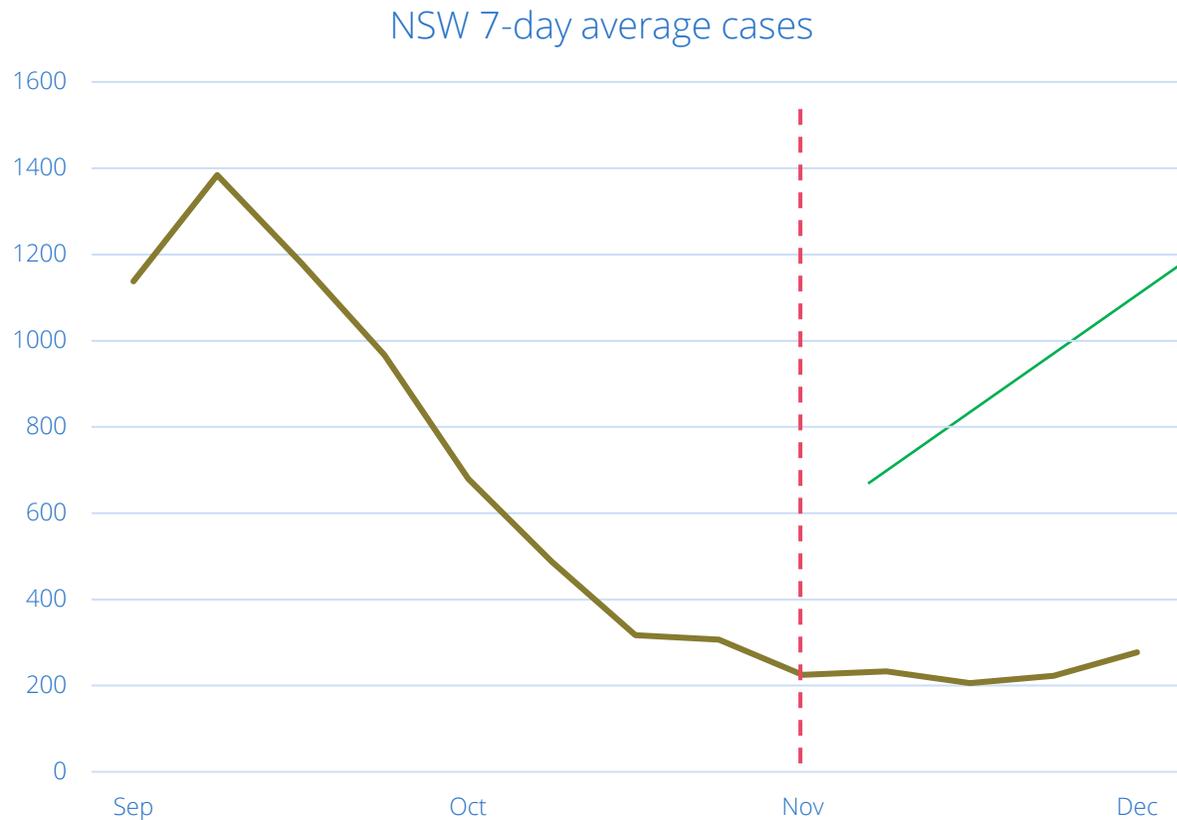


NSW Covid cases since the border opened



Nov 1: Borders open for quarantine-free entry for Australian citizens

Over 45,000 travellers quarantine-free since 1 Nov. *est.*

NSW double vaccination rate: **92%**

NSW average daily case rate:
235 (*last 4 weeks*)

NSW Covid hospitalisation rate: **0.3%**

As at 8 Dec 2021

What risk does opening our border present to our health system?

Current NZ vaccination rate (2 shots)	88%
Number of passengers testing positive post arrival	6.7 per 1000 (or 0.67%)
Current rate of Covid cases that go to hospital	1.15%
Risk of arriving traveller needing hospital after Covid	1 per 10,000 arrivals (or 0.0067×0.0115)

At these rates, out of **20,000** travellers arriving over 4 weeks would see:

- **only 2 cases** requiring hospital attention
- **134 cases would self-isolate with Covid** (compared to 2293 community cases for the same period - *based on average daily case rate since Auckland outbreak started*)

An interesting reference: Singapore reports each day that 98.7% of their covid cases had no or mild symptoms. They have a 96% double vaccinated rate.

What offshore airlines need to know by February 2022 to avoid further capacity losses:

- **when quarantine-free entry will be available** for double-vaccinated foreign travellers to New Zealand (as per north America and Europe current border settings).
- **that quarantine-free entry will be available no later than May 2022** in order to avoid further loss of flights, capacity and destinations.
- **that the border will be open** – quarantine-free to all double-vaccinated arriving travellers apart from specified very-high risk countries.
- **that consistent border settings will apply from October 2022** - so they can safely plan to add additional capacity for the New Zealand summer 2022/23 (northern winter 2022), knowing they will be able to offer consistent, commercially sustainable flights to New Zealand

Note: assumes no more severe variant than Delta emerging, watching brief underway for omicron variant

What the current settings mean for offshore airlines

- Currently there is no clear market for consistent travel demand to NZ from 30 April 2022
- Airlines expect to quickly drain the pool of NZ residents wanting to come home – may take 2-3 months.
- The 7 day self isolation requirement is a market killer. International arrivals will be limited to essential travel only. Outbound travel will be severely limited - few New Zealanders are expected to be prepared to isolate 7 days on return.
- Airlines consequently would see their current load factors of around 20% fall even further.
- The Maintaining International Air Capacity scheme expires in March, it helps airlines cover costs which are often only 20% full. The danger is should MIAC not be extended and without a clear international market from May, more flights could be pulled before the end of the season.
- The 7 days self-isolation needs to be removed (and announced by February), so we can capture new capacity as network schedules are locked in for the New Zealand summer 2022/23 by airlines.