



House of Commons Standing Committee on Finance – Pre-budget Consultations 2013

This brief is submitted by:

Manitoba Aerospace Association Inc.

an organization

Organization name: \_\_\_\_\_

or

an individual

Name: \_\_\_\_\_

Topic: Innovation and commercialization

**\*Recommendation 1: Please provide a short summary of your recommendation.**

Recognize Aerospace as a strategic industry for Canada and continue to implement the recommendations of the Jenkins and Emerson reports, (e.g supply chain and human resource development, collaborative R&D, improved market access, strategic/targetted technology investment, etc).  
  
Use government procurement to acquire long-term systems integration and engineering sustainment (future-building) work. Use the NRC, NSERC and other innovation programs to support innovation and IP development in the sector.

**Expected cost or savings:** From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

other: please provide your estimated amount  Policy application of existing

Immediately

**Federal funding:** Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

This is primarily a policy recommendation on how to prioritize existing program funding (e.g. granting councils, DND procurement, NRC, SRED) etc.

**Intended beneficiaries:** Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Aerospace and defence enterprises across Canada, both large and small, post-secondary educational institutions, research and innovation organizations, and Aboriginal training institutions.

**General impacts:** Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Aerospace is an expanding global industry with an estimate 34,000 new aircraft worth \$4.5T required over the next 20 years in the commercial sector itself. Maintaining our current market position alone will increase total sales from \$22.2B (2009) to \$31.7B (2020) and employment from 79,000 to 112,400 FTEs (Deloitte 2010). However, the industry is intensely competitive, with the governments of established and emerging aerospace nations aggressively promoting and supporting their own companies.

**Topic:** Innovation and commercialization



**Recommendation 2: Please provide a short summary of your recommendation.**

Recognize and develop the capabilities of the West as a third key aerospace cluster for Canada.

Canada and its economy are regional by nature, with distinct and comparative advantages that can be exploited for the benefits of all. MR&O, composites and engine testing and certification are major strengths that should be leveraged to expand Canada's aerospace industry.

**Expected cost or savings:** From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

unknown



5 or more years



**Federal funding:** Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

As Canada creates and revises its aerospace policy and strategy (e.g. SADI, NRC, major DND procurements such as FWSAR, fighter replacement, etc) we should look to develop key capabilities.

**Intended beneficiaries:** Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

The aerospace industry in general and Western companies specifically.

**General impacts:** Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Growth in the high value-added, export oriented aerospace industry will create long-term, knowledge based jobs that are not easily out-sourced to low cost countries.

**Topic:** Please select from the pull-down menu

**Recommendation 3: Please provide a short summary of your recommendation.**

Equalize regional development initiatives to support all Cdn companies and create a level playing field for aerospace and defence companies in Canada, especially SMEs. Differences in regional development agencies and programs can distort the market place and create significant advantage, or disadvantage, to companies in other regions.

**Expected cost or savings:** From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

\$10 million-\$99.9 million

Immediately

**Federal funding:** Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Establish direct innovation support programs similar to the Atlantic Innovation Fund (\$40M) in other regions such as the West (\$40+M due to proportional size of the economy). Alternatively, discontinue incentive programs that cannot be offered in other regions to prevent disadvantaging companies that don't have access to regional supports and incentives.

**Intended beneficiaries:** Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Aerospace industries, especially SMEs in Western Canada

**General impacts:** Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Innovation would be promoted and enhanced equitably across the country.

Please use this page if you wish to provide more explanation about your recommendation(s).

\*Please note that at least one recommendation must be provided

