

# Spotlight on Aviation

## The impact of Advanced Air Mobility and Urban Air Mobility on the General Aviation segment in Canada



### Urban Air Mobility (UAM) and Advanced Air Mobility (AAM)

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The rise of Urban Air Mobility (UAM) and Advanced Air Mobility (AAM) is expected to have a significant impact on the General Aviation (GA) segment in Canada. Currently, there are several UAM and AAM initiatives underway in Canada, including the Transport Canada UAS Task Force and the National Research Council of Canada's Advanced Air Mobility program. These initiatives are aimed at developing the necessary infrastructure, technologies, and regulations to support the growth of the UAM and AAM industries.

### A \$3.3B market by 2025

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According to a recent report by Deloitte, the UAM market in Canada is projected to grow at a compound annual growth rate (CAGR) of 56.7% between 2019 and 2035.<sup>1</sup> This growth is expected to be driven by factors such as increasing urbanization, traffic congestion, and the need for fast and efficient transportation options.

The AAM market, which includes electric vertical takeoff and landing (eVTOL) aircraft and other advanced aircraft technologies, is also expected to see significant growth in Canada. According to a report by Frost & Sullivan, the eVTOL market in Canada is projected to reach \$3.3 billion by 2025.

The rise of UAM and AAM is expected to have both positive and negative impacts on the GA segment in Canada. On the positive side, the development of new technologies and recent developments.

### Canadian General Aviation

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The General Aviation segment in Canada has a significant impact on the country's economy. According to the Canadian Owners and Pilots Association (COPA), there are over 30,000 registered General Aviation aircraft in Canada, which support over 25,000 jobs and contribute over \$9 billion to the economy each year.<sup>2</sup>

### Continued Advancements in Electric Propulsion Systems

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The industry has been growing steadily over the past few years, with an increasing number of people obtaining pilot licenses and purchasing aircraft. However, the rise of Urban Air Mobility (UAM) and Advanced Air Mobility (AAM) technologies is set to disrupt the General Aviation segment. UAM refers to on-demand air transportation services, such as air taxis, that are expected to become increasingly common in urban areas. AAM refers to the use of electric vertical takeoff and landing (eVTOL) aircraft for transportation, such as package delivery and emergency medical services.

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These new technologies offer several advantages over traditional General Aviation aircraft. They are more energy-efficient, less noisy, and offer faster travel times in congested urban areas. They also have the potential to reduce greenhouse gas emissions and improve air quality in cities. Based on current research and industry trends, the future technical developments of urban air mobility will likely involve further advances in electric propulsion systems and autonomous flight technologies. Machine learning algorithms can help predict the most efficient and safe routes for aerial vehicles, improving the overall performance of the transportation system. Additionally, advancements in materials science could lead to lighter and stronger aircraft designs, enabling greater efficiency and longer flight times. As urban air mobility continues to gain traction as a viable transportation option, it is likely that we will see ongoing innovations in both the hardware and software that power this exciting new field.

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<sup>1</sup>Global Newswire, April 2023

<sup>2</sup>Canadian Owners & Pilots Association

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