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Transportation's Top Stories

Air Transport Updates

PAGE 4

Government of Canada introduces further restrictions on international travel

On January 29, 2021, the Government of Canada announced new rules on international travel, in addition to the multi-layered approach on COVID-19 already in place. The government and Canada's airlines have agreed to suspend all flights to and from Mexico and Caribbean countries until April 30, 2021. This will be in effect as of January 31, 2021. Further, effective midnight February 3, 2021, in addition to proof of a negative pre-departure test, Transport Canada will expand the existing international flight restrictions which funnel scheduled international commercial passenger flights into four Canadian airports: Montréal-Trudeau International Airport, Toronto Pearson International Airport, Calgary International Airport, and Vancouver International Airport. The new restrictions will include scheduled commercial passenger flights arriving from the United States, Mexico, Central America, the Caribbean and South America, which were exempted from the previous restriction. Private/Business and charter flights from all countries will also be required to land at the four airports. Flights from Saint-Pierre-et-Miquelon and cargo-only flights will remain exempt.

Government of Canada introduces further restrictions on international travel, January 29, 2021, www.tc.gc.ca

Canada to implement new testing and quarantine measures to reduce COVID-19 infection related to non-essential international air travel

The Government of Canada continues to take unprecedented action to protect the health and safety of Canadians by introducing new measures to help prevent further introduction and transmission of COVID-19 and new variants of the virus into Canada. Canadians are strongly advised to cancel or postpone any non-essential travel plans outside of Canada. Now is not the time to travel. Additionally, air travellers who decide to travel for non-essential reasons will face new expenses when they return

to Canada. This is in addition to providing proof of a negative pre-departure test. In the coming weeks, they will be required to: 1) take a COVID-19 molecular test on arrival at their own cost; and 2) reserve a room in a Government of Canada-approved hotel for three nights at their own cost, while they await their test results. Travellers will stay in and pay for their hotel, as well as all associated costs for food, cleaning and security, while they await the results of the COVID-19 molecular test they received on arrival.

Canada to implement new testing and quarantine measures to reduce COVID-19 infection related to non-essential international air travel, January 29, 2021, www.tc.gc.ca

WestJet cuts flying to Mexico and Caribbean at request of Canadian government

The WestJet Group on January 29, 2021 announced it would temporarily cease international flying to 14 sun destinations in Mexico and the Caribbean in response to a request from the Government of Canada. "The government asked, and we agreed," said Ed Sims, WestJet President and CEO. "While we know that air travel is responsible for less than two per cent of cases since the start of the crisis, and even less today, we recognize the Government of Canada's ask is a precautionary measure. We also note that the overwhelming majority of quarantine exemptions, well over 90 per cent in fact, are connected to land borders and not air travel. We have responded to their request and will suspend service to destinations in Mexico and the Caribbean."

WestJet cuts flying to Mexico and Caribbean at request of Canadian government, January 29, 2021, www.westjet.ca

Air Canada to Suspend Flights to the Caribbean and Mexico at the request of, and to Support Government of Canada COVID-19 Mitigation Efforts

Air Canada on January 29, 2021 said that, beginning January 31, it is temporarily suspending flights to Mexican and Caribbean destinations for 90 days in response to ongoing COVID-19 concerns, particularly during the Spring Break period. The decision, designed to achieve an orderly reduction in service and minimize customer impact, was taken in collaboration with the Government of Canada following consultations.

Air Canada to Suspend Flights to the Caribbean and Mexico at the request of, and to Support Government of Canada COVID-19 Mitigation Efforts, January 29, 2021, www.aircanada.ca

Air Canada, Suncor and other companies launch 'rapid screening consortium' to test for coronavirus

With the help of University of Toronto business professors, 12 major Canadian corporations have banded together to develop a system for quickly screening workers — and hopefully speeding up the economy's restart. The "rapid-screening consortium" may be the only group of its sort in the Western world. Air Canada has even agreed to work with rival airlines like WestJet to help them implement the screening program, says Ajay Agrawal, founder of the University of Toronto's Creative Destruction Lab and an overseer of the initiative. It raises the issue of why it took the private sector so long to implement what seems like a sensible way to hasten the return to normalcy

Air Canada, Suncor and other companies launch 'rapid screening consortium' to test for coronavirus, February 1, 2021, www.nationalpost.ca

Cooperation is essential if air industry is to survive latest travel restrictions

With the new travel restrictions announced on January 29, 2021 by the prime minister, the Canadian air sector has been plunged into its most severe crisis since March 2020. Additional measures may be warranted, but Canada's airports say the federal and provincial governments should be working more closely with industry on health measures. Federal and provincial governments must work with industry stakeholders, including airports, to successfully implement new measures.

Cooperation is essential if air industry is to survive latest travel restrictions, January 29, 2021, www.cacairports.ca

Monthly civil aviation statistics, November 2020

In November 2020, air travel recovery appeared to stall, as major Canadian airlines carried 780,000 passengers on scheduled and charter services. This was down 87.3% from the same month in 2019 and 12.0% from October 2020, somewhat larger than a typical seasonal decline. As in previous months, most travel was domestic as international demand remained generally weak amid border travel restrictions and enforcement of quarantines. However, domestic passenger volumes declined month over month in November 2020, while international passenger volumes increased. Compared with November 2019, air traffic fell to 1.6 billion passenger-kilometres in November 2020, pushing operating revenues down 81.8% to \$316.7 million.

Monthly civil aviation statistics, November 2020, January 29, 2021, www.statcan.gc.ca

Airline bailout begins in Canada with \$375 million loan to Sunwing after beach holidays barred

Canada granted an emergency loan to a company selling beach holidays, the first sign of a rescue package awaited by the industry after Prime Minister Justin Trudeau barred travel to Mexico and other sun destinations. Two related firms, Sunwing Airlines Inc. and Sunwing Vacations Inc., will receive a combined \$375 million under a federal loan facility aimed at large employers, a government agency said on February 1, 2021. The Sunwing companies have nearly 3,000 Canadian employees, the agency said in a statement.

Airline bailout begins in Canada with \$375 million loan to Sunwing after beach holidays barred, February 2, 2021, www.nationalpost.ca

Government of Canada announces agreement with Government of Manitoba to support essential air access to remote communities

On February 1, 2021, the Minister of Transport, the Honourable Omar Alghabra, the Minister of Northern Affairs, the Honourable Daniel Vandal, and the Manitoba Minister of Economic Development and Jobs, the Honourable Ralph Eichler, announced a new agreement with the Government of Manitoba to support essential air access to remote communities. The Government of Canada is contributing up to \$12,031,000 for air services to remote communities to cover the period of July 1 to December 31, 2020. Under this agreement, the Government of Manitoba will allocate funding to air operators to ensure the continued

supply of food, medical supplies, and other essential goods and services to these communities.

Government of Canada announces agreement with Government of Manitoba to support essential air access to remote communities, February 1, 2021, www.tc.gc.ca

Weekly aircraft movements, January 16 to 22, 2021

Data on weekly aircraft itinerant movements are now available for January 16 to 22, 2021. Domestic movements for the week ending January 16, 2021 were 27,154 compared to 24,642 for the week ending January 9, 2021.

Weekly aircraft movements, January 16 to 22, 2021, February 3, 2021, www.statcan.gc.ca

Montreal airports up landing fees

Montreal's airport authority, ADM Aeroports de Montreal, is increasing fees in an attempt to stay financially afloat during the pandemic. ADM Aeroports de Montreal is the airport authority for the Greater Montreal area responsible for the management, operation and development of YUL Montreal-Trudeau International Airport, and YMX International Aerocity of Mirabel. For 2020, the not-for-profit ADM estimates it will have a shortfall of \$300 million. It says new restrictions, the emergence of variants of Covid-19, and the extended border closure will continue to put significant pressure on its financial performance in 2021.

Montreal airports up landing fees, February 4, 2021, www.insidelogistics.ca

Cargojet plans fleet expansion

Cargojet Inc. is planning to purchase five Boeing 767 freighters and two B-777 freighters to keep up with pandemic-fueled e-commerce activity. The Hamilton, Ontario-based company has raised \$350,000 through a stock offering.

Cargojet plans fleet expansion, February 4, 2021, www.insidelogistics.ca

Air Passenger Market Analysis December 2020

No air travel improvement in the fourth quarter. The global resurgence of the virus and the related shutdowns halted the air travel recovery during the fourth quarter of the 2020 year. The industry-wide revenue passenger-kilometres (RPKs) fell by 69.7% year-on-year, which was a similar contraction as in November (-70.4%) and October (-70.6%). In month-on-month terms, passenger volumes ticked up by ~4% – the second weakest growth since the air travel recovery started in May 2020. The December 2020 highlights were: 1) December figures confirm that the recovery in air travel has been stagnating. Industry-wide revenue passenger kilometres (RPKs) fell by 69.7% year-on-year, which was broadly in line with the declines in November and October 2020. In 2020 as a whole, passenger traffic plunged by 66% – by far the sharpest decline in the aviation history; 2) The RPK rebound has been impacted by a sharp spike in COVID-19 cases and new travel restrictions. Forward bookings have been falling sharply since late-December 2020, which points to a challenging start for 2021. 3) In 2020, the industry-wide passenger load factor was on average 17.8 percentage points lower vs. 2019, at 64.8%.

Air Passenger Market Analysis December 2020, February 3, 2021, www.iata.org

Air Cargo Market Analysis December 2020

Air cargo experienced a robust end of 2020, as industry-wide cargo tonne-kilometres (CTKs) declined by only 0.5% year-on-year in December 2020, the best growth performance since November 2019. This confirms the positive trends already seen in recent months, despite a large decline in November 2020 (6.2%) relative to the same month in 2019. The December 2020 highlights were: 1. Air cargo volumes improved significantly during the course of the year, from the Q2 low point, with global cargo tonne-kilometres (CTKs) down only 0.5% year-on-year in December 2020. However, in 2020 overall, industry-wide CTKs fell by 10.6% year-on-year, the largest decline since our series started in 1990. 2. World goods trade fell by around 6% in 2020, better than air cargo. While an inventory restocking cycle has started in the later part of the year, benefiting air cargo, capacity constraints are still hampering a fuller recovery. 3. With industry-wide available cargo tonne-kilometres (ACTKs) down 23.3% year-on-year in 2020, cargo load factors, yields and revenues all rose to record-high levels, providing support to airlines and some long-haul passenger services in the face of collapsing passenger revenues. 4. International CTKs declined in all the main regions except Africa (up 1.9% year-on-year) in 2020.

U.S. Airlines December 2020 Fuel Use Up 9% from November

The Department of Transportation's Bureau of Transportation Statistics (BTS) on February 3, 2021 released U.S. airlines' December Fuel Cost and Consumption numbers. U.S. airlines' December 2020 fuel consumption was 8.7% higher than November 2020, and more than double April 2020. Fuel consumed by U.S. airlines scheduled service: December 2019 - 1.6 billion gallons; November 2020 - 845 million gallons; and December 2020 - 918 million gallons

U.S. Airlines December 2020 Fuel Use Up 9% from November, February 3, 2021, www.bts.gov

2021 FLYING HEALTHY, written by Jennifer Coutts Clay, CMILT, author of JETLINER CABINS: Evolution & Innovation E-BOOK App

2021 FLYING HEALTHY, written by Jennifer Coutts Clay, CMILT, author of JETLINER CABINS: Evolution & Innovation E-BOOK App, describes the impact of the Covid-19 pandemic on aircraft-cabin design and maintenance strategies; the evolving passenger experience; and the development of airline well-being and hygiene programmes. Because the pandemic is a public health issue, this Case Study is being made widely available pro bono (4000+ words; 60+ illustrations; 60+ website contact links). To read the full case study, visit: <https://jetlinercabins.com/news-media/news/>

2021 FLYING HEALTHY, written by Jennifer Coutts Clay, CMILT, author of JETLINER CABINS: Evolution & Innovation E-BOOK App, February 5, 2021, <https://jetlinercabins.com/>