# THE AUSTRALIAN

# Coffee sellers a sign of pandemic desperation

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By ROBERT GOTTLIEBSEN, BUSINESS COLUMNIST 7:58AM AUGUST 24, 2021 ● 2178 COMMENTS

Our second largest state by population, Victoria, is caught in a Covid no man's land and faces a recession that could rank with 1990. As in past economic crisis situations, you can smell trouble when desperate property owners make silly decisions.

In 2021 they are embracing the notion that community coffee drinking and multiple coffee shops can get them out of trouble.

Below I will canvass a way to avoid the worst of the crisis and some good news on the Australian medical front.

The Delta variant of Covid-19 is under control in all states except NSW and Victoria.

In NSW businesses went into the current crisis in better shape than Victoria because the 2020 restrictions in NSW were nothing like Victoria and enterprises in both states had been helped by JobKeeper and a rash of consumer spending.

This time around NSW lost control of the virus but the lockdown impact on its already sound enterprises was muted because many Sydney residents ignored the rules. The consequent high rates of infection then drove them to vaccines and they will reach the 70 and 80 per cent vaccination targets very quickly, although the need to vaccinate children will cause a delay. Internally NSW therefore will open up before catastrophic damage takes place, although borders with other states may remain closed.

Victorian lockdown rules were harsher and better obeyed. But Delta is too infectious and the state is very close to losing control. If it is possible, Victoria will only get Covid-19 under control with another long lockdown. Already battered enterprises without JobKeeper are starting to fall over.

Worse still, with the infection rate lower than NSW, and despite pleadings from Premier Daniel Andrews, Victorians are not taking up vaccines at the required rate. Too many say: "There is no hurry ---we will wait for Pfizer", not understanding that our scarce overseas-made Pfizer vaccines will be required for children. Panicked small shopping centre owners are converting empty shops and any spare space they can find into coffee-drinking venues with spaced tables.

Shocked renovators know they are destroying the centres and the lives of those that lease the coffee shops because there is already a glut and there is only so much coffee that can be consumed. Desperate decisions are being made in other business areas but alcohol retailers, especially those on line, are doing well.

Let me put forward a different approach.

I think given the urgency in Victoria, and to a lesser extent in NSW, it is reasonable to add another criteria to hasten an end of the harsher domestic lockdowns - making the availability of a vaccination for every person over 12 the criteria for lockdown easing.

Once all residents of Victoria and NSW have had the chance to be vaccinated we can reasonably quicken the process of unwinding lockdowns and requiring vaccination to participate in certain areas.

New York this week demanded vaccination in the education sector. The WorkSafe and SafeWork bodies in Victoria and NSW have the power to make a similar requirement to make many work places safe.

Being offered vaccination may involve either AstraZeneca or Pfizer depending on what is available. Those that want to wait for the vaccination of their choice will be subject to exclusions. Once people understand the consequences of vaccine rejection those simply delaying

may change their minds. The hardest task will be getting Canberra public servants to talk meaningfully with Victorians. The so-called ABV (Anywhere But Victoria) <u>syndrome is endemic in parts of the Coalition's government</u> and is set to be a major election issue.

Now the good news.

The world's best research brains are concentrating on the virus and Australia is part of the action.

The listed Noxopharm and the Hudson Institute of Medical Research are working together to use one of Noxopharm's drugs, Veyonda, as an anti-inflammatory agent to help Covid patients.

In many Covid patients hyper-inflammation is caused by an excessive inflammatory response by the body, triggering widespread inflammation of the lining of blood vessels, disseminated coagulation, septic shock and multi-organ failure. As a result hyper-inflammation is a major component of death in the Covid-19 disease.

Noxopharm conducted a pilot study in European patients hospitalised with moderate Covid-19, with 37 out of 38 patients recovering. One died.

Based on these results, Noxopharm is seeking to have Veyonda added to one of the platform programs being conducted globally looking to identify a basket of treatments for Covid-19. Preliminary discussions also are underway with Australian government bodies to participate in funded platform clinical trials currently being undertaken.

Clearly there is a long way to go but it is an illustration that Australia is deep in the thrust to improve treatment for those with Covid.

#### ROBERT GOTTLIEBSEN, BUSINESS COLUMNIST

Robert Gottliebsen has spent more than 50 years writing and commentating about business and investment in Australia. He has won the Walkley award and Australian Journalist of the Year award. He has a place in t... Read more



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