# ₩ Hills Balfour WEEKLY REPORT



#### **COVID-19 UPDATE**

Between 4 May 2022 and 10 May 2022, 76,867 people in the UK had a confirmed positive COVID-19 test result. This shows a decrease of -3.1% compared to the previous seven days. Between 2 May 2022 and 8 May 2022, 6,020 people went into hospital with coronavirus. This shows a decrease of -19.8% compared to the previous seven days. There were 9,619 patients in hospital with coronavirus on 9 May 2022. In regard to the vaccination rollout, nine in 10 people aged 12 and over have received their first dose, eight in 10 have received their second dose and seven in 10 have received their booster. The number of people testing positive for coronavirus across the UK is now at its lowest level since before Christmas, data gathered by the Office of National Statistics (ONS) shows.

In Scotland, COVID-19 infections are now at their lowest since the week ending 23 December 2021. However, Scotland's health secretary has warned there will "almost certainly" be another wave of COVID-19, stating that Scotland is crucially trying to protect elective care and planned surgeries that people have been waiting years for.

## ECONOMIC, POLITICAL AND SOCIAL UPDATE

## UK economy shrank in March

The UK's gross domestic product (GDP) fell by 0.1% in March as the economy shrank due to households cutting spending and the spiralling cost-of-living crisis. It comes after the Russian invasion of Ukraine in late February caused a spike in oil and gas prices and pushed consumer prices up even further. In the first three months of 2022, growth reached 0.8% due to rebound activity in January following the lifting of omicron restrictions. This was still down from 1.3% growth in the final guarter of 2021. KPMG chief economist Yael Selfin said he did not yet see a recession coming this year but warned: "Weak growth means that additional shocks other economies or spillovers from make this scenario increasingly likely."

## Prime minister to cut up to 91,000 civil service jobs

Boris Johnson has asked ministers and head of the civil service to bring civil service staff numbers down to 2016 levels, meaning 91,000 roles – approximately a fifth of the current workforce would be axed. The hope is that the cut will save money and help tackle the cost of living crisis. The cabinet secretary said the prime minister believed "this matters all the more at a time when the government is focused on controlling expenditure and delivering the best possible value for taxpayers in challenging circumstances".

## Russian sanctions to be kept in place

Foreign secretary Liz Truss has urged nations to keep their international sanctions against Russia in place until all of its troops have left Ukraine. Ms Truss also told a meeting of G7 foreign ministers on 12 May 2022 that allies should go "further and faster" in supporting Ukraine's resistance.

The foreign secretary has been among the most outspoken of UK ministers in setting out explicit war aims, saying in a speech last month that Russia should be pushed out of "the whole of Ukraine". Prime minister, Boris Johnson, has also warned against the "renormalisation" of relations with Russia, saying it would risk repeating the world's errors over Moscow's annexation of Crimea in 2014 - the precursor to its full invasion of Ukraine earlier this year.

#### TRADE

## Domestic travel to make a complete recovery in 2022

Domestic travel will make a "complete recovery" in 2022, while international arrivals to Europe are forecast to remain lower than pre-pandemic levels. The projections come from the most recent edition of the European Tourism Trends and Prospects quarterly report carried out by the European Travel Commission (ETC). The report, which monitors the impact of the COVID-19 pandemic as well as current economic and geopolitical headwinds on tourism, also anticipates European tourism will continue recovering in 2022, but at a slower pace than previously forecast.

## Consumers will prioritise travel spend in 2022

After two years of interrupted holiday plans caused by the pandemic, consumers are predicted to prioritise travel spend according to online agency Skyscanner. A report, which explores the latest trends in global travel, found 86% of travellers plan to spend more or the same on international travel than they did in 2019, with half planning to spend more. Of those spending more, the data claimed 48% are putting this money towards longer trips and 43% towards accommodation upgrades. Despite the increase in spending, Skyscanner said travellers still remain "price conscious".

## Israel lifts PCR testing requirement for arriving travellers

Under new guidance from the Ministry of Health and the Airports Authority, Israel has confirmed that it is ending the PCR testing requirement upon arrival at Ben Gurion Airport from 20 May 2022. From 10 May 2022, travellers flying to Israel will also be allowed to take an antigen test 24 hours prior to departure, rather than the previously required PCR test. Sharon Ehrlich Bershadsky, director, Israel Government Tourist office in London said: "As consumer confidence grows in line with restrictions easing, it was important that we made the entry process as simple as possible for travellers whilst keeping health and safety a top priority. We are hopeful that the easing of onarrival PCR tests will help encourage tourists to put Israel on their holiday lists this year."

## Foreign Office update passport advice to ease confusion

The Foreign Office has updated its advice for travel to the EU to clarify the rules around passports. It comes after dozens of British holidaymakers were denied boarding by airlines because of a misunderstanding of the post-Brexit rules. The Foreign Office has said the update announced on 12 May 2022 should provide clarity to British travellers as to whether they need to renew their passport before travelling to the EU.

# EU authorities drop mandatory face masks on flights and in airports

The mandatory wearing of face masks in airports and on European flights is "no longer recommended", according to EU authorities. The European Union Aviation Safety Agency (EASA) and European Centre for Disease Prevention and Control (ECDC), which issued the update on 11 May 2022, said the new rules will come into effect on 16 May 2022. Despite the relaxation, the organisations noted a face mask is "still one of the best protections" against COVID-19 and warned the rules may vary between airlines.

#### **AIRLINE UPDATE**

**Air Transat -** Air Transat has launched its new inaugural direct flight to Quebec City from London Gatwick. The first direct flight took off from the London airport on 12 May 2022 and will operate as a once a week service. The new route ensures that passengers can now book any one of 50 flights per week to six destinations across Canada including Montreal, Quebec City, Vancouver, Halifax as well as existing services to Toronto and Calgary.

**Aer Lingus** - Aer Lingus has restarted its daily Dublin-Los Angeles service after a more than two-year hiatus. The first flight on the route since March 2020 took off on 12 May 2022. The Dublin-Los Angeles service is the latest in a series of North American route restarts for Aer Lingus, with its Seattle and Miami services due to resume later this year.

**Emirates** - Emirates and the South African Tourism Board have signed a memorandum of understanding (MoU) to jointly promote tourism and boost inbound traffic to South Africa from key markets across the airline's network.

**Play** - Low-cost Icelandic airline Play has expanded its US service with additional flights to Boston from London Stansted via Reykjavik. The first flight took off from London Stansted on 11 May 2022 at 11:35am and will operate four times a week. Chief executive Birgir Jonsson said the Boston expansion will support European travellers looking for "budget-friendly" access to the US.

**Wizz Air** - Wizz Air has partnered with a handful of not-for-profit organisations to provide 10,000 free tickets to the UK for Ukrainian refugees fleeing Russia's ongoing invasion.

### TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

**Bookabed** - Bookabed has seen an increase in short-haul beach holiday bookings and city breaks as the summer period approaches. The trade-only bed bank's top destinations have remained the same as pre-pandemic, with the Canary Islands, the Algarve, Orlando, New York and Las Vegas proving popular. Adam McKnight, UK Country manager for Bookabed, said the company is seeing "excellent growth" this year after a tough 2020 and 2021. Knight continued "there was definitely a shift in January and February to more long-haul bookings, but now it's nearing summer, the short-haul beach and city destinations have seen great demand".

**Blue Bay Travel** - Blue Bay Travel has launched a new campaign to recruit up to eight personal travel advisors from non-travel backgrounds in a bid to broaden its range of candidates and increase the diversity of its workforce, as well as two new sales team leaders. It is the first time Blue Bay has looked outside the travel industry for new recruits; the agency and operator will offer candidates a bespoke travel training programme to equip them with the industry knowledge they will need, and teach them the skills they need to become a fully-fledged agent.

**If Only** - If Only has launched a new campaign designed to boost sales of Australian holidays. The luxury tour operator has teamed up with Destination NSW to launch the 'Sydney and New South Wales Experience' campaign, providing agents with marketing materials to help them sell holidays to the region. The campaign, which runs until 6 June 2022 focuses on the highlights travellers can experience in the state, including wildlife, driving experiences and accommodation options. The agent who makes the most bookings before the campaign ends will win a £1,000 holiday voucher to Sydney and New South Wales.

**Travelbiz** - Travelbiz has acquired Travelfinders, Ireland's leading consumer focused portal with the largest active database of Irish holidaymakers and subscribers. The acquisition positions the Travelbiz group as the largest and single biggest provider of trade and consumer focused coverage in Ireland, via an unrivalled reach supporting trade partners at home and abroad.

**Tui -** The Tui Group has reported that the UK remains its most advanced market, with bookings up 11% versus pre-pandemic summer 2019. Overall summer 2022 bookings are currently 85% of pre-pandemic 2019 levels, with total sales in the last six weeks firmly surpassing summer 2019. Tui said it was confident in its summer 2022 capacity prediction being close to normalised 2019 summer levels with average selling prices strong and up 20%, the group reported.

#### SOCIAL UPDATE

## YouTube launches updated option for Shorts

YouTube is adding some new features for Shorts, which are now receiving 30 billion views per day. Youtube is expanding its Green Screen option in Shorts to enable creators to use any eligible YouTube video or Short as the background for their clips. In addition to this, it's also rolling out a simplified Shorts iteration option, whereby users can select a 1-5 second segment of any eligible video to use in their own content. Any time a new Short is created in this way, it will be attributed back to the original video which may result in more views.

#### TikTok expands test of 'Friends' tab

The 'Discover' tab on TikTok has changed to a 'Friends' tab. The new Friends tab will highlight posts from accounts that users follow back and other suggestions, as opposed to broader trending content in the app. The tab will also prompt users to connect with more people and expand in-app interactions. This will likely generate more direct engagement in the app and enhance friend networks. This could also help TikTok get even more users to sign up, as it looks to expand beyond its first billion members.

#### MICE UPDATE

# UK's One Industry One Voice lobby rebrands to The Power of Events

One Industry One Voice (OIOV), the UK coalition of associations and businesses created to champion the country's event industry has been expanded and rebranded as The Power of Events (UK). The relaunched initiative will provide a dynamic and financed structure developed in partnership with the core sectors' main associations and 10 of the UK's leading University Event faculties. The Power of Events consists of a task force made up of around 25 representatives from across the seven core event industry sectors.

The Power of Events founder Rick Stainton said the priorities were to deliver a comprehensive online communications hub alongside an industry research app and evaluation platform that measures the social and economic impact of events across the UK. The website will also support existing trade associations and organisations by signposting to their resources, information and campaigns.

#### LIGHTER NOTE

A passenger without any flying experience safely landed a plane at Florida airport after the pilot became incapacitated. Find out more <u>here.</u>