



Canada

A Strategic Choice

The Economist Intelligence Unit rated Canada as the #1 place to invest and do business in the G7 for the period 2006-2010.



Canada is regarded highly by international studies, such as the Economist Intelligence Unit, because of its remarkable economic record and unparalleled quality of life. You would be negligent if you did not explore what Canada has to offer you as a strategic business partner. Read further to reap the business opportunities and benefits Canada can give you to increase your bottom line.

Canada is...



Close to Lucrative U.S. Markets

Canadians are closer to prime U.S. markets than many U.S. producers.



A Land of Opportunities

NAFTA makes North America one huge market of 440 million spenders.



Home to Workers with Ingenuity

Canada has a well-educated, very loyal, better-priced workforce.



Within an Energetic and Welcoming Infrastructure

Canada's business environment offers a welcome mat for business opportunities.



Close to Lucrative U.S. Markets

Of Canada's 20 largest cities, 17 are within an hour-and-a-half drive of the United States. Several, like Vancouver, Windsor and Montréal, are minutes away.

Canada and the United States mesh better than any two economies in the world. Production locations in the industrial heartlands of Ontario and Quebec are often closer to huge American markets around New York, Boston, and Chicago than U.S. production hubs like Atlanta and Raleigh. Efficient trucking and air services focus on just-in-time delivery. Many large North American firms have integrated Canadian and American production facilities to take full advantage of complementary strengths.

A Land of Opportunities

NAFTA has integrated the Canadian and U.S. economies for nearly all business purposes. Canadian-based producers have access to 440 million consumers with a combined GDP of US\$16 trillion. Canada's own economy continued to grow through the international slump in recent years, and the country's 32 million consumers constitute a lucrative market in themselves. But it is the voracious U.S. marketplace, home to nearly 300 million consumers, that gives Canadian-based companies such a distinct advantage over companies based in countries outside North America. Canada is the U.S.'s largest trading partner for good reason.

Canada has held a balance-of-trade surplus with the U.S. in recent years, even in high-tech fields such as telecommunications. More than two thirds of Canada's exports in recent years have been machinery, electronic equipment and other high value-added products.

Success in lucrative U.S. markets separates winners from losers in the global marketplace. Canadian-based companies are proving themselves winners, over and over again.





Home to Workers with Ingenuity



Knowledge workers: Half of Canadians between the age of 25 and 35 have post-secondary education, either at university, college or technical school, giving Canada the highest rate of post-secondary achievement among OECD member countries.

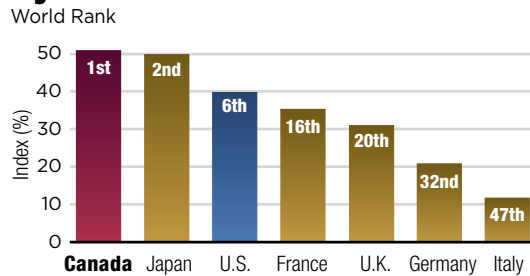
Canadian universities and colleges are world class. The 10th edition of the *Gourman Report*, produced by American analysts, rated all North American university-level electrical engineering programs. Of the exalted top 40, 18 were Canadian.

Availability: Canada's graduation rate of post-secondary students is exceedingly high. In addition, Canada welcomes well-educated workers from abroad. With priority given to high-skill workers, Canada's recent immigration levels have been double those of the U.S.

Loyalty: Employees tend to change jobs less frequently in Canada than they do in the United States. Lower turnover rates mean higher profits.

World teamwork: Canada is the fastest place to pull together worldwide research or production teams. Fast-track immigration is enabled for relevant employees. High-tech workers do not have to acquire special employment validation. Work visas for relevant workers and their families can usually be obtained within days.

Higher Education Achievement*



*Percentage of the population that has attained at least tertiary education, among 49 countries considered in the *IMD World Competitiveness Yearbook, 2005*.





Canada's Welcoming Infrastructure



An economy built for entrepreneurs: Canada is a fiscal rock. Deficits are soaring in some countries. Canada is the only G7 country with a budgetary surplus. Add that budgetary surplus to Canada's healthy trade surplus, and you have a double winner in the world of international finance. Canada's debt-to-GDP ratio has declined from 68.4 per cent (1995-96) to 38.7 per cent (2004-2005), and Canada's total GDP per capita is second in the G7 on purchasing power parity. Canada has undergone an entrepreneurial revolution over the past decade, cutting red tape and retooling to embrace globalization and the knowledge economy.

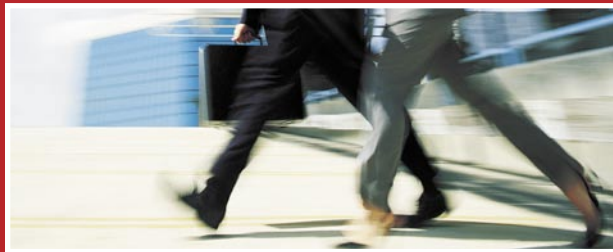
Canada is the top-ranked country for both the number of procedures (two) and the duration for completion (three days) of the process of establishing a business. It came as no surprise when the World Bank's 2005 report *Estimating Trade Restrictiveness Indices* ranked Canada ahead of all G7 countries as well as all the emerging economies it surveyed for openness of trade. Still another first: Moody's Financial Services rated Canadian banks first in the G7 in terms of credit-worthiness.

Boosting enterprise: The government recently reinvested heavily in Canada's national health care system, which dramatically reduces employers' costs. To encourage entrepreneurs to take advantage of the country's superb system of universities, colleges and research institutes, Canada offers the most generous R&D tax write-offs in the G7. Any dollar a company spends on R&D usually ends up costing less than 74¢. Several initiatives have been launched to upgrade R&D capacity, including the Canada Foundation for Innovation and Genome Canada. These and other institutions are stimulating continuous research at Canadian schools and hospitals.

Connecting with a passion: Canadians are the world's #1 users of broadband. Canada is home to the longest, fastest and most advanced fibre-optic research and education network anywhere, which helps institutions and companies develop Internet applications in fields such as distance learning, telemedicine, bioinformatics, virtual reality modeling and real-time multimedia streaming, often in collaboration with foreign research networks.

Tax restraint: Canadian income taxes, traditionally middle-of-the-road in comparison to other G7 countries, are shrinking. Personal income taxes have dropped, corporate tax rates are generally lower than they are in the United States, and Canada's payroll taxes are the lowest in the G7 and much lower than U.S. rates.





Take Advantage of the Canadian Opportunity Today

Canada provides businesses the world's most comprehensive range of proven investment advantages that encourage growth and performance—that enhance your bottom line.

Simply contact the closest
Canadian Embassy, High Commission,
Consulate or write to us at:

Foreign Affairs and
International Trade Canada
Invest in Canada Bureau
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