

IATA: Lower prices boosted air travel in 2015

GENEVA: Global air passenger traffic jumped 6.5 percent in 2015 compared to a year earlier, boosted largely by lower airfares, IATA said Thursday. "Last year's very strong performance, against a weaker economic backdrop, confirms the strong demand for aviation connectivity," said Tony Tyler, head of the International Air Transport Association (IATA).



Lamiot via [Wikimedia Commons](#)

Last year's hike marked the strongest rise in global air passenger traffic since the global post-financial crisis rebound in 2010, and was well above the 10-year average annual growth rate of 5.5 percent, IATA said. One thing that helped boost demand last year was a five-percent average drop in airfares compared to 2014, the organisation said in a statement.

Airline capacity meanwhile rose 5.6 percent, while the average load factor, or percentage of seats occupied, climbed 0.6 points to a record annual high of 80.3 percent. Carriers in the Asia-Pacific region accounted for a full third of the total annual increase in traffic, IATA said.

Growth in international traffic

Growth in international traffic was particularly high, up 6.5 percent, with all regions seeing a rise in demand.

The strongest overall growth was recorded by carriers in the Middle East with a 10.5 percent hike, followed by Latin America, at 9.3 percent, and the Asia-Pacific region at 8.2 percent.

European carriers meanwhile saw their international traffic swell five percent, as eurozone spending picked up, although growth slowed towards the end of the year due to Lufthansa strikes and the shutdown of Russia's Transaero, IATA said.

North American carriers saw international demand grow 3.2 percent, while African airlines saw the weakest growth at three percent. IATA stressed that aviation last year clearly helped boost the global economy.

Governments should stimulate spending, not discourage it

It lamented though that "some governments still wrongly believe that the value of taxes and charges that can be extracted from air transport outweighs the benefits - economic and social - of connectivity."

IATA pointed among other things to the Italian decision to hike taxes levied on passengers between 33 and 38 percent. This, it warned, "will damage Italian economic competitiveness, reduce passenger numbers by over 755,000 and GDP by 146 million euros per year," it said, adding that some 2,300 jobs a year were expected to be lost as a consequence of the move.

"At a time when the global economy is showing signs of weakening, governments should be looking for ways to stimulate spending, not discourage it," it said.

Source: AFP

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