

2011-12-16

PRESS RELEASE

Economic Importance of Air Transport and Airport Activities in Belgium – Report 2009

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This *Working Paper* assesses the economic importance of the air transport sector in Belgium in terms of value added, employment and investment over the period from 2007 to 2009. The study is an update of an analysis carried out by the Bank in 2009 (Working Paper No. 158). The air transport sector under review spans not only activities directly linked to air transport, but also all business undertaken on the sites of Belgium's six airports (Antwerp, Brussels, Charleroi, Kortrijk, Liège, Ostend). Both the direct and indirect effects of the sector are estimated respectively on the basis of microeconomic data (drawn mainly from the Central Balance Sheet Office) and macroeconomic statistics (from the National Accounts Institute). The study also includes an analysis of the social balance sheet and looks into some financial ratios on the basis of data from the Central Balance Sheet Office.

Brussels Airport was the worst hit by the drop in worldwide air traffic observed in 2009 in the wake of the economic recession, losing its position as Belgium's leading freight airport to Liège Airport that year. The national airport is nevertheless still the leader in terms of value added and employment, as well as passenger transport, claiming almost three-quarters of the total in 2010, despite the exponential increase in traffic recorded at Charleroi Airport. Together, these two airports accounted for almost 97 % of passenger traffic into and out of Belgium in 2010.

In 2009, the air transport sector generated more than €6.1 billion in direct and indirect value added (i.e. 1.8 % of Belgium's GDP) and provided jobs either directly or indirectly for 80,300 people in full-time equivalent terms (or 2 % of domestic employment in FTE), while direct investment in the sector reached almost €380 million. Over the three years considered in the study, there was a slight rise in the sector's direct and indirect value added (+0.7 % per year on average), a more marked increase in the total number of jobs (+5.2 % per year on average) and a significant contraction in direct investment (-15 % per year on average).

From the analysis of the social balance sheet, it can be seen that the average working time per air transport sector employee was well below the national average in 2009, while average staff costs were higher. More than a third of all people working in the air transport sector have higher education qualifications and one in every two workers followed one or more training courses in 2009. Furthermore, the analysis of the aggregate annual accounts of firms operating in the air transport sector reveals that their return on equity was below the average observed for all non-financial corporations during the 2008 and 2009 crisis period. It was also noted that return on equity was considerably higher among firms in airport-related activities compared with that of firms belonging to the air transport cluster.