Travel Industry Update  
May 18, 2020

Is TSA preparing to do temperature screenings at airports?

- The Transportation Security Administration (TSA) is preparing to possibly add a new element to its pre-boarding screening procedures in the U.S. airports: checking temperatures.
- If approved, the new measure could be rolled out at about a dozen airports as soon as next week. Specific airports have not been named.
- Airlines have been pushing for temperature checks at airports in order to mitigate passenger fears about COVID-19, and keep people that could possibly be ill off planes.
- Details of the plan are being reviewed by the White House and are subject to change.
- A senior official in the Trump Administration told the Wall Street Journal that the initial rollout of temperature checks at airports is expected to cost less than $20 million. A fever is one of the most common symptoms of the disease. Passengers will not be charged an additional fee for the screening.
- “Thermal scanning as proposed is a poorly designed control and detection strategy as we have learned very clearly,” said Dr. Martin Cetron, the CDC’s director of global mitigation and quarantine, in an email to DHS officials earlier this month. “We should be concentrating our CDC resources where there is impact and a probability of mission success.”
- The CDC has experience with temperature scanning. The agency screened 30,000 passengers at the beginning of the outbreak and did not detect a single covid-19 case, a CNN investigation found. However, some passengers that had gone through temperature checks later tested positive for the virus.

TSA screening numbers pass 250,000 for the first time since March 24

- On Friday, May 15, TSA screened 250,467 passengers, the first time the agency has screened more than 250,000 passengers in a day since March 24.
- In the month of March, before the pandemic was declared by WHO, TSA screened anywhere from 1.6 million passengers a day and 2.2 million passengers a day.

Delta

- Delta announced today that they will reinstate several major routes in June that were suspended due to the coronavirus pandemic, including some Trans-Atlantic and Caribbean destinations.
- Delta is adding roughly 100 more daily flights in June versus May, including service out of its Atlanta hub and New York’s John F. Kennedy International Airport to Florida, even as its overall second-quarter schedule is expected to be 85% smaller than last year.
Delta also hopes to resume passenger flights for Seattle-Shanghai in June, pending Chinese government approval.

**Ryanair to cut jobs; CEO calls two week quarantine “a joke”**

- Ryanair is negotiating pay cuts, unpaid leave and up to 3,000 job losses with its employees and trade unions.
- The majority of its airplanes were grounded from mid-March and the company expects to resume at-most 50% of its scheduled flights during the second quarter (between July and September).
- “We do think families will still go on the summer holidays once the school holidays come around, but at best we think we are talking about 50% of our normal traveling,” Ryanair CEO Michael O’Leary said.
- Ryanair, which said it would not be seeking state aid, said the competitive landscape would be distorted as a result of government support for other airlines across Europe.
- “As the restrictions ease or lose all credibility ... I think you will see people returning in quite quick numbers, but mainly on the back of deep price discounting both for the airfares and also for the hotel and accommodation packages,” O’Leary told CNBC.
- “They removed this idiotic 14-day isolation that is both unimplementable and unmanageable, in favor of using masks and temperature checks,” he said, adding that “the two-week quarantine is a joke.”

**Thai Airways headed for bankruptcy**

- Thai Airways is headed for bankruptcy, instead of heading to the bank to cash a hoped-for $2.8 billion bailout from the government, which is a 51% shareholder in the airline.
- Similar to a US-style Chapter 11, this would allow the airline to embark on a "rehabilitation" plan under an order issued by the country's bankruptcy court rather than take a short-term government loan to use as working capital and to finance operating expenses during its turn-around.
- Last week saw Thailand’s Finance Minister Uttama Savanayana suggest the government would be open to seeing the floundering flag-carrier – in which the government is a 51% shareholder – file for bankruptcy.
- Part of this restructure is expected to see Thai Airways reducing the size of its fleet and retiring older or larger aircraft such as the Boeing 747 and Airbus A380, in line with similar moves by other airlines around the world who also face extraordinary challenges from the coronavirus pandemic.

**Emirates to cut 30,000 jobs**

- Emirates Group is planning to cut about 30,000 jobs to reduce costs amid the coronavirus outbreak, which will bring down its number of employees by about 30% from more than 105,000 at the end of March.
- The company is also considering speeding up the planned retirement of its A380 fleet.
- Emirates, one of the world’s biggest long-haul airlines, said earlier this month that it will raise debt to help itself through the coronavirus pandemic, and may have to take tougher measures as it faces the most difficult months in its history.
- The airline is state owned.
Disney puts COVID-19 disclaimer on its website for Disney Springs

- Disney Springs is expected to begin its re-opening on May 20.
- Among other things, the disclaimer states “An inherent risk of exposure to COVID-19 exists in any public place where people are present.”

Italy to lift travel restrictions, beginning on June 3

- Italian Prime Minister Giuseppe Conte outlined a further loosening of movement restrictions on Saturday, including opening borders to travelers from Europe beginning June 3.
- A ban on travel between regions and abroad will remain in place until after Italy’s June 2 Republic Day holiday, preventing any mass travel over that long holiday weekend.
- But all travel curbs will be lifted from June 3 and travelers from European Union countries will be able to enter without going into quarantine, offering some hope ahead of the summer to the vital tourism sector.
- Conte said the decision to lift curbs was a “calculated risk” but added: “We’re facing this risk and we have to accept it because otherwise we will never get started again.”