



BRIEFING

Proposed approach to return to red flights and BAU MIQ settings with Australia and releasing vouchers

Date:	12 August 2021	Priority:	Urgent
Security classification:		Tracking number:	2122-0450 AUS-003

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	<p>Agree to red flights from Australia in September to provide a pathway to New Zealand while QFT remains suspended</p> <p>Indicate your preferred approach to releasing MIAS vouchers for September and October</p> <p>Note the escalating risk of judicial review if vouchers are not released as soon as possible</p>	13 August 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Kara Isaac	General Manager, MIQ Policy	Privacy of natural persons	✓
Brigadier Rose King	Joint Head, MIQ		

The following departments/agencies have been consulted
Ministry of Transport, Crown Law, Ministry of Foreign Affairs and Trade, Department of Prime Minister and Cabinet

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments

I'd like to signal the release of these vouchers at post-Cab on 16 August. CH



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Purpose

This briefing:

- recommends providing a pathway back via red flights from Australia while Quarantine-Free travel (QFT) remains suspended;
- seeks your agreement to urgently release vouchers in September and October from 17-29 August to respond to high and growing demand for MIQ places; and
- advises you Legal professional privilege

Recommended action

The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

- Note** that when phase 3 of managed return flights from NSW is completed on 22 August there will be no pathway for people to travel to New Zealand from Australia under current settings;
Noted
- Note** that Ministers directed on Tuesday, 3 August that no further vouchers for MIQ be released for September given that further advice regarding the implementation of Pacific QFT was due to be provided by 13 August;
Noted
- Note** that a decision on QFT with Vanuatu, Samoa, and Tonga will now not be considered by Cabinet until Monday, 23 August and that decisions are needed before then on the release of September MIQ vouchers due to the high level of demand for MIQ spaces;
Noted
- Note** that MIQ will continue to hold 300 spaces in MIQ in September for RSE workers until decisions have been made by Cabinet about the commencement of QFTs with Samoa, Tonga and Vanuatu [briefing 2122-0423 refers];
Noted

Legal professional privilege

Noted

f Legal professional privilege

Noted

Proposed approach to returning to red flights

g **Note** that by 22 August approximately 2,720 people are expected to have had their return from Sydney facilitated via the three phases of the NSW managed return process;

Noted

h **Agree** that with all eligible travellers who submitted a Registration of Interest (ROI) able to be accommodated through tranche 3 that the NSW managed return process now be closed;

Agree / Disagree / Discuss

i **Agree** to red flights from Australia recommencing to provide a pathway to New Zealand while QFT remains suspended;

Agree / Disagree / Discuss

j **Note** that the Ministry of Transport is working with airlines on what is needed for them to schedule red flights from Australia in September given the uncertainty of demand and future Government decisions, and officials will report back to you on this verbally on Monday, 16 August;

Noted

k **Note** that this will require travellers from Australia to access a voucher in MIAS, the same as any traveller from any other part of the world;

Noted

Demand of Emergency Allocations from Australia

l **Note** that since 31 July, MBIE has received 74 emergency allocation applications from travellers in Australia outside of NSW and we are unable to grant them as there are currently no commercial flights;

Noted

m **Note** that if airlines confirm the scheduling of red flights for September that MIQ will immediately begin processing emergency allocation applications from Australia;

Noted

September vouchers

n **Note** that for September, there are currently 800 rooms that have been withheld from general release onto MIAS, and 700 QFT reserve rooms;

Noted

o **Note** that due to the time required to work with airlines to schedule red flights and release vouchers, under all options from 23 August until the first red flight is scheduled, there will be no commercial passenger flights from Australia;

Noted

p **Indicate whether** you wish to:

i. **Option 1:** Release vouchers for September with a proportion targeted to the days that there will be red flights from Australia in order to support the viability of these flights (recommended) or;

Yes / No

ii. **Option 2:** Undertake a general release of vouchers for September;

Yes/No

If you choose Option 1: Release September vouchers with a proportion targeted to days with red flights from Australia (recommended):

q **Agree** that MBIE undertake a general release of 500 vouchers between 17-22 August in order to provide access to vouchers to the rest of the world;

Agree / disagree

r **Agree** that MBIE undertake a further release of 800 vouchers the week of 23-29 August with up to 500 of those vouchers targeted to days that there are red flights from Australia scheduled to support the viability of those flights;

Agree / disagree

s **Note** that while this will increase the opportunity for these vouchers to be accessed by people in Australia, these vouchers will also be available to people arriving on other international flights that same day;

Noted

t **Note** that this will leave you with 200 rooms in your QFT reserve for September, increasing to 500 if rooms are not required for RSE workers;

Noted

u **Note** that any emergency allocations to people travelling from Australia will be in addition to the above and will also support the viability of those flights;

Noted

If you choose Option 2: Undertake a general release of vouchers for September:

v **Agree** that MIQ undertake a general release of 800 Managed Isolation Allocation System (MIAS) vouchers for September from 16 to 29 August with no specific targeting;

Agree / Disagree

w **Note** that given the current demand for MIAS vouchers worldwide this may mean that some red flights from Australia are not viable;

Noted

x **Indicate** how you would like to treat the 700 QFT rooms remaining for September;

Continue to hold in reserve / Release / Discuss

October

y **Note** that there are around 2,400 MIQ rooms awaiting release for October, excluding the QFT reserve;

Noted

z **Note** that you will be receiving further advice on options to manage peak demand from November 2021 – February 2022 and the decisions taken about October MIAS vouchers will not impact this advice;

Noted

aa **Agree** to release 1,000 MIAS vouchers for October between 17 to 29 August in order to meet the high levels of demand for MIQ space from the rest of the world;

Agree / Disagree

- bb **Note** that we will provide you with further advice on the release of the remaining 1,400 MIAS vouchers by early September, once we have a better sense of demand for travel from Australia and following further advice due to Ministers on the resumption/continued suspension of QFT with Australia;

Noted

Communications

- cc **Note** that MIQ will publicise the upcoming release of MIAS vouchers on its website and will stagger the release of MIAS vouchers across the two weeks to try and manage the load on the site;

Noted

- dd **Note** that when/if red flights from Australia are confirmed with airlines that specific communications will be prepared for both MIQ and UAC websites, in consultation with your office;

Noted

- ee **Note** that these communications will emphasise that managed returns from Australia have now ceased and that Australia for the remaining period of QFT suspension will be returning to requiring MIAS vouchers to enter New Zealand;

Noted

- ff **Note** it will be important to inform airlines before public announcements are made, to enable them to adjust messaging and to get booking systems ready;

Noted

Other matters

- gg **Note** that some facility ventilation remediation work was delayed for NSW managed returns and other ventilation remediation needs to progress in the next few months and we will provide further advice on this by 31 August;

Noted

- hh **Note** that anyone returning from Australia in September on red flights will fall within the MIQ fees Regulations and may be liable for fees. However, they may apply for both the ordinary fees waiver and/or for the specific waiver being established for those who were unable to return on a managed or green flight [AUS-004 refers];

Noted

- ii **Note** that with the departure of phase 1 of NSW managed returns that MIQ's operational contingency of approximately 400 rooms was restored on 5 August and is available to respond to any urgent or unexpected events; and

Noted

- jj **Agree** that this briefing be proactively released with appropriate withholdings under the Official Information Act 1982.

Agree / Disagree



Kara Isaac
General Manager, MIQ Policy
MIQ, MBIE

12/8/21



Hon Chris Hipkins
Minister for COVID-19 Response

15 / 08 / 2021

Background

Suspension of quarantine-free travel (QFT) with Australia

1. In response to concerns over the levels of community transmission of COVID-19 in Australia, on 22 July 2022, Cabinet [CAB-21-MIN-0288 refers]:
 - agreed to suspend QFT with the Commonwealth of Australia from 11.59 pm on Friday 30 July 2021, for an initial period of eight weeks;
 - agreed that once the suspension is in effect, any travellers on red flights will be required to go into MIQ for 14 days and pay fees (with some exceptions); and
 - noted that officials will provide Ministers with advice by 31 August 2021 on the conditions under which travel, without going into MIQ, could be resumed with Australia.

Response to COVID-19 situation in Australia to date

Support for travellers to return from NSW

2. Following the suspension of QFT with Australia, a process of managed returns was initiated to support people in NSW who had travelled between the 6 April and 22 June 2021 to return home to New Zealand.
3. About 1,523 MIQ rooms (drawing on operational contingency, QFT reserve, cohorting underutilisation, and unreleased MIAS vouchers) were made available to support about 2,102 people to return from NSW between 13 July and 7 August 2021.¹ As at 1pm Tuesday 10 August, there were 462 eligible applications made for phase three managed returns from NSW (equating to 529 rooms and 621 people). 21 of those people returned on 9 August.
4. By the end of August, we expect that over 2,700 people will have been able to return to New Zealand via managed return flights from NSW.

Support for travellers to return from other Australian States or Territories

5. When making the decision on suspending QFT with Australia, Cabinet agreed to allow a seven day window for travellers in Australia (excluding NSW) who were 'ordinarily resident' in New Zealand to return on green flights from 11.59pm 23 July to 11.59pm 30 July.
6. Approximately 12,573 people travelled from Australia (excluding NSW) to New Zealand within the green flight window. Airlines reported that most flights only operated at 60 per cent capacity with 9,665 empty seats on flights from 24-30 July.
7. On 29 July 2021, Hon Dr Ayesha Verrall, Acting Minister for COVID-19 Response agreed not to extend the time period for further green return flights as there was no evidence of unmet demand at that time.

Demand for MIAS vouchers is increasing

8. There has not been a significant release of MIAS vouchers since 7 July, to prioritise NSW managed returns. About 400 vouchers that were not needed for NSW were released in small batches from 5 to 10 August for 9 to 22 August. These vouchers were all 'snapped up' within five minutes of release. This indicates that any further voucher releases will be in similarly high demand.

¹ Phase 1: 1,355 pax, 977 rooms, Phase 2: 747 pax, 546 rooms

9. The demand on the MIAS website continues to increase as do complaints about a lack of voucher availability. The following table shows the increase in activity on the MIAS website from May 2021 to 10 August 2021:

Timeframe	Number of unique users per day (average over timeframe)
1 – 7 May 2021	5,139
1 – 7 June 2021	4,944
1 – 7 July 2021	15,047
27 July – 3 August	19,194
4 - 10 August	19,772

Returning to red flights

The NSW managed return process can now be closed

10. By 22 August approximately 2,720 people are expected to have had their return from Sydney facilitated via the three phases of the NSW managed return process. With all eligible travellers who submitted an ROI accommodated for through phase three (9 to 22 August), we can close the NSW managed return process.
11. As part of the return to an all-of-Australia approach, the notice² exempting arrivals from NSW from the requirement to hold a confirmed MIQ allocation will need to be revoked. Further advice will be provided to you on this by 20 August.

MFAT consular process

12. You previously agreed that up to 30 of the unallocated phase three rooms for NSW could be accessed for consular cases to support travellers in NSW and other Australian States and Territories that have been identified by MFAT as urgently needing to travel [NSW 011/2122-0403 refers]. The rooms are fully allocated and MIQ are providing MFAT with additional rooms on the remaining NSW managed return flights where possible. Approximately 10 people who have accessed the MFAT spaces have come from other states in Australia and transited onto an NSW managed return flight.
13. Complex cases are emerging across all states in Australia (see below for the breakdown by State of enquiries received at the call centre) amongst people who were not eligible for the later managed return flights (i.e. resident in Australia), those who travelled after the pause was announced on 22 June but now need to return home urgently, and others who have had sudden events (death of a relative, medical diagnosis). There are also those who continued with plans to relocate to New Zealand thinking that the lockdowns would end quickly, and are now stuck. The majority of the cases that make their way to MFAT require careful consideration and advice, which is increasing the workload in Wellington and in overseas posts.
14. MFAT's starting point to allocating the MIQ rooms has been to consider the cases of people who would be able to apply for an emergency allocation. Given the limited number of rooms available to MFAT until 22 August, a very high threshold is being applied. In general, this

² [COVID-19 Public Health Response \(Exemptions and Conditions for Quarantine Free Travel from Australia\) Notice 2021](#)

means that people whose physical safety and well-being is under threat will be able to access the MFAT allocation. People with compassionate needs to travel e.g. serious illness or death of a family member in New Zealand, or with financial concerns, are not meeting this threshold. MFAT have noticed that callers with compassionate grounds for return are becoming increasingly angry and desperate because there is no way home for them at present.

15. MFAT's preference is for a return to red flights (with the associated emergency allocation process) with some assurance that airlines will be able to run red flights from Australia.

Table 1: Breakdown of enquiries to MFAT from 10am Wednesday 4 August to 10am Tuesday 10 August by state. Does not include enquiries where the state was not recorded.

10am Wed 4 August to 10am Tuesday 10 August	
State	# of enquiries
NSW	46
QLD	21
VIC	12
WA	9
SA	3
TAS	1

Returning to normal MIQ settings

16. A return to the regular red flight process will require travellers from Australia to access and secure a voucher in MIAS, the same as any traveller from any other part of the world. Resuming red flights with Australia allows us to return to the standard MIQ operating model and a consistent all-of-Australia approach.
17. Both Air New Zealand and Qantas have recently significantly reduced trans-Tasman services, based on demand. Both airlines have indicated that to run red passenger flights from Australia, there would be a minimum number of passengers to break-even on the additional costs:
- a) Air New Zealand currently operates four services a week with "green" passengers from New Zealand to Australia and cargo-only on return to New Zealand. (It also runs cargo-only flights both ways.) It has indicated that it could operate red flights from Australia from early September, with a strong preference for consolidating numbers onto a smaller number of flights. The number of passengers required to break even is not clear, but may be as low as under 20 under certain conditions (including the ability for aircrew to operate with green passengers to Australia and red passengers on return. Australian state requirements may have the biggest impact on this). Air New Zealand flights that meet certain criteria are eligible for government support from the Maintaining International Air Connectivity (MIAC) scheme.
 - b) Qantas was running two services a week with "green" passengers from New Zealand to Australia and cargo-only on return to New Zealand. However, given the sharp drop-off in demand, it is now operating cargo flights on an ad hoc basis only. Its initial estimate is that it would need 80-85 passengers make red flights viable.
18. Both airlines have indicated that they would not open to transit passengers from other countries.

19. The Ministry of Transport is continuing to work with airlines on what is needed for them to schedule red flights. Officials will report back to you on this verbally on Monday, 16 August.

The extent of demand for return from Australia

20. The resumption of an all-of-Australia response removes the need for any further phases of managed return flights from NSW. Any travellers remaining in NSW who wish to return to New Zealand can do so through the red flight process. The extent of demand for flights from Australia to New Zealand is not fully known, particularly with the uncertainty of Government decisions about the future of the trans-Tasman Bubble.
21. Immigration New Zealand have estimated that there may be about 15,700 passengers that travelled to Australia by air between 6 April and 9 August 2021, who have not returned to New Zealand and who appear to be ordinarily resident in New Zealand.³
22. The return to red flights will allow travellers who travelled to Australia outside of the QFT announcement and subsequent pauses in states to return, however it will not allow travellers who do not meet immigration settings to travel to New Zealand e.g. if they were not ordinarily resident in New Zealand. MBIE received 332 ineligible applications from people in NSW seeking to return (requiring 387 rooms for 528 people), but were ineligible for managed returns, either due to their immigration status or because they travelled outside of the 6 April to 22 June 2021 travel period. This figure is likely lower than the actual number of people seeking to return. It is likely that a number of people wanted to submit an ROI, but refrained from doing so due to ineligibility.
23. Returning to red flights for Australia will increase demand for MIQ spaces in a period where we are experience very high demand from the rest of the world. Pre-QFT, travel from Australia made up approximately 25 percent of our MIAS bookings. We can expect this demand to be similar if the suspension of QFT is extended beyond the end of September.

Demand for emergency allocations from Australia

24. Since 31 July MIQ has received 74 applications for emergency allocations from people in states other than NSW. Privacy of natural persons these applications are not able to be processed without assurance around red flights. There are also critical workers, in particular health workers, who urgently need a pathway to be made available to them in order to commence employment in New Zealand.
25. If airlines confirm the scheduling of red flights in September, MIQ will immediately begin processing the emergency allocation applications on hand from Australia.

Approach to September MIAS vouchers

26. For September, there are currently about 800 rooms that have been withheld from general release onto MIAS, and 700 QFT reserve rooms. Around 3,200 rooms have already been secured by travellers from the rest of the world over September.
27. Officials seek your direction on whether you wish to:
- i. **Option 1:** Release MIAS vouchers for September with a proportion targeted to the days that there will be red flights from Australia in order to support the viability of these flights (recommended)
 - ii. **Option 2:** Undertake a general release of vouchers for September.
28. Both options mean all vouchers will be available to anyone with a flight arriving that day. These options will help reduce the inequity between travellers in Australia and the rest of the world

³ Ordinarily resident means spending more than 184 days in New Zealand between 6 April 2020 and 9 August 2021.

created by the managed return approach and mitigate the legal risk that has escalated since vouchers have not been released throughout July.

Option 1: Release MIAS vouchers for September with a proportion targeted to the days that there will be red flights from Australia in order to support the viability of these flights (recommended)

- 29. This option would involve a general release of vouchers from 17 to 22 August, followed by a further release from 23 to 29 August where up to 500 vouchers will be targeted to Australian travellers. Vouchers can be targeted by coordinating voucher dates and airline schedules to days where there will be red flights from Australia.
- 30. As previously noted in relation to returnees from NSW [briefing NSW-001 refers], it is not currently possible to reserve vouchers in the MIAS system for travellers from a particular point of origin. Therefore, requiring returnees from Australia to book via normal processes will require them to compete with other international travellers for MIQ places.
- 31. There is a risk any agreed proportion of vouchers will not all be picked up by travellers in Australia as they will be open to the rest of the world to book (as long as they can get on the relevant flight). This can be mitigated by coordinating flights and vouchers to particular days where there are less flights, reducing competition for vouchers. It will also support the viability of the red flights from Australia and maximise the chance of Australian travellers booking a voucher.
- 32. Officials recommend releasing September MIAS vouchers as follows:

Date of release	Who	Rooms
17 – 22 August	General release	500
23-29 August	Days with red flights arriving from Australia	Up to 500 (dependant on cohorting)
	General release	300
TOTAL		1,300

- 33. This approach will leave 200 rooms in QFT reserve for September, rising to 500 rooms if spaces are not required in MIQ for RSE workers. We recommend retaining these QFT reserve rooms as this preserves some options and flexibility to respond to the on-going situation in Australia.
- 34. Emergency allocations will be in addition to the rooms above and will support the viability of flights from Australia.
- 35. This approach will reduce the inequity between travellers in Australia and the rest of the world created by the managed return approach, bring Australia back into the existing MIAS process, and ensure that there are viable flights for travellers from Australia to return on. We consider this approach best balances the need to provide a pathway for people returning from Australia and other parts of the world.
- 36. While this targeted release will increase the opportunity for people in Australia to access vouchers for September, the vouchers will also be available to anyone else with an international flight arriving that same day.
- 37. Legal professional privilege

38. The advice from airlines suggests that there will be value in working with the airlines on mechanisms to help improve the possibility of reaching minimum viable passenger levels to enable a return pathway in September (e.g. targeting specific days when options from the rest of the world are limited and consolidating spaces into fewer days). However, even if MIQ spaces are available, it is unclear what the demand will be from people in Australia – particularly if people are working on the basis that the suspension could potentially be lifted from late September. Targeting a small number of vouchers to Australia flights for September will allow us to test the demand.

Option 2: Undertake a general release of MIAS vouchers for September with no targeting to Australia

39. This option would involve undertaking a general release of 800 MIAS vouchers for September from 17-29 August. There are options for how you want to treat the 700 QFT rooms remaining for September.
40. There is a risk that given current demand for MIQ spaces worldwide, under this option red flights from Australia may not be viable because airlines will not have the assurance they need that enough people in Australia will access vouchers. In that case, there will be no way for people in Australia to come to New Zealand.
41. Under this option officials seek your direction on whether you would like to continue to hold the 700 QFT rooms in reserve for September, release these onto MIAS, or whether you would like to further discuss the QFT rooms for September.
42. The risk of using the QFT rooms is it would constrain our ability to respond to unforeseen events. Maintaining some of the QFT reserve for now also preserves options to respond to the on-going situation in Australia.

Approach to October MIAS vouchers

43. There are around 2,400 MIQ rooms yet to be released via MIAS for October. Officials recommend releasing 1,000 MIAS vouchers to meet the high levels of demand for MIQ spaces from the rest of the world.
44. We will provide you with further advice on the release of the remaining 1,400 vouchers by early September, once we have a better sense of demand for travel from Australia and following further advice due to Ministers on the resumption or continued suspension of QFT with Australia.
45. Officials will be shortly providing further advice on options to manage peak demand from November 2021 to February 2022. The decisions for October will not impact this advice.

Legal professional privilege



Communications and Implementation

51. MIQ will notify the upcoming release of MIAS vouchers on its website and will stagger the release of vouchers across the two weeks to try and manage the load on the site.
52. MIQ is working on a technical solution (a virtual “lobby” or “waiting room”) to manage levels of extreme demand on the site. However, this solution is not expected to be ready to be deployed until early September. As a result, there may be points during this voucher release where the website is unable to manage demand. However, we believe on balance that it is important to notify people in advance of the upcoming release.
53. When/if red flights from Australia are confirmed with airlines, specific communications will be drafted for both MIQ and Unite Against COVID-19 websites, in consultation with your office. It will be important to give a heads up to the airlines before public announcements are made, to enable them to adjust messaging and get booking systems ready.
54. Communications will emphasise that managed returns from Australia have now ceased and that Australia for the remaining period of QFT suspension will be returning to requiring MIAS vouchers to enter New Zealand.

Other matters

Ventilation

55. To enable capacity at short notice to support the return of New Zealanders from NSW, MBIE deferred some scheduled ventilation remediation [briefing NSW-002 refers]. Since that time MBIE has worked to reschedule deferred maintenance, as well as continuing the ventilation assessment and remediation work. Further advice on the exact timing and phasing of this work is currently being prepared, which will require some rooms/hotels to be taken offline for periods to enable this work over the remainder of 2021. That advice will not impact the room releases proposed in this briefing. We will provide you with further advice by 31 August.

MIQ fees implications

56. Returnees on red flights from NSW (other than managed return flights) will not meet the criteria or conditions for either of the proposed class waivers [2122-0475 (AUS-004) refers]. Travellers from other parts of Australia (excluding NSW) may qualify for the class waiver if they meet the conditions of the waiver. However all returnees (excluding critical workers) may apply for fees waivers for reasons of financial hardship or other exceptional circumstances if they qualify.

Operational contingency restored

57. With the departure of phase 1 of NSW managed returns, MIQ operational contingency of approximately 400 rooms was restored on 5 August and is available to respond to any urgent or unexpected events.

Next steps

58. With your agreement we will:

- i. Release vouchers for September and October as per your direction
- ii. Work with airlines on coordinating the scheduling of red flights and MIAS vouchers for September
- iii. Develop a communications approach to notify the public of the change to the approach to Australia, in consultation with your office