

IATA warns testing costs may deter travellers

A Monitor Report

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Montreal : The International Air Transport Association (IATA) has called on governments to ensure that high costs for Covid-19 testing do not put travel out of reach for individuals and families.

To facilitate an efficient restart of international travel, Covid-19 testing must be affordable as well as timely, widely available and effective, the body argued.

An IATA sampling of costs for PCR tests (the test most frequently required by governments) in 16 countries showed wide variations by markets and within markets.

Even taking the average of the low-end costs, adding PCR testing to average airfares would dramatically increase the cost of flying for individuals.

Pre-crisis, the average one-way airline ticket, including taxes and charges, cost USD 200 (2019 data).

A USD 90 PCR test raises the cost by 45 per cent to USD 290.

Add another test on arrival and the one-way cost would leap by 90 per cent to USD 380.

Assuming that two tests are needed in each direction, the average cost for an individual return-trip could balloon from USD 400 to USD 760.

The impact of the costs of Covid-19 testing on family travel would be even more severe.

Based on average ticket prices (USD 200) and average low-end PCR testing (USD 90) twice each way, a journey for four that would have cost USD 1,600 pre-Covid, could nearly double to USD 3,040 - with USD 1440 being testing costs.

"As travel restrictions are lifted in domestic markets, we are seeing strong demand. The same can be expected in international markets."

"But that could be perilously compromised by testing costs - particularly PCR testing. Raising the cost of any product will significantly stifle demand. The impact will be greatest for short-haul trips (up to 1,100 km), with average fares of USD 105, the tests will cost more than the flight," said Willie Walsh, Director General, IATA.