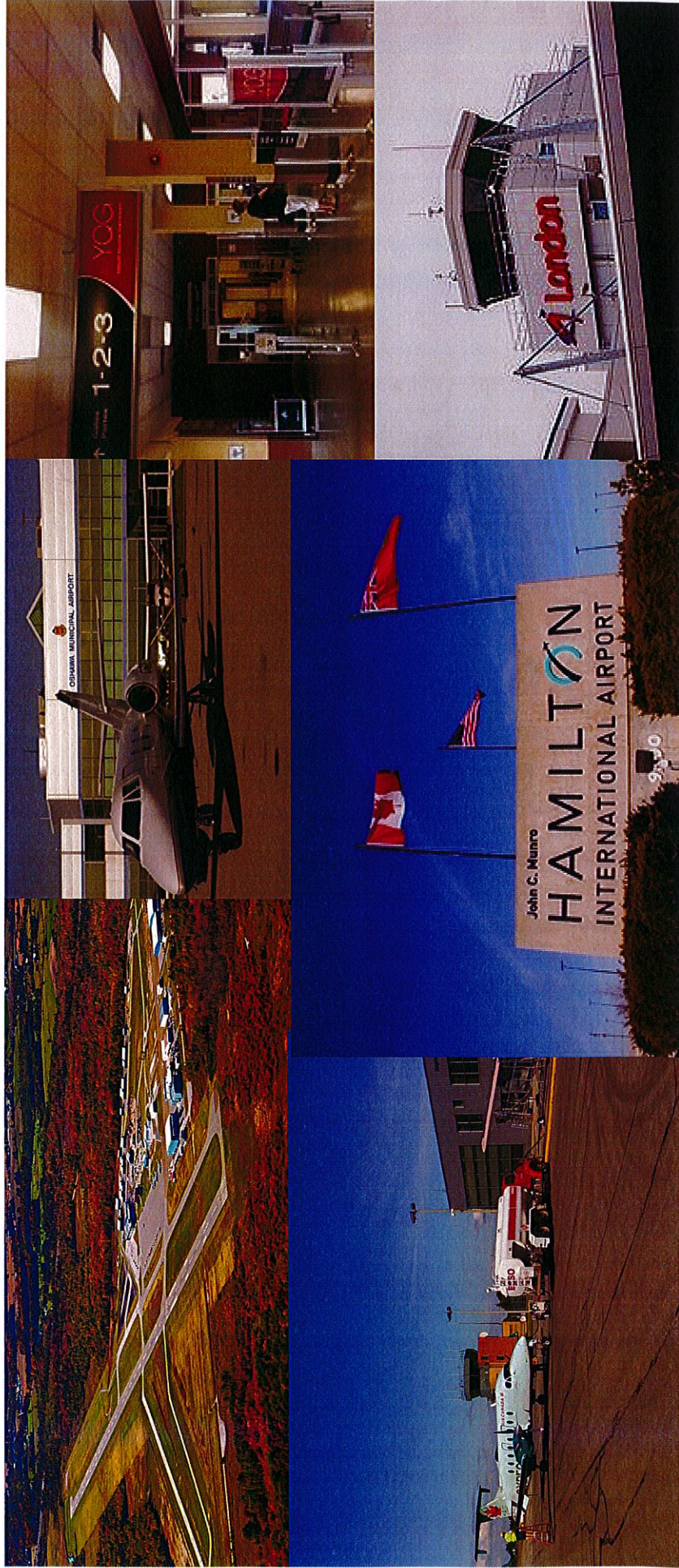


Regional Airports Initiative

Update to the Toronto Pearson Consultative Committee



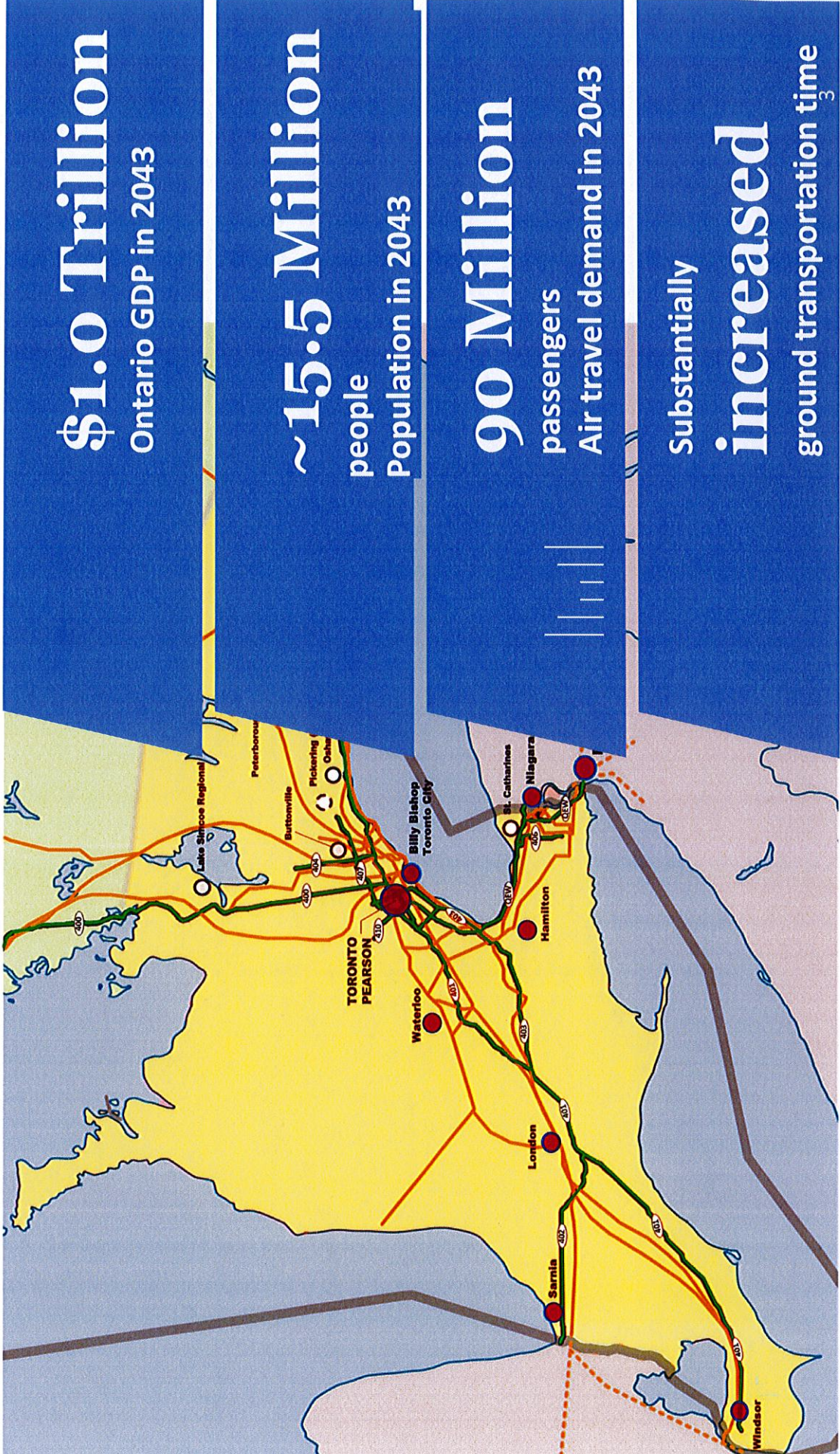
Introduction

18 months ago the Greater Toronto Airports Authority (GTAA) began a conversation with 10 regional airports, and other key stakeholders about the upcoming growth the Southern Ontario region will experience.

Stakeholders

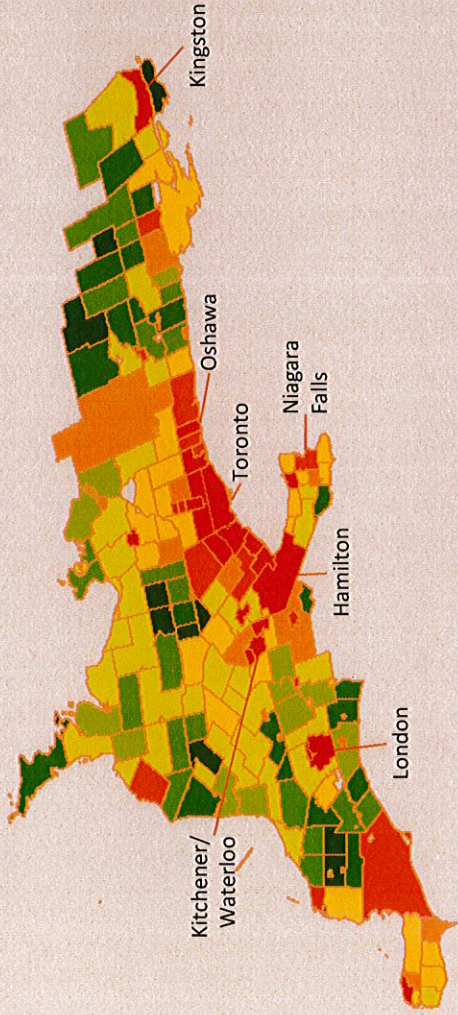
■	Billy Bishop Toronto City Airport	■	Peterborough Airport
■	John C. Munro Hamilton International Airport	■	Region of Waterloo International Airport
■	Kingston/Norman Rogers Airport	■	Windsor International Airport
■	Lake Simcoe Regional Airport	■	Transport Canada
■	London International Airport	■	Province of Ontario
■	Niagara District Airport	■	Municipal governments
■	Oshawa Executive Airport	■	Airlines

Why this is important: More growth coming

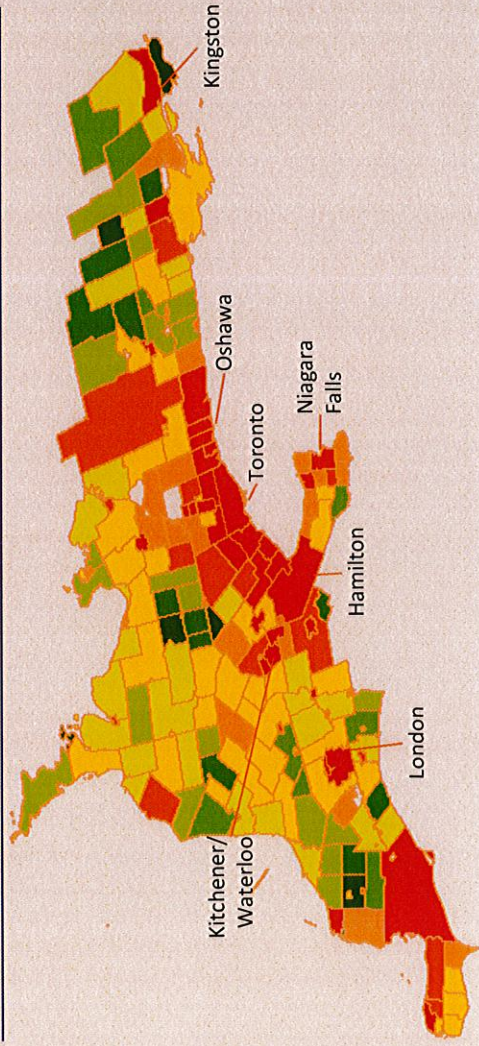


Ontario GDP will double over next 30 years and growth will be concentrated in the GTA and Golden Horseshoe Area

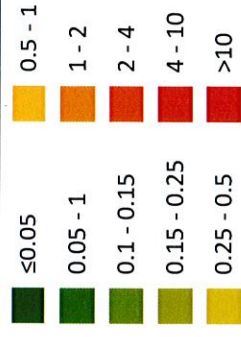
Southern Ontario Real GDP by CSD, 2014



Southern Ontario Real GDP by CSD, 2043



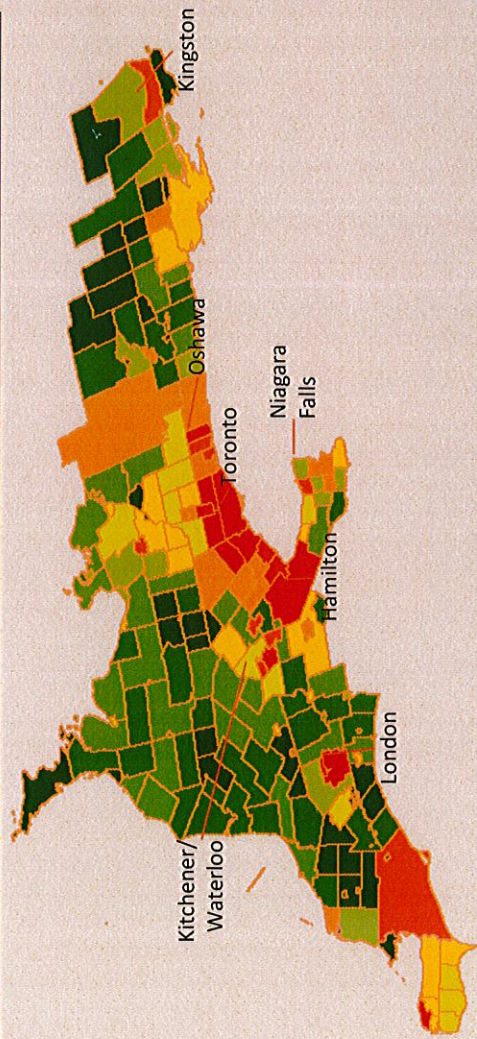
Real GDP, \$ Billions



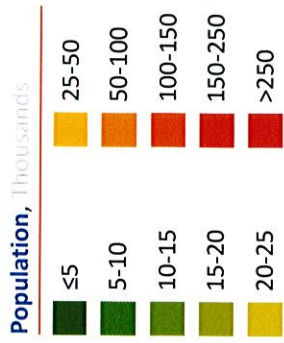
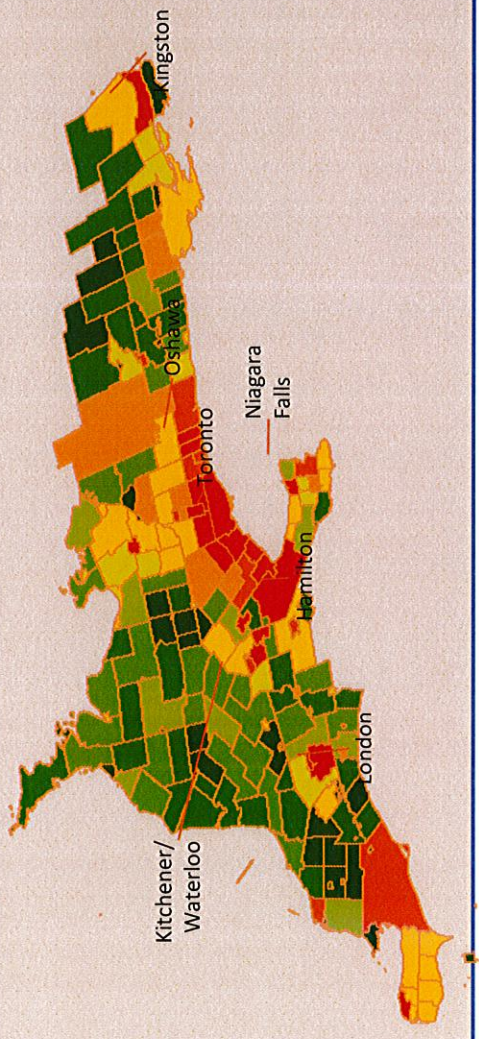
- Ontario's GDP Growth: \$600 billion to \$1.1 trillion
 - Comparable to Pennsylvania and Ohio)
 - Similar to New York state today
- Driven by increased population, productivity gains and continued US demand for exports
- Southern Ontario will remain ~80% of total
- Majority of growth will be in GTA and Golden Horseshoe Area (GHA):
 - GTA: \$260B in economic activity (\$75 B in Halton and Peel and \$1% B in Durham)
 - The Golden Horseshoe will add \$63B incremental GDP

Population growth will also be concentrated in the GTA and Golden Horseshoe Area

Southern Ontario Population by CSD, 2014

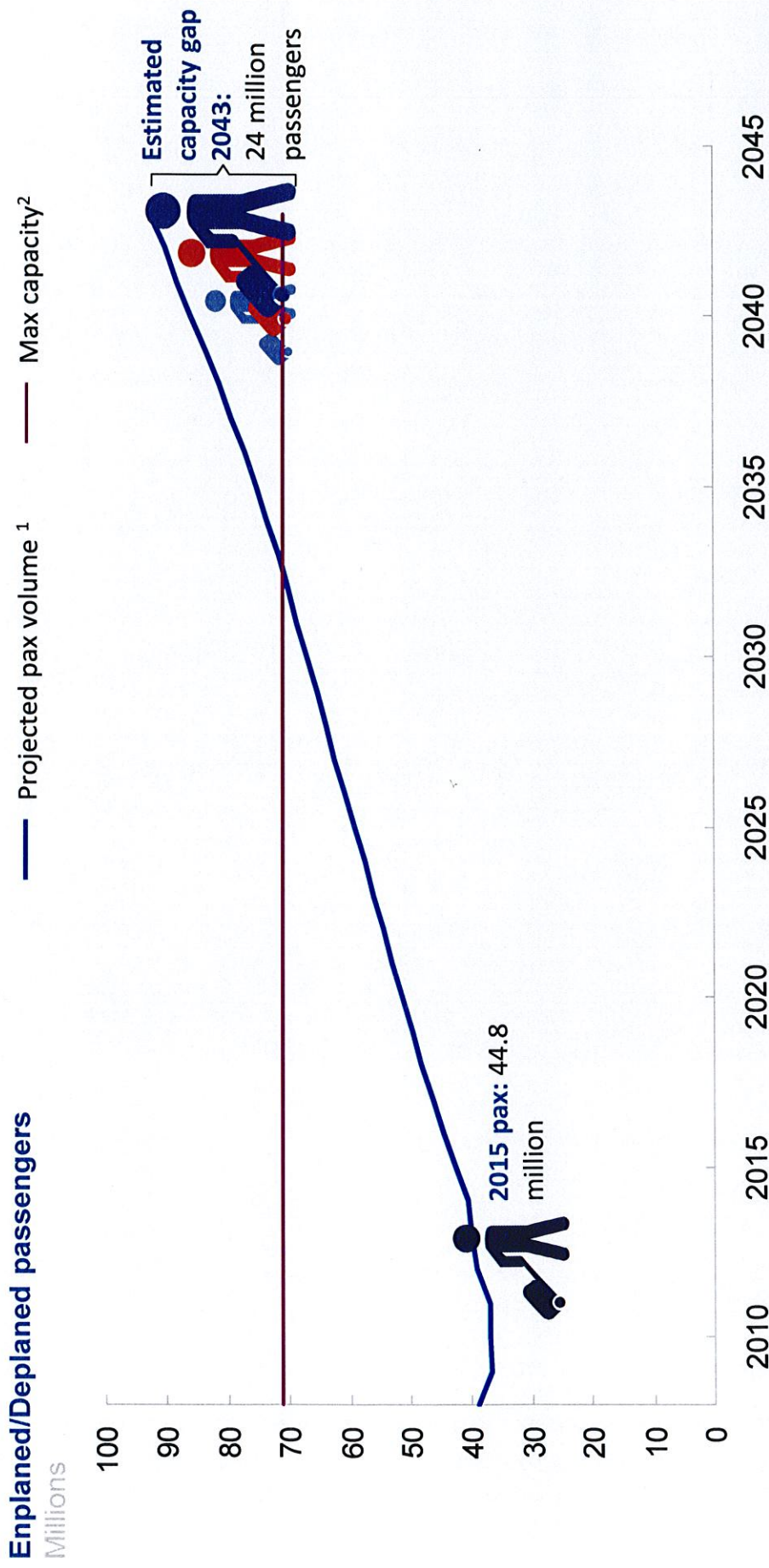


Southern Ontario Population by CSD, 2043



- Population of Southern Ontario will increase from 12.7M to 15.7M between 2014 and 2043
 - Net migration will continue at similar rates as over the past 20 years
 - Net natural increase will slow and turn negative as birth rate remains low and baby boomers age
- The GTA will add 1.7M people, with GTA West (506K) and GTA East (164K)
- The GHA will grow by 480K people

Regional Growth over the next 30 years will have an impact on air traffic

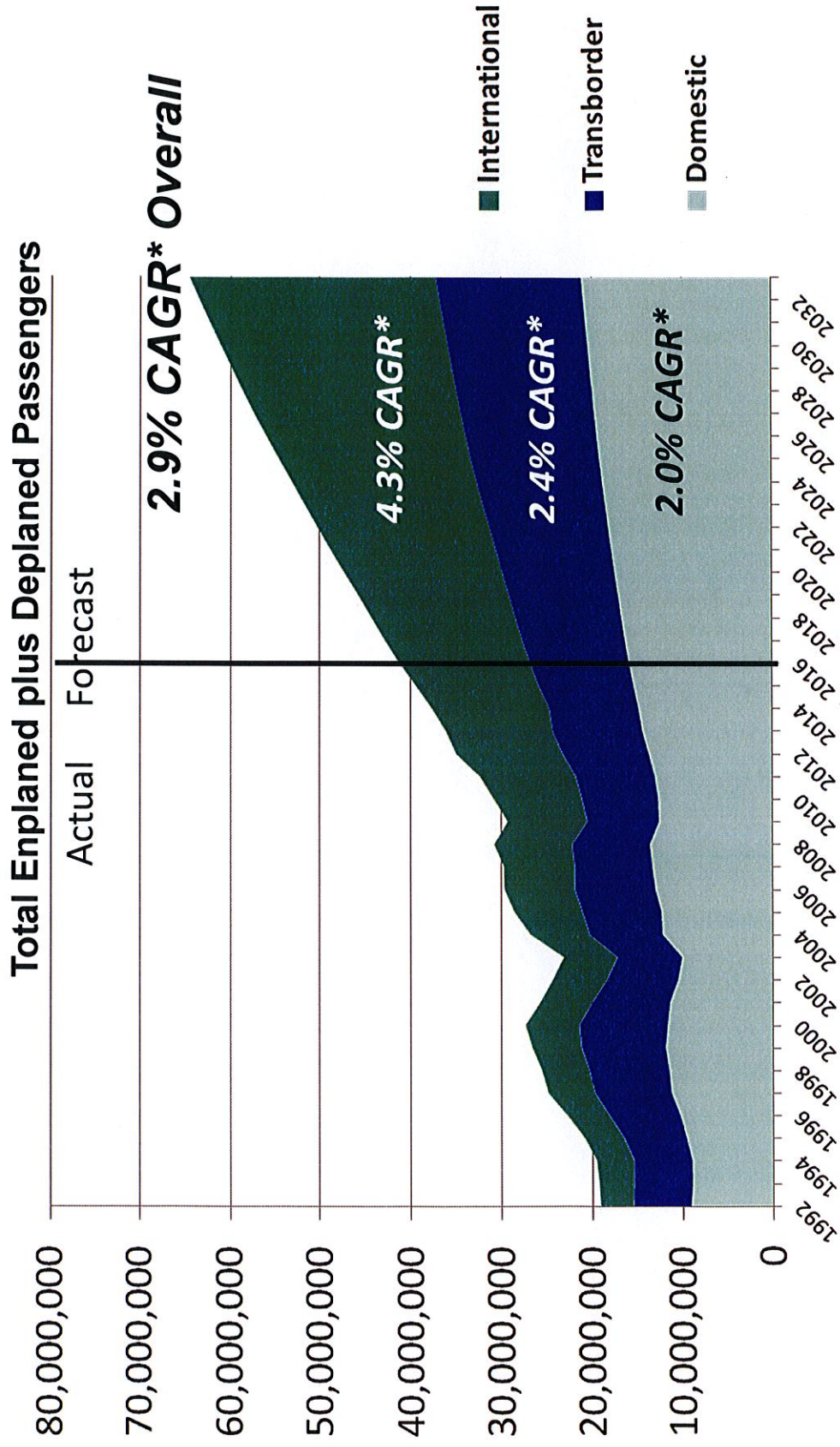


1. Projection for Southern Ontario passenger traffic (excluding Ottawa) based on base case economic and population growth

2. Estimated maximum regional capacity assuming no additional investment, except Pearson

SOURCE: C4SE Economic Model; GTAA data; regional airport data; McKinsey analysis

Toronto Pearson Traffic Growing from 36 Million in 2013 to 64 Million by 2033



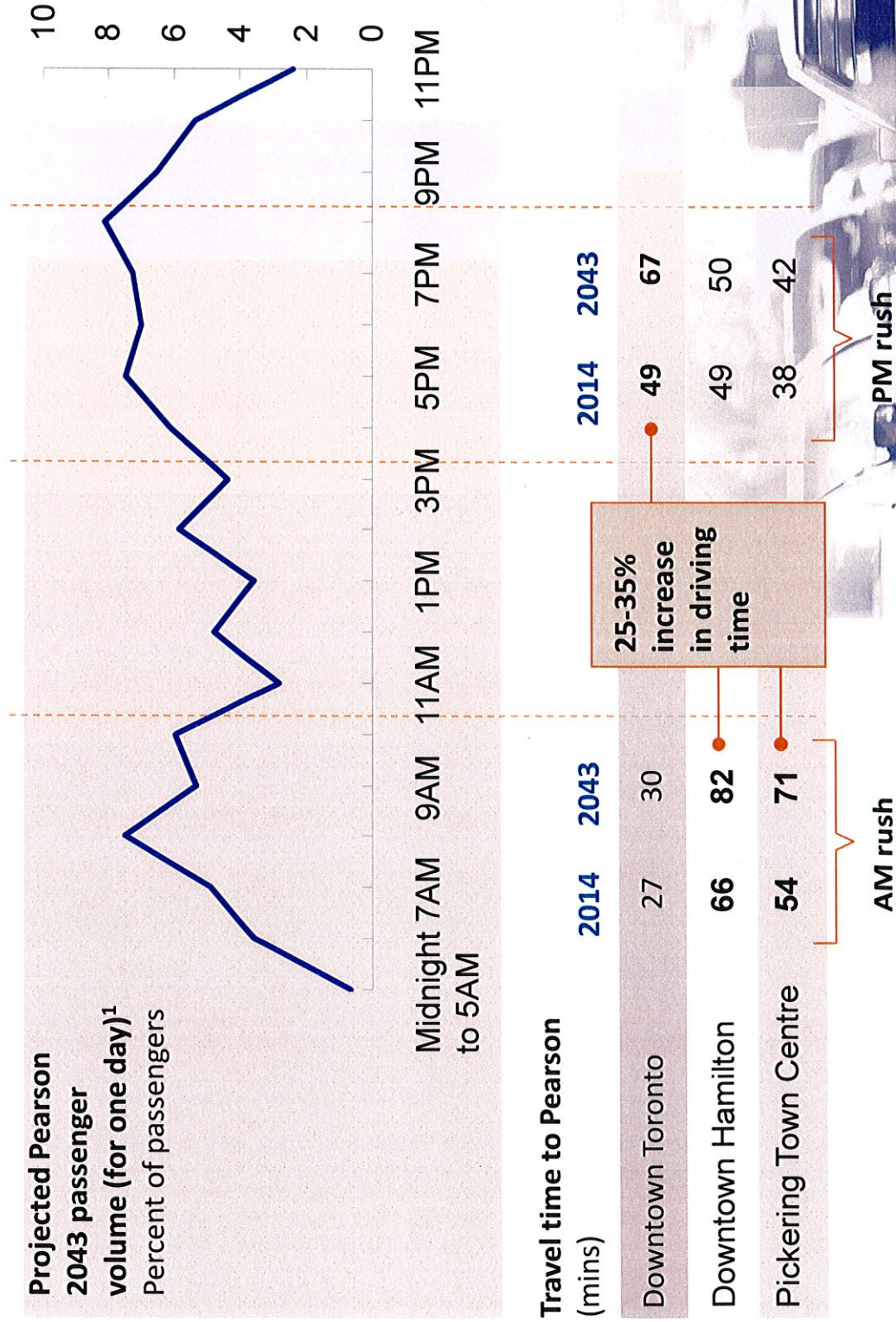
* CAGR = Compound Annual Growth Rate over 20-years

Congestion is increasing ...



By 2043, there will be a 25-35% increase in driving time to Toronto Pearson

And for ground transportation



Passengers will need to leave much earlier than ever before prior to their departure time due to traffic

25-35% increase in driving time

AM rush

PM rush

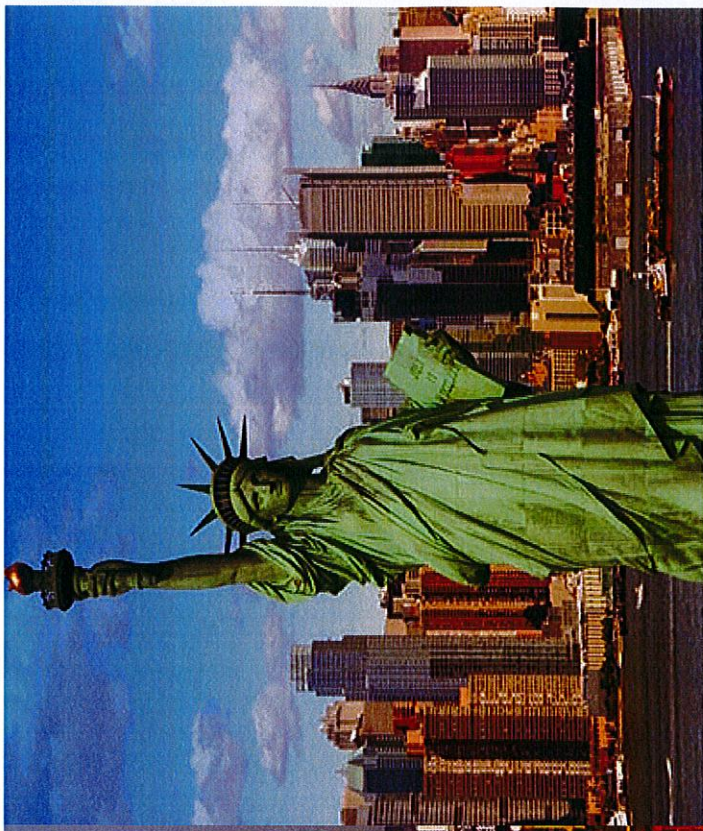
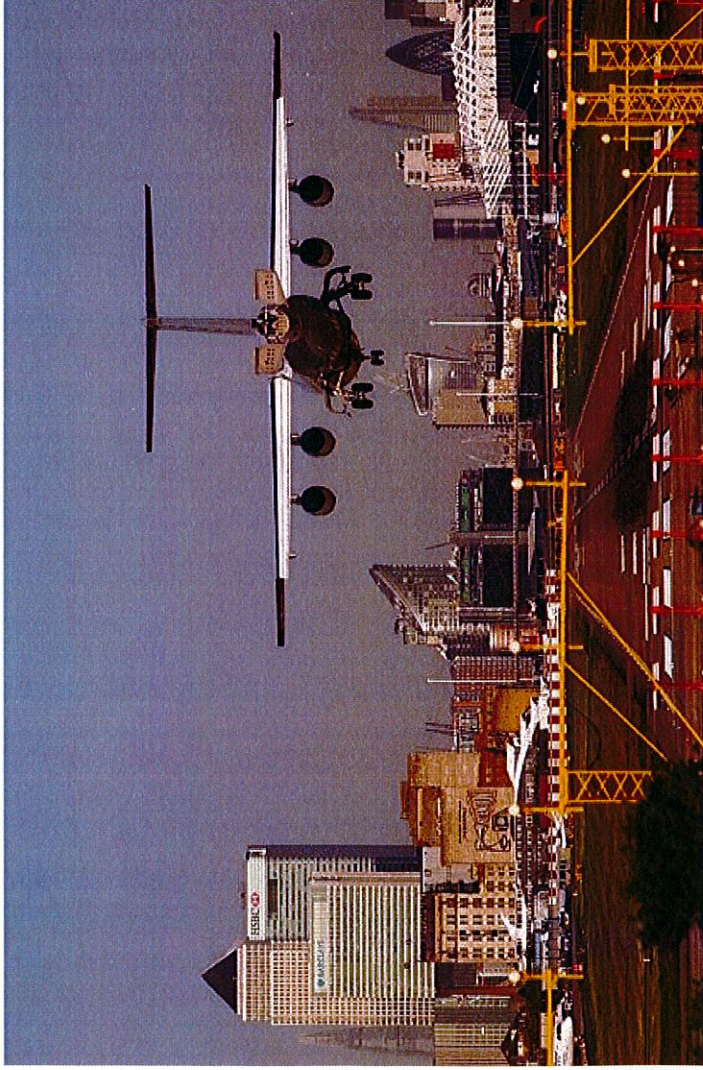
2014 2043
49 67
49 50
38 42

2014 2043
27 30
66 82
54 71

¹ Does not correlate to flight departures. This chart represents when passengers leave to reach the airport on average 2 hours earlier

Southern Ontario's Opportunity

- Our Region not the first to encounter – So, we've looked to learn from others, London, New York, etc.



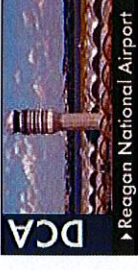
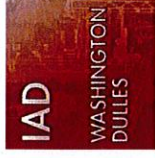
Approach and Examples of Regional Airport Systems

- Multi-airport systems are increasingly common in city-regions; - 60 systems worldwide

London: London Heathrow – Gatwick – Luton



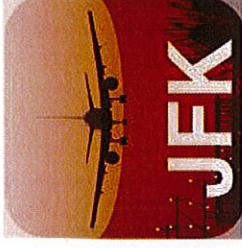
Washington, DC: Ronald Reagan National – Washington Dulles International



Paris: Charles de Gaulle – Paris Orly

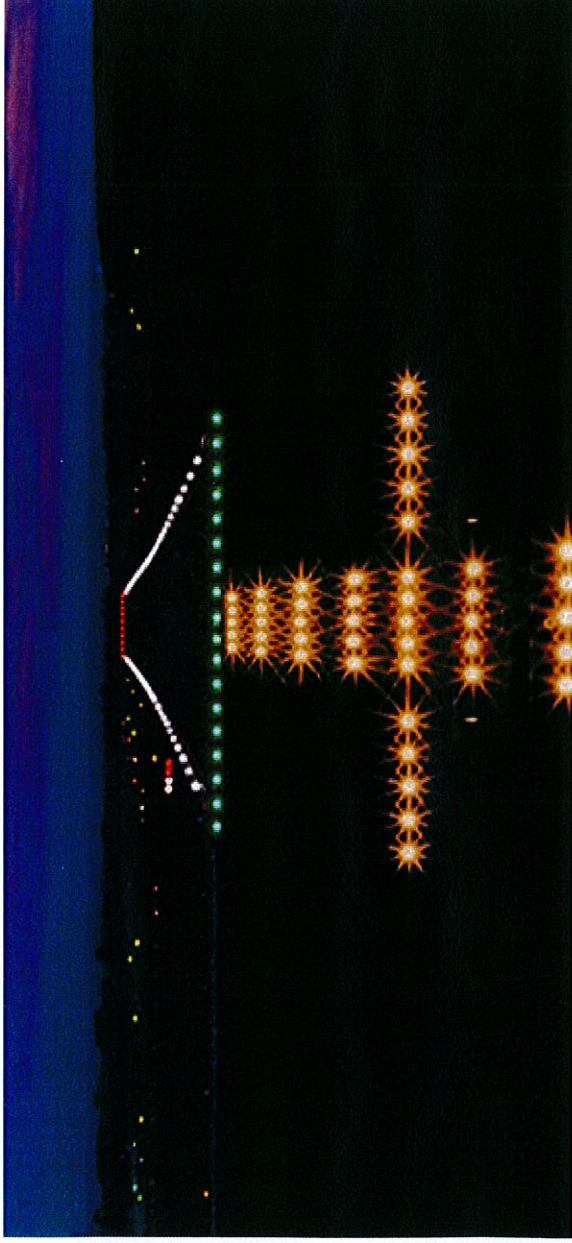


New York: JFK – Newark – La Guardia

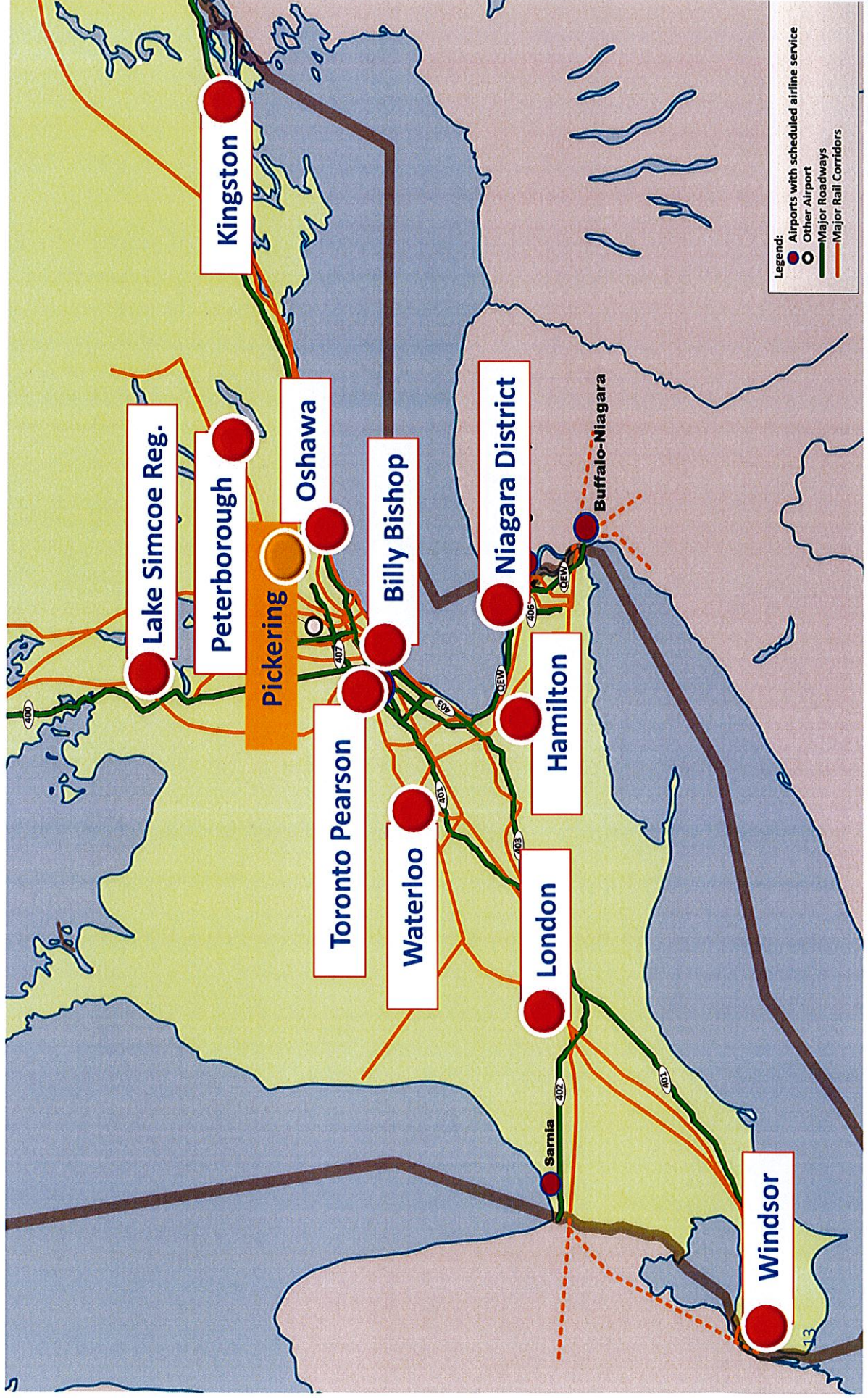


Southern Ontario's Opportunity

- Our Region not the first to encounter – so we've looked to learn from others, London, New York, etc.
- **Southern Ontario is fortunate to have existing, well run, airport infrastructure it can rely on to support the regions growth**



South-Central Ontario has existing airport infrastructure it can rely upon to support growth



Southern Ontario's Opportunity

- Our Region not the first to encounter – so we've looked to learn from others, London, New York, etc.
- Southern Ontario is fortunate to have existing, well run, airport infrastructure it can rely on to support the regions growth
- **Transportation infrastructure takes a long time to build -- the discussion needs to begin now**

Southern Ontario's Opportunity

- Our Region not the first to encounter – so we've looked to learn from others, London, New York, etc.
- Southern Ontario is fortunate to have existing, well run, airport infrastructure it can rely on to support the regions growth
- Airport and ground transportation infrastructure takes a long time to build -- need to start the discussion now
- **By working collaboratively with Southern Ontario airports to find ways to accommodate increasing air travel demand over the next 20 years, Southern Ontario airports will be well placed to continue to support this region's economy, jobs and economic competitiveness**

Airports Working Together for Southern Ontario

What we have accomplished:

- Developed a fact base on regional population and GDP growth
- Held regular meetings and established cooperative and collaborative relationships
- Established Business Driver Working Groups

Business Driver Working Groups

General Aviation Development

- Encourage growth in general aviation to help realize growing local business benefits.

Airport Economic Cluster Development

- Promote greater use of airport lands to support the local economic development.

Aviation Development for airports with scheduled service

- Encourage increased or new point to point service for airports that have scheduled air service.

Aviation Development for airports without scheduled service

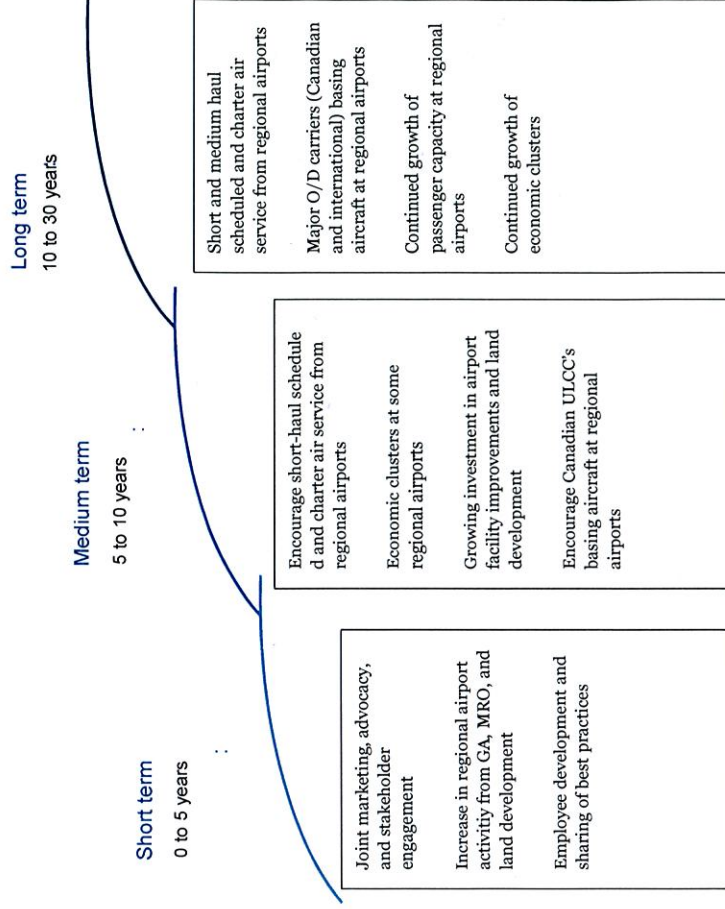
- Encourage small scale and charter point to point service for airports without scheduled air service.

Airports Working Together for Southern Ontario

Where we are going:

- Speaking with one voice
- Looking holistically at future demands on air transportation and how these needs could be best served by a Southern Ontario system.
- Sharing best practices and lessons learned in business development

The Southern Ontario Airport System's growth aspirations



Thank you!
Any Questions?

