




Engineering

Setting the Standard

Halton is a global engineering hub. We offer a superb business environment and high quality of life for employees.

Let us show you 



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Halton is the ideal location for global engineering services firms and engineering-intensive manufacturers.



A deep pool of engineering talent, high quality of life and a competitive cost of living make Halton the perfect choice for relocation or business expansion.

Learn what makes Halton the ideal location for global engineering firms...

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Market overview

One of the safest and most affluent areas in Canada, Halton has four communities: Burlington, Halton Hills, Milton and Oakville. With a population exceeding half a million people, Halton is part of Canada's largest metropolitan area, the Greater Toronto Area (GTA), which is home to more than 5.5 million people.

Canada's financial and business hub, the GTA is at the centre of a broader, still-rapidly-expanding economic region known as the Greater Golden Horseshoe (GGH). The population of this mega-region is 8.5 million—approximately one quarter of Canada's total population. The GGH is destined for strong growth, with the population expected to reach 13.5 million by 2041.

Halton had a growth rate of 14.2 per cent from 2006 to 2011, three times the City of Toronto and ahead of most other regions in the GTA. Strategically situated on the western side of the GTA, Halton is the region with the most rapid urban expansion.

An ideal location for global engineering companies, Halton is renowned for having:

- a diverse and global business environment;
- a competitive cost of doing business;
- proximity to international airports and transportation; and
- one of the world's most livable communities.



Halton is located in Canada's Greater Golden Horseshoe between Toronto and the border to the United States. The four municipalities in Halton include: The City of Burlington and the Towns of Halton Hills, Milton and Oakville.

Setting the standard

Halton sets the standard among Canadian locations to attract and grow engineering-related companies.

Canada's engineering services industry has experienced significant sales and employment growth since the mid-1990s, almost tripling national averages. As the industry advanced over the last two decades, Halton has emerged as an ideal location for engineering firms.

Given the industry's growth, it's no surprise that Halton has been able to attract a wealth of engineering talent to the area. Halton has been able to retain this talented workforce because of the community's exceptional standard of living, safe community and relatively affordable cost of living.

Known internationally for its engineering services, Halton hosts one of the country's most prominent multi-disciplinary hubs for consulting engineering and construction management.

Companies with an established presence in Halton include:

- ABB
- Amec Foster Wheeler
- Hatch
- Hatch Mott MacDonald
- Kiewit
- Siemens
- SNC Lavalin Nuclear



Engineered systems, solutions and products

Halton has a large contingent of specialist firms that design, engineer and deliver leading-edge systems, solutions and products—often with associated manufacturing, assembling, prototyping, warehousing and research and development activities.

These firms benefit from the diverse, highly-skilled manufacturing base in Halton, the GTA and southern Ontario in general, an area that has long been Canada's manufacturing heartland, with close ties to the vast U.S. market.

Even where manufacturing is present, much of the talent driving these firms is focused on engineering, design and research, as opposed to a more traditional manufacturing workforce.

Companies with an established presence in Halton include:

- Anaergia
- Dana
- Endress + Hauser
- Eco Waste Solutions
- EcoSynthetix
- Ford
- GE Water and Process Technologies
- Kontek
- Promation
- Zeton



Given Halton's many advantages, it is poised to continue developing as an engineering hotbed, not only for engineering operations but also as an ideal location for centres of excellence, training and technical demonstration centres.

Engineering specialties

Competition sparks innovation. Leading engineering specialty firms, and the innovators who help design their solutions, have the opportunity to thrive in Halton because they will be driven by a competitive business environment. Halton's engineering cluster also benefits from collaboration with the region's full spectrum of industry customers, partners and suppliers.

A diverse selection of engineering speciality firms have established offices or relocated to Halton Region:

Water Technologies

Water and wastewater technologies are a priority for Ontario. The provincial government has placed a spotlight on water infrastructure investment and Halton Region will spend over \$1.5 billion on municipal water and wastewater infrastructure in the next 10 years.

Halton features a number of engineering and design firms that focus on the facilities and systems that handle and process water and wastewater, including GE Water and Process Technologies.

Automotive

Halton is a key link in the Canada/U.S. automotive supply chain and is home to Ford Motor Company's Canadian headquarters and the Oakville Assembly Complex.

Major OEM suppliers including Karmax Heavy Stamping and Modatek Systems (both divisions of Magna International) are also located in Halton. In addition, General Motors, Chrysler, Honda and Toyota plants are all within a one-hour drive of the region.

Aerospace

Halton is home to several suppliers of Bombardier's Toronto-based aircraft manufacturing facility, including UTC Aerospace (formerly Goodrich) and L3 Wescam. In fact, Halton is home for several aerospace firms with notable clusters around:

- Aerostructures
- Landing gears and flight control actuation
- Avionics
- Turbine engines
- Environmental conditioning and electric power

Nuclear

Nuclear power meets more than half of Ontario's energy needs, and Halton is at the heart of the nuclear supply chain for Canada's and Ontario's CANDU reactors. Offices of SNC Lavalin Nuclear are located in Oakville, adjacent to suppliers of engineered components and assemblies.

Steel and materials

Hamilton, Canada's "steel city", borders Halton to the west, and over time has spawned steel-related manufacturing and engineering enterprises throughout the region. McMaster University in Hamilton is known for its leadership and research in materials and metallurgy, attracting a rich base of suppliers and firms with engineering knowledge.

Food processing

Ontario has the third largest food cluster in North America. Food and beverage processing, in which the GTA and Halton play a prominent part, is a \$39 billion sector (second only to automotive in revenue) that is constantly seeking efficiencies from better engineered processing and production systems.

Mining

The Toronto Stock Exchange (TSX) has a strong representation of the mining, oil and gas sector. There are currently more companies in this sector listed on the TSX than any other stock exchange in the world. Halton's proximity to the TSX can be a strong advantage for engineering companies linked to the mining, oil and gas sector.

Infrastructure

The GTA is forecast to undergo significant growth over the coming decades and is undertaking substantial infrastructure renewal and expansion.

Major investments are being made in the GTA's schools, hospitals, roads, bridges and other key infrastructure projects. The provincial government's Building Together Plan has invested more than \$75 billion in public infrastructure since 2003. These investments have created hundreds of thousands of jobs directly and indirectly.

As part of the plan, \$1.25 billion will be provided for Public-Private-Partnerships (P3s). Read more about Canada's P3 opportunities on the following page.

Procurement and public-private partnerships (P3s)

Canada has positioned itself as the North American leader in public-private partnerships (P3s), much of it centred in the Greater Toronto Area.

The Government of Ontario and other provincial governments across Canada are increasing the use of P3s as a preferred means of executing projects. This commitment to invest in infrastructure by Canada's provincial governments will ensure that infrastructure development and upgrading will be a key source of engineering work in the future.

As a North American leader in P3s, Canada has been garnering increased attention from industry-leading European construction management firms.

Infrastructure Ontario's current approach to P3s is through the provincial government's Alternative Financing and Procurement (AFP) model. Under the AFP model, the emphasis is on partnerships and creating innovative solutions, where the public sector establishes the scope of a project, while design and construction work is financed and carried out by the private sector, and repayment occurs following completion over a set timeframe.

The AFP model is being used to repair, rebuild and renew highways, bridges, transit, hospitals, universities and other large scale infrastructure projects (\$50 million or more). Since 2006, Infrastructure Ontario has brought approximately \$42 billion in capital projects to market. Under the AFP program specifically, \$23 billion in capital projects were brought to market. As of May 2014, Infrastructure Ontario had been involved in the delivery of 75 AFP infrastructure projects, ranging from hospitals to courthouses to highways and transit projects.



Halton's new Oakville Hospital, opening in December 2015, is an example of a \$2.7 billion (nominal) Alternative Financing and Procurement (AFP) project. Funding comes from Hospital Infrastructure Partners Inc. (HIP), a consortium of Fengate Capital, EllisDon and Carillion, as well as from the Province of Ontario and the hospital's Local Share Plan.

Diverse, strong economy

With a strong core and rapidly growing suburban business clusters, the GTA is Canada's business and financial epicentre. Halton has enjoyed sustained population and economic expansion in its location on the western edge of the GTA, the area best positioned for continued growth.

Canada distinguished itself as having a sound financial system and a diverse economy because it came through the 2008 global downturn in a better position than most economies:

- Canada ranks second in Bloomberg's 2014 ratings of the most attractive countries for business, ahead of the U.S., which placed third.
- Canada places fourth in the Economist Intelligence Unit's list of the best countries in which to do business in 2014-2018, ahead of Australia, Sweden, and the U.S.
- In Forbes listing of the Best Countries for Business, Canada was eighth compared to the U.S. at 14.

Halton has enjoyed sustained population and economic expansion in its location on the western edge of the GTA, the area best positioned for continued growth.

Halton is a particularly attractive local economy within Canada and Ontario, exhibiting strong development, business and labour growth:

- Over the past decade, \$5.9 billion has been invested in non-residential development with over 40 million square feet of industrial and commercial space built.
- Approximately 13,200 businesses are located in Halton, employing over 218,000 workers.
- Halton has a highly educated labour force of over 281,000 people.
- Halton has been in a position of full employment (unemployment rate below 6 per cent) since 2012. In 2014, Halton's unemployment rate was 4.4 per cent, the lowest in Ontario, and Halton's participation rate was 73.6 per cent, the strongest in Canada.

Why Halton sets the standard to help meet site selector criteria

1. Diverse, strong economy
2. Deep labour pool
3. Proximity to world-class post-secondary institutions
4. Low cost of doing business
5. Incentives to innovate
6. Regional and global connections
7. Market access
8. Robust office market



Deep labour pool

Businesses in Halton have access to a highly educated pool of prospective employees. Halton's resident labour force currently stands at over 281,000 people, with an additional 4.5 million within easy commuting distance.

According to the most recent Statistics Canada survey, Halton's percentage of residents with post-secondary education was 74 per cent in 2011, compared to 65 per cent for Ontario as a whole and 64 per cent for Canada.

On the world stage, the Organization for Economic Co-operation and Development reports that Canada has the highest percentage of adults holding a tertiary education among all member countries.



The quality and availability of engineering talent provides Halton-based firms with an international edge.

A number of Halton's engineers commute daily to workplaces outside the region (see Exhibit 1), representing an opportunity for Halton firms to attract and retain talent.

Exhibit 1

Labour opportunity – Halton resident engineers

Segment	Reside in Halton	Employed in Halton	Net outflows from Halton
Engineering, architectural & related services	4,705	4,230	475
Specialized design services	1,265	1,100	165
Computer systems design & related services	5,655	4,240	1,415
Management, scientific & technical consulting services	4,365	3,140	1,225
Scientific research & development services	1,025	575	450
Other professional, scientific & technical services	1,620	1,140	480

Sources: Census 2011, OMAFRA Analyst Program

Proximity to world-class education

Halton is located at the centre of an education triangle, which is home to some of Canada's largest post-secondary institutions. The region is also home to world-renowned Sheridan College and McMaster University's DeGroote School of Business. Our next generation of employees is graduating from institutions of higher learning nearby.

In total, there are 11 universities and nine colleges within a one-hour drive or less. No other Canadian location has such close proximity to so many leading educational institutions. Universities within one hour of Halton include:

- University of Toronto
 - including Mississauga campus
- McMaster University
 - including DeGroote School of Business
- University of Waterloo
- University of Guelph
- Ryerson University
- York University
- Wilfrid Laurier University
- Brock University
- OCAD University
- University of Ontario Institute of Technology
- Michener Institute

Each year, nearly 5,000 students from surrounding universities receive degrees (bachelor's, master's or doctorates) in engineering, in addition to significant graduates in the disciplines of computer science, mathematics and physical sciences (see Exhibit 2). This is even more significant when one considers the high standards being set in Ontario through its rigorous apprenticeship and trades programs.

In addition, Canada leads all G-7 countries in the level of R&D funding in post-secondary education as a share of GDP. This makes Halton's location in the education triangle particularly advantageous to engineering-centred businesses.

Canadian government granting agencies, such as the Natural Sciences and Engineering Research Council (NSERC), favour projects where private sector or other non-governmental partners are involved and are making cash or in-kind contributions to the projects undertaken by university researchers.

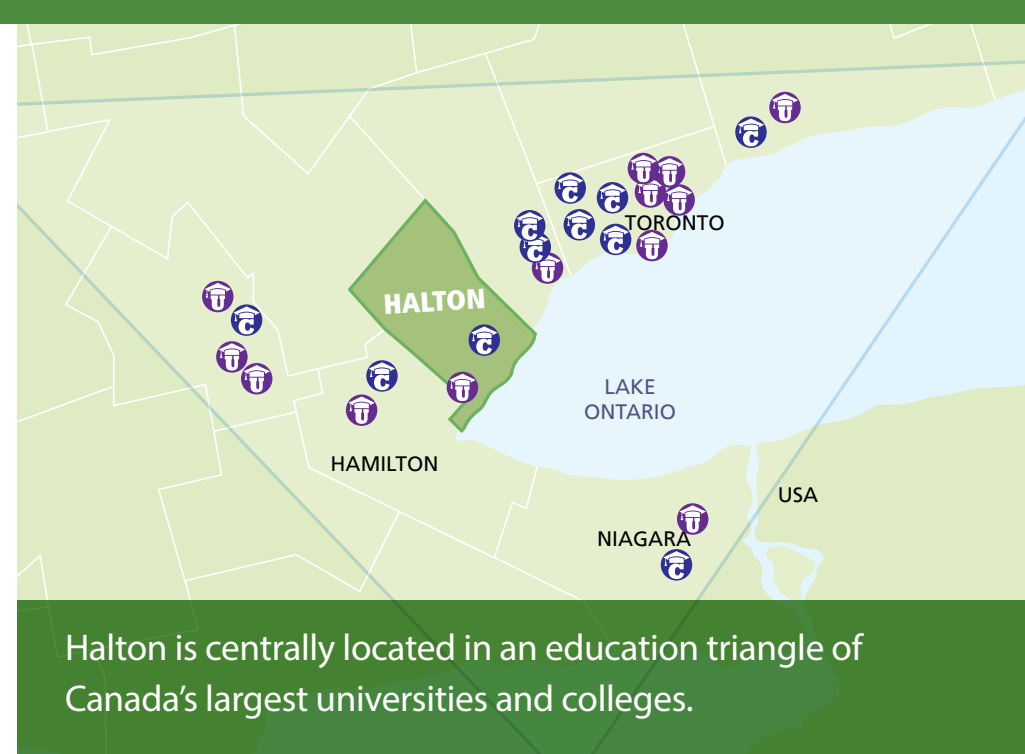


Exhibit 2

Number of graduates from select south-central Ontario universities (within one hour drive of Halton), 2012 –2013

Program of study	Bachelor's degrees	Master's degrees	Doctoral degrees	Top sources
Business & Commerce	6,888	2,229	29	Toronto, York, Ryerson, Laurier
Computer Science	751	155	64	Waterloo, Toronto, York, Ryerson
Engineering	3,118	1,355	314	Waterloo, Toronto, McMaster, Ryerson
Mathematics	1,080	285	62	Waterloo, Toronto, York, McMaster
Physical Science	586	264	154	Toronto, Waterloo, York, McMaster

Source: Common University Data Ontario, Council of Ontario Universities

Low cost of doing business

According to Competitive Alternatives, *KPMG's Guide to International Business Location Costs* (2014 edition), the Greater Toronto Area's (GTA) average costs of doing business across a range of sectors are lower than all 31 counterpart U.S. cities having a population of 2 million or more.

The combined Federal-Ontario corporate tax rate of 25.6 per cent is more than 12 percentage points below the U.S. average, and the GTA has the lowest total corporate tax burden among 51 major cities in 10 countries, according to the KPMG report (see Exhibit 3).

The Ontario government has budgeted \$2.5 billion over 10 years for business support programs to attract new investment.

Within the GTA, Halton offers competitive property tax rates compared to the rest of the market—making it an ideal location within one of the world's best regions to do business.



Exhibit 3

Relative Corporate Taxes Payable Total Tax Index
Major US Cities Average = 100.0 (baseline)

Toronto	51.6	Cincinnati (US)	73.5	Detroit (US)	90.0	Los Angeles (US)	100.1
CANADA (Average)	53.6	London (UK)	75.0	Houston (US)	93.2	Melbourne (AU)	111.0
Vancouver	54.5	Cleveland (US)	80.2	Chicago (US)	93.9	New York City (US)	111.8
Montreal	55.6	Atlanta (US)	81.1	Seattle (US)	95.4	Frankfurt (GE)	116.0
Manchester (UK)	58.1	Pittsburgh (US)	81.9	San Diego (US)	96.3	Tokyo (JP)	127.3
Mexico City (MX)	70.9	Boston (US)	90.0	US (Major cities average)	100.0	Paris (FR)	166.9

Source: KPMG, "Competitive Alternatives Special Report: Focus on Tax" 2014

Incentives to innovate

Compared to the U.S., Canada’s R&D tax incentives offer advantages beyond actual tax rates. These include:

- Greater predictability of the R&D tax credit because Canada’s legislation does not have sunset provisions, whereas U.S. law typically requires renewal by Congress, something that can be delayed.
- All eligible annual R&D expenditures in Canada qualify, while in the U.S., only incremental R&D spending can be claimed.
- Larger and simpler allowances are provided for overhead expenditures and contracted research in Canada.

In addition to the advantages identified, an Ontario corporation can claim R&D tax incentives even if its R&D costs are covered, in whole or in part, by payments from a foreign corporation, including its parent or government. Reflecting Canada’s openness to foreign investment, foreign affiliates accounted for 32 per cent of Canada’s business expenditure on R&D, a level that is second only to the U.K. among G-7 countries.

Ontario’s R&D tax credits can reduce the after-tax cost of every \$100 spent on R&D to between \$37 and \$61, when combined with federal R&D tax incentives.

Canadian governments support innovation through financial incentives, favourable R&D tax credits and large investments in university and college research, much of it driven by business partnerships.

Exhibit 4

R&D incentives (public, private or foreign ownership)

	Large manufacturer	Large non-manufacturer
R&D expenditure	\$100.00	\$100.00
Ontario tax credits (OBRI+ORD)	(\$23.60)	(\$23.60)
Canada investment tax credit	(\$11.46)	(\$11.46)
Tax deductions	(\$16.24)	(\$17.21)
After-tax cost of R&D	\$48.70	\$47.73

Source: InvestinOntario



For every \$100 invested in R&D at eligible research institutes, there is over \$50 in Ontario and Canadian tax credits.

Regional and global connections

Today's fast-paced, globally-connected businesses need to move product quickly and efficiently. Southern Ontario's transportation infrastructure provides Halton-based companies with efficient methods of moving people and products.

Products need to be shipped to meet demand and workers often need to travel across the globe on short notice. Halton's transportation infrastructure is especially well-positioned to meet the needs of engineering services firms and engineering-intensive manufacturers because it offers:

- direct access to the largest highway network in Canada, with regional, provincial and international linkages (over 30 interchanges to 400-series highways in Halton);

- a brief 40-minute commute to downtown Toronto via rapid transit;
- a less than one hour drive from the U.S. international border (Niagara-Buffalo); and
- Proximity to four international airports, including Toronto Pearson, Hamilton, Billy Bishop and Buffalo.

The Toronto Pearson International Airport, neighbouring Halton, is Canada's principal airport and a major North American gateway, handling more international passengers than any airport in North America other than New York's JFK. Toronto Pearson serves more than 30 Canadian cities, 87 U.S. cities, and 30 international destinations.



Market access

Canada is a global trading nation and has established free trade agreements with more than 10 countries, providing competitive advantages across a range of industry sectors. The North American Free Trade Agreement (NAFTA) with the U.S. and Mexico has been Canada's longest standing trade agreement and the pending Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union would be Canada's largest with access to a \$18 trillion market.

Canada's trade agreements enable companies to compete on a more level playing field and help eliminate trade barriers. More recently, Canada has been moving toward developing trade agreements that address labour mobility, intellectual property and investment.

Robust office market

Halton's class "A" business parks offer modern, flexible office space along the active and visible Oakville-Burlington highway corridor and close to GO Transit rapid transit. Office space inventory in these premium locations now exceeds the size of the downtown Toronto Financial District: over 66 million square feet, which accommodates 325,000 office workers.

Halton's business parks provide easy access to major highways, airports and public transit, as well as a direct connection to the GTA's talent pool. Sites offer an ideal mix of market access, proximity to engineering industry clusters, innovation incubators and centres of excellence, with conveniently located amenities and services for employees.

Halton's strong growth and available shovel-ready lands, have provided for an abundance of greenfield development opportunities at competitive prices. In 2014, 2.7 million square feet were added to Halton's real estate inventory.

Office space in Halton is priced 23 to 44 per cent lower than comparable sites in Toronto.



Discover Halton's Business Parks

Halton Engineering and Technology Head Office business case: **Siemens Canada**

The Canadian subsidiary of Siemens AG, the German engineering and technology powerhouse, recently chose Oakville in Halton region for a new national head office to consolidate its business units in a prominent, highly visible location.

Why Halton?

Defining factors in Siemens Canada's selection of Oakville as its Canadian head office were a central location, access to customers and partners, market opportunities and corporate exposure along the busy multilane Queen Elizabeth Way (QEW).

In Halton, Siemens Canada is close to many project partners, including internationally-active engineering firms such as Hatch, SNC Lavalin and Amec Foster Wheeler. Siemens' Oakville location also provides access to the extensive supply chains associated with the diverse manufacturing base encompassing the aerospace, automotive, nuclear, water technology, medical and food processing sectors.

Siemens Canada sees research ties with Canadian universities and colleges as an area of great opportunity. Professors and students are looking for real world problems and challenges. Research partnerships with business are supported by Canadian governments. Siemens is learning that access to the brightest minds and research facilities brings meaningful contributions to areas of global corporate R&D focus. Though Siemens Canada's interest extends nationally, 20 universities and colleges are less than an hour's drive from its Oakville location, a level of access unequalled anywhere in Canada.

"Halton offers such a range of high quality neighbourhoods that it is no surprise many Siemens Canada employees call it home and love to avoid a daily commute downtown," says CEO Hardt.

A Halton presence offers Siemens head office staff immediate access to Toronto's Pearson International Airport, the North America hub that handles the most international passengers every day, except for New York's JFK.

Siemens Canada CEO, Robert Hardt, sees immediate opportunities to grow Canadian and European business ties as a result of the new Canada-European Union Comprehensive Trade and Economic Agreement (CETA). "CETA will eliminate barriers to trade and facilitate the movement of executives and professionals," Mr. Hardt says, pointing to Canada as the preferred base for European companies doing business in North America. CETA will significantly benefit Siemens and many other European companies located in Halton, while opening up European opportunities for Halton firms.

Spanning 25 kilometres (15.5 miles) of Lake Ontario shoreline, residential areas in Halton offer a unique blend of luxurious and quality, family-oriented lifestyle opportunities, well suited to executives and professionals. "Halton offers such a range of high quality neighbourhoods that it is no surprise many Siemens Canada employees call it home and love to avoid a daily commute downtown," says CEO Hardt.

 **In 2014, Siemens was named one of Canada's Top 100 Employers as well as one of the Greater Toronto Area's Top Employers. Siemens Canada is a proud sponsor of the Toronto 2015 Pan Am/Parapan Am Games.**

Halton: The place to be in the Greater Toronto Area and Canada!

The Toronto metropolitan area as a whole ranks fourth globally in the Economist Intelligence Unit's Livability Ranking for 2014. The Toronto region is one of the world's most cosmopolitan and multicultural, where more than 150 languages are spoken—an important advantage in today's globalized business environment.

Despite its attractiveness as a place to live, work, and play, the Toronto area is an extremely affordable metro area according to Mercer's Worldwide Cost of Living Survey. Toronto ranks as the world's 101st most costly city, meaning its costs are below Los Angeles, Miami, Chicago, Berlin, Dubai, Melbourne, Vienna, Rome, Paris, Sydney, New York and London, among many others.

Within the Greater Toronto Area, Halton stands out because:

- For the past seven years, Halton Region has had the lowest crime severity and violent crime severity indexes of any Canadian municipality with over 100,000 residents.
- Halton public schools are especially well-regarded, and the region offers many private primary and secondary schools.

- Halton has 25 kilometers (15.5 miles) of prime Lake Ontario shoreline frontage, contrasted with varied topography and lifestyle opportunities inland.
- The average household income in Halton is \$119,000, compared to the Canadian average of \$86,000.
- Housing in Halton is relatively affordable compared to other areas of the Greater Toronto Area.
- Access to major attractions, including Toronto's CN Tower, Niagara Falls and Canada's wine country, Royal Botanical Gardens, and several theatres, galleries and museums.
- Plenty of recreational opportunities, including cycling, skiing, sailing, shopping, fine dining, racetracks, casinos and sporting attractions.





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Hours of operation:

Monday to Friday 8:30 a.m. to 4:30 p.m.

We welcome your inquiries and look forward to connecting with you.

Halton Region's Economic Development Division: Your source for Halton business information

With a strong and robust economy, Halton is one of the best places in Canada to do business. Ask us about the region's market accessibility, our skilled and educated workforce, growth potential, above average lifestyle, competitive costs, business properties and any other topics related to business opportunities throughout Halton.

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