

Due to COVID-19, GTAA announces workforce reduction and restructuring



Toronto Pearson

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The Greater Toronto Airports Authority (GTAA) recently announced a workforce reduction of 27% and new structure to align with its business transformation and enable more innovative and recovery-focused operations.

With passenger numbers at Toronto Pearson currently at approximately 1996 operating levels, these changes reflect a significant decrease in global air traffic. In April 2020, the GTAA noted its passenger numbers were reduced by 97% compared to the same period of 2019.

The reduction of approximately 500 positions will be achieved through the elimination of close to 200 unfilled positions, together with voluntary departures and layoffs totaling approximately 300 employees. The workforce reductions follow numerous cost reduction measures the GTAA has implemented since the pandemic began, including a hiring freeze, reducing planned capital spending by \$265M for 2020 and temporarily reducing executive and Board of Director salaries. Additionally, the company has leveraged the Canada Emergency Wage Subsidy and the Canada Emergency Commercial Rent Assistance programs and provided deferrals for eligible corporate partners.

“Our leadership team and Board of Directors have worked concertedly each month to navigate these turbulent times and have put our people first. This reduction in force is a difficult, but necessary step, and one that we take with great sadness.”

“The leadership team and I are deeply grateful for the contributions of our employees, each of whom has been part of the success and legacy of the GTAA.

We are dedicated to treating everyone with the greatest respect and consideration throughout this process. We are committed to maintaining our operations and the health and safety of the airport, as we evolve our organization to drive our recovery. I am confident we have a capable and resilient team and the right approach to come through these challenging times with strength,” says Deborah Flint, President and CEO of the GTAA.

With departures extending through fall 2020, these restrictions are already in effect. The team is working closely with Unifor and the Pearson Airport Professional Fire Fighters Association to implement these changes for their members, respecting the terms of the collective bargaining agreements. Along with notice and severance packages, all employees will be offered career transition and employee assistance program support.

As previously reported on May 12, the COVID-19 pandemic and resulting economic contraction has had, and is expected to continue to have, a negative impact on demand for global air travel. Toronto Pearson has experienced a decline in passengers and flight activity, as a result of travel advisories and restrictions by governments, flight and route cancellations and fleet groundings by air carriers. Overall flight activity might not return to pre-pandemic levels for at least 3 – 5 years, according to certain industry participants.

The restructuring includes the departure of two members of the GTAA executive team: Kim Stangeby, Vice President and Chief Strategy Officer and Interim Vice President, Human Resources, and Scott Collier, Vice President, Customer and Terminal Services.

The portfolios will be redistributed across the organization including, under the newly established Chief Operating Officer, Craig Bradbrook (formerly Vice President, Aviation Services), and in a new center of commercial excellence led by Ian Clarke, Chief Financial Officer. The GTAA will also complete a search for a new Chief Human Resources Officer.

The GTAA remains focused on safeguarding the resilience and sustainability of the team, as it redefines the future of Canada's largest airport.

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