



Canada's Centre for Global Trade
WINNIPEG, MANITOBA

Why CentrePort Canada

November 16, 2010



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President and CEO
CentrePort Canada

Manitoba's Diversified, Strong Economy

- Growth is based across sectors, including:
 - Aerospace, Information & Telecommunications, Food Processing & Agriculture, Biotechnology & Life Sciences, Transportation Equipment, Original Equipment Manufacturing Cluster, Energy
- Manitoba had the highest per capita immigration in Western Canada for the 2010 census year (July 1)
- “Between 2004 and 2009, labour productivity in Manitoba rose by 8.7%, the best performance across the comparison jurisdictions”

*Chartered Accountants of Manitoba,
2010 MB Check-Up*



Manitoba's Economic Framework

Capital Investment

- In 2009, Manitoba enjoyed the 2nd highest increase in capital investment in Canada

Zero Percent Small Business Tax

- Manitoba will be the first province to eliminate the small business income tax

KPMG Competitive Alternatives 2010

- Winnipeg is the lowest-cost place to do business in all of Western Canada and the Mid-Western United States, ranking 1st among 22 major cities studied

Building Permits

- From August 2009 to August 2010, the value of Manitoba's building permits increased 23.1% - the highest increase in Western Canada

City	Industrial Lease Rate (\$ per square foot per year)
Edmonton	\$8.52
Vancouver	\$7.74
Ottawa	\$7.59
Calgary	\$7.45
Halifax	\$7.17
Winnipeg	\$6.08

Source: CB Richard Ellis Canadian Industrial MarketView Q2 2010

Investments in Canadian Competitiveness

Business Costs

- The Economist Intelligence Unit ranked Canada as the best place in the G7 to do business for 2010-2014. Also fastest to establish a business.
- KPMG ranks Canada's business costs as the lowest among the U.S., Netherlands, Australia, U.K., France, Italy, Germany and Japan

Tariff Elimination

- Canada tariff free by 2015; most tariffs on manufacturing inputs, machinery and equipment are already gone

Blue Sky Policy

- Since 2006, proactively pursuing bilateral open sky-like agreements. New or expanded agreements reached with the US and 44 other countries, including all 27 EU member countries

Significant Infrastructure Investments

- \$460 million to support CentrePort Canada: CentrePort Canada Way, Port of Churchill improvements, Hudson Bay Railway rehabilitation, Emerson Highway 75 improvements, interchange at TransCanada Hwy and Yellowhead Hwy

Manitoba is a Trading Province

- Manitoba's international exports are about \$10 billion, with an additional \$10 billion in exports to other provinces. In many ways, we are already a defacto inland port.
- At 7%, Manitoba has the largest percentage of GDP derived from the transportation sector of any Canadian province. Over 50,000 Manitobans are employed in this sector.
- Inland port development = job creation and economic investment. In a study conducted for the Winnipeg Airports Authority, developing just the lands west of the airport alone would generate 2,600 jobs and \$150 million in annual wages.
- We are not alone in seeing an opportunity based upon changing supply chain management strategies and global trade patterns. US cities including Kansas City, Fort Worth, Memphis and Joliet have also capitalized on their geographic and transportation assets by building inland ports.

Other Things You May Not Have Known About Manitoba

- Lowest Published Hydro-electric Rates in North America and Renewable Energy Leader
- Gateway to the North – Port of Churchill is North America's only Inland Deep Sea Port with access to the Arctic and Churchill runway is alternate landing strip for Space Shuttle
- The Site of Canada's First Inland Port

Developing CentrePort: Canada's Centre for Global Trade

What is an Inland Port?

“A physical site located away from traditional coastal borders with the vision to facilitate and process international trade through strategic investment in multi-modal transportation assets and by promoting value-added services as goods move through the supply chain.”

*Center for Transportation Research,
The University of Texas at Austin*



Creation of CentrePort Canada

- Partnership between governments, business, labour and the community created the vision of development
- Province passed legislation creating a private sector, for profit, non-share corporation called CentrePort with a Board of 15 Directors
- CentrePort Canada's Mandate is to:
 - Manage development of the inland port;
 - Market the inland port;
 - Act as a one-stop shop for investment activity.

CentrePort: Canada's Centre for Global Trade

CentrePort Canada is a business, logistics and development **facilitator** and an investment promotion and marketing agency.

CentrePort Canada offers high-quality industrial land, adjacent to a major urban centre, with on-site access to multiple modes of transportation, and a one-stop shop for business and development decisions.



The 5 “L” Assets of Inland Port Development

- Location
- Logistics
- Land
- Labour
- Linkages



Location

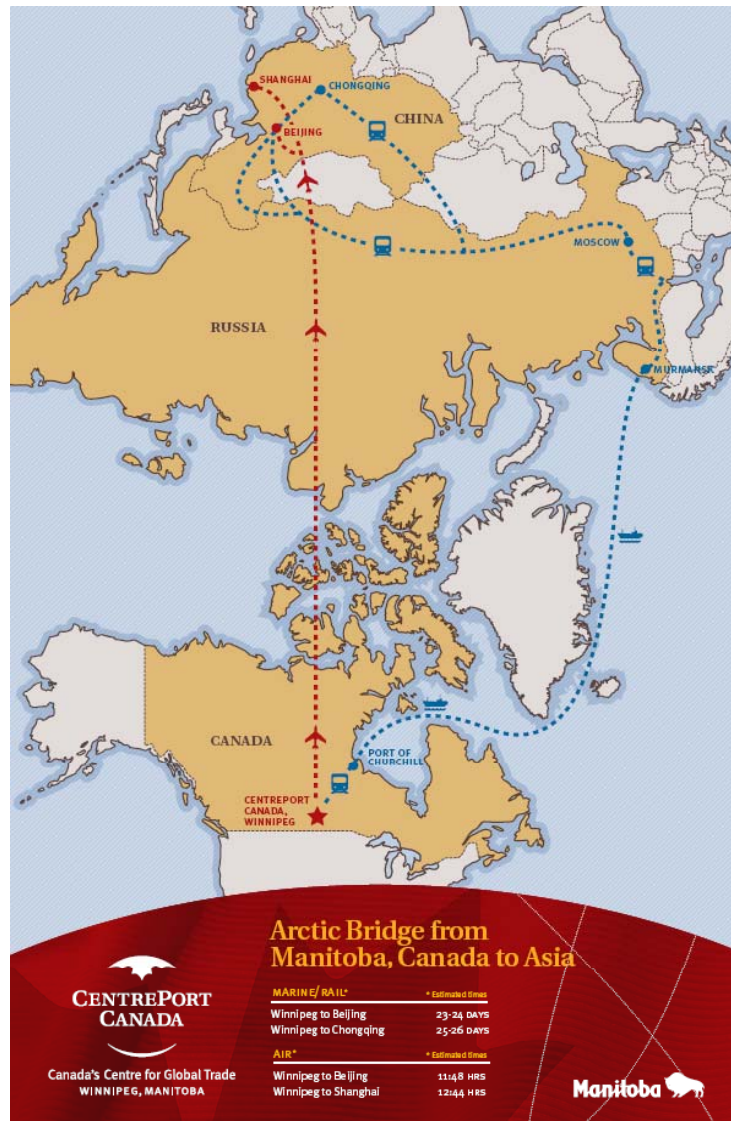
At the Hub of Key Gateways



CentrePort Canada is connected to important global markets:

- **Asia Pacific Gateway**
 - Trans Canada Corridor
 - Northwest Corridor
- **Quebec-Ontario Gateway**
 - Trans Canada Corridor
 - Windsor/Detroit
- **NAFTA Gateway**
 - Mid-Continent Corridor
 - Eastern USA Seaboard
 - Mexico
- **Atlantic Gateway**
 - Halifax Port
- **Arctic Gateway**
 - Air Polar Routes
 - Marine Polar Routes

The Arctic Bridge Opportunity



Building New Supply Chains

- Arctic Bridge From CentrePort Canada to Eastern Europe and Asia.
- Competitive shipping and transit times.
- Marine/Rail – Winnipeg to Beijing 23-24 days; Winnipeg to Chongqing 25-26 days.
- Air – Winnipeg to Shanghai 12:44 hours; Winnipeg to Beijing 11:48 hours.
- Modern aircraft and new high-speed rail from China to Russia to further decrease transit times.

CentrePort Canada

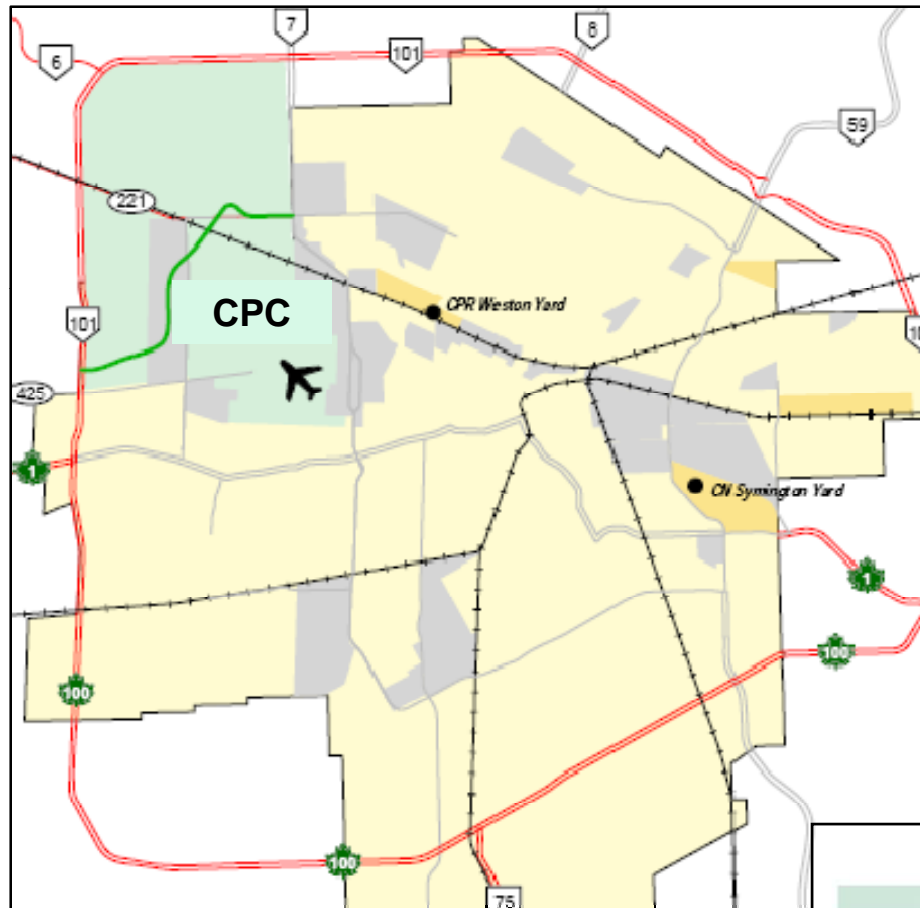
24 Hour Trans-shipment Distribution Coverage from Winnipeg





Land

CentrePort Canada



- 20,000 acres of land. Plans for phased in development.
- Located in the northwest quadrant of Winnipeg and in the R.M. of Rosser.
- One-hour from Canada-U.S. border

LEGEND

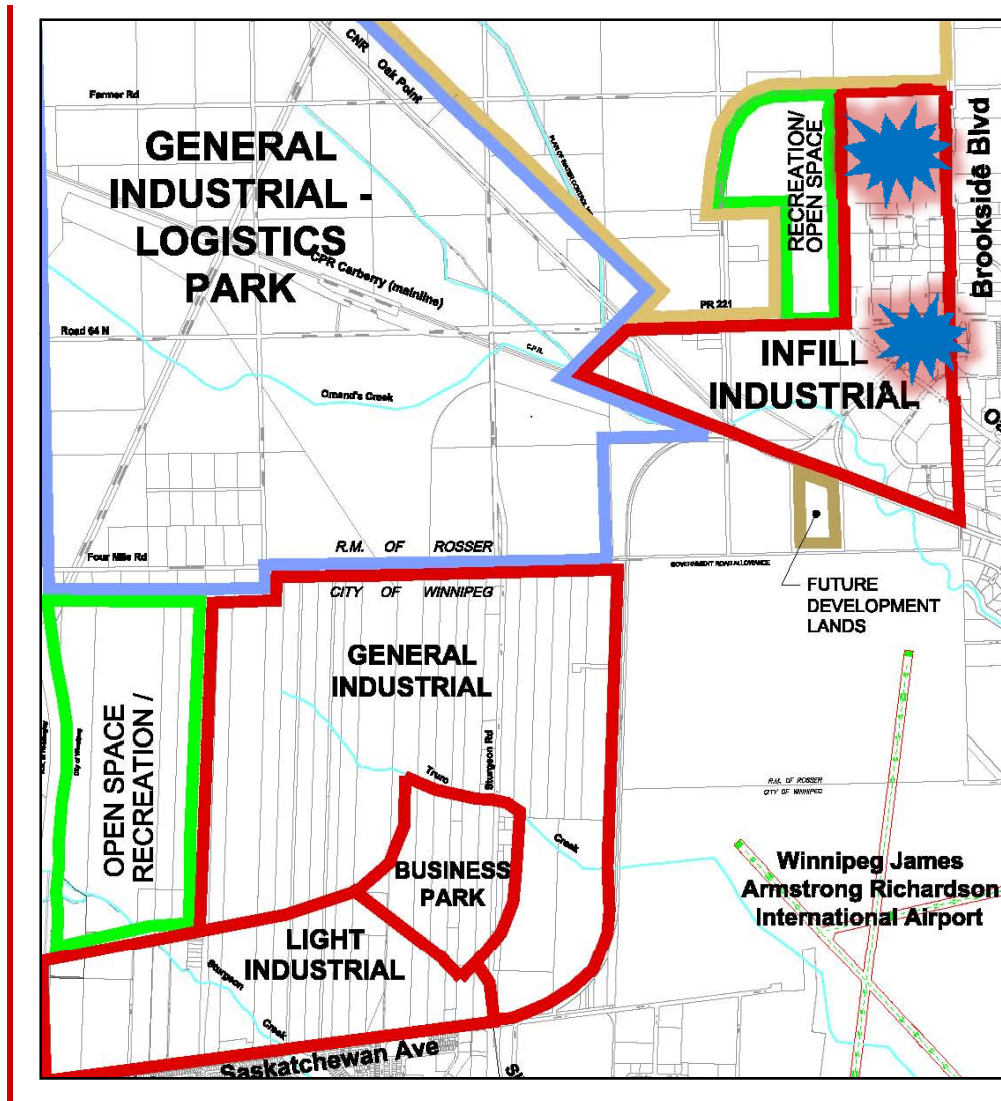
	<i>CentrePort Canada</i>
	<i>CentrePort Canada Way</i>
	<i>Industrial Areas</i>
	<i>Railway Yards</i>

The Road to Success

\$212.5 million in federal-provincial funding to build CentrePort Canada Way. Construction underway and expected to be complete in 2012.

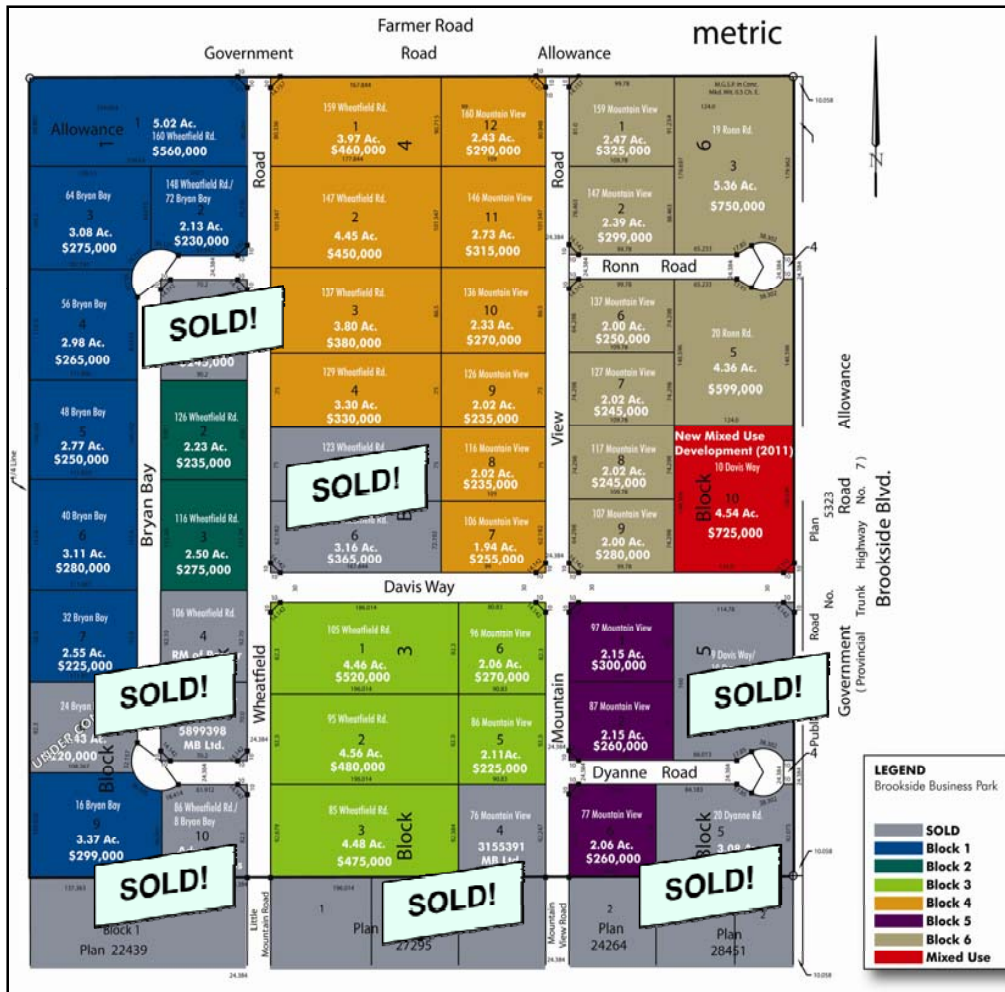


Affordable Land & Space



- 550,000 square feet of industrial space available now for sale or lease.
- With further servicing to begin in 2011, development expected to occur in phases.
- Two industrial parks with sub-divided land and lots for sale / lease. 

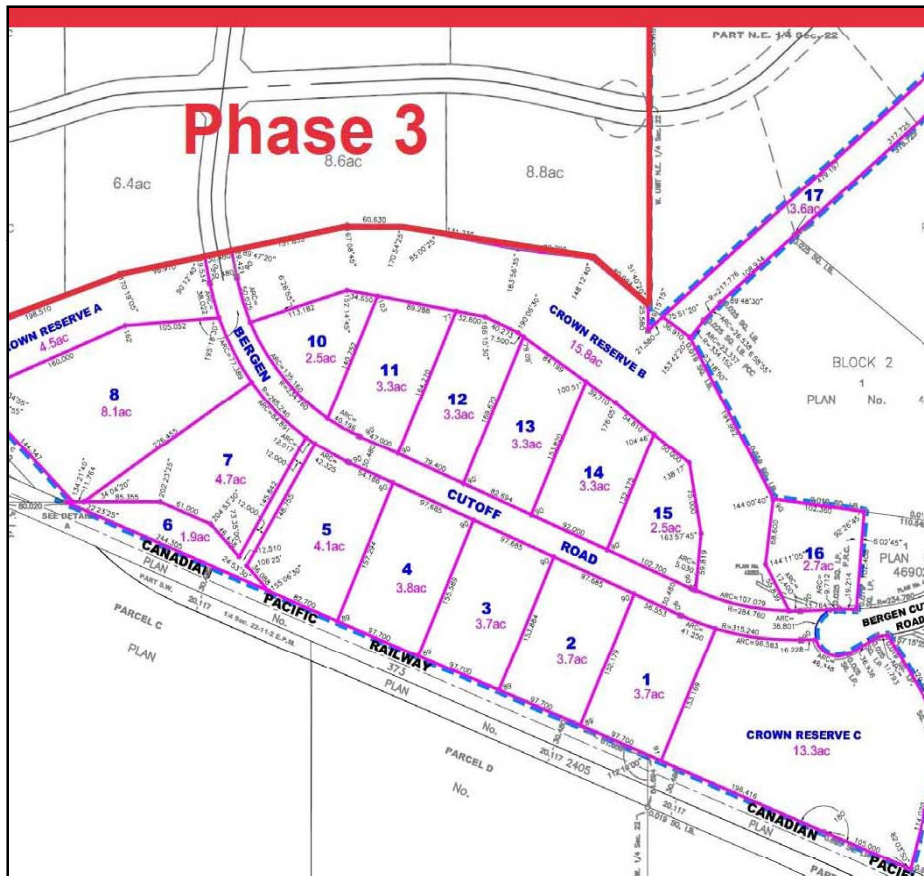
Land Available Today



Brookside Business Park

- CB Richard Ellis.
- 150 total acres with lots ranging from 2 to 20 acres
- 3 phase power; natural gas; high-speed internet available.
- Paved roadways.
- Excellent frontage on major roadway, Brookside Boulevard.
- \$89,000 to \$160,000 per acre.
- 9 lots sold!

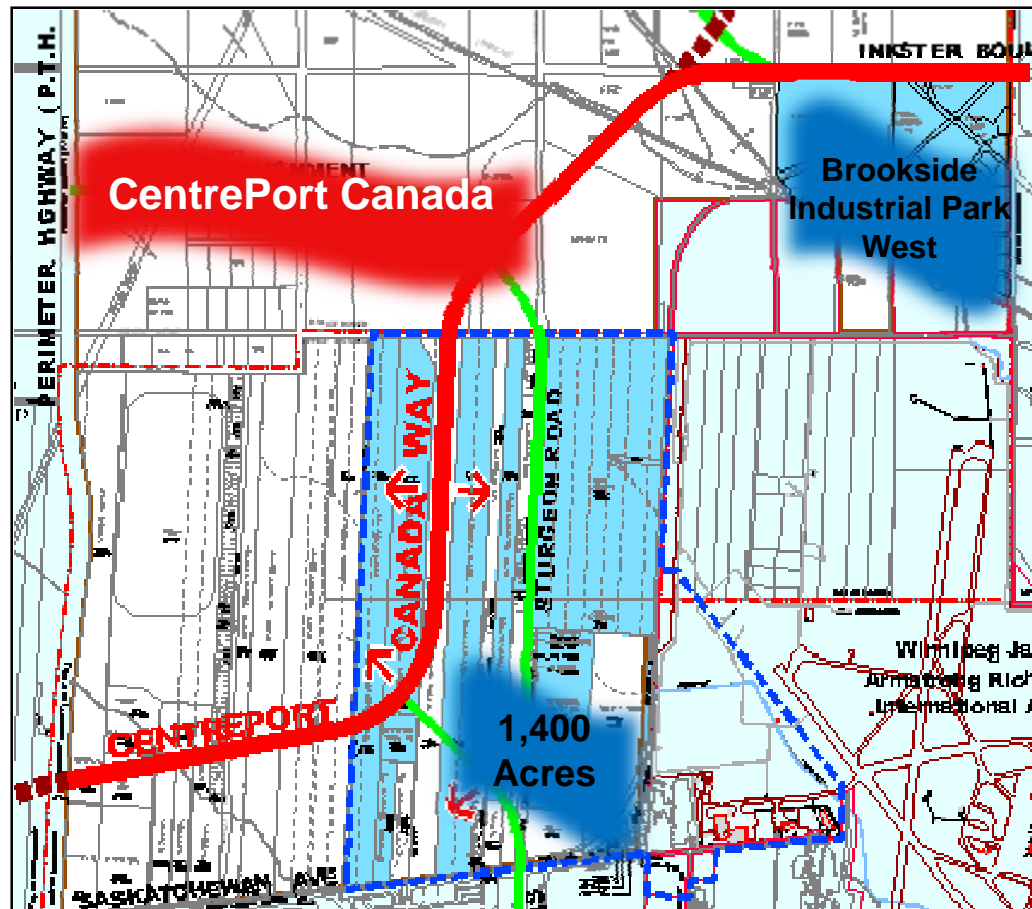
Land Available Today



Brookside Industrial Park West

- DTZ Barnicke
- 53 acre park with 2.5 – 8.1 acre lots.
- 3 phase power available to every site/ DSL high-speed internet.
- Easy access to major roadway, Inkster Blvd.
- \$95,000 per acre current lots.
- Future development: Phase 3

Special Development Opportunity



- 1,400 acres west of International Airport
- General industrial, light industrial and business park.
- Allows for enhanced rail service; easy access to air transit and highways.
- United partnership of land owners (AVL Inc.) looking for third-party developer.
- DTZ Barnicke to provide sales and marketing of lots.



✓ Logistics

Trains

- Winnipeg is the only major Canadian city on the prairies that is served by three continental class 1 railways: CN, CP and BNSF. All three have access to CentrePort.
- Extensive marshalling yards and servicing facilities in Manitoba.
- Intermodal terminals for transfers between rail and road modes.



Planes

Winnipeg James Richardson International Airport

- 24-hour unrestricted airport.
- One of the most reliable airports in the world.
- Worldwide freight forwarding.
- #1 in dedicated freighter aircraft movements.
- #3 in cargo tonnage in Canada.
- Over \$1 billion over 4 years in new capital investment at the airport campus, including a new air terminal building, Canada Post Logistics and Standard Aero.



Ships

Port of Prince Rupert

- North America's deepest natural harbour and the closest port to Asia.
- \$170 million Fairview container terminal (opened September 2007).
- CN to Manitoba.

Port Metro Vancouver

- Largest and busiest port in Canada.
- 4th largest tonnage port in North America.
- CN and CP to Manitoba.

Churchill Gateway System

- \$68 million Federal-Provincial-OmniTRAX commitment to capital upgrades to the Hudson Bay Railway and Port of Churchill.
- CN and HBR to Manitoba.

Port of Thunder Bay

- Largest outbound port on the Great Lakes St. Lawrence Seaway System.
- Port with the fastest grain ship turnaround in Western Canada.
- CN to Manitoba.



Trucks

- Emerson is one of Canada's top border crossings, processing about \$14.0 billion in trade traffic annually (2009).
- More than 1,000 for-hire trucking companies, many serving Canada and the US markets.
- A number of major trucking companies like Bison, Trans-X and Payne Transport are on the CentrePort footprint.





✓ Labour Pool

Education & Labour

Competitive Wage Rates

- Manitoba's average hourly wage is the lowest in Western Canada

Education

- Co-op Education and Apprenticeship Tax Credit – the most comprehensive credit of its kind in Canada
- Tuition Fee Income Tax Rebate – Post-secondary graduates who locate and work in Manitoba can claim 60% of eligible tuition fees, up to \$25,000
- Transport Institute at the University of Manitoba
- 16 targeted College Training Programs to Meet Industry Needs – Red River College on CentrePort site

Labour Force Stability and Diversity

- Over 100 languages spoken
- 2009 saw Manitoba's largest immigration increase since at least 1946 (the start of modern record keeping)
 - More than 20% increase from 2008
- From September 2009 to September 2010 Manitoba experienced the highest labour force participation rate increase in Western Canada



✓ Linkages

One Stop Shop for Business Decisions

Master Development Plan

- Transparent development requirements and charges, zoning, and decision-making process
- Industry leading timelines for development approvals

Export Development Canada (EDC) Programs

- Financing solutions for foreign companies:
 - Loans
 - Guarantees
 - Lines of Credit

Tax Increment Financing (TIF)

- Helps address infrastructure needs of the project by financing specific projects with the recovery of costs through incremental property and education taxes earned through additional development

CentrePort Canada – North America's New Foreign Trade Zone

- FTZ - designated “zones” where goods can be imported, stored and re-exported without paying duties and taxes.
- Provides companies with cash-flow management support. Duties and taxes are paid when sale is made.
- Single access to these programs.



Industries Attracted to CentrePort:

- **CentrePort is focused on:**
 - Manufacturing and Assembly Companies
 - Distribution and Warehousing Facilities
 - Food Processing and Commodities
 - Transportation and Related Servicing Industries
- **Some of the companies already identified on the footprint:**
 - Aerospace Companies – Boeing, Standard Aero, Magellan
 - Air Cargo Companies – Fed Ex, Cargo Jet, Canada Post Logistics
 - Trucking and Logistic Companies – Bison, Payne, Trans-X
 - Agricultural Exporting – Paterson Global, Peak of the Market
 - Education and Training – Red River College
 - Distribution – Safeway



Ensuring CentrePort Canada Continues to Lead the Way on Inland Port Development in Canada

- With a firm timeline for completion of land servicing, we will move forward with our targeted marketing and investment attraction plans.
- We have good momentum behind us – lots of interest in the industrial real estate world – and are working collaboratively with all partners including governments to keep plans moving forward rapidly. The project is important to Manitoba's economic future.
- Awareness and support of local partners will help continue to connect trade, jobs, economic growth with transportation in our city and province.

CentrePort Canada: Working With You

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