

Reopening required

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With airlines burning through revenue, IATA is calling on governments worldwide to find a way to open up

The severity of the COVID-19 virus is rightly most often measured in lives lost, but the toll of quarantines and restricted travel and free movement also has a cost.

Borders for the most part remain closed. The [International Air Transport Association's](#) (IATA) Director General and Chief Executive Officer Alexandre de Juniac has called for a stepped-up regime in COVID-19 testing for passengers ahead of departure. Such a practice would give governments the confidence to re-open borders, he says.

Until that happens, the numbers that de Juniac cited are dire. Airlines are spending approximately US\$300,000 per minute making it impossible to cut costs fast enough to make up for the impact of not being able to do business at full capacity.

Government support, to the tune of US\$160 billion worldwide have saved many from bankruptcy, de Juniac told the media in his October briefing, but much of that lifeline is ending. The supporting industries, such as airports and air navigation, are also struggling, also from a lack of demand for their products. Jobs by the millions are at risk. According to de Juniac, some 46 million jobs are in peril with only about 10 percent directly in the aviation industry. The rest are suppliers and contractors that rely on a healthy aviation market.

“They suffer from the same lack of demand that airlines do. And increasing their unit charges – passing the cost to other parts of the value chain – to cover the gap is not an option,” he says. “Remember, at the end of the value chain are consumers and they are price sensitive.”

At IATA’s other office in Montreal, the Association has called on the Canadian government to support more COVID-19 testing measures to safely re-open international and domestic travel without the need for blanket quarantine measures.

IATA is supporting the COVID-19 testing initiatives of [Air Canada](#) and [Westjet](#) as a means to safely reopen Canada to international and domestic traffic.

IATA estimates that revenues generated by airlines with service to, from or within Canada could fall by 70 percent or C\$22.6 billion (US\$17.1 billion) compared to 2019. That puts at risk nearly 410,500 Canadian jobs and some C\$39 billion (US\$29 billion) of Canada’s GDP, which is generated by aviation directly and indirectly as well as by aviation-related tourism.

In addition to its new safety measures for inflight, Air Canada in mid-October re-opened three of its Maple Leaf Lounges equipped with several layers of biosafety measures. Visitors must wear face coverings and plexiglass partitions are found throughout. Food is pre-packaged and reading material is now all in digital format.