

Radar

QUEBEC CHAUDIERE-APPALACHES (QCA)

Greater Quebec City Economic Newsletter

QCA ZONE economic indicators

Unemployment – QCA ZONE

March 2008: 4.7%

March 2007: 5.7%

Down 1 point year-over-year

Total employment - QCA ZONE

March 2008: 566,300

March 2007: 551,600

Net total of 14,700 jobs created
year-over-year

Average annual GDP growth - 2003Q1-2008Q1

Quebec City CMA: 3.0%

Montreal CMA: 2.2%

Quebec (Province): 2.2%

Average annual GDP growth of 2.9% for
the Quebec City census metropolitan area
through 2009 (estimate)

Office vacancy rate - 2007Q4

Quebec City: 3.6%

Downtown Montreal: 8.8%

Quebec City has the **third-lowest**
office vacancy rate in Canada

Per capita personal income - Quebec City CMA

Q1 2008: \$35,964

Q1 2007: \$34,935

Per capita personal income **increased 2.9%**
year-over-year

Merchandise exports (M\$) - QCA ZONE

2005: 4,552

2003: 4,369

Growth of 4.2% in the last two years

Average annual investment growth - 1998-2007

QCA ZONE: 8.8%

Montreal region: -0.3%

Quebec (Province): 5.7%

Since 1998, private investment **has risen**
9.2% annually on average



REGIONAL ECONOMY STILL BOOMING

Quebec City is still in great economic shape, according to three independent analyses!

Photo : André Chamorel

KPMG'S COMPETITIVE ALTERNATIVES 2008

Despite the soaring loonie, Quebec City is still the most competitive urban area in the country.* The metropolitan region is particularly noted for R&D cost effectiveness, ranking 1st among Canadian and US cities with more than 500,000 inhabitants and 16th worldwide. In terms of low software design costs, Quebec City ranks third among similarly sized Canadian and US urban areas.

KPMG's *Competitive Alternatives 2008* rates over 100 cities in 10 countries (Canada, Australia, France, Italy, Japan, Germany, Mexico, the Netherlands, the UK and the US). After-tax start-up and operating costs were tracked over a 10-year period.

*Among cities with 500,000 to 1.5 million inhabitants.

For further information ❖❖❖

DESJARDINS REGIONAL STUDIES

The Quebec City census metropolitan area (CMA) accounted for 2% of Canada's real GDP in 2007, a proportion that has held steady since at least 2001. Although the region is the seventh largest in Canada, it is giving the leaders a run for their money!

According to Desjardins economists, developing new centres of excellence in the high-tech, financial and tourism sectors has enabled the Quebec City CMA to diversify its industrial base. As part of this strategy, the government's role has declined, while that of other service-oriented sectors (insurance, commerce, telecommunications, defence and security, etc.) has risen. In addition, the manufacturing sector has excelled in a number of new niche markets (pharmaceutical products, composite materials, food products, optics, photonics, etc.).

For further information ❖❖❖

CONFERENCE BOARD OF CANADA FORECASTS

According to the Conference Board of Canada analysts, the Quebec City region is set to record one of the highest growth rates (+2.8%) outside of western Canada. The forecast is based on the wide range of investments that have already been announced. Taking into account projects valued at \$25 million or more, Quebec City's total investment potential stood at \$5.7 billion in 2007.

For further information ❖❖❖

Construction activity in Quebec City also set a new record in 2007: for the first time ever, permits issued by the City totalled more than \$1 billion, up 40% from 2006!

For further information ❖❖❖



ULTRAMAR TO INVEST \$900 MILLION IN LÉVIS

Over the next four years, Ultramar's Jean Gaulin refinery in Lévis will receive \$900 million in new investments aimed at boosting production of biofuels such as diesel and eliminating production of heavy fuel oil. As a result of \$175 million in investments over the past two years, production capacity has risen to 260,000 barrels of oil per day. Owned by Ultramar's parent company Valero Energy, the refinery is one of the largest in Canada.

For further information 

QUEBEC CITY: RECRUITING ABROAD

Representatives of 14 companies from the Quebec City region are very pleased with the results of their first recruiting mission in France (March 10-14). Nearly 600 individual interviews – 200 more than expected – were held in Paris, Lyons and Toulouse. Approximately 50 candidates will be travelling to Quebec City to start working over the next few weeks.

Some 200 positions, ranging from engineers to welders, will be filled as a result of the recruiting effort, which included CGI, DMR Group, LGS Group, Momentum Technologies, Optel Vision, CIA, Groupe Promutuel, Supermetal and Genivar.

Organized by POLE-QCA and the Quebec City chapter of ANAEM (France's immigration services agency), the initiative received support from Quebec's Immigration Bureau in Paris, the EEI international employment network, Employment Quebec and the City of Quebec.

For further information 

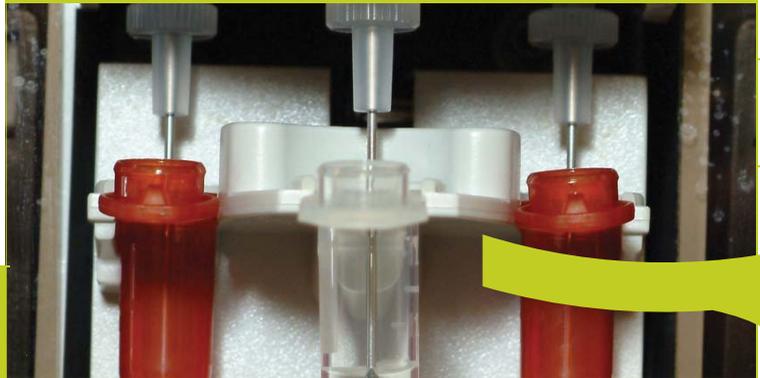
WORLD-CLASS ECONOMIC EVENTS

More than 2,000 participants are expected to take part in the **Economics Week** (May 16-23) portion of Quebec City's 400th anniversary celebrations. The program of events includes Futurallia Quebec 2008; the Symposium on Quebec Centres of Excellence and French Competitiveness Poles; the International Economics Meeting of La Francophonie; the fourth Quebec-New York Economic Summit; and a business luncheon featuring Alain Juppé, Mayor of Bordeaux.

100 RESEARCH CHAIRS + \$100 MILLION

One hundred new research chairs, including 50 in the areas of health, sciences and engineering, will be created under Lavas University's Program for the Advancement of Innovation and Research (PAIR) as part of a \$100 million investment over the next five years. In addition, 100 new professors will be recruited, backed by high-performance research teams exploring the most important scientific issues and social challenges of our times.

For further information 



RESEARCH LUMINARIES

Quebec City receives more than \$815 million in R&D investments each year. As a hotbed of intellectual curiosity and innovation, the region is home to some 6,000 researchers and associates, in addition to 400 research labs, groups, centres and institutes. Read all about the discoveries of two local research luminaries: **Dr. Yves Fradet**, one of the world's most determined cancer fighters and co-founder of DiagnoCure, and **Dr. See Lang Chin**, an internationally renowned laser expert.



See you in Quebec City!

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