

Ten things we can learn from the rest of the world on recovering and reopening

There may be one advantage to being so far behind the rest of the developed world with vaccinations and reopening: we can learn from the experience of the rest of the world.

The Committee for Sydney plays a key role in bringing lessons from other cities to bear on issues here in Sydney, and the circumstances of Covid-19 are no different.

Here are some of the key global trends we think are important.

The vaccines work. Emerging data from the [UK](#) and [Israel](#) suggests the AstraZeneca and Pfizer vaccines have higher efficacy than initially expected. Getting a second jab drastically reduces the risk of hospitalisation or death from the Delta variant.

Outcome	Pfizer		AstraZeneca	
	Dose 1	Dose 2	Dose 1	Dose 2
Symptomatic Infection	33%	83%	33%	61%
Hospitalisation	71%	87%	69%	86%
ICU Admission	71%	87%	69%	86%
Mortality	71%	92%	69%	90%

Source: *Doherty Modelling Report for National Cabinet 30 July 2021, p.25*

The UK government estimates 90 per cent of adults now have [Covid-19 antibodies](#). Despite fears to the contrary, hospitals were not overwhelmed after the UK's "[freedom day](#)" on 19 July. While many people still have Covid-19, widespread vaccinations have meant the rate of serious cases is low.

What it means for Sydney: After we get to a high level of vaccination, we can reopen, even while Covid-19 circulates.

Many places are struggling with social cohesion. Covid-19 poses a major challenge to democratic societies for the simple reason that we don't all agree with one another about risk tolerance and priorities, yet we are stuck living with the decisions of everyone else.

Moreover, the fact health experts disagree with one another means people do not know who to trust.

Finally, the experience of Covid has exacerbated economic divides everywhere, with lower income, essential workers bearing the brunt of the disease.

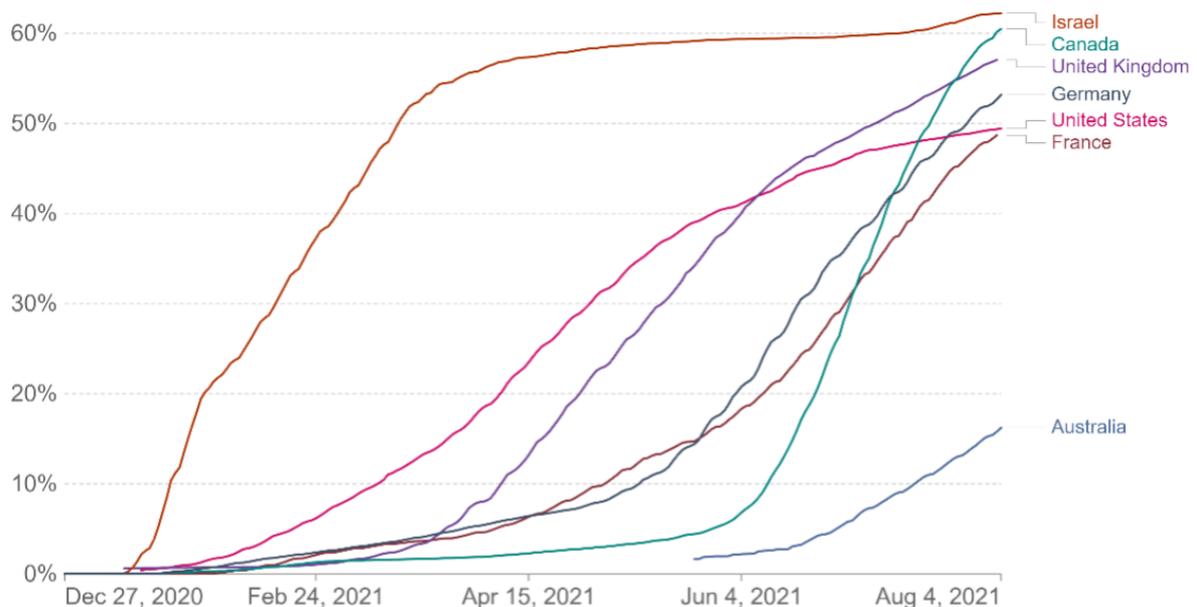
There have been scattered protests around the world as people reject public health orders and vaccine mandates, and widespread dissension and anger – both at governments and at fellow citizens:

- In London, [an anti-lockdown movement](#) saw protestors declaring “we are the 99%”
- In Italy and France, [more than 100,000 people rallied](#) against new vaccine passports, shouting for “liberty”
- In the US, [anti-lockdown protests](#) occurred across the country.

What it means for Sydney: We need to take social cohesion seriously. The economic divides the Committee discussed in our paper, [Adding to the Dividend, Ending the Divide](#), have been revealed starkly by the pandemic. Multicultural communities in southwestern Sydney have been hit hard, even as they do so much of the essential work that allows the rest of us to stay safely at home.

Convincing unvaccinated people is slow going. The countries that are ahead of Australia on vaccinations have all seen a slowing down of vaccination rates. This requires getting more sophisticated about the various [reasons different sub-groups are not getting vaccinated](#).

In Israel and the USA, vaccination rates have topped out at 60 per cent and 50 per cent respectively. Both countries continue to work on getting the numbers up, but progress has slowed. It’s not yet clear where other countries will top-out or how high vaccination rates can go.



Share of population fully vaccinated against Covid-19. Source: Our World in Data

What it means for Sydney: We need to be realistic about how high our vaccination rates can get. Setting targets for reopening that we cannot hit is tantamount to letting the vaccine-hesitant hold everyone else hostage. But the good news is, in other countries that have recently re-opened [there has not been a catastrophic collapse of the health system](#).

Countries are getting creative about convincing people to get vaccinated.

- Ohio is offering a [lottery to win \\$1 million](#)
- New York City is handing out [\\$100 cash](#)
- Students in Washington go in the draw to [win an iPad or a \\$25,000 college scholarship](#)
- In the UK, young people are being offered [discounts on Uber, Bolt and Deliveroo](#)
- Other humble, yet delicious, vaccine incentives include Moscow's [free scoop of ice-cream](#), China's [two boxes of eggs](#) and Romania's [free barbeque sandwich](#).

What it means for Sydney: we should get creative about incentives, too – ideally measures that will also stimulate the economy – restaurant vouchers or even cash.

Some places are starting to mandate vaccines in public places. Requiring proof of vaccination to be in a public place is a powerful incentive to get jabbed (while also protecting businesses and essential workers from potential infection).

- France has created a [“health pass”](#) that allows vaccinated people to enter shopping-centres, hospitals, long-distance trains, cafés and restaurants once they've been vaccinated
- Italy quickly followed France with its own version of a [health pass](#), which allows vaccinated people to enter any indoor dining venue, event or museum
- New York requires patrons provide [proof of vaccination](#) before accessing gyms, restaurants and indoor venues to provide proof of vaccination
- In Chicago, the music festival Lollapalooza only allowed [entry with proof of vaccination or a negative Covid-19 test](#)
- Israel has issued a [“green pass”](#) that uses a QR code to access gyms, events, hotels and restaurants.

What it means for Sydney: Government can send a clear message to the community about the expectation to be vaccinated by making vaccines the ticket to get back to social life.

Some employers are mandating vaccines as a condition of employment. This approach seems [especially pronounced in the USA](#):

- [Google and Facebook](#) were the first to announce the mandate, followed quickly by Netflix, and a few days later, [Walmart and Disney](#) followed suit
- Other major companies that have now mandated vaccines for staff include [Tyson Foods](#), [Microsoft](#), [Salesforce](#), [Cisco](#), [Equinox](#), [United Airlines](#), [Delta Airlines](#), [Door](#)

[Dash, Lyft, Uber, Twitter, Goldman Sachs, The Washington Post and The New York Times](#)

- US President Biden announced [federal and military employees should get vaccinated](#), and those who don't will have to put up with regular testing, social distancing measures and restricted travel.

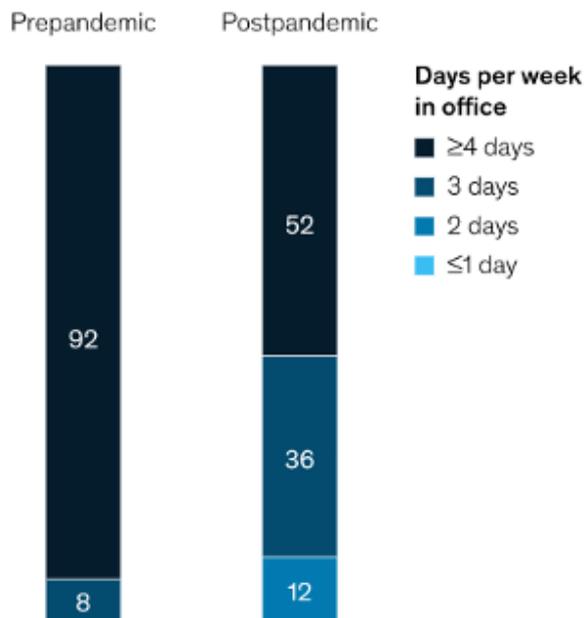
What it means for Sydney: A former top advisor to Biden, Andy Slavitt, has said employer vaccine mandates will be essential for countries like Australia who are racing to get 70 to 80 per cent of the population vaccinated. One day after Slavitt's statement, Australian food company SPC announced a mandate for all on-site workers to be vaccinated by November. The legal basis for employer vaccine mandates is likely to be highly contested. But in any case, employers in Sydney can still repurpose flu vaccination programs for their workforces.

Everyone believes that there will be a 'hybrid' remote work culture in the future. But what exactly is meant by "hybrid" is the subject of a great debate: how many days a week will employees end up in the office? What is the relative power balance between workers and bosses? How will corporate culture evolve?

[McKinsey](#) finds a huge increase in expectations of working remotely, but also a great deal of confusion on the part of both employees and employers as to how to make "hybrid" models work effectively – the firm also predicts a massive workforce attrition as workers plan to change jobs

- Some economists predict a [wave of mass resignations](#) as workers find employers more amenable to their work location preferences.
- [The Economist](#) observes that the pandemic has exacerbated political discontent all over the world.
- [JLL's global survey of employees](#) found that over the past year of working from home, the desire to be back in the office has increased significantly
- Virtually everyone is predicting that [the role of the office will change](#) to emphasise spaces for collaboration rather than "head-down" focused work time
- Some people are predicting a structural improvement to productivity as [remote work transforms business processes](#) – comparing it to the long process of electrification transforming industry
- A [survey of Silicon Valley tech company founders](#) showed that 40 per cent believed the best place to start a company will be in the cloud.

Average share of workdays in office reported before and expected after COVID-19 pandemic, % of C-suite respondents (n = 504)¹



¹Based on responses from 504 C-suite executives.
Source: McKinsey CxO Survey on Return to Workplace, May 2021

Source: McKinsey & Company

What it means for Sydney: In some cases, decisions about workplace models for Sydney will literally be made in board rooms in New York or London. But more broadly, there is a shared global business culture that Sydney is part of, so what happens in other major cities is likely to impact our working culture.

Travel data shows car traffic returning much faster than public transport ridership. Last year public transport services around the world were cut as cities went into lockdown. Now, public transport is struggling to regain ridership while cars are choking streets:

- Passenger numbers on the [New York Subway and Delhi Metro](#) are still less than half of pre-pandemic levels
- [Paris and London](#) recorded more car traffic in 2020 compared to 2019
- [New York surpassed LA](#) as the most gridlocked city in the USA
- [Peak-hour traffic in Shenzhen](#) increased by 10 per cent.

This stark modal shift reflects [people feeling less safe on public transport](#) and more safe in a private car due to the pandemic.

What it means for Sydney: A shift away from public transport would be devastating for Sydney. There is simply no way for a global city of Sydney's scale to function well unless a

large share of trips are taken on public transport, for the simple reason that cars take up far more space. A car-based transport system cannot coexist with high density, walkable urban places. Sydney has made great strides with the new Metro system it is building – which is among the best in the world. We believe Sydney should double down on this investment: Metro provides the best option for stitching Sydney together, overcoming spatial inequality, meeting the city’s climate goals, accommodating future population growth and supporting healthy urban places — regardless of how much people work from home.

Cities that were healthy before Covid are recovering. But lots of people are choosing to move away from the expensive, superstar cities.

- People are worried about how many [small businesses in Manhattan](#) will be able to survive, or start, with great uncertainty about when and whether office workers will return
- Derek Thompson predicts [“superstar” cities are in trouble](#), as the ability to live somewhere different from where you work opens up residential locations anywhere – Thomas Edsall predicts this will be a large enough shift in the US that it [will affect the political leanings of states](#)
- Richard Florida predicts [the biggest change will happen to Central Business Districts](#), which will convert to mixed use urban neighbourhoods or die (see [this](#) for a concurring interpretation).

What it means for Sydney: Our assessment, based on the international evidence, is that cities like Sydney that were highly desirable before are going to remain so. We do not see evidence of a wholesale move away from city living, like what happened in the decades after World War II. That said, there are big questions about the overall supply of office space that all cities are grappling with. If the aggregate amount of time knowledge workers spend in their offices decreases, then it seems likely the aggregate amount of office space in a metro area would also decrease. But the spatial pattern remains to be seen. We tend to believe CBDs will be the most resilient part of metro office markets, with “second-tier” office precincts facing more trouble. CBDs are likely to embrace a wider mix of uses without fundamentally reducing their concentration of knowledge workers.

Many cities used the crisis of Covid-19 to make permanent improvements to their cities.

- In Paris, 650km of [road will be repurposed as bike lanes](#) and an additional 30 streets will be pedestrianised
- The Mayor of London has unveiled a [£2 billion plan to boost cycling and walking](#), while [also banning cars from main streets](#) between London Bridge, Shoreditch, Euston, Waterloo, Old Street and Holborn
- The City Council of Milan also plans to [transform 35km of streets to include bike lanes and widened footpaths](#)
- The Mayor of [New York City](#) passed a bill to [make Open Streets permanent](#)

- The Mayor of Seattle has confirmed [30km of Stay Healthy Streets](#), which were closed to motorised traffic during the pandemic, will [become permanent with additional bike infrastructure expedited](#)
- In San Francisco, a number of parklets that have [repurposed street-parking into space for cafés and eateries](#) will be made permanent to help bolster local businesses while enhancing public space.

What it means for Sydney: Honestly, this is somewhat of a missed opportunity for Sydney. Just seven temporary cycleways have been put in, and only a few streets have been converted to support al fresco dining. The Committee has called for Sydney to “move social life outdoors,” including dining, as the next phase of reopening from lockdown, so there is still time to experiment. But the big opportunity here is to learn from other world cities and gain the courage to be bold about reclaiming public space for people.