



ANNUAL REPORT 2023-24



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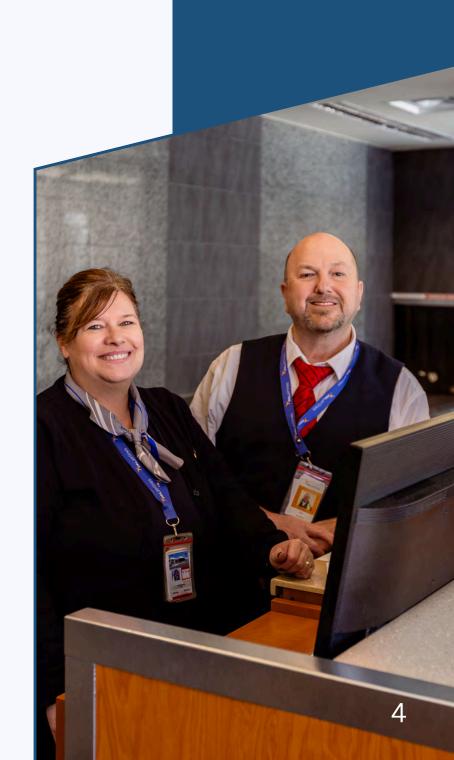
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Annual Report 2023-24

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GBAC'S PURPOSE

- Manage, operate, and develop the Airport in a safe, secure, efficient, cost-effective, environmentally sensitive, and financially viable manner.
- Undertake and promote the development of the Airport lands for uses compatible with air transportation activities.
- Expand transportation facilities and generate economic activity in ways which are compatible with Airport transportation activities.

MESSAGE FROM THE BOARD CHAIR

2023-24 was an eventful year for the Goose Bay Airport Corporation. The Corporation hired a new CEO, and along with GBAC's leadership team and the Board, we began to chart the way forward.

We are focused on four main areas:

- o Better and more affordable air service options
- Preparing for growth
- o Financial Sustainability
- o Governance and Operational Excellence

BETTER AND MORE AFFORDABLE AIR SERVICE

Goose Bay Airport is a major economic player in Central Labrador, offering air service connections to the rest of the province and the nation. In line with our mandate to run the airport efficiently and generate economic activity in the region, we have embarked on a campaign to make air travel to and from Labrador more affordable. Part of that approach is to collaborate with the province on service development and work with existing carriers to introduce new routes. New routes and increased competition will lead to improved service and reliability, and reduced air fares.

PREPARING FOR GROWTH

As we address issues around affordability and service levels, we must also plan for the future. We will develop a master plan to guide future airport development and we will meet with DND and Transport Canada to assist us in securing land for that purpose. With the many resource developments on the drawing board for Labrador, GBAC will implement new policies to ensure that we fully benefit.



DEAN CLARKE

The GBAC-owned property at Otter Creek is an underutilized resource. We will engage a consultant to assist us in optimizing its use. Our vision for the future includes promoting the airport as a Gateway to the North and capitalizing on new opportunities so that GBAC is a full beneficiary of future development.

FINANCIAL SUSTAINABILITY

The Board and leadership team are focused on placing GBAC on a strong financial footing. This will ensure success now and into the future.

As part of that process, we will review and update the rates that we charge for the various services provided by the airport, and ensure that those rates are aligned with those in place at comparable sized airports. We also plan to pursue revenue growth opportunities at Otter Creek, in the airside land and buildings, and through advertising. Significant numbers of rotational workers pass through Goose Bay Airport and we plan to implement policies that will allow us to benefit from providing that service. We are also looking internally and practicing prudent management of our own spending.

GOVERNANCE AND OPERATIONAL EXCELLENCE

GBAC is overseen by a Board of Directors representing major stakeholders in Upper Lake Melville, including the Towns of Happy Valley-Goose Bay, North West River, and Sheshatshiu, the Labrador North Chamber of Commerce, and the provincial government. The Board has an active and involved committee system, including an Executive Committee, Finance, Human Resources, and Governance.

VITAL ROLE PLAYED BY DND

GBAC appreciates its strong working relationship with the Department of National Defence and DND's military and civilian teams. DND and its civilian contractor, SERCO, provide a range of services that benefit the airport, including runway upgrades and maintenance, snow clearing, and air traffic control.

LOOKING AHEAD

Labrador is on the cusp of major developments in hydro and mining. Interest is growing in protecting and developing the North. Goose Bay Airport is a major and world class facility, located next door to all of this opportunity.

Our Board and leadership team are invested in the effort to enhance affordability and air service development and to plan for the future. These are exciting times, full of challenge and opportunity. We have the team to make sure that Goose Bay Airport plays a key role in that future.

REX GOUDIE

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

I am pleased to report on my first year as the Chief Executive Officer of the Goose Bay Airport Corporation (GBAC). It has been an active year for GBAC, with many accomplishments and a determination to address the challenges that lie ahead.

FINANCIAL SUSTAINABILITY

A key focus this past year was to put GBAC on a solid financial footing. GBAC has been operating at a loss for the past four (4) years and efforts were taken to generate additional revenues and look at ways to diversify revenue streams. The rate structure has remained unchanged for an extended period of time, so we engaged the services of a consultant to conduct a rate review of comparably sized airports across Canada. This review was used to implement a new structure for lease rates at the Airport Terminal Building and develop a new rate structure for the Sea Plane Base at Otter Creek, to be phased in over the next three (3) years.

These new measures will translate into additional revenues. We will continue to look at ways of diversifying our revenue streams to address the shortfall in operating revenue.

FUTURE ACCESSIBILITY AND SERVICE

During the fall of 2024, GBAC released a study by InterVISTAS, which concluded that airfares for Goose Bay had increased by 33.1% since 2019, compared with the national average of 9.2%. These findings became the cornerstone of a campaign to lobby for reduced rates and to encourage new service providers to consider locating to Goose Bay.





Our campaign is multi-faceted. We continue to advocate for maintaining existing routes, reducing the cost of air travel, and increasing service reliability. In addition, we have worked with the Atlantic and Canadian airport associations to ensure that our views are considered during current reviews into the state of competition in the domestic airline industry. We have also engaged the services of an aviation consultant to assist us in building a business case for new routes and new airline partners.

INTERNAL OPERATIONS

During the year, GBAC implemented a new payroll and leave system and retained the services of a local IT specialist. These measures will enhance administrative efficiency and productivity.

GBAC is strongly supported by our board of directors. We appreciate their support and guidance as we address current challenges and work to find exciting new opportunities for Goose Bay Airport. We established a new committee structure to carry out the Board's work, including an Executive Committee and committees for Finance and Human Resources. Through their work, these committees will implement policies and procedures and apply best practices to position GBAC as a progressive and professional organization.

GBAC has significant capital reserves that must be invested to provide for future development and expansion. We took an important step in that direction this year by selecting Wood Gundy to develop a new investment strategy.

LOOKING AHEAD

Goose Bay Airport is strategically located to play a vital role as new mining and hydro projects are developed in Labrador. I look forward to leading our team as we pursue these emerging opportunities, and as we work to enhance air service and affordability.



ABOUT US

Goose Bay Airport has a status shared by just a few airports in Canada. The airport, including the control tower, is operated by the Department of National Defense (DND) as a military facility. DND owns the land on which the airfield is located and operates the airfield itself. This arrangement makes Goose Bay one of a handful of dual function airports in Canada classified as an airport of entry by Nav Canada and staffed by the Canadian Border Services Agency.

The arrangement with DND provides the region with cost efficient civilian air service. This is especially important for a northern airport such as Goose Bay since low operating costs appeal to increasingly cost-conscious air carriers.

The Goose Bay Airport Corporation (GBAC) was created as a not-for-profit organization in 1996 and is governed by an eleven member board of community representatives. The Corporation owns and operates the Goose Bay Air Terminal as well as lands off the airfield. This arrangement was completed through a land transfer with DND in 2011.

The ownership structure impacts GBAC in several ways. Since DND owns the airfield, GBAC is ineligible for Transport Canada funding. DND also collects all landing fees. The tradeoff for GBAC is that DND is responsible for maintaining the airfield, including snow clearing, maintenance, and overall airfield improvements.

GBAC is funded through a \$20 Passenger Facility Fee (PFF) which is collected from all departing passengers, and General Terminal Fees (GTF) collected from aircraft accessing the terminal facility. The corporation also receives revenue from airport parking and commercial leases.

GBAC allocates 75% of PFF to capital improvements. Considering at least a 50% cost differential on projects in Labrador compared to the Atlantic Region generally, it is essential that GBAC operates efficiently and that it has a substantial capital reserve so that it can maintain and improve facilities.



(Previous page) Goose Bay Airport, showing runways 08/26 and 15/33. Photo courtesy Department of National Defence.





2024 BY THE NUMBERS

ALL AIRCRAFT LANDINGS AND DEPARTURES

28,059



SCHEDULED AIR SERVICE











PRIVATE AIRCRAFT









MILITARY



MEDEVAC



GOVERNMENT

845

1,558



PASSENGERS

114,313



AIRPORT INFRASTRUCTURE

Goose Bay Airport operates within the footprint of 5 Wing Goose Bay and utilizes world class infrastructure and services, including two runways, a 24/7 control tower, crash and fire rescue, and a Canadian Forces Search and Rescue Squadron.



TWO RUNWAYS (Concrete surface with asphalt overlay)

08/26 Runway 11,051 ft (3,368 m) x 200 ft (61 m) 15/33 Runway 9,580 ft (2,920 m) x 200 ft (61 m)



AIR TRAFFIC CONTROL

24/7 with full VFR and IFR including ASR, ILS, TACEN, VOR/DME and NDB.



CRASH, FIRE RESCUE

ICOA CAT 8.



SEARCH AND RESCUE

Canadian Forces Search and Rescue Squadron. Three (3) Bell 412 helicopters with PARA Rescue capabilities.

STRATEGIC









Attract new airline partners and make air travel more affordable.



Develop an airport masterplan to guide future growth and capitalize on new economic development opportunities in Labrador and the North.



Place GBAC on a firm financial footing to ensure success now and into the future. Optimize revenue opportunities to sustain growth.



View governance as an opportunity for continuous improvement so that GBAC is positioned to achieve excellence in all facets of the operation.

OUR AIR SERVICE PARTNERS







Goose Bay Airport provides connections to the northern coastal communities of Labrador, as well as Wabush, Churchill Falls, Blanc Sablon, St. Anthony, Deer Lake, Gander, St. John's, and Halifax.

Goose Bay Airport is serviced by three airlines. Air Borealis has scheduled daily service to coastal airports; PAL Airlines provides daily connections to Wabush, Deer Lake, Gander, and St. John's, and service to Churchill Falls, Blanc Sablon, and St. Anthony; Air Canada operates a daily flight between Goose Bay and Halifax.

Goose Bay, like other airports, was significantly impacted by the pandemic that began in early 2020. Air traffic has recovered significantly since that point, but remains below the levels of 2019. Passenger numbers were 72.9% recovered in April 2024 compared to 2019 and seat capacity was 83.6% compared to 2019. (InterVISTAS "YYR Air Service Market Opportunity, July 2024)













AIRPORT SERVICES

The Goose Bay Airport Corporation provides a range of services for its passenger, business, and commercial clients.

Avis, Budget, National, and Enterprise operate vehicle rental agencies from the airport. Arriving or departing guests can purchase a snack or a meal at the airport cafe.

CARGO OPERATIONS

The airport is well served to enable cargo connections between central Labrador, other points in Labrador, and throughout Canada.

Air Borealis offers cargo service between Goose Bay and the north coast, while PAL Airlines transports cargo between Goose Bay and the airports it serves in Newfoundland, Wabush, the Maritimes, and Quebec.

FIXED-BASE OPERATIONS

Goose Bay Airport is served by two Fixed-Base Operations (FBOs): Woodward Aviation and Irving Aviation provide a full range of services for all types of aircraft.

Both FBOs provide 24/7/365 service to clients, enhancing Goose Bay Airport's reputation as a preferred stopover for commercial, military, and domestic as well as international private aircraft.







AIRPORT SECURITY

The Goose Bay Airport Corporation, in partnership with its employees, tenants, and customers, ensures that security is a priority and a fundamental requirement for all its operations. The Airport Security Plan (ASP), which is reviewed annually, or more frequently if required, provides a coordinated security framework based on risk.

A vital part of GBAC's security plan is the role played by the Canadian Border Services Agency (CBSA) and the Canadian Air Transport and Security Agency (CATSA). CATSA oversees passenger screening at Goose Bay Airport, while CSBA provides customs clearance services at both Goose Bay Airport and the Otter Creek Water Drome.

In collaboration with our partners, GBAC's goal is to achieve the highest level of security standards and performance through continuous improvement, based on the following objectives:

- Enhancing cooperation and collaboration with our security partners.
- o Promoting a culture of security vigilance and awareness.
- Implementing effective processes and procedures that meet national and international standards.
- o Complying with all legislative and regulatory requirements.
- Reviewing all security incidents and breaches, and implementing corrective actions and lessons learned.
- Setting annual goals to address areas of concern.
- Conducting regular safety audit schedules focused on critical areas of the airport.
- Communicating and informing the airport community regarding security issues.







Photos courtesy Air Borealis





Otter Creek Water Drome

Otter Creek is a full service water drome located 7 kilometres from Goose Bay Airport. The facility provides the transportation link for visitors to Labrador's world class fishing and hunting areas and for the companies exploring Labrador's mineral resources.

Otter Creek was originally intended to be the site of a housing camp for the coastal crews that came to Goose Bay in 1941 to assist in constructing Goose Bay Airport. The site was considered to be too close to the airport and a town would eventually be established at Happy Valley.

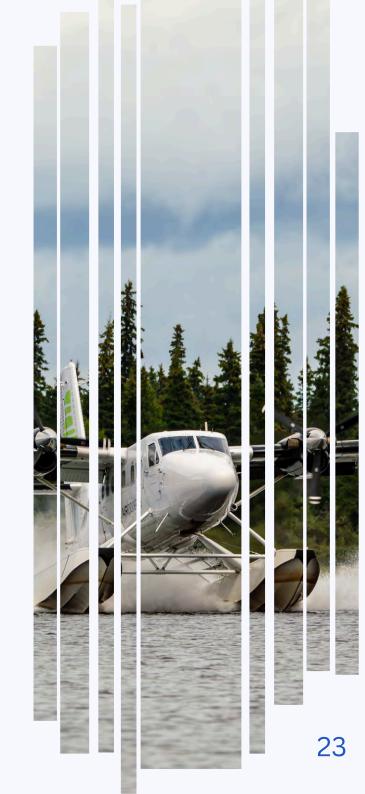
From spring thaw to late autumn, Otter Creek becomes a bustling base for float planes.





With significant mineral exploration taking place in central and eastern Labrador, and with more mineral and other resource projects on the horizon, Otter Creek is ideally situated to provide quick and easy access to those locations. Its close proximity to Goose Bay Airport and the seaport at Terrington Basin provides convenient connections to the rest of the province of Newfoundland and Labrador and to other parts of Canada.

GBAC has made significant improvements to the Otter Creek facility and is exploring additional opportunities. A consultant will be engaged to recommend ways to optimize this valuable resource.





REX GOUDIEChief Executive Officer



MICHELLE ELLIOTT
Operations Manager



CHRISTINE KENNEDY
Business Manager



HARRY FORD

Maintenance Manager





DEXTER DANCEL
IT Specialist



CORPORATE GOVERNANCE

Goose Bay Airport Corporation is overseen by a Board of Directors representing a cross-section of local stakeholders, including communities and towns, local business, and the Government of Newfoundland and Labrador. In 2024, the Board was comprised of 11 members. Under its charter, the Board can have no fewer than seven and no more than fifteen members.

In line with the guidelines set out by Transport Canada for Local Airport Authorities, the Board's role is "to assist in the management of the affairs of the Corporation as an ongoing, viable, commercial enterprise."



BOARD OF DIRECTORS



DEAN CLARKEChair of the Board



HENRY WINDERLER
Vice Chair (At Large)



TONY CHUBBS
Treasurer (At Large)



PAUL CONNORS
Director (At Large)



BOARD OF DIRECTORS



FRANK PHILLIPS

Director - Town of North West River



DENISE RUMBOLTDirector
Town of Happy Valley-Goose Bay



STANLEY OLIVER
Director (At Large)



BRIAN CORBIN
Director (At Large)



BOARD OF DIRECTORS

GREG PASTITSHI

Director - Town of Sheshatshui

ERNIE MCLEAN

Director - Labrador North Chamber of Commerce



Director
Government of Newfoundland
and Labrador

BOARD COMMITTEE STRUCTURE



The Board of Directors is supported in its work by three committees; Executive, Finance, and Governance and Human Resources. The CEO sits as an ex-officio member of each committee and the Board Chair sits as an ex-officio member of the Finance Committee.

The Board structure is under review. The Board is also modernizing its bylaws so that they are aligned with airport structures across Canada.

EXECUTIVE

The Executive Committee provides oversight and makes recommendations to the Board of Directors with respect to corporate matters and the strategic direction of GBAC. It assists the Board in effectively performing its duties related to business development and overall management.

The Finance Committee assists the Board in fulfilling its obligations and oversight responsibilities relating to its fiduciary financial responsibility and stewardship accountability. It oversees the external audit, financial planning and reporting, as well as the internal control environment and compliance with applicable standards, policies, procedures, controls, laws, and regulations.

FINANCE

GOVERNANCE AND HUMAN RESOURCES

The Governance and Human Resources Committee has a dual focus. On the Governance side, it ensures that the Board complies with legislation, GBAC by-laws, and Board policies. It updates and recommends by-law and policy changes to the Board, as well as leading the Board's strategic planning process. On the Human Resources side, the Committee reviews and makes recommendations regarding orientation of new members and the ongoing development of existing members.





BUSINESS DEVELOPMENT OPPORTUNITIES

The Goose Bay Airport Corporation assumed ownership of 42 hectares of land and buildings adjacent to the airfield in a land transfer from the Department of National Defence in 2011. Under the arrangement, GBAC has full authority to enter into lease arrangements with partners.

The Civil Aviation Area includes prime airside lots as well as land in close proximity to airside. These areas could be ideal sites for cargo transshipment, import/export, and training facilities.

Located adjacent to the 7th longest runway in Canada (11,051 feet), Goose Bay Airport is ideally situated as the gateway to the Eastern Arctic with a distance of 1,251 kilometres to Iqaluit. This compares with 2,087 kilometres from Ottawa, 2,147 from Halifax, and 2,042 from St. John's.

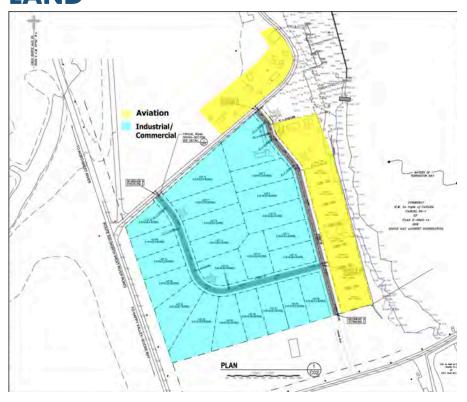
GBAC also controls the Otter Creek Water Drome, with available mole frontage for aviation and more than 10 hectares of industrial/commercial land that is suitable for non-aviation activity. These properties are ideal servicing points for resource development, outfitting operations, and adventure tourism.

AIRSIDE AND PROPERTIES ADJACENT TO GOOSE BAY AIRPORT*



*The dotted lines are representative, and indicate an approximate delineation of airside properties under the control of Goose Bay Airport Corporation.

OTTER CREEK AVIATION AND INDUSTRIAL/COMMERCIAL LAND



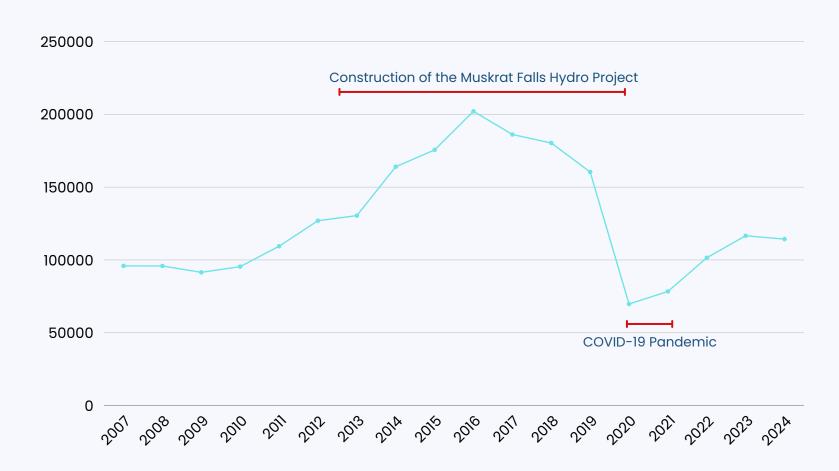


PASSENGER TRAFFIC 2007-2024

Several factors are evident from tracking Goose Bay Airport passenger traffic levels from 2007-2024.

- Construction of the Muskrat Falls hydro project beginning in 2013 was instrumental in elevating
 passenger traffic. Goose Bay is the largest airport in Labrador and it is located in close proximity
 to Churchill Falls, with excellent road connections. With anticipated new megaproject
 development over the next decade at Churchill Falls, new mining activity in Western and Northern
 Labrador, and rare earth mineral exploration in southern Labrador, Goose Bay Airport is uniquely
 positioned to be the primary provider of air services.
- The curtailment of air travel during the COVID-19 pandemic impacted Goose Bay Airport, similar to the impact at airports worldwide.
- Beginning in 2007, apart from the significant increases during construction of the Muskrat Falls hydro project, passenger traffic at Goose Bay Airport began a steady upward trend. This is reflective of a trend that began with the de-regulation of air travel worldwide, beginning in the late 1970's.

GOOSE BAY AIRPORT PASSENGER TRAFFIC 2007-2024





WHERE THE REVENUE CAME FROM

Year ending September 30, 2024



PASSENGER FACILITY FEE (PFF)

The PFF is a \$20 fee collected from all passengers departing the airport.

\$1,395,046



LEASES

Lease revenue is paid by tenants for space, land, and buildings.

\$895,977



TERMINAL FEES

Terminal fees are collected from scheduled and non-scheduled aviation for use of airport facilities.

\$ 578,231



PARKING

Parking fees are paid by clients and customers for use of the airport's parking spaces.

\$ 206,062



OTTER CREEK

Otter Creek is utilized by float planes primarily providing flight services to outfitters and mineral exploration companies.

\$ 32,981



WHERE THE MONEY WAS SPENT

Year ending September 30, 2024



SECURITY/JANITORIAL

\$859,087



AMORTIZATION

\$ 786,427



SALARIES/BENEFITS

\$ 579,227



SNOW CLEARING

\$ 246,000



INSURANCE

\$158,640



REPAIRS/MAINTENANCE (TERMINAL)

\$ 129,767

TAX

MUNICIPAL TAX

\$100,463

Mobile Workforce Gate 3 Opened A dedicated gate to facilitate the movement of rotational workers **Goose Bay Airport** and coastal passengers goes into operation. **New Terminal Timeline**[×] Built The airport's new terminal is opened, expanding space for airlines and **Land Transfer** users. from DND ×2012 DND transfers the air terminal building and lands off the airfield to GBAC. **GBAC Created US Closes** 2011 Goose Bay Airport **Goose AB** Corporation is created as a not-for-profit Departure of USAF organization. **US Air** Strategic Air Command. Facilities are re-1996 **Force Base** designated CFB Goose **Ground Broken** Goose Bay becomes part of Вау. Northeast Air Command. Canadian Air Ministry 1976 USAF makes Goose Air Base begins construction of the a Strategic Command Base airbase as a landing and in 1957. refueling stop for Canadian 1950 and US aircraft in World War II. 1941





CORPORATE SOCIAL RESPONSIBILITY

At the heart of its operation, GBAC ensures that the airport runs efficiently, that it provides top-level service to the people who fly in and out, and that we are at the forefront of efforts to improve service and make travel affordable. But GBAC is more than that.

We believe in our community. We support community employment by involving local companies in the provision of vital services such as security, janitorial, and snow clearing. We pay municipal taxes that support services in Happy Valley-Goose Bay.

Central to all that we do is an everyday commitment to the health and safety of everyone who works with us and who pass through our facility. Our decisions now and in the future will respect the fragile environment that we want to protect and pass on to future generations.

GBAC will develop an enhanced Corporate Social Responsibility program to develop even more and closer ties to the community and the region that we serve.



