

FLY HIGHER IN METRO MONTRÉAL



THE AEROSPACE INDUSTRY AT A GLANCE

- Over 35,000 employees in 170 companies or facilities dedicated (upwards of 50% of sales) to aerospace manufacturing and services
- One of the only places in the world where almost all the components to build an aircraft can be found within a 30 km (19 miles) radius
- Exports of CAN\$10.5 billion in Québec in 2002 (nearly 70% of Canada aerospace exports) – Metro Montréal represents 95% of Québec activity
- 1st in North America for competitiveness in overall operating cost (2002 KPMG Competitive Alternatives Study)
- Four renowned universities (McGill University, *Université de Montréal*, Concordia University and *Université du Québec à Montréal*) and several specialized schools offering aerospace training
- Several industry-related international organizations located in Metro Montréal, including: International Civil Aviation Organization (ICAO), International Air Transport Association (IATA) and Airline Telecommunications and Information Services (SITA)

WORLD LEADERSHIP

- **Bombardier Aerospace:** 3rd largest manufacturer of commercial aircrafts in the world, after Boeing and Airbus, and 1st for regional jets
- **Pratt & Whitney Canada:** world leader in aviation engines powering business and regional aircraft and helicopters
- **CAE:** world leading supplier of commercial flight simulators (more than 85% of the world market)
- **Bell Helicopter Textron:** among the world leaders in light and medium-weight commercial helicopters
- **Rolls-Royce Canada:** world leader in maintenance and repair of a wide range of engines, including those of Bombardier's Global Express commercial aircraft and those of Boeing's large carriers

QUALITY OF LABOUR FORCE

Recruiting recent graduates is incredibly easy as there exists an exceptional industry cooperation to plan labour requirements:

- Thanks to the **Centre for Aerospace Manpower Activities in Québec (CAMAQ)**, which serves industry players, academic institutions and unions;
- Specialized aerospace schools and institutes with technical training, including the renowned *École des métiers de l'aérospatiale de Montréal (EMAM)* and the National Institute of Aeronautics (ENA);
- New programs regularly created to respond to the needs of the industry, including a **Masters in Aerospace Engineering (M.Eng.)** program created jointly by five Québec universities;
- More than 7,500 enrollments in programs related to the aerospace industry (2002).

"MONTRÉAL IS THE SECOND MOST IMPORTANT CITY IN THE AEROSPACE INDUSTRY, AHEAD OF TOULOUSE AND JUST BEHIND SEATTLE. MONTRÉAL OFFERS ALL THE SERVICES, SUCH AS SUBCONTRACTORS, THAT ROLLS-ROYCE COULD NEED. THE BUSINESS CLIMATE IS ALSO EXCELLENT AND ALL LEVELS OF GOVERNMENT ARE VERY SUPPORTIVE."

PIERRE RACINE, PRESIDENT
ROLLS-ROYCE CANADA

MAJOR EMPLOYERS IN METRO MONTRÉAL AEROSPACE INDUSTRY

PRIME CONTRACTORS AND MAJOR REPAIR AND OVERHAUL CENTRES

BOMBARDIER AEROSPACE
PRATT & WHITNEY CANADA
CAE
ROLLS-ROYCE CANADA
BELL HELICOPTER TEXTRON
AIR CANADA (Technical Centre)
AIR TRANSAT (Maintenance Centre)

EQUIPMENT MANUFACTURERS

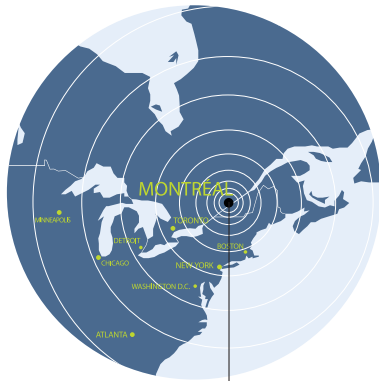
CMC ELECTRONICS
EMS TECHNOLOGIES CANADA
HÉROUX-DEVTEK
HONEYWELL AEROSPACE
MESSIER-DOWTY
LOCKHEED MARTIN CANADA
THALES AVIONICS CANADA

SUBCONTRACTORS AND SUPPLIERS OF SPECIAL PRODUCTS AND SERVICES

INNOTECH EXECAIRE (motors and accessories)
HOWMET (Alcoa Group) (casting)
NMF CANADA (shot peening)
SARGENT CANADA (engine parts and other aircraft components)
GFI (part & sub-assemblies)
LSI LUMINESCENT SYSTEMS CANADA (electronic/electrical components)

"THE PRESENCE OF KNOWLEDGE WORKERS, A COMPETITIVE TAX STRUCTURE FOR R&D, GOVERNMENT SUPPORT PROGRAMS(...) AND EFFICIENT INFRASTRUCTURE: THESE ADVANTAGES MAKE CANADA THE FIRST CHOICE FOR PRATT & WHITNEY CANADA AMONG POSSIBLE LOCATIONS FOR R&D INVESTMENT IN THE INCREASINGLY COMPETITIVE AEROSPACE WORLD."

GILLES P. OUIMET, PRESIDENT AND CEO, PRATT & WHITNEY CANADA



METRO MONTRÉAL

- Population (2002): 3.5 million
- Employment (2002): 1.8 million
- GDP (2002): CAN\$120 billion
- Surface Area: 4,077 km² (1,574 miles²)

QUALITY OF LIFE

Metro Montréal is a lively, cosmopolitan region. Thanks to inexpensive housing, state-provided healthcare and low tuition fees for university students, Metro Montréal enjoys one of the lowest costs of living among large North American cities. Metro Montréal is also famous for its rich cultural life and numerous world class events, including the Formula 1 Grand Prix and the International Jazz Festival. The region is also home to the internationally acclaimed *Cirque du Soleil*.

E-mail: info@montrealinternational.com

To find out more about Metro Montréal and its investment opportunities, contact **Montréal International**, a private, non-profit organization whose mission is to contribute to Metro Montréal's economic development and to increase its international status.

MAJOR INCENTIVES

A net cost of \$100 R&D expense could be as low as \$34 for large companies, and \$31 for SMBs, in the manufacturing sector.

NET COST OF \$100 R&D ELIGIBLE EXPENSE – 2002

	SMBs		LARGE FIRMS	
	IN-HOUSE RESEARCH CENTRE	RESEARCH BY RECOGNIZED R&D CENTRE	IN-HOUSE RESEARCH CENTRE	RESEARCH BY RECOGNIZED R&D CENTRE
	TAX CREDIT 40%	TAX CREDIT 40%	TAX CREDIT 20%	TAX CREDIT 40%
MANUFACTURING SECTOR				
QUÉBEC TAX CREDIT	\$26	\$39	\$17	\$40
FEDERAL TAX CREDIT	\$35	\$30	\$34	\$26
NET COST	\$39	\$31	\$49	\$34
NON-MANUFACTURING SECTOR				
QUÉBEC TAX CREDIT	\$26	\$39	\$17	\$40
FEDERAL TAX CREDIT	\$35	\$30	\$37	\$28
NET COST	\$39	\$31	\$46	\$32

Companies setting up their businesses in designated zones, such as **Montréal Foreign Trade Zone at Mirabel** (www.zonemirabel.com) can benefit from additional financial and tax advantages including an exemption from corporate income tax, tax on capital and employers' health plan contributions.

More financial advantages are also available. Please contact us or visit our website: www.montrealinternational.com

RESEARCH AND DEVELOPMENT

Metro Montréal has, in addition to the R&D centres within companies, more than ten public and parapublic research centres in the aerospace industry, including:

- The **Canadian Space Agency** (www.space.gc.ca), in charge of the coordination of all the elements of the Canadian space program;
- The **Aerospace Manufacturing Technology Centre**, a new National Research Council of Canada (NRC) aerospace research facility, which will be located on the campus of the *Université de Montréal* and will focus its efforts on R&D to improve aerospace manufacturing technologies and practices in Canada;
- The **Consortium for Research and Innovation in Aerospace in Québec** (CRIAQ), a new alliance bringing together leaders of the Québec aerospace industry as well as engineering schools and faculties affiliated to Québec universities, which seeks to bolster and carry out joint precompetitive aerospace research projects.

"NO CITY IS MORE ROMANTIC, MORE LIVELY, MORE CULTURED, MORE COSMOPOLITAN, OR HAS MORE SPARK AND ÉLAN THAN MONTRÉAL."

NATIONAL GEOGRAPHIC TRAVELER



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