

2020 State of Affairs Update



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- ➔ The COVID-19 Pandemic has directly impacted the Prince George Airport Authority and the state of the Aviation Industry worldwide.
- ➔ Canadian Airports Council and Airports Council International have shared data on the current state of the aviation industry as well as future projections.



MAYDAY. MAYDAY. MAYDAY.

Canada's airports are in distress.



President's Report

*by Daniel-Robert Gooch, President,
Canadian Airports Council, Sept. 9, 2020*

Long Road to Recovery: Revenues, Debt Levels



- Revenues expected to be \$2.4 billion lower than budget for 2020
- 2020 net losses of \$1.5 billion which is \$1.7 billion worse than the \$251 million surplus expected
- \$2.75 billion more in debt to be assumed in 2020/21 to sustain airports through scaled down operations
- Protracted, multi-year recovery (>5 years), in line with passenger traffic

Airport Financial Outlook: 2020, 2021		
	YE 2020 Outlook vs Budget 2020	Cumulative Impact through 2021
Total Revenues	Down \$2.4 billion -55%	Down \$4.5 billion
Total Expenses	Down \$0.6 billion -15%	Down \$1.1 billion
Debt Levels	Added \$2.1 billion +13%	Added \$2.8 billion

Source: Data compiled by CAC Financial Affairs Committee from 26 CAC member airports for submission to Transport Canada data request



Relief for airports: Key Requests of Government

- *Multi-year rent relief (for at least five years or traffic recovers to 2019 levels), elimination of rent/revenue charge for 14 small NAS airports + Ports Toronto*
- *Providing low-interest or interest-free loans, to be repaid over an extended period of time*
- *Infrastructure funding for safety and security, to support continued operations and regulatory mandated safety/accessibility investments*
- *Access to existing federal programs, regardless of airport ownership/governance model*





Ready for Recovery: Working on Safe Restart of Travel, Building Customer and Community Confidence

- Canadian airport recovery actions and plans
 - *Creating a new customer experience focused on safety and efficiency*
 - *Working with the international airport community*
 - *Working to reboot tourism...*
- Federal government leadership essential to set consistent standards, guidelines and rules on the healthy restart and recovery of air travel.
 - *Aligned with global guidance from ICAO*
 - *Working to implement testing and contact tracing as an additional layer of bio security to control spread of the virus and improve confidence around the safety of air travel*
 - *Seeking government investments in technologies to promote touchless passenger processing*
 - *Support for the opening of Healthy travel corridors*





Ready for Recovery: *Longer term government actions*

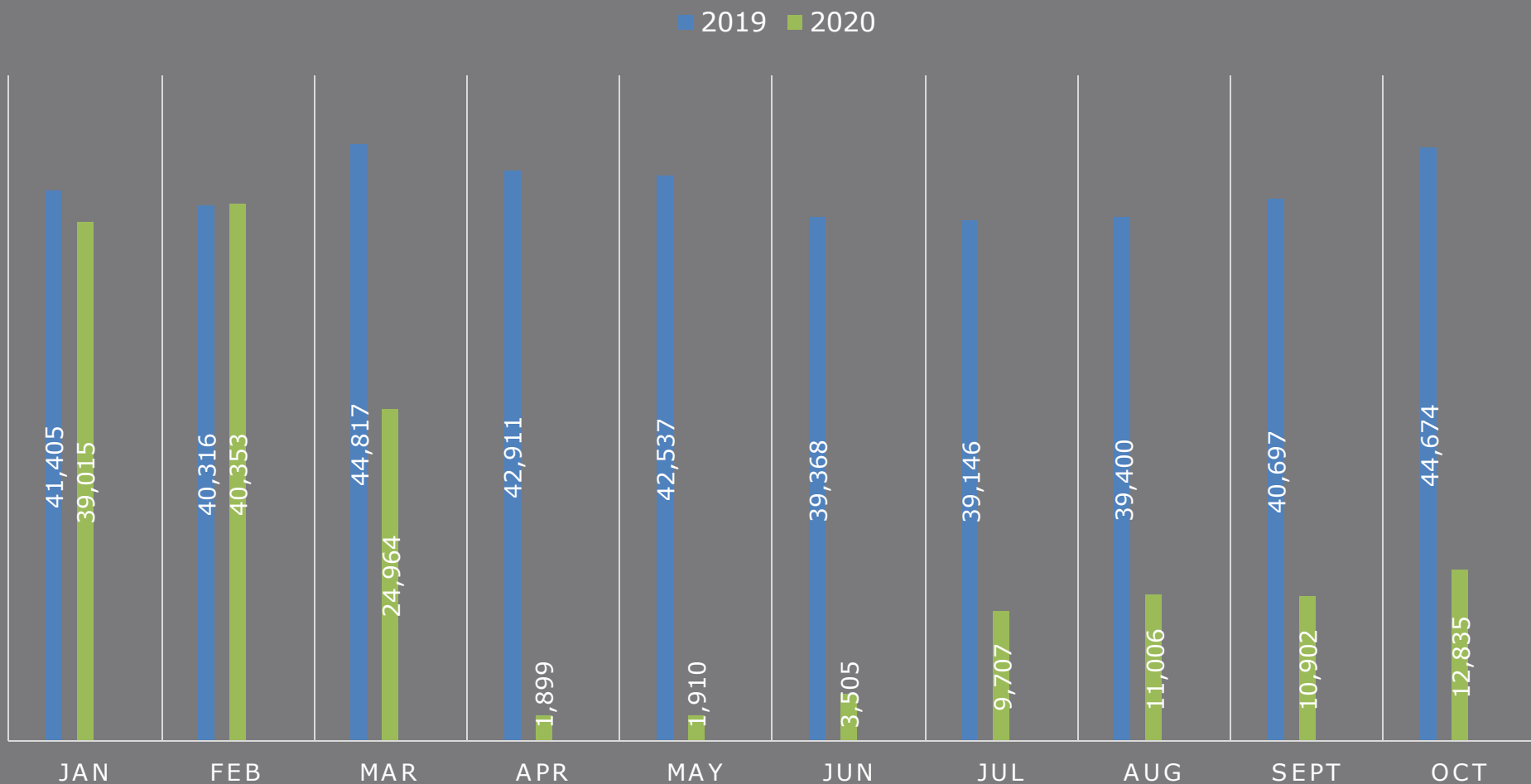
- Expand national transportation infrastructure programs and support border modernization efforts to help Canada's airports meet safety and security requirements and adapt to the new realities of COVID-19.
- Increase the Airports Capital Assistance Program to \$95 million per year to ensure sustainable recovery at Canada's regional airports.
- Provide sufficient funding for the Canadian Air Transport Security Authority (CATSA) to ensure it can meet its current and new mandates to protect the health and security of travellers and workers in the air sector.
- Implement measures to stimulate domestic and international air travel to promote recovery in the Canadian tourism sector (i.e. funding for Destination Canada, travel stimulating schemes)

Nav Canada

- ➔ Nav Canada has also been impacted by the downturn in air traffic and financial impacts the aviation industry is facing.
- ➔ Early in the pandemic, Nav Canada accessed available government support. They also announced service charge increases for 2021.
- ➔ In September, Nav Canada announced that they were going to be conducting aeronautical studies to assess whether or not service is safe and efficient.
- ➔ YXS is among the list of airports undergoing assessment.



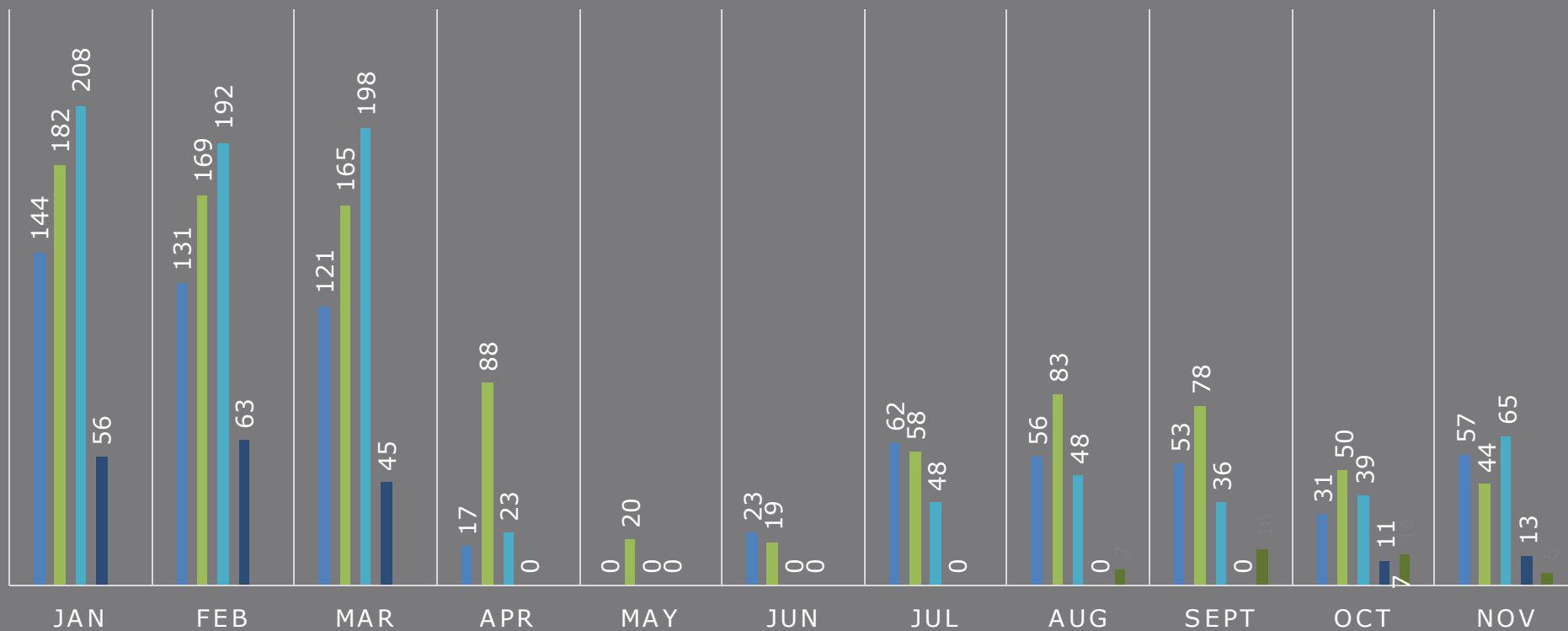
Passenger Comparison



2020 Flight Schedules

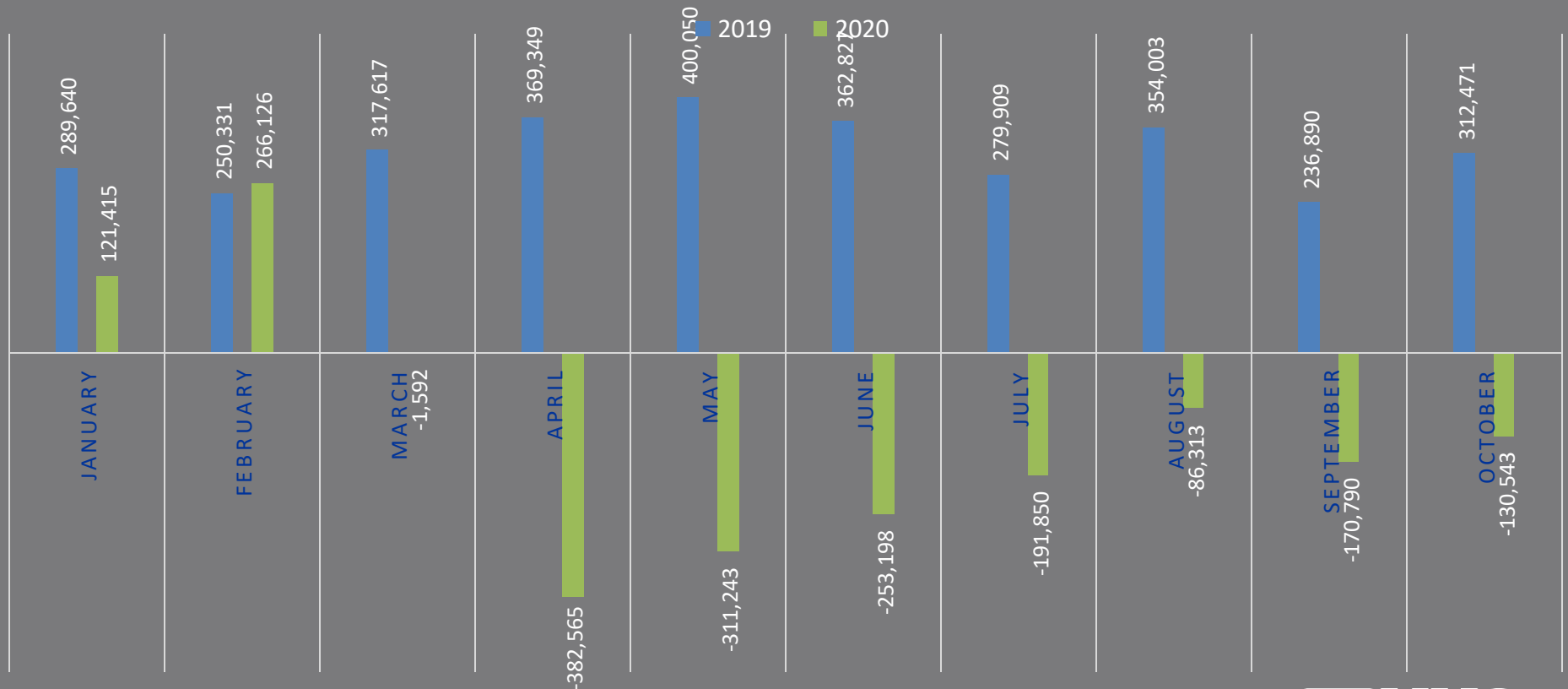
NUMBER OF DEPARTURES FROM YXS

■ Air Canada ■ WestJet ■ Central Mountain Air ■ Pacific Coastal ■ Flair Air



PGAA Financial Impact

2019/2020 MONTHLY NET INCOME (LOSS) COMPARISON



Shovel Ready Projects

→ Buildings

- Terminal Building HVAC - \$45,000
- Replace and Expand Building 10 / Equipment Storage Space Expansion - \$100,000
- Gate 3 Man Trap - \$40,000
- Replace & Relocate Security Desk - \$45,000
- Baggage-tunnel Man Trap - \$52,000

→ Airside

- Runway Overlays - \$225,000
- Taxiway B - \$50,000
- TP312 Mandatory Signage - \$300,000
- Airside Road Access to Apron V - \$100,000
- Apron V Equipment Parking & Road Widening - \$180,000
- Emergency airfield lighting generator - \$350,000

→ Groundside

- Utility/Infrastructure Rehabilitation Contingency - \$500,000
- Long-term Parking Equipment - \$250,000
- Arrival Road Rehabilitation - \$385,000
- Expansion of Taxi Parking Area - \$95,000
- JetMark Roadway Improvements - \$50,000
- Av Gas Self Service Fuel Facility - \$350,000

→ Security/IT

- Access Control - \$29,000
- IT/Telecom - \$50,000

→ Airport zoning - \$150,000



Thank You



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