

15 December 2023

Department of Prime Minister and Cabinet Andrew Fisher Building 1 National Circuit BARTON ACT 2600

via email: COVID-19Inquiry@pmc.gov.au

QANTAS GROUP SUBMISSION TO THE COMMONWEALTH GOVERNMENT COVID-19 RESPONSE INQUIRY

The Qantas Group welcomes the opportunity to make a submission to the Commonwealth Government COVID-19 Response Inquiry.

The COVID-19 pandemic had a profound and far-reaching effect on the global aviation industry. The Qantas Group's fleet was grounded, more than 25,000 of our people were stood down, \$25 billion in revenue was lost and \$7 billion in statutory losses accumulated.

Key Public Health Response Measures

The COVID-19 pandemic prompted a wide range of policy responses from governments around the world, many largely unprecedented in scale, speed and intensity. However, governments varied substantially – both across countries, and sometimes within countries – in the measures they adopted. This variation created debate as policymakers and the public deliberated over the appropriate level of response to pursue and when to implement different measures or roll them back.

By global standards, Australia employed strict public health measures targeted at limiting disease spread, hospitalisations and excess mortality, including border closures, enforced quarantine and lockdowns driven by concerns about vulnerable populations and limitation of health infrastructure, particularly in some States/Territories. These measures had initial success in limiting COVID-19 case numbers and deaths, particularly compared to the rest of the world. Australia's success relied on it's advantages, including as an island nation, the ability to close and enforce international borders, a strong economic and fiscal position and citizens that broadly trusted the Government. The containment measures implemented at the start of the pandemic were appropriate as little was known about the virus and no TGA-approved vaccine was available. However, as subsequent COVID-19 variants weakened, public sentiment shifted and COVID-19 vaccination rates increased later in the pandemic, applying the same containment measures resulted in new unintended consequences and in many cases, was disproportionate to the risk.

In early 2020, all governments were making decisions with best intentions in an uncertain and evolving environment. With the benefit of hindsight, the global scientific and policy consensus now is that mistakes were made, and that future pandemic preparedness should be informed by the lessons learned. This includes the impact of single-purpose policies on broader health and wellbeing metrics, ways to minimise harm to those at risk of severe disease and ensure we are better prepared for future outbreaks. It is critical that health policy is evidence-based, proportionate, continually reassessed and seen through a longer and broader lens which includes economic and social impacts.



CONFIDENTIAL

International Border Closures

Australia's international border closure was largely effective in reducing Australia's infection rate in the early stages of the pandemic, but the 'long tall' of domestic border closures, even once the majority of the population was vaccinated, was unnecessarily destructive to businesses and the community, and was directly contrary to the World Health Organisation's advice against ongoing travel bans.

An independent review into Australia's response to COVID-19, led by Professor Peter Shergold AC, found that border closures had 'significant social and economic costs that were often ignored and should be a last resort.' The report also said that the existence of trade-offs of these consequences alongside health considerations 'needs to be acknowledged and carefully managed and evaluated through risk management and cost-benefit frameworks.'

Vaccination

In addition to the broad public health benefits, COVID-19 vaccinations enhanced worker safety, improved business resilience and underpinned the Qantas Group's ability to resume flying between areas of differing endemicity while ensuring our people were safe and protected from high consequence outcomes.

Vaccination allowed Qantas to progressively downgrade the stringent controls that were required prior to having a fully vaccinated workforce. Our international flight crew were able to access vaccination as part of the 1A roll out, with our domestic and frontline customer service staff included in 1B onwards. While access to vaccination for our operating international aircrew initially came with complicated procedures which proved challenging, Qantas Group employees were ultimately well supported in accessing vaccination in the early stages of national roll out. Arrangements with other jurisdictions to accelerate the vaccination roll out were important in delivering widespread coverage.

PPE Access

Access to PPE was challenging, especially in the initial phases of the pandemic when supply was prioritised for other sectors of the community. Despite experience from previous pandemics, the resilience of domestic PPE supply chains and stockpile was poor or non-existent. As a result, the Qantas Group was forced to source its own supplies from offshore manufacturers which added to complexity, timeframes and surety of supply.

The sheer volume of PPE used created a significant amount of waste. More environmentally-friendly options were not available for use at scale.

There was significant delay in formal Public Health recognition of the aerosol/droplet spread of the COVID-19 virus. Despite this, the Qantas Group took a proactive lead in requiring passengers, crew and other employees to wear masks within operational settings and where physical distancing was not possible.

Quarantine

The Qantas Group's small pool of operating aircrew were deemed an essential workforce for the purposes of COVID-related critical travel and freight transportation. They were subject to strict quarantine requirements despite other essential workforces not having any isolation or quarantine requirements and a much higher evidence-based likelihood of infection and transmission. This saw some employees isolated for up to 300 consecutive days.

CONFIDENTIAL

While understandable in the early stages of the pandemic and when coming to terms with the virus; as the risk profile of workforces became better known (i.e. the risk of contracting and transmitting was statistically low for Australian-based aircrew), ongoing assessment of quarantine requirements should have been prioritised. An unwillingness to do so prolonged mental health and distraction risk for the Qantas Group's safety sensitive workforce.

Public Health Messaging

At a time when clear Public Health information was crucial, there were significant issues caused by discrepancies in both messaging and policies between Commonwealth and State or Territory-based health agencies. There was significant public confusion (and frustration) as a result.

Qantas Group, as an entity with operations across multiple national and international borders, was highly affected by this. In the context of a rapidly evolving health situation, the absence of strong Public Health messaging and lack a of clinical evidence with regard to risk of flight-associated transmission of COVID-19, the Qantas Group partnered with the Commonwealth Government and industry to undertake robust research in this field, and pioneered wastewater PCR testing techniques that are now used worldwide.

The use of a centralised Commonwealth authority to act as a single source of best evidence-based Public Health information (and ideally policy), with links to industry and other relevant organisations, is recommended for future pandemics and matters related to infectious diseases.

Support for Industry

The Qantas Group acknowledges the significant assistance the Commonwealth Government provided to the aviation industry during the COVID-19 pandemic, including by way of the Australian Airline Financial Relief Package (AAFRP), Domestic Aviation Network Support (DANS), Regional Airline Network Support (RANS), Tourism Aviation Network Support (TANS), International Aviation Support (IAS), Retaining Domestic Airline Capability (RDAC), Domestic Airports Security Costs Support (DASCS) and the International Freight Assistance Mechanism (IFAM). These programs ensured that regional Australia and capital cities remained connected and high-value time-sensitive Australian exports, personnel and freight, such as PPE, vaccines and essential workers could continue to be transported within Australia and to key global markets. Over the course of the IFAM program, Qantas flew over 3,800 flights and uplifted over 63 million kilograms of freight on outbound and inbound IFAM flights across eight different strategic markets.

International repatriation flights operated by Qantas on behalf of the Commonwealth Government were also a critical part of the Commonwealth Government's response to the COVID-19 pandemic. In FY21 alone, Qantas operated more than 400 repatriation flights to bring home over 30,000 Australians. These flights played a critical role in ensuring Australia maintained vital offshore links, including with Pacific Islands and Timor-Leste and helped enable key people movements and the continuation of the Pacific Labour Mobility program (with strict quarantine measures in place). Qantas also transported thousands of tonnes in air freight including COVID-19 vaccines, medical equipment and aid.

The passenger and freight minimum networks also allowed a number of Qantas Group operational staff to continue flying, which helped ensure the skills and knowledge of these crew remained current and some aircraft remained serviceable rather than being placed in hibernation.

Financial Support for Individuals

JobKeeper and the subsequent assistance provided under the IAS and RDAC mechanisms provided a safety net for thousands of Qantas Group staff who were stood down during the COVID-19 pandemic and also assisted with the retention of critical skills (e.g. pilots, engineers).

CONFIDENTIAL

Governance

One of the defining features of the COVID-19 pandemic in Australia was the inconsistency of the policy response across the States and Territories and the acute implications of this variation for businesses operating across domestic borders, including aviation. While the National Cabinet, AHPPC and National Coordination Mechanism provided useful forums for discussing common issues, they failed to achieve policy harmonisation.

The patchwork of border controls, exemptions and entry pass systems made the COVID-19 pandemic extremely difficult for businesses that continued to deliver essential services between States and Territories throughout this period, with conditions and requirements for "essential workers" not often being considered until well after the imposed requirements, causing significant confusion and disrupt to organisations in this category.

During the course of the COVID-19 pandemic, the Qantas Group and other businesses consistently implored State and Territory governments to work with the Commonwealth to develop a national framework to harmonise the opening and closing of domestic borders with:

- Defined triggers;
- Uniform border settings and protocols; and
- Consistent application.

Such a system would have given citizens and businesses critical clarity and should be at the forefront of Government planning for future pandemics.

Steps Taken by Government

The Qantas Group commends the establishment of an Australian Centre for Disease Control and recommends that a permanent forum is established for industry to engage with Government to improve Australia's response and preparedness for public health emergencies. Consideration of the issues experienced by essential workers and the organisations providing critical services would be better considered via a forum such as this, allowing for risks and opportunities to be identified and controlled early rather than often well after implementation.

Given the increasing likelihood of pandemic threats in the future, ongoing monitoring is critical. The success of preparations for the next pandemic relies on the strength of countries' systems for detecting and responding to outbreaks. The global impact of an emerging or novel disease can be moderated by early detection and intervention, including through the testing of aircraft wastewater funded in the 2023 Budget.

The Qantas Group looks forward to participating in the Inquiry's targeted stakeholder engagement in early 2024.

Yours sincerely,

Dr Ian HosegoodChief Health and Safety Officer