



# INVEST IN CANADA

March 2018

*"If you are looking for a country that has the diversity, the resilience, the positivity and the confidence that will not just manage this change [the next industrial revolution] but take advantage of it, there has never been a better time to look to Canada"*

- Prime Minister Justin Trudeau, Davos, January 2016



## AN ENABLING BUSINESS ENVIRONMENT

Canada has a strong and stable business climate that is open for business, investment, and trade. Canada benefits from a sound, efficient financial system supported by low taxes and business costs and a government investing in the innovative, clean, inclusive economy of tomorrow.

### Open for business, investment, and trade

- Sound regulations - easiest place to start a business in G7 and OECD (World Bank)
- Welcoming investment climate and promotion of two-way FDI flows
- Second for doing business in the G20 (Forbes)
- Third in the G7 and G20 for doing business over the 2018-2022 period (EIU)
- Network of 13 Free Trade Agreements (e.g. NAFTA, CETA, Korea, EFTA, Israel) covering 45 countries including Canada
- Ratification of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will expand Canada's guaranteed preferred market to over 1.5 billion consumers and over US\$48.6 trillion, almost two-thirds of the world output of goods & services

### Government investing in innovative, clean, inclusive economy of tomorrow

- Historic investments of \$120 billion over 10 years in economic and social infrastructure
- Building comprehensive innovation and climate change strategies
- Reconciling economy and the environment
- Tackling inequality and growing the middle class

### Low business taxation and costs

- Low statutory and marginal effective tax rates for businesses
- Offers a tariff-free zone for manufacturers with zero tariff on machinery, equipment and industrial inputs
- Through tax and tariff export-related programs, benefits comparable to those found in foreign trade zones, while having the advantages of not being site-specific

### Sound and efficient financial system

- One of the world's soundest banking systems (WEF)
- Efficient, open and soundly-regulated capital markets
- Global-scale pension funds with solid, diversified investment strategies



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Canada



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## RESOURCES TO DELIVER

Canada has traditionally been viewed as having a rich and diverse natural environment and a wealth of natural resources. This remains true. However investment success is predicated on more than just material inputs. Canada also has a highly valuable resource in its people, a highly skilled, mobile labour force. Coupled with world-class clusters of innovation and strong government support, Canada provides the material and intellectual resources investors seek.

### World-class clusters of innovation, with government as partner

- Strong geographic and sectoral clusters (e.g. aerospace, automotive, biomedical, digital media, agrifood)
- Public investment in science and R&D (government, universities)
- Dense network of universities and community colleges (e.g., over 40 institutions partnering with auto industry)
- R&D-intensive sectors with the lowest costs in the G7 (KPMG)
- One of the best R&D tax incentives in the G7

### Highly-skilled, mobile labour force

- Best availability of skilled labour in the G20 (IMD)
- Most educated talent pool in OECD with over 55% of the population aged 25-64 having a tertiary level education
- Leading the G20 in R&D spending in higher education as a share of GDP (OECD)
- Second best management education in the G20 for meeting business needs (IMD)
- Second in G20 in meeting business needs for high quality workers (WEF)
- Labour force moving to where jobs are located across the country
- Third in the G20 in per capita ownership of personal computers and second for number of internet users (IMD)
- Social protections supporting mobility and re-training
- More than 50,000 graduates each year from Science, Technology, Engineering, Math and Computer Science (STEM) academic programs throughout the country

### Rich and diverse natural environment and resources

- Exceptional endowment of energy, mineral resources, and 7% of the world's renewable fresh water
- 79% of electricity generation is non GHG-emitting
- Technology and know-how to reconcile economy and environment



# INVEST IN CANADA



## A CHARACTER THAT MAKES THE DIFFERENCE

Canada has an entrepreneurial spirit and a diverse, rich and unique character. Within a culture of respect, peace, order and good government, diversity flourishes, and along with that, ideas and innovation based on perspectives and cultures from around the globe. This leads to vibrant, healthy and connected cities and communities which furthers the adoption of new technologies and the development of new ideas that investors seek.

### Strength in diversity

- Diverse, confident, creative, entrepreneurial people
- Institutions valuing and promoting diversity
- Vibrant entrepreneurship, with an early stage rate virtually tied with the U.S., and leading other G7 countries (Global Entrepreneurship Monitor)
- Linguistically diverse, with 1 in 5 Canadians speaking one of over 200 languages in addition to either English or French
- One-fifth of Canadians born outside the country
- Gender balance in federal Cabinet
- Two women are entrepreneurs for every three men (Global Entrepreneurship Monitor)

### Peace, order and good government

- Stable, respectful, inclusive democracy
- Most democratic country in the G20 (EIU)
- First in the G20 in the Social Progress Imperative
- First in the G20 on the Global Peace Index
- Accessible, quality public services (health, education)
- Fiscal responsibility with second lowest net debt-to-GDP ratio in the G20 and lowest in the G7 (IMF), leading the G20 with its triple A credit rating from Standard & Poor's, Moody's and Fitch

### Vibrant, healthy and connected cities and communities

- First among 60 countries for quality of life (U.S. News)
- First in the G7 and G20 for overall prosperity of citizens (Legatum Prosperity Index)
- Four of the top twenty-five G20 cities for quality of life are Canadian (Mercer)
- Eleven Smart21 Communities & two Top7 Intelligent Communities are Canadian (the Intelligent Community Forum)
- Best country according to millennials in Best Countries Index (U.S. News)

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