



**'The impact of COVID-19 on the aviation industry'**

Tasnima Rahman

## CONTENTS

<b>Introduction.....</b>	<b>2</b>
<b>Abstract.....</b>	<b>2</b>
<b>The economic effect of Covid-19 on the aviation industry.....</b>	<b>3</b>
Passenger Demand.....	3
Redundancy and Furlough.....	3
<b>The psychological effect of COVID-19 on the aviation industry.....</b>	<b>4</b>
What is happening?.....	4
What can be done to help?.....	4
<b>Methodology.....</b>	<b>5</b>
What am I doing?.....	5
Sample.....	5
Questions.....	5
<b>Results.....</b>	<b>6</b>
<b>Conclusion.....</b>	<b>8</b>
<b>Bibliography.....</b>	<b>9</b>
<b>Acknowledgements.....</b>	<b>10</b>

## **Introduction**

During the coronavirus pandemic, the aviation industry has been hit hard with the effects of COVID-19. Not only has it had an effect on individuals working in the airlines themselves but also the family members, people who travel on the airlines and even entire countries which rely on tourism. This report aims to inform readers on what impact the coronavirus has had on the aviation industry and the those working in the aviation industry, both mentally and physically, and what has been done to help.

## **Abstract**

In order to get a full understanding of how the pandemic is affecting the industry, I will be researching the economic impact that it had had on the industry since that is what has been hit hardest in the industry. I will be researching things such as redundancies and furlough to see how the economics have affected the employees. I will also research what is happening with the mental health of the employees and how they are being helped through programs such as the Peer Assistance Network (PAN) and the Centre for Aviation Psychology. As well as that, I have conducted a questionnaire with some people who work in the industry, which has answers to a variety of topics.

## **The effect on COVID-19 on the aviation industry**

### **Passenger Demand**

The Director General and CEO of IATA (International Air Transport Association), Alexandre de Juniac stated “Financially 2020 will go down as the worst year in the history of aviation”.<sup>1</sup> It is estimated that there will be \$203 million lost each day in the industry, which will eventually add up to a loss of \$83 billion by the end of the year. Passenger demand for flights decreased by 95% in April 2020 compared to April 2019 and had reached its lowest recorded rate since records began in 1990. This was seen to be because many countries closed their international borders and went into lockdown to reduce the spread of the virus. The coronavirus has clearly had a direct impact on the passenger demand for flying and as a result, it has affected how much money the industry is making. However, even when lockdown restrictions eased up, there was still very low passenger demand to fly. This may have been a result of personal preference as many may have still felt that it was unsafe to travel. Although the restrictions were relaxed, many were still in place, for example reducing the number of people flying together in an airplane and even the number of routes that they take, which could have affected the demand as well.

### **Redundancy and Furlough**

Becoming redundant is when a person is no longer in employment because there is no work available. The aviation industry has been one of the worst hit industries when it comes to redundancies. Even with the Government’s Job Retention Scheme, many aviation companies, such as easyJet and British Airways have still announced thousands of redundancies, for example, easyJet proposed cutting near to 4500 jobs and Ryanair and Virgin Atlantic around 3000. Gatwick Airport was to make 24% (600 people) at a time where they are usually their busiest, August saw their passenger numbers drop by 80%. They even had to close one of two terminals because of low passenger volume. When acknowledging the coronavirus’ impact on the aviation industry, Stewart Wingate, Gatwick Airport CEO, stated “If anyone is in any doubt about the devastating impact Covid-19 has had on the aviation and travel industry then today’s news we have shared with our staff, regarding the proposed job losses, is a stark reminder”<sup>2</sup> and it’s quite clear that his statement has been backed up with more than enough evidence and statistics. Furlough is a temporary leave of employees from a company or an employer, which may be as a result of the economic conditions of the employer or society as a whole. To assist with the number of people who would have lost their jobs during the coronavirus, the government launched the Coronavirus Job Retention Scheme (CJRS). This meant that employees can be brought back to work for employers for any amount of time and shift pattern, and still be paid for the hours they do not work through the CJRS. Although the scheme will be closing on October 31 2020 and many people do not think it’s fair for those who are working in the aviation sector which will still be struggling. Over 100 MPs have urged the Chancellor Rishi Sunak to extend the CJRS for those working within the aviation industry until March 2021 so that employees can continue working and help the industry rebuild itself.

---

<sup>1</sup> Alexandre de Juniac, Director General and CEO of IATA (2020)

<sup>2</sup> Stewart Wingate, CEO of Gatwick Airport (2020)

## **The psychological effect of COVID-19 on the aviation industry**

### **What is happening?**

Not only has the coronavirus had a huge financial impact to those working in the aviation sector, but it has also had a really bad effect on many people's mental health. In addition to having to worry about themselves or their families getting corona, they also have to worry about job security. Many people have lost their jobs with very little known for the future and that is more than enough to have an effect on their mental health. Even those who are lucky enough to keep their jobs have to get used to a new kind of normal and things at work which may be different now could also have an effect on people's mental health. For example, increased workload, having to work in a high intensity environment, irregular work hours and fatigue. These are called stressors and can lead to high psychological strains such as existential fears and anxiety. In order to allow those in the aviation sector to be able to work in efficiently and with low stress levels, there needs to be help available to those who need it or may need it in the future.

### **What can be done to help?**

#### Peer Assistance Network (PAN)

PAN was established in 2016 and provides guidance and counselling to those working in aviation. Many aviation professionals volunteer their help, which is really beneficial to those in the industry seeking help because they can talk to and seek advice from people who have worked in a similar environment to them which means that they could provide better advice to them than someone who hasn't worked or had experience in an industry like that before. They have been trained by specialists such as psychologists and those working in grief counselling and suicide prevention.

#### Centre for Aviation Psychology

The Centre for Aviation Psychology has been running since 2016 and provides support to all kinds of people working in the aviation sector, from pilots to air traffic controllers. Their teams can provide a psychological assessment, peer support and career support, which may really be helpful during a time of uncertainty and job insecurity. They also have a lot of other services available.

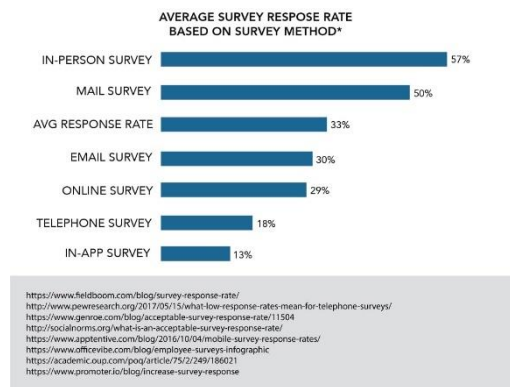
#### Human Intervention Motivation Study (HIMS)

HIMS is a program for those working in aviation who struggle with alcohol or drug use. In the time of uncertainty and loneliness that people may be going through during the pandemic, they may feel as though alcohol and drugs is a place to turn to, which is extremely dangerous for those who may have an addiction or recovering from addiction.

## Methodology

### What am I doing?

In order to get first hand understanding of how the coronavirus is affecting employees in the aviation industry in decided put together a questionnaire. The questions covered a variety of topics, including finance, mental health and what kind of help has been provided within the aviation industry. I wrote up my questions and them emailed them to my supervisor so that she could then pass them on to people that worked within the industry. I received 5 responses.



As you can tell from this the figure, I used email surveys, which only has a 30% response rate. This is quite a low response rate and is even lower than the average response rate, which is 33%. However, because were are in the middle of the coronavirus pandemic I think that I chose the best survey option that I could have, since I cannot do an in-person survey and it would be difficult to do a mail survey.

**Figure 1-** Table showing response rate from people using different types of survey methods

### Sample

I wanted to keep my sample as open as possible so I involved a big age group and both males and females. I wanted to do this because I think that it would allow me to see different situations and different peoples' perspectives. I think that even though this would give me a variety of information, in the end it would be better because it would mean that the research wouldn't be one-sided or that we would know if there is another option or not.

### Questions

1. Name (Feel free to leave blank if you would like to stay anonymous):
2. Age:
3. What is your position in the aviation industry?
4. How long have you been working in the aviation industry?
5. Would you say that the coronavirus had an effect on you (yes/no)?
6. Would you say the coronavirus had an effect on your job (yes/no)?
7. How do you think the coronavirus pandemic has affected your job and career?
8. How do you think it has affected you mentally?
9. Have you received any psychological help and if so, what was it?
10. Do you think there should be more psychological help available to those in the aviation industry that have been affected by COVID-19?
11. What do you think has been affected the most within the aviation industry?
12. Do you think that the measures put in place to help stop the spread of the virus were necessary even though it may have had a negative effect on the industry (e.g. countries closing their borders)?
13. Do you think there has been enough done to help the aviation industry?
14. Do you think the government has done enough to help the aviation industry?
15. Do you think the situation that you are in will improve within the next year?
16. Do you have any additional notes that you would like to add?

## Results

### **What is your position in the aviation industry?**

There was a mix of different jobs that those that responded had. These included: an engineering graduate manager, aviation skills ambassador, appearance planner, senior first officer and aircraft engineer. In terms of results, I think this was good because it meant that different people would have had different experiences with the same industry. This would make sure that my results are not to be one-sided and that I have a lot of different opinions.

### **How long have you been working in the aviation industry?**

There was a huge difference between how long different people had been within the industry. The shortest someone had been in the industry was one year, which was the engineering graduate manager, and the longest was the aircraft engineer, who had been working for 39 years. This once again may have a good impact on my results, in the way that it may give different opinions.

### **Would you say that the coronavirus had an effect on you (yes/no)?**

Everyone that I interviewed all said yes, which shows that the pandemic can easily have an impact on everybody's lives.

### **Would you say the coronavirus had an effect on your job (yes/no)?**

It was also the same result with this question and everyone's response was yes. This also shows that whether its big or small, everyone's lives has been impacted by the virus, as well as their jobs.

### **How do you think the coronavirus pandemic has affected your job and career?**

Many one person said that their job had been affected because they had lost money because of furlough. Redundancy was also something that had a big impact on peoples' jobs. One had spent 6 months at the risk of redundancy and another who had bigger workload now that people who he had previously worked with had been made redundant and therefore had to take on the workload that they previously had. In terms of career, many said that their progression within the industry had slowed down, such as promotions and moving onto other companies because of the strict budget put into place. Another person had even been demoted from captain to senior first officer.

### **How do you think it has affected you mentally?**

This question had a mix of results. Most people said that it hadn't affected them mentally and only a few said that they did. One said that they were worrying when they were furloughed because they didn't know if they would have a job to return to.

### **Have you received any psychological help and if so, what was it?**

I was surprised to find out that everyone answered no to this, even those who had answered yes to the previous question. However, during a time where it is difficult to even leave your home, it is understandable that not everyone has reached out to get help.

### **Do you think there should be more psychological help available to those in the aviation industry that have been affected by COVID-19?**

Everyone answered yes to this question, which suggests that there may not as much help out there for those who are struggling or they may not be help out there that is good enough. One person said that as a female, they feel as though they have an amazing support system and that they can easily

talk openly about how they are feeling, which may be something that men struggle with. Another said that there should be help out there that is specifically geared towards those that have lost their jobs.

**What do you think has been affected the most within the aviation industry?**

There was a mix of answers to this question but two clear beliefs were shown in the answers. Some people thought that those who had been working within the industry had been affected the most, their lives, their jobs and their morale through the changes within the industry that they had experienced, such as redundancies and furlough. Whereas, the others that I interviewed all agreed that it was the people who would fly, the customers lives. Their entire lifestyle of flying and even their confidence to fly would have changed during the pandemic.

**Do you think that the measures put in place to help stop the spread of the virus were necessary even though it may have had a negative effect on the industry (e.g. countries closing their borders)?**

Most people said that it was necessary to put these measures into place and even that they should have been put into place even earlier than they were. However, one person disagreed and said that the quarantine restrictions were disruptive and questionable in terms of effectivity.

**Do you think there has been enough done to help the aviation industry?**

Many people answered saying that although they feel as though there hasn't been enough done to help the industry, there is only so much that they can do. And even though the furlough and CJRS have been invaluable lifelines to those who need it, the government cannot keep handing out money.

**Do you think the government has done enough to help the aviation industry?**

There answers were almost an even split between 'no' and that once again 'they have done what they can even if it may not be enough'. One even said that even though they may not be in the most ideal situation, they feel as though there are also other things that the government need to focus on as well as the aviation industry since the coronavirus is such a widespread disaster.

**Do you think the situation that you are in will improve within the next year?**

I was pleasantly surprised that everyone's answers were very optimistic and all went along the lines of 'yes' or 'I hope so'. One even said that the media may seem to make things out as even worse than they actually are.

**Do you have any additional notes that you would like to add?**

I added this question so that if the interviewee had any opinions or anything they would like to add that wouldn't have made sense to add in their previous answers, they could do so. One person said that believe that the pandemic will have changed the way people behave in the future and that they will start 'saving for a rainy day'. Another mentioned that because aviation is such a pivotal industry within the society, the government should consider how to work with it, rather than making decisions that work against it. Simple things such as mandatory testing instead of a compulsory 14-day quarantine would encourage people to travel more. A lot of people fear travelling not only because of the virus but also because they cannot afford to isolate for two weeks.



## **Conclusion**

In conclusion, I believe that the coronavirus has impact the aviation industry and the people working within the aviation industry in many different ways. Through the facts and statistics, you can see that the industry as a whole has been one of the worst that has been affected. You can clearly see that it has affected the mental wellbeing of those working in the industry through the psychological stressors that they are facing at work and at home. From the questionnaire, not only can you tell that the pandemic affects everyone, but also that it affects everyone in different ways and that no situation is the same to another. I believe that the way the pandemic affected the aviation industry the most was through the way it affected people's jobs. Not only has it taken away thousands of jobs in the industry it also introduced the Coronavirus Job Retention Scheme. And even those whose jobs were kept, the way they went about their jobs changed because of the increased workload and introduction to new skills. This also in turn again affected the mental wellbeing of those working within the industry and it why I believe that the mental wellbeing of people has also been one of the biggest ways that COVID-19 has affected the industry. Those at work have to worry about the workload and those at home have to worry about job insecurity. Furthermore, the virus has made it harder to reach out for help because it is difficult to leave your house and maybe go to groups that you may have had the chance to go to before. And those who may have not had to reach out for help before may not know where to look now that they need it.

## Bibliography

IATA (2020) IATA Pressroom. Available at: <https://www.iata.org/en/pressroom/pr/2020-06-09-01/>. (Accessed: 2 August 2020)

Sweney, M. (2020) 'Coronavirus: air travel demand will fall for the first time in 11 years', The Guardian. Available at: <https://www.theguardian.com/business/2020/feb/21/coronavirus-air-travel-demand-to-fall-for-first-time-in-11-years> . (Accessed: 2 August 2020)

Parliament.uk (2020) Publications & records. Available at: <https://publications.parliament.uk/pa/cm5801/cmselect/cmtrans/268/26808.htm#footnote-090> . (Accessed: 3 August 2020)

Webber, A. (2020) 'Gatwick Airport to make quarter of staff redundant', Personnel Today. Available at: <https://www.personneltoday.com/hr/gatwick-airport-redundancies/> . (Accessed: 3 August 2020)

Wikipedia (2020) Furlough. Available at: <https://en.wikipedia.org/wiki/Furlough> . (Accessed: 3 August 2020)

GOV.UK (2020) Changes to the Coronavirus Job Retention Scheme. Available at: <https://www.gov.uk/government/publications/changes-to-the-coronavirus-job-retention-scheme/changes-to-the-coronavirus-job-retention-scheme> . (Accessed: 4 August 2020)

Mayling, S. (2020) '100+ MPs urge chancellor to extend furlough scheme for aviation', Travel Weekly. Available at: <https://www.travelweekly.co.uk/articles/384377/100-mps-urge-chancellor-to-extend-furlough-scheme-for-aviation> . (Accessed: 3 August 2020)

European Cockpit Association (2020) COVID-19 and its effect on aviation mental health. Available at: <https://www.eurocockpit.be/news/covid-19-crisis-and-its-effect-aviation-mental-health> . (Accessed: 6 August 2020)

Civil Aviation Authority of New Zealand (2020) Mental wellbeing during COVID-19. Available at: <https://www.aviation.govt.nz/about-us/covid-19/mental-wellbeing-during-covid-19/> . (Accessed: 6 August 2020)

Centre for Aviation Psychology (2020) Centre for Aviation Psychology home page. Available at: <https://www.centreforaviationpsychology.com/> . (Accessed: 6 August 2020)

### **Acknowledgements**

I would like to thank my supervisor for being extremely helpful whilst I was doing this research project and for giving great advice throughout. I want to thank those who took time out of their day to complete the questionnaire that I sent them. I would also like to thank the Nuffield Foundation and the all of the people working behind it for giving me such an amazing opportunity and experience.