

Global aviation industry's 2023 profit forecast doubled to USD 9.8b

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Dhaka: Airlines from all over the world announced that the forecast for the aviation industry's 2023 profit has more than doubled, despite issues meeting demand and delays associated with the delivery of new planes and parts.

Reports cited International Air Transport Association's Director General Willie Walsh saying during the group's annual summit that the the industry's profit forecast jumped to USD 9.8 billion from USD 4.7 billion, buoyed by travel demand and lower oil prices.

Walsh also revealed that revenue is expected to grow by 9.7 per cent to USD 803 billion in 2023, but is likely to fall short of the USD 838 billion earned in 2019 before the coronavirus pandemic shut down domestic and international flight service.

While carriers continue to highlight strong numbers due to the summer vacation travel period, Walsh said profit margins of 1.2 per cent are making it

hard to repair “damaged balance sheets” and resulting in airlines making an estimated “USD 2.25 per passenger.”

One major issue voiced by airline executives worldwide is the extended wait times to receive new planes from manufacturers, with averages reaching at least six months per aircraft. Airbus and Boeing blamed supply chain issues for the long wait times.

As a result, airline executives have asked IATA to work directly with manufacturers to “make sure their frustrations are heard” and the wait times are eventually reduced.

“Airlines are beyond frustrated,” Walsh said, adding, “A solution must be found.”

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