



## What businesses should be doing about pandemic influenza

Given that the World Health Organisation has raised the pandemic alert level to Stage 5 (as of 30 April 2009), Australian businesses should now be well advanced in enacting their pandemic response plan measures. These measures typically focus around two key consequences of a widespread influenza outbreak – the financial and health impacts.

This *National Security Practice Note* addresses what businesses should be doing about pandemic influenza in response to these two potential impacts.

### Why a pandemic is so significant for business

As a new influenza outbreak occurs, and particularly if illness and deaths become widespread, it will impact on business through demand changes and challenges to continuity of operations.

### Demand changes leading to financial impacts

Demand changes will occur for two reasons. Firstly the uncertainty caused by media coverage of the influenza outbreak, particularly in the current economic situation, may further increase consumers' reluctance to spend. Secondly, advice by government on social distancing, such as avoiding crowded places, will result in people changing their purchasing locations and frequency.

The impact of the pandemic will not be uniform across all industrial sectors. Some will suffer more than others, and a few will actually experience increased demand. Such a response was seen during the SARS outbreak in Singapore. There, the hardest hit areas were tourism, hospitality and retail. Specifically, few

tourists came to Singapore during the SARS crisis, restaurants suffered a turnover drop of between 30% and 80%, and expenditure on clothing and other discretionary items fell sharply. The hardest hit shopping areas were those which relied on tourists. Suburban shopping areas suffered less as they were the only source of essential supplies for many people.

Fear of infection or an actual pandemic in Australia would have a similar effect on tourism, hospitality and retail. Other sectors also likely to suffer would be:

- enterprises which export a substantial amount of their production. This is because of both logistical problems caused by disruptions to the global shipping and air cargo systems, and also because of economic downturns in other countries.
- enterprises which depend on just-in-time supplies, particularly those with numerous suppliers. This is because, following a pandemic, some of the suppliers will go out of business and if a substitute cannot be found, then the production of the final product will cease once the stock on-hand is depleted.
- enterprises which bring people together, such as public transport, restaurants, theatres, sporting events and casinos. This is because people will be less willing to be in close proximity to others.
- resource producers. This is because commodity demand will collapse as the global economy falters.

Sectors which will most likely increase in demand will be:

- home-goods suppliers, which focus on renovation and home entertainment. This is because people will seek solace in the one environment they have full control over – their home.
- safety suppliers, which provide goods and services that create a more healthy environment at home, at work and while shopping. Examples are

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air-purifiers and disinfectants.

- personal wellbeing goods and services. These include trauma counselling, spiritual development, aromatherapy, pharmaceuticals and health-related goods and services.

## Challenges to continuity of operations

If a significant influenza outbreak occurs in Australia, a key challenge for businesses will be continuity of operations. This may be due to the lack of staff due to absenteeism, illness or other reasons, and shortage of inputs.

Because of the tight coupling of all infrastructure and businesses, supply failures of one may have cascading and rapid consequences for others. For example, loss of gas supplies will significantly disrupt hospitals which depend on it for generating hot water and steam. If a component manufacturer suspends production, downstream manufacturers will have to also cease production once their on-hand supplies are used up.

## Guidance on actions

Businesses should now be implementing their OS5 level pandemic mitigation measures. This level aligns with the WHO/ Australian Government pandemic influenza phases as seen in figure 1. Should businesses not have plans, below are a list of measures at key alert levels which they should consider.

		Global phase	Australian phase	Description of phase	AHMPPPI 2008 Australian phases
PREVENTION AND PREPAREDNESS	1	AUS 0		No circulating animal influenza subtypes in Australia that have caused human disease	
		Overseas 1		Animal infection overseas: the risk of human infection or disease is considered low	
	2	AUS 1		Animal infection in Australia: the risk of human infection or disease is considered low	
		Overseas 2		Animal infection overseas: substantial risk of human disease	
	3	AUS 2		Animal infection in Australia: substantial risk of human disease	
		Overseas 3		Human infection overseas with new subtype/s but no human to human spread or at most rare instances of spread to a close contact	ALERT
RECOVERY	4	AUS 3		Human infection in Australia with new subtype/s but no human to human spread or at most rare instances of spread to a close contact	
		Overseas 4		Human infection overseas: small cluster/s consistent with limited human to human transmission, spread highly localised, suggesting the virus is not well adapted to humans	DELAY
	5	AUS 4		Human infection in Australia: small cluster/s consistent with limited human to human transmission, spread highly localised, suggesting the virus is not well adapted to humans	
		Overseas 5		Human infection overseas: larger cluster/s but human to human transmission still localised, suggesting the virus is becoming increasingly better adapted to humans, but may not yet be fully adapted (substantial pandemic risk)	DELAY
	6	AUS 5		Human infection in Australia: larger cluster/s but human to human transmission still localised, suggesting the virus is becoming increasingly better adapted to humans, but may not yet be fully adapted (substantial pandemic risk)	
		Overseas 6		Pandemic overseas: increased and sustained transmission in general population	DELAY
AUS 6a			Pandemic in Australia: localised (one area of country)	CONTAIN	
AUS 6b			Pandemic in Australia: widespread	SUSTAIN	
RECOVER	AUS 6c		Pandemic in Australia: subsiding	CONTROL	
	AUS 6d		Pandemic in Australia: next wave	RECOVER	

Figure 1 Phases of human influenza pandemic: Source: National Action Plan



### About the AHSRC

The Australian Homeland Security Research Centre undertakes independent, evidence-based analysis of homeland security (the domestic dimensions of national security).

The Centre's vision is to be one of Australia's leading independent sources of research on domestic security policy and programs for the government, industry, the community and the media.

Many of the Centre's activities are run in partnership with other organisations which reflects its philosophy that collaboration is the key to ensuring optimal outcomes in national security.

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Global Phase	Australian Phase	Description of phase	Recommended Actions for Australian businesses
	Aus 4	Human infection in Australia: small cluster(s) consistent with limited human to human transmission, spread highly localised, suggesting the virus is not well adapted to humans.	<ul style="list-style-type: none"> <li>• Consider implementing remote work arrangements.</li> <li>• Consider suspending all overseas travel and organise overseas staff to return to Australia as soon as possible.</li> <li>• Purchase health and safety consumables such as disinfectant, gloves and face masks.</li> <li>• Distribute hard copies of staff contact and supplier contact lists.</li> <li>• Educate staff that if they get sick and recover, they should return to work as they will be immune to the disease. If they believe they are unwell, they should not go to work.</li> <li>• Prepare rosters which have no overlaps and include sufficient time for disinfecting the area before the new shift arrives. Encourage staff to eat at their desks and stagger breaks to prevent groups meeting in the break rooms.</li> <li>• Resolve legal issues about providing a reasonable duty of care workplace during a pandemic.</li> <li>• Provide staff with details of the location of fever clinics, designated influenza hospitals, infection control guidelines, the hotline for influenza, health pandemic website, and DFAT Travel Advisories.</li> <li>• Exercise the BC/EM plans under different pandemic scenarios &amp; update plans to reflect the lessons. Specifically, examine how continuity will be affected in an environment of high absenteeism including up to 50% absenteeism, when regions are quarantined, preventing staff and goods from leaving or arriving, and when when schools are closed and other social distancing is introduced.</li> <li>• Plan for the forced closure of the workplace by government.</li> <li>• Plan to allow staff to work from home.</li> <li>• Advise staff overseas to follow DFAT Travel Advisories and for those residing in certain countries to have access to influenza antiviral medicine for treatment</li> <li>• Plan for ways to increase social distancing in the workplace, eg video conferencing</li> <li>• Consider how your sector will be affected by a pandemic.</li> <li>• Identify the conditions under which your organisation would suspend operations.</li> <li>• Update company succession plans in case the key staff succumb.</li> <li>• Review insurance policies for pandemic coverage</li> </ul>

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	Overseas 5	Human infection overseas: larger cluster(s) but human to human transmission still localised, suggesting the virus is becoming increasingly better adapted to humans, but may not yet be fully adapted (substantial pandemic risk).	<ul style="list-style-type: none"> <li>• Educate all staff on the Australian and State pandemic plans, and the organisation's plans.</li> <li>• Educate all staff on personal health measures.</li> <li>• Consider suspending overseas travel. Travelling staff should develop contingency plans in case they cannot return to Australia and have to remain.</li> <li>• Identify overseas suppliers, including call centres, and plan for their loss if an outbreak occurs in their country.</li> <li>• Appoint a person with responsibility for being the organisation's key contact on influenza and the Australian/State pandemic arrangements.</li> <li>• Regularly update senior management, and BC/EM team on pandemic developments.</li> <li>• Identify the critical areas (and their priority) that need to be manned to provide business continuity for several weeks, assuming minimum staff numbers.</li> <li>• Identify the essential personnel (including contractors) who are needed to work in the critical areas.</li> <li>• Inform the State health department of your critical areas, and the minimum staffing levels required for continuity.</li> <li>• Train retired staff, and other staff to work in the critical areas.</li> <li>• Consider providing psychological support.</li> </ul>
5	Aus 5	Human infection in Australia: larger cluster(s) but human to human transmission still localised, suggesting the virus is becoming increasingly better adapted to humans, but may not yet be fully adapted (substantial pandemic risk).	<ul style="list-style-type: none"> <li>• Activate remote work arrangements.</li> <li>• Implement social distancing at work.</li> <li>• Cancel all non-essential work.</li> <li>• Consider shutting down.</li> <li>• Activate shift rosters in which there are no overlaps and include sufficient time for disinfecting the area before the new shift arrives.</li> <li>• Maximise building ventilation.</li> <li>• Require staff to wear surgical masks, introduce cough etiquette and other hygiene measures.</li> <li>• Undertake daily temperature checks of staff.</li> <li>• Clean phones and all touched surfaces between shifts</li> <li>• Confirm with the health department when, how and the quantity of antivirals that will be supplied from their stockpile.</li> <li>• Other appropriate actions from the points above.</li> </ul>
6	Overseas 6	Pandemic overseas- not in Australia: increased and sustained transmission in general population.	<ul style="list-style-type: none"> <li>• Other appropriate actions from the points above.</li> </ul>
	Aus 6a	Pandemic in Australia: localised (one area of country).	<ul style="list-style-type: none"> <li>• Maintain a register of staff who get sick but recover, as they are immune to the disease.</li> <li>• Other appropriate actions from the points above</li> </ul>
	Aus 6b	Pandemic in Australia: widespread.	<ul style="list-style-type: none"> <li>• Encourage immune staff to return to work.</li> <li>• Contact all employees and inform them of the situation and provide assistance if possible.</li> <li>• Other appropriate actions from the points above.</li> </ul>
	Aus 6c	Pandemic in Australia: subsided	<ul style="list-style-type: none"> <li>• When vaccine becomes available, organise for all non-immune staff to be vaccinated as early as practical.</li> <li>• Implement plan for the full restoration of operations.</li> <li>• Evaluate if it is worth re-opening</li> <li>• Other appropriate actions from the points above.</li> </ul>