19 pandemic.

Is there a secretariat supporting the government’s response or a designated ministry that is providing technical support?

The whole-of-government secretariat coordinating government action sits within the Department of the Prime Minister and Cabinet. The Department of Health has also been granted certain powers under the Human Biosecurity Act of 2015.

How is communication taking place with sub-national government entities?

The creation of the National Cabinet, bringing together federal and state leaders, has been the cornerstone of coordination and communication between federal and state governments, and between state governments. On a more technical level, there has also been strong communication between chief medical officers and government officials across Australia’s six states and two territories, which were coordinated at the highest level by the Australian Health Protection Principal Committee (AHPPC). Despite this, the governments of individual states and territories bear primary responsibility for health matters and have not always adopted the same approaches and measures in lockstep. States have taken a variety of approaches on issues under their jurisdiction, particularly with respect to school closures and interstate border travel restrictions.¹⁸

How are governments reaching out to external expertise in the medical and scientific communities? Have they developed mechanisms for channeling this expertise into government?

Agencies such as the Australian Institute of Health and Welfare (AIHW), the Australian Bureau of Statistics (ABS), and the National Health and Medical Research Council (NHMRC) have collected data from domestic and international sources to determine guidelines for medical professionals, and develop models associated with the spread of the virus. They have coordinated their work under the umbrella of the AHPPC to recommend data-driven strategies to relevant government agencies to be enacted countrywide. Bodies such as the Communicable Disease Network Australia (CNDA) and Public Health Laboratory Network (PHLN) have disseminated guidance in key areas to coordinate medical responses into government practice.¹⁹

Has the government taken any decision to ramp up the production of medical supplies and equipment during the crisis? Have procurement rules been waived or modified to facilitate the purchase of supplies?

Due to international border closures in Australia in late March, demand for domestically manufactured medical equipment, including ventilators and PPE equipment, increased dramatically. National medical stockpiles had been significantly depleted before the pandemic due to a severe bushfire season in 2019. Before the pandemic, Australia sourced much of its medical

equipment from overseas, principally from China. The government received unsolicited offers from private actors to buy medical equipment at a much higher price but opted for the more secure route of securing direct agreements with importers who had an established track-record of sourcing medical equipment.

Medical equipment and PPE have been subject to significant price inflation in Australia due to increased demand. Following the emergence of the virus in Australia, the cost of a single N95 mask jumped from 1.30 to 38.50 Australian dollars (or \$ 0.93 and \$ 27.55, respectively), a 1500 percent increase. Border closures and reduced international air travel reduced air cargo availability, contributing to the price spike in PPE. Australia has been particularly susceptible to this inflation due to its limited domestic manufacturing capacity.²⁰

In addition to PPE procurement and changes in hospital funding, the Australian government developed a smartphone application that supports contact tracing. The COVIDSafe mobile application was developed by the Australian Health Department and Home Affairs Department, with support from the Digital Transformation Agency. It was released on April 26 and was downloaded over 4 million times in the first 48 hours of its launch. The purpose of the mobile application is to automatically track encounters between users, and later allow government officials to notify citizens when they have come in prolonged close contact (1.5m) with another person who has tested positive for COVID-19. The mobile application allows the government to create a log of users, pinpoint possible outbreak zones, and notify at-risk people to self-isolate. Location data and personal information collected by the mobile application is anonymized and only accessible by the Department of Health when notifying a person of possible contact. The mobile application is not compulsory to download, and citizens can opt-out and delete the mobile application whenever they want.²¹

How are coronavirus communications being handled? How frequently do briefings occur?

For much of the crisis, the prime minister and state premiers have given daily press briefings accompanied by their respective chief medical officers. The AHPPC has met daily to assess the risk to Australia, and to recommend public health actions. Since the committee is made up of the top health officials from each state and territory, the frequency of meetings has allowed for the integrated and coordinated distribution of information and recommended procedures across the entire country (although state governments, where most health policy is set and public health systems are managed, retain significant discretion to make their own decisions.)

Public correspondence related to the virus is directed by the AHPPC, using recommendations from the CNDA and the PHLN, to educate the public with the latest information regarding COVID-19. A wide range of media channels have been utilized by the Department of Health to keep the public informed on the status of the virus and the government's response. The communication branch of the Department of Health works closely with the communication departments of state and territory health departments, medical colleges and associations, and the National Aboriginal Community Controlled Health Organization, to provide consistent and targeted media responses to national health emergencies such as the COVID-19 pandemic.

Where do these arrangements appear to be working well? Are there any success stories that are particularly relevant?

The provisions outlined in the Human Biosecurity Act of 2015 prepared critical institutional mechanisms to handle a pandemic response, and succeeded in creating a streamlined system to access, communicate, and act upon the necessary information to combat the pandemic. Federal government and state government level response teams have benefited from strong sharing of data and analytics, good communication protocols, and a small group of centralized actors in charge of recommending policy and enacting national and state-based policy responses.

Coordination, concentrated in a few key intergovernmental agencies, has provided a swift response across the country when dealing with COVID-19. While state and territory governments retain significant decision rights to make their own determinations with respect to lockdown arrangements, in general, there has been a high degree of coordination between federal and state governments, as well as coordination between the state governments, aided by strong coordination mechanisms from the top through the National Cabinet.

The perceived success of the National Cabinet approach prompted the prime minister to announce in late May that Council of Australian Governments would be replaced by the National Cabinet approach. The prime minister and members of the National Cabinet have agreed to form the National Federation Reform Council (NFRC), which will take the place of Council of Australian Governments. The new council will drive an initial single agenda, job creation. The NFRC will put the members of the National Cabinet at the center, and they will be advised by relevant bodies, such as the AHPPC and the Council of Federal Financial Relations (essentially a meeting of all treasurers), to achieve their reform goals. The National Cabinet has met once a week during the COVID-19 period, but the NFRC will meet monthly.

What key institutional challenges are being encountered (staffing, finances, supplies, etc.), and how is the government responding to them?

There has been widespread media coverage of public concerns regarding the privacy implications of the COVIDSafe smartphone mobile application released by the federal government. To address these concerns, the minister of home affairs announced legislation to protect the data collected through the mobile application, and the source code of the mobile application was released on May 8. Security researchers have released an informal report regarding the mobile application and have publicly supported it despite raising some concerns. The government also provided additional clarification that no entity can compel individuals to install the mobile application, after there were reports of businesses requiring employees to install the mobile application. Since its launch in April 2020, over 7 million people had downloaded the mobile application, but this is well short of the government's target of a 40 percent adoption rate across Australia.²²

Institutional Response: Economic Sector

How has the government responded economically to the crisis? Has it shut down all or parts of the country to enforce social distancing?

Australia took strict measures to shut down nonessential sectors of the economy to reduce the spread of COVID-19. On March 20, social distancing measures went into effect, and the state governments of New South Wales and Victoria ordered the closure of nonessential businesses. This was expanded countrywide on March 23, with closures of gathering places including clubs,

licensed premises in hotels and bars, places of worship, and entertainment venues. Cafes and restaurants remained open but were only allowed to offer takeout. In the initial stage of lockdown, schools remained open, but parents could keep children home if they desired.

The government initially took a soft compliance approach to social distancing, relying on citizens to exercise their judgment in complying with requirements. Less than a week after the first requirements were introduced, more than 500 people congregated at Sydney's iconic Bondi Beach in contravention of one of the requirements. That incident prompted a tougher enforcement regime, with the government imposing fines on individuals violating social distancing requirements.²³

Has the country taken any unique or extraordinary economic measures to address the crisis, such as providing support to various sectors, payments to businesses to retain staff, or direct payments to individuals?

Multiple stimulus packages have been passed providing financial support for businesses and individuals affected by the pandemic. These packages have totaled 258 billion Australian dollars (\$200 billion), or 12.4 percent of GDP. Support for individuals and households has totaled 25 billion Australian dollars (\$19 billion), which has included income support and cash transfers to citizens. Support for businesses has totaled 108 billion Australian dollars (\$83 billion), primarily allocated to fund the JobKeeper payment plan through September 2020. The 2020-2021 budget commits an additional \$257 billion Australian dollars (\$199 billion), including \$98 billion Australian dollars (\$76 billion) in direct COVID-19 response measures and job creation measures, totaling the stimulus to 507 billion Australian dollars (\$392 billion dollars).²⁴

JobKeeper is a significant wage subsidy program, providing 1,500 Australian dollars (\$1,125) per fortnight to support employee wages for eligible businesses and eligible employees for a period of 26 weeks.²⁵ In July, the Government announced a reassessment of the JobKeeper subsidy based on the eligibility for employees and businesses using the program, ensuring that those in the most need receive assistance from the government. Economic modeling suggested that an end to the program would push over 650,000 Australians back into poverty, and that unemployment would drastically spike. This consequently led the Government to extend the program, with phased step downs in support, to the end of March 2021.²⁶

Support for businesses also included increased cash flow for employers, increasing instant asset write-off capabilities and backing business investments. States and territories also announced individual stimulus packages that amounted to 11.8 billion Australian dollars (\$9 billion), or 0.6 percent of GDP. Their stimulus packages included payroll tax relief for businesses, and relief for households, such as discounted utility bills, cash transfers, and support for health expenditures.²⁷

The remaining stimulus money was allocated to support the flow of credit in the Australian economy, with coordinated action from the Reserve Bank of Australia and the Australian Prudential Regulatory Authority, to keep businesses afloat for the duration of COVID-19's economic impacts. The government has allocated the funds to be paid back as part of the fiscal year budgets until the years 2023 to 2024.²⁸

Does the government have a plan in place for reopening the economy once the virus passes? What are its key dimensions?

With active case numbers falling, Australian officials have mobilized along two tracks: the easing of public health restrictions and economic recovery plans. Public health officials continue to drive the first strand of work through the AHPPC, while economic recovery plans are being developed by federal and state governments with strategic guidance and input provided from a newly created National COVID-19 Commission Advisory Board (see below).

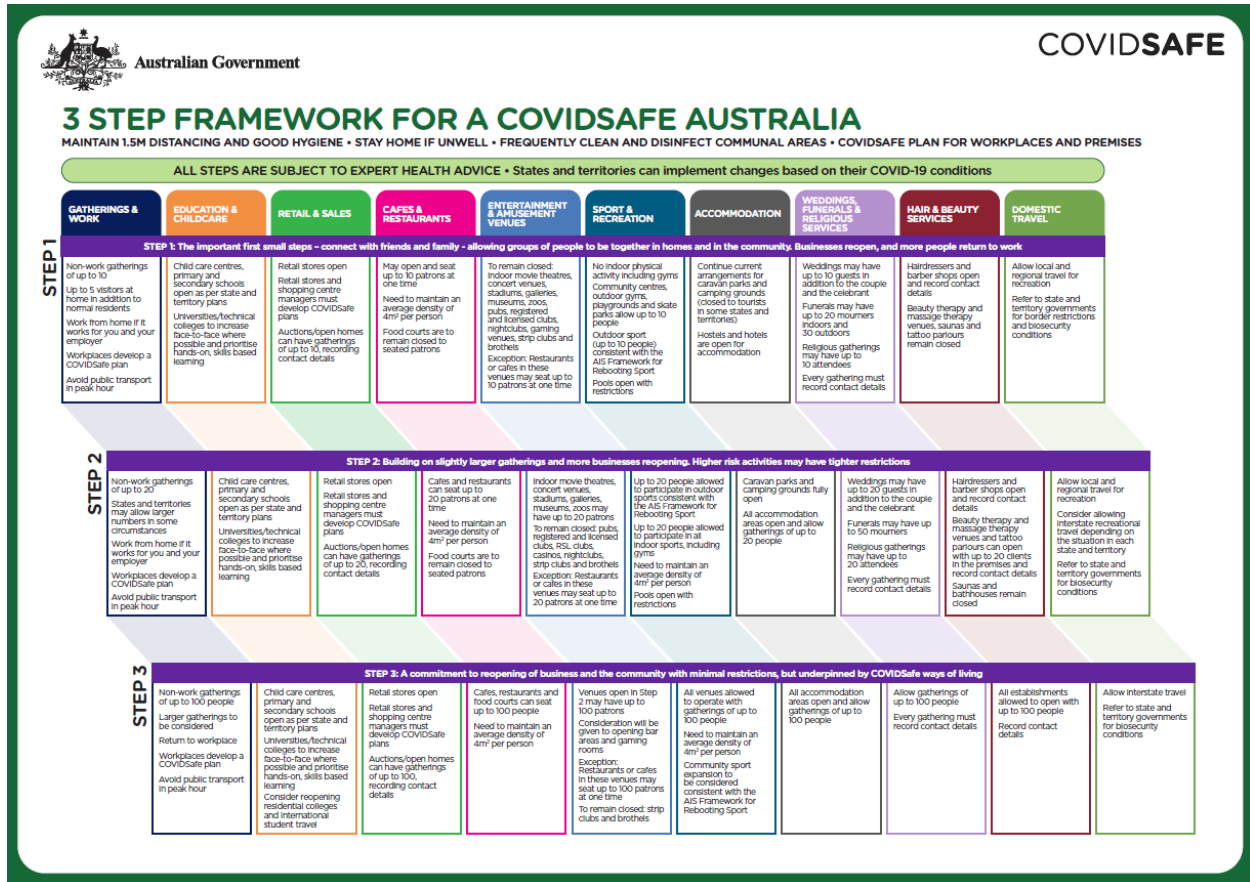
Australia began to execute a reopening strategy in May after a significant decrease in daily case numbers related to COVID-19. Reopening efforts are guided by a three-step plan that involves gradually reopening businesses to allow more people to work and facilitating increased movement of people in social and public settings.

- Step 1: Allows public gathers of up to 10 people, up to five visitors in family homes, and some local and regional travel. Businesses such as retail and restaurants can reopen with limited patrons, keeping records of patrons to allow contact tracing if required.
- Step 2: Increases the limit on public and private gathers, allowing businesses such as gyms, beauty salons, and entertainment venues like galleries and cinemas to reopen.
- Step 3: Defined as the “new normal” while the virus remains a threat nationally and internationally, this step is a transition into safe ways to live and work. Gatherings of up to 100 people are permitted. Notably, international travel remains restricted under this plan to keep new cases from entering the country.

Social distancing precautions such as a 1.5-meter distancing and hygiene and disinfecting protocols remain in place for all levels of the reopening plan to mitigate the risk of additional waves of infections. Advice from health officials and the AHPPC has determined when individual states and territories have implemented reopening measures. States and territories have the jurisdiction to reduce or adjust restrictions based on their individual circumstances and local conditions as they see fit.

The Graph 1 illustrates the protocols for each level of reopening the economy and for each sector affected by the restrictions.

Graph 1: Australia's 3 Step Framework²⁹



Source: Australian Ministry of Health

The National Cabinet approved the three-step framework on May 8, allowing a three-week period between the implementation of each step of the framework. All states and territories have begun to implement the three-step process. All states and territories, excluding Victoria, are now in Step 3 of the framework, opening the door to economic recovery in Australia. While there are hotspots within states that have loosened restrictions, localized quarantines and intense contact tracing are put in place to stop the spread. Further removal of restrictions will allow businesses to reopen with physical distancing, hygiene, and COVID-safe work plans. The removal of restrictions in Step 1 was estimated to return 250,000 jobs, and increase economic activity by 3.1 billion Australian dollars, while Step 2 was estimated to return an additional 275,000 jobs, increase economic activity by 3 billion Australian dollars.³⁰

Which ministries and agencies are coordinating the government's economic response to the crisis? Is there a separate task force? How frequently does it meet? Who chairs the meeting?

Within the federal government, the Treasury Department leads and coordinates economic policy and responses to the virus in close coordination with the Department of the Prime Minister and Cabinet, which supports the decision making by the prime minister and his Cabinet as well as the newly constituted National Cabinet.

The National COVID-19 Coordination Commission (NCCC) is an advisory body supporting the prime minister and the Cabinet, and members of the commission's executive board address challenges in separate workstreams based on their expertise. The NCCC was founded on March 25 and was renamed the National COVID-19 Commission Advisory Board (NCCAB) on July 27 to reflect the change in strategic focus to Australia's economic recovery. The NCCAB is based within the Department of the Prime Minister and Cabinet.³¹ The Department of Home Affairs, through established coordination mechanisms, reports to the NCCAB, as does the Coronavirus Business Liaison Unit, based in the Treasury Department.

The Executive Board of the NCCAB is made up of eight members, including three current and former government officials (the chair of the Commonwealth Scientific and Industrial Research Organization, a former Labor Party minister for Industry and Innovation, the former secretary of the Department of Finance, and the chair of the Coalition for Epidemic Preparedness Innovations). Three members are current and former private sector executives, including the former chief executive officer of Fortescue Metals Group (who is the chair of the commission), the managing director of Toll Group, and the managing director of Energy Australia. The last two members of the commission's Executive Board are secretaries from the Department of the Prime Minister and Cabinet, and Home Affairs.

On July 27, the prime minister announced that the NCCAB is shifting its focus to concentrate on creating jobs and stimulating the economy. The NCCAB's main roles are mobilizing business expertise to provide advice on creating as many jobs as possible to accelerate Australia's economic recovery. The commission has been successful in mitigating supply chain issues and sourcing vital personal protective equipment during the pandemic, and they have added new members to broaden the commission's expertise to support job creation.³²

Have various operational sub-committees been formed addressing specific dimensions of the challenge? What are they, who chairs them, and how often do they meet?

The Industrial Relations Working Group was established by Commissioner Greg Combet of the NCCAB to address necessary business operational restructuring due to social distancing requirements. The working group works with unions and employer groups to mediate disputes and misunderstandings regarding implementation of the JobKeeper wage subsidy program. It also works with agencies within the states and territories to develop safe working practices that align with COVID-19 restrictions.³³

Is there a secretariat supporting the government's response or a designated ministry that is providing technical support?

The Department of the Prime Minister and Cabinet has coordinated the national policy response to the crisis and acts as the secretariat for both the National Cabinet and the NCCAB.

How is communication taking place with sub-national government entities?

The NCCAB is in constant communication with the National Cabinet, which includes the premiers and first ministers of each of the states and territories. This allows for coordinated policy recommendations to flow into the necessary departments to act on in their respective jurisdictions. Also, the NCCAB is advised by the AHPPC so its recommendations are aligned with requirements from the federal Department of Health.

How are governments reaching out to external expertise in the business and economic communities? Have they developed mechanisms for channeling this expertise into government?

Expertise from business and economic communities is primarily directed to the government through the NCCAB. The NCCAB works cooperatively across private-to-private and public-to-private networks to unlock resources to support the government's response to COVID-19, and to support Australian businesses and families while restrictions remain in place. This has been facilitated by the enabling of the National Coordination Mechanism (NCM) based in the Department of Home Affairs, which coordinates the cross-jurisdictional response to the non-health aspects of the pandemic.

The NCM functions through a Coordination Node within the Department of Home Affairs, made up of representatives from key agencies. These representatives are tasked with coordinating responses to issues raised and the capabilities available to address those challenges. Also, the NCM coordinates engagements with individual sectors such as education, public safety, banking, transport, food, and agriculture through individual sector forums. Australian government agencies, such as the Department of Industry and Energy, the Department of Communication and the Arts, the Australian Energy Market Operator, the Department of Education, and the Department of Infrastructure and Regional Development, provide input from the individual industry sectors they preside over to coordinate responses to COVID-19 through the NCM.³⁴

How are economic communications being handled? How frequently do briefings occur?

The National Cabinet has met weekly, bi-weekly, and monthly as the COVID-19 crisis has progressed. National leaders, including the prime minister and state and territory premiers have given frequent press briefings accompanied by senior public health officials. Both the Department of Health and the NCCAB, with advice from the AHPPC, release frequent press releases and information to the public and businesses with suggested practices to facilitate safe workplaces and venues suitable for the public. Resources such as Safe Work Australia provide principles of a safe workplace, checklists to prepare businesses to reopen safely, and additional responsibilities in relation to work, health, and safety for business owners.

Where do these arrangements appear to be working well? Are there any success stories that are particularly relevant?

The creation of a National Cabinet of national and state leaders, meeting regularly and speaking on an almost daily basis has been the cornerstone of Australia's national response and is seen as an effective crisis management innovation. While participating leaders have not always agreed,

the National Cabinet structure has ensured a high level of communication and a generally strong level of alignment on policies and actions.

The second major innovation was the creation of the NCCAB as an advisory body led by prominent private sector leaders. It is still too early to evaluate the effectiveness of the NCCAB, but it has generally been received positively by both the media and the private sector.

The COVIDSafe mobile application released by the government appears to have satisfied initial privacy concerns. It since has been downloaded by over 7 million Australians, although the number of actual users remains unclear and some have questioned the mobile application's effectiveness.³⁵ Given the relatively low level of current infections across Australia, its effectiveness will be tested if and when there are signs of a second wave of infections over the coming months.

Finally, the JobKeeper subsidy scheme in Australia appears to have avoided many of the implementation challenges faced by similar schemes elsewhere, such as the Paycheck Protection Program in the United States.

What key institutional challenges are being encountered, and how is the government responding to them?

One area of recurring challenge for the Australian system of government has been the issue of reopening schools. Education policy and education systems in Australia are the responsibility of state governments, not federal governments. State governments have taken differing views on reopening schools, responding to the concerns of their constituents. This has been the area of most significant disagreement among national leaders and a reoccurring source of tension within the National Cabinet, particularly between the federal minister of education and leaders of the two largest states in Australia, New South Wales, and Victoria.

The second issue of ongoing coordination and governance challenge within Australia has been the issue of interstate border closures between Australia's states and territories. The state of Western Australia, in particular, has taken a conservative approach to relaxing border restrictions.

Persistent concerns about the health system, and its ability to meet Australia's needs during a pandemic, have led government officials to invest in the system. At the end of May 2020, the National Cabinet finalized the 2020 to 2025 National Health Reform agreement, with a commitment to invest approximately 131 billion Australian dollars (\$ 93.7 billion) in demand-driven public hospital funding. The goal is to improve healthcare across Australia by ensuring the sustainability of their health system for the future, as well as facilitating coordination and investment by all states and territories into the system.³⁶

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