



Outstanding Fundamentals

- **Consistent growth.** From 2008 to 2011, Canada led the G-7 with an average real GDP growth rate of 0.9 percent. Canada is expected to remain among the top G-7 performers through 2017 and to return to a budget surplus by that year or earlier.
- **World's best business climate.** According to Forbes Magazine (October 2011), Canada is the best country in the world to do business.
- **Attractive tax environment and sound public finances.** Canada also has the G-7's lowest net debt-to-GDP ratio. In 2011, the OECD recognized Canada as a leader among G-7 countries for its low corporate taxes. A key factor in Canada's superior economic performance is a decade-long plan to lower corporate income taxes. In January 2012, Canada further reduced its federal corporate income-tax rate to 15 percent, bringing the combined provincial and federal rate to an average of 26 percent, well below the comparable rates of most other G-7 countries and more than 13 percentage points below that of the United States.
- **Cost competitive.** Canada also has the lowest business costs in the G-7 for R&D-intensive sectors. Business costs are five percent lower in Canada than in the US, according to KPMG (Competitive Alternatives 2012).
- **Natural resources giant.** Canada has the second-largest proven reserves of oil and is the world's third-largest producer of natural gas. In fact, Canada is one of the few industrialized countries in the world to be a net energy exporter. Canada's diversified base of natural resources attracts scores of world-class capital projects from international investors.