

COMPETITIVE ADVANTAGES

FACT SHEET

CANADA IS OPEN FOR BUSINESS AND WELCOMES FOREIGN INVESTMENT

- Canada is the best country in the G-20 for business according to both *Forbes* and *Bloomberg*.
- Canada ranks 1st in the G-20 for doing business over the five-year period 2016-2020, says the *Economist Intelligence Unit (EIU)*.
- Canada is the easiest place to start a business in the G-20, according to the World Bank.
- Canada was the largest recipient of FDI inflows per capita in the G-7 over the 2010-2014 period.
- Canada's growth in business investment has been by far the strongest in the G-7 since the recession of 2008-2009.

CANADA PROVIDES A TOP PERFORMING ECONOMY FOR BUSINESSES TO GROW AND SUCCEED

- Canada led all G-7 countries in economic growth over the past decade (2005-2014).
- Canada has posted the second highest employment growth in the G-7 from 2005-2014.
- Canada's economy has fully recouped more than all of the output and jobs lost during the recession.
- Since the end of the recession in June 2009, over 1.3 million jobs have been created in Canada, an increase of almost 8.0% with over 80% of the new jobs being in the private sector and full-time.

CANADA'S FISCAL STRENGTH PROVIDES OPERATIONAL CERTAINTY FOR BUSINESS

- Canada currently has the lowest net debt-to-GDP ratio in the G-7, according to the *International Monetary Fund (IMF)*.
- Canada's budget stimulus will raise the level of real GDP by 1.9 per cent over the period 2016-2020, and reduce the federal debt-to-GDP ratio to a lower level (to 30.9%) by 2020-21.
- Canada's sound fiscal strength is reflected by its triple A credit rating from *Standard & Poor's*, *Moody's* and *Fitch*.

CANADA'S ECONOMIC STRENGTH IS REINFORCED BY THE WORLD'S MOST STABLE FINANCIAL SECTOR

- For the eighth consecutive year, the *World Economic Forum (WEF)* has declared Canada's banking system to be the soundest in the world.
- Six major Canadian banks are ranked among the 10 safest banks in North America by *Global Finance Magazine*.

CANADA OFFERS A LOW COST, LOW TAX ENVIRONMENT

- Overall business costs in Canada continue to be the lowest in the G-7 and are now 14.6% lower than the U.S., according to *KPMG's 2016 Competitive Alternatives Report*.
- *KPMG's Focus on Tax* also places Canada as the most tax competitive country in the G-7.
- Canada has been first among G-20 countries to make itself a tariff-free zone for manufacturers, by having decreased tariffs on machinery, equipment and industrial inputs to zero in 2015.
- Canada's combined federal-provincial general corporate income tax rate of 26.3% in 2015 is below the level of most other G-7 countries and about 13 percentage points lower than the U.S.

CANADA OFFERS A WORLD LEADING COST EFFECTIVE R&D ENVIRONMENT

- Canada leads the G-7 in R&D spending in higher education as a share of GDP.
- Canada combines one of the best R&D tax incentives in the G-7 with increased certainty of eligibility and reduced administrative costs for business.
- R&D-intensive sectors in Canada also enjoy the lowest costs in the G-7, these being 27.7% lower than that in the U.S. according to *KPMG's 2016 Competitive Alternatives Report*.

CANADA PROVIDES BUSINESS WITH A HIGHLY EDUCATED AND COMPETITIVE WORKFORCE

- Canada offers business the most educated talent pool among countries of the *Organization for Economic Co-operation and Development (OECD)*, with more than half of its population aged 25 to 64 having a tertiary level education.
- Canada is the best in the G-20 in meeting business needs for high quality workers, according to the 2015 Human Capital Index of the *World Economic Forum (WEF)*.
- Canadians are linguistically diverse, with 1 in 5 Canadians speaking one of over 200 languages in addition to either of Canada's official languages of English and French.

CANADA IS A GREAT PLACE TO LIVE AND PROSPER

- Canadians enjoy the second highest standard of living in the G-7, as measured by GDP per capita, according to the *World Bank*.
- The *OECD's Better Life Index* shows Canada as best in the G-7 in terms of overall living conditions and quality of life, based on a variety of indicators including housing, income, jobs, environment, education and health.
- Canada ranks 1st in the G-7, according to *The Heritage Foundation*, in providing the economic freedom for a prosperous society.

LET CANADA BE YOUR GATEWAY TO THE WORLD

- 16 of Canada's 20 largest cities are located within a 90 minute drive of the Canada U.S. border, anchoring trade valued at more than US\$2.0 billion crossing the Canada U.S. border each day.
- Canada's status as a NAFTA member offers foreign investors in Canada preferential access to a North American market of over US\$20 trillion (GDP) with approximately 480 million consumers.
- Once CETA comes into force, companies operating in Canada will have guaranteed preferential access to both the EU and North American markets; this represents nearly 1 billion consumers and a combined GDP of US\$39 trillion, or one-half of the world's output of goods and services.
- Through tax and tariff export-related programs, Canada provides benefits to businesses comparable to those found in foreign trade zones (FTZ) in other countries, while having the advantages of not being site-specific.