

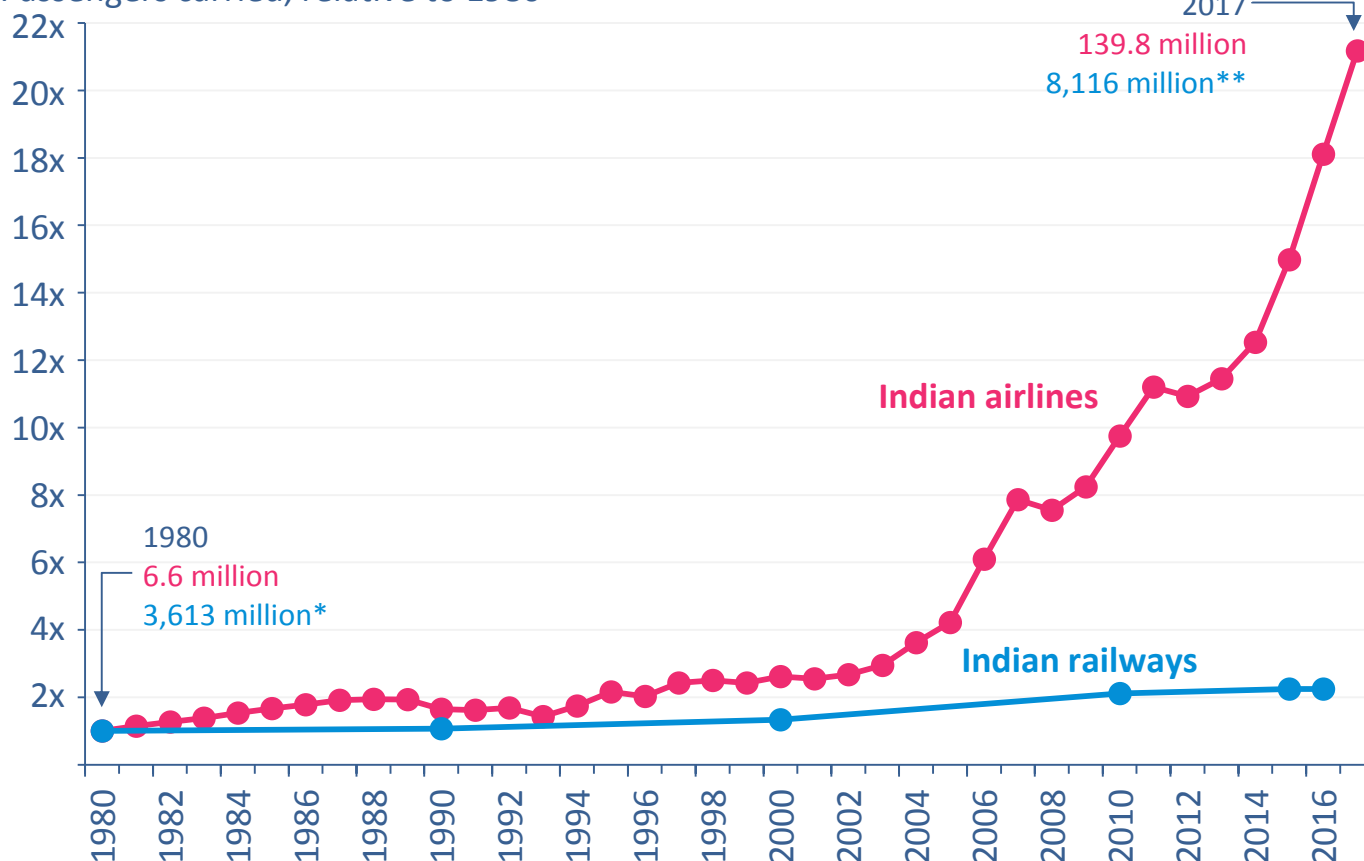


IATA ECONOMICS' CHART OF THE WEEK

31 AUGUST 2018

POSITIONING INDIA FOR ITS GROWING ROLE IN GLOBAL AVIATION

Passengers carried, relative to 1980



Sources: World Bank/ICAO, India Ministry of Railways

*Year ended March 1981 ** Year ended March 2017

- Train travel has long been the dominant mode of transport in India, but the aviation sector has increasingly established itself as a safe, affordable and credible alternative. The railways continue to be India's transportation lifeline, carrying 8.1 billion passengers each year – 58 times more than Indian airlines. However, the number of rail users has increased by just 1% per year since 2010, and the current level of usage is just 2.2 times the level of 1980. By contrast, the number of passengers flown by Indian airlines has more than doubled over the past seven years alone, and has now increased nearly 22-fold since 1980.
- As the world's largest democracy with a population of more than 1.3 billion citizens, India has considerable potential for further aviation growth. Indeed, we expect India to overtake Germany, Japan, Spain, and the UK within the next 10 years to become the world's third largest air passenger market. Such growth will be driven by a number of factors, including a trebling in the proportion of middle-class households over the next 20 years and further increases in time-saving options for air passengers.
- Of course, the future will not be without challenges. These include making sure that the right type of infrastructure is put into place, at the right time and in the right location to ensure that the demand can be met. And to have the right policy environment that supports the sustainable growth of the industry. These steps will help to position India for the increasingly important role it will have in global aviation.

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