

Airlines Carry Half a Million Passengers in One Day For First Time Since March



July 13, 2020

More than half a million air travelers passed through TSA checkpoints on Thursday, the highest number since mid-March. The Transportation and Security Administration (TSA) reported 502,209 screenings at US airports.

Airlines hit the milestone as over 400,000 passengers took to the skies on three separate days in the preceding week, in the clearest sign yet that air travel is beginning to slowly recover.

While this number is less than a quarter of what is normal for this time of year, it represents a marked improvement over the lowest point on April 14, when only 87,534 travelers were screened at TSA checkpoints.

The airline and travel industries are facing a perfect storm of suppressed demand because of COVID-related restrictions on in-person gatherings, high unemployment, and a negative feedback loop, where airlines cannot serve cities without higher levels of customer demand.

To attract more passengers, airlines have aggressively cut fares and fees. These moves have brought in more travelers, but have also reduced revenue. The addition of thousands of

new passengers willing to fly brings airlines closer to financially breaking even.

Airlines are growing again, slowly.

Despite the hardships, airline stocks are on the rebound, and insiders expect the industry might reach passenger loads as high as one million travelers a day by the end of July.

In a press release earlier this month, American Airlines announced it was planning to increase flight activity to 55% of normal capacity in July. The carrier added it is planning to increase its lucrative international routes back to 20% of 2019 levels.

United's plans for July include restoring non-stop service in over 140 domestic routes and the airline will add flights to Europe and several cities in Asia, along with destinations in Latin America and the Caribbean.

Hawaiian Airlines suspended most inter-island flights and has operated just one daily flight to Los Angeles since March 26 when Hawaii state officials instituted a mandatory 14-day quarantine for arriving passengers. The airline is planning to increase flight capacity by 18% when the quarantine mandate for inter-island travel is lifted on June 16. The quarantine for all passengers arriving from out-of-state will be in effect through July 31.

Spirit Airlines is expected to triple the number of flights it operates at its home base in Fort Lauderdale (FLL). They expect to operate 70% of their schedule in July and are going ahead with plans to expand international destinations.

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All this is great news for anxious airline employees whose jobs are secure until September 30 thanks to payroll protection funding allocated by the CARES Act. Every airline

is planning to have a much smaller workforce after that date due to uncertainty about whether the number of coronavirus cases can be contained until there is an effective vaccine or treatment, which is expected to take a year, possibly longer. Hundreds of airline employees have already taken some type of voluntary unpaid leave of absence, and the companies are unveiling a variety of early retirement programs.

The Summer 2020 travel season will be very different for passengers and airline employees, but the industry as a whole hopes the recovery will be better and faster than forecasts show.