

CANADA'S  
ECONOMIC  
RUNWAY

# Pearson Economic Zone home to North American manufacturing super cluster

Report by



**TRILLIUM NETWORK**  
FOR ADVANCED MANUFACTURING



## In summary

---



The Pearson Economic Zone is home to more than 2,000 factories and 92,500 factory jobs, according to research by the Trillium Network for Advanced Manufacturing.

---



The PEZ indirectly supports another 252,000 jobs across Canada.

---



These manufacturers add \$13.6-billion in annual GDP and \$25.5-billion in exports.

---



The PEZ accounts for 12 per cent of Ontario's manufacturing output and 5 per cent of Canada's output.

---



The largest sector is food and beverage, accounting for 18,000 jobs and \$2.7-billion in GDP.

---



Job No. 1 for Pearson Airport is to move people and cargo across Canada and around the world.

But Canada's busiest airport has another vital but less appreciated role. It sits at the epicentre of one of the largest concentrations of manufacturing firepower found anywhere in North America.

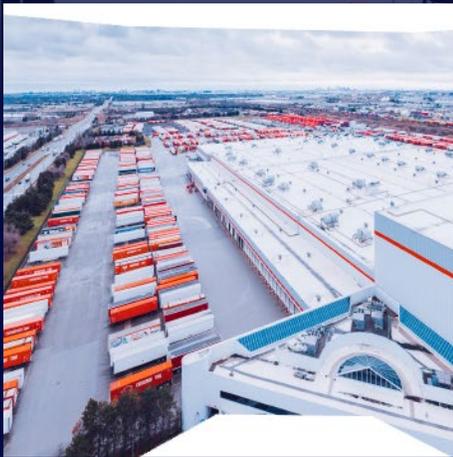
The Pearson Economic Zone (PEZ) – a 200-square-kilometre area around the airport – is home to more than 2,000 factories that help keep the world fed, healthy and mobile.



These companies directly employ 92,500 people, pump \$13.6-billion worth of GDP per year into the Canadian economy and export goods worth \$25.5-billion. They also generate \$5.4-billion in federal and provincial tax revenue.



# This cluster of factories packs a heavy economic punch



The region accounts for nearly 12 per cent of Ontario's manufacturing output, 5 per cent Canada's manufacturing output and roughly the same relative shares of factory exports.

The area around Pearson is one of only two places in North America that does full-scale assembly of both vehicles and aircraft. The zone also has the highest concentration of drug manufacturers in Ontario, producing half of the province's output of pharmaceuticals. The zone's largest cluster is made up of food and beverage manufacturers, who are important customers for the province's farmers.



The impact of the area's nearly 100,000 factory workers extends well beyond Toronto. The zone's ecosystem of manufacturers directly and indirectly supports another 252,000 jobs along their supply chains in the rest of the country.



# Who are these companies, and what do they make

Seven key sectors account for 70 per cent of factory jobs and the bulk of manufacturing output in the zone.

**Food and beverage** – 18,000 jobs and \$2.7-billion in GDP. Major companies: Maple Lodge Farms (poultry processing), Mondelez (snack foods), FGF Brands (baked goods), Molson-Coors (beer), Coca-Cola Canada and PepsiCo Beverages.

**Automotive** – 12,500 jobs and \$1.7-billion in GDP. Major companies: Stellantis (vehicle assembly), Magna International (auto parts), Martinrea (auto parts) and ABC Technologies (auto parts).

**Construction and Infrastructure** – 12,300 jobs and \$1.7-billion in GDP. Major companies: Atkins-Realis and VISION Extrusion.

**Aerospace** – 6,600 jobs and \$1-billion in GDP. Major companies: Bombardier (business jets), Pratt & Whitney (Aircraft Engines), Mitsubishi Heavy Industries (wing and fuselage assemblies) and MDA Space (space robotics).



## Who are these companies, and what do they make

**Life sciences** – 5,500 jobs and \$1.5-billion in GDP. Major companies: Apotex (generic drug maker), Bora Pharmaceuticals (contract drug maker), Sun Pharmaceutical Industries (generic drugs), Thermo-Fisher Scientific (contract drug maker), Boston Scientific (medical devices) and Baylis Medical (medical devices)

**Packaging** – 5,500 jobs and \$670-million in GDP. Major companies: Novalex (foodservice packaging), Axiom (plastic bottle packaging), Cascades (containerboard packaging), Kruger (linerboard and containerboard packaging), Menasha (graphic packaging and displays) and WestRock (paperboard and kraft paper packaging).

**Machinery and tooling** – 4,600 jobs and \$730-million in GDP. Major companies: Husky Injection Molding Systems (injection and molding equipment).



## Heavy concentration of manufacturing around the airport isn't a coincidence

Pearson is a catalyst of economic activity because it sits at the nexus of major air, rail and highway networks that connect people, products and inputs to the rest of Canada and the world.

Many manufacturers require proximity to the airport to export their products or import inputs. Some are here to be near customers, suppliers, or both. Others need access to the vast network of cold storage, warehousing and logistics infrastructure scattered throughout the surrounding area.

Many manufacturers in the PEZ have close ties to the airport, and often to each other. For example, Bombardier, which recently moved into a new plant just North of Pearson, uses the airport to deliver its planes as well as to import components. Other aerospace manufacturers, such as Mitsubishi Heavy Industries in Mississauga, Ont., are located in the zone primarily because they supply key aircraft components to Bombardier's jets.

Likewise, several large packaging companies in the airport zone supply many of the nearby food, beverage and pharmaceutical manufacturers. And machinery and tooling companies make equipment used by most of the other major sectors.

Of course, manufacturers draw their employees from the large and skilled workforce that lives in the Greater Toronto Area.