

# Greater Montréal: Epicentre of the Food Processing Industry in Québec



# The world's best economic promotion agency at your service





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# Top reasons to invest in food processing in Greater Montréal



## A COMPLETE ECOSYSTEM

- Access to abundant and high-quality **raw agricultural products**
- **1,500 companies** in the food processing sector
- **Many R&D and technology transfer centres**
- **Industry 4.0** is growing



## QUALIFIED WORKERS

- Strong presence of **specialized training centres** that helps foster innovation
- **22,000+ workers** in food processing
- **14,000+ university students** currently enrolled in a program related to food processing



## LOW COSTS

- **A 23% cost advantage** over the average of North America's largest metropolitan areas
- Competitive **salaries**
- Access to a reliable, renewable and affordable **source of energy**
- **An attractive tax treatment** for the manufacturing industry sector



## STRATEGIC LOCATION

- Access to more than **1.5 billion wealthy consumers** thanks to trade agreements
- **A world-class logistics hub**
- High-quality **transportation infrastructure**
- **Seamless integration** within North American distribution networks



## A UNIQUE QUALITY OF LIFE

- Low cost of living
- Affordable housing
- **Safe city**
- **#1 city** in the Americas for students
- **#2 city** in the world for millennials
- Gastronomic capital of North America

# 01

## A Rich and Diverse Ecosystem





## Agri-food in Québec: a substantial sector



**8%** of Québec's GDP



**12%** of jobs



**80,000+** companies



**13%** of Québec's exports



A complete  
and diversified ecosystem

# Major actor in food processing in Canada

## Province of Québec

- Ranks **1<sup>st</sup>** in processing of milk, pork, chocolate, cocoa and maple products
- **2<sup>nd</sup>** province in importance in food processing

## Food Processing in Québec

 **\$8.9B** of GDP

 **\$7.2B** in exports

 **84,000** jobs

 **2,767** companies





## Greater Montréal area: 1<sup>st</sup> food processing Centre in Québec

**Food Processing in Greater Montréal**  
(% of Québec's total)

**\$6.2+B** of GDP (73%)

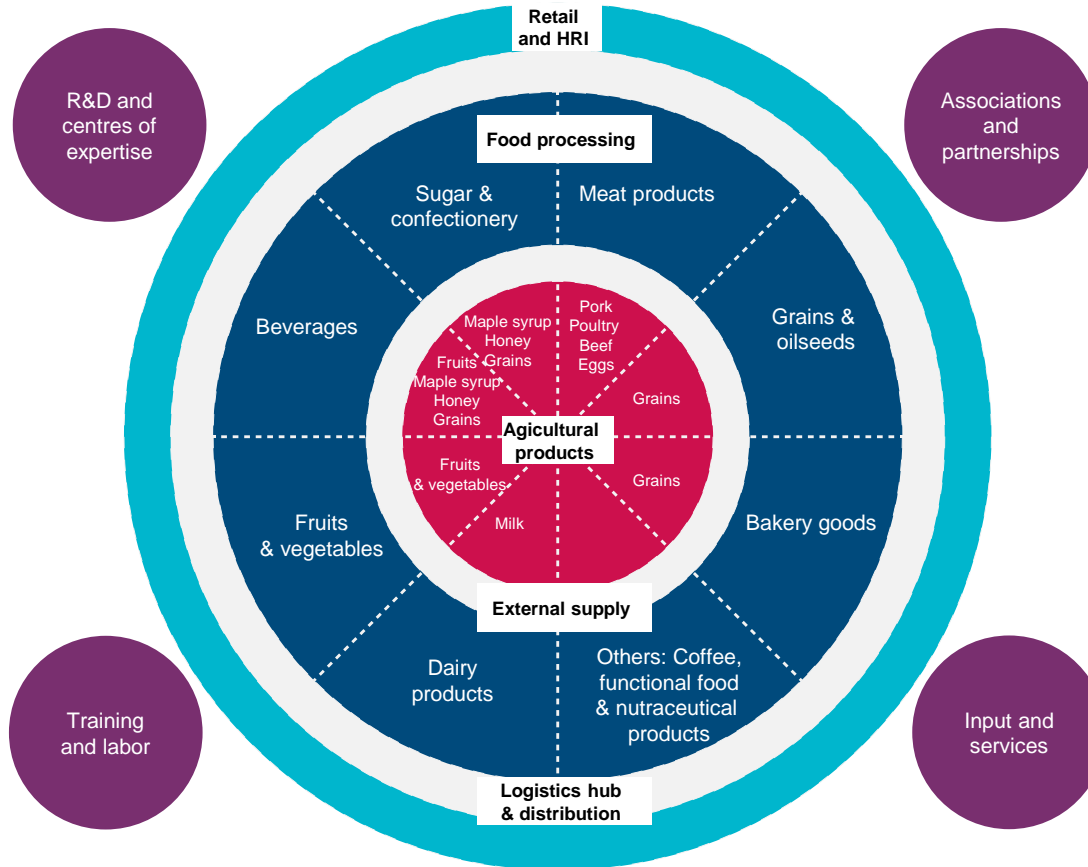
**\$17.2+B** value of shipments (66%)

**46,500+** jobs (67%)

**1,500+** companies (59%)



# A complete and diversified ecosystem



# Direct access to abundant and high-quality raw agricultural products

The province of Québec is a Canadian leader in the following primary agriculture production:

## 1<sup>st</sup> producer of:

- Milk
- Pork
- Maple syrup
- Cranberries

## 2<sup>nd</sup> producer of:

- Fresh vegetables
- Vegetables for processing
- Corn and soy

**An abundance of grains and oilseeds, poultry, eggs, fruits and nuts**

## Distinctive advantages

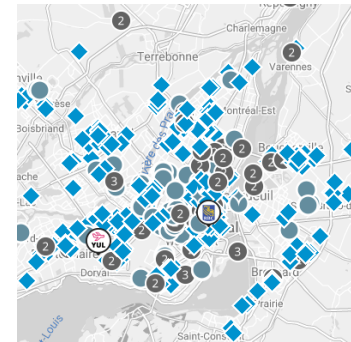
- **High quality and large quantities of water**
- **A highly competitive price for sugar**
  - Nearly 35% less expensive than in the USA
  - No import tariffs
  - Key players in the field provide a unique expertise





# The largest concentration of food processing companies in Québec

Overview of foreign subsidiaries and local businesses in Greater Montréal:



## CAPTION

- Foreign subsidiaries
- ◇ Local businesses
- ◇ Universities

A seamlessly integrated ecosystem that combines **agriculture production**, the **knowledge-based industry**, a **vast network of suppliers** and a **high-quality labour force**, and contributes to expertise development and networking opportunities.

# Examples of food processing businesses in Greater Montréal

## Dairy products



## Beverages



## Pastry & bakery goods



## Sugar & confectionery



## Fruits & vegetables



## Meat products



## Processed food



## Flour & Grains



# World-class companies

The top three food processing businesses with the **most substantial revenue growth** in Québec are based in Greater Montréal:

The logo for Saputo, featuring the word "Saputo" in a red, cursive script font.

**+83 %**  
since 2011



**+63%**  
since 2012



**+48%**  
since 2012

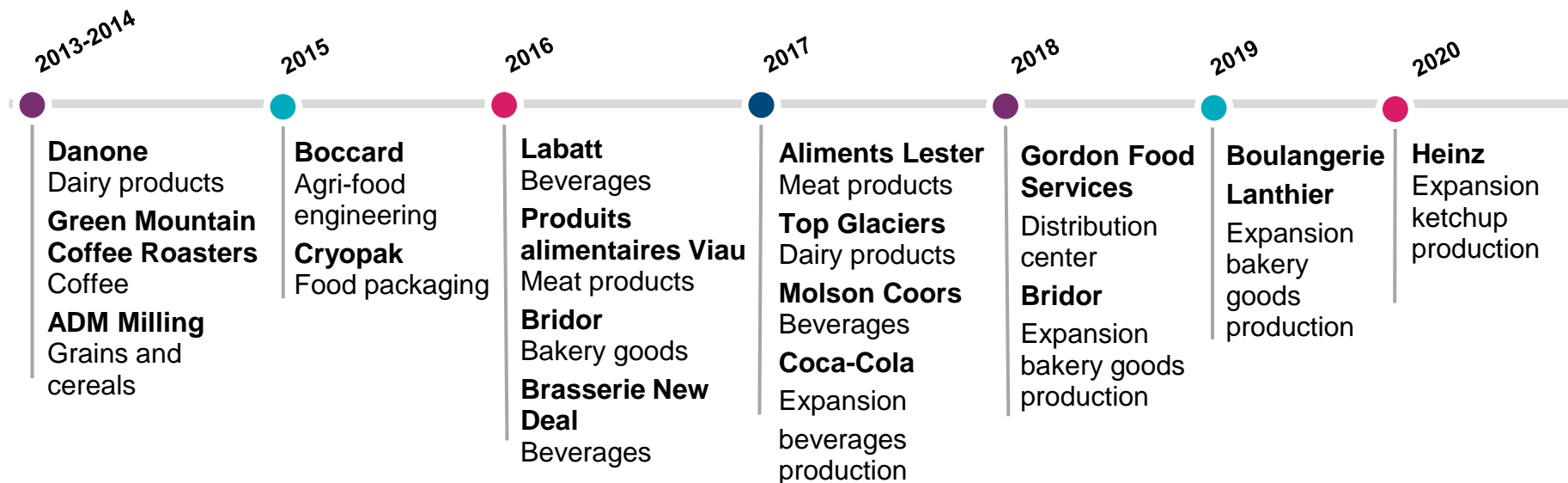
Six leading food processing companies have **more than \$1B** in revenues and alone generate **42% of all shipments** originating from the Québec food processing sector.

**Three of them are located in the Greater Montréal:**



# Companies are investing in Greater Montréal

## Investment projects related to food processing in Greater Montréal



# A large and diverse network of research and innovation centres

The Greater Montréal Area hosts a wide variety of research and technology transfer centres focused on a number of food processing subsectors.

## Main technology transfer and expertise centres

**CINTECH**  
AGROALIMENTAIRE

**ITEGA**

Institut de technologie des emballages  
et du génie alimentaire

**CEFQ**



Centre d'expertise fromagère  
du Québec



**CENTRE DES  
TECHNOLOGIES DE L'EAU**

## Main R&D Centres



Agriculture et  
Agroalimentaire Canada

**CÉROM**

Centre de recherche sur les grains inc.

Saint-Hyacinthe Research and Development Centre



**McGill**

**Consortium RITA**

Recherche. Innovation. Transformation. Alimentaire.

**Canada**  
**CRC-RC**

**irda**

**CRAM**

INSTITUT DE RECHERCHE  
ET DE DÉVELOPPEMENT  
EN AGROENVIRONNEMENT

## Main promotion agencies

**CTAQ**

CONSEIL DE LA  
TRANSFORMATION  
ALIMENTAIRE  
DU QUÉBEC



**C I B I M**

Conseil des Industries  
Bioalimentaires de l'île de Montréal

# Industry 4.0 plays a key role in food processing

- The **Productivity innovation** initiative, launched by the Québec government and Investissement Québec encourages companies to focus on innovation in its various forms and on the adoption of technologies and processes such as digitization, automation, robotization and the use of artificial intelligence



- The food and beverage processing sector is the **second-largest manufacturing market for robotics**

Many companies provide equipment and services specialized in robotics and automation

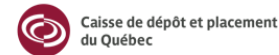






# A booming startup ecosystem

- Canada is the most attractive country in the world for entrepreneurs according to the OECD
- **More than US\$2.7 B in VC** in Montréal between 2018 and 2020
- **Six of Canada's ten most active VCs** in 2020 are based in Greater Montréal

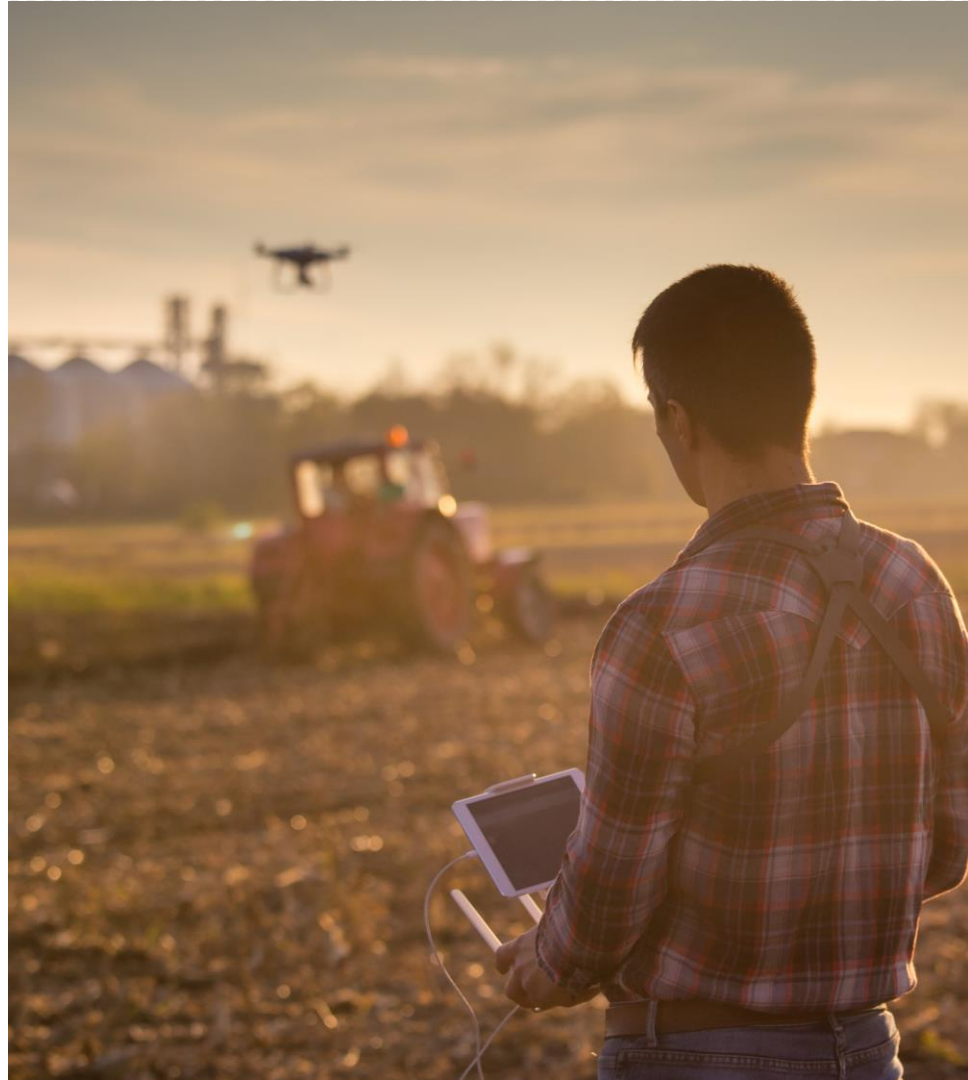


# A support organization to propel the agriculture of the future

- The **AgTech Zone**'s mission is to bring together, accelerate and promote innovative companies to propel the agriculture of tomorrow; a technological agriculture that produces more, feeds better and uses less land, water, chemical inputs and energy.



- A vast network that brings together the key players in agricultural innovation: scientists, research institutes, startups, students, investors and companies in agtech and plant bioproducts.



# Homegrown Greater Montréal successes



Sollum offers a foresighted LED lighting solution to create optimal growing conditions for your field and improve efficiency.



Nectar's mission is to ensure the health of honey bees by helping beekeepers apply the right care at the right time through bee-friendly and human technology.



Motorleaf's AI services provide automated harvest yield forecasts preventing harvest loss and optimizing growing conditions.



MIMS helps life-science companies use their big data and AI to maximize food and drug production.



Impactful Health R&D develops compostable active packaging to prolong the shelf life of fresh fish.



ChrysaLabs develops of autonomous robotic solutions for urban agriculture.



Lufa Farms opened the world's first commercial rooftop greenhouse right in Montréal, setting the groundwork for a more ecological and economical model for urban farming.



Eocycle produces compact and affordable proximity wind turbines for the agricultural sector.

# 02

## A Deep and Growing Pool of Highly Qualified Talent

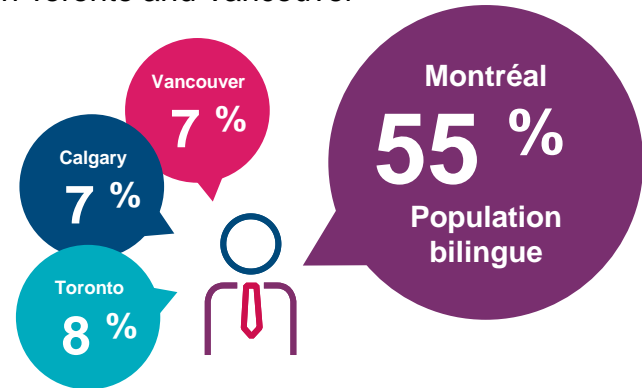


# A labour pool of highly qualified workers

- A diversified network that includes 11 academic institutions and many colleges and vocational training centres:
- **The best student city in the Americas**, according to QS Best Student Cities 2022 tied with Boston
- **More than 200,000 university students**
- **35,500 international students**
- **2 Montréal institutions ranked** among the **world's top universities** by QS World University Ranking 2021
  - McGill University (#31)
  - Université de Montréal (#118)



- **Most bilingual and trilingual** population in Canada
- **2.5 million residents speak English**, which is 9% more than in Vancouver
- **55% of the population is bilingual** (English and French), compared to less than 8% in Toronto and Vancouver



# Specialized training centres

## Vocational and technical training



Public higher education institution offering training programs in agriculture production and food processing, including 3 specialized technical programs in food processing and food quality technology; agricultural business management and technologies; and horticultural production and environmental technology.

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Vocational training centre offering 5 Diploma of Vocational Studies (DVS) in agri-food and motorized equipment maintenance. Thanks to a partnership with Collège Lionel-Groulx, they also offer 2 collegial programs related to agriculture.

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At Campus de Saint-Hyacinthe, this technological training centre offers 6 training programs leading to a Diploma of College Studies (DCS) and a diploma in agri-food technology.

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This institution offers a program in processing leading to an Attestation of College Studies (ACS) aiming at training a highly qualified workforce in food manufacturing and supervision of personnel.

## University




The Faculty of Agricultural and Environmental Sciences focuses on strategic research activities, from basic molecular sciences to applied sciences in agriculture, food and environmental sciences, with applications in the medical and industrial fields.

# A new generation ready to take over

In Greater Montréal, more than 14,000 students were enrolled in a university program related to food processing in 2019-2020, and more than 3,000 graduated in 2019.

University programs related to food processing	Students enrolled 2019-2020
Rural and Agricultural Economy, Agriculture	75
Food science and technology	193
Rural and Agricultural Engineering	368
Chemistry	984
Chemical Engineering	1,039
Production Management	1,093
Biochemistry	1,424
Electrical Engineering	3,613
Mechanical Engineering	5,263
<b>Total</b>	<b>14,052</b>




 Université du Québec  
 Institut national  
 de la recherche  
 scientifique


 McGill  
 UQAM


 Université  
 de Montréal  

 UNIVERSITÉ DE  
 SHERBROOKE


 Concordia  
 LE DÉFI EN PREMIÈRE CLASSE  

 ÉTS


 POLYTECHNIQUE  
 MONTRÉAL  
 LE DÉFI EN PREMIÈRE CLASSE

# 22,500 workers in food processing

## Number of workers in Greater Montréal in 2020

Occupations related to food processing	Number of jobs
9213 - Supervisor in food and beverage processing	3,900
9617 - Labourers in food and beverage processing	5,200
2211 - Chemical technologists and technicians	6,700
9461 - Process control and machine operators, food and beverage processing	6,700
<b>TOTAL</b>	<b>22,500</b>

## Highly qualified workforce available in complimentary sectors:

- Mechanical engineering
- Air conditioning systems
- Refrigeration systems
- Product preparation
- Packaging
- Distribution and transportation of food products

## Ease of recruitment

According to Aon Hewitt\*, Montréal ranks 3<sup>rd</sup> in North America in the lowest overall risk associated with recruiting, employing and relocating workers.

\*Overall workforce risk includes relocation and expatriation; mergers, acquisitions and partnerships; absenteeism; employee health and well-being programs; internal relationships; employment in general; globalization; cultural differences; and talent sources.

Source: National Occupational Classification (NOC), 2020; Aon Hewitt Consulting, Global Research Center, 2013.



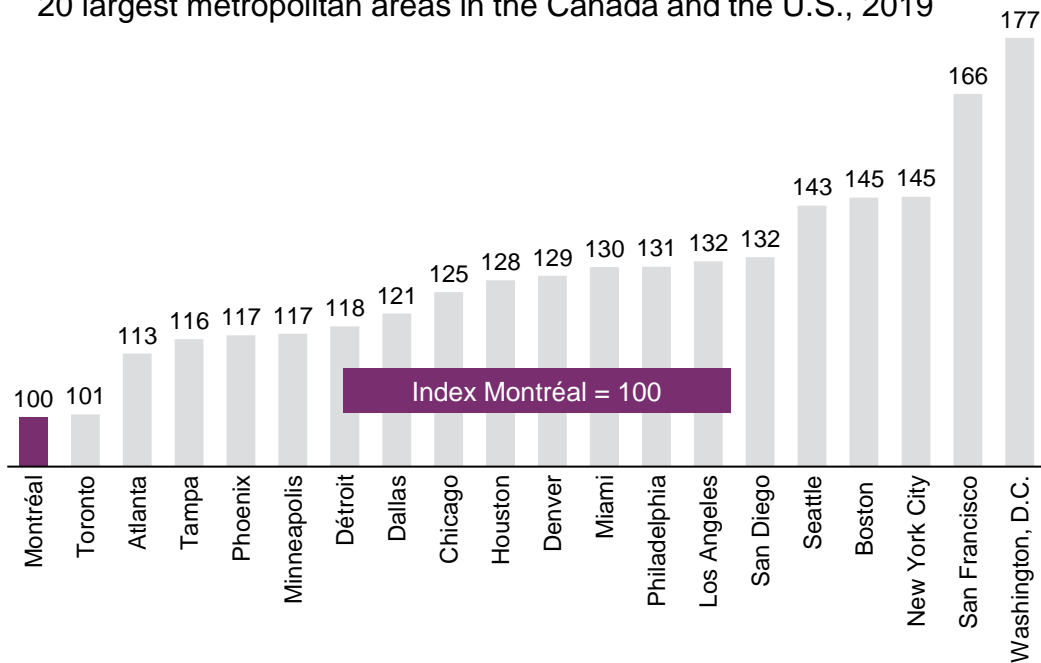
# 03

## Attractive Operating Costs and Incentives



# Operating a business costs less in Greater Montréal than in any other major metropolitan area in Canada and the U.S.

**Operating costs index for a food processing business**  
20 largest metropolitan areas in the Canada and the U.S., 2019



**23% cost advantage**

compared to the average  
20 largest metropolitan  
areas in Canada and  
the U.S.

# Competitive salaries

## Median annual salaries\* (CA\$) for 8 typical professions in food processing

	Montréal	Toronto
Production helper	\$36,609	\$39,070
Process control and machine operators	\$44,622	\$47,705
Machinery and heavy equipment electrician	\$64,664	\$69,176
Biologist	\$69,744	\$74,665
Operations supervisor	\$74,721	\$79,953
Food chemist	\$73,053	\$77,901
Quality assurance technician	\$77,229	\$82,214
Quality assurance manager	\$96,715	\$103,213



\*Salaries based on 5 years of experience. Code NAICS 311000, Food Manufacturing. Source: Economic Research Institute, March 2021.

# Low mandatory benefit costs for employers

## Examples of mandatory benefit costs for employers, 2021

Gross annual salary*	\$50,000	\$100,000	\$125,000
Québec Public Pension Plan (employee: 5.9%; employer: 5.9%, max. \$3,427.90)	2 743,50 \$	3 427,90 \$	3 427,90 \$
Québec Parental Insurance Plan (employee: 0.494%, employer: 0.692%, max. sal. of \$83,500)	346,00 \$	577,82 \$	577,82 \$
Employment Insurance (employee: 1.18%, employer: 1.65%, max. sal. of \$56,300)	826,00 \$	930,08 \$	930,08 \$
Health Services Fund (max. 4.26% if global salary total is more than \$6,5M)	2 130,00 \$	4 260,00 \$	5 325,00 \$
Commission des normes du travail (Labour standards board) (0.07%, max. sal. of \$83,500)	35,00 \$	58,45 \$	58,45 \$
Commission de la santé et sécurité du travail (Occupational health and safety board) (0.42% in service sector, max. sal. of \$83,500)**	210,00 \$	350,70 \$	350,70 \$
Workforce Skills Development and Recognition Fund - Québec Training Law 1% (1% of their total payroll in training for employers with total annual payroll over \$2M)	500,00 \$	1 000,00 \$	1 250,00 \$
<b>Total benefit costs</b>	6 790,50 \$	10 604,95 \$	11 919,95 \$
<b>Total cost</b>	<b>56 790,50 \$</b>	<b>110 604,95 \$</b>	<b>136 919,95 \$</b>
<b>Total benefits in % of gross annual salary</b>	<b>13,58 %</b>	<b>10,60 %</b>	<b>9,54 %</b>

Note: \*Paid vacation represents a minimum of 4% of salary and is included in gross salary. Some rates apply up to a maximum insurable revenue.

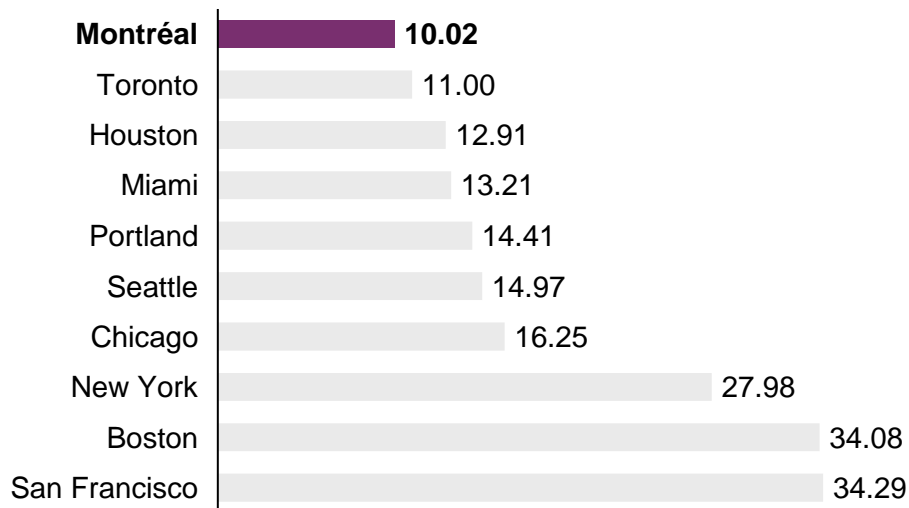
\*\*The rate for the service sector (65110 - *Bureau de courtage; bureau de services professionnels; bureau offrant des services de soutien administratif*) is 0.42%. The average premium rate in 2021 is \$1.77 per \$100 of payroll.

Source: Revenu Québec, 2021.

# Low and stable energy costs for small-power customers

## Average electricity rates Small-power customers (¢/kwh – excluding tax, CA\$)

Selected metropolitan areas in Canada and the U.S.,  
April 2020

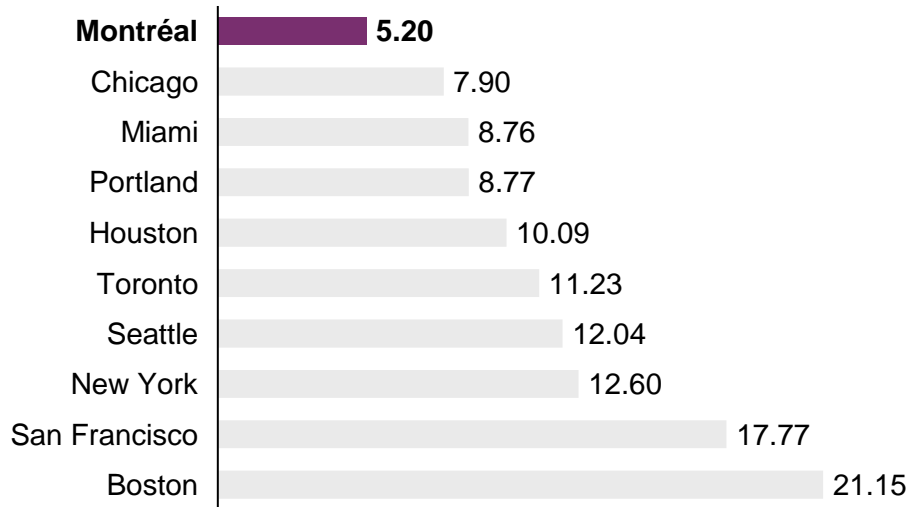


- **Stable electricity rates:** Thanks to the collective wealth represented by our water resource, the rates are not subject to the volatility of oil and gas prices
- Hydro-Québec generates more than **99%** of its electricity from water, a source of **clean, renewable** energy
- The **quality** and **reliability** of the power grid are also two major advantages

# Low and stable energy costs for large-power customers

## Average electricity rates Large-power customers (¢/kwh – excluding tax, CA\$)

Selected metropolitan areas in Canada and the U.S.,  
April 2020



- **1<sup>st</sup> place** in North America for the **lowest electricity prices for large-power customers**
- **Preferential energy rates are also available for major consumers** (aluminum smelters, data centres, etc.)

# Tax credits and programs



## Major and Innovative Projects

### ESSOR Program

Support to major projects with refundable (interest-free & low interest loans) and non-refundable contributions. Investment projects with eligible expenditures of **\$250,000** or more to start a new business or expand (including modernizing) an existing business.

### Strategic Innovation Fund

Repayable and non-repayable contributions of **up to 50%** of eligible costs for a project of at **least \$10 M.**

### Productivity innovation

Term loan of **\$50,000** or more to finance the implementation of innovative projects.



## Research and Development tax credit

### Québec's tax credit for Research and Development (R&D)

**14% tax credit** on salaries and subcontractor fees paid in Québec, fully refundable, whether or not the business makes a profit.

### Canada's Scientific Research and Experimental Development (SR&ED) tax incentive

**15% federal tax credit** on eligible activities and expenditures.

### AgriInnovate Program – Agriculture and Agri-Food Canada

Funding up to 50% of total eligible costs, to a maximum of \$10 million for R&D activities and commercialization and adoption of innovations.



## Project Development

### Financial Assistance for Job Creation and Training

**25% of eligible costs** for the implementation of a training program and **50% of costs** incurred for the creation of a human resources department with the creation of 50 jobs or more over two years.

### Innov'action agroalimentaire – MAPAQ

3 sections are available to help **increase competitiveness for businesses** in the agricultural and food processing sectors.

# 04

## A Strategic Geographical Location







# A gateway to 60% of the world's GDP

Thanks to **CUSMA, CETA, CPTPP**  
and 12 other free trade agreements in force\*

Direct access to **1.5 billion consumers**  
and a **combined GDP of US\$50 trillion**  
(60% of the world's output of goods and services)

**Only Canada has free trade agreements  
with all other G7 countries**

\*Canada-United States-Mexico Agreement (CUSMA), Comprehensive Economic and Trade Agreement (CETA) and Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)  
Source: World Trade Organization, 2020; World Bank, 2019; Census Bureau, 2020..

# A world-class logistics hub



## Major maritime hub: port of Montréal

- **Largest container port** in eastern Canada and main port for Québec and Ontario shippers
- More than 2,000 ships/year, 2,500 trucks/day and 60–80 trains/week
- Close to 40,6 M tonnes of merchandise in 2019: 40% liquid bulk, 37% containers and 23% solid bulk
- Canada invests \$18.5 M and Québec invests \$6.3 M in Port of Montréal to increase transport efficiency, capacity, and security at the Port of Montréal.

## High-quality transportation infrastructure

- **Intermodal transportation hub:** air, maritime, road and rail transportation
- More than **142 million tonnes** of goods handled
- **3 industrial port zones (IPZ)** in greater Montréal (Montréal, Contrecoeur, Côte-sainte-catherine) dedicated to transportation and logistics projects



# A logistics hub with many advantages



- **Transit times**  
Shortest transit times from Europe and the Mediterranean to North America
- **Strategic location**  
Closest international container port to North America's industrial heartland
- **Speed**  
One-stop port, with no intermediate calls
- **Reliability**  
Dedicated weekly services from the leading global carriers
- **Cost efficiency**  
Balanced equipment flows through full vessel discharge and load
- **Flexibility**  
Partners are flexible to extraordinary requests and can accommodate needs on a case-by-case basis
- **Efficiency**  
Container dwell time lower than North American East Coast standards
- **Choice**  
Directly connected to two Class 1 North American rail networks, with daily departures to Toronto, Chicago and Detroit
- **Market reach**  
Access to 70 M consumers in 36 hours and 110 M consumers in 48 hours
- **Supply chain collaboration**  
Continuous communication among terminal operators, the Montréal Port Authority and railway companies to ensure seamless operations and low dwell times

05

An Exceptional  
Quality of Life

**MTL  
INTL** Montréal  
International



# The new food capital of North America

Well known for its creative and cosmopolitan character, Montréal's food scene is supported by its diverse immigration which contributes to a great gastronomic diversity, quality and originality. Greater Montréal was selected as:

- **The food capital of North America**  
- *Town & Country, 2016*
- **Rising star foodie destination**  
- *Gogobot, 2016*

## Discover Montréal's top chefs

- Normand Laprise (Toqué!)
- Laurent Godbout (Chez L'Épicier)
- Charles-Antoine Crête (Montréal Plaza)
- Patrice Demers (Patrice Pâtissier)
- And more...

## ...and french chefs living in montréal

- Daniel Boulud (Maison Boulud, Ritz-Carlton)
- Jérôme Ferrer (Europea)
- Christian Faure (Maison Christian Faure)
- André Loiseau (Carte Blanche)

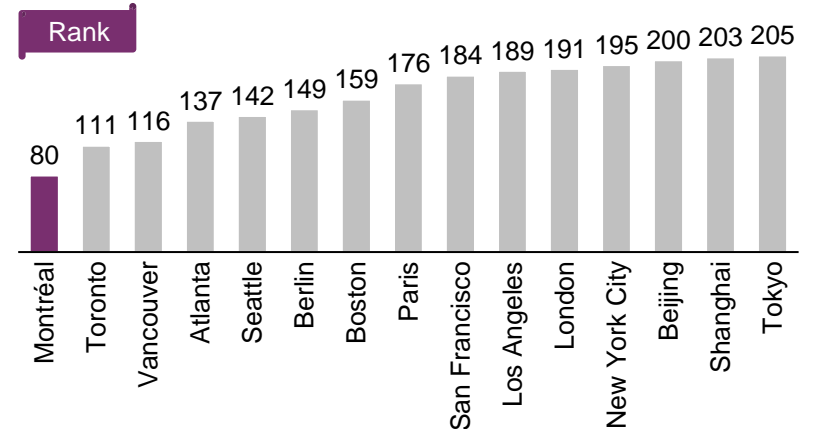




## A low cost of living

Greater Montréal is **cheaper than almost all other large cities** in North America, Western Europe, China and Japan:

**Mercer Cost of Living Index**  
World rank from least to most expensive\*, 209 cities



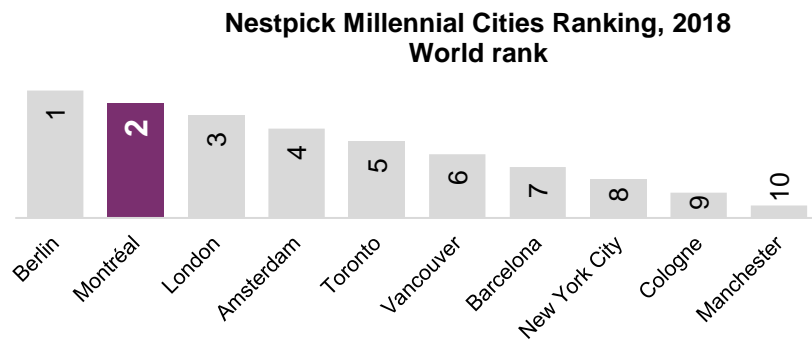
Greater Montréal offers a higher purchasing power thanks to:

- **Cheap housing**
- **Low medical insurance costs**
- **Generous family allowances**
- **Affordable child care**

\* Montréal International's analysis.  
Source: Mercer, "Cost of Living Survey," 2021.

# An exceptional quality of life

- Montréal is the **2<sup>nd</sup> best city in the world** for millennials:



- **Lowest homicide rate** among the 20 largest metropolitan areas in Canada and the U.S.
- **Health care universals**
- **Lowest education tuition fees** in North America
- **Vibrant cultural metropolis** with 100+ festivals and 70 museums





Montréal's Olympic Stadium © Parc olympique

# Globally recognized

## **Most reputable city in the Americas**

Reputation Institute, 2018

## **Best city in Canada and 6<sup>th</sup> in the world**

Time Out, 2019

## **Best student city in the Americas** tied with Boston

QS Best Student Cities Rankings, 2022

## **Best city in the Americas for its quality of life**

Knight Frank, City Wellbeing Index, 2020

## **Most affordable major city in Canada and the U.S.**

UBS Prices and Earnings, 2018

## **Best Cycling City in North America**

Coya, Global Bicycle Cities Index, 2019

## **Second most walkable city in Canada**

Walk Score, 2020

## **UNESCO City of Design since 2006**

## **Top host city in North America for international association events**

Union of International Associations (UIA), 2020



# 06

## Montréal International's Personalized, Free and Confidential Services



# Montréal International, a single point of access to a series of personalized, free and confidential services



**Long-term  
strategic support**



**Economic data  
and communication  
services**



**Government  
relations facilitation**



**Incentive programs  
assistance**



**Foreign workers  
immigration  
assistance**



**International  
recruiting solutions**



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