Air Sector: Looking Forward
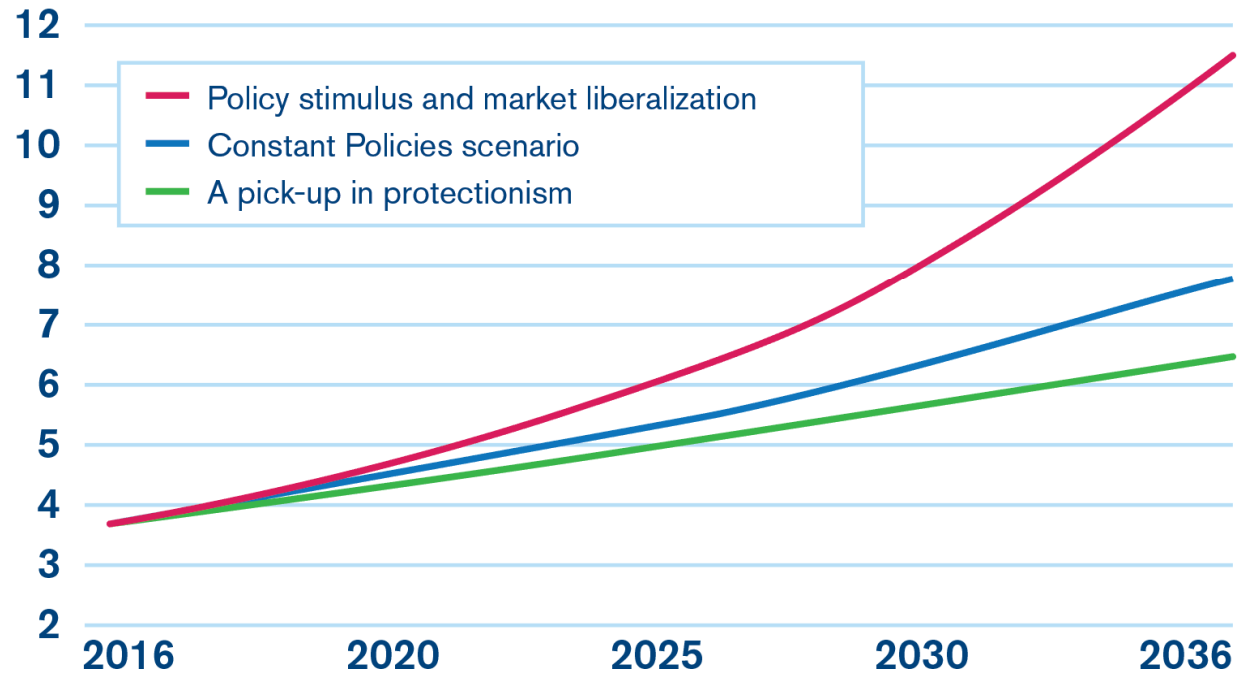
Marc Rioux

Executive Director, Air Policy (International)

Transport Canada

Long-term trend

Global Passengers (billion, segment basis)

Legend:
- Policy stimulus and market liberalization
- Constant Policies scenario
- A pick-up in protectionism

Y-axis: 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12
X-axis: 2016, 2020, 2025, 2030, 2036

Doubling of number of passengers from 2017 to 2036 (4B to 7.8B)

Source: International Air Transport Association

1ˢᵗ emerging issue: bottlenecks in the supply chain

"European Air Travel Becomes More Dysfunctional"

"Pilot Shortage Is Real And Getting Worse"

"Eurocontrol DG: Europe Faces Major Capacity Challenge"

"Boeing Sees Soaring Need For Asia-Pacific Aviation Workers"

"U.S. Airlines 1H Profits Fall on Fuel, Infrastructure Challenges"

"We are headed for an infrastructure crisis, and that includes Latin America" (IATA CEO and DG)

2nd emerging issue: growing environmental footprint
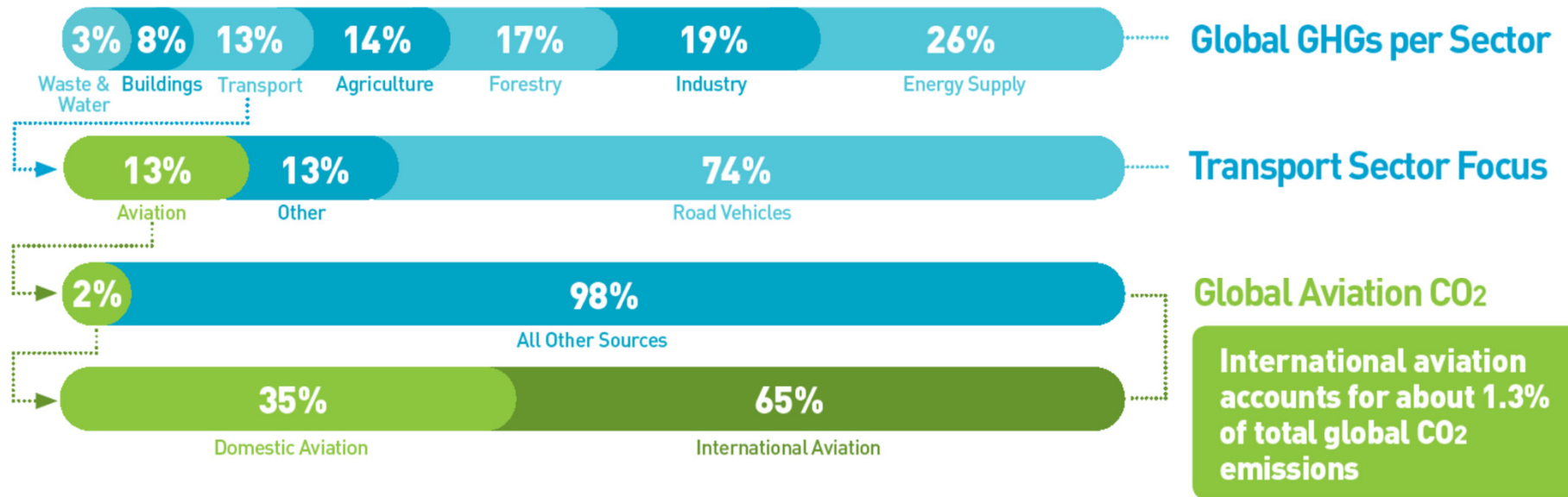
Source: International Civil Aviation Organization

2nd emerging issue: environmental footprint

CONTRIBUTION OF MEASURES FOR REDUCING INTERNATIONAL AVIATION NET CO_2 EMISSIONS

International Aviation Net CO_2 Emissions (MT)

Operational Improvements

Technology

Sustainable Alternative Fuels and Market-Based Measures

Carbon Neutral Growth From 2020

Basket Of Measures
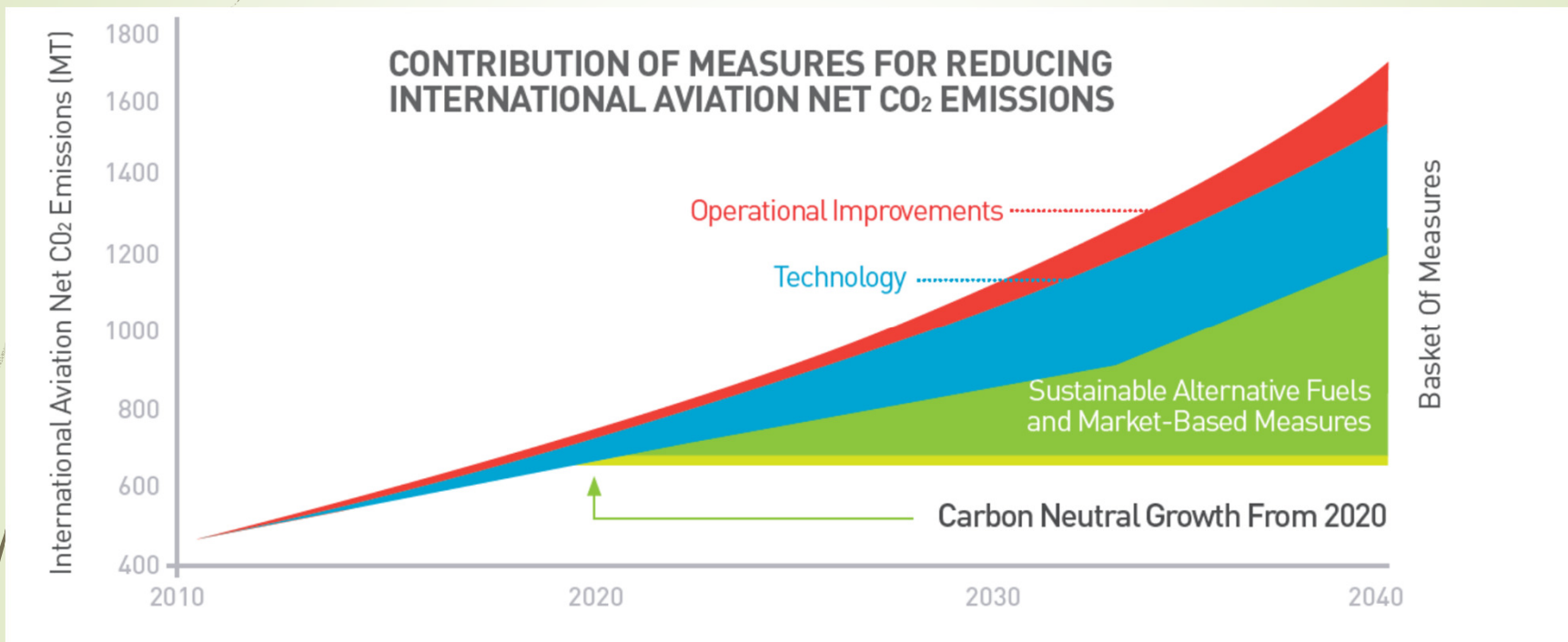
Source: International Civil Aviation Organization

3rd emerging issue: pace of technological developments

- Difficult for governments to maintain and adequate regulatory framework to govern disruptive technology due to the speed of development and deployment:
  - For instance:
    - Electric VTOL Air-Taxi Service to be launched before 2025;
    - Flying cars available for purchase now;
    - Drones to be used for home delivery currently being tested.

- Risk associated with cyber threats:
  - Digital technology is at the heart of civil aviation operations (aircraft, airports, air traffic management);
  - Civil aviation remains an appealing targets to terrorists;
  - Still no uniform minimum cybersecurity standards.