CMMA Evaluation and Boeing Economic Impacts 2018-2022

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Objectives

➢ 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)

➢ 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

* Economic impacts reflect adjustment for inflation.

CMMA Jobs Impact
(Annual Average Basis)

<table>
<thead>
<tr>
<th></th>
<th>Jobs (Direct + Indirect + Induced)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic</td>
<td>341</td>
</tr>
<tr>
<td>Québec</td>
<td>704</td>
</tr>
<tr>
<td>Ontario</td>
<td>1,215</td>
</tr>
<tr>
<td>West</td>
<td>663</td>
</tr>
<tr>
<td>Canada</td>
<td>2,923</td>
</tr>
</tbody>
</table>

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Summary

➢ 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$. 