

Canadian Aerospace Review: Opportunities and Challenges

*Presented by Ken Webb
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Background

- Key federal initiative
- Responding to request from industry
- Part of Canada's Economic Action Plan
 - Independent assessment of how federal policies and programs can support aerospace sector
 - Objective is to “develop federal policy framework to maximize competitiveness of industry”
- Panel led by David Emerson
 - Jim Quick (AIAC), Sandra Pupatello, Jacques Roy
- Owned by government, led by industry

Background

- Consultations, research, international benchmarking, industry input
- AIAC leading six industry led working groups
 - Technology Development, Demonstration and Commercialization (*Kim Olson - StandardAero, Boeing, Magellan*)
 - Space (*Prof. James Ferguson-UofM, Boeing, Magellan*)
 - Market Access and Market Development (*Boeing, Magellan*)
 - Aerospace Related Public Procurement (*Jason Di Tommasso - Standard Aero, Boeing, Magellan*)
 - People and Skills (*Ken Webb - MAA, John Leorux - StandardAero,*)
 - Small Business and Supply Chain Development (*Prof Barry Prentice - UofM, WED, Magellan*)
- Report released November 29, 2012

Response

- Government (Minister Paradis) received publicly at AIAC Summit
- Minister Yelich held roundtable session with industry leaders
- Minimal public comment or commitment
- Distributed internally to depts for review and recommendations
- Expect government to use to formulate changes to programs and policies
 - Similar to response to Expert Review panel on federal support to R&D (Jenkins Report)
- Expect to see impact in budget 2013?

Response

- Industry responds positively and encourages govt to act.
 - AIAC, AeroMontreal issue news releases
 - *“Early and effective implementation of these policies is critical to achieving the intended results. Canada’s aerospace industry is ready and willing to do its part” - AIAC*
 - AIAC board approves strategy and action plan to continue to provide leadership and move from “report to action”
 - Industry encourages implementation of review through federal budget consultations
 - Western Cdn industry provides written response to Minister Yelich

Response

- Western Cdn Industry response:
 - Recognize aerospace as a strategic industry
 - Move fwd with industry to implement review
 - Recognize and develop the West as a third key aerospace cluster for Canada
 - Ensure strategies support all levels of the supply chain
 - Use government procurement strategically
 - Work with provinces and stakeholders to ensure supply of HQP and skilled labour
 - Use trade polices and diplomacy to open markets and level global playing field.
 - Use national and regional development polices to level the playing field within Canada

Opportunities and Challenges

Opportunities

- Important gov't initiative
- Will influence priorities and policies as gov't realigns its spending priorities
- NRC is reorganizing
- \$240B in federal A&D purchases over next 20 years
- Gov't looking to re-align policies and programs to maximize economic impact in Canada
- Increased support for collaboration

Challenges

- Implementation to be “fiscally neutral”
- Reprioritizing existing \$ = competition for resources
- Establishing a list of priority technologies = competition for ideas
- Need to be prepared to articulate a compelling case for how Manitoba's and Western Canada's aerospace industry can maximize economic impact to Canada

Thank You

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