



## Air Canada (TSX:AC) Stock: What Mandatory Vaccines Would Mean

### Description

Election mode is in full swing here in Canada. On Sunday, the government announced there would be federal election on September 20. But even before it was announced, our current federal government looks like it's trying to make as many moves as possible to end the COVID pandemic. Some of these moves could actually affect companies like **Air Canada** ([TSX:AC](#)). But will Air Canada stock sink or climb from recent announcements?

### What happened?

Mandatory COVID-19 vaccines will be required for all federal workers and travellers by this fall, the government announced last week. That's nearly half-a-million people who work for the federal government, and almost a million more who work in federally regulated industries.

The new policy would not only mean you couldn't ride a plane to a sunny destination; it also means you cannot cross provincial or territorial borders. And that's where some people have a problem. While this won't apply to those who cannot receive a vaccine for medical reasons, it's unclear about those conscientious or religious reasons.

### So what?

The move is on top of many universities across the country requiring only fully vaccinated individuals to come onto campus. The federal government originally didn't seem in favour of having these "vaccine passports." However, since then, the issue has changed. It looks like with the Delta variant surging, Canadians mainly want this to come to an end. With an election on the way, the current Liberal government is taking advantage of this stance to introduce the passports.

What does this mean for a company like Air Canada stock? And, more importantly, what about for Motley Fool investors? On the whole, the closer we get to normalcy, the better for the economy. It's absolutely clear that the end of the pandemic would be a good thing. How we get there is, of course, up to debate.

But say vaccine passports work. This should allow for smoother travel down the line. It means eventually Air Canada stock could rally. And that's good, right?

## What now?

As of writing, Air Canada stock is seeing an increase in use mainly because Canadian travellers just have to prove they're either vaccinated or don't have COVID-19. So, just when we've found a way to get people back on board planes, this government ruling could be poor for business in the short term.

Suddenly, we may see a major drop in airline travel, because those without the vaccine simply cannot travel. And some may never be able to do so if it's for these conscientious or religious reasons. So, what then? Will this change when the pandemic is over?

There are certainly a lot of question marks to be raised over this new restriction. Not all of them are positive. But when it comes to Air Canada stock and Motley Fool investing, our ideas remain the same. Motley Fool investors should not be buying a stock based on [short-term goals](#). It should be based solely on long-term belief in the company's fundamentals.

In the case of Air Canada stock, this new ruling could be good long term. You'll see a quicker return to normalcy, and therefore a quicker return to pre-pandemic levels. Shares are up 41% in the last year, with sales due to more than double next year. And such a ruling would mean safer holiday travel and therefore less spread during the holiday season.

So, wherever your beliefs lie, if you're looking to invest in Air Canada stock long term, now could be [a good time](#) to do it.

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1. alegatewolf
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#### **Author**

alegatewolf

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