



BRIEFING

Options for next MIQ room release scheduled for 20 January

Date:	14 January 2022	Priority:	High
Security classification:		Tracking number:	2122-2317

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	<p>Agree that either:</p> <ul style="list-style-type: none"> i. The 20 January MIQ room release is postponed until after decisions about Reconnecting New Zealand decisions are announced (recommended); ii. The 20 January MIQ room release proceeds including red flights from Australia for March/April; or iii. A small 20 January MIQ room release proceeds and does not include red flights from Australia. 	2pm, 18 January 2022 (if option ii chosen)

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Kara Isaac	General Manager, MIQ Policy	Privacy of natural persons	✓
Privacy of natural persons	Senior Policy Advisor	Privacy of natural persons	

The following departments/agencies have been consulted
Ministry of Transport, Ministry of Foreign Affairs and Trade

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 Withdrawn |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



BRIEFING

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Date:	14 January 2022	Priority:	High
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Purpose

This briefing seeks your agreement to postpone the MIQ room release planned for 20 January, given current capacity pressures and uncertainty around the timing of the delayed Step One of Reconnecting New Zealand. Alternatively, if you indicate the release should proceed, we recommend that we continue with a small room release (1250 room or less) and will work with Air New Zealand to ensure that red flights from Australia for March and April are included.

In order for red flights from Australia to be scheduled in time for the 20 January room release Air New Zealand require a decision by 2pm, 18 January.

Recommended action

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

- a **Note** that on 6 January, MIQ released a small number of rooms for March and April through its regular lobby process. This has been the only room release since 16 December.

Noted
- b **Note** that the 6 January release did not include flights from Australia, because airlines had not scheduled red flights from Australia for March and April. This was due to Step One of Reconnecting New Zealand being delayed and airlines awaiting further certainty.

Noted
- c **Note** that there was a significant amount of media and public commentary about the 6 January room release not including flights from Australia.

Noted
- d **Note** that the last MIQ room release planned for 13 January was delayed due to current capacity pressures and uncertainty around the timing of the delayed Step One border reopening [2122-2278 refers]. This release had not been publicly notified.

Noted
- e **Note** that the next MIQ room release is currently planned for Thursday 20 January. This release has already been publicly notified.

Noted
- f **Note** that due to capacity pressures caused by concurrent decisions and events, MIQ is not in a position to release any rooms for January and February [briefing 2122-2293 refers].

Noted
- g **Note** that Air New Zealand is undertaking contingency planning at our request to make red flights from Australia available for March and April.

Noted

h **Note** that Air New Zealand needs confirmation by 18 January at the latest in order to publish a red schedule from Australia in time for the 20 January release.

Noted

i **Note** that Air New Zealand also requests that the government provides supporting communications about what scheduling red flights from Australia signifies for Reconnecting New Zealand.

Noted

j **Agree** to either:

i **Option 1 – postpone room release (recommended):** the 20 January room release is postponed until after the upcoming Reconnecting New Zealand decisions regarding border settings are announced (expected to be early February); or

Agree Disagree

ii **Option 2 – proceed with a room release including from Australia:** a small room release occurs on Thursday 20 January and includes Air New Zealand red flights from Australia. MIQ communications will state that the inclusion of red flights from Australia is a contingency plan while we await decisions about Step One commencing; or

Agree Disagree

iii **Option 3 – proceed with a room release without Australia:** a small room release occurs on Thursday 20 January on the basis that we expect Step One to commence at the end of February, and does not include red flights from Australia.

Free and frank opinions

Agree Disagree

k **Agree** that this briefing is proactively released with appropriate withholdings.

Agree Disagree



Kara Isaac
General Manager
MIQ Policy, MBIE

14 / 1 / 2022



Hon Chris Hipkins
Minister for COVID-19 Response

17 / 01 / 2022

Background

1. On 21 December 2021, the Government announced that Steps One and Two of Reconnecting New Zealanders would be delayed from 17 January (for Australia) and 14 February (for the rest of the world) until the end of February, with exact timing to be confirmed.
2. As the result of revised public health advice, you also agreed to change MIQ from a seven-day to a 10-day stay for new arrivals entering managed isolation [2122-2240 refers].

MIQ is facing severe capacity issues

3. Due to a range of concurrent events and decisions, both managed isolation and quarantine capacity is approaching its limits, putting our ability to meet existing voucher commitments at risk. We have provided you with a separate briefing today on this matter that seeks your direction on potential responses [2122-2293 refers].
4. Capacity pressures for January and February are largely due to the Omicron variant and the Government's associated response, as well as significant existing voucher commitments:
 - There has been a 10-fold increase in positive COVID-19 cases at the border compared to December.
 - The extension of MIQ stay length from seven to 10 days has resulted in a 27 percent reduction in MIQ capacity (1,800 rooms over 33 days).
 - MIQ is providing vouchers to people affected by the delay of Step One of Reconnecting New Zealand, with 377 rooms already allocated as of 13 January 2022.
 - Existing commitments to Afghanistan and refugees (approximately 100 rooms between 17 January and 13 February)
 - Existing commitments to Group and Sector allocations and Time Sensitive Travel in January (approximately 715 rooms in January) and February (up to 1,635 rooms), and emergency allocations (up to 800 rooms each month).
5. MIQ is therefore not in a position to include January and February vouchers in any room release.

The MIQ room release planned for 13 January week was postponed to 20 January

6. The MIQ room release planned for 13 January did not proceed due to capacity pressures and uncertainty around the timing of the delayed Step One of Reconnecting New Zealand and the self-isolation pathway with Australia [2122-2278 refers].
7. This 13 January room release date had not been made public, however, the 20 January has been announced publicly as the next release date.

A small number of March and April vouchers have already been released

8. On 6 January 2022, approximately 1,250 rooms for March and April were included in a room release, for which 1,810 travellers were successful out of 16,617 people represented in the queue. This has been the only MIQ room release since 16 December.
9. This room release did not include red flights from Australia, because airlines had not scheduled them. This was based on the understanding that a self-isolation pathway was expected to open under Step One for eligible travellers from Australia. Because red flights were not available to book, people looking to travel directly from Australia to New Zealand were not able to participate in the room release, Legal professional privilege

and an increase in the number of distressed New Zealanders seeking consular assistance to return to New Zealand.

The next MIQ room release is scheduled for Thursday 20 January

We recommend postponing the 20 January room release

10. While the next MIQ room release is currently scheduled for 20 January, there is continued uncertainty about MIQ's capacity for March and April, as well as border settings with Australia and other countries from the end of February.
11. The number of vouchers MIQ is able to release for March and April could be affected by a number of factors, including:
 - i. Decisions to further delay Reconnecting New Zealanders Stage One and/or Two beyond the end of February
 - ii. isolation facilities being converted to quarantine [2122-2293 refers]
 - iii. further vouchers being provided to those affected by any postponement of the initial steps of Reconnecting New Zealand beyond February.
12. Given these uncertainties, we advise against further room releases until announcements are made regarding border settings beyond February under Reconnecting New Zealand.

If the 20 January room release goes ahead, we recommend that red flights from Australia are included

13. If we proceed with a 20 January room release, it would be a small release of 1,250 rooms or less to mitigate the potential impact it may have on ongoing MIQ capacity pressures.
14. Legal professional privilege [redacted] if the room release on 20 January is to proceed, we consider that it must include red flights from Australia.
15. Air New Zealand is the only airline currently operating red flights from Australia. At agencies request, Air New Zealand is carrying out contingency planning in order to provide a red flight schedule from Australia in March and April. This flight schedule has not been finalised.
16. If Air New Zealand were to publish red flights from Australia for March and April, they would effectively be running a dual schedule of flights until a decision is announced about reopening borders to Australia.
17. Air New Zealand has advised that confirmation by 18 January at the latest is required in order to fully operationalise the red flight schedule (it had previously been working on the basis of a minimum three to four days' notice).
18. If we are unable to give Air New Zealand sufficient notice to get their red flight schedule from Australia published by 20 January, we would need to push the room release date by 1-3 days.
19. To undertake a 20 January room release that included red flights from Australia, very careful wording would be required to ensure that returnees and the greater public understood that the red flights are not an indication that Step One is being pushed beyond February. Air New Zealand is concerned that its publishing of red schedules is not construed as it having inside information. We recommend public communications that the government asked Air New Zealand to put on a red schedule as a contingency. Being clear that this is a contingency will also be important for international airlines, which are monitoring our settings closely to decide whether to continue to operate to New Zealand.

Options for the next room release

20. Given the above considerations, we are seeking your direction on whether the March and April room release planned for 20 January should be delayed or go ahead with red flights from Australia.

21. The options with their pros and cons are captured in **Table 1** below.

Table 1. Options for the next room release

Options	Benefits	Risks
Options 1: Postpone release until the Reconnecting New Zealand border settings are confirmed (recommended)	<ul style="list-style-type: none"> Clarity about Reconnecting New Zealand and whether red flights from Australia are needed prior to room release commitments Better understanding of the implications of current capacity issues and how they are to be managed 	<ul style="list-style-type: none"> There will have only been one small room release since 16 December The longer the room release is delayed, the more people are likely to interpret it as signalling uncertainty around future border and MIQ settings If postponed, this would be the third lobby that has been postponed of the last four. We anticipate significant frustration from New Zealanders overseas that are aware of the 20 January scheduled release
Option 2: Proceed with a room release on 20 January including from Australia	<ul style="list-style-type: none"> A small room release could go ahead as planned, which would be welcomed by many New Zealanders overseas Legal professional privilege 	<ul style="list-style-type: none"> MIQ communications would need to be very clear that red flights from Australia indicate a contingency plan and not Government policy about the border settings Air New Zealand planning for a red flight schedule is not confirmed and needs adequate lead in time for 20 January If Air New Zealand cannot operationalise their red flight schedule by 20 January, we will need to push the release date out 1-3 days
Option 3: Proceed with a room release on 20 January without Australia (not recommended)	<ul style="list-style-type: none"> Still provides New Zealanders overseas in the rest of the world (not Australia) the opportunity to access vouchers to return Is not dependent on Air New Zealand operating a dual flight schedule with red flights as a contingency 	<ul style="list-style-type: none"> Legal professional privilege Even there is confidence of Step One going ahead, it would be difficult to communicate ahead of a formal announcement, and media speculation and requests from New Zealanders in Australia would be significant

Next steps

22. Our communications team will liaise with your office around publicly notifying the decision, including relevant messaging around Reconnecting New Zealand.

23. If you agree to postpone the 20 January release, we do not intend to announce a specific date for the next release until there is greater clarity on the impact of Omicron and Reconnecting New Zealand on MIQ capacity.