



INSIGHTS INTO CANADA

MARKET SNAPSHOT

According to the Organisation for Economic Co-operation and Development (OECD), Canada has one of the fastest growing economies among the G7, and the country ranks 14th on the World Economic Forum's global competitiveness index.¹

Canada and Australia enjoy many similarities including healthcare systems, a large pension fund pool, a highly skilled workforce and a strong natural resources sector. In 2017-2018, the countries exchanged goods and services totalling AUD\$6.8B. Australia exported AUD\$1.68B worth of merchandise including alcohol, beef and other meat products to Canada and imported AUD\$2.13B including agricultural machinery, medicaments (including veterinary) and aircraft, spacecraft and parts. Canada is Australia's fourth largest export market for wine.²

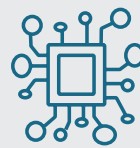
Canada and Australia are both members of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The partnership came into force in December 2018, forming one of the largest trading areas in the world and accounting for over 13% of global GDP.³

Canada's economy is highly integrated with the United States and, through the USMCA trade agreement, the country offers market access to both the US and Mexico. According to KPMG, Canada is more cost-competitive in the manufacturing and services industries than the US and is considered a key access point to the US market.⁴ In recent years major US technology, e-commerce and creative industries companies have established a large presence in Canada to access the growing international workforce and competitive operating environment.

In addition to the US and Mexico, Canada's top trading partners include China, United Kingdom and the European Union.

The country's major cities of Vancouver, Toronto, Ottawa and Montreal are frequently ranked in the top 25 best cities in the world to live and work.⁵

RESEARCH & INNOVATION AT A GLANCE



TORONTO-WATERLOO CORRIDOR

Located in Ontario, the Toronto-Waterloo Corridor is home to universities, research centres, a highly skilled workforce and successful innovation ecosystems. It boasts **15,000 tech companies, 200,000 tech works and 5,200 tech startups.**⁸



INNOVATION NETWORKS

Canada has a **150-strong network of innovation hubs, including three universities ranked in the world's top ten: DMZ at Ryerson University, University of Toronto Entrepreneurship and McGill Dobson Centre for Entrepreneurship.**⁹



3 FEDERAL RESEARCH AGENCIES

Three federal agencies, **Canadian Institutes of Health Research (CIHR), the Natural Sciences and Engineering Research Council of Canada (NSERC) and the Social Sciences and Humanities Research Council of Canada (SSHRC)**, known as the tri-agencies, promote and support research, training and innovation.

Austrade has two Offices in Canada – Toronto and Vancouver – which work together to provide cross-Canada coverage

OPPORTUNITIES AND HIGHLIGHTS

Western Canada

British Columbia is Canada's Asia Pacific gateway. It has long been a receptive market for Australian products and services from F&B to industrial products. Opportunities for Australian companies exist in **agribusiness, AR/VR, clean tech, life sciences and technology**.

Alberta is home to Canada's oil & gas industry and is a major contributor to Canada's economy. Opportunities for Australian companies can be found in **oil & gas, agribusiness and technology**.

Saskatchewan and Manitoba, Canada's prairie provinces, are a hub for agribusiness. Opportunities for Australian companies exist in the **agribusiness and life sciences sectors**.

Eastern Canada

Quebec is emerging as a technology-competitive province, particularly in AI. **Montreal** has been recently selected to headquarter **Scale.AI**, the only federal supercluster in AI, as part of the C\$950M supercluster initiative. Opportunities for Australian companies exist in **AI, fintech, aerospace, mining, agribusiness, life sciences and the multimedia sector**.

In **Ontario**, the **Greater Toronto Area (GTA)** is Canada's economic powerhouse, accounting for 37.8% of Canada's 2018 GDP.⁶ Major industries in this area include financial services, food processing, technology, life sciences, energy, manufacturing and research & development. Most recently, Toronto has established itself as a leader in the fast moving technology space, specifically in **fintech, AI, cybersecurity, big data and autonomous vehicle research and development**.

Atlantic Canada, Canada's east coast region including New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, is a hub for ocean-related industries. There are more than 300 companies doing oceans-sector business in Nova Scotia alone⁷, and opportunities for Australian companies exist in **marine renewable energy, fisheries, aquaculture, oil & gas, defence, shipbuilding, and transportation**.

Disclaimer

Whereas every effort has been made to ensure the information given in this document is accurate, the Australian Trade and Investment Commission does not provide warranty or accept liability for any loss arising from reliance on such information.

- 1 World Economic Forum, The Global Competitiveness Report, 2019
- 2 Australian Department of Foreign Affairs & Trade, Canada country brief, 2017
- 3 www.international.gc.ca, 2018
- 4 KPMG, Competitive Alternatives, 2016
- 5 Mercer LLC., Quality of Living Rankings, 2019
- 6 Statistics Canada Data Table: 36-10-0222-01
- 7 (Nova Scotia Business Inc.)
- 8 thecorridor.ca, Toronto-Waterloo Region, 2019
- 9 Mentornity, 150 Accelerators and Incubators in Canada, 2017

DOING BUSINESS IN CANADA

Provinces have jurisdiction over areas such as financial services, healthcare and education. It's important to compare rules and regulations in each province when conducting market research or conducting business.

The country's **two official languages are English and French**. In each province, except Quebec, the business language is English.

Australian companies which have a major presence in Canada include: Animal Logic, Ausenco, BHP, COBS Bread, Computershare, Flight Centre, Gekko Systems, Navitas, Newcrest, Plenary Group, Rio Tinto, Transurban and WorleyParsons.

HOW AUSTRALDE CAN HELP

The Australian Trade and Investment Commission (Austrade) is the Australian Government's international trade promotion and investment attraction agency.

We deliver quality trade and investment services to businesses to grow Australia's prosperity.

We help companies around the world to identify and take up investment opportunities in Australia, as well as to source Australian goods and services. Our assistance includes:

- ▶ providing insight on Australian capabilities
- ▶ identifying potential investment projects and strategic alliance partners
- ▶ helping you identify and contact Australian suppliers.

AUSTRALDE CANADA

Austrade Canada provides assistance to both Australian and Canadian companies to support trade, investment and education ties between the two countries.

For further information locally please call: 13 28 78 or email canada@austrade.gov.au

©Commonwealth of Australia 2020

For information on the Canada market and how the Australian Trade and Investment Commission can help your business visit www.bit.ly/AustradeCanada