

Global air traffic is up 6%, boosted by low-cost carriers

MONTREAL, CANADA: Worldwide passenger air traffic grew again last year, albeit, at a slightly slower pace, led by the dynamic growth of low-cost air carriers, the International Civil Aviation Organization reported on Monday.



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A total of 3.7 billion passengers were transported by the world's airlines last year, a 6 percent increase from 2015. That was just under the previous year's 7.1 percent rise, the United Nations agency said.

Growth was most pronounced in the Middle East (11.2 percent), Asia (8 percent), Latin America (6.5 percent) and Africa (5.7 percent), while it was slower in Europe (4.3 percent) and North America (3.5 percent).

"Over half of the world's tourists who travel across international border-search year were transported by air," the Montreal-based agency noted in a statement.

Low-cost carriers accounted for 28 percent of all passenger air traffic. Passing a milestone, they transported more than 1 billion passengers for the first time.

In Europe, low-cost carriers transported nearly a third of all passengers, slightly more than the 31 percent in Asia or North America's 25 percent.

"The increasing presence of low-cost carriers notably in emerging economies contributed to the overall growth of passenger traffic," the ICAO said.

As for scheduled domestic flights, North America accounted for 43 percent of the total, up 4.3 percent from the previous year, while domestic traffic in Asia was up 10 percent, largely due to growth in India and China.

Increased traffic and significantly lower fuel costs helped boost airlines' operating profits, which the ICAO put at \$60 billion for last year, some \$2 billion more than in 2015.

"More than a third of the profits are expected to come from the carriers of North America, whose domestic market represents 66 per cent of their total operations," the agency reported.

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