

Passenger plane market to double within 20 years

TOULOUSE, France: Airbus says it expects the market for large passenger planes to more than double in the next 20 years driven by growth from Asian markets.



Raising its previous forecasts for the next two decades, the European aircraft maker also says a slowdown in orders over the past several months did not signal a drop in the market.

"The trend is positive," says Airbus chief executive Fabrice Bregier.

Normal part of the business cycle

Airbus recently warned it expects slow orders this year and perhaps next year, too, but said it was a normal part of the business cycle. The planemaker predicts the need for 35,000 new planes worth \$5.3 trillion over the next two decades, an increase from last year's estimates.

"Air travel is remarkably resilient to external shocks and doubles every 15 years," said its chief operating officer for customer relations, John Leahy.

"Asia Pacific continues to be an engine for growth, with domestic China to become the world's largest market."

Six percent increase

The numbers released recently, as the industry gears up for the Paris Air Show later this month, show a six percent increase from last year's forecasts in terms of numbers of aircraft and a two percent increase in value.

Airbus last year already raised its 20-year forecasts, which it publishes each year, as does its US rival Boeing.

The number of aircraft worldwide that count over 100 seats should reach more than 40,000 while airline traffic will increase by 4.4 percent per year over the time period, according to the Airbus estimates released Friday.

This means hundreds of thousands of new jobs, the planemaker said, estimating the need for 530,000 more pilots and 550,000 new maintenance engineers.

Reasons for forecast

The planemaker has cited more first-time flyers and rising disposable income for air travel as other reasons for its forecast.

Emerging markets in China and India, as well as other parts of Asia and Latin America, are growing nearly twice as fast as North America and Western Europe.

Airbus is also hoping the expected demand will feed appetite for its superjumbo jet A380 model.

"The A380 is the solution for future traffic growth" says Leahy.

Source: AFP

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