



Consultative Committee Minutes

Date: March 6, 2013

Location: GTAA Boardrooms , A & B

Chair: Toby Lennox, Vice President, Corporate Affairs & Communications

Attendees: Sabbir Saiyed, alternate for Damian Albanese, Peel Region
Vincent Crisanti, Councillor, City of Toronto
Chris Rickett, Region of York
Rick Cockfield, Region of Halton
Bill Clark, Brampton Board of Trade
Kathy Weiss, Region of Durham
Jan Nevins, Mississauga Board of Trade
Fr. Nicholas Alexandris, City of Toronto Resident
Neil Bunn, City of Brampton Resident
Stephen Tufts, Brampton-Mississauga & District Labour Council

Regrets: Chris Fonseca, Councillor, City of Mississauga
Josh Matlow, Councillor, City of Toronto
Suresh Thakrar, City of Mississauga Resident
Heather Craig-Peddie, ACTA Ontario

Resource Members: Jeff Baines, City of Brampton
Paul Steckham, Ministry of Transportation
Susan Amring, City of Mississauga
Sam Ghobrial, NAV Canada
Shipra Vyas, Ministry of Tourism
GTAA: Aleem Kanji, Lorrie McKee, Kim Stefanazzi, Keith Medenblik

Resource Members Absent: Pamela Laite, Tourism Toronto
Bill Devlin, National Airlines Council of Canada

Also Present-Residents: R. Boehnke, Toronto

Item	Details
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1.0	<i>PRELIMINARY ITEMS – Toby Lennox</i>
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1.1	Review and Approval of Agenda –J. Nevins and B. Clark.
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1.2.1 Review and Approval of November 7, 2012 Minutes – Fr. N. Alexandris and R. Cockfield.

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- T. Lennox welcomed Shipra Vyas from the Ministry of Tourism, replacing Henry Tuner who has recently retired. Our thanks to Henry for his contributions to this committee.

1.2.3 Matters Arising from Previous Meeting – November 7, 2012: There were no items.

2.0 REGULAR ITEMS

2.1 GTAA Information Update (handout) was reviewed briefly.

2.2 Sequestration in the U.S.

- T. Lennox noted sequestration is a procedure established in the U.S. where budgets become implemented immediately, unless actions are taken to prevent budgets cuts.
 - On March 1st, the sequestration bill came into effect and applied across the board cuts to all departments and agencies to approximately eight per cent. For U.S. CBP this amounts to about five per cent.
 - What this means to Toronto Pearson, is uncertain at this time, although we have been informed that overtime may be eliminated for CBP officers. We depend on overtime to maintain levels of service.
 - The GTAA have an agreement with U.S. CBP to preserve operations during March break. If the sequestration cuts are not lifted, then furloughs may apply which means CBP officers will have to take a certain amount of time off every two weeks. This means the CBP's capacity to process passengers is going to decrease. This is something the GTAA is continuing to monitor.
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3.0 DISCUSSION ITEMS

3.1 Global Hub Economic Development Study - Update

- T. Lennox mentioned work is underway on a study to quantify Toronto Pearson's economic benefit in the Region, Ontario and Canada. The work is being led by Frontier Economics, and Dan Elliott and Annabelle Ong from Frontier Economics will update the committee on the progress of the study.
 - D. Elliott noted Frontier Economics are based in London, but also have offices in Cologne, Madrid, Dublin and Brussels. Together with Frontier Economics Australia (with offices in Melbourne and Sydney) they work globally in the private and public sectors. They have particular expertise in the aviation sector and understand the issues specific to aviation economics.
 - A. Ong noted the objective of their study is to quantify the economic benefits of air travel facilitated by Toronto Pearson. The focus will be based on current
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international connectivity, and in the future; based on macroeconomic trends and competition with other hub airports.

- Economic value created by international travel includes trade, FDI and tourism. All of these factors have an impact on GDP and employment.
 - Frontier has developed a methodology to estimate the relationship between connectivity and economic value. They use this relationship to estimate the economic value of Toronto Pearson today and in the future (2030).
 - The methodology is based on four key relationships:
 - Different scenarios of competition between hub airports and macroeconomic trends.
 - A change in the number of direct connections or frequency of flights.
 - A change in the number of local passengers.
 - Changes in trade, foreign direct investment and tourism.
 - A. Ong stated their methodology is based on “causality chains” that provide a detailed account of how international air travel is related to output and employment.
 - N. Bunn inquired if the model is going to be compared to other large airports. In an economic expansion stage, Toronto Pearson will get more connectivity because of demand, but does that relationship still hold up during a negative economic phase?
 - A. Ong indicated that the model projects future demand on the basis of economic growth and scenarios around hub airport competition – so increased connectivity is either based on additional economic growth or from attracting connecting passengers away from other North American hubs. The hub competition model considers 10 other North American hubs.
 - J. Nevins inquired if meetings at Toronto Pearson are measured with business passengers, whose flights are arriving and they meet in an airport lounge which has a causal effect on economic development. T. Lennox noted that data would be difficult to track, and that would be outside the realm of the work we are conducting.
 - J. Baines inquired about the relationship between immigration and employment and if it’s measured in this study. A. Ong responded the study shows the relationship between immigration and travel and the importance of connectivity to visiting friends and relatives internationally.
 - S. Tufts noted that he is an economic geographer by training, and believes that connectivity breeds growth. He inquired whether additional work was to be done on the quality of connectivity i.e. where people are going.
 - T. Lennox responded to the question on quantity of connectivity and how Toronto Pearson is going to grow are the questions we have to get answers for. The second question about the quality of connectivity is a separate piece of work that the GTAA is starting to look at.
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- D. Elliott indicated their work will generate estimates on what Toronto Pearson contributes in terms of the value of imports and exports, FDI supported by connectivity, and the level of outbound and inbound tourism spending facilitated by Toronto Pearson.
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3.2 City of Mississauga – Update on the new International Investment Strategy

- S. Amring indicated the city of Mississauga is a global business destination for many reasons including proximity to Toronto Pearson.
 - There are 46 Fortune 500 companies with Canadian head offices in Mississauga.
 - There are 61 Fortune 500 U.S. companies with Canadian head offices in Mississauga.
 - There are 40 top 500 Canadian companies with head offices in Mississauga.
 - After extensive input from stakeholders and with research in 2010 the city of Mississauga approved a new 10 year economic development study. It is built on three major goals:
 - To be a global business magnet.
 - To build a culture of innovation.
 - To have a knowledge economy.
 - This strategy is owned by the city's economic stakeholders, not just its economic development office. In 2011 a new international marketing strategy was developed.
 - H. Dremin, Manager, Global Business Development, City of Mississauga indicated that there are a lot of multi-national corporations in Mississauga, and many of them chose Mississauga because of the proximity to the airport.
 - There is a wide variety of multi-cultural and ethnic diversity in Mississauga. Many individuals are entrepreneurs, and there are a lot of innovative businesses, which maintain business connections from their home countries.
 - As the city of Mississauga moves forward, the plan is to refine this international marketing strategy.
 - Support our multicultural community to encourage business development.
 - Leverage business connections.
 - Pursue add on investment from existing multinationals.
 - Work with our local business partners.
 - Collaborate with key stakeholders like the GTAA, and the Mississauga Board of Trade.
 - Continue to work with the GTAA on their Global Hub Economic Development Study. The importance of the relationship with Toronto Pearson and regional colleagues is pivotal to regional success. It is clear the proximity to Toronto Pearson is pivotal to the City of Mississauga's foreign direct investment marketing strategy.
 - S. Amring noted the recommendations in their international marketing strategy are that emerging markets are going to be very important in the future.
 - J. Nevins indicated the personal connections are very important as there are many
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presidents of corporations in Mississauga and Brampton and they are flying regularly to Italy, Spain, Portugal, Latin America, and South America, and their business goods are being shipped globally. Leveraging personal connections will be very important for Mississauga's future.

4.0 Members Roundtable

- S. Saiyed, Manager Transportation, Peel Region noted Peel Region's council has formed a Peel Region Goods Movement Task Force. It is comprised of members all levels of government including Peel Region, Transport Canada, MTO, Metrolinx, regional municipalities, as well as GTAA. Private sector members such as Canadian Tire, Walmart, and trucking companies are also members, and the task force meets four times per year.
- The goods movement plan has been endorsed by the Peel Regional council, and 23 recommendations have been made. One of the recommendations is to improve the access to Toronto Pearson, and further work will continue with GTAA.

5.0 ADJOURNMENT: Next CC Meeting: May 1, 2013 at 4:00 p.m. GTAA Administration Building, 3111 Convair Drive, Pearson Rooms A & B.

Minutes prepared by Kim Stefanazzi, (416) 776-3941, kim.stefanazzi@gtaa.com. Any errors or omissions in these minutes should be forwarded to the author immediately.