



Go for zero: How Australia can get to zero COVID-19 cases

Stephen Duckett and Will Mackey

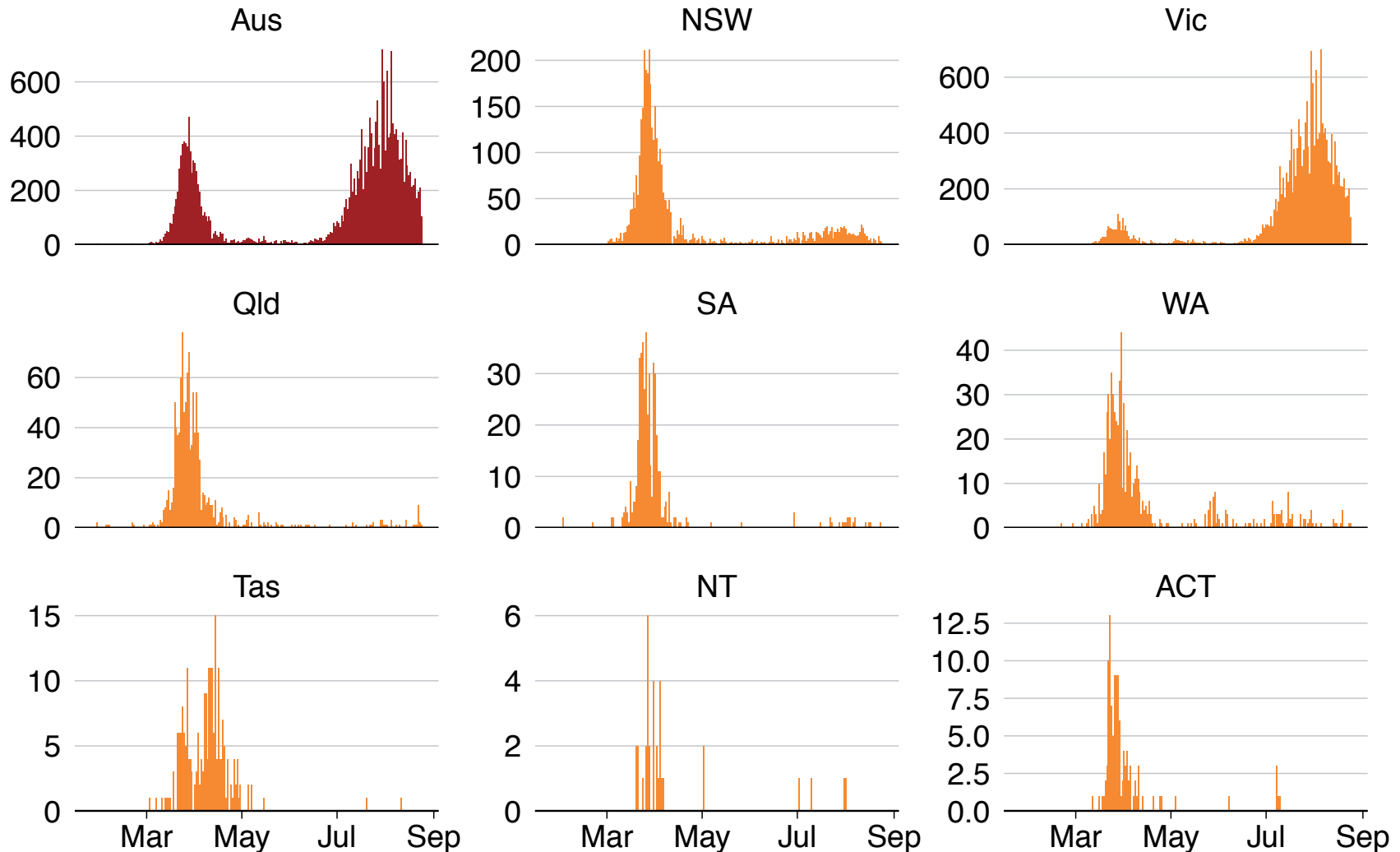
A staged 'smarter restrictions' strategy

Our recommendation

Type of restriction	< 20 new daily cases for five consecutive days	< five new daily cases for five consecutive days	zero new daily cases for five consecutive days	Zero active cases in the community
Masks 	Require masks for both indoors and outdoors	Require masks indoors and on public transport	Require masks indoors and on public transport	Remove all restrictions other than international quarantine
Outdoor gatherings 	Allow outdoor gatherings up to 10 people	Allow outdoor gatherings up to 30 people	Allow outdoor gatherings up to 100 people	
Indoor gatherings 	Allow indoor gatherings up to 5 people with spatial distancing across no more than two households	Allow indoor gatherings, without shouting or singing, up to 20 people, with spatial distancing	Allow indoor gatherings, without shouting or singing, up to 50; other gatherings up to 30, both with spatial distancing	
Travel 	Remove 5km travel restrictions		Lift state border restrictions	
Community activities 		Allow cafés and restaurants with spatial distancing		
Education 	Allow primary schools to return subject to maintaining some elements of spatial distancing, especially in interactions between teachers and parents	Allow schools, universities, and libraries to return with spatial distancing		
Work 	Allow building and construction to return Allow workplaces with fewer than 20 employees, and which have COVIDSafe plans including spatial distancing, to return; but require all other businesses to work from home where possible	Allow workplaces with fewer than 100 employees, and which have COVIDSafe plans including spatial distancing, to return; but require all other businesses to work from home where possible	Allow return to work with spatial distancing	

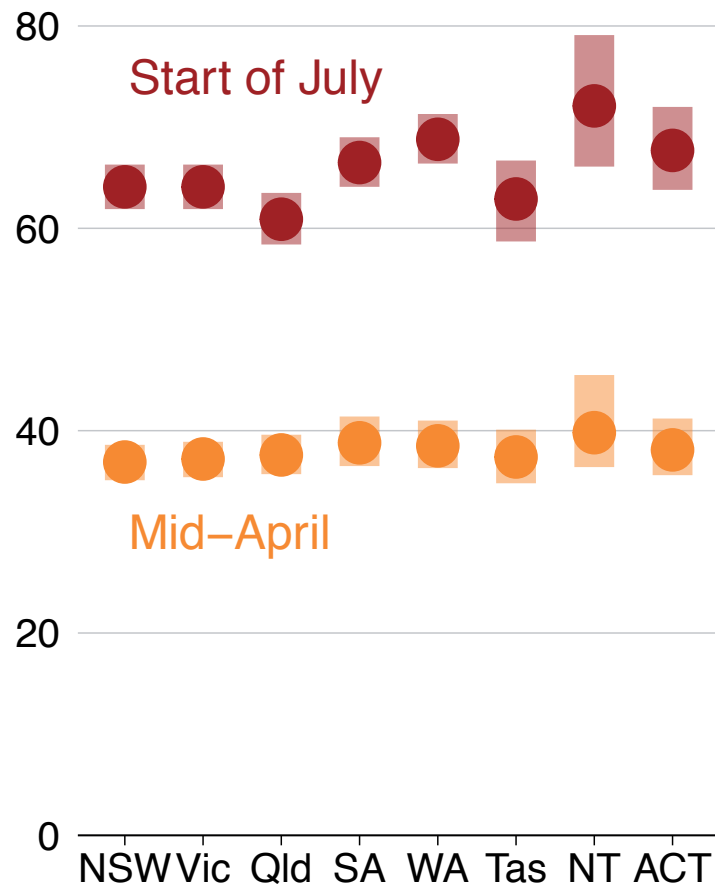
Australia has managed to drive down COVID-19 cases everywhere except Victoria

New cases from all sources

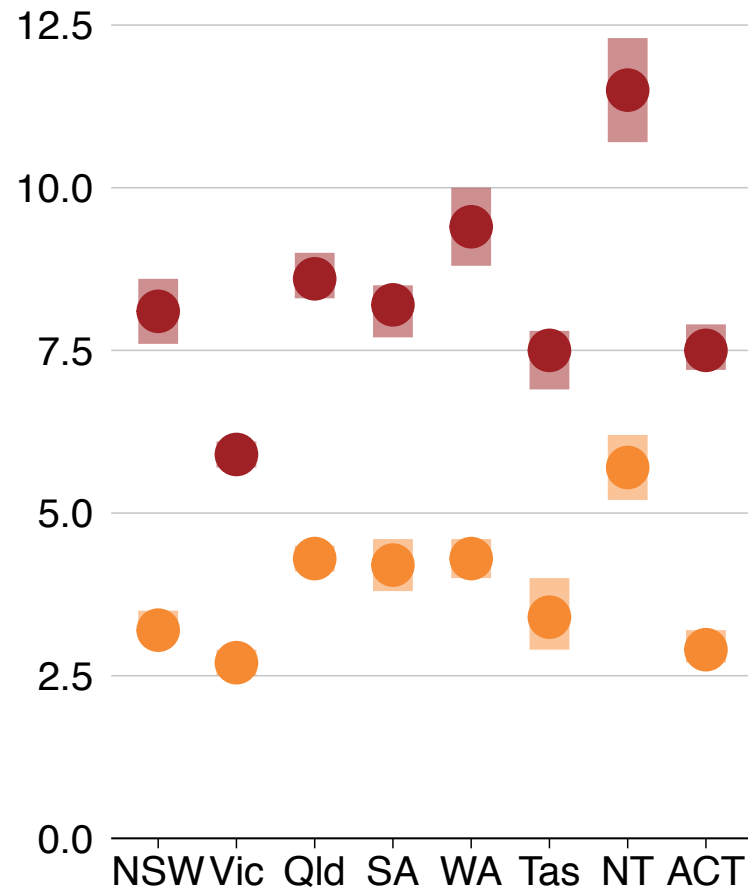


People had more contacts and were less likely to follow social distancing in July compared to April

Proportion of people breaking the 1.5m distance rule



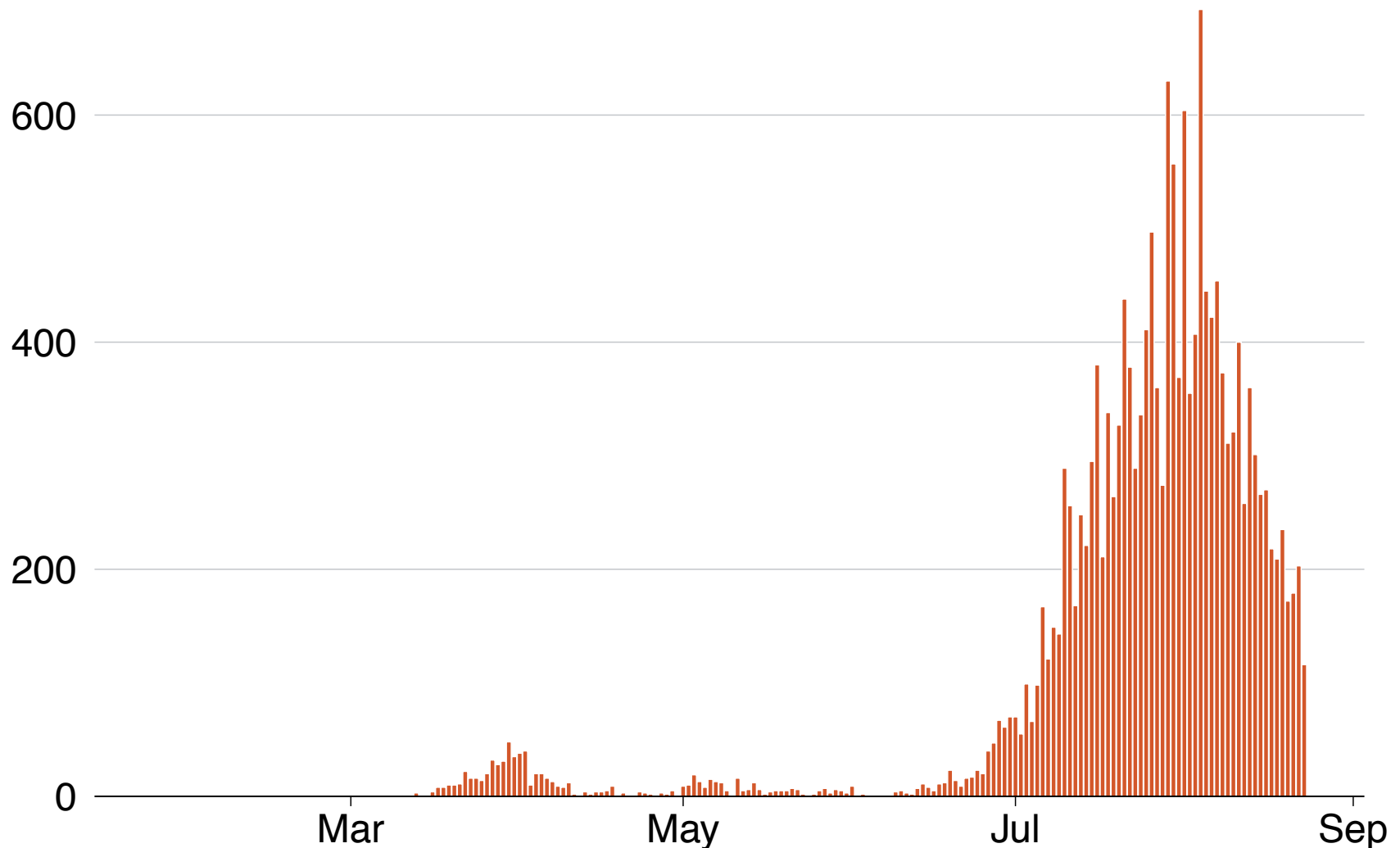
Number of non-household contacts per day



Notes: The shaded areas show 90 per cent confidence intervals. Mid-April figures are from peak adherence levels around April 8 (for contacts) and April 12 (for distancing). Source: Golding et al 2020

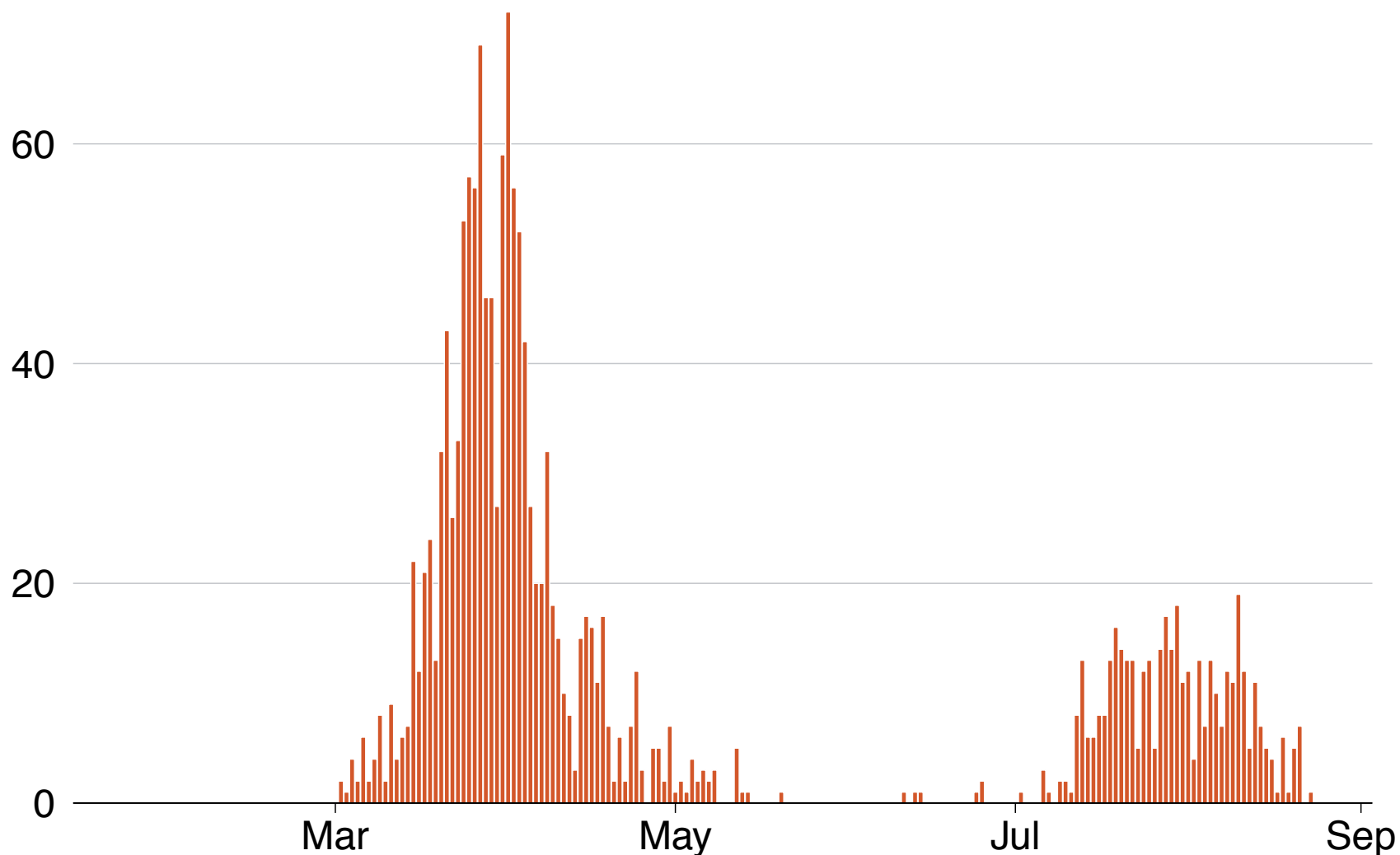
Victoria had eight times more local cases in the second wave as it did in the first

New cases per day, excluding cases from overseas



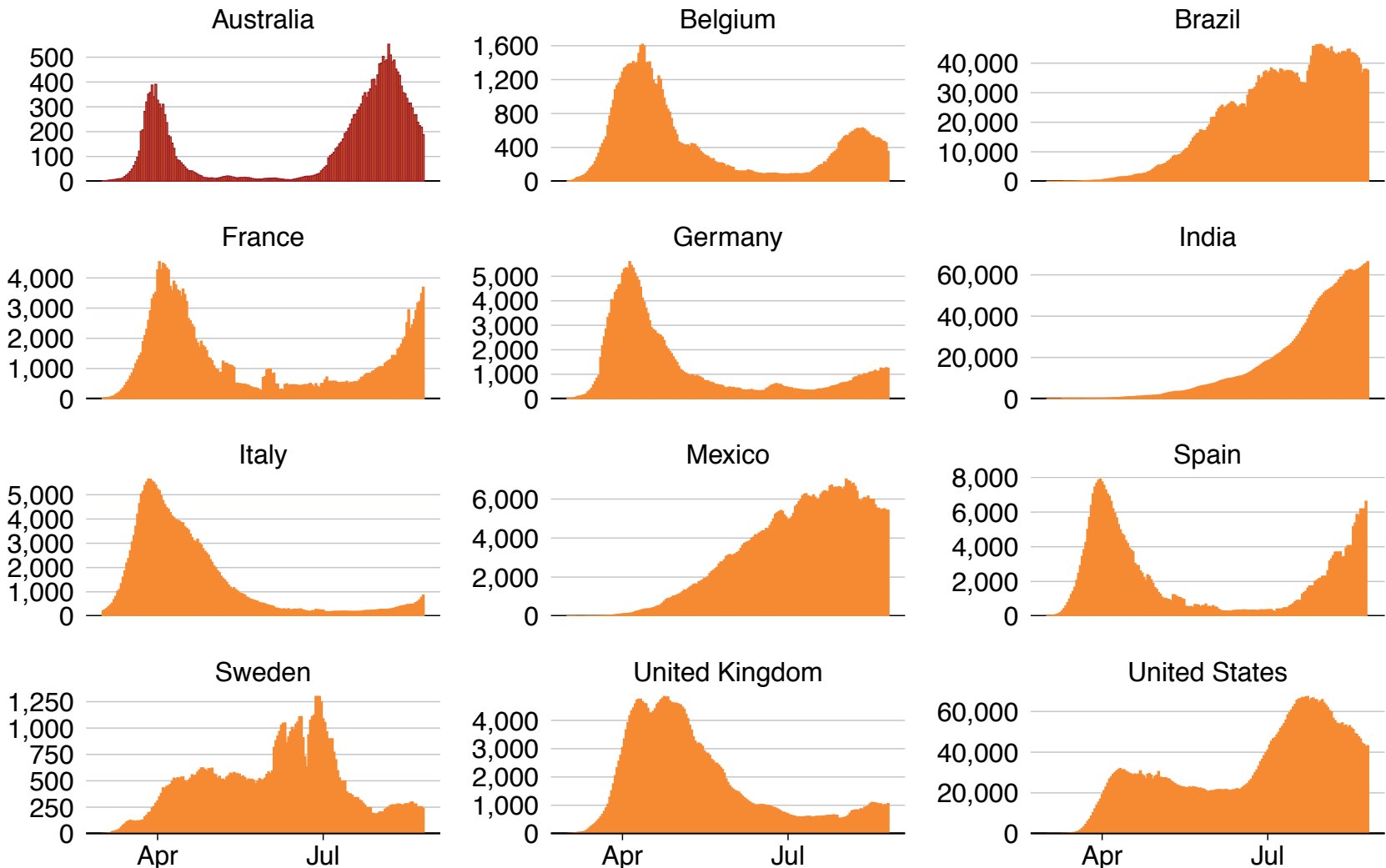
Local cases continue to appear in NSW

New cases per day, excluding cases from overseas



Many countries are suffering a second wave

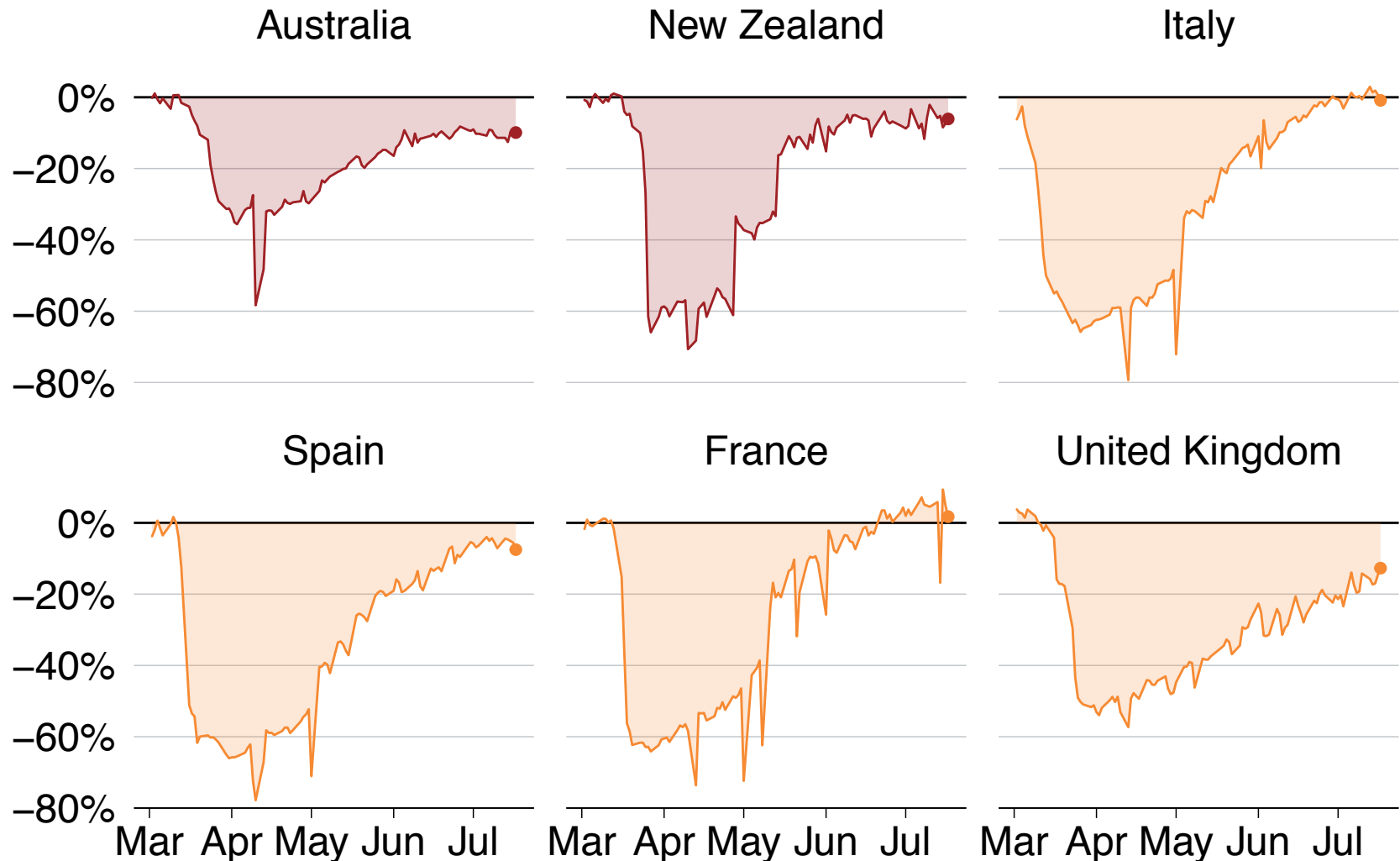
Daily confirmed cases of COVID-19



Notes: Rolling 7-day average. Actual figures are likely to be larger due to undetected cases. Source: Roser et al (2020)

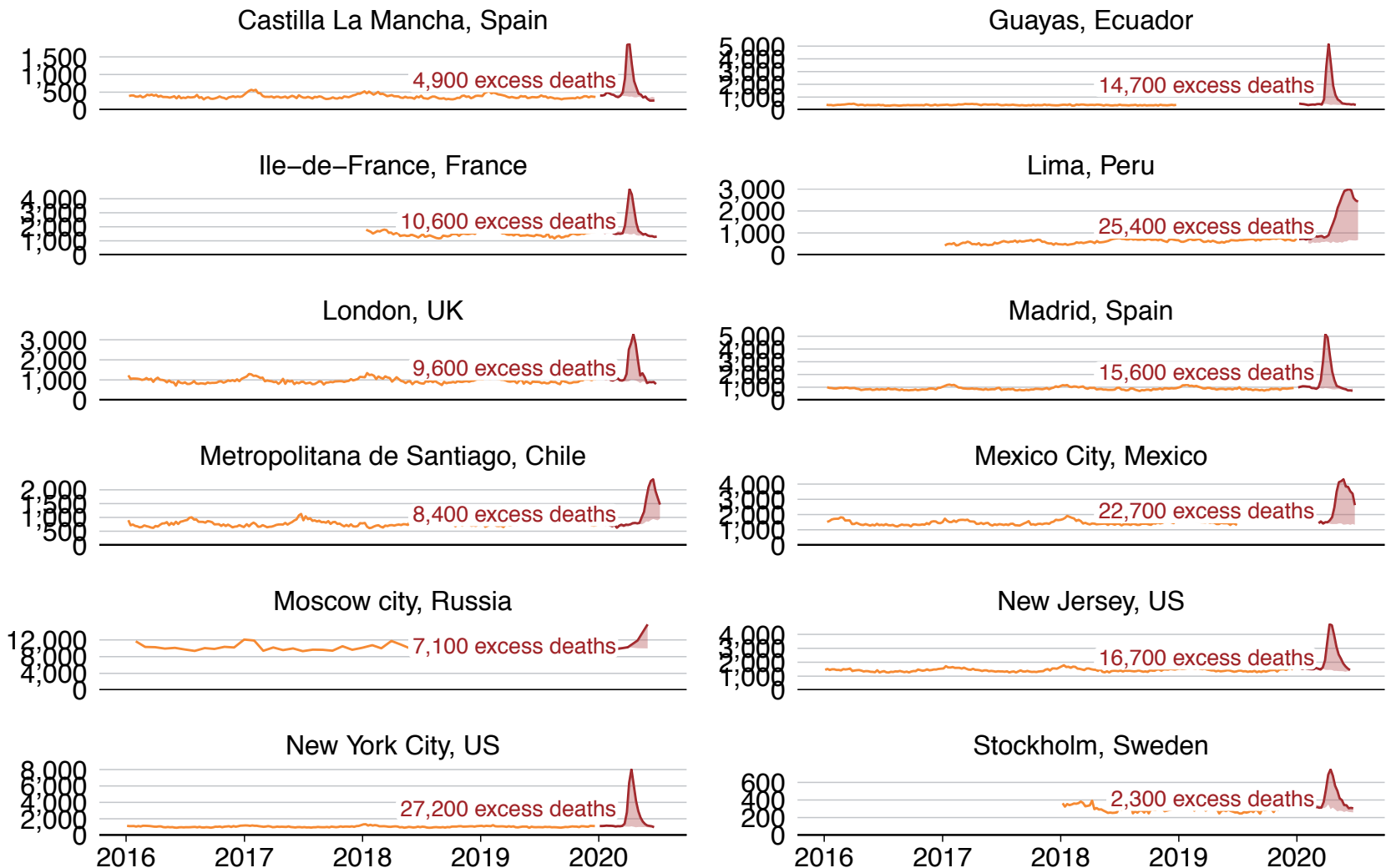
Lockdowns reduced movement more in NZ and western Europe than in Australia

Daily movement compared to pre-COVID trend



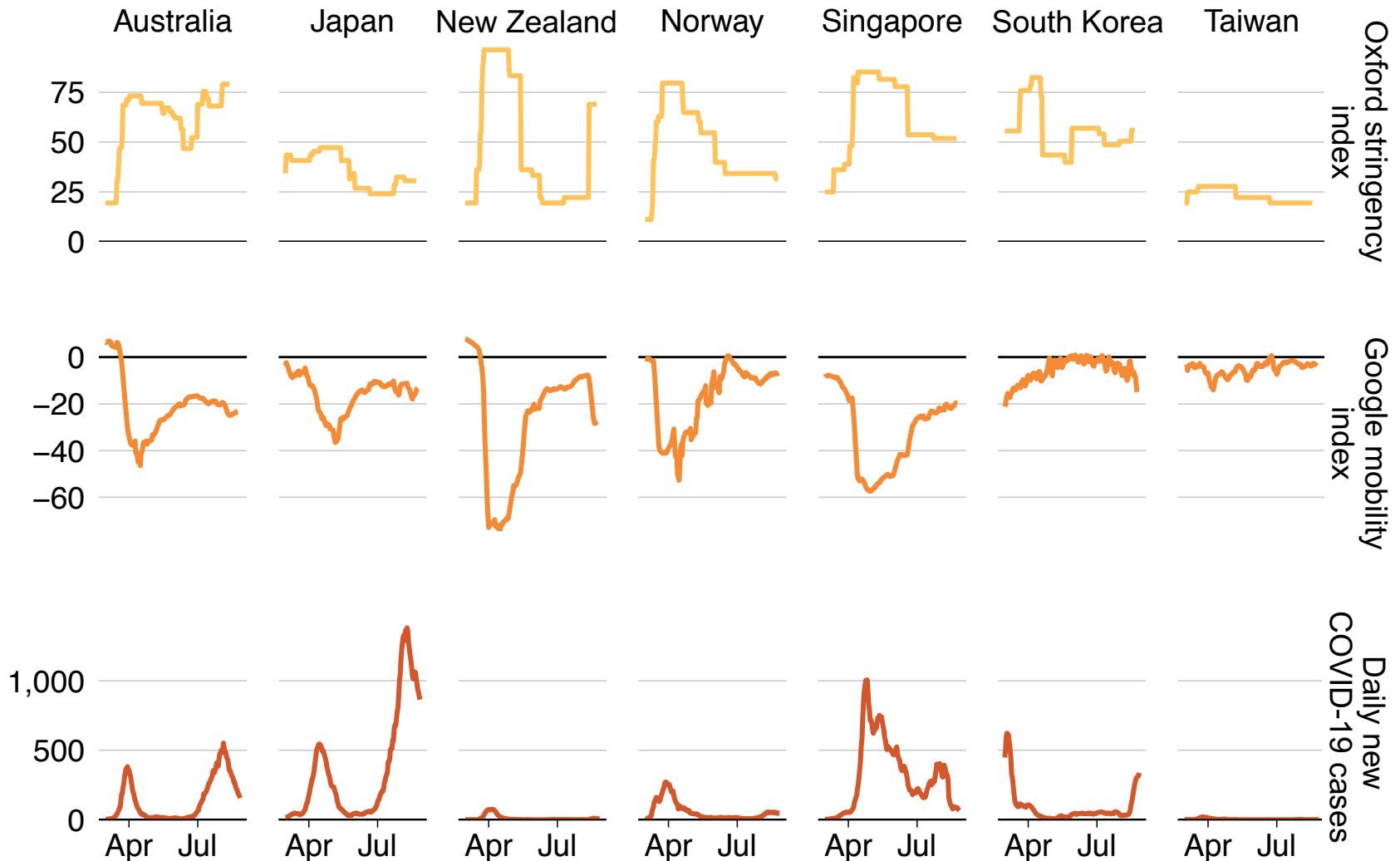
COVID-19 is not just a 'bad flu'

Weekly deaths (all-cause mortality) in cities with substantial COVID-19 infections

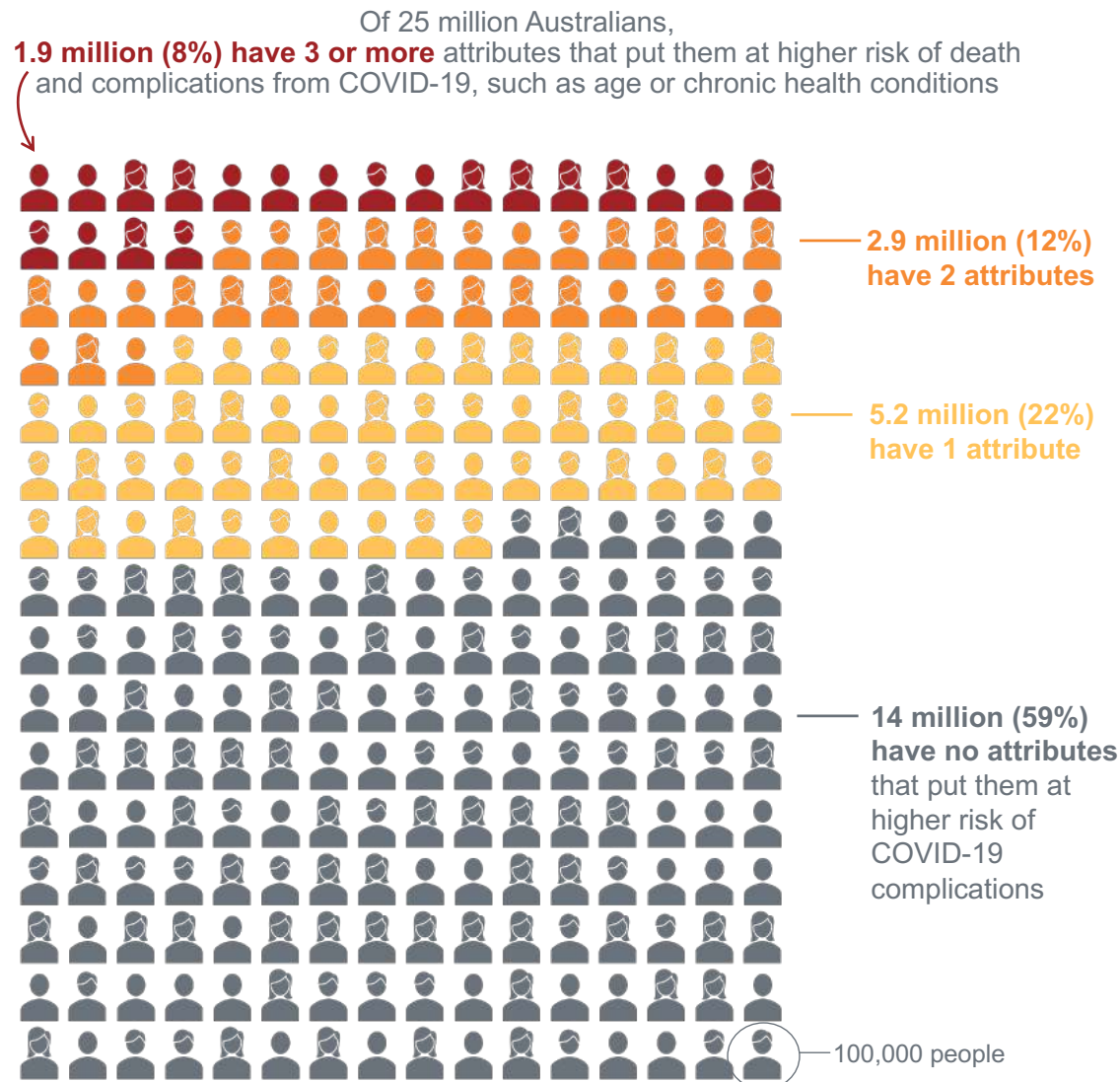


Notes: Data not available for some cities in some years. For full details see Financial Times 2020. Data collated by Financial Times (ibid)

Approaches to COVID-19 control around the world



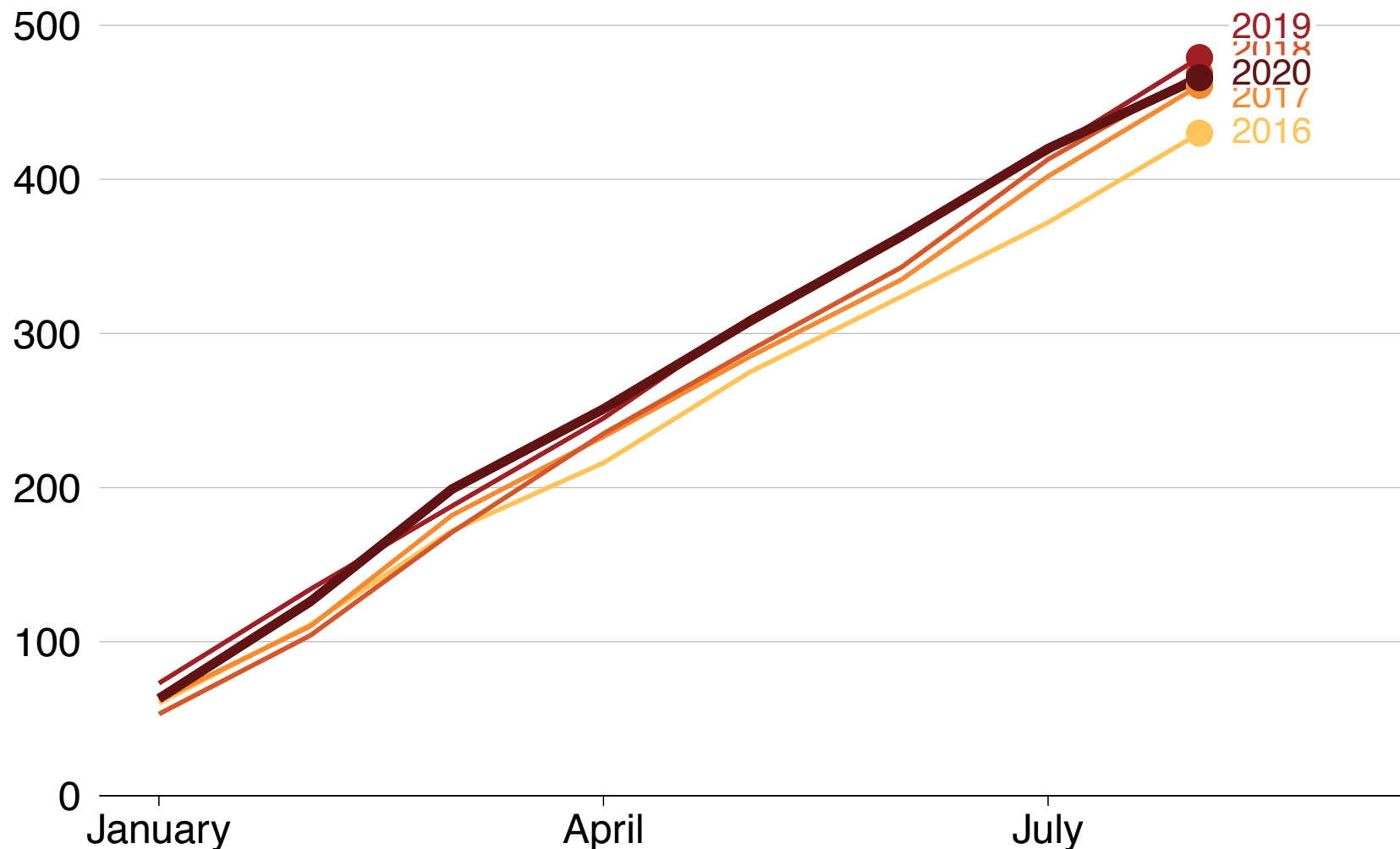
About 10 million Australians have at least one high-risk factor for death or complications from a COVID-19 infection



Notes: 'Risk factors' are any factors identified by the Department of Health as having higher risk of 'severe' or 'moderate' complications from a COVID-19 infection. The list includes several health conditions, being over 70 years of age, and being an Indigenous Australian.
Source: Grattan analysis of the National Health Survey and Department of Health advice for people at risk of coronavirus (COVID-19)

There has been an increase in suicide deaths during 2020

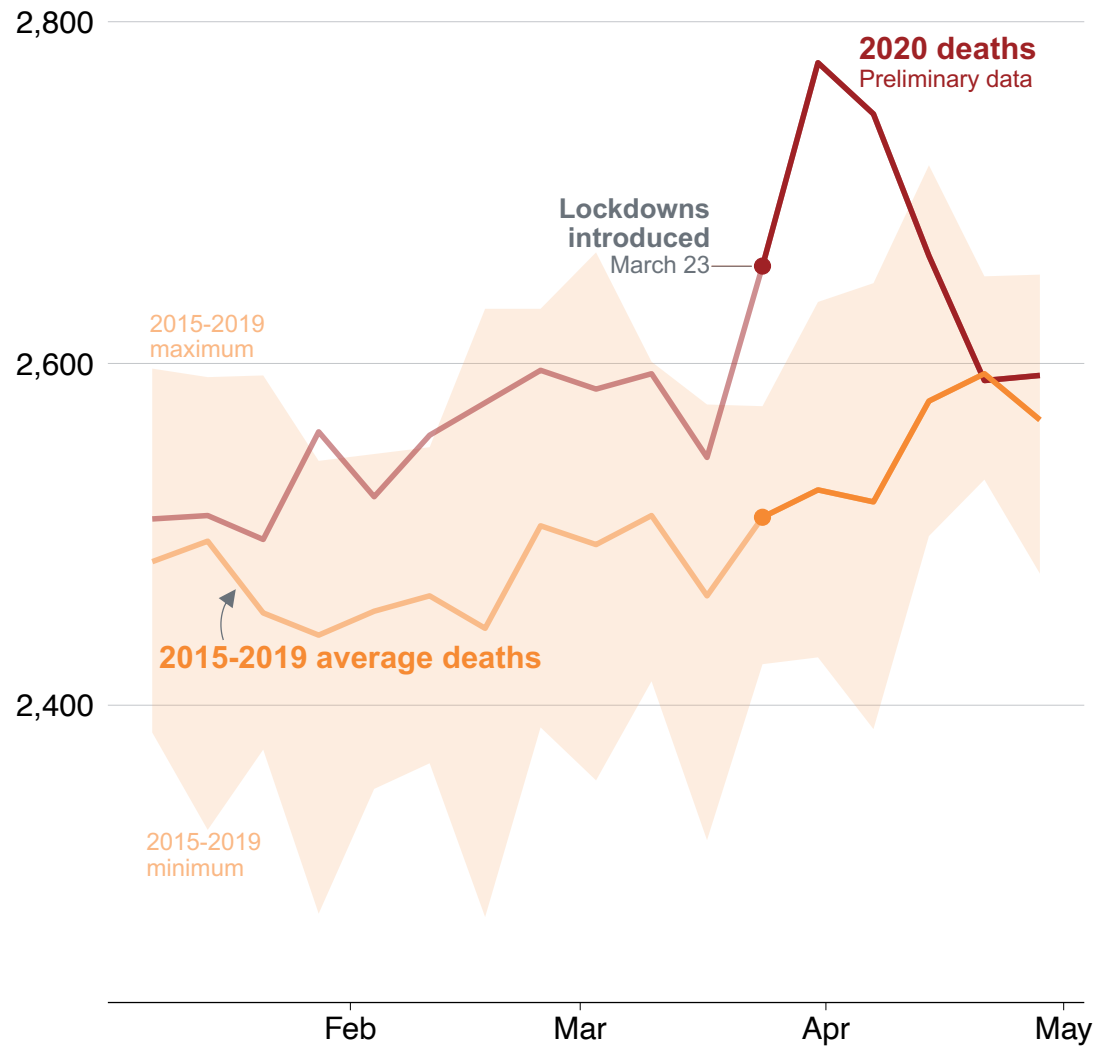
Cumulative annual deaths from suicide in Victoria



Notes: The figures for 2020 are as of 26 August, making comparisons imperfect. Source: Coroners Court of Victoria (2020)

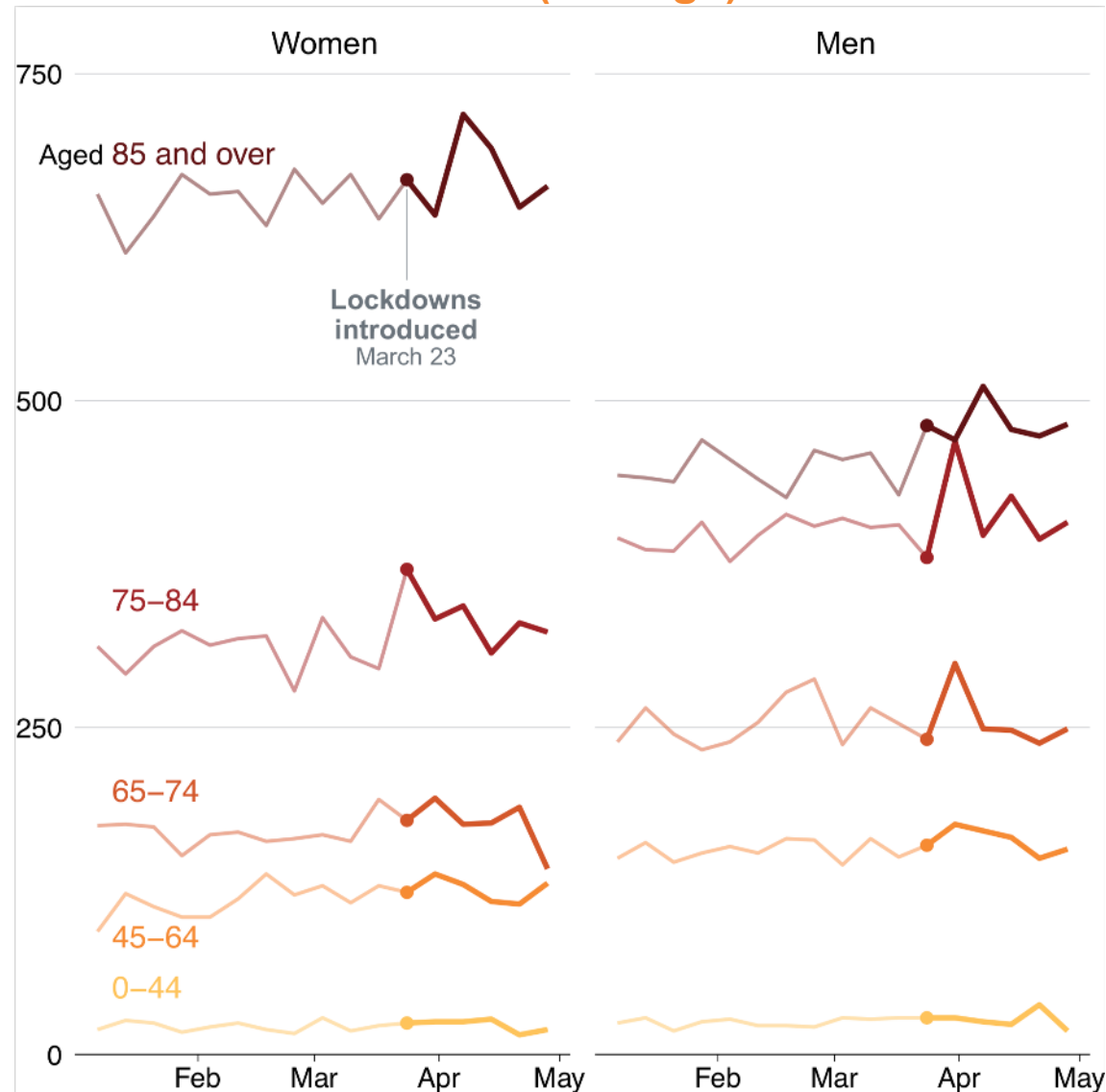
There was a small spike in deaths at the end of March

Weekly deaths in 2020 and 2015-2019 (average)



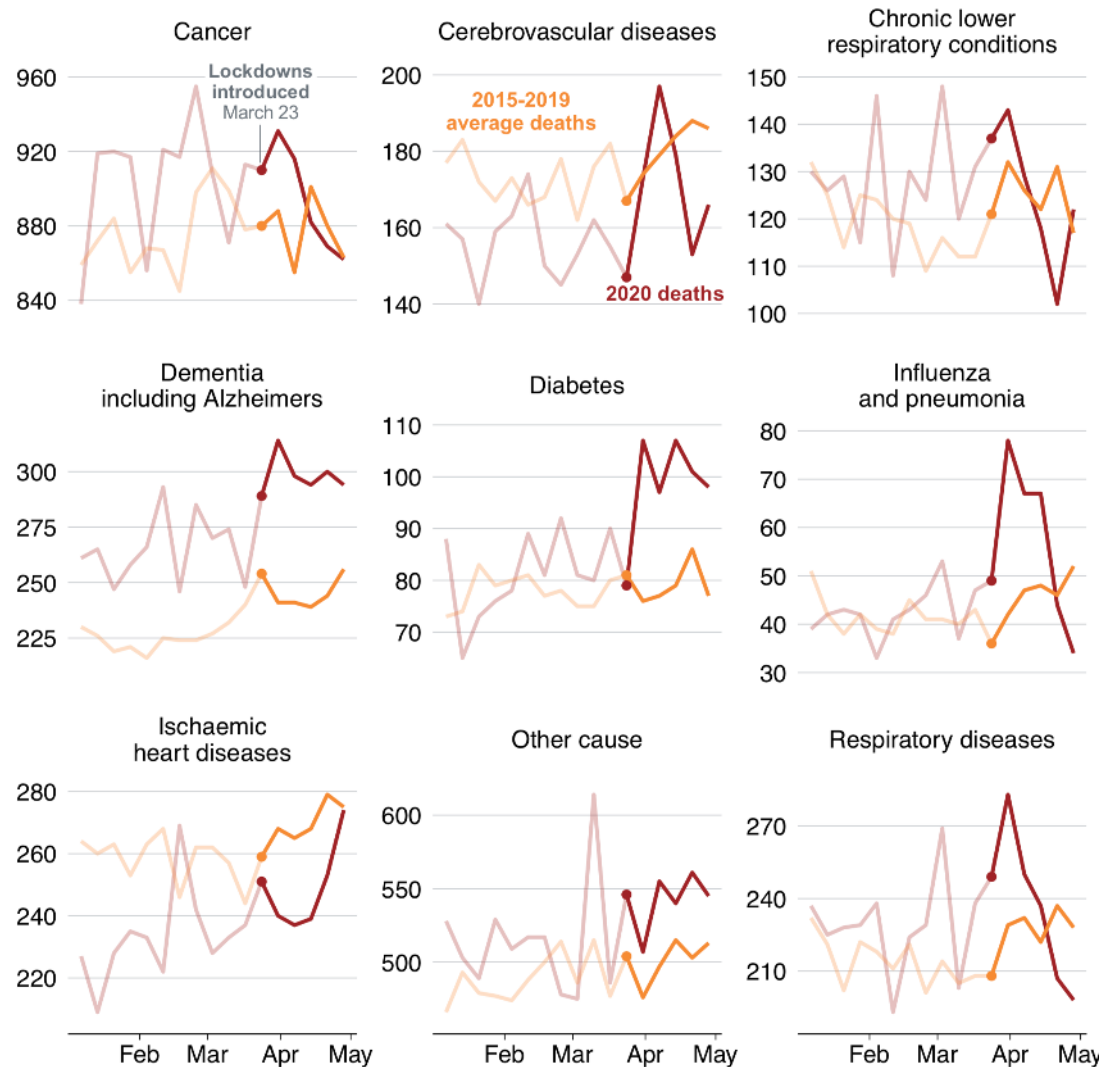
The March spike in deaths was among older people...

Weekly deaths in **2020** and **2015-19 (average)**



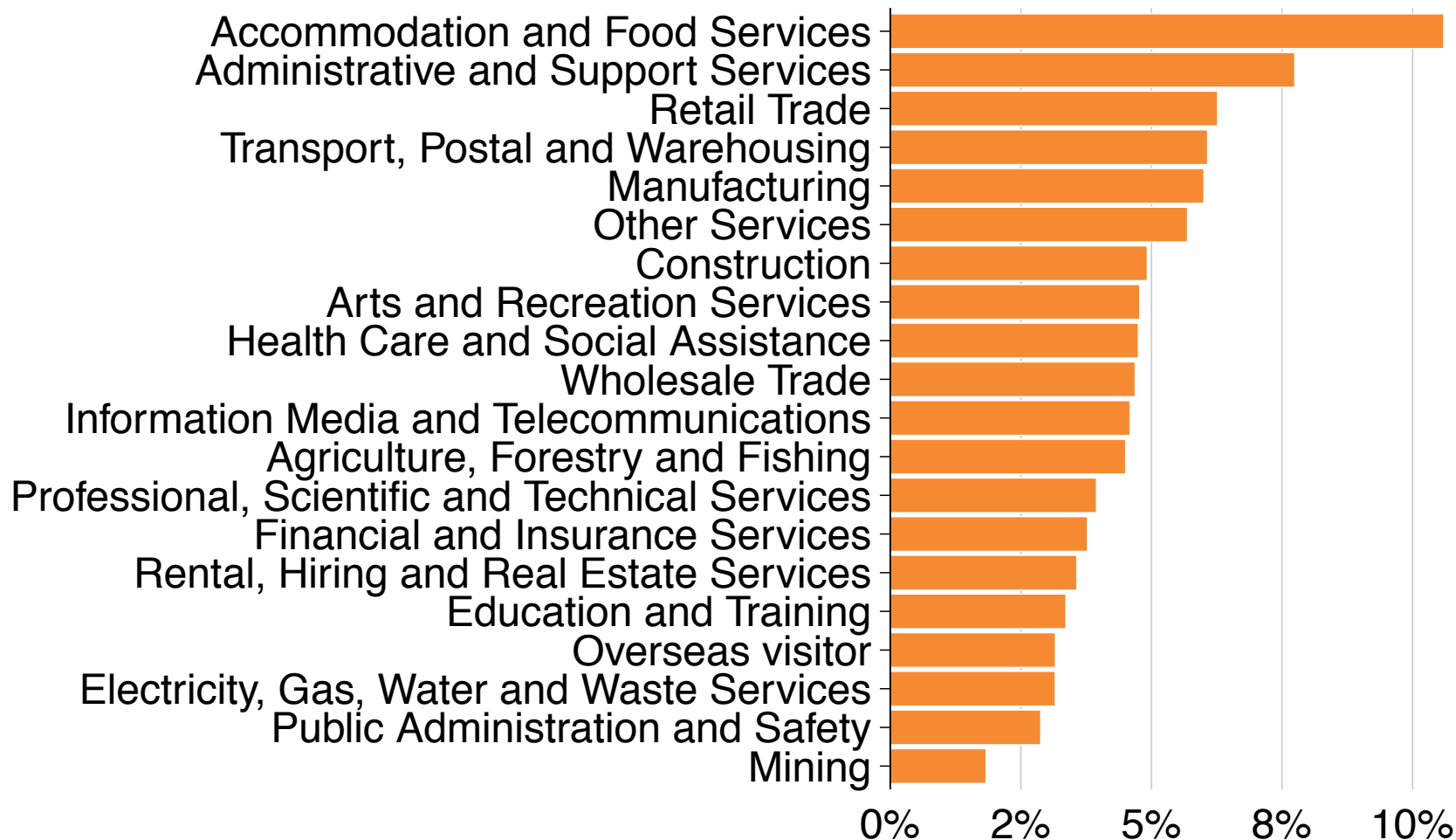
...from dementia, diabetes, influenza, and respiratory illness

Weekly deaths in **2020** and **2015-19 (average)**



Overcrowded housing is most common amongst people working in high-touch industries

Share of workers living in homes that require more bedrooms

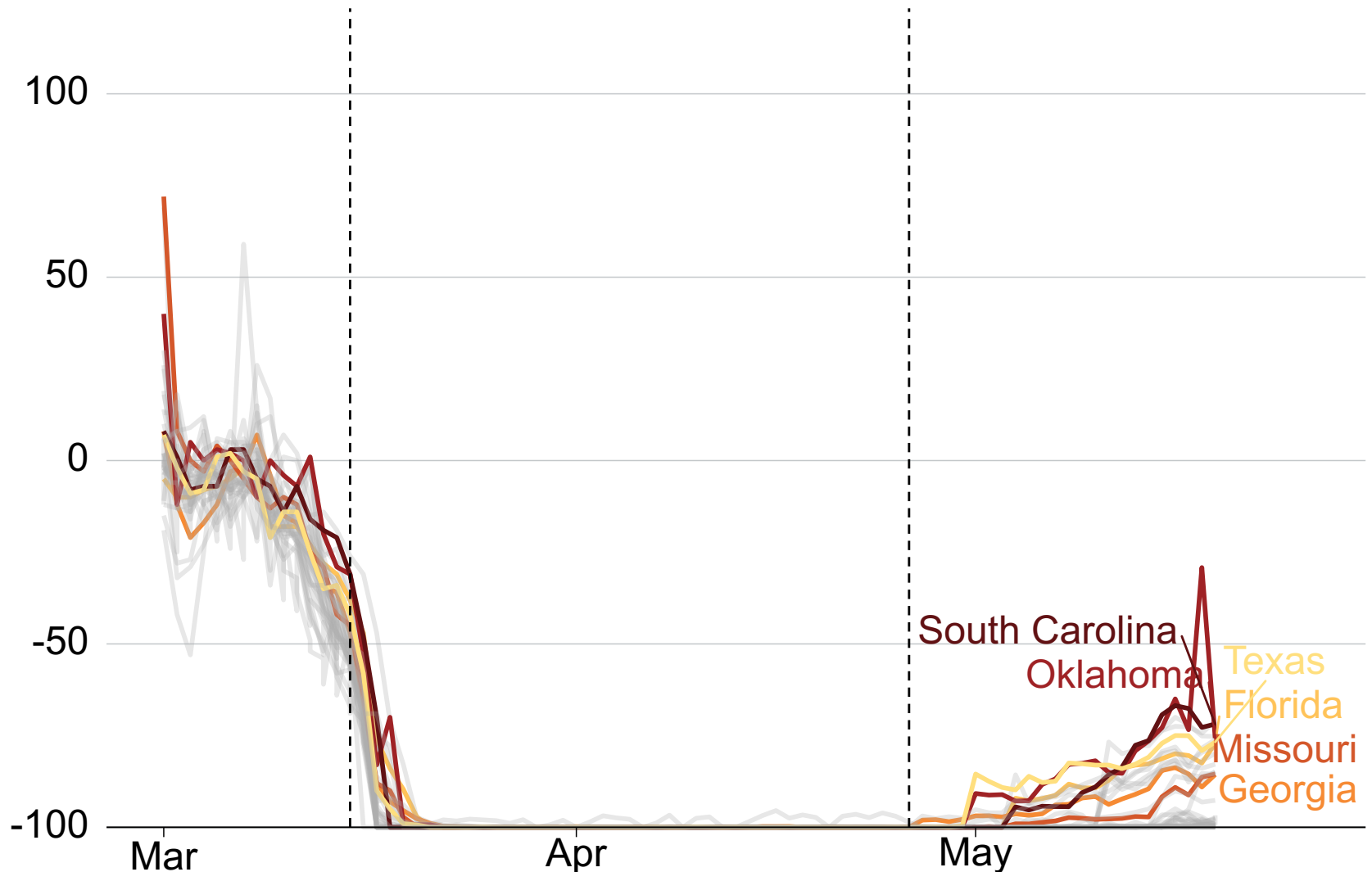


Notes: The number of 'required' bedrooms is defined by the Canadian National Occupancy Scale as: one for each single or couple, and one for each child over 5 years old. Two children of the same gender can share a bedroom.

Source: Census 2016

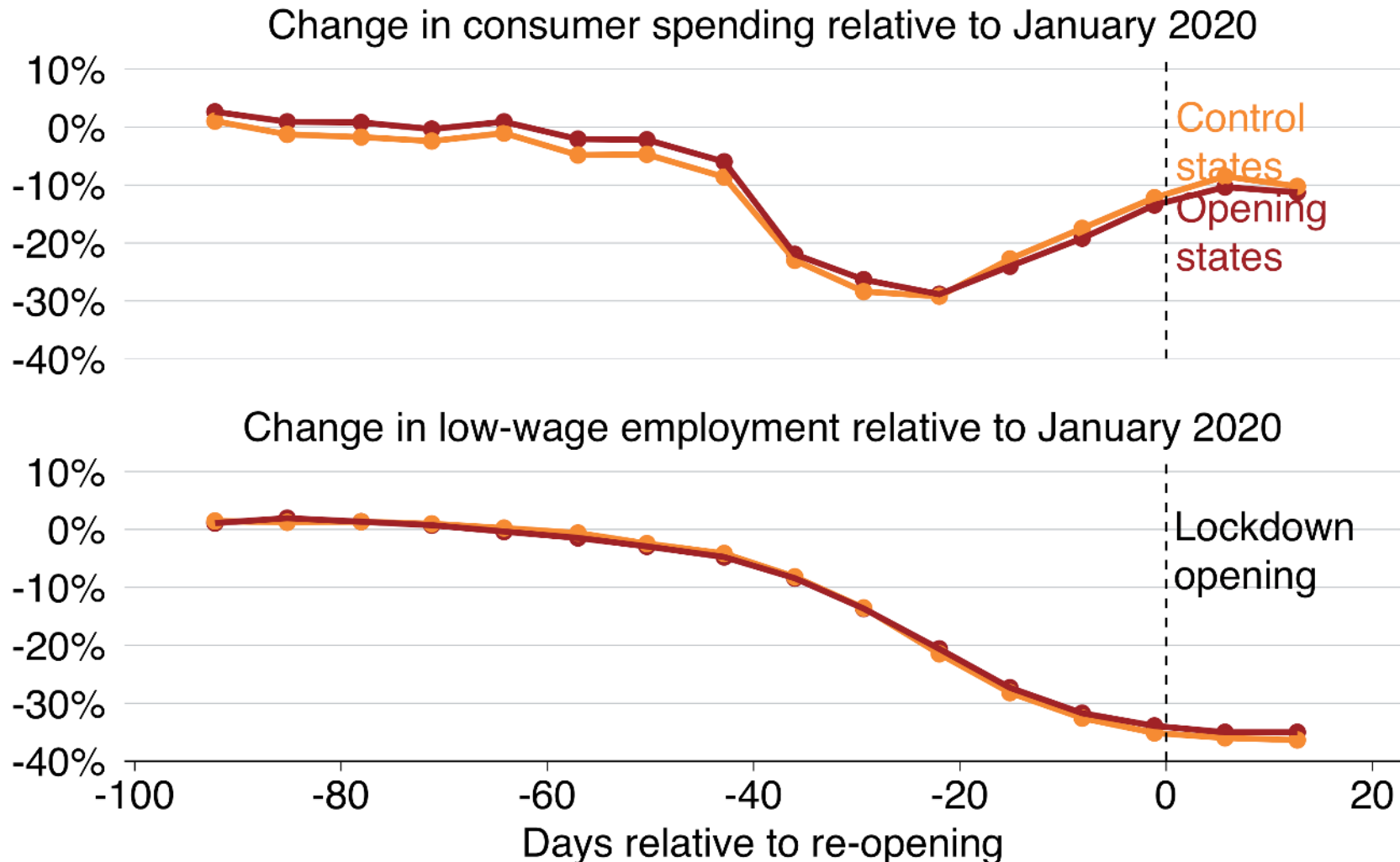
Removing lockdown restrictions doesn't guarantee a return to normal

OpenTable restaurant bookings in US states that have come out of lockdown



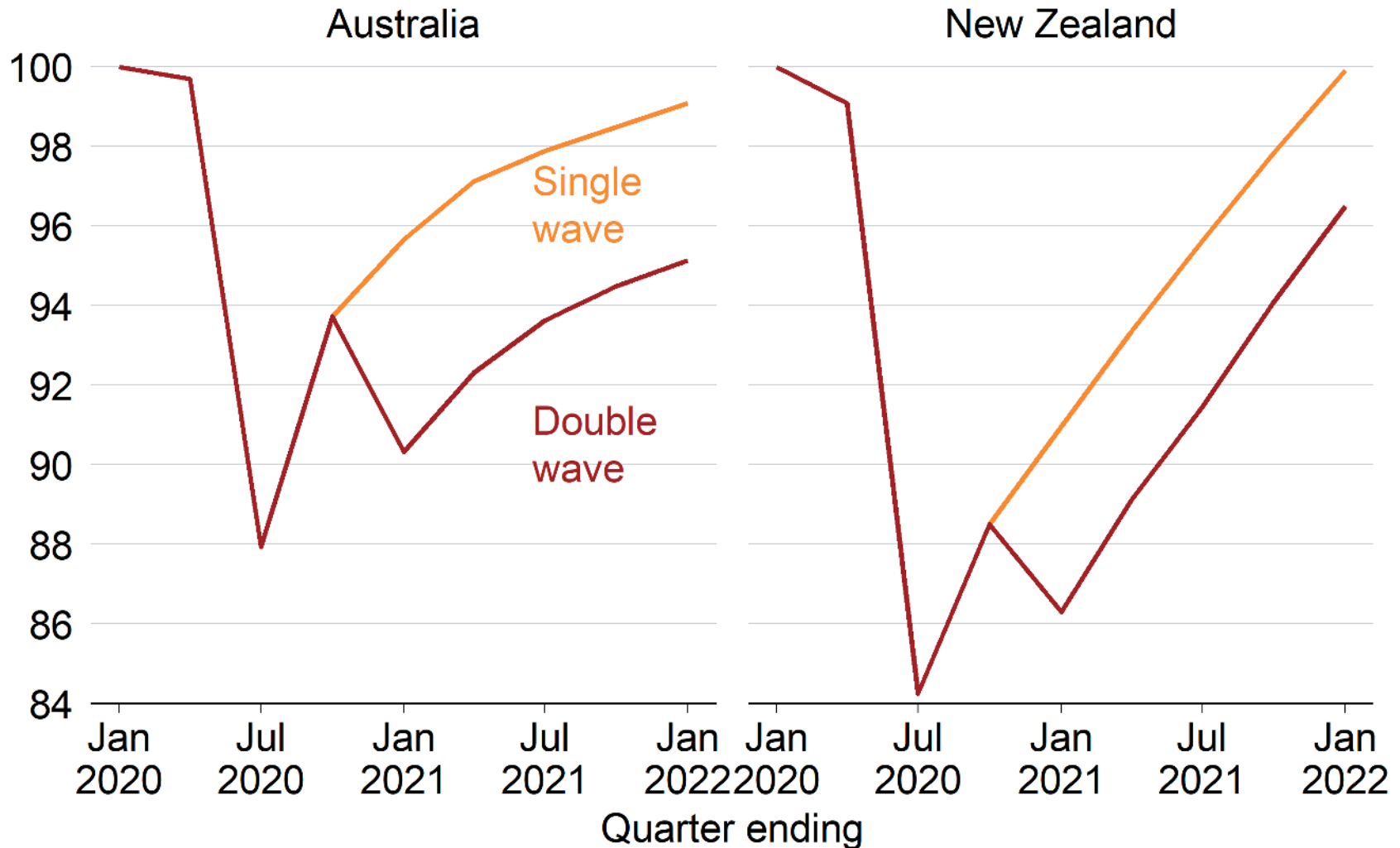
Notes: Grey colour represents all other states that have restaurant booking data and which had not lifted lockdowns. Source: Analysis of OpenTable data based on The Economist

US states which re-opened didn't see significant gains in either consumer spending or employment



A second wave of COVID-19 will further damage the economy

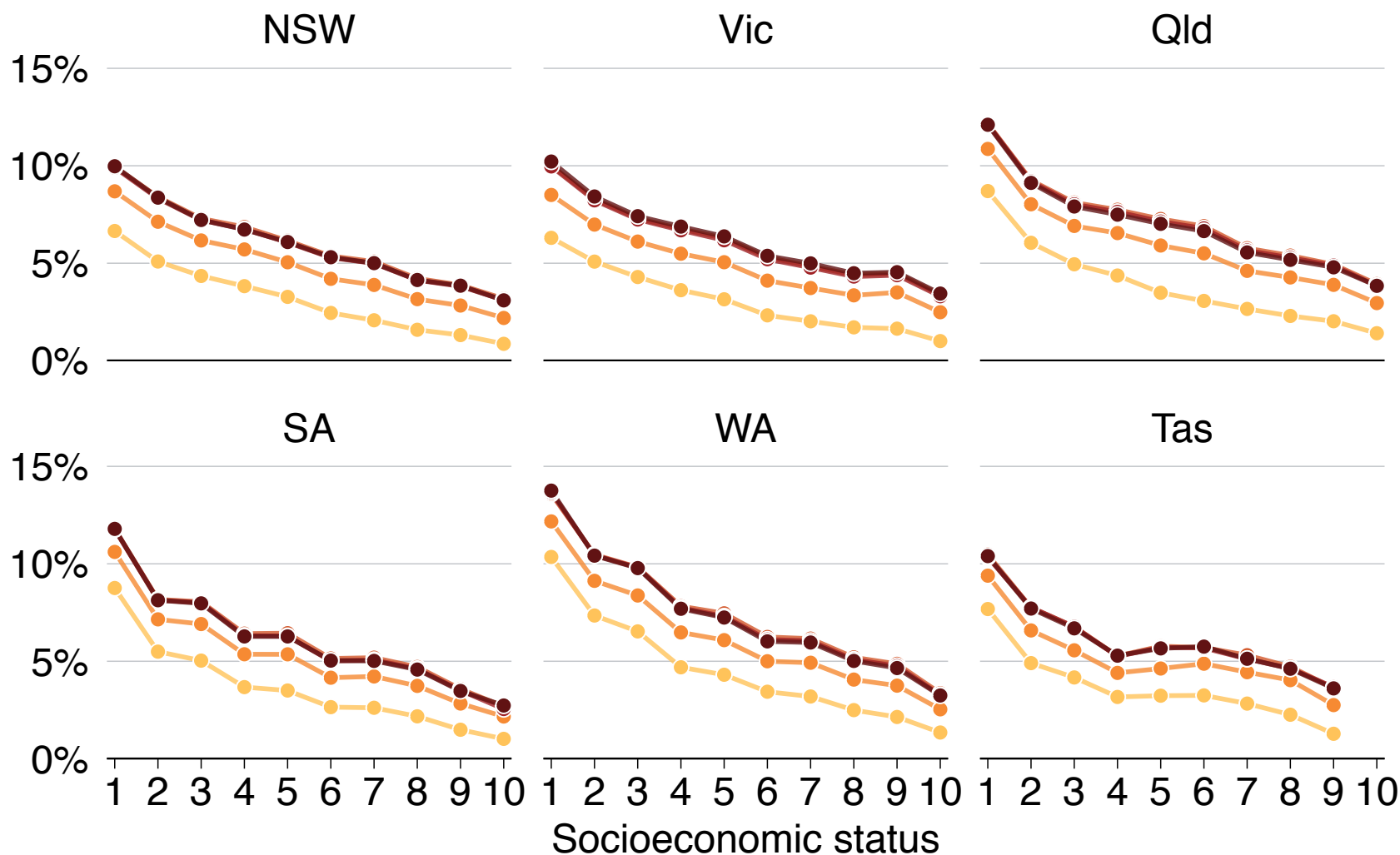
Quarterly GDP, indexed to 2019 Q4



Notes: For the single-wave scenario, the OECD modelling assumes that 'countries successfully overcome the current outbreak due to the containment measures put in place in the first half of 2020.' In the double-wave scenario, the 'current easing of containment measures is assumed to be followed by a second, but less intensive, virus outbreak taking place in October/November'. Source: OECD

More people from poor areas are unemployed

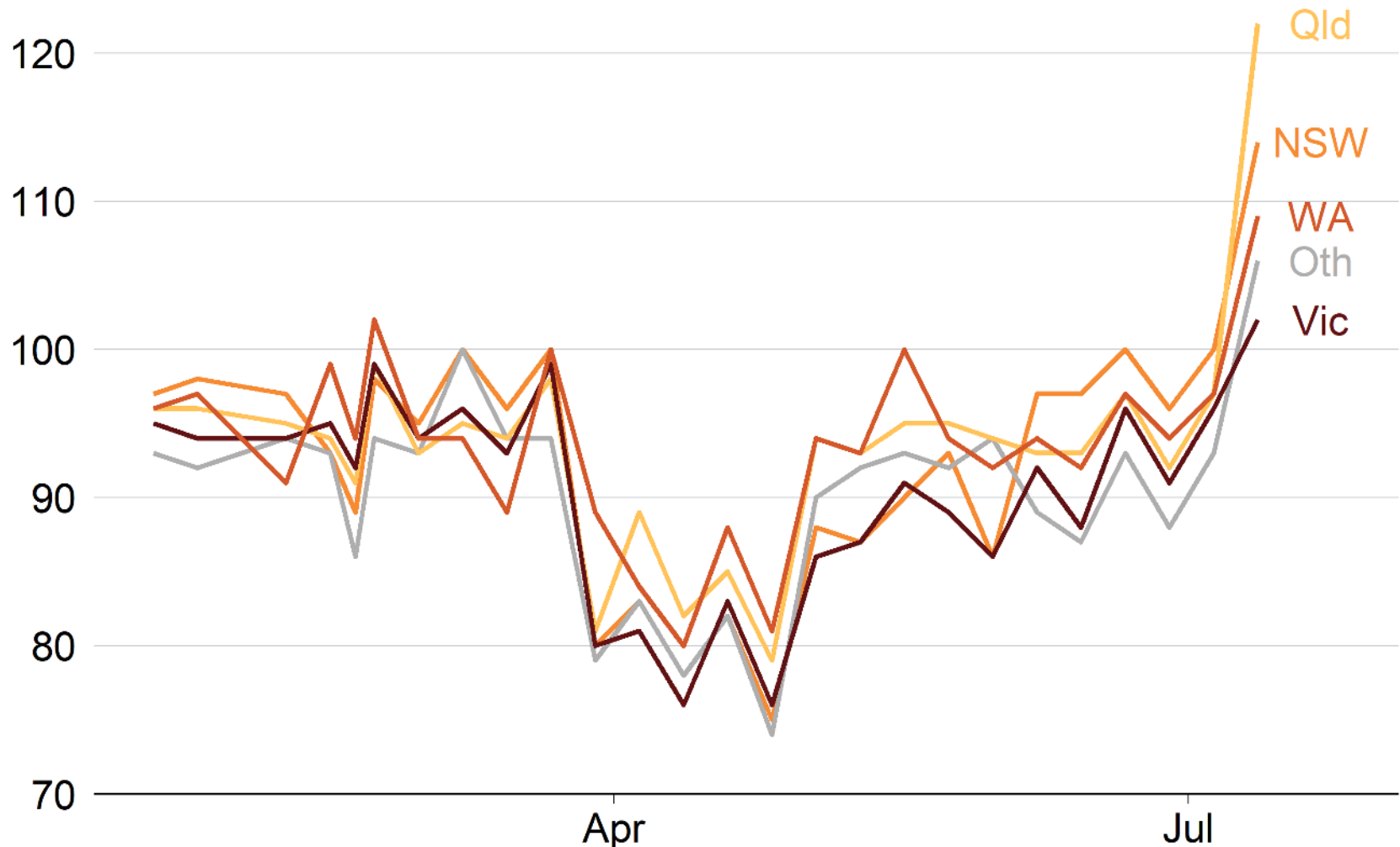
Proportion of people in each state who received JobSeeker payments by socioeconomic decile, **March-June**



Notes: JobSeeker recipients by SA2s matched with SEIFA Index of Relative Socioeconomic Advantage and Disadvantage (IRSAD) deciles. Sources: DSS and ABS

Consumer spending has recovered more strongly in states which have contained COVID-19

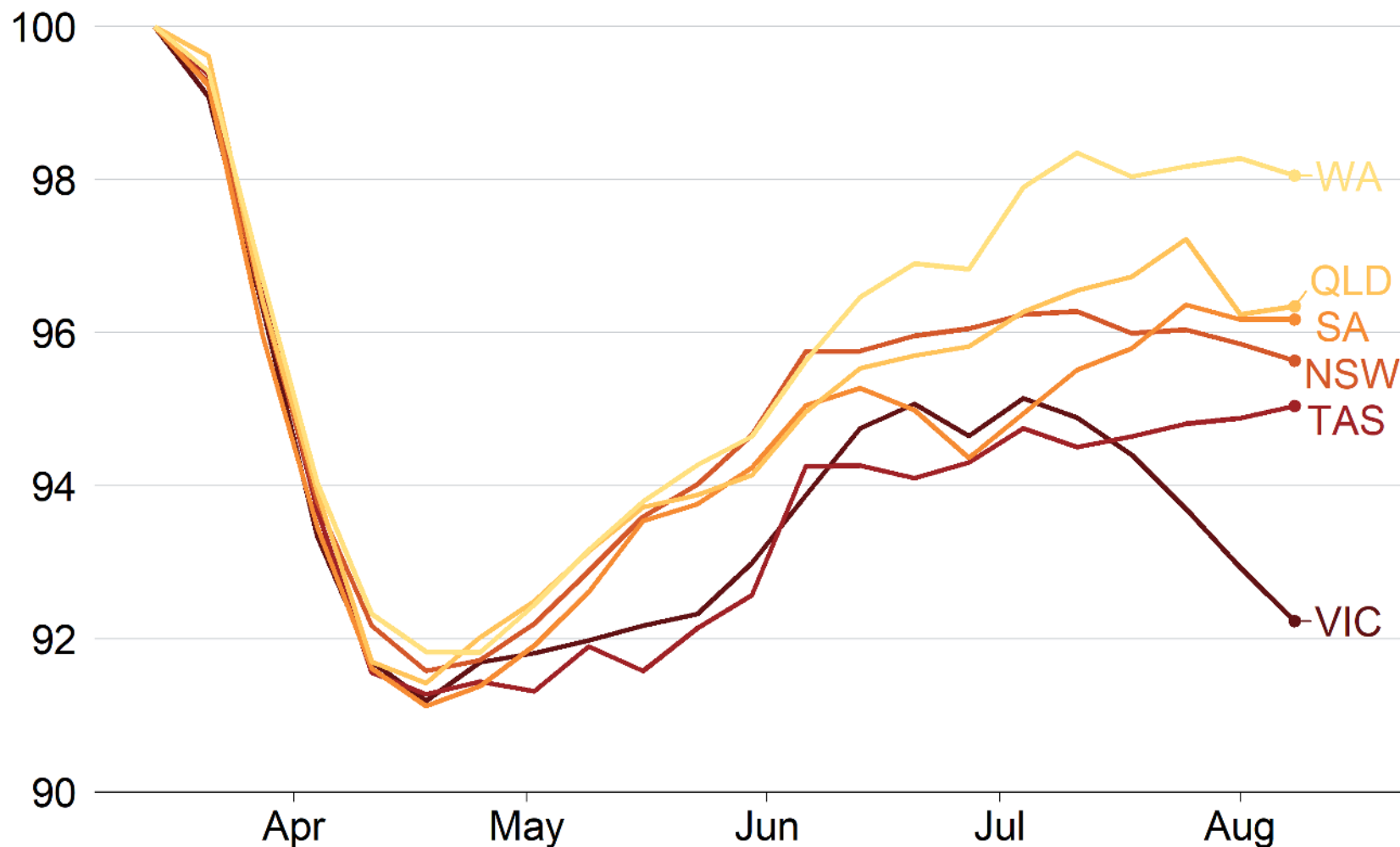
Weekly consumption index per person, indexed to normal weekly base excluding Christmas



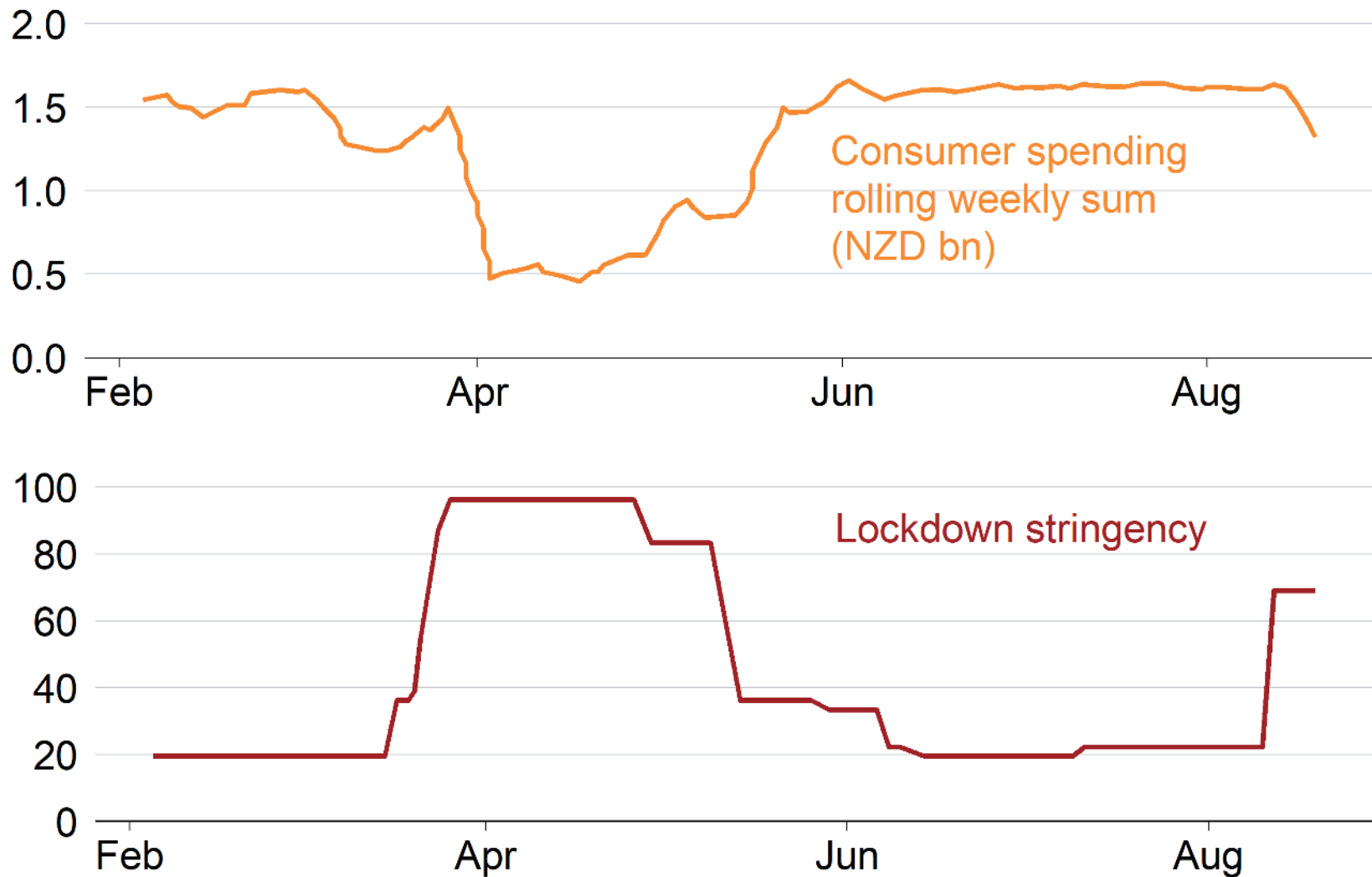
Notes: Based on a weekly transaction sample of 250,000 Australian consumers. The state trends broadly align with the ABS retail statistics. Source: Wade analysis of AlphaBeta

The jobs recovery in Victoria has lagged behind other states

Weekly payroll jobs index, benchmarked to 14 March 2020

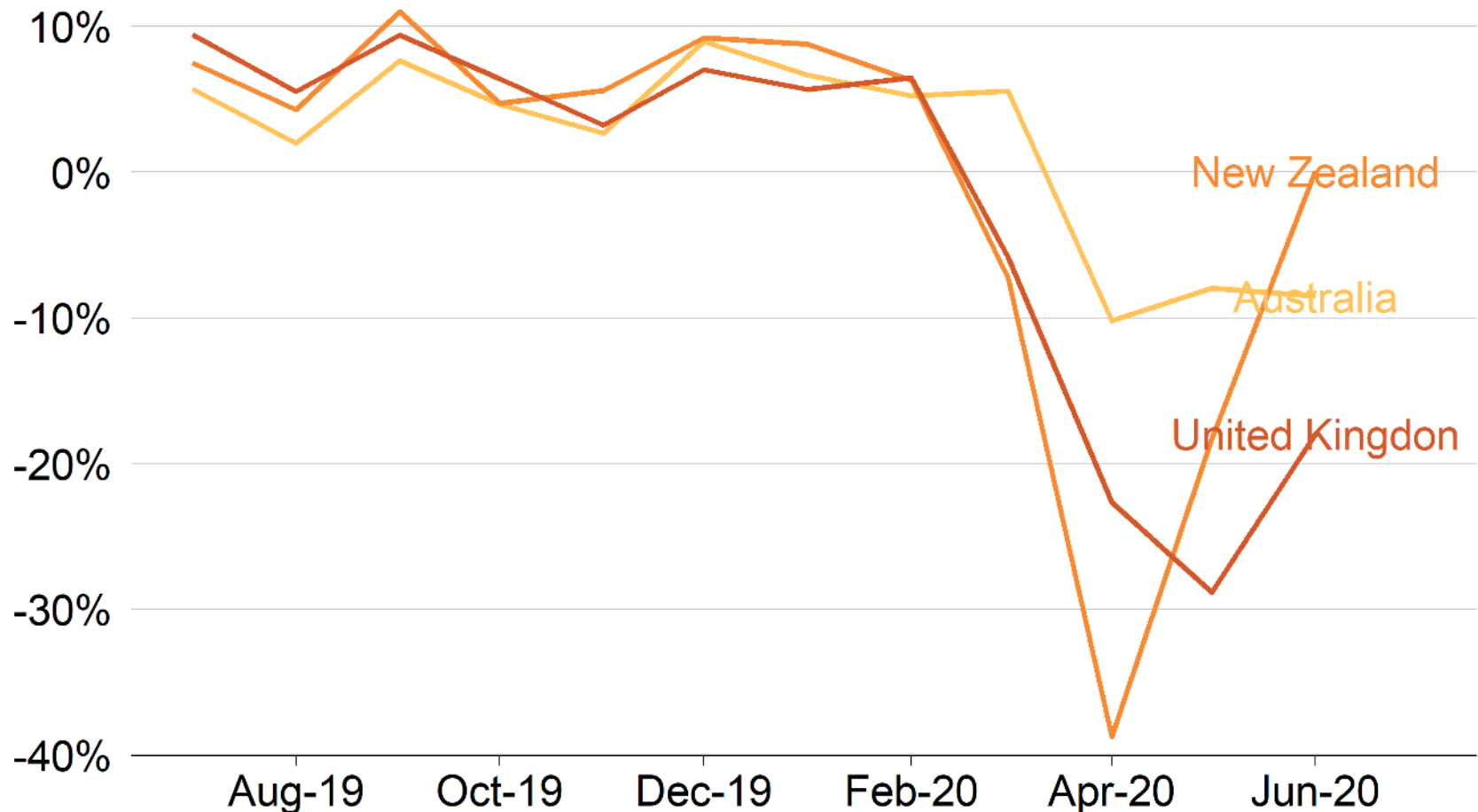


Consumer spending in NZ has closely followed the lockdown stringency



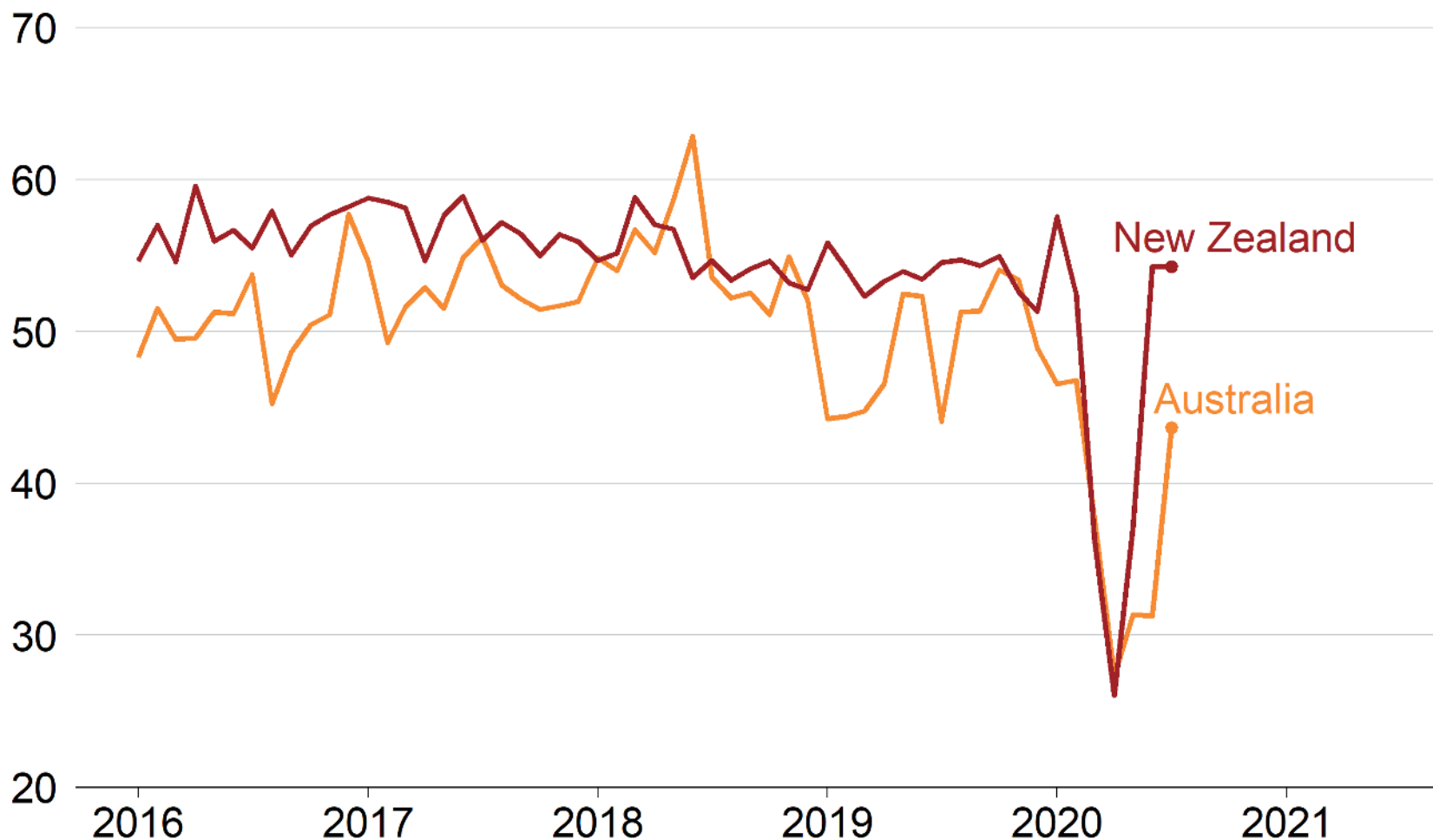
Small business revenue has already returned to pre-COVID levels in New Zealand

Change in small business revenue compared with 12 months ago



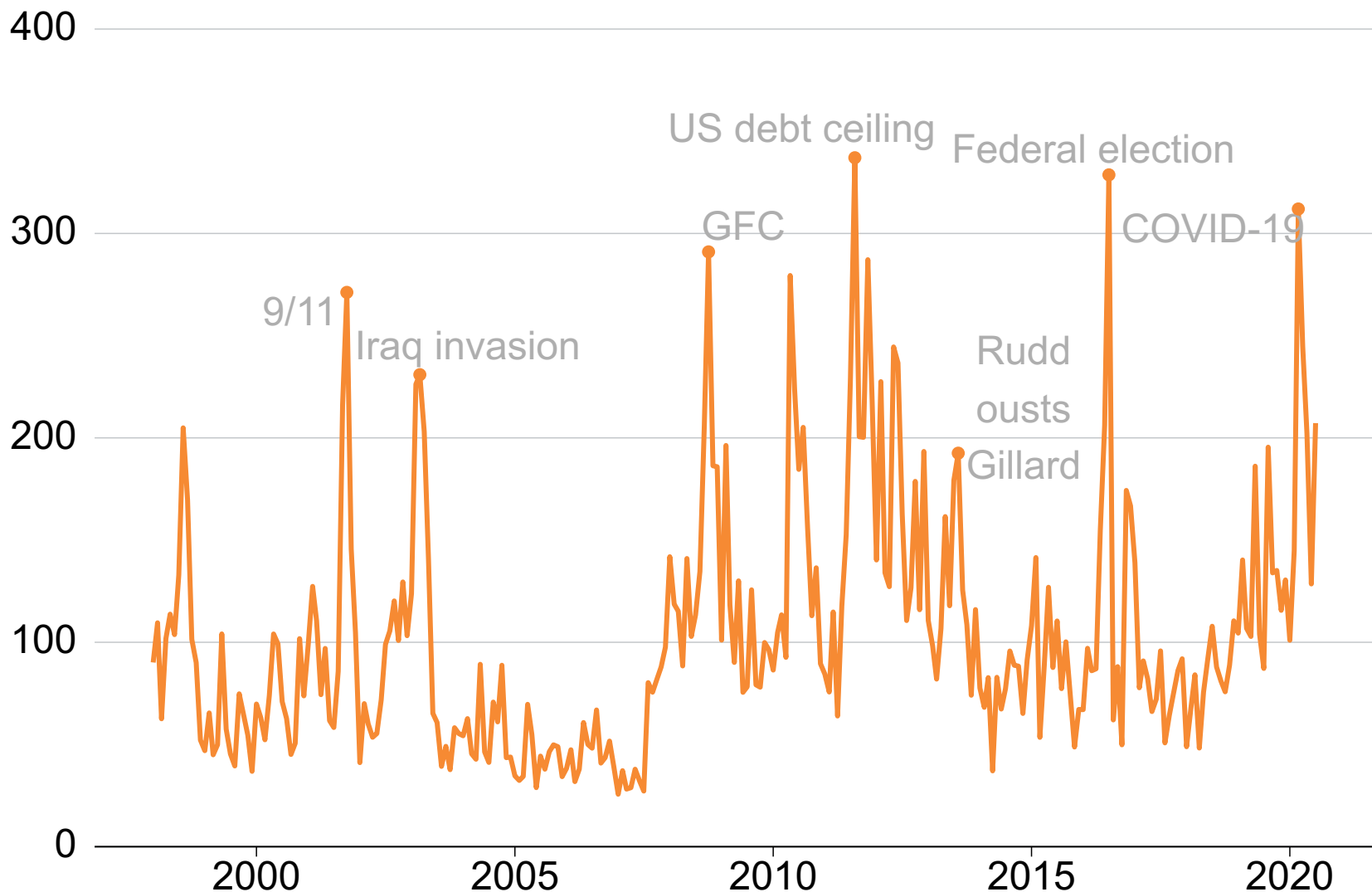
Services in NZ have rebounded more quickly than in Australia

Performance of Services Index



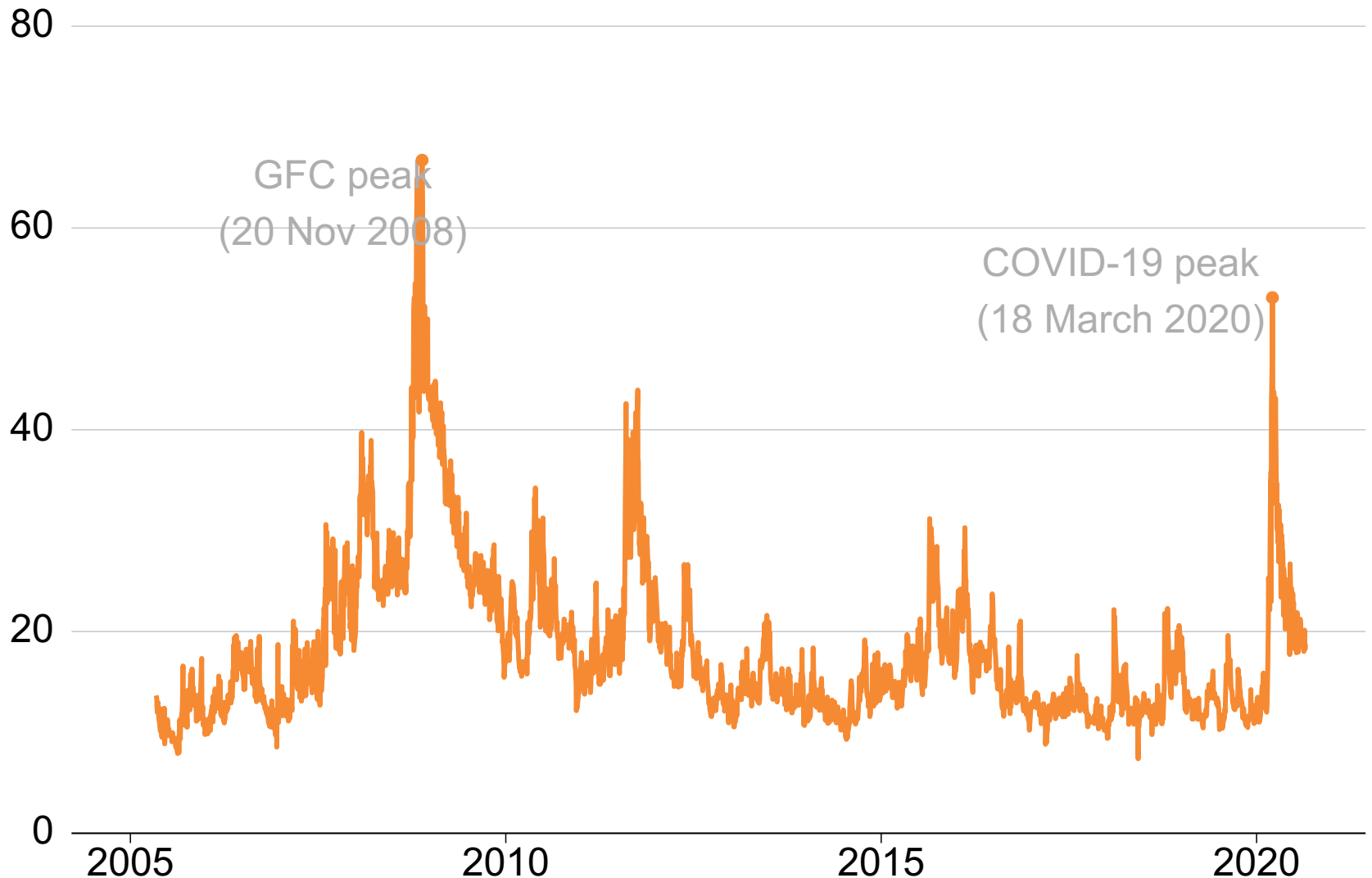
COVID-19 caused a spike in uncertainty about economic policy in Australia

Economic Policy Uncertainty Index, Monthly



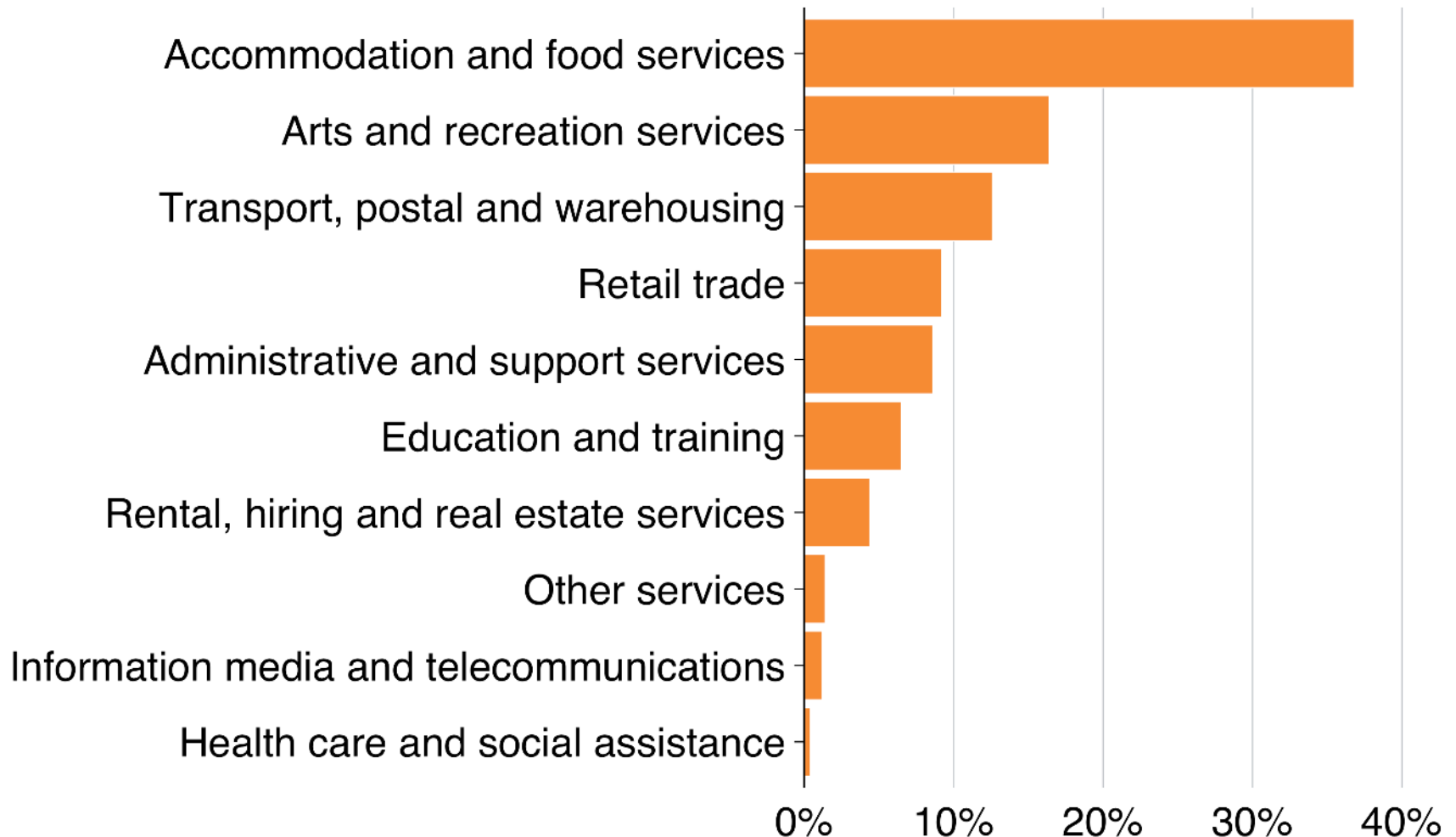
The implied volatility of the Australian stock market has been at its highest level since the GFC

S&P ASX200 VIX, daily



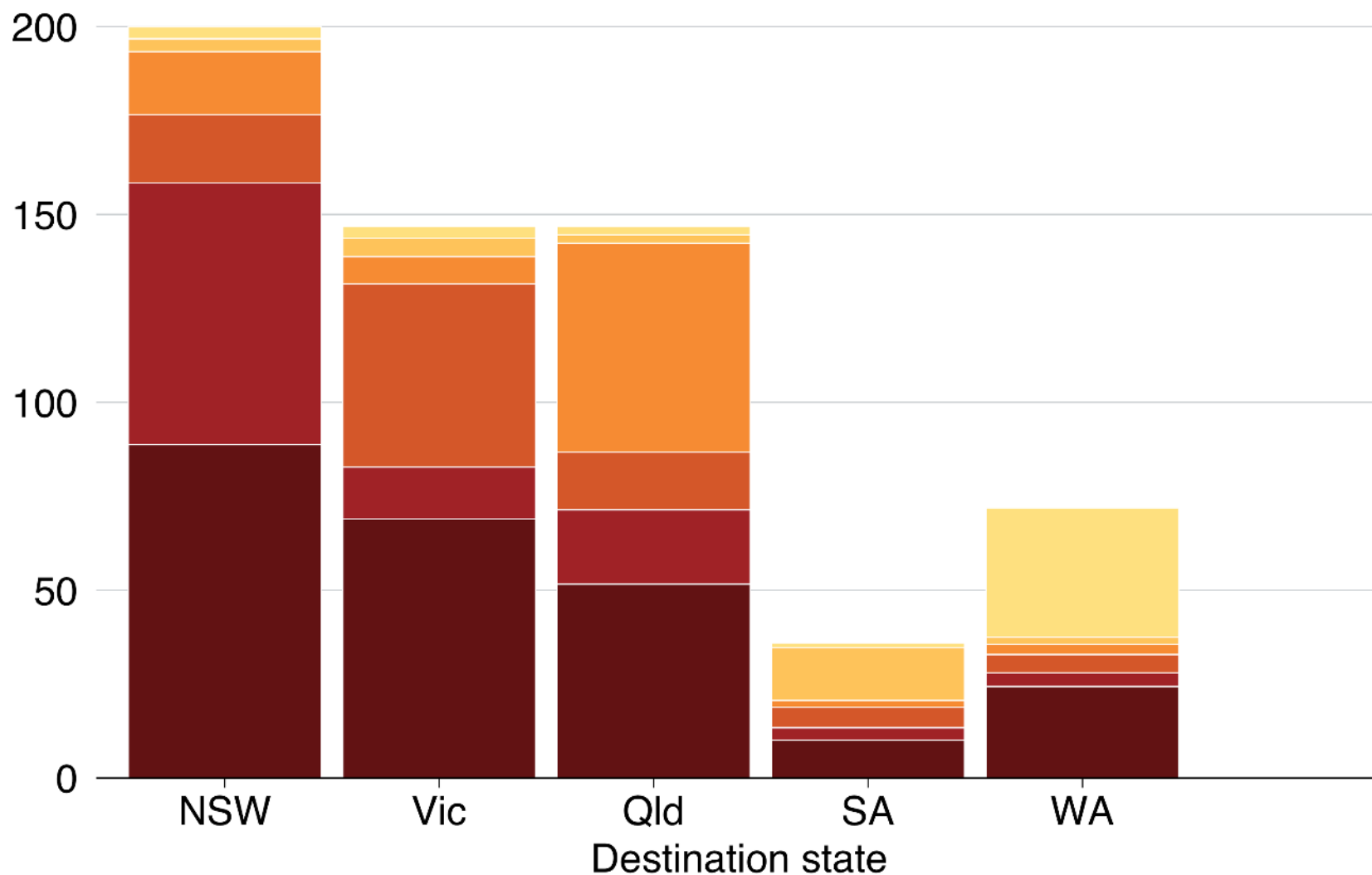
Tourism supports numerous sectors

Tourism share of industry gross value added, 2018-19



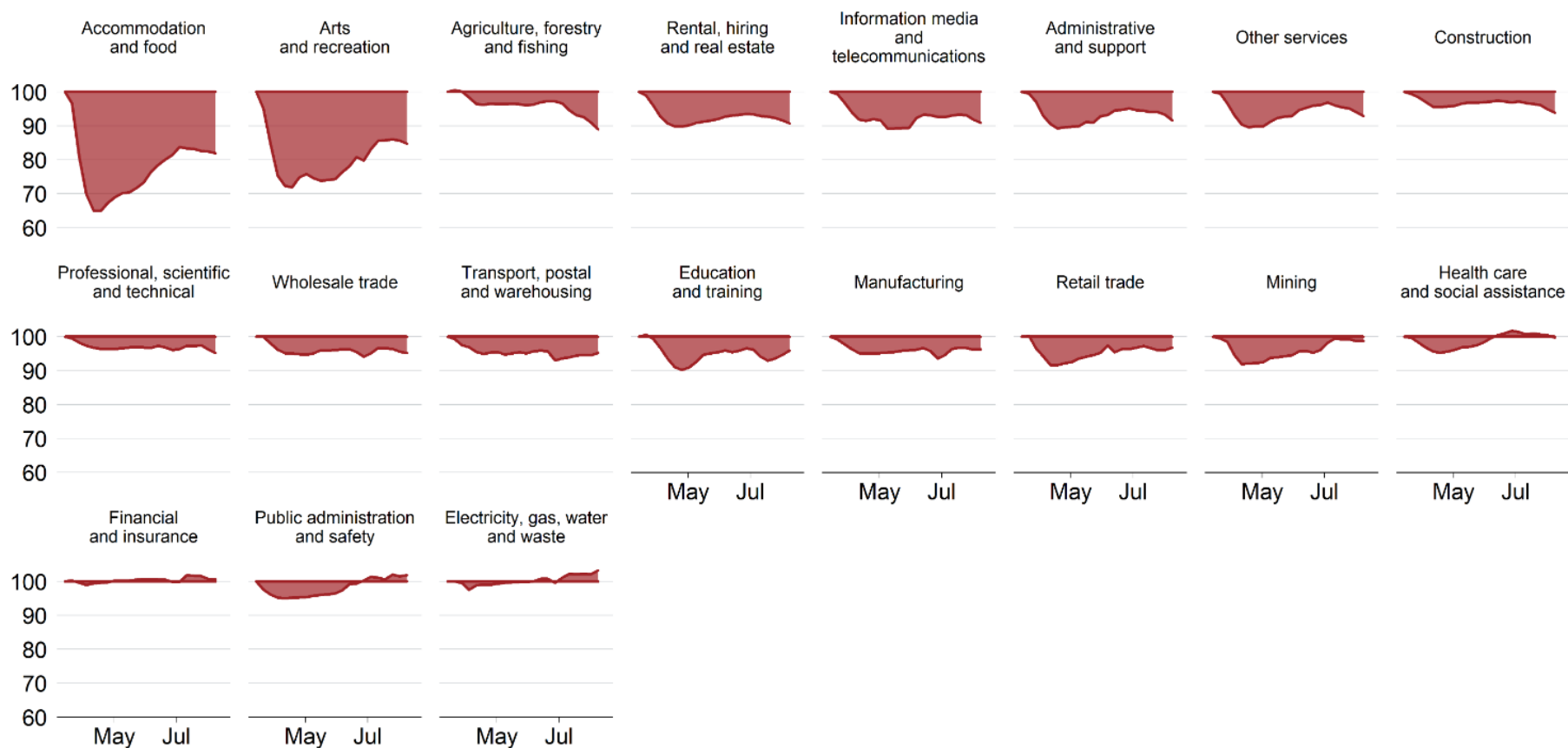
Most domestic tourism occurs within states

Total visitor nights, millions, year ending March 2020



Notes: Excludes ACT, NT, and Tas due to data limitations.

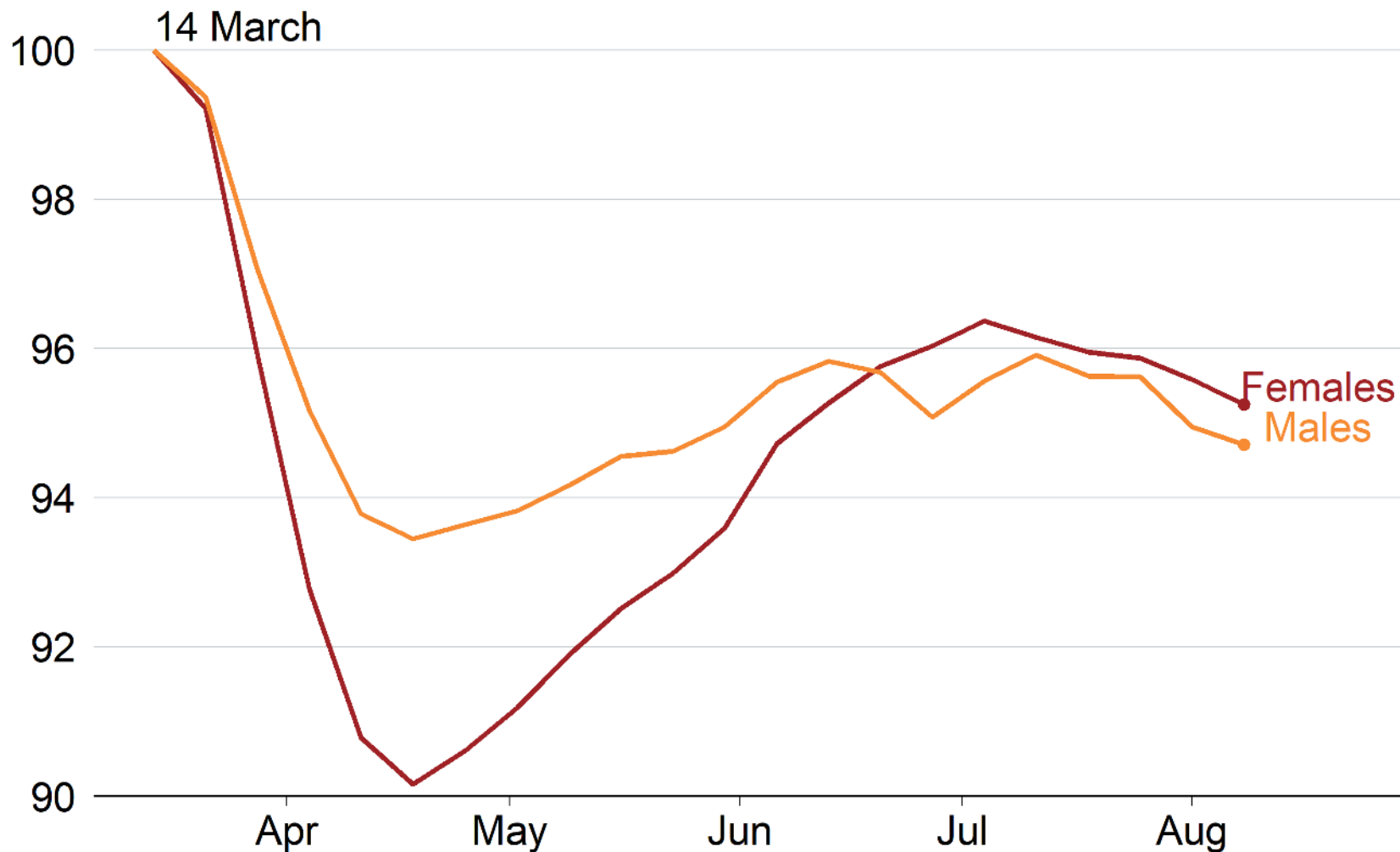
Payroll jobs index by industry, benchmarked to 14 March 2020



Notes: industries are ordered by the decline in the payroll jobs index between 14 March and 8 August

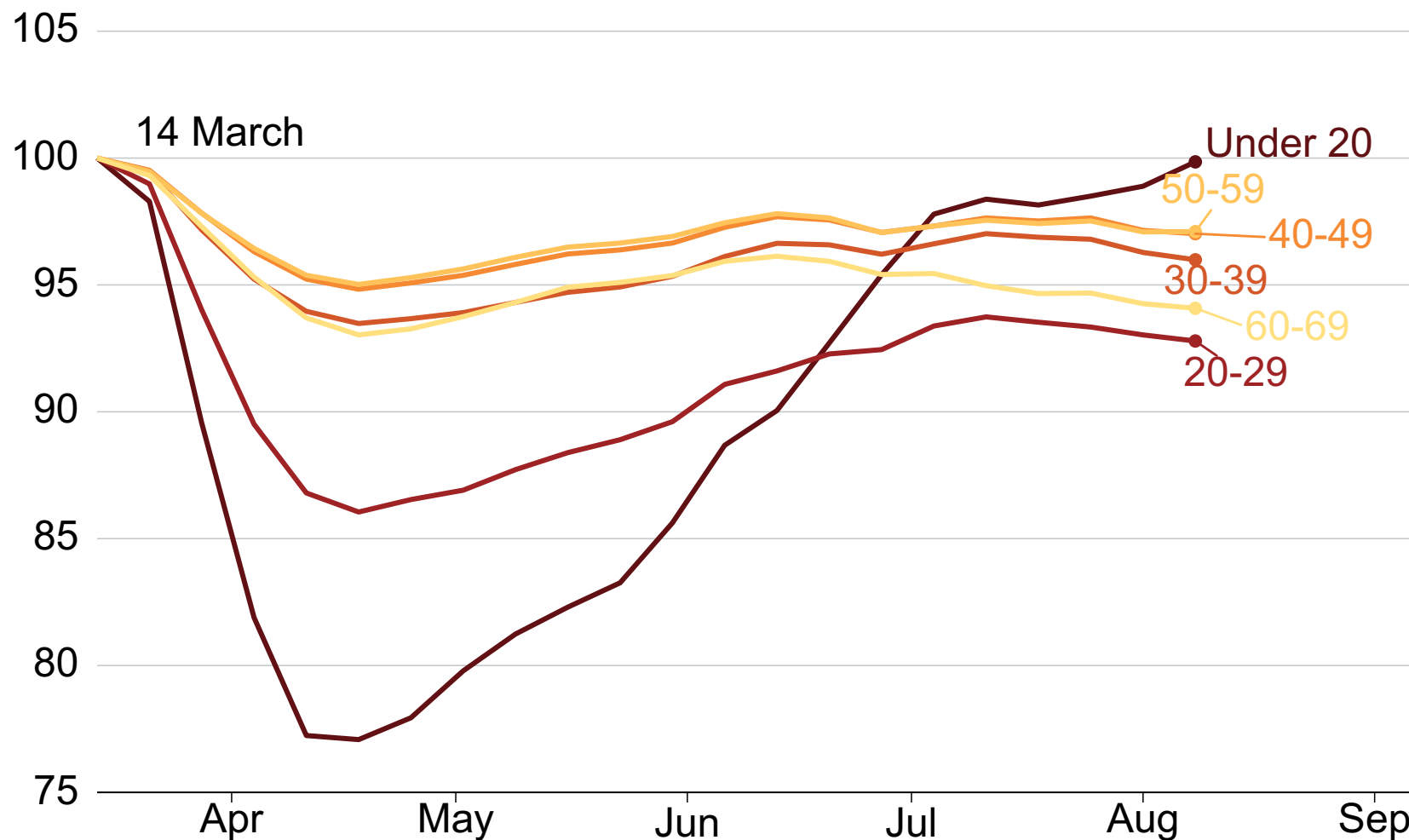
Females lost more jobs at the start of the pandemic, but have recently seen a stronger recovery

Weekly payroll jobs index, benchmarked to 14 March 2020



Workers aged under 30 were the most likely to have lost their jobs

Weekly payroll jobs index, benchmarked to 14 March 2020

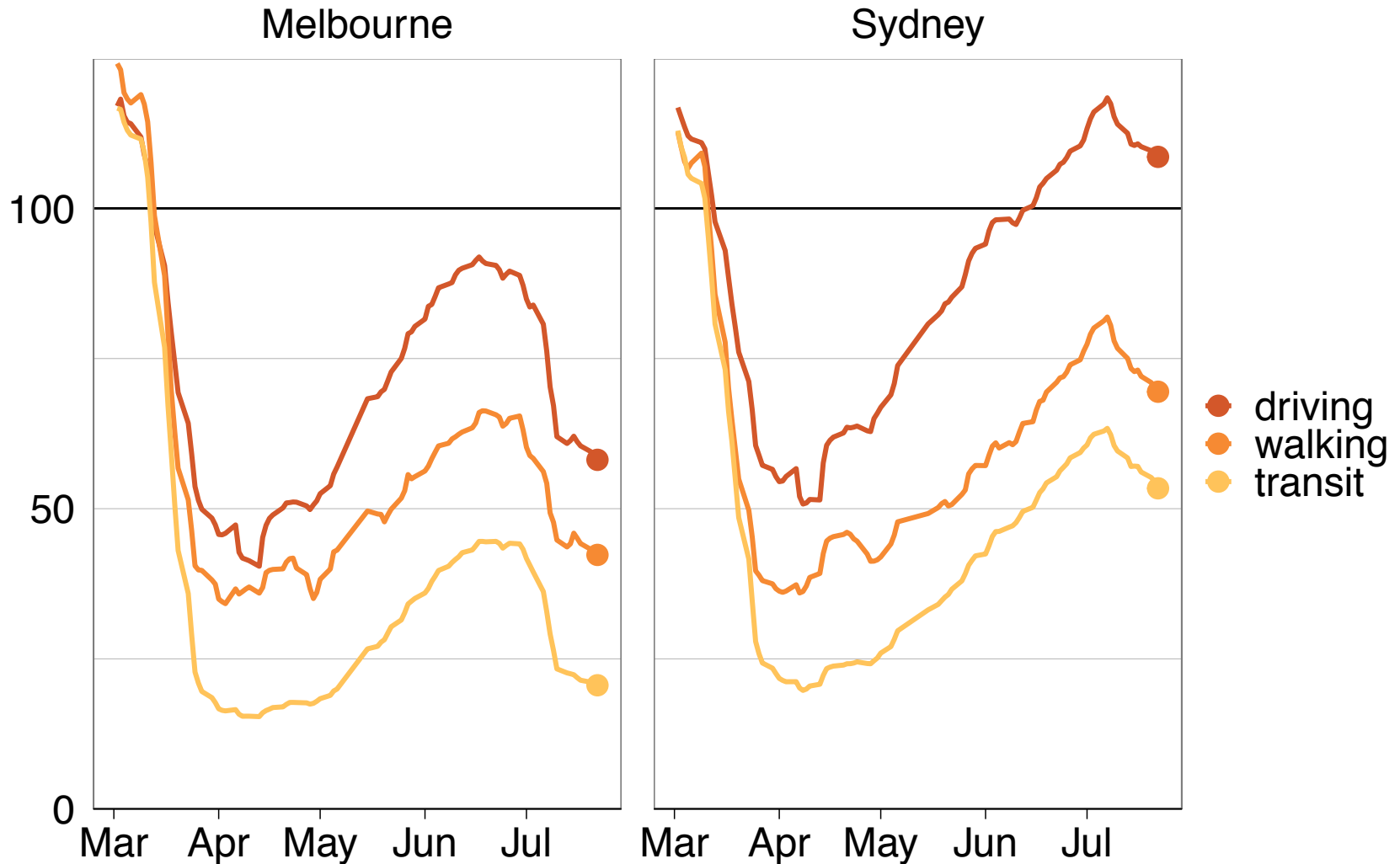


Notes: Excludes workers aged 70 and over, who can access the age pension as well as their superannuation savings.

Source: ABS Weekly Payroll Jobs and Wages in Australia, Week ending 11 July 2020

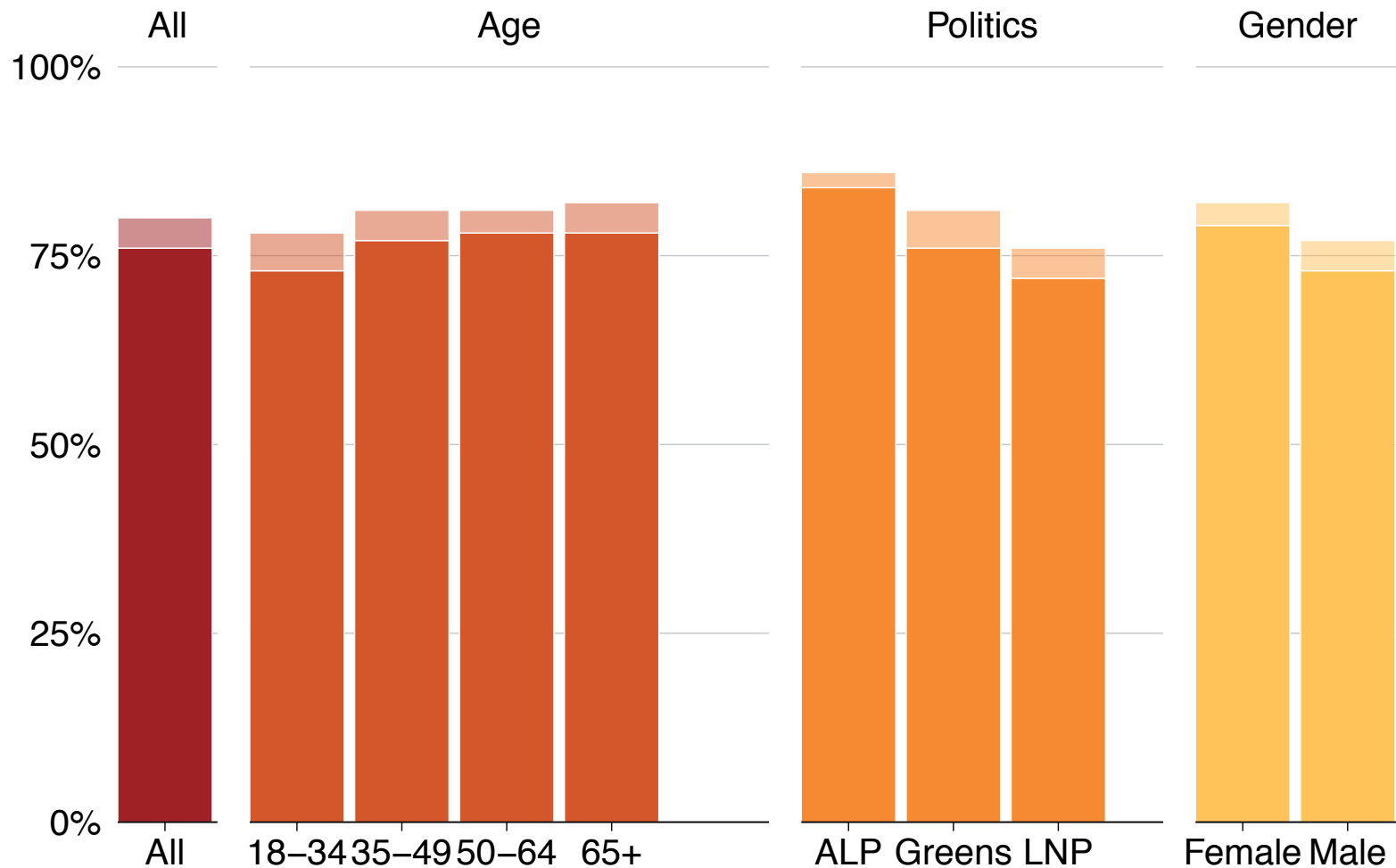
Melbournians were slow to respond to the second round of lockdowns

Mobility compared to January



Across the board, most Australians were worried that lockdowns had ended too quickly

Proportion of people who in mid-July were 'more concerned about moving too quickly to relax COVID-19 lockdowns and having the virus spread further and more people get infected'



Victoria is likely to reach zero infectious cases by the end of October if social distancing is maintained

Probability of reaching zero active COVID-19 cases in Victoria

