

U.S. airlines cancel another 1,400 flights as winter storms and Covid omicron variant hits

Posted on January 4, 2022 by Business Editor



Airlines canceled hundreds of additional U.S. flights on Tuesday Jan. 4 in the wake of winter storms and as the fast-spreading Covid omicron variant hamstrings crews.

As of 2 p.m. in New York, more than 1,400 flights around the country were canceled, according to airline data provider FlightAware. More than 2,300 were delayed. Since Christmas Eve, airlines have scrubbed more than 20,000 flights, disrupting holiday plans for tens of thousands of customers during what were expected to be the busiest travel days since the start of the pandemic.

Monday's cancellations totaled 3,225 as a winter storm hit the mid-Atlantic after causing a weekend of disruptions in the Midwest. It was the largest daily total since Feb. 15 of last year, when 3,899 flights were canceled, according to FlightAware.

On Tuesday, Southwest Airlines canceled 395 out of its more than 3,600 scheduled flights. The Dallas-based airline faced bad weather that forced it to scale back operations at major airports, including Denver, Chicago and Baltimore. An airline spokeswoman said the carrier was working to get planes and flight crews back in place to resume some of its flights.

More than a fifth of the departures at Baltimore/Washington International Thurgood Marshall Airport and at Ronald Reagan Washington National Airport were grounded as of midday. The winter storm also snarled rail travel and roads throughout the eastern U.S. Drivers were trapped in an hourslong traffic jam after officials closed an icy stretch of I-95 in Virginia.

JetBlue Airways canceled 105 flights, or 10% of its Tuesday schedule. A spokesman said the majority of those cancellations were due to schedule cuts it announced last week to help ease staffing constraints as omicron infections sideline flight crews. The New York-based airline will trim close to 1,300 flights through mid-January.

JetBlue, United, Southwest and others offered crews extra pay to pick up open trips. United pilots' union and the company agreed to triple compensation to fly extra trips through much of January.

Regional airline SkyWest was also offering extra pay to pilots who pick up trips through the month to help

boost staffing that has been strained by omicron and plans to trim its January schedule.

“Given the ongoing surge in COVID cases and related sick calls, we’ve been working with each of our major partners to proactively reduce the remainder of our January schedules to ensure we’re able to adequately staff our remaining flying as we work to recover in the coming weeks,” the airline said in a statement.

SkyWest, which flies smaller planes for Delta, United, Alaska and American, canceled 94 flights or 9% of its Tuesday schedule.

Airline investors have shrugged off the disruptions, though. Analysts have forecast a further rebound in travel demand this year, particularly in trans-Atlantic trips that many customers skipped during the pandemic because of a host of travel restrictions aimed at curbing the spread of the virus.

Carriers have struggled to ramp up their networks to match travel demand, facing labor shortfalls and higher costs.

“We believe 2022 will be another year of lumpy results as airlines continue to struggle to add capacity to their networks as demand is likely to remain strong,” Cowen airline analyst Helane Becker wrote in a Tuesday note. “We expect inflationary pressure in fuel and labor cost, as well as high interest costs, to lead to higher ticket prices.”

Stocks of major U.S. airlines traded higher Tuesday for a second straight day. Southwest, American and United each rose more than 1%, while the S&P 500 fell less than 0.1%.

Leslie Josephs www.cnbc.com

