

LATIN AMERICA AND THE CARIBBEAN²⁰⁸

Air transport supported 7.6 million jobs and \$187 billion in Latin America and the Caribbean economic activity. That is 2.7% of all employment and 3.5% of all GDP in Latin American and Caribbean countries in 2018.

Every person directly employed in the aviation sector and in tourism made possible by aviation supported another 9.6 jobs elsewhere in Latin America and the Caribbean. Similarly, \$2.80 of economic activity was supported elsewhere in Latin America and the Caribbean for every \$1 of gross value-added directly created by the air transport sector.

The aviation sector in Latin America and the Caribbean directly employed an estimated 722,000 people in 2018. A sub-sectoral analysis of these workers suggests that:

- » **190,000 of them (26% of the total)** were employed by airlines or handling agents as, for example, flight crew, check-in staff, maintenance crew, or head office staff;
- » **27,000 (4%)** had jobs with airport operators in, for example, airport management, maintenance, and security;
- » **394,000 (55%)** worked on-site at airports in, for example, retail outlets, restaurants, and hotels;
- » **82,000 (11%)** were employed in the manufacture of civil aircraft (including systems, components, airframes, and engines); and
- » **29,000 (4%)** worked for air navigation service providers in, for example, air traffic control and engineering.

Airlines, airport operators, retailers and other on-site businesses at airports and air navigation service providers and civil aircraft manufacturers also contribute to GDP in Latin America and the Caribbean. In 2018, the operations of these businesses directly generated a \$49 billion contribution to GDP, equivalent to the entire GDP of Santo Domingo.

The aviation sector's spending with suppliers is estimated to have supported a further 1.7 million jobs and a \$37 billion gross value-added contribution to GDP. In addition, wage payments to staff – by the aviation sector and businesses in the aviation sector's supply chain – supported 1.3 million more jobs and a \$28 billion gross value-added contribution to GDP.

The aviation sector also facilitates a substantial amount of tourism in Latin America and the Caribbean. This stimulates still more economic activity, as tourists spend their money with restaurants, hotels, retailers, tour operators, and other providers of consumer goods and services. In 2018, spending by foreign visitors who flew to Latin America and the Caribbean countries supported an estimated 4.0 million jobs and a \$73 billion contribution to GDP.

In total, accounting for the sector's direct impact, its supply chain impact, its wage expenditure impact, and the impact of tourism made possible by air transport, the aviation sector supported an estimated 7.7 million jobs and a \$187 billion contribution to GDP in Latin America and the Caribbean countries in 2018.

Air travel in Latin America and the Caribbean is expected to continue to grow at about 3.2% per year over the next two decades. This increase will, in turn, drive growth in the economic output and jobs that are supported by the air transport industry over the next 20 years. Oxford Economics forecasts that by 2038 the impact of air transport and the tourism it facilitates in Latin America and the Caribbean will have grown to support 12.5 million jobs (64% more than in 2018) and a \$367 billion contribution to GDP (a 96% increase).



3,195,191
flights

356
million passengers

178
airlines

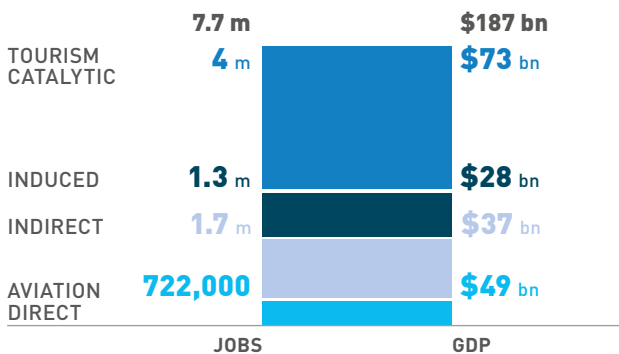
2.2
million tonnes of cargo

493
commercial airports

31
air navigation service providers

81%
average regional load factor

Total jobs and GDP generated by air transport in Latin America and the Caribbean, 2018.



Direct jobs generated by air transport in Latin America and the Caribbean.

