

## 1.1 Million American Jobs at Risk Unless International Travel is Safely Reopened through COVID-19 Testing

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- In 2019, 79.2 million international visitors spent \$155 billion in the U.S., supporting nearly 1.2 million American jobs.
- International inbound travel was America's #1 service export and #2 industry export overall in 2019.

### Time is of the Essence: Two Scenarios for Safely Restarting International Travel

In January 2020, the U.S. Government (USG) began restricting inbound travel from some of America's top inbound travel markets to slow the spread of COVID-19. Using authority under section 212(f) of the Immigration and Nationality Act, President Trump banned entry into the United States from any foreign national that had been in the E.U., U.K., China, Iran, and Brazil within the previous 14 days.

In January 2021, President Trump announced that inbound travel restrictions under sec. 212(f) would be lifted for the U.K., E.U., and Brazil. However, then-President-Elect Joe Biden quickly announced that he would continue these travel restrictions once he took office. In late January 2021, President Biden announced that the 212(f) travel restrictions would remain in place due to concerns of COVID-19 variants and added South Africa to the list of countries where inbound travel to the U.S. would be restricted.

The 212(f) travel restrictions are a significant contributor to the decline in international travel. According to the U.S. Travel Association:

If nothing is done to restore international travel, a total of 1.1 million American jobs and \$262 billion in spending will be lost by the end of 2021.

- **International visitation to the U.S. will decline by 76% in 2020:** Due to inbound travel bans and declines, international visitation to the U.S. is forecast to drop by 60 million visitors (from 79 million in 2019 to 19 million in 2020).
- **International visitor spending is projected to decline by 77% in 2020:** Spending will decline by \$119 billion, from \$155 billion in 2019 to \$36 billion in 2020.
- **As a result, 900,000 American jobs are estimated to have lost their jobs in 2020 due to international travel declines.**
- **If nothing is done to lift international travel bans and bring back demand, a total of a 1.1 million American jobs will not be restored and \$262 billion in export spending will be lost by the end of 2021.** This is due to another 200,000 jobs and \$143 billion in export spending being lost in 2021, in addition to the 900,000 jobs and \$119 billion in spending lost in 2020.

The following economic analysis by the U.S. Travel Association examines two possible scenarios for safely restarting international air travel:

- 1) **Continued international travel restrictions and/or quarantines through 2021:** Under this worst-case scenario, the federal government would keep inbound travel restrictions in place or require extended quarantines (longer than 24 hours) for all inbound international arrivals through the end of 2021.
- 2) **By the end of Q2 2021, reopening of international travel from top inbound markets through a global risk-based, data driven approach to COVID-19 testing:** Under this scenario, the USG would work with several of the top countries for inbound travel to safely reopen visitation to the U.S. by the end of Q2. This scenario assumes that international inbound travel from these markets would return to 40% of 2019, on average, in 2021.

## Scenario 1: Continued Travel Restrictions Would Devastate the U.S. Economy

Under this scenario, continued inbound international travel restrictions, including travel bans from specific countries and quarantine requirements for more than 24 hours, would remain in place through the end of 2021. Without any steps by the federal government to safely reopen international travel through the use of COVID-19 testing, this scenario assumes international inbound travel would remain stagnant at Summer 2020 (average of June-August) levels through the end of 2021. (Red Line in Graph 1). This would exacerbate job loss and economic harm, including:

- The 900,000 jobs lost in 2020 would not be recovered in 2021, and an additional 200,000 jobs will be lost for a total loss 1.1 million American jobs over the two-year period.
- An *additional* loss of \$143 billion in export income in 2021 (on top of the nearly \$120 billion loss already projected for 2020), bringing the total spending loss to \$262 billion over two years.
- **A prolonged economic recovery where American jobs and international travel spending would not return to 2019 levels until at least 2025.**

## Scenario 2: Q2 Reopening of international travel through a global risk-based, data driven approach to COVID-19 testing

In this scenario, international inbound travel is able to safely restart in several major inbound markets by the end of Q2 2021 through a global risk-based, data-driven approach to COVID-19 testing, as an alternative to quarantines and travel bans. Under this scenario, it is assumed that the USG would take quick action in the first 6 months of 2021 to begin reopening international visitation through bilateral negotiations with several countries that make up some of America's top inbound markets (United Kingdom, Canada, the European Union, and Brazil).

Under this scenario, international travel from top inbound markets is assumed to reach 40% of 2019 levels, on average, in 2021, which would accelerate economic recovery by adding:

- **16.7 million more arrivals compared to Scenario 1;**
- **\$30 billion in spending compared to Scenario 1; and**
- **Bring back 225,000 more jobs compared to Scenario 1.**

Under this scenario, any step taken to fully reopen international visitation from one of America's top inbound markets would have a significant impact. For example, lifting travel bans between the U.S. and the U.K. through the use of COVID-19 testing and international air bridges, while avoiding quarantines upon arrival, could add 1.9 million arrivals and \$4.4 billion in spending in 2021 alone.

Conversely, continuing restrictions between the U.S. and the U.K. would cause inbound levels from the U.K. to shrink to just 45,000 in 2021, down 95% from 4.8 million in 2019, and leading to the loss of \$11.1 billion in spending in 2021.

## Accelerate economic recovery by implementing a risk-based, data driven approach to COVID-19 testing to safely reopen international travel in 2021.

In order to reopen international inbound travel safely, avoid the loss of more than 1 million American jobs and accelerate economic recovery, the USG must quickly pursue the following policy solutions to safely reopen international travel before the end of Q2 2021:

1. **Implement a science-driven, risk-based roadmap to establish Public Health Corridors, followed by lifting entry restrictions under 212(f):** Fasttrack a risk-based approach to reopening by immediately engaging in bilateral consultations with foreign governments to establish public health corridors (PHCs). The PHCs would utilize risk-based public health measures, such as

validation of pre-departure testing or vaccination status, to allow international air travel to resume on certain routes between the U.S. and a foreign country. The U.S.G. should first seek to establish a PHC with the U.K., which currently has lower infection rates and similar vaccination rates, and then quickly expand to more countries. Following establishment of the PHCs, the U.S.G. should develop public health criteria for the U.S. and a foreign nation whereby entry restrictions issued under section 212(f) could be lifted.

- 2. Direct the State Department to devote resources and staff to addressing the backlog of passports and visas expeditiously (for both travel and work visas).** Quickly develop safety protocols to restart visa and passport processing, which will help accelerate demand for safe international travel.