

Airlines down on knees pleading for help from passengers

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Airlines are trying to offer passengers vouchers instead of reimburing fares for cancelled flights

Airlines are pleading for help from their clients as they face paying customers back for flights cancelled due to the coronavirus pandemic that could starve them of cash, the industry said Wednesday.



"We are asking passengers for help... that's true, and we're doing it on our knees," the head of the International Air Transport Association (IATA), Alexandre de Juniac said on French TV and radio station BFM Business.

Coronavirus lockdowns forced most flights to remain grounded and air travel is recovering slowly, putting <u>airlines</u> in perilous financial shape.

Airlines operating flights to and from Europe are supposed to reimburse passengers for cancelled flights within two weeks under EU law, but with the support of France and a number of other countries, airlines are offering vouchers or making clients wait sometimes much longer to get their cash back.

Consumer groups have cried foul and the European Commission has opened a case against 10 EU member states including France for failing to enforce the regulations.

De Juniac said the industry was still trying to convince the European Commission to allow it use vouchers or give it more time to reimburse passengers.

"Why are we asking for this? Not for fun. Our business is more to pamper passengers than to pose problems for them, in particular financial problems," he said.

But "the cash flow of airlines is in an apocalyptic situation," he added.

IATA said last month it expected the world's airlines to suffer \$84 billion in losses this year due to the coronavirus pandemic.

While few have so far gone bankrupt, airlines have begun to shed tens of thousands of employees and several countries have stepped in to aid or



rescue carriers.

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