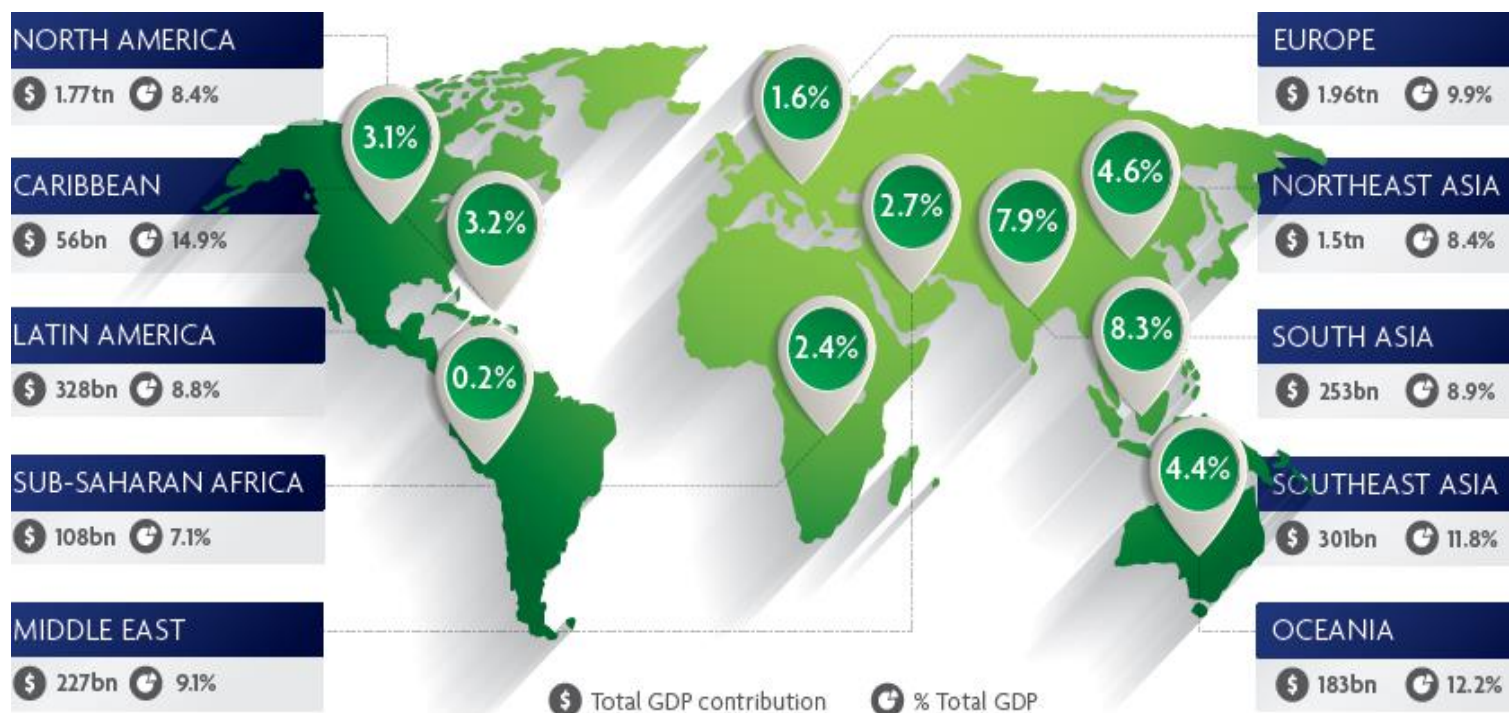




IATA ECONOMICS' CHART OF THE WEEK

31 MARCH 2017

TRAVEL & TOURISM GROWS SOLIDLY IN 2016, DESPITE HEADWINDS



Source: World Travel and Tourism Council

- The World Travel & Tourism Council (WTTC) has recently released its 2017 [Economic Impact Report](#) which estimates that the global travel & tourism (T&T) sector grew by a solid 3.3% in 2016, outpacing global economic growth for the 6th consecutive year. The report estimates that the sector generated US\$7.6 trillion worldwide – accounting for around 10% of global GDP – and supported a total of 292 million jobs in 2016.
- With 2017 designated as the *International Year of Sustainable Tourism for Development* this brings a renewed focus on the sector – including the role of air transport in facilitating the global movement of travelers – and its contribution to helping achieve the United Nations' 17 Sustainable Development Goals.
- The solid overall performance of the T&T sector in 2016 comes despite various challenges, including economic, political and safety/security issues. These impacts are most acutely felt at the individual country or regional level and are reflected on this week's chart, which shows the varied growth rates and economic impact of the T&T sector in 2016.
- SE and Sth Asia were the two regions with the fastest growing T&T sector, at a brisk 8.3% and 7.9% respectively, driven by rapid growth in the China and India domestic and international markets. In contrast, Latin America saw growth of just 0.2% as developments in the Brazilian economy weighed upon overall T&T growth for the region. The more mature markets of Europe and Nth America grew by 1.6% and 3.1% respectively. The broad patterns of T&T sector growth are consistent with the air passenger traffic flow data, reported [previously](#).
- The WTTC estimate that leisure (rather than business) travel accounted for the bulk of total travel spend in 2016, at just over 75%. Similarly, domestic (rather than international) travel generated 72% of the sector's contribution to GDP.
- The WTTC forecast grow to pick up to 3.8% in 2017, generating US\$7.9 trillion, but caution that the impact of terrorism and the rise of populism pose a 'severe risk' to the ability of people to travel efficiently and securely.

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