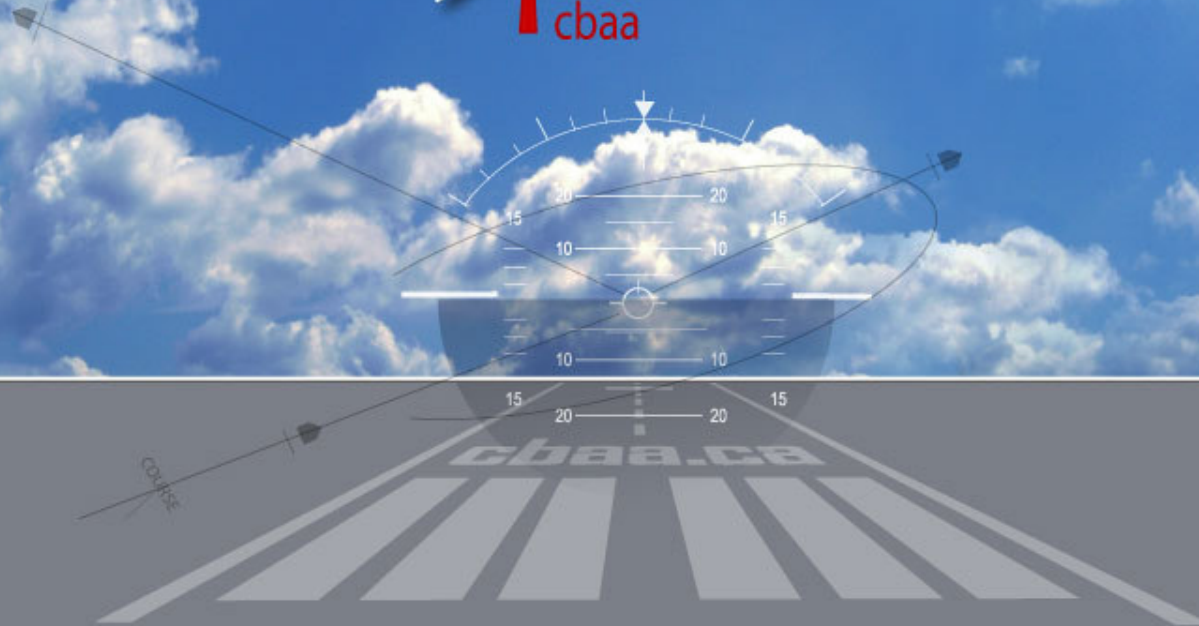




Canadian
Business Aviation
Association





Introduction

- **Business Aviation Footprint**
- **Demand for New Products**
- **Security and Prosperity Partnership**
- **Demographics**
- **Aeronautics Act Amendments**
- **Airports**
- **Key Issues**



Business Aircraft World Distribution

	Asia	Europe	Africa	U.S.	China	Brazil	Canada
Area (10,000 sq. km.)	4,400	1,016	3,020	963	960	851	998
Population (100 Million)	35	7.25	9	2.96	13	1.86	.32
Total GDP 2004 (US\$ billion)	9,000	11,025	633	11,668	1,649	605	900
GDP Growth Rate (2004 est.)	/	/	/	4.4%	9.1%	5.1%	2.4%
Number of Business Turbine Aircraft	591 (excluding Australia)	2,431	664	16,576	42	714	700

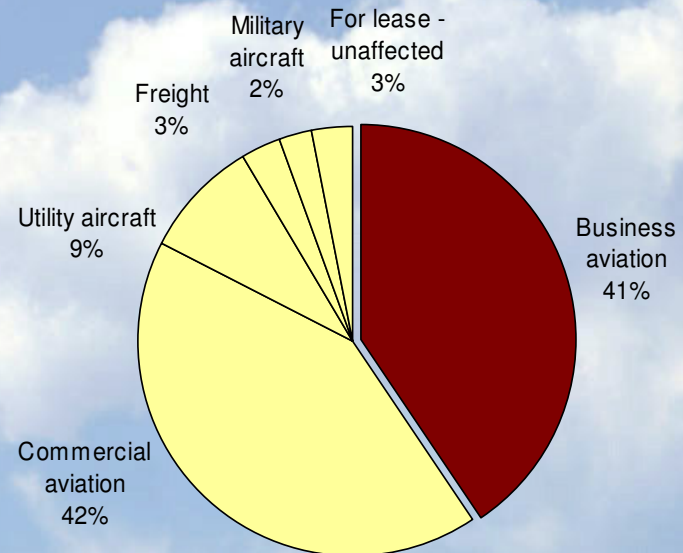
Source: World Development Indicators database, World Bank, 15 July 2005
2004 CIA World Fact book, NBAA AvData



Turboprop and Jet Aviation in Canada as of 2006 YE

- The turboprop and jet aviation fleet consists of 2,241 aircraft
- Business aircraft represent 40% of the entire fleet, i.e. 911 aircraft in operation

Turboprop and jet aviation fleet
in Canada* (2006)



* Source: Avsoft's ACAS database, Transport Canada, Aircraft owners and operators

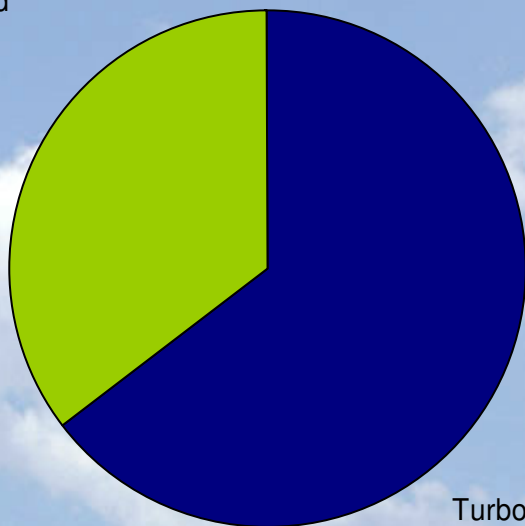
Base: 2,241 aircraft as of 2006 YE



Most Popular Business Aircraft in Canada

Breakdown of business aircraft by type of propulsion*

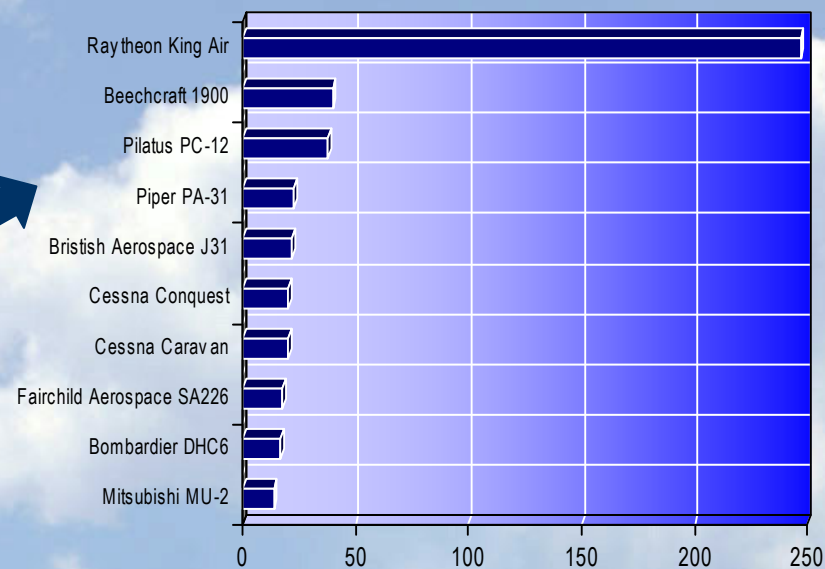
Jet powered aircraft
323
35%



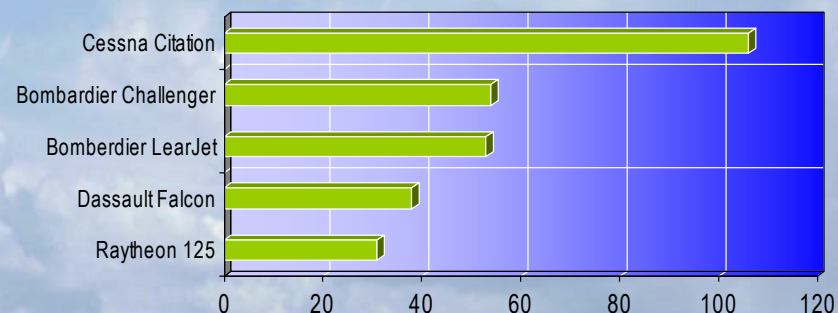
Turboprop aircraft
588
65%

Source: Aon Explorer, ACAS, Transport Canada
Note: * based on the base of operations of the aircraft

Most popular Turbo Prop aircraft in Canada - Top 10



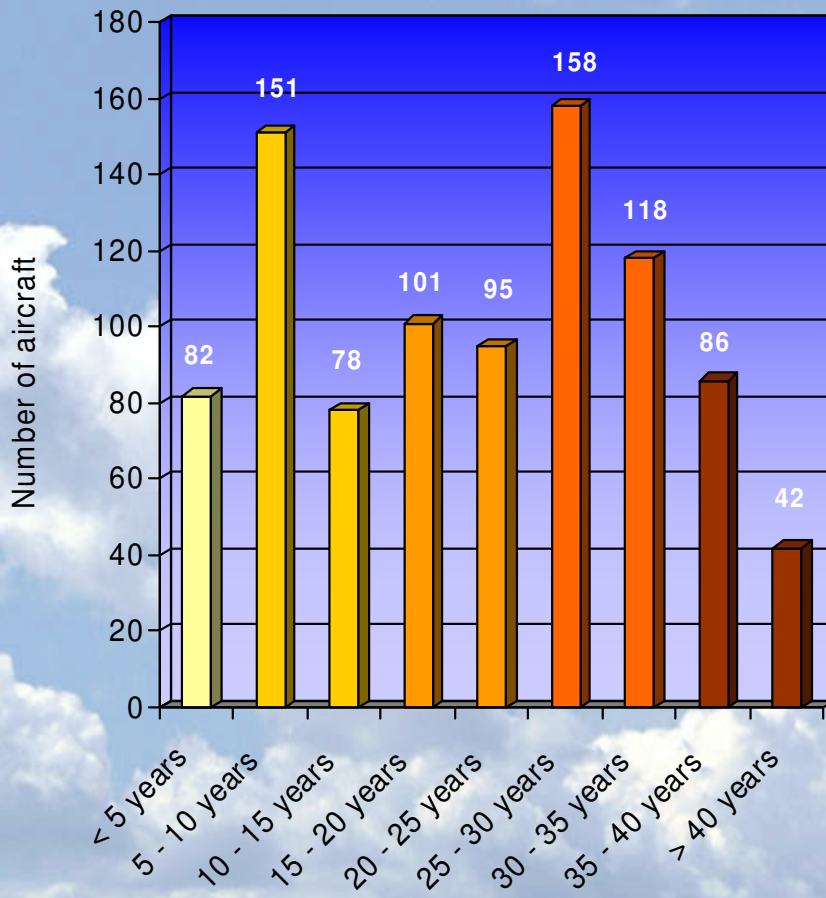
Most popular Jet aircraft in Canada - Top 5





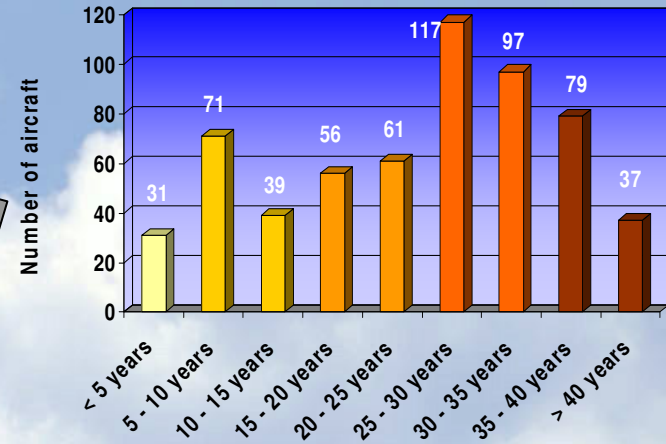
Age of the Canadian business aviation fleet as of 2006 YE

BA Fleet Age

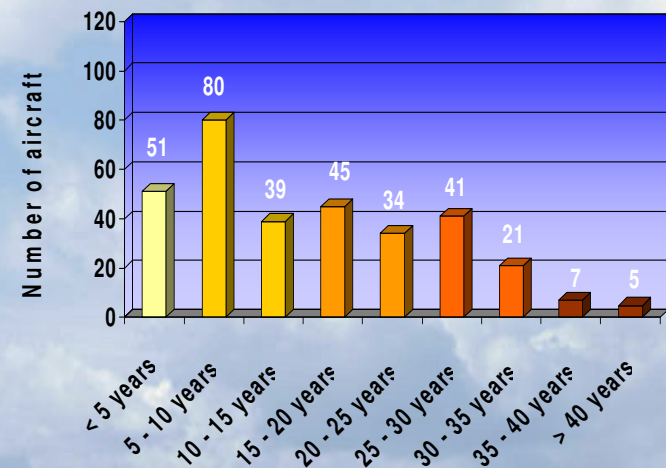


Source: Aon Explorer, Avsoft's ACAS and Transport Canada databases

Turboprop Aircraft



Jet Powered Aircraft





Growth and Demand for New Products

- **Passenger aviation is driven by two demands:**
 - **Doing business**
 - speed, convenience, and schedule flexibility
 - **Travel/adventure/family**
 - cost sensitivity and schedule frequency



Growth and Demand for New Products



Convergence of technology

- Composite material
- Small engines
- Digital electronics





2006 VERSUS 2005 SHIPMENTS OF AIRPLANES MANUFACTURED WORLDWIDE

	2005	2006	CHANGE
Pistons	2,465	2,750	+11.6%
Turboprops	365	407	+11.5%
Business	750	885	+18.0%
Jets			
Total	3,580	4,042	+12.9%
Shipments			
Total	\$15.1B	\$18.8B	+24.1%



Security and Prosperity Partnership

- To enhance the security of North America and promote the economic well-being of its citizens.
- Develop compatible standards to keep North America safe and streamline the secure movement of low risk traffic across the shared borders.
- Enhance aviation safety in air navigation.



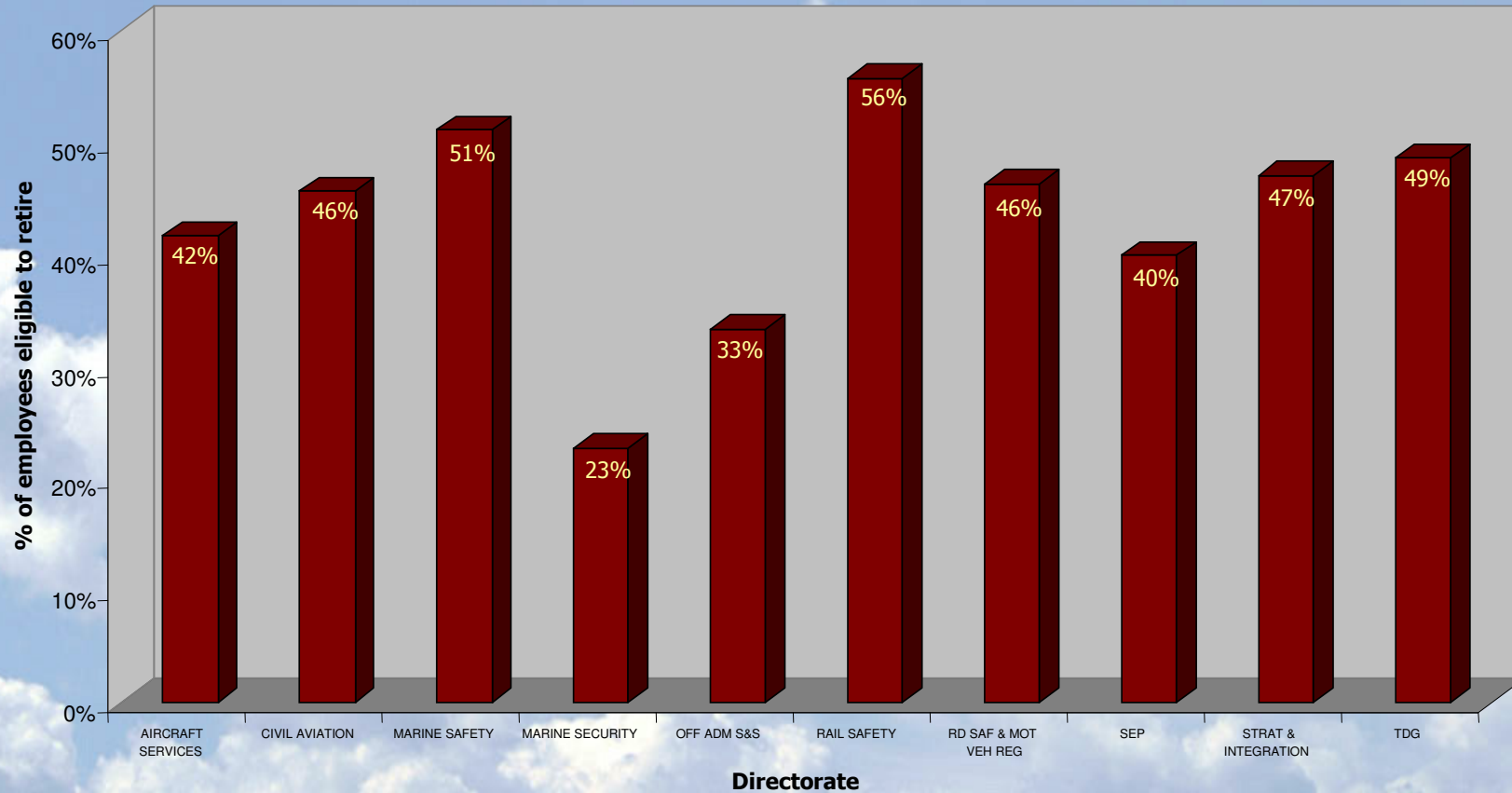
Security and Prosperity Partnership

- **Harmonize standards for area navigation and required navigation performance (RNP).**
- **Implement an operational Wide Area Augmentation System (WAAS).**
- **Reach an agreement that allows business aviation including fractionally owned aircraft to fly freely between any and all three countries.**



Demographics

Safety & Security Retirement Eligibility from 2005 to 2013 - by Directorate





Aeronautics Act Amendments

- Deals with integrated management systems and authorizes the establishment of voluntary reporting programs under which information relating to aviation safety and security may be reported.
- Authorizes the designation of industry bodies to certify persons undertaking certain aeronautical activities, and defines fractional ownership.



Impact on Airports

- **Availability of reliever airports at major centres: US vs. Canada**
- **Business Aviation Growth**
 - **Canada's Economic Strength (USD vs. CAD)**
 - **Fractional Ownership**
 - **Air taxi model for VLJs**
- **Environment – noise vs. emissions**



CBAA

Key Issues

- constraints on airport and airspace access
- security in the post-September 2001 era
- management of Canadian Aviation Regulations part VI subpart 4 (CAR 604) as a regulated 3rd party
- the emergence of new air navigation technologies, systems, and procedures
- the continuing need for regulatory harmonization and equivalence at the national and international level
- changing workplace demographics and the decreasing availability of accomplished personnel



CBAA

Key Issues cont'd

- the ongoing trend to the transfer of responsibilities from government to industry
- government and non-government user fees and levels of service
- the lack of economic data relating to business aviation in Canada
- national and international environmental issues relating to noise and emissions
- need for partnership



CBAA

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