Travel Industry Update
July 1, 2020

**European Union bars travelers from U.S. citing coronavirus concerns**

- Most travelers from the United States will be barred from entering the European Union after it reopens its borders Wednesday because the coronavirus is still far too prevalent in the U.S., European officials announced Tuesday.
- The countries that did make the list are: Algeria, Australia, Canada, Georgia, Japan, Montenegro, Morocco, New Zealand, Rwanda, Serbia, South Korea, Thailand, Tunisia and Uruguay. China will also be included on the list if it allows entry to E.U. travelers in return.
- The list will be reviewed every two weeks and may be updated if the coronavirus situation in other countries improves or worsens, the E.U. statement said.

**Delta Air Lines brings back beer and wine on flights**

- Delta Air Lines is restoring wine and beer options across most of its US flights.
- With the rollout beginning July 2, passengers sitting in its two premium cabins -- First Class and Comfort+ -- will soon have the complimentary option of single-serve bottles of red and white wine, or a choice of Miller Lite, Heineken and SweetWater beer, on flights farther than 500 miles. The rollout will be gradual and alcohol won't be available for passengers sitting further back in Main Cabin. All customers will still get a snack bag that includes a bottled water.
- Flight attendants will deliver the drinks on a serving tray because they "have fewer touch points than other adult beverage options and are individually contained" the carrier said in a release.
- There is no date in sight for when alcoholic drinks will return to the Main Cabin service.

**CDC expresses ‘substantial disappointment’ with American Airlines for resuming full flights amid coronavirus**

- Sen. Bernie Sanders, I-VT, asked CDC Director Robert Redfield during a hearing on the coronavirus about the new policy, which was announced Friday.
- Redfield told members of Congress that the policy is currently under “critical review” at the agency as he said it doesn’t send the right message to Americans amid a pandemic.
- “Obviously, when they announced that the other day, there was substantial disappointment with American Airlines,” Redfield told the Senate Health, Education, Labor and Pensions Committee during a hearing on U.S. efforts to contain the coronavirus pandemic. “We don’t think it sends the right message.”
Airlines defend moves to full-capacity flights

- The airline industry defended American Airlines on Tuesday for its new policy to fill planes to capacity following criticism from CDC Director Robert Redfield over concerns about spreading the coronavirus.
- Airlines for America (A4A), which represents and advocates for major U.S. airlines, defended the decision to fill planes on the basis that maintaining social distancing isn’t possible on planes anyway. American Airlines is a member of A4A.
- “You can’t social distance on an airplane. We believe there are safety measures in place on a multilevel basis that makes flying safe, in fact safer than many other activities,” A4A CEO Nicholas E. Calio told reporters on a press call following Redfield’s statement.
- “We don’t fly people if we feel it is not safe to fly them,” Calio said. “We are taking extraordinary measures, working with public health officials and others to keep our passengers healthy.”
- He also noted American Airlines’ policy tells passengers if their flight is full and allows them to rebook.

United Airlines to triple flights, adding 25,000 in August, while extending change fee waiver

- United announced the addition of nearly 25,000 domestic and international flights in August, tripling the size of its schedule compared with June.
- Even with the additions, United flights will remain at 40% of August 2019’s pre-pandemic flight schedule.
- The added flights will include major hubs, such as doubling the number of flights from New York/Newark compared with July, but will also emphasize passengers’ desires to seek out open spaces, less prone to COVID-19 health risks. Added flights include mountain and national park destinations like Aspen, Colorado; Bangor, Maine; Bozeman, Montana; and Jackson Hole, Wyoming.
- Internationally, United’s August schedule will include a return to Tahiti and additional flights to Hawaii, the Caribbean and Mexico.

Alaska Airlines threatens unmasked fliers with yellow cards

- Starting in early July, any passenger who “repeatedly refuses” to keep a mask on will be handed a yellow card by a flight attendant. “With that warning ... the guest’s travel with us will be reviewed and could be suspended for a period,” Alaska said.
- The airline acknowledged that there are exceptions to the mask rule, such as for small children, persons with medical issues involving their ability to breathe, and so on. Alaska offers a free mask to anyone who doesn’t bring one, and starting in July, it will also provide individual hand sanitizer wipes on board.
EasyJet plans to close bases and cut staff

- EasyJet says it has begun consultations on plans to close bases at Stansted, Southend and Newcastle. The airports would remain part of its route network, which means it will continue to fly in and out but will not have aircraft and crew based permanently at the airports.
- The Unite union said nearly 1,300 UK crew members faced losing their jobs.
- Pilots’ union Balpa said it had been told by EasyJet that 727 of its UK-based pilots were also at risk of redundancy. That is equivalent to one in three of its pilots, Balpa said.

Ryanair

- Ryanair still planning 3,000 job cuts if it cannot agree pay cuts with pilots and cabin crew.
- Welsh Government asks Ryanair to drop flights scheduled for this week.

French government, unions tell Airbus, Air France to minimize job cuts

- Airbus said it would cut 15,000 jobs in Europe in a restructuring after a 40% slump in its 55 billion euro ($61.8 billion) jet business, sparking concerns about compulsory redundancies in France where it has its headquarters.
- Junior Transport Minister Jean-Baptiste Djebbari said the government estimated 2,000 of 5,000 planned cuts by Airbus in France could be saved by a reduced-work scheme and with help from state investment in next-generation green jets.
- Djebbari urged Air France, which also plans layoffs due to the travel slump, to minimize compulsory redundancies, after the government agreed state aid for the carrier worth 7 billion euros ($7.9 billion).
- “It’s not 7 billion euros to pay for redundancy programs. It’s 7 billion for survival, to pay salaries at the end of the month,” the minister said.
Djebbari confirmed Air France planned to shed nearly 7,600 jobs in a restructuring plan to be announced this week, including 1,000 at its regional unit ‘Hop’.

**Italy Sets New Path For National Airline Alitalia**

- Italy has launched a newco to restart the national airline company, Alitalia.
- A new management board has been appointed: Francesco Caio, manager with a background in the telecommunications field, is going to be president of the company, while Fabio Lazzerini, former Emirates manager and head of the Alitalia business unit, is going to cover the position of CEO.
- The public company will receive a budget of €3 billion ($3.3 billion) and a fleet of 100 airplanes. The industrial plan will be bound to follow a set of directions by the government.
- The prediction is that 4,000 to 5,000 jobs will be lost due to the changes.

**Emirates resumes chauffeur drive and lounge access at Dubai International**

- Beginning July 1, Emirates will resume its chauffeur drive service at its home hub in Dubai and also reopened its lounges.
- The lounge will operate with “a reduced seating capacity and increased space between each occupied seat to aid social distancing.”
- Masks are mandatory.
- Food in the lounge is now offered in hygienically sealed meal boxes instead of having a buffet.
- Cleanliness is being emphasised, with the lounge being “sanitised and fumigated at the end of each day. In addition, throughout the day, lounge employees will sanitise each seat and table after each customer leaves. Emirates Lounge employees will wear personal protective equipment (PPE) for the customers’, as well as their own protection.”
- The cars in Dubai are cleaned and disinfected inside and out at the end of each shift.
- The drivers in Dubai will wear masks and gloves, and stringent checks are in place to ensure the drivers are fit for work.
- The “high touch” points of the vehicle such as door handles, and the handles of each customer’s luggage will be sanitized at the end of the trip. Child car seats are available on request and are disinfected and then shrink wrapped after each use.
- Each car will be limited to 3 customers and masks are mandatory for passengers in Dubai.
- Larger vehicles, which can accommodate 4 passengers, are available on request.

**Air Canada ending service to 8 cities, suspending 30 regional routes**

- The cancellations are due to weak demand for both business and leisure travel in the midst of government-imposed travel restrictions and border closures.
- Air Canada reported a net loss of $1.05 billion in the first quarter of 2020, including a net loss of $688 million in March alone.
TSA casts doubts on effectiveness of passenger temperature checks at airports

- “I know in talking to our medical professionals and talking to the Centers for Disease Control is that temperature checks are not a guarantee that passengers who don’t have an elevated temperature also don’t have Covid-19,” TSA Administrator David Pekoske said. The reverse may also be true, where travelers could have temperatures but not coronavirus.
- Other issues are what to do with travelers who have elevated temperatures and which government agency would oversee the screenings, he said. Regulators would also have to figure out where to have such screening, ideally at entrances to large public spaces, like departure halls.
- “No decision has been made,” TSA Administrator David Pekoske said.

Disney Union Says Disney World Employees Not Being Tested

- The union representing Walt Disney World Cast members in Florida said the company isn't testing staff for the virus before they return to work.
- Disney operates four theme parks at its Walt Disney World Resort in Orlando, Fla. - which attract more than 150 million visitors a year -- and has planned a phased reopening slated to begin on July 11.