

The Hon. Scott Morrison MP

Prime Minister

STATEMENT

Tuesday 7 April 2020

UPDATE ON CORONAVIRUS MEASURES

Australian governments met today as the National Cabinet to take further action to slow the spread of coronavirus to save lives, and to save livelihoods.

We will be living with this virus for at least six months, so social distancing measures to slow the spread of this virus must be sustainable for at least that long to protect Australian lives.

We need to ensure Australia keeps functioning, to keep Australians in jobs.

The Chief Medical Officer Dr Brendan Murphy provided an update on the measures underway on the latest data and medical advice in relation to coronavirus.

There are more than 5,800 confirmed cases in Australia, and more than 2,400 people have recovered from the virus. Sadly 44 people have died.

Testing keeps Australians safe. Australia has one of the most rigorous coronavirus testing systems in the world with more than 304,000 tests completed.

It is clear the epidemiology curve is beginning to flatten. But it is still too early to determine whether such movements will be significant or sustained. That's why it's important that all Australians continue to adhere to the social distancing measures.

Many Australians have been looking forward to an Easter holiday. National Cabinet reiterated previous advice that social distancing must continue and that Australians should stay at home and not undertake unnecessary holiday travel.

Leaders thanked all Australians who have acted responsibly and have been undertaking social distancing and isolation measures.

National Cabinet reiterated that social distancing is slowing the spread of the virus in Australia. These measures are saving lives and livelihoods. National Cabinet reminded Australians that social distancing

must continue at Easter and agreed that Australians should stay at home this Easter and not undertake unnecessary holiday travel.

National Cabinet will meet again on Thursday 9 April 2020.

Commercial Tenancies

The National Cabinet agreed that states and territories would implement the attached mandatory Code of Conduct (the Code), including via legislation or regulation as appropriate, to implement the principles agreed on Friday 3 April. The Code builds on the draft codes submitted by landlord and tenant representative bodies in the commercial property sector.

The purpose of the Code is to impose a set of good faith leasing principles for application to commercial tenancies (including retail, office and industrial) between owners/operators/other landlords and tenants, in circumstances where the tenant is a small-medium sized business (annual turnover of up to \$50 million) and is an eligible business for the purpose of the Commonwealth Government's JobKeeper programme.

National Cabinet agreed that there would be a proportionality to rent reductions based on the tenant's decline in turnover to ensure that the burden is shared between landlords and tenants. The Code provides a proportionate and measured burden share between the two parties while still allowing tenants and landlords to agree to tailored, bespoke and appropriate temporary arrangements that take account of their particular circumstances.

National Cabinet again noted that it expects Australian and foreign banks along with other financial institutions operating in Australia, to support landlords and tenants with appropriate flexibility as they work to implement the mandatory Code.

The Commonwealth Government is also acting as a model landlord by waiving rents for all its small and medium enterprises and not-for-profit tenants within its owned and leased property across Australia.

The Rent Relief Policy will include a mutual obligation requirement on the small and medium sized enterprises and not-for-profit tenants to continue to engage their employees through the JobKeeper initiative where eligible, and if applicable, provide rent relief to their subtenants.

Impact of coronavirus - Theoretical modelling of how the health system can respond

Australia has a world class health system, including an Australian Health Sector Emergency Response Plan for Novel Coronavirus Management Plan. The Plan includes modelling of possible scenarios of coronavirus spreading through Australia. This informs the actions taken to slow the spread and prepare the health system.

Today National Cabinet released the first set of theoretical scenario modelling undertaken to inform how Australia is preparing our health system, including our Intensive Care Units (ICUs), for coronavirus.

A summary of the modelling is attached, and the modellers will release a technical paper on the data today.

National Cabinet noted that the hypothetical scenarios were commissioned in early February, when the outbreak began and prior to National Cabinet implementing measures to reduce transmission and flatten the curve including through travel restrictions and social isolation.

National Cabinet noted that the modelling is a useful tool but it does not predict the future. In the real world, we can adjust restrictions as the outbreak evolves to manage the length of the outbreak.

What the modelling has done and continues to do, is to inform Australian governments and medical experts so we can take actions to slow the spread of coronavirus and ensure our health system is prepared under a range of scenarios.

National Cabinet noted that early data suggests the existing measures in Australia are flattening the curve to a point where the health system can meet expected demand. So far only 8 percent of cases in Australia have required hospitalisation and ICU.

While the modelling does not show how the virus will move through our community, it tells us some important things including that we would have been overwhelmed if we had not reduced the number of travellers and introduced public health measures.

The modelling does not reflect the actual recent evidence of the spread of the virus in Australia and measures that the National Cabinet has announced to slow the spread of the virus.

National Cabinet will commission a next phase of the modelling that will put Australian data into the model and see how it aligns to our actual experience. This has not been an option to date given the relatively small amount of data available on community transmission of the virus in Australia. As more 'real' data is put into the model its accuracy improves. National Cabinet has requested the first results of this modelling include state and territory breakdowns to reflect the different stages of coronavirus transmission by jurisdiction.

The theoretical scenario modelling by the University of Melbourne (Doherty Institute) Pandemic Modelling Team finds an uncontrolled coronavirus pandemic would overwhelm our health system for many weeks. Around 89 per cent of people would catch the virus, with 38 percent requiring some medical care. ICUs would be well beyond capacity for a prolonged period.

Quarantine and isolation slow the rate of transmission. This flattens the epidemiological curve. It reduces the proportion of people who would catch the virus to 68 percent, and those needing medical care to 29 percent. While this reduces the peak demand on ICUs, the modelled expanded ICU capacity would not be enough for several weeks.

Social distancing makes it harder for the virus to spread and reduces the proportion of people infected. The modellers have looked at two levels of social distancing. With a 25 percent reduction in transmission due to social distancing, the proportion of people infected would be 38 percent with 16 percent requiring some medical care.

With a 33 per cent reduction in transmission due to social distancing, the proportion of people infected is 12 percent and only 5 percent require some medical care.

The modelling confirms that with social distancing and an expansion in ICU capacity, everyone who needs an ICU bed over the course of the pandemic could access one.

The modelling parameters further show the severity of coronavirus on different age groups based on hospitalisation and ICU admission. The results for aged groups vary significantly with the rate of hospitalisation for cases under 20 years at 0.62 percent and negligible ICU needs. For older people, coronavirus has more severe impacts with 35.8 percent of cases requiring hospitalisation for those between 70 and 79 year olds and 65.9 percent of cases for over 80 year olds.

Unlike many countries, we have an opportunity in Australia to choose how to respond from a position of relative control. We can tailor our interventions to gain the most benefit and minimise the cost to society.

AHPPC Advice

National Cabinet noted the AHPPC advice on the use of Off-label Medicines for Treatment and Prophylaxis of coronavirus; Healthcare Worker Use of PPE When Caring for Suspected or Confirmed coronavirus Patients; Home Isolation; Organ Donation and Transplantation during the coronavirus Pandemic; and Rapid Point of Care Lateral Flow Devices to Detect Antibodies to SARS-COV-2.

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