

Strategic Location

Canada is located at the crossroads of three great continents—Asia, Europe and North America. Shipping times between the Asia-Pacific region and Europe, and the heartland of North America are shortest through Canada, making the country an important part of global supply chains. Canada also shares the same time zones as do North and Latin America. For global companies that follow a 24/7 business model where after-hours customer service and working as part of a global team are an important element of business, Canada offers excellent time-zone advantages over other international destinations.

INTERNATIONAL TRADE IS THE BEDROCK of Canada's economy. In 2009, exports and imports of merchandise were equivalent to 58.9% of Canada's GDP, making it one of the most open economies in the world. As a share of international trade, 65.9% of Canada's international merchandise trade took place with the U.S. and Mexico, 15.4% with the Asia-Pacific region, and 11.3% with Western Europe in 2009.

This diversity in international trade is reflective of Canada's location. Canadian ports, like Prince Rupert and Vancouver on the Pacific coast, and Halifax on the Atlantic coast, are excellent winning choices for shipping companies. For example, Halifax, Nova Scotia, has a 52-hour transit time advantage over Savannah, Georgia for goods shipped from Europe. Prince Rupert, British Columbia, has a 65-hour transit time advantage over Los Angeles, California for goods shipped from the Asia-Pacific.

All of the major global shipping lines and air lines make seaport and airport calls to Canadian ports, ensuring low shipment and air freight rates for goods shipped through Canada into North America. Canada's location and its recent multi-billion-dollar investments in port, rail, road and air transportation infrastructure have also resulted in major third-party logistics (3PL), distribution and logistics companies establishing operations in Canada. This, combined with Canada's recent initiative to eliminate tariffs on all manufacturing inputs, means that foreign investors wanting to undertake value-added manufacturing in Canada can expect zero tariffs and excellent supply chain efficiencies from their Canadian operations.

For investors in the services sector, value chains are increasingly global in nature. Canada shares time zones with North and Latin America, meaning Canadian operations will be highly integrated with

parent operations in other countries of the western hemisphere. Major Canadian centres such as Toronto, Montréal, and Vancouver offer excellent human resource capabilities and infrastructure advantages over other North American destinations for activities such as customer support and back office financial operations. For functions such as customer support, application management and development, data centre operations, or testing and quality assurance, time differences between Canada and Europe/Asia-Pacific make Canada the ideal place for such functions to be located.

CANADA'S STRATEGIC LOCATION ENABLES A HIGH LEVEL OF INTEGRATION WITH GLOBAL OPERATIONS



Source: Department of Foreign Affairs and International Trade.