



2023 GTAA Annual Update

City of Toronto, Economic and
Community Development Committee

January 11, 2024

Toronto Pearson and City of Toronto

Partners in economic growth



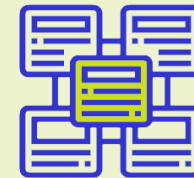
Nearly 9,000 **residents of Toronto** hold jobs at Toronto Pearson in 2023



With connectivity to over **175 global destinations**, Toronto Pearson supports the **competitiveness** of Toronto businesses, facilitates **inbound visitor spending**



Ongoing **job opportunities for residents** through Pearson's first **airport-wide job portal**, with an average of 100 new job postings per month



Pearson Works is a new program to support **reskilling** and **upskilling** of employees

Promoting Toronto to the world & Engagement with City

1. In-terminal activations promoting Toronto with support from Destination Toronto – banner ads, YYZ Live (bands), Just for Laughs festival
2. Support for new Toronto businesses such as Henderson Brewery/restaurant.
3. Active participation on the City's economic council
4. Participation in TRBoT employment lands report
5. Unlocking economic potential re through transit development like Regional Transit Centre



Improved Summer and Winter Holiday Operations compared to 2022

We worked with partners and made improvements, which led to OTP improvements despite weather events over the Summer and Winter Holiday season.



Overall improvement of 12% over summer 2022

- Departures improved by 15%; moved from low ranking to higher ranking
- Airline incentives to encourage on-time performance

All border and security agencies either met or surpassed wait time targets, even during peak periods for Summer Operations

- Only 13 flights held, versus 1,792 last summer

Baggage system operated more consistently, with few events resulting in missed bags – 82% reduction in complaints this summer

- Performed above target for outbound bags both Summer and Christmas
- New agreements for baggage handler drove performance-based changes

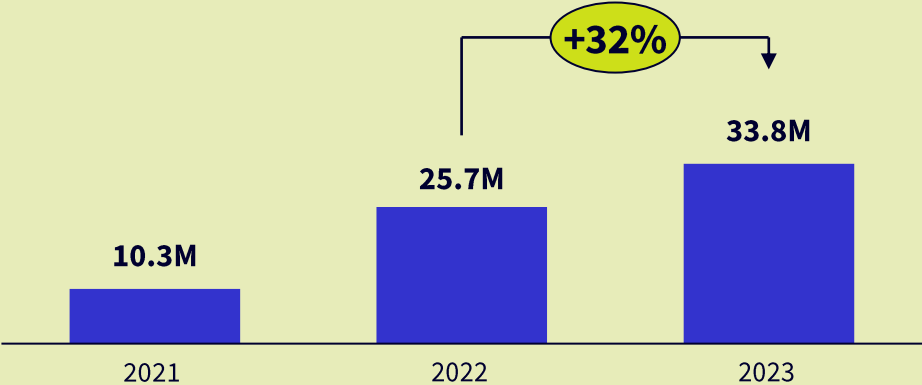
Christmas 2023 Improvements

- Expected **6% more movements and 10% more passengers** this winter
- Worked with airport partners to **bolster staff for our busiest days**, with **contingency plans for unexpected events**
- **Increased departure on time performance** by 23% in December 2023 vs. December 2022

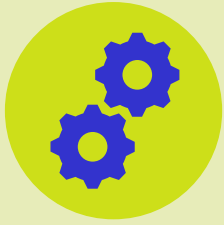
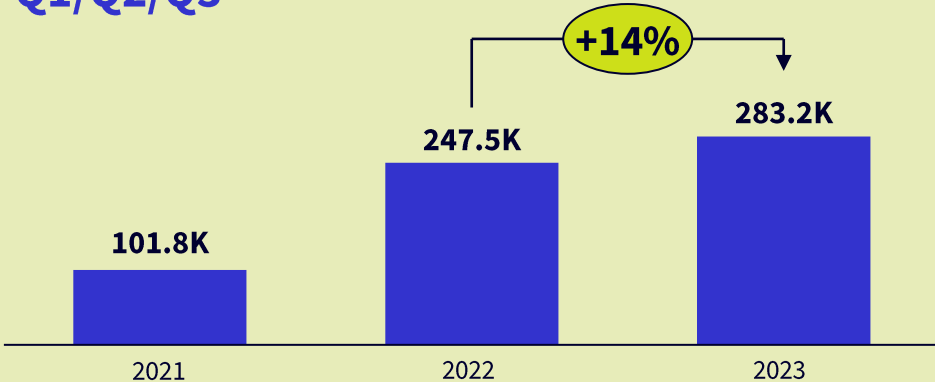
2023 has been a year of comeback, growth and improvement

GTAA worked with aviation ecosystem during hockey-stick growth in 2023

Passengers (#s in Millions) - Q1/Q2/Q3



Aircraft Movements (#s in Thousands) - Q1/Q2/Q3



Driving performance improvement

- Re-engineering processes, more employees
- Implementing new technologies, leveraging **real time data**



New performance culture for 400+ airport employers

- Shared **commitments, expectations and accountabilities** for partners and ourselves at Toronto Pearson.



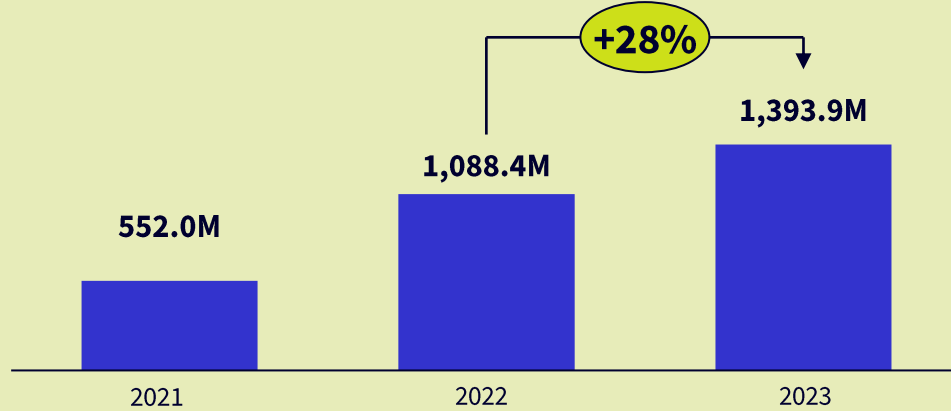
Clear metrics for on-time performance and baggage delivery

- Signed new airline partnership agreement in December that offers **financial incentives** to airlines to improve operational performance and passenger experience at YYZ.

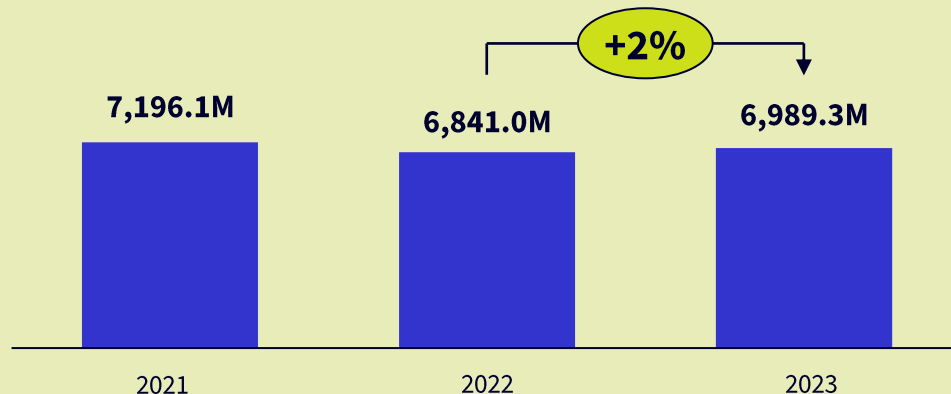
2023 has seen stronger financial performance

High travel demand has driven stronger revenues and net income in 2023, but now requires higher capital expenditures funded through cash flow

Total Revenues (\$Millions) - Q1/Q2/Q3



Total Debt (\$Millions) - Q1/Q2/Q3



BUT the impact of the pandemic lingers

- Took on \$800 million in debt to keep airport open when passenger **traffic dropped 80%**
- Paid the federal government **\$350 million in rent** during the pandemic
- Meanwhile, US airports received **\$40 billion in operating and capital** during the pandemic
- Airport now focused on **recovery** and investment in aging infrastructure to improve **operational efficiencies**

Transforming the airport and putting the joy back in travel

A transformative, 10-year capital program - 65 million passenger by 2032

- **Restore aging airport infrastructure** and enhance the **passenger experience**
- Protect Canada's **direct global air connectivity** through Toronto Pearson
- Implement a digital environment to make **data driven decisions** for more predictable and efficient operations
- Advocating for **transit connections** for employees and passengers which frees up road capacity for movement of cargo
- **If we DON'T invest**, passengers can expect longer wait times, more congestion AND Toronto will lose its competitive edge in tourism and business.



Our path forward is together

Building the future airport and passenger experience with our partners

- Seek to **align objectives** with regional objectives, e.g., transit and protecting employment lands
- Undertake procurement that offers inclusive **business and investment opportunities**, creating thousands of jobs
- Build **affordably** and **sustainably**
- Support this work with a comprehensive, collaborative engagement process – **engaging 150+ stakeholder groups in the region** and across the country

What happens at Toronto Pearson matters to us all.





Thank you

