

Boeing vs. Airbus: How much incentives are being awarded to aerospace companies?

23 September 2016

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The WTO ruling that the EU has failed to eliminate billions of dollars in illegal aid to Airbus brings into the spotlight again the extent to which governments will support national champions.

Governments are not only providing state aid but are also awarding large incentives packages to lure job-creating inward investment projects.

IncentivesMonitor.com tracks the incentives awarded to specific inward investment projects (not general state aid packages), and has tracked \$16 billion of incentives awarded to aerospace companies.

The table below shows \$100 million+ incentives packages awarded to aerospace companies for their manufacturing and R&D inward investment projects.

Incentives for Manufacturing and R&D projects in the Aerospace sector since 2011

Company	Country	State	Incentive (\$ million)	Incentive per job (USD)
Boeing	USA	Washington	8.700	1.023.529
Embraer	Brazil	Sao Paulo	559	310.403
Northrop Grumman	USA	Florida	471	261.672
Lockheed Martin	USA	California	420	280.000
Northrop Grumman	USA	California	420	280.000
United Technologies	USA	Connecticut	400	1.000.000
Irving Shipbuilding	Canada	Nova Scotia	297	74.337
Pratt & Whitney Canada	Canada	Quebec	263	NA
Huntington Ingalls Industries	USA	Louisiana	214	NA
Airbus	USA	Alabama	158	158.000
Boeing	USA	Missouri	146	NA
Boeing	USA	South Carolina	120	60.000
Kestrel Aircraft Company	USA	Wisconsin	118	196.667
Lockheed Martin	USA	New Jersey	107	NA

Source: www.incentivesmonitor.com a service from WAVTEQ limited

Several key trends can be seen: First, Boeing has been the major recipient of incentives; Second, the US accounts for most of the major incentives deals; and Third the incentives per job being awarded have reached up to \$1 million per job created by the inward investor.

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