

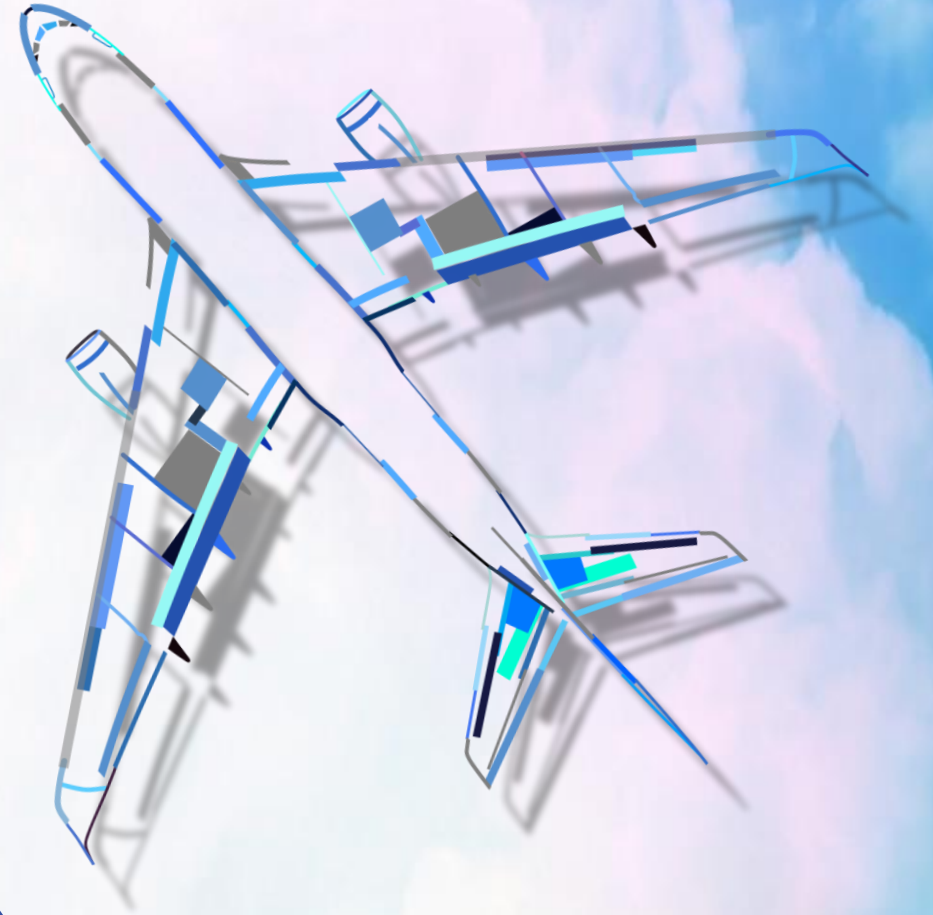
# CMMA Evaluation and Boeing Economic Impacts 2018-2022

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# Objectives

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- To measure the baseline economic impact of Boeing's activities in Canada
- To evaluate the incremental impact of CMMA project
- To highlight the catalytic spillover effects of the CMMA project:
  - R&D and Technological Advancement Initiatives
  - Community and Cluster Development Supports



# Impact Methodology

- DOYLETECH'S ECONWIN MODEL was used to quantify the macroeconomic benefits Boeing brings to the Canadian economy through its activities and purchases.
- The model integrates key exogenous inputs (such as the value of construction and operating labour and materials), and projects forward, using economic multipliers.
- It incorporates the 2018 Statistics Canada's INPUT-OUTPUT TABLES AND SUPPLY AND USE TABLES, as well as proprietary regional science modeling techniques.
- It calculates direct, indirect, and induced impacts.
- Allows for region specific and activity specific analysis on:
  - ✓ Economic Outputs
  - ✓ Labour Income
  - ✓ Jobs
  - ✓ Taxes and more



# Baseline Economic Impact (2018-2022)

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- Boeing has a prominent presence in Canada, exposing Canadian manufacturers to multi-billion-dollar global supply chains.
- Boeing procures from hundreds of Canadian suppliers of all sizes.
- Between 2018 and 2022, Boeing's expenditures in Canada resulted in an annual average of **\$4.18 billion in total economic activity**, representing an annual contribution of **\$1 billion in total labour income**, and **14,036 jobs** supported.
- The federal and provincial governments realized annual taxes of around **\$200 million** each, while municipal governments realized annual taxes of **\$24 million**.

All values herein in C\$.



# CMMA Project

- Purchase of 16 P-8A Poseidon aircraft to replace Canada's fleet of CP-140 Aurora maritime patrol aircrafts
- ITB's:
  - 100% Canadian Content Value
  - Net Offset Value: Non-Canadian leakages excluded
  - Assumes current regional and investment profile and prospective ITB regional distribution requirements

Interlocking  
Supply  
Chains

Initial  
Sustainment  
& Training

Skills  
Development

Collaborative  
Innovation /  
R&D

Clean  
Technology  
Programs



# Economic Benefits of Choosing P-8A for CMMA

(On An Annual Average Basis)\*

- Contribution to GDP (value-add) of **\$357.8 million**
- Jobs (person-years / FTEs) of **2,923**
- Labour Income (earnings) of **\$230 million**
- Federal government taxes of **\$48.7 million**
- Provincial government taxes of **\$44.7 million**
- Municipal government taxes of **\$5.6 million**

<b>CMMA Jobs Impact</b> (Annual Average Basis)	
	<b>Jobs</b> (Direct + Indirect + Induced)
Atlantic	341
Québec	704
Ontario	1,215
West	663
<b>Canada</b>	<b>2,923</b>

\* Economic impacts reflect adjustment for inflation.

All values herein in C\$.



# Summary

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- **Current:** Boeing contributes more than \$4 billion annually in economic benefit and supports over 14,000 Canadian jobs
  
- **CMMA / P-8:** Forecasted to generate an annual economic benefit of 2,900 Canadian jobs and \$358 million to Canada

All values herein in C\$.

