Potential impacts of COVID-19 on the aviation sector in PNG

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Due to the increase in COVID-19 cases in Port Moresby, the Government of Papua New Guinea (GoPNG) has made a decision by declaring the National Pandemic Measure (New Normal or Niupla Pasin) as prescribed by the National Pandemic Measure Act 2020 on all the service providers. The Government has also enforced several lockdowns. The latest 14-day lockdown of the National Capital District was as a result of an increase in confirmed cases of COVID-19.

The aviation sector is an important service provider which is now facing various COVID-19 impacts. The impacts have contributed to the disabling and weakening of the main stream line and is affecting the economic development of PNG. This blog, therefore, discusses the impacts of COVID-19 on the aviation sector and the importance of air services during this pandemic.

COVID-19 pandemic restricts services provided by the aviation sector

Aviation sector is one of the main service providers that supports an economy. Since the first State of Emergency (SOE) declared by the GoPNG after the first confirmed case of COVID-19 on 24 March 2020, the aviation sector has not been providing its services effectively. This has caused many disruptions to the lives of the people and the economy. For example, in compliance to the measures, flights have been suspended to limit movement of people and adhere to social distancing.

The PNG Airlines services made an announcement that there were 2 and 3 possible categories of revenue loss. As a result, the losses in annual revenue will adversely affect the company and the PNG economy. Chief Executive Officer of PNG Air Paul Abbot stated that the airline’s revenue has decreased rapidly by 10 percent of what the company would expect to earn each day. He further reported that PNG Air created jobs for more than a thousand people and was now in the fight for survival. Other impacts of the pandemic are the following:

- By complying with the measures, the airlines services have been disrupted. People’s freedom of movement from one place to another has been restricted. This tends to have adverse effect on the income of the aviation service providers. Aviation service providers in PNG such as Air Niugini, PNG Air, North Coast Aviation and Mission Aviation Fellowship are facing difficulties in keeping essential services running as well as maintaining staff’s salary.

- As a result of the measures, the provision of goods and services will also be delayed. For example, there will be delays in transporting medical items to the respective hospitals and...
health centers around the mostly remote places in PNG. This may result in doctors and nurses not able to attend to patients due to shortage of drugs, which may lead to hospital closure and increasing deaths from curable diseases.

- Major projects will also be delayed posing a challenge for development in PNG. For example, most government projects are on hold due to the delay of supplying of Personal Protective Equipment (PPEs) that needs to be transported by air. The PPE’s are essential for workers to protect themselves from hazards and uncertain risks. Moreover, overseas employed managers and engineers living abroad but work in PNG will be affected as flights are disrupted. Therefore, major projects are unlikely to be completed on time and this could possibly incur more operational costs.

Therefore, it is important to consider why this aviation sector is critical, especially during this time of pandemic.

**Importance of providing air transport services during the global pandemic crisis**

- Air service providers such as PNG Air and Air Niugini need to make money and keep providing services so that they are able to pay their staff’s wages. For example, PNG Air employs more than 1,046 staff around the country and they must be paid for their services to the company. With their pay, they are able to look after their family, pay for food and other essential costs. It can be difficult not to have a job during this time.

- Employees and entrepreneurs coming from other countries to work and do business in PNG are heavily reliant on-air transport. Air transport becomes the only option available to reach different places in PNG to work or for business purposes. This is because most of the regions in PNG are connected by air transport.

- Investors: Big investors such as the PNG Liquefied Natural Gas (LNG), and other big companies use air transport to attend to business schedules. Travels have been part of their business schedule to carry out their normal operations in PNG.

- Transportation of medical equipment and health professionals: Most of the medical supplies such as drugs and medical equipment are transported by air as well as medical specialists. For example, neurosurgical specialists from Singapore must travel by air to attend to people in PNG in a timely manner. Remote places such as Maramuni in Enga is only reached by Mission Aviation Fellowship (MAF) airline services.

**Strategies to sustain the aviation sector under the new normal**

- It is important to carry out normal operation with the new normal measures to facilitate all business travels for both domestic and international flights. This would maintain the normal operation of the aviation services and avoid any disruptions to the economy.

- It is also important for the State to subsidise all private air service providers such as Mission Aviation Fellowship (MAF), especially for the loss made during the lockdown. This will ensure that they maintain normal business operations and keep serving the people of PNG.
Conclusion

Aviation sector in PNG is an important industry in promoting investments and businesses, movement of people and improve the economic activities. However, the government should consider the impacts of COVID-19 on the aviation service providers, people, businesses and the economy. The government has to implement strict travelling measures on both domestic and international flights to ensure there is no additional disruption to the economy.