

September 28, 1999

Mayor Mel Lastman  
Office of the Mayor  
2<sup>nd</sup> Floor  
Toronto City Hall

**Re: Bombardier BRJ-X Opportunity for Toronto**

Dear Mayor Lastman,

I am writing to you regarding the Bombardier BRJ-X series aircraft and our need for a concerted effort to bring this outstanding project to Toronto and the GTA.

First, I would like to put this project in context. The Big Regional Jet or BRJ-X would be a slightly smaller aircraft than the Airbus 319, which is currently in use by Air Canada. The size of this project is estimated at \$18 billion in Canadian aerospace sales over a ten-year period. This estimate is based on:

**40 aircraft per year x 10 years x \$45 million per aircraft = \$18 billion**

The GTA would likely receive two-thirds of this amount or \$12 billion.

The BRJ-X would provide excellent sub-contracting opportunities (for example the Boeing wing plant at Malton would be an ideal supplier for the BRJ-X wings) as well as a rationale for other aerospace companies, known as system integrators, to locate their facilities in Toronto or in the GTA. A success of this size would make Toronto one of the world's top five aviation cities along with Seattle, Toulouse, Wichita and Montreal.

Second, I read your statement of support for the project in *The Toronto Star* of September 28. I recognize that we have had our differences, but I believe that this project is a crucial part of building a sustainable economy in our city for the 21st century.

Third, we have an opportunity to make a positive impression when Bombardier comes to Toronto on October 22, 1999 to review the potential for the BRJ-X at Downsview. In order to put Toronto on the short list I believe we have to work **simultaneously** in two major areas: site specific issues; and strategic issues. The perspective that all site issues must be resolved before any of the strategic issues can be addressed is I believe, mistaken.

Site specific issues address the need to improve productivity at Downsview. These issues include: dispensation of some surplus lands and buildings at Downsview to Bombardier for their use; upgrading the access and egress for the site; and improving the road access

in the area. Economic Development and the Bombardier Strategic Task Force have been working together on these issues with the local representatives, Councillors Feldman and Moscoe, who are now coming on-side on the issues involved.

Strategic issues comprise making Toronto a more attractive business environment than Mirabel or Wichita. The Quebec government is in the process of making Mirabel into a Free Trade Zone with limited taxation and other features. Wichita has milder weather, lower taxes and other inducements. Toronto needs to scout out the competition and brainstorm about what can be done to make Downsview the best choice for Bombardier. For example, we could be considering, together with the province, our own *Downsview International Free Trade Zone* for Bombardier and other aerospace companies. As well, upgraded training and perhaps a community college facility at Downsview for both classroom and shop floor teaching in the aerospace sector could be “hot buttons” for Bombardier.

In the September 28<sup>th</sup> Toronto Star article, you stated that Councillor Ashton has advised that it is not appropriate for you to be involved at this time. I do not agree with that assessment. Your endorsement, leadership and energy in this area would be key, especially as we are in a three week countdown to a major meeting on this project.

With respect, I suggest that we should, in the next 24 days:

- Enlist the support of Minister Palladini and the Province of Ontario to address developing an aerospace community college campus at Downsview and to review the merits of a Free Trade Zone at Downsview. If Quebec is doing it we should not hesitate to do something similar. In addition, we should seek the province’s advice on how else we can make Toronto, the GTA and Ontario attractive to Bombardier for this project.
- Liaise with the other members of the Greater Toronto Services Board on this project. Production of the BRJ-X requires a sole-use airport with 9,000 foot test runways, therefore it can only be assembled at Downsview. Pearson, Buttonville and other sites are non-starters. However, other GTA municipalities would benefit from the direct and indirect economic multiplier of a \$1.2 billion per annum influx into our economy.
- Seek the support of the Canadian Auto Workers (Jerry Diaz of the CAW Aerospace Sector) for this initiative. The CAW would benefit as their members would be assembling the BRJ-X (and other CAW members would be building components for system integrators and other suppliers). In addition, including the representatives of the employees at this stage would help foster a cordial labour environment for the BRJ-X as well as demonstrating that there is generally a positive labour environment

in Toronto. Your leadership in the negotiations that averted the potential CUPE 416 strike was very helpful in this regard.

- Prepare a “*bid book*” that addresses Bombardier’s needs and outlines Toronto’s attributes and how our City can meet the needs of Bombardier. Such a book and the accompanying presentation would clearly communicate our offering and underline our interest in the project as well as our confidence that the BRJ-X can be a success.
- Invite the Bombardier vice-president and his team to meet with you, either in your office or informally at a City-hosted luncheon, to emphasize our interest in the BRJ-X and gain a better understanding of Bombardier’s needs. The time and money spent on such hospitality would be a very prudent investment which could pay excellent dividends. While some may say that you should hold back from such a move, I believe that a proactive and friendly approach, in the context of an appropriate “protocol” event with you as Mayor of Toronto, can:
  - ◆ provide the basis for a positive report by the BRJ-X team to Bombardier’s top management;
  - ◆ encourage a cordial tone for the more detailed technical discussions that Commissioner Joe Halstead and his Economic Development team (Brenda Librecz and Bruce Graham) will be having with Bombardier.

This project must be a success. We are both proud Torontonians. Nothing would make me and all Torontonians more pleased than to see you break a bottle of champagne over the bow of the first BRJ-X rolled out of the facility at Downsview. If we make that our objective, I believe that we can work as a team for the good of Toronto on this once in a lifetime opportunity.

Yours sincerely,

Michael Walker  
Councillor - North Toronto

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**cc. Councillor Brian Ashton, Chairman, Economic Development Committee  
Members, Bombardier Strategic Task Force  
Commissioner Joe Halstead, Economic Development, Culture and Tourism**