



COVID-19 RESPONSE



PREMIER'S ECONOMIC & SOCIAL
RECOVERY ADVISORY COUNCIL



Scenario A

(2020 to 2023)

- A long lasting and effective vaccine has been developed, and broad distribution across the globe is varied. Large numbers of developed countries have access to the vaccine, and the uptake of vaccinations is particularly good in those countries that established manufacturing contracts early on. By contrast, some countries that were not able to get at the head of the queue have had less success in rolling the vaccine out to their populations. Uptake has been widespread in Australia and other developed countries. By early 2022 a significant proportion of the Australian population was immunised and community transmission has largely been suppressed. Methods for treating COVID-19 have also improved, resulting in decreasing mortality and hospitalisation rates, and new fast, affordable, accurate and painless saliva tests that provide immediate results are widely available. Over the past few years many Australians chose to test regularly which improved the speed and effectiveness of tracing.
- Small, localised, virus outbreaks continued to occur nationally during 2021 but were suppressed quickly with small-scale localised restrictions, without broad-scale lockdowns (as seen in Melbourne in September 2020). Physical distancing requirements are no longer required. State and Territory borders opened in early 2021 and Australia's international borders opened around mid-2021. During 2021 to 2023 intermittent international travel restrictions applied to some countries and travellers that were considered to be high risk, however, these restrictions have now almost all been removed.
- The global, national and Tasmanian economies have recovered after bottoming out in 2020-21. Tasmania is one of the best performing states, with people in the post-COVID-19 world demanding the safe and clean produce and a tourism experience that Tasmania has to offer. However the 2020-21 crisis resulted in structural changes in the economy and many businesses closed, particularly in sectors most impacted by COVID-19 suppression measures in 2020. Tasmania's population is now growing again after a short period of decline through 2020-22. National and international passenger and freight services have returned to pre-COVID-19 levels. After a short period of reduced demand and supply disruptions, international demand Tasmanian products and services exports slowly increased to record high levels in 2023.

Scenario A

(2020 to 2023)

- The Tasmanian community has recovered well from the pandemic. Community support for the COVID-19 response led to increased social connectedness, while advances in the use of technology, such as telehealth, have made services more accessible to some isolated cohorts. While the community has a high sense of hope for a Tasmania with plenty of opportunities, and the level of anxiety and fear associated with COVID-19 has largely disappeared, the pandemic has highlighted the struggles of people living with disadvantage, and particularly the long term unemployed.
- As the economy recovered Governments have incrementally removed most of the COVID-19 support measures to businesses and households, but retained JobSeeker payments at a higher rate, recognising that the pre-COVID levels were unsustainable.

Scenario B

(2020 to 2023)

- After several false starts, a vaccine has been developed and was recently made available to Australians. However uptake has not been high due to ongoing social commentary around its overall effectiveness and whether it will provide long lasting immunity. Treatment methods have improved, but not to a point where they have reduced the desire for an effective vaccine. Testing technologies and tracing efforts have incrementally improved, and random testing is being conducted across the State on a large scale and regular basis. However, community commitment for suppression measures has reduced.
- Globally countries continue to experience frequent outbreaks. Some countries have chosen to adopt a herd immunity management approach and have avoided a 'stop - start' economic recovery, other countries continue to struggle with the management of relatively high daily cases – nevertheless there is a general global sense of *'light at the end of the pandemic health crisis tunnel'*. Without widespread uptake of an effective vaccine in Australia, the risks associated with international travel still exist and our international borders are effectively closed, other than to a small number of countries whose COVID-management approach (strong suppression) is similar to Australia's, with the first travel bubble opening to New Zealand in 2021. Governments around Australia continue to face difficult decisions around balancing public health and economic policies.
- All State borders opened for a period of time in 2021, allowing some freedom of movement for domestic travel. However frequent and large outbreaks across the nation soon after, led to various States (including Tasmania) re-imposing tighter border controls. In 2023, travel restrictions continue to limit travel to hotspot regions and borders are closed to those without exemptions for several months. Physical distancing and restrictions around very large gatherings are still in place.

Scenario B

(2020 to 2023)

- Economic conditions worldwide have not returned to pre-COVID levels. The global and Australian economies have entered into a prolonged period of 'drift' with a significant reduction in economic activity from pre-COVID levels characterised by no growth and sustained high unemployment. Tasmania's economic conditions are trending below the already weak national conditions - with an unemployment rate of around 12 per cent (more than double the pre COVID level) and youth and regional unemployment hit particularly hard. Industry sectors (such as Tourism) that are particularly affected by travel restrictions continue to struggle more than other sectors. Tasmanians are leaving the State in search for job opportunities, and the State's population has declined. National and international passenger and freight services have slightly improved but remain substantially below pre- COVID-19 levels. Freight costs are very high and capacity is unreliable. Many countries have protectionist policies in place and international markets are difficult to access for many Tasmanian goods and services.
- The economic crisis has resulted in decreases in Government revenue, and grants from the Australian Government have reduced for Tasmania. Governments feel under pressure to tighten and target expenditure (reduce some 'non-essential' services), and there is a growing acceptance that some support measures are creating distortions in the labour market. JobKeeper and JobSeeker supplements (and other support to businesses and supply chains), have either been revised, reduced and/or retargeted, and these reforms commenced with significant change occurring in 2021-22.
- The inability for many Tasmanians to find sufficient work is leading to an increase in household stress and financial hardship, and more Tasmanians feeling isolated and disconnected (particularly young, old and disadvantaged Tasmanians). The Tasmanian community is very much feeling the social impacts of ongoing outbreaks of the virus and the ongoing impact of suppression measures in Tasmania. Students of all ages have also been impacted by frequent disruptions to their learning institutions, and the aged care sector in particular has faced ongoing unique challenges with the management of its work force and vulnerable clientele. Ongoing frustration and uncertainty has led to non-compliance with lockdown and social distancing requirements, and combined with the economic situation, is leading to increasing protests and unrest, a greater sense of fear and anxiety, and a loss of hope for a better future.