



“It Was Never Going To Be Possible To ‘Freeze’ And Then ‘Unfreeze’ The Economy”

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A daily email by free market think tank the Institute of Public Affairs, providing the latest economic data and policy measures for journalists, commentators and IPA members.

Daily IPA comment attributable to Cian Hussey, Research Fellow at the Institute of Public Affairs:

“The forecasts released today by the Parliamentary Budget Office demonstrate the devastating impact of the lockdowns.”

“PBO’s most optimistic estimate is that net debt will be \$500 billion higher in 2029-30 as a result of COVID-19 and the lockdowns. Ten-year forecasts are notoriously unreliable, and in all likelihood debt will be substantially higher.”

“It was never going to be possible to ‘freeze’ and then ‘unfreeze’ the economy, as the government claimed, and the long-term damage highlighted by PBO demonstrates the terrible consequences

of trying to do so.”

“State governments must move to reopen their economies as fast as possible, while keeping social distancing and hygiene requirements in place. Along with this, serious policy reform is required. Only the private sector can recreate the jobs that are vital to an economic recovery, and high taxes and onerous red and green tape stifle these efforts.”

Research prepared by IPA Research Fellows Kurt Wallace and Cian Hussey.

Latest Changes

Australia

- 7,240 confirmed cases and 102 deaths. There are 474 active cases and 6,664 recoveries. There are 23 cases in hospital and 4 of those are in intensive care.
- According to Roy Morgan employment estimates, 24.5% of the Australian labour force were either unemployed or underemployed in May.
 - 2.09 million Australians were out of work in May, down 69,000 from April.
 - 1.37 million people were underemployed in May, up 44,000 from April.

International

- In the US, 1.87 million people filed an unemployment benefit claim for the first time last week. Total jobless claims are just under 43 million since lockdowns began in March.

Labour force paid by the government

53.6% of the labour force is either directly employed by Commonwealth and state governments or local councils, or is in receipt of the JobSeeker unemployment payment or the JobKeeper wage subsidy:

- Public sector: 2 million (15.1% of labour force).
- JobSeeker: 1.6 million (12.1% of labour force).
- JobKeeper: 3.5 million (26.4% of labour force).
- Total: 7.1 million (53.6% of labour force).
- Labour force: 13.24 million.

Schools

- New South Wales – All schools will return to full-time face-to-face classes from May 25.
- Victoria – Staggered return to classrooms will begin on May 26, with prep, grades one and two, and years 11 and 12 returning. Students in years three to 10 return on June 9.
- Queensland – From May 11 kindergarten, prep and years 1, 11 and 12 return. Remaining students planned to return from May 25.
- Western Australia – Face-to-face teaching in place for all students, but attendance is optional until May 18.



- South Australia – Schools reopened and students encouraged to attend.
- Tasmania – Kindergarten to year 6 students and year 11-12 students return on May 25. Students in years 7-10 will return to school on June 9.
- Northern Territory – Returned to classrooms on April 20.
- ACT – Plan to return during term 2. Primary school children, and year 7 and 12 students will return first.

Plans to lift restrictions

NSW

From 15 May

- Home gatherings limited to a maximum of five visitors from separate households.
- Gathering limit increased to 10 people for outdoor activities.
- Weddings limited to 10 guests.
- Funerals allowed 20 people indoors and 30 people outdoors.
- Religious gatherings limited to 10 people.

From 1 June

- Pubs, clubs and cafes can serve up to 50 patrons.
- Weddings limit increased to 20 guests.
- Religious gatherings limit increased to 50 people.
- Intra-state travel restrictions are completely lifted.
- Museums, art galleries and libraries can reopen.

From 13 June

- Gyms, yoga studios, tattoo parlours, massage parlours and community sport events can reopen with a limit of 100 people per venue and 10 people per class.

Victoria

From 13 May

- Home gatherings limited to a maximum of five visitors from separate households.
- Gathering limit increased to 10 people for outdoor activities, and religious gatherings.
- Weddings will be limited to 10 people plus the couple and celebrant.
- Funerals allowed 20 people indoors and 30 people outdoors.
- Food and drink businesses remain limited to takeaway and home delivery.

From 26 May

- Public playgrounds, outdoor communal gym equipment, and skateparks will be reopened.

From 1 June

- Cafes, restaurants, and pubs will be allowed to serve 20 people per enclosed area.
- Private gatherings, public gatherings, weddings, religious services, increased to 20 people. Funerals increased to 50 people. Overnight stays in private residences will be allowed.
- Real estate auctions and open houses will be allowed 20 people.
- Beauty services will be allowed to open with up to 20 patrons.
- Camping and accommodation venues allowed to open with no use of shared facilities.
- Community facilities, swimming pools, museums, amusement parks, zoos, and non-contact outdoor sporting activities will be allowed to resume with up to 20 people per space with social distancing measures.

From 22 June

- The restrictions on cafes, restaurants, and pubs will be raised to 50 people.
- Community facilities, swimming pools, museums, amusement parks, zoos, and non-contact outdoor sporting activities will increase to 50 people per space with social distancing measures.
- Gyms and other indoor sports centres will be allowed 20 people per undivided space and 10 people per group.
- Indoor venues including cinemas, concert venues, and stadiums will be allowed up to 50 seated patrons per space.

From mid-July

- The restriction on cafes, restaurants, and pubs may be raised to 100 people.

Queensland

From 15 May

- Home gatherings limited to a maximum of five visitors from separate households.
- Gatherings allowed for up to 10 people for most outdoor non-contact activities, libraries, weddings, religious services.
- Funerals up to 20 people indoors or 30 people outdoors.
- Recreational travel allowed within 150km of home in metro areas. Travel up to 500km from home is permitted in regional areas, and travellers can stay in a location (accommodation, family or friend) overnight.
- 10 person maximum for dining in at restaurants, cafes, pubs, licensed clubs, RSLs and hotels. 20 person limit for licensed venues in regional areas.

From 12 June

- Gatherings of up to 20 people.
- Funerals allowed up to 50 people.



- Recreational travel limit raised to 250km. Camping and accommodation restrictions lifted, including caravan parks.

From 10 July

- Gatherings of up to 100 people.

South Australia

From 11 May

- Gathering limit increased to 10 people.
- Funerals allowed up to 20 people indoors and 30 people outdoors.

From 22 May

- Restaurants and cafes will be able to seat 20 patrons, half inside and half outside, and serve alcohol.

From 1 June

- Pubs, clubs, restaurants, cinemas, beauty salons and gyms can reopen with up to 80 patrons.

Western Australia

From 18 May

- Public gathering limit increased to 20 people.
- Weddings and funerals allowed up to 20 people indoors and 30 people outdoors.
- Some regional travel bans remain in place.

From 29 May

- Intra-state travel restrictions are lifted. Restrictions remain for parts of the north-east of the state and for some remote communities.

From 2 June

- The number of people allowed to visit a patient in hospital will increase to two at a time, children will be allowed to visit, and maternity patients can be accompanied by two birthing partners.

Tasmania

From 18 May



- Gatherings increased to 10 people.
- Households capped at 5 visitors.
- 30 people allowed at outdoor funerals. Funerals increased to a 20 person limit on 11 May.

From 5 June

- Gatherings increased to a 20 person limit.
- National parks reopened, camping and overnight stays are allowed.
- Restaurants, cafes, pubs and clubs (excluding nightclubs) can have up to 40 patrons.
- Funeral limit lifted to 50 people.

From 13 June

- Gatherings maximum limit will be lifted to between 50 and 100 people.
- Aged care homes will be allowed five visitors and multiple visits.

Northern Territory

From 1 May

- Restrictions lifted on a host of indoor and outdoor recreational activities.

From 15 May

- More restrictions lifted on businesses, including food services, gyms, and public libraries.

From 5 June

- Further easing of restrictions due.

ACT

From 9 May

- Gathering limit lifted to a maximum of 10 people for both indoor and outdoor gatherings. Includes religious ceremonies, outdoor boot camps, and real estate open houses and auctions.
- Home gatherings are limited to 10 people with the exception of where two households coming together is more than 10 people.
- Weddings allowed 10 guests.
- Funerals allowed 20 people indoors and 30 people outdoors.