



## Travel Industry Update

October 7, 2020

### **'Unacceptable': Travel industry groups react to stalled COVID-19 stimulus talks, hold out hope**

- The travel industry offered mixed reactions as lawmakers and President Donald Trump failed to pass further relief measures to aid one of the country's most beleaguered sectors. Thousands of airline workers have been furloughed during the coronavirus pandemic, and four out of 10 hotel workers were unemployed as of the summer.
- Trump on Tuesday called an abrupt end to negotiations with Democrats over additional COVID-19 relief, delaying action until after the election despite ominous warnings from his own Federal Reserve chairman about the deteriorating conditions in the economy.
- Airlines are scrambling to cut costs after the federal stimulus ran out last week.
- Elsewhere, hotels have seen occupancies dwindle significantly during the pandemic. Despite a climb from catastrophic lows, occupancy stood at only 48.7% in the U.S. the week ending Sept. 26, according to STR data, down 31.5 percentage points from a year ago.
- "This is unacceptable and unconceivable with millions of Americans out of work and thousands of small businesses barely hanging on," Chip Rogers, the president and CEO of the American Hotel & Lodging Association, said in a statement responding to the further stalled talks.
- Rogers added: "Millions of jobs and the livelihoods of people who have built their small business for decades are just withering away because our leaders in Washington are prioritizing politics over people. America's hotel industry is on the brink of collapse."
- U.S. Travel Association President and CEO Roger Dow echoed Rogers' sentiments.
- "With millions of Americans suffering, it is woefully shortsighted to end relief negotiations," Dow said in a statement. "New data from Tourism Economics shows that, without immediate aid, 50% of all travel-supported jobs will be lost by December—an additional loss of 1.3 million jobs. As travel supported 11% of all pre-pandemic jobs, it is simply not possible for the U.S. to expect a nationwide economic recovery without meaningful federal relief."

### **Why Air Canada thinks it's time to drop mandatory quarantine when traveling**

- Air Canada is pushing to drop the 14-day mandatory quarantine period for travellers returning to the country in favour of a test-based approach despite multiple flights still landing in the country with COVID-19 positive passengers.
- The airline revealed the idea in a social media post on Tuesday, saying that more than 99 per cent of 15,000 voluntary COVID-19 tests taken by international customers at Toronto Pearson International Airport have tested negative.
- "We believe that a test-based strategy may be a safe alternative to the 14-day quarantine," the post said.

- The study began on Sept. 3 in partnership with McMaster HealthLabs (MHL) and lasted about a month. Participants were all volunteers who agreed to be tested upon arrival in Toronto. They were then sent home with two additional testing kits and were taught how to take samples after seven days and then 14 days.
- They received their first test results back within 48 hours.
- Of those that did test positive for COVID-19, Air Canada says that 80 per cent were detected in the initial test and the rest were diagnosed following the second test.
- All participants did quarantine for 14 days in order to comply with federal regulations.
- Air Canada said that the results are still preliminary and are meant to help gather information in order to help guide future policy decisions.