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# Value of Aviation

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# What is the 'Value of Aviation' exactly?

- Aviation is more than just moving people and boxes safely and swiftly from A to B
- Aviation underpins global economic development, prosperity and opportunity.
  - And contributes meaningfully to the fulfilment of the UN SDGs.
- It is the 'virtual bridges' in the sky that:
  - link friends, families and loved ones;
  - enhance cultural diversity & experience;
  - provide an essential lifeline for rural and remote communities;
  - support international trade & global e-commerce;
  - deliver humanitarian aid and essential disaster relief in times of crisis;
  - ...



## The Value of Aviation – highlights for 2023

**86.5m**

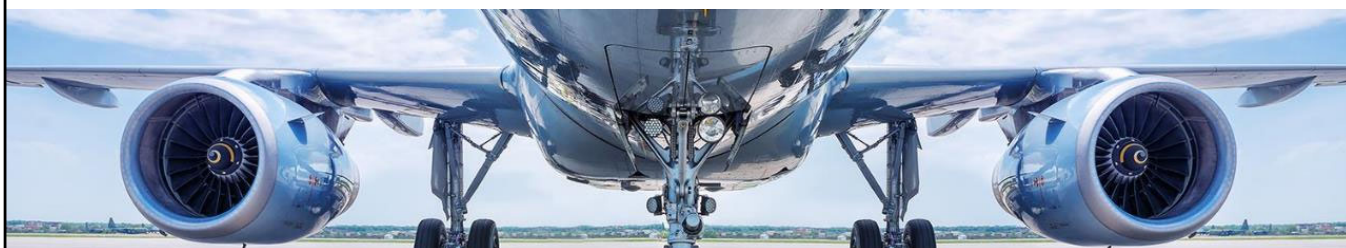
Jobs supported by  
aviation worldwide

**\$4.1tn**

Contribution to global  
economic activity

**3.9%**

Share of global  
total GDP

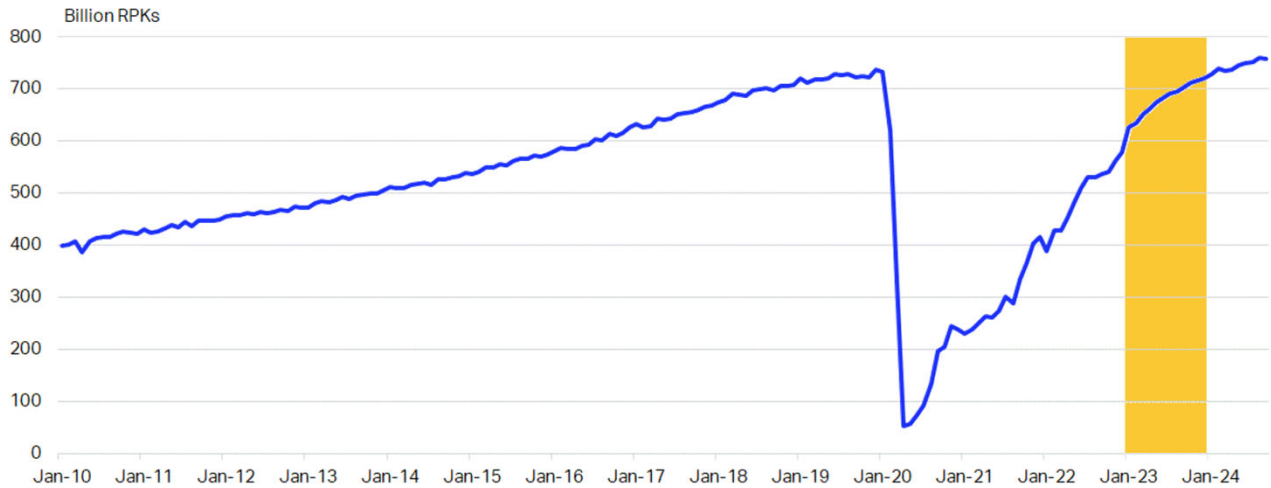


Source: ATAG Aviation Benefits Beyond Borders, 2024 based on Oxford Economics data



## In 2023, passenger traffic was still recovering This is reflected in the magnitude of the VoA estimates

Industry Revenue Passenger Kilometers (RPKs), seasonally adjusted (bn)



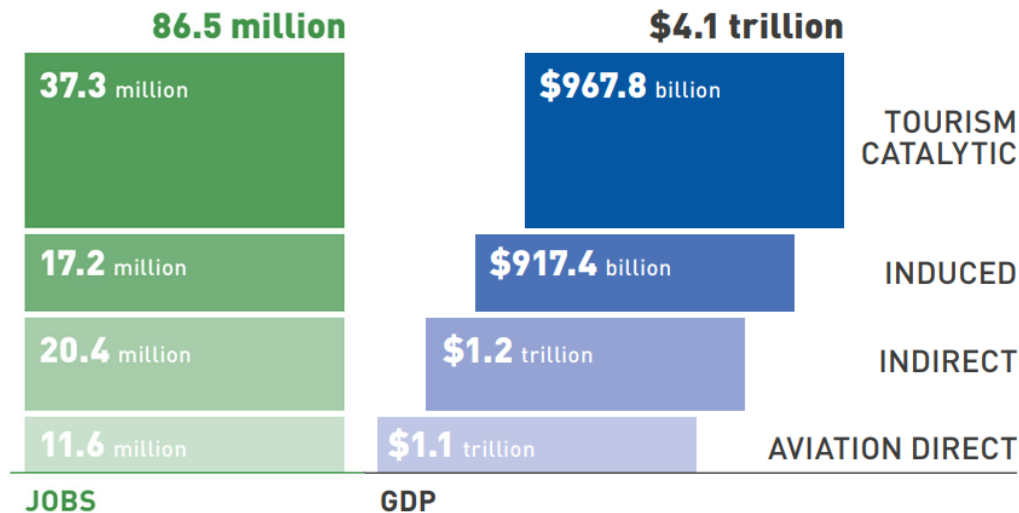
7 Source: ATAG Aviation Benefits Beyond Borders, 2024 based on Oxford Economics data



- In 2023, global air traffic, measured as Revenue Passenger Kilometres (RPKs) had not quite recovered to the pre-Covid pandemic levels of 2019.
- The ongoing nature of the recovery in 2023 is captured in the various estimates for the Value of Aviation (jobs, GDP contribution, etc.) for that year. We can expect that the 'value' of aviation in 2024 would be larger, as the recovery has continued.

## Jobs and GDP are spread widely across the economy...

Aviation's global economic contribution (2023)



8 Source: ATAG [Dybwrc#Ehghilw Eh | rgg#Erughw](#), 2024 based on Oxford Economics data



Three core economic impact channels were estimated.

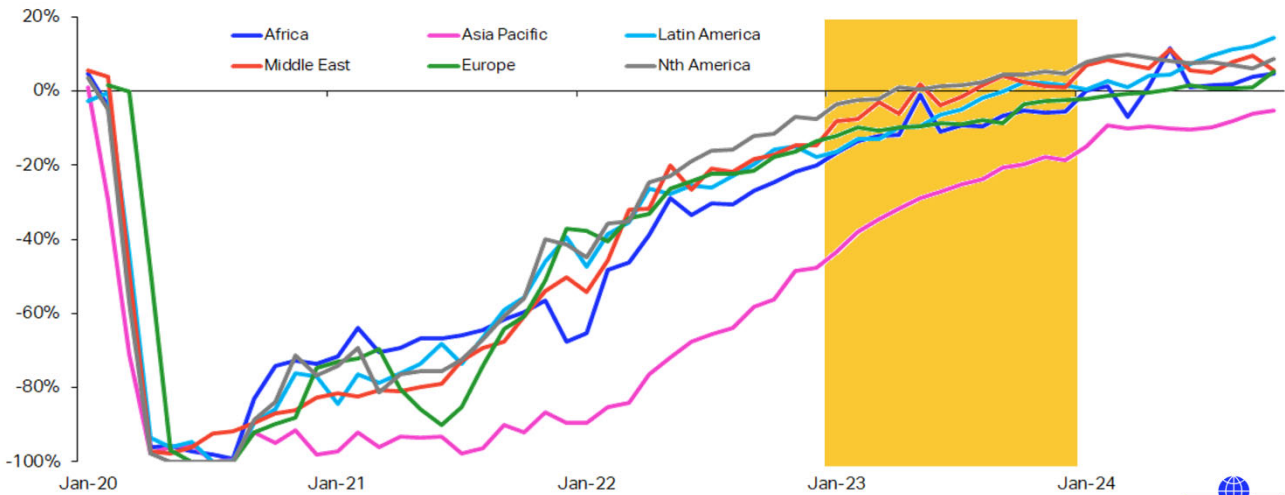
The analysis considers three channels of spending that are in all standard economic impact studies.

- The **first** is the aviation direct channel, which is the operational spending that airlines, airports, civil aircraft manufacturers, airport operators and air navigation service providers undertake to generate profits and employ people at their operational sites.
- The **second** is the indirect channel – the aviation sector's procurement of inputs of goods and services from other businesses in the economy. This spending supports additional jobs and gross value added contributions along the sector's supply chains.
- The **third** is the induced channel, comprising wage payments to staff in the aviation sector and the supply chain. Some or all of those wages are subsequently spent in the consumer economy, which supports further economic activity and jobs in retail and leisure outlets and their supply chains.

In addition to these standard impact channels, Oxford Economics explores the economic impact arising from **tourists** who arrive by air and spend money on goods and services.

## By region, the divergent recovery profiles are clear In 2023, Asia-Pacific lagged by some margin in its recovery

International RPKs (%ch vs 2019) – Regional recovery



9 Source: ATAG Aviation Benefits Beyond Borders, 2024 based on Oxford Economics data



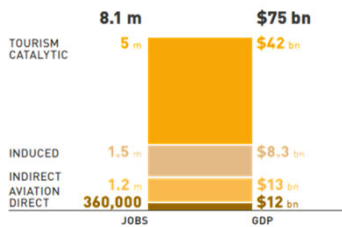
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Different regions recovered from the COVID-19 pandemic at a different pace.

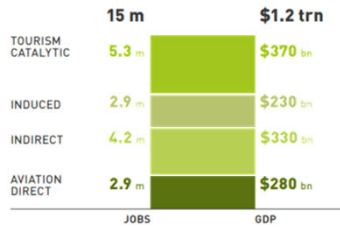
Most notably, Asia-Pacific lagged the other regions by some margins, as travel restrictions were tighter and maintained for longer in some key economies, compared with other regions.

# Detailed regional contributions to total jobs and GDP

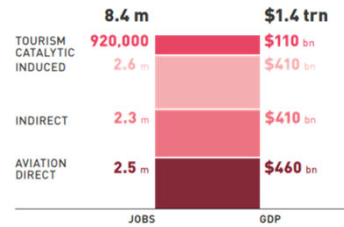
**Total jobs and GDP generated by air transport in Africa, 2023**



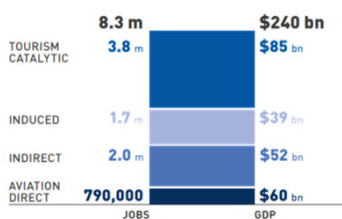
**Total jobs and GDP generated by air transport in Europe, 2023**



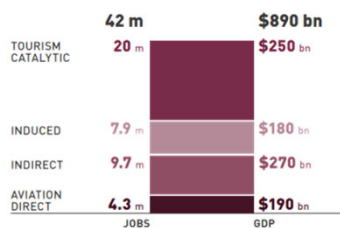
**Total jobs and GDP generated by air transport in North America, 2023**



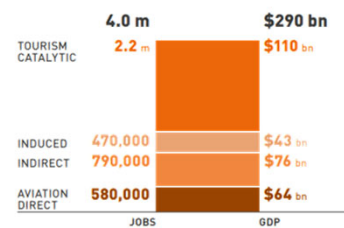
**Total jobs and GDP generated by air transport in Latin America and the Caribbean, 2023**



**Total jobs and GDP generated by air transport in Asia-Pacific, 2023**



**Total jobs and GDP generated by air transport in the Middle East, 2023**

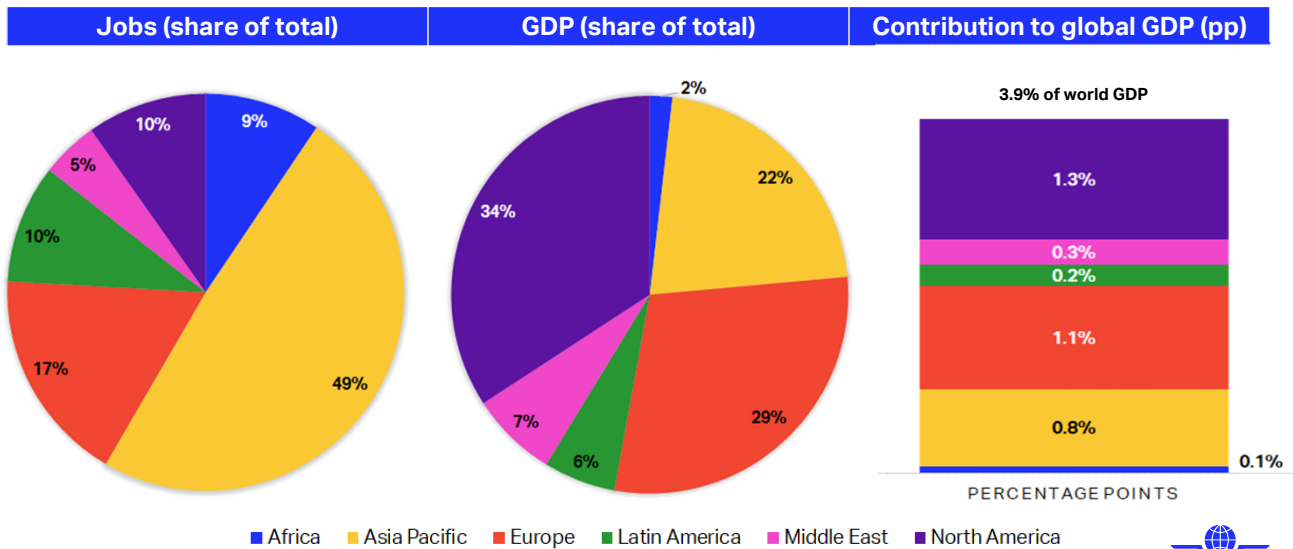


10 Source: ATAG Aviation Benefits Beyond Borders, 2024 based on Oxford Economics data



- The contribution towards the global estimates of jobs and GDP – one simplified way to measure the “Value” of Aviation – varies across regions. This reflects a range of factors including the volume of air traffic activity and other country and region-specific factors which can enhance or hinder aviation’s contribution.
- In addition, the composition of jobs and GDP (direct/ indirect/ etc.) can also vary considerably from region to region.

## Jobs and GDP are not evenly distributed across regions



11 Source: ATAG Aviation Benefits Beyond Borders, 2024 based on Oxford Economics data



- The contribution towards the global estimates of jobs and GDP – one simplified way to measure the “Value” of Aviation – varies across regions. This reflects a range of factors including the volume of air traffic activity and other country and region-specific factors which can enhance or hinder aviation’s contribution.
- For example, high taxes, fees, and charges in a region will tend to diminish aviation’s economic footprint. A more enabling operating environment will tend to bolster the positive economic impact of the air transport sector.
- As it stands, Asia Pacific has the largest contribution to the total number of jobs (49%), followed by Europe at 17%. For GDP, North America and Europe (34% and 29%, respectively) lead the way, followed by Asia Pacific at 22%.



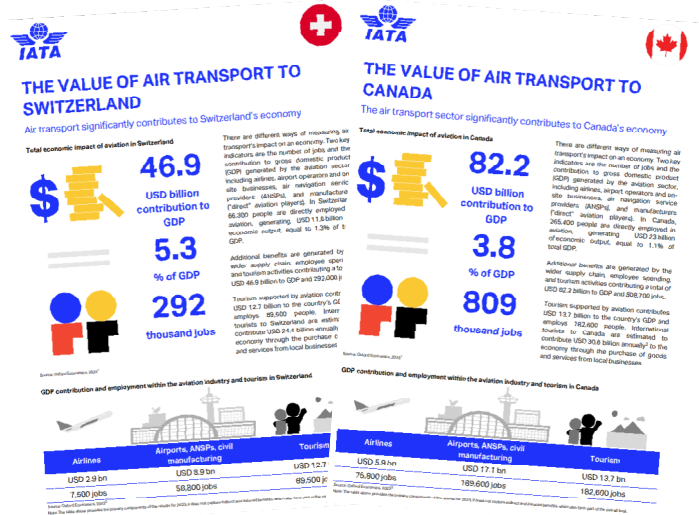
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12 Available at [www.aviationbenefits.org](http://www.aviationbenefits.org)



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