



# DOING BUSINESS IN CANADA

## 1. Business Finland in Canada

### Office

Business Finland, Finland Trade Center  
2 Bloor Street West, Suite 2120  
Toronto, Ontario M4W 3E2, Canada

### Staff

#### **Jonas Granqvist**

Senior Advisor

Tel. +1 416 662-3671

[jonas.granqvist@businessfinland.fi](mailto:jonas.granqvist@businessfinland.fi)

#### **Seppo Tossavainen**

Senior Advisor

Tel. +1 416 728-3231

[seppo.tossavainen@businessfinland.fi](mailto:seppo.tossavainen@businessfinland.fi)

## 2. Key facts about Canada

### Demographics

- Population (2018): 36.9 million
- Capital: Ottawa, Ontario

### Geography, regions and federal structure

- Canada has 10 provinces and 3 territories. Provinces are highly independent in decision-making.
- Taxing is partially federal and partially provincial.
- Vast majority of Canadian people lives close to the border of US.
- Ontario has the most inhabitants.
- Quebec is strongly French speaking

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### Economy

- GDP (2018): 1,711 trillion USD
- GDP per capita: 48,601 USD
- Unemployment rate (June 2018): 5,6%
- Imports (2017): 374 billion EUR
- Exports (2017): 364 billion EUR
- Member of G7 countries
- Three major business cities: Toronto, Vancouver, Montreal

### Economic overview

According to World Business Culture, (<https://www.worldbusinessculture.com/country-profiles/canada/accountancy-business/>) Canada is a high tech industrial society with a market-oriented economic system and high living standards. While previously a rural country, since World War II Canada's manufacturing, mining and service industries have grown giving it a primarily industrial and urban economy. The 1989 US-Canada Free Trade Agreement (FTA) and the 1994 North American Free Trade Agreement (NAFTA) (which includes Mexico) enabled an increase in trade and economic integration with the US, its main trading partner. Thanks to Alberta's oil sands and offshore oil reserves in Newfoundland, Canada now has the third largest proven oil reserves in the world, and is the world's fifth-largest oil producer.

Canada's abundant natural resources, highly skilled and educated labor force, and modern capital plants have facilitated economic growth such that it became the world's tenth largest economy (by GDP, 2016), and GDP per capita is estimated at \$43,000 USD. Canada is a member of the Organization for Economic Co-operation

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and Development (OECD) and the Group of Eight (G8), and is one of the world's top ten trading nations, with a highly globalized economy. Canada uses its own independent currency, the Canadian dollar.

### Key industries

- Service
- Energy
- Manufacturing
- Agriculture
- Mining

### Key consumer behavior trends

- Millennials: drivers of a new consumption era
- Digitally "mobile"-savvy consumers
- Personalized experience and on-demand shopping
- The rise of the sharing economy
- A focus on health and wellness
- See more info in:  
[https://www.bdc.ca/en/documents/analysis\\_research/Consumer\\_Trends\\_Report\\_EN.pdf](https://www.bdc.ca/en/documents/analysis_research/Consumer_Trends_Report_EN.pdf)
- Online shopping is well developed, like in USA.
- Online banking is advanced but behind Finland. See details in this link
- Use of mobility services is increasing like in G20 countries

### Biggest companies

- Royal Bank Of Canada
- Toronto-Dominion Bank
- Imperial Oil
- Suncor Energy

### Start-up hubs and incubators/accelerators

- Toronto
- Montreal
- Vancouver

### Current hot topics

- Services are increasing and it is the biggest industry in Canada
- Consumer behavior is changing
- Digitalization
  - The Increasing Viability of Remote Working
  - Digital Ethics
- Advanced manufacturing

## 3. Cultural issues and ease of doing business

See detailed info here: <https://www.worldbusinessculture.com/country-profiles/canada/>

According to Global Business Culture, business culture in Canada can be described as follows:

*A vibrant and competitive economy and transparent regulatory framework enable dynamic business creation and operation in Canada. Scoring highly on the World Bank's scale for ease of doing business and ranking highly on the Index of Economic Freedom, Canadians enjoy a high standard of living whilst foreign investors have unrestricted access to Canada's fair legal system and enjoy little interference from governmental policies.*

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*A combination of being particularly prosperous in the mining, insurance, telecommunications and automotive industries, rich in natural resources, especially oil, and a member of the Organization for Economic Co-operation and Development (OECD) and the Group of Eight (sometimes known as the Group of Seven) (G8/G7), have all helped cement Canada's position as one of the world's top ten trading nations. In short, doing business in Canada is a smart strategic choice.*

*Canada may be the second largest country in the world geographically but nearly 90% of the nation's population is located within 200 km of the border with America. The trade relationship between the US and Canada is a by-product of this close proximity and the largest relationship of its kind between any two nations in the world. Although Canada could not survive without this crucial bi-lateral trade with its southern neighbors, professionals doing business in Canada would do well to remember that Canadians vary considerably from their American counterparts. Marked differences can be seen in Canada's business meetings which although democratic in approach, tend to be more formal than meetings in the States. While American business people usually use an extremely direct communication style, Canadians are generally more reserved and understated with high value being placed on polite courtesies.*

*As Canadians are keen to shake the stereotype that they are similar to Americans, those doing business in Canada will be putting their best foot forward if they recognize the bilingual nation's historic French ties by offering French translations of any business documents.*

Canada is ranked 22 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. The rank of Canada deteriorated to 22 in 2018 from 18 in 2017. Ease of Doing Business in Canada averaged 15.64 from 2008 until 2018, reaching an all time high of 22 in 2016 and a record low of 8 in 2009. See more info in details: <https://tradingeconomics.com/canada/ease-of-doing-business>

Canada has two official languages: English and French.

English is the mother tongue of 58% of the population of Canada, while French is the mother tongue of 22%. English is the first official language of 75% of the population, while for French it is 23%. 17.5% of the population are bilingual in both official languages.

- [Official Languages Acts](#)
- [Understanding Language Rights of Canadian Citizens](#)
- [Marketing, Advertising and Sales Regulations](#)
- For businesses in Quebec: The Charter of the French Language guarantees French language rights and requires the use of French in many business situations

## 4. Useful sources of information

### Country information

- [Doing Business in Canada - World Bank Group](#)
- [Economic Indicators](#)

### Steps for establishing a business

- [Starting a business](#)
- [Corporations in Canada](#)

### Guides to establishing a business in Canada

- [Immigrating to or Investing in Canada](#)

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- [UHY Doing Business in Canada](#)
- [BLG Doing Business in Canada](#)

### Canada-Finland Relations

- [Finland abroad Canada](#)

### Visas

- [Immigration and Citizenship](#)
- [For entrepreneurs](#)

### Taxation

- [General Information about taxes in Canada](#)
- [Deloitte Highlights 2017 Taxation in Canada](#)
- [GST/HST Information for Non-Residents](#)
- [KPMG Canadian Corporate Tax Tables](#)

### Registering a business

- [Bureaucratic Steps for Establishing a Business in Canada](#)
- [Filing for federal incorporation and provincial registration](#)

**Cost: 200 CAD**

Businesses in Ontario, Newfoundland and Labrador, Nova Scotia, and Saskatchewan can be registered at the same time as they are incorporated federally. For other provinces you need to register in that province individually.

- [Register for VAT](#)

### Employee and Labour Considerations

- In employment law the federal government only has jurisdiction in specific works. The majority are governed by the laws of the province they are located in.
- [Canada Labor Standards and Regulations](#)
- [Federal Labor Standards](#)
- [Payroll Legislation By Province](#)
- [Provincial Employment Standards](#)
- [Fact sheet: Temporary Foreign Workers Program](#)

### Licensing and Permits

- [Quick tool for finding location specific permit and licensing information](#)
- [Canada Business Network: Permits, Licenses and Regulations](#)

### Intellectual Property

- A patent granted in Finland gives an exclusive right to commercially exploit your invention, but it only applies in Finland. If you want to capitalize on your invention in other countries as well, [you have to protect it internationally](#).
- [Intellectual Property and Copyright](#)

### Other legal issues

- Every province except for Quebec uses a legal system based on British common law. Quebec's legal system is unique as it is based on French civil law.
- [Canada Business Corporation Act](#)
- [Investment Canada Act](#)
- Companies are advised to contact topic specific lawyer regarding legal issues in Canada

### Other things to consider

- [Export and Import Controls](#)
- [Opening a physical location](#)
- [Protecting your business](#)

### Organizations that can help besides Business Finland

- [Canada Finland Chamber of Commerce](#)
- [Embassy of Finland, Ottawa](#)

Make sure you consider all angles of the following aspects

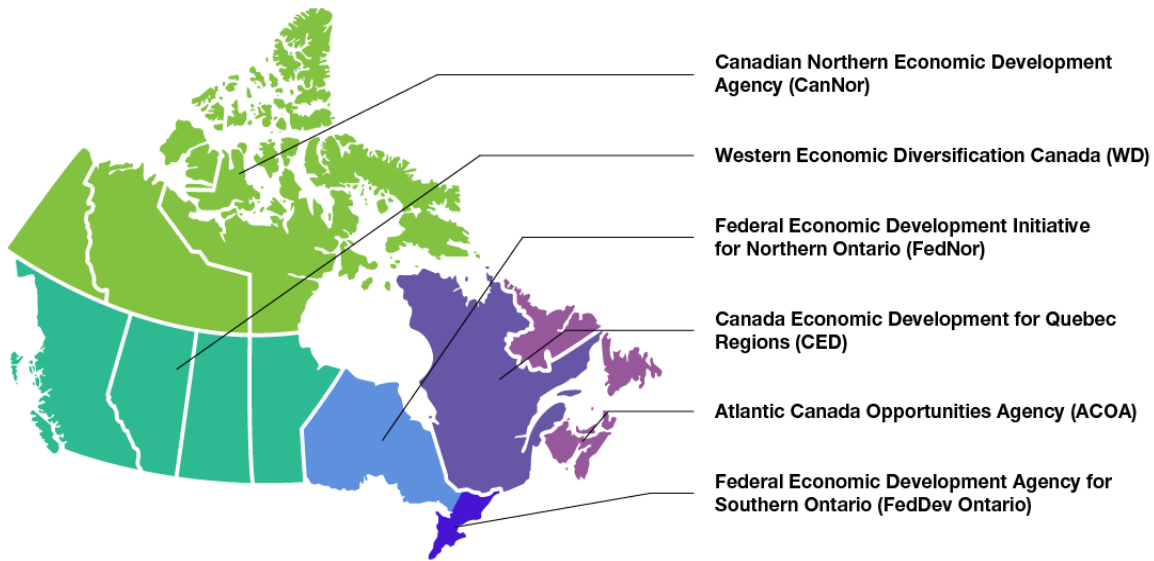
- Regulatory considerations
- Visa issues
- Labeling laws and other legislation
- Insurance matters
- Licenses, taxes, duty fees, etc.
- Distribution and sales strategy
- Pricing
- Inventory management
- Trademark, copyright, patents
- Product modifications

Comprehensive Economic and Trade Agreement (CETA)

- CETA is a new trade agreement between European Union and Canada.
- CETA makes trade easier between European union and Canada
- Exporting of foods will be easier
- Agreement will make the product testing process lighter and cheaper
- New opportunities are to come on the service market
- Market penetration will be easier
- More stable operating environment for investing and protection for intellectual property rights
- Public procurements will partly open for service providers
- Opportunities in sustainable development fields
- [Read more](#)

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### Regional Development Agencies in Canada



- **Agencies on [Government site 2019](#)**
- Invest in Canada organizations and help if you plan to start a business in Canada:  
[www.investcanada.ca/locations](http://www.investcanada.ca/locations)

### Industry information with relevance for Finnish offering

#### Bio & Circular & Cleantech

- <http://www.ic.gc.ca/eic/site/099.nsf/eng/home>
- <https://www.investcanada.ca/industries/renewable-energy>
- <https://www.investcanada.ca/industries/machinery-and-equipment>
- <https://www.investcanada.ca/industries/aerospace>

#### Consumer Business

- [https://www.bdc.ca/en/documents/analysis\\_research/Consumer\\_Trends\\_Report\\_EN.pdf](https://www.bdc.ca/en/documents/analysis_research/Consumer_Trends_Report_EN.pdf)

#### Digitalization & IoT

- <https://www.investcanada.ca/industries/digital-media>
- <https://www.investcanada.ca/industries/software>

#### Food & Beverages

- <https://www.investcanada.ca/industries/agri-food>

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### **Health & Wellbeing**

- [https://www.norwayhealthtech.com/content/uploads/2018/08/lori\\_presentation.pdf](https://www.norwayhealthtech.com/content/uploads/2018/08/lori_presentation.pdf)
- <https://www.investcanada.ca/industries/biopharmaceuticals>

### **Maritime & Offshore**

- <https://www.ic.gc.ca/eic/site/sim-cnmi.nsf/eng/uv00049.html>

### **Smart Mobility & Automotive**

- <https://smartcityalliance.ca>

### **Mining**

- <https://www.investcanada.ca/industries/mining>
- <https://www.pdac.ca/convention>

### **Company information**

- <https://www.canada.ca/en/services/business/research/directoriescanadiancompanies.html>

### **Key trade shows and events**

- <https://10times.com/top100/canada>