

Economics Drivers for the Aviation Industry after the COVID-19 Pandemic

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**INSTITUTE OF
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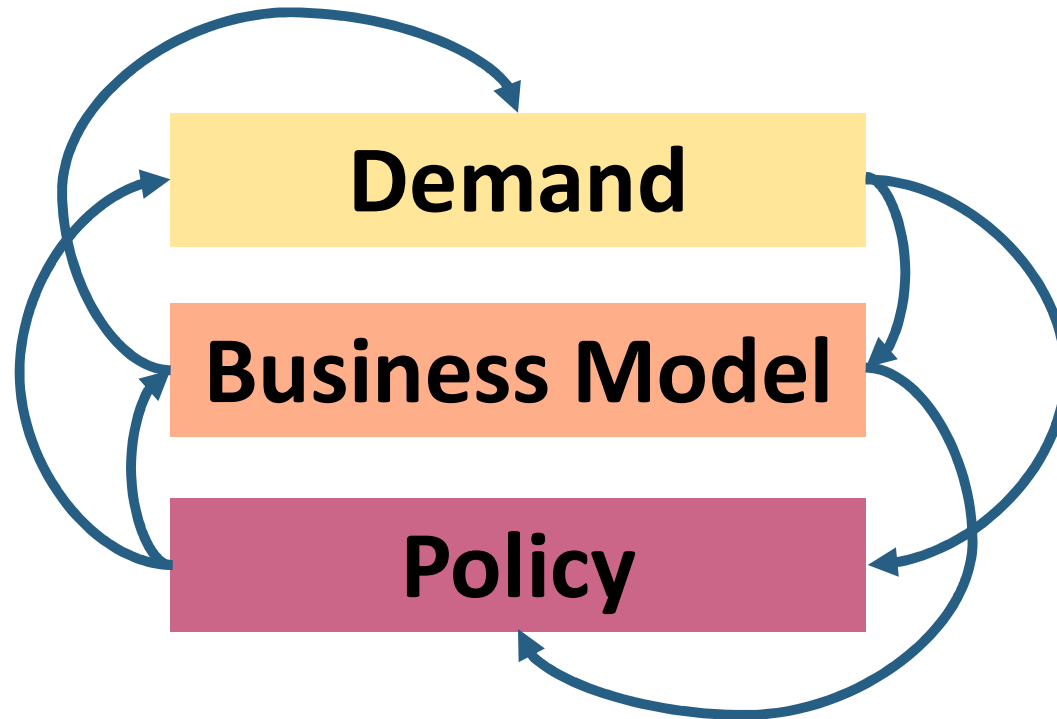
Aviation Economics – Key Elements

Demand

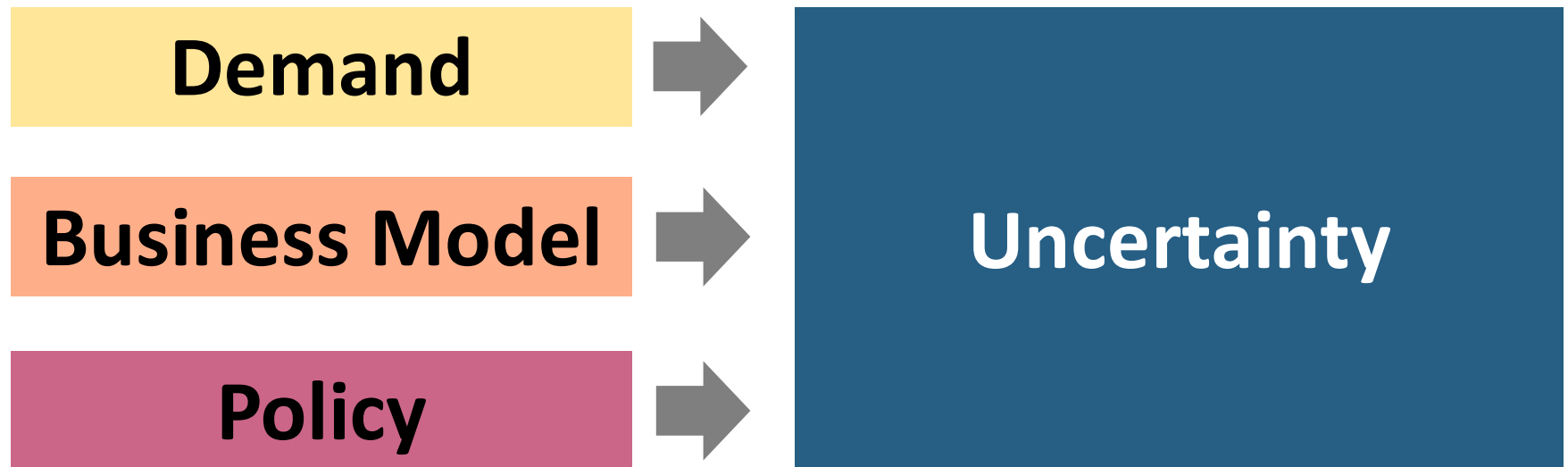
Business Model

Policy

Aviation Economics – Interconnected



Aviation Economics – the Pandemic



Demand

Bloomberg



Markets

Airlines Count on Zoom Fatigue to Revive Business Travel

By [Siddharth Vikram Philip](#) and [Layan Odeh](#)

June 22, 2021, 8:56 AM MDT Updated on June 22, 2021, 2:25 PM MDT



CARRY ON

Get Ready For The Summer Of Revenge Travel

SHIVANI VORA
LAST UPDATED MAY 20, 2021, 8:30 AM



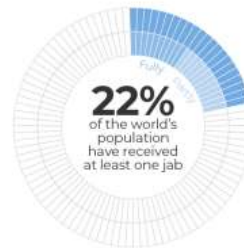
Demand

Policy

COVID-19

Global vaccine rates

1.7 billion people or 22 percent of the world's population have received at least one dose of a COVID-19 vaccine.



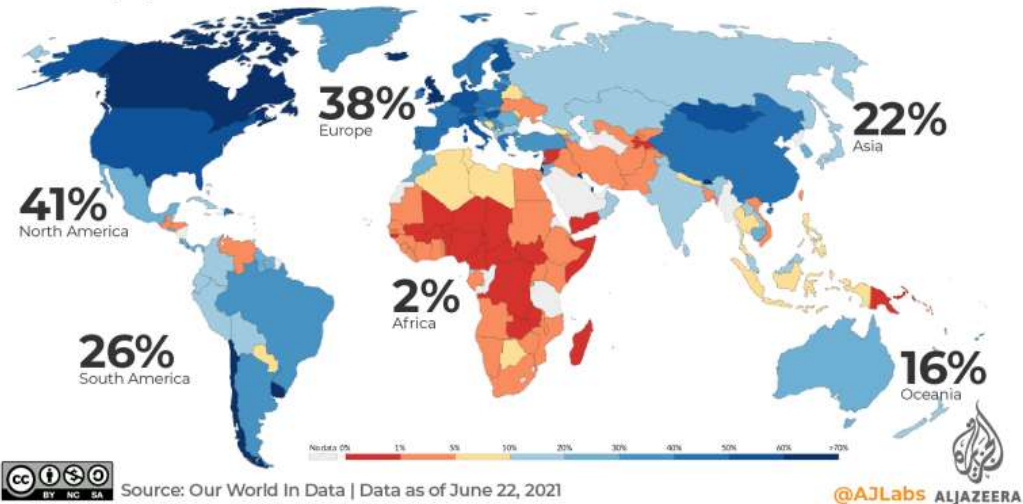
How many people have been **partly vaccinated**?

933 million people 12% of the world's population

How many people have been **fully vaccinated**?

783 million people 10% of the world's population

Share of people who have received at least one dose of a COVID-19 vaccine



Policy

POLITICO

CANADA

'Bull----': Frustrations boil after U.S., Canada extend border closure for at least another month

...t to keep the restrictions in



POLITICS

CANADA WORLD BUSINESS INVESTING OPINION POLITICS SPORTS LIFE ARTS DRIVE REAL ESTATE

Fully vaccinated Canadians to be exempt from post-travel COVID-19 quarantine restrictions starting July 5

STEVEN CHASE > SENIOR PARLIAMENTARY REPORTER
MARIEKE WALSH >
OTTAWA
PUBLISHED JUNE 21, 2021

Policy



MENU ▾

Entertainment

Vaccine rule for Springsteen Broadway show adds travel uncertainty for AstraZeneca recipients



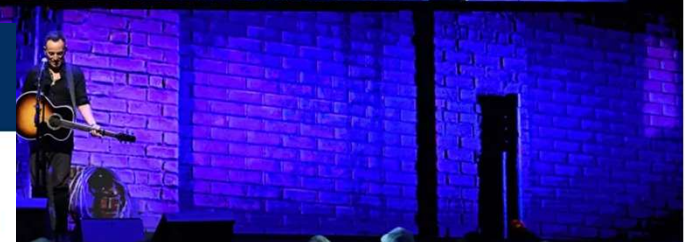
World Canada Local ▾ Politics Money Health Entertainment

WORLD

‘Springsteen on Broadway’ to allow AstraZeneca COVID-19 vaccine recipients to attend show

By Staff • The Canadian Press

Posted June 19, 2021 11:45 am



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Policy

ARTS & ENTERTAINMENT

Photos, Videos: Anti-Vaxxers Protest As Bruce Springsteen Makes Triumphant Return To Broadway

BY BEN YAKAS

JUNE 28, 2021 2:29 P.M. • 71 COMMENTS • 12 PHOTOS



Business Model



#FAA statement below on the status of #AirTrafficControl services in #NY. Ground stops have been lifted. #Travelers can check the status of major U.S. #airports and see how our air traffic control system is performing at bit.ly/2Lr8s9t.

FAA Statement

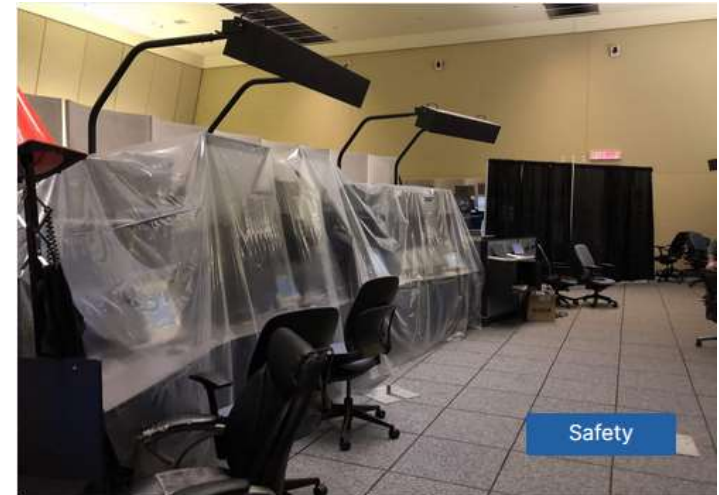
The Federal Aviation Administration (FAA) has lifted ground stops for New York area airports and arrivals have resumed. The agency issued the ground stops after an air traffic controller and trainee tested positive for COVID-19. Consistent with established FAA contingency plans to keep air traffic moving safely, we closed two controller areas for sanitizing while other areas continue to operate. Our air traffic controllers are highly trained professionals who are prepared to transfer duties to adjacent facilities when necessary. The FAA is working 24/7 to keep our skies safe and we are equally committed to the health and safety of our employees.

2:50 PM · Mar 21, 2020



March 26, 2020

ATC Zero: How NAV CANADA responded to FAA's COVID-19 shutdown



April 16, 2020

Protecting Canada's air navigation system against COVID-19: 7 precautionary measures

<https://www.navcanada.ca/en/news/blog.aspx>

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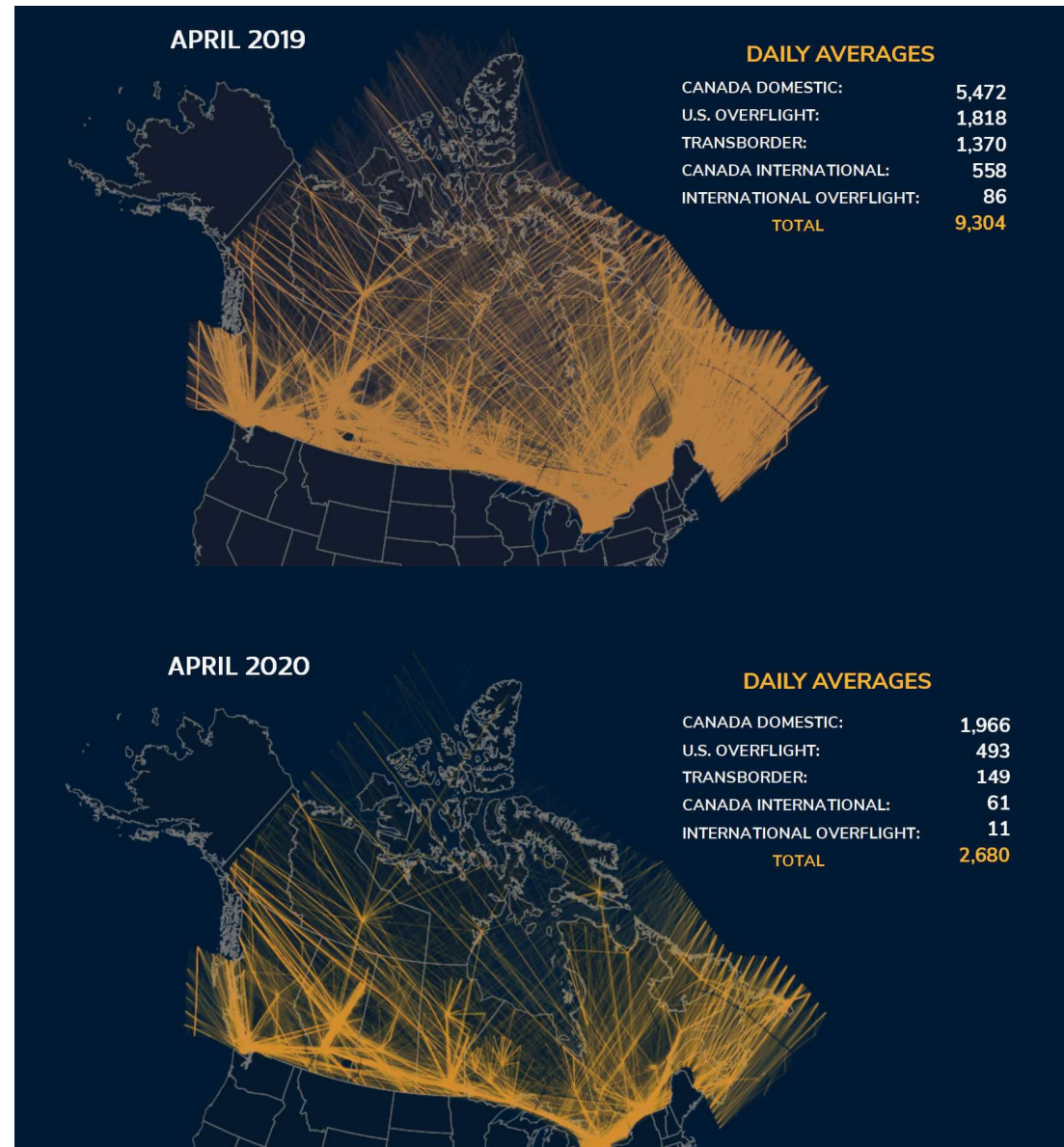
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June 15, 2020

COVID-19: Canadian air traffic
sees sharp decline

<https://www.navcanada.ca/en/news/blog/covid-19-canadian-air-traffic-sees-sharp-decline.aspx>



Business Model



May 5, 2020

NAV CANADA implements temporary level of service changes to ensure the continuity and safety of Canada's air navigation system



August 12, 2020

NAV CANADA announces changes to customer service charges



September 22, 2020

NAV CANADA announces workforce reductions and looks to streamline operations

<https://www.navcanada.ca/en/news/blog.aspx>

Business Model



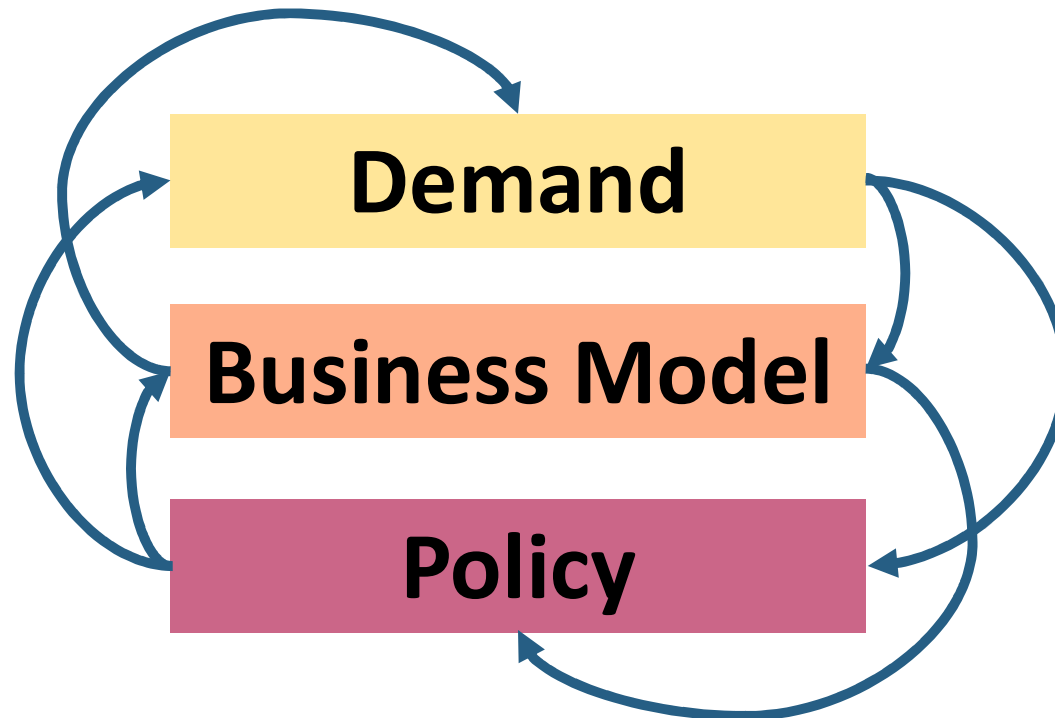
<https://www.navcanada.ca/en/news/news-releases/nav-canada-announces-second-quarter-financial-results-.aspx>

“In the second quarter of fiscal 2021, the Company saw air traffic levels, as measured in weighted charging units⁽¹⁾, decrease 56.1% on a year over year basis.

The Company’s revenue for the second quarter of fiscal 2021 was \$179 million, compared to \$322 million over the same period in fiscal 2020. The decrease is mainly due to the continued significant negative impact of the COVID-19 pandemic on global air traffic and the aviation industry.

This has been partially offset by the increase in customer service charges, whereby base rates increased on average by 29.5%, effective September 1, 2020.

Operating expenses for the second quarter of fiscal 2021 were \$317 million as compared to \$387 million over the same period in fiscal 2020 due to Canada Emergency Wage Subsidy receipts and continued cost saving measures.”



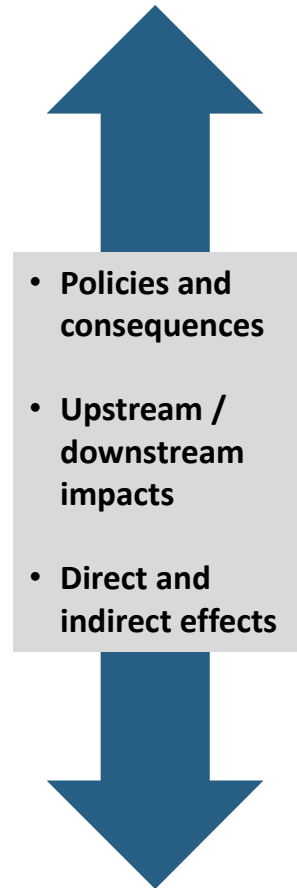
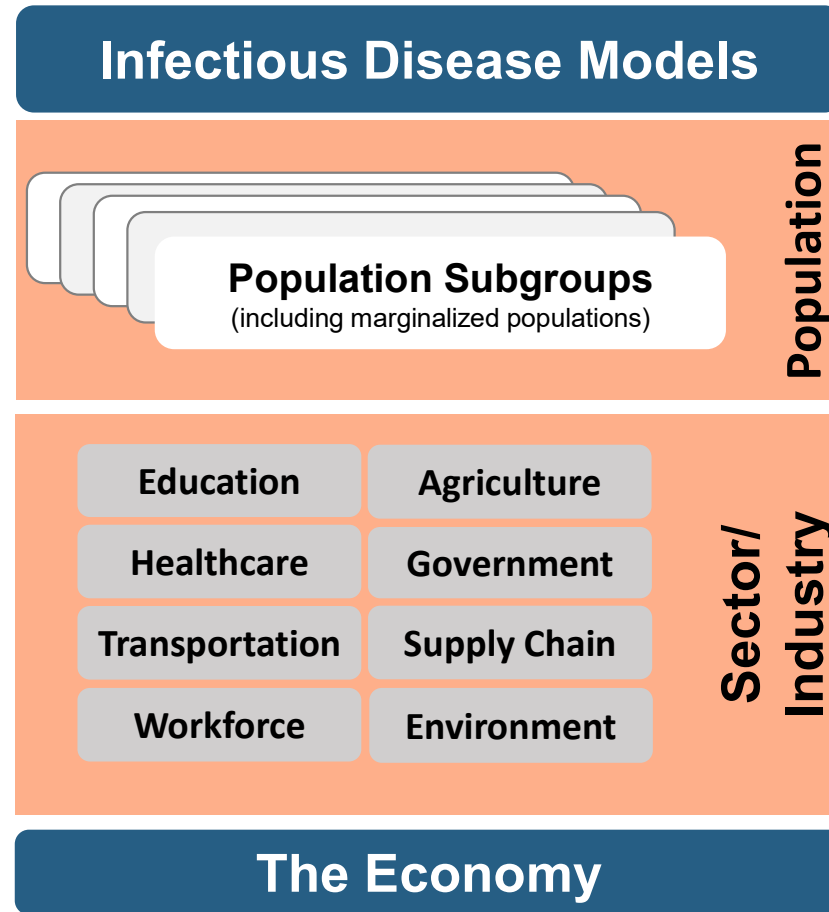
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Queen's University



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Thank you!

www.onesocietynetwork.ca

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