



THE ECONOMIC AND TAX IMPACTS OF THE ACTIVITIES AT MONTRÉAL-MIRABEL AIRPORT

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STRUCTURE OF EMPLOYMENT AT THE MONTRÉAL-MIRABEL SITE

Distribution of the number of direct jobs related to day-to-day operations by sector

CATEGORY	NUMBER OF JOBS	SHARE OF EMPLOYMENT
Aircraft production and repair (parts and engines)	3,165	86%
Air transport	243	7%
Airport administration and government services	121	3%
Other manufacturers	53	1%
Other	117	3%
Total	3,699	100%

SOURCE: E&B DATA based on first-hand (businesses) and second-hand data (databases).

MONTRÉAL-MIRABEL AIRPORT'S FOCUS ON AERONAUTICS AND ACTIVITIES RELATED TO AIR FREIGHT AND GENERAL AVIATION IS REFLECTED IN ITS COMPOSITION OF EMPLOYMENT, WITH 96% OF ACTIVITIES DIRECTLY RELATED TO THESE SECTORS IN 2013 (90% IN 2009). THE SITE ALSO HOUSES OTHER TYPES OF ACTIVITIES, ACCOUNTING FOR THE REMAINING 4% OF EMPLOYMENT HERE.



HIGHLIGHTS SUMMARY TABLE

Impacts attributable to all activities of the businesses and organizations established at the Montréal-Mirabel site – 2013

CATEGORY	TYPES OF EFFECTS					
	DIRECT AND INDIRECT			INDUCED	TOTAL	
	DIRECT	INDIRECT	TOTAL			
Workforce (person-years)	4,501	3,319	7,821	2,001	9,822	
Gross earnings of the workforce (\$000)	291,979	143,831	435,810	69,880	505,690	
Contribution to GDP (\$000)	695,106	272,986	968,092	138,682	1,106,774	
Québec government revenue (\$000)	Income tax on salaries and wages	31,169	11,196	42,365	4,493	46,859
	Sales taxes	–	2,945	2,945	14,627	17,572
	Specific taxes	–	1,710	1,710	9,359	11,069
	Incidental taxation (RRQ, RQAP, CSST, FSS)	38,472	19,462	57,934	10,119	68,053
	Total	69,641	35,313	104,954	38,598	143,553
Federal government revenue (\$000)	Income tax on salaries and wages	21,541	7,604	29,144	2,288	31,432
	Sales taxes	–	442	442	8,090	8,532
	Specific taxes	–	1,116	1,116	2,443	3,560
	Incidental taxation (employment insurance)	6,611	3,555	10,166	2,212	12,377
	Total	17,469	12,717	40,868	15,033	55,901
Municipal revenue (\$000)	Property tax	5,771	–	–	–	5,771

SOURCES: E&B DATA based on the input-output model of the Institut de la statistique du Québec and Aéroports de Montréal.

NOTE: The impacts shown in this table constitute the sum of the impacts associated with day-to-day operations and capital expenditures for the year 2013.

DAY-TO-DAY OPERATIONS – ECONOMIC IMPACTS 2013

Impacts attributable to the day-to-day operations of the businesses and organizations established at the Montréal-Mirabel site – 2013

CATEGORY	TYPES OF EFFECTS				
	DIRECT AND INDIRECT			INDUCED	TOTAL
	DIRECT	INDIRECT	TOTAL		
Workforce (person-years)	3,699	2,758	6,457	1,722	8,179
Gross earnings of the workforce (\$000)	249,795	119,459	369,253	60,125	429,378
Contribution to GDP (\$000)	633,422	230,787	864,208	119,320	983,528

SOURCE: E&B DATA based on the input-output model of the Institut de la statistique du Québec.

IN 2013, THE DAY-TO-DAY OPERATIONS OF THE BUSINESSES AND ORGANIZATIONS ESTABLISHED AT THE MONTRÉAL-MIRABEL AIRPORT SITE MADE IT POSSIBLE TO CREATE OR MAINTAIN OVER 8,000 QUÉBEC JOBS. THAT IS NEARLY 900 MORE JOBS THAN IN 2009.

SINCE 2009, THE AVERAGE ANNUAL JOB GROWTH ASSOCIATED WITH THE MONTRÉAL-MIRABEL AIRPORT IS 2.9%. AS AN INDICATOR, THE AVERAGE ANNUAL JOB GROWTH IN QUÉBEC AS A WHOLE OVER THE SAME PERIOD IS 0.8%



DAY-TO-DAY OPERATIONS – TAX IMPACTS 2013

Tax impacts attributable to the day-to-day operations of the businesses and organizations established at the Montréal-Mirabel site – 2013

CATEGORY		TYPES OF EFFECTS				
		DIRECT AND INDIRECT			INDUCED	TOTAL
		DIRECT	INDIRECT	TOTAL		
Québec government revenue (\$000)	Income tax on salaries and wages	27,793	9,317	37,110	3,866	40,976
	Sales taxes	–	2,162	2,162	12,585	14,747
	Specific taxes	–	1,678	1,678	8,052	9,731
	Incidental taxation (RRQ, RQAP, CSST, FSS)	29,868	16,046	45,914	8,706	54,620
	Total	57,660	29,203	86,864	33,209	120,073
Federal government revenue (\$000)	Income tax on salaries and wages	19,549	6,510	26,059	1,968	28,027
	Sales taxes	–	366	366	6,960	7,327
	Specific taxes	–	926	926	2,102	3,029
	Incidental taxation (employment insurance)	5,341	2,866	8,207	1,903	10,110
	Total	14,208	10,668	35,558	12,934	48,492
Municipal revenue (\$000)	Property tax	5,771	–	–	–	5,771

SOURCE: E&B DATA based on the input-output model of the Institut de la statistique du Québec and Aéroports de Montréal.

THE DAY-TO-DAY OPERATIONS OF THE BUSINESSES AND ORGANIZATIONS ESTABLISHED AT THE MONTRÉAL-MIRABEL AIRPORT SITE ALLOWED THE GOVERNMENT OF QUÉBEC TO GENERATE TAX REVENUE OF \$120 MILLION IN 2013. THIS AMOUNT COMES TO \$48 MILLION FOR THE FEDERAL GOVERNMENT.

WITH THE PROPERTY TAXES PAID BY THE BUSINESSES AT THE MONTRÉAL-MIRABEL SITE, MUNICIPALITIES COLLECTED CLOSE TO \$6 MILLION IN 2014.

CAPITAL EXPENDITURE ECONOMIC IMPACTS 2013

Economic impacts attributable to capital expenditure of the businesses and organizations established at the Montréal-Mirabel site – 2013

CATEGORY	TYPES OF EFFECTS				
	DIRECT AND INDIRECT			INDUCED	TOTAL
	DIRECT	INDIRECT	TOTAL		
Workforce (person-years)	803	562	1,364	279	1,644
Gross earnings of the workforce (\$000)	42,184	24,372	66,556	9,756	76,312
Contribution to GDP (\$000)	61,684	42,200	103,884	19,362	123,245

SOURCE: E&B DATA based on the input-output model of the Institut de la statistique du Québec.

IN 2013, \$150 MILLION OF CAPITAL EXPENDITURE WAS SPENT AT THE MONTRÉAL-MIRABEL SITE, LEADING TO THE CREATION OR MAINTENANCE OF OVER 1,600 JOBS. FOR THE PERIOD 2014 TO 2015, \$250 MILLION WORTH OF NEW INVESTMENT PROJECTS IS CURRENTLY PLANNED AT THE MONTRÉAL-MIRABEL SITE.



L-3 COMMUNICATIONS M.A.S. (CANADA) INC.



MECACHROME INTERNATIONAL INC.

CAPITAL EXPENDITURE TAX IMPACTS – 2013

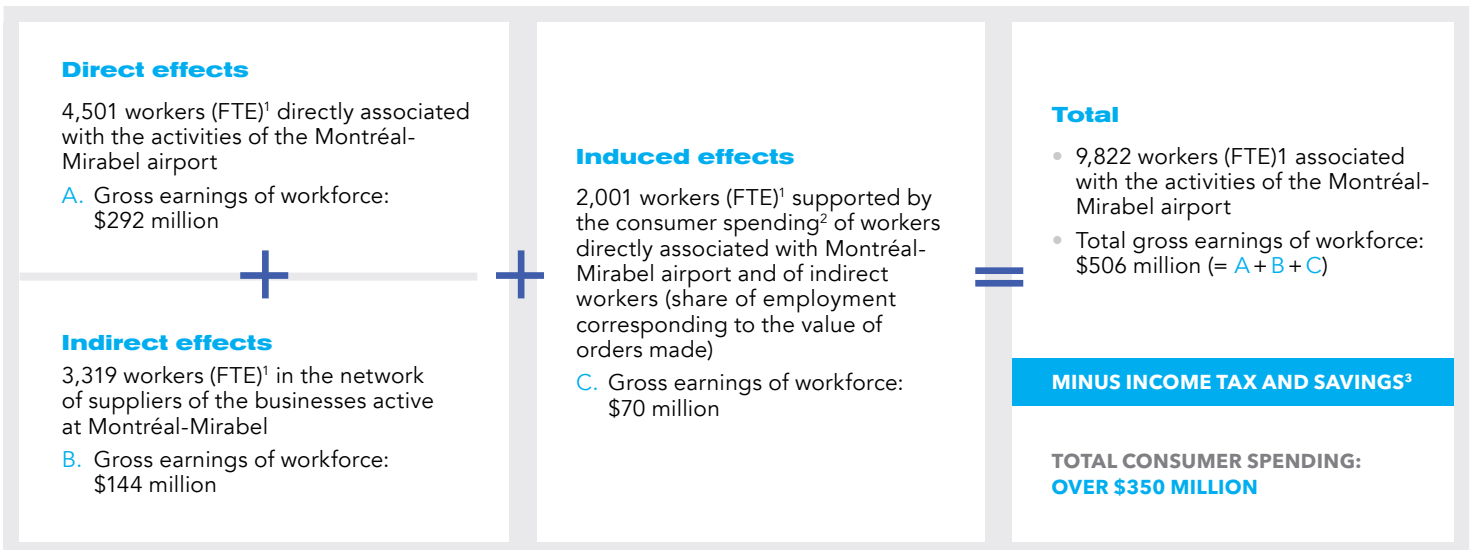
Tax impacts attributable to capital expenditure of the businesses and organizations established at the Montréal-Mirabel site – 2013

CATEGORY		TYPES OF EFFECTS				
		DIRECT AND INDIRECT			INDUCED	TOTAL
		DIRECT	INDIRECT	TOTAL		
Québec government revenue (\$000)	Income tax on salaries and wages	3,377	1,879	5,256	627	5,883
	Sales taxes	–	783	783	2,042	2,826
	Specific taxes	–	32	32	1,307	1,338
	Incidental taxation (RRQ, RQAP, CSST, FSS)	8,604	3,416	12,020	1,413	13,433
	Total	11,981	6,110	18,091	5,389	23,480
Federal government revenue (\$000)	Income tax on salaries and wages	1,992	1,093	3,086	319	3,405
	Sales taxes	–	76	76	1,130	1,205
	Specific taxes	–	190	190	341	531
	Incidental taxation (employment insurance)	1,270	689	1,959	309	2,268
	Total	3,262	2,048	5,310	2,099	7,409

SOURCE: E&B DATA based on the input-output model of the Institut de la statistique du Québec.

IN 2013, CAPITAL EXPENDITURES TOTTALLING \$150 MILLION ALLOWED THE GOVERNMENT OF QUÉBEC TO COLLECT OVER \$23 MILLION. MEANWHILE, THE FEDERAL GOVERNMENT COLLECTED OVER \$7 MILLION.

CONTRIBUTION TO CREATING PURCHASING POWER – ALL ACTIVITIES 2013



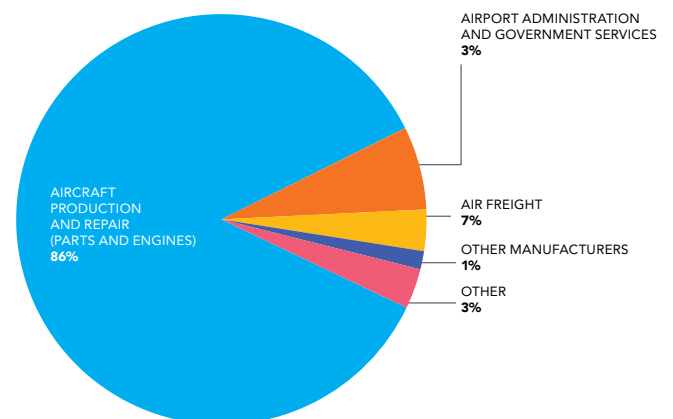
TAKING INTO ACCOUNT THE INCOME FROM DIRECT, INDIRECT AND INDUCED JOBS, THE ACTIVITIES ASSOCIATED WITH THE MONTRÉAL-MIRABEL SITE GENERATE CONSUMER SPENDING ESTIMATED AT OVER \$350 MILLION ACROSS QUÉBEC.

1 The equivalent number of full-time jobs.
 2 Consumer spending is estimated based on workers' disposable income (after tax deductions and a savings rate).
 3 Based on Québec's personal income tax structure.

CONCLUSIONS

- While the original mission of the Montréal-Mirabel airport was transporting passengers, it has since been successfully repurposed, as **86% OF THE 3,700 JOBS** at the site today are **DEDICATED TO THE AERONAUTICS INDUSTRY**, despite strong international competition.
- Including activities associated with the transport of goods by air, **96% OF JOBS** at Montréal-Mirabel **FALL WITHIN THE SITE'S NEW VOCATION** (compared to 90% in 2009).
- The Mirabel industrial port site has contributed to the economic growth of Québec. In fact, the **OVERALL JOB GROWTH** associated with the Montréal-Mirabel airport since 2009 is **2.9% – MORE THAN THREE TIMES FASTER THAN THAT OF QUÉBEC AS A WHOLE (0.8%)**.
- Within ten years, the Mirabel industrial zone has become one of Québec's **LEADING CENTRES OF INDUSTRY**.

Distribution by sector of direct jobs associated with day-to-day operations at the Montréal-Mirabel airport site – 2013



SOURCE: E&B DATA based on first-hand (businesses) and second-hand data (databases).

EMPLOYEE MAP



Distribution of the residence of direct employees of Montréal-Mirabel airport by region – 2013

ADMINISTRATIVE REGIONS	DISTRIBUTION OF DIRECT EMPLOYEES
Laurentians	45%
Montréal	29%
Laval	12%
Montréal	7%
Lanaudière	6%
Other	1%
Total	100%

SOURCE: E&B DATA based on the files of employees of businesses established at the Montréal-Mirabel site, corresponding to 40% of direct jobs at the Montréal-Mirabel site.

CLOSE TO HALF OF EMPLOYEES LIVE IN THE LAURENTIANS REGION, THEREFORE CONTRIBUTING TO THE REGIONAL ECONOMY BY MEANS OF CONSUMER SPENDING AND MUNICIPAL TAXES.

HIGHLIGHTS

Businesses and organizations

- Some **30 BUSINESSES AND ORGANIZATIONS** established at the Montréal-Mirabel airport site
- **3,700 DIRECT JOBS** within these businesses and organizations in 2013

Employment

- Nearly **10,000 JOBS** attributable to the activities of the businesses and organizations at the Montréal-Mirabel site in 2013
 - Over **8,000 JOBS** for day-to-day operations in 2013
 - Nearly **2,000 JOBS** associated with carrying out investment projects in 2013
- Total **EMPLOYMENT INCOME** of **\$506 MILLION** in 2013, for purchasing power in the order of \$350 million

Contribution to Québec's GDP

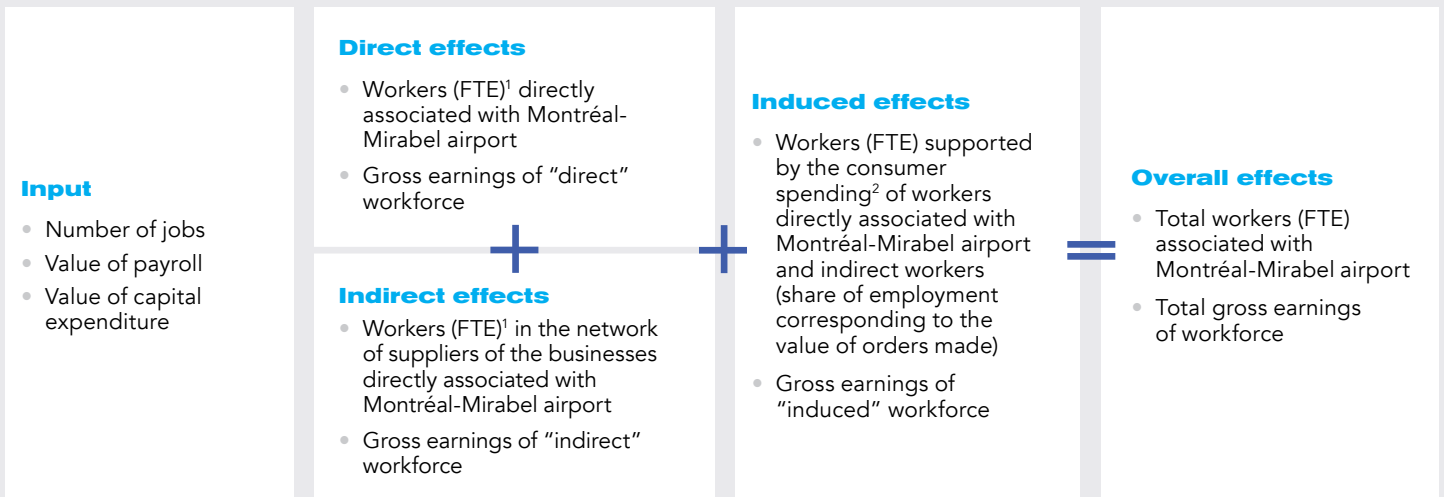
- **\$1.1 BILLION** in 2013
 - Contribution of approximately **\$1 BILLION** generated by day-to-day operations in 2013
 - **CONTRIBUTION OF OVER \$100 MILLION TO GDP** generated by investment projects in 2013

Contribution to government revenue

- The economic activities associated with the Montréal-Mirabel airport are behind nearly **\$200 MILLION** (2013) in federal and provincial government revenue. The concentration of high-value-added industrial activities on the site contributes to the superior level of tax revenue.
- Nearly **\$6 MILLION OF PROPERTY TAX** was paid to municipal authorities in 2014.



APPROACH – QUANTIFYING PURCHASING POWER



THE ECONOMIC IMPACT STUDY MAKES IT POSSIBLE TO QUANTIFY THE CONTRIBUTION OF PRODUCTION ACTIVITIES TO THE CREATION OF PURCHASING IN QUÉBEC.

¹ The equivalent number of full-time jobs.

² Consumer spending is estimated based on workers' disposable income (after tax deductions and a savings rate).

MONTRÉAL-MIRABEL, AN AIRPORT REACHING FOR NEW HEIGHTS

Montréal-Mirabel has successfully transitioned into a world-class centre for aeronautics, helping to place Montréal among the top three cities in this sector internationally.

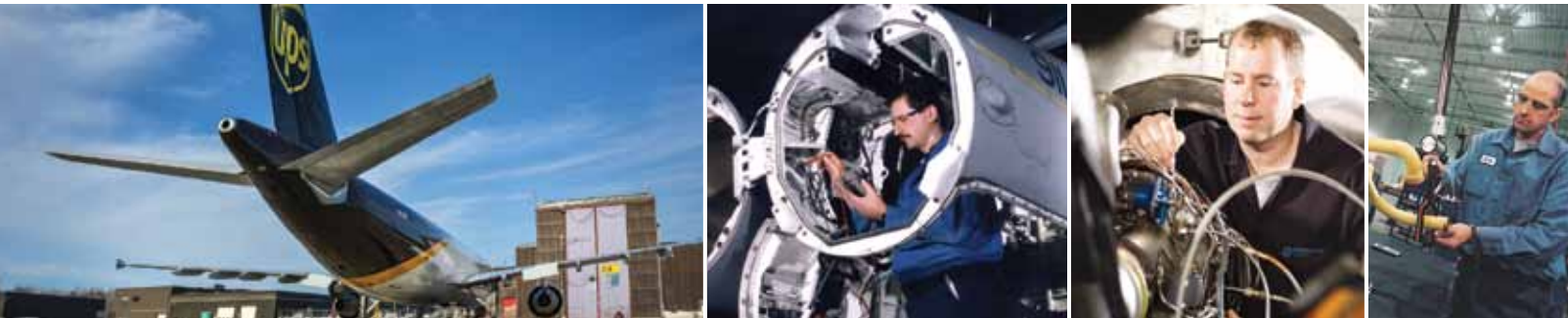
Furthermore, one can sense a growing buzz here. It boasts **TWO OPERATIONAL RUNWAYS, 23 CARGO CARRIERS, A BASE FOR GENERAL AVIATION** and a whole host of industrial activities. The **30 OR SO BUSINESSES** on the site account for close to **3,700 DIRECT JOBS, 96% OF WHICH ARE IN THE HIGH-VALUE-ADDED AERONAUTICS INDUSTRY** despite strong international competition. Including indirect and induced jobs attributable to the activities of the businesses on the site, the **TOTAL NUMBER OF JOBS** generated by the airport is **10,000**.

And these figures are expected to rise with the planned development of the aerospace sector. The presence of industry leaders on the site – such as **BOMBARDIER AEROSPACE**

and its CSeries venture, **MECACHROME INTERNATIONAL INC., PRATT & WHITNEY CANADA, AEROLIA CANADA, L-3 COMMUNICATIONS M.A.S. (CANADA) INC.** and **AVIANOR/NOLINOR**, to name just a few – will also have a ripple effect. Moreover, entrepreneurs looking to come to Montréal-Mirabel find top-notch facilities here, with access to runways in some cases, as well as all the space they need to create a thriving business and, above all, even more jobs.

In the coming years, **ADM WILL INVEST** a total of some **\$170 MILLION** in the Montréal-Mirabel airport, including over **\$40 MILLION** to repair runway 06-24 and restore some land, not to mention our tenants' investments.

With overall job growth of **2.9% SINCE 2009** – that is, **THREE TIMES THE RATE** for Québec as a whole (0.8%) for the same period – the Montréal-Mirabel airport contributes indisputably to the economic development of Québec.



APPROACH – THE INPUT-OUTPUT MODEL

CONCEPT

An initial expenditure in Québec made by a business or a public authority generates direct and indirect economic impacts across the province's supplier network. The Québec input-output model calculates the impact of the initial expenditure based on several indicators:

JOB: Full-time workload, measured in "person-years"

GROSS EARNINGS OF THE WORKFORCE

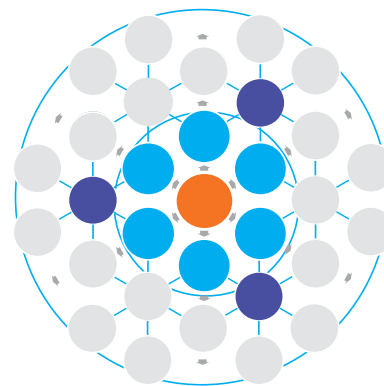
VALUE ADDED: Contribution to GDP

COMBINED TAX REVENUE*: Taxes and other contributions paid to government authorities on both the provincial and federal levels

The model applies to both operational and capital expenditures (investments).

* Includes tax revenue on individuals' salaries and wages, sales tax and fuel tax, as well as contributions by employers and employees to various government programs (RRQ, FSS, CSST, RQAP, employment insurance).

Propagation of demand captured by the input-output model



INITIAL PURCHASES
FIRST SUPPLIERS
IMPORTS
OTHER SUPPLIERS

LIMITATIONS

- Linear, static model (no economies of scale)
- Impacts are not regionalized
- Municipal tax revenue is not calculated
- Externalities are not taken into account



CORPORATE PROFILE

Aéroports de Montréal is a not-for-profit corporation without share capital and is responsible for the management, operation, and development of Montréal–Pierre Elliott Trudeau International Airport (formerly Montréal–Dorval International Airport) and Montréal-Mirabel International Airport under the terms of a 60-year lease signed with Transport Canada in 1992.



THE MISSION OF AÉROPORTS DE MONTRÉAL IS THREEFOLD

- PROVIDE QUALITY AIRPORT SERVICES THAT ARE SAFE, SECURE, EFFICIENT AND CONSISTENT WITH THE SPECIFIC NEEDS OF THE COMMUNITY
- FOSTER ECONOMIC DEVELOPMENT IN THE GREATER MONTRÉAL AREA, ESPECIALLY THROUGH THE DEVELOPMENT OF FACILITIES FOR WHICH IT IS RESPONSIBLE
- CO-EXIST IN HARMONY WITH THE SURROUNDING ENVIRONMENT, PARTICULARLY IN MATTERS OF ENVIRONMENTAL PROTECTION

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