

Chemicals and Plastics

"As one of the world's largest producers of potash, Saskatchewan is right at the centre [of the demand for fertilizer]."

Jim Prokopanko, President and CEO of the Mosaic Company

Chemicals

- The chemical industry is Canada's third-largest manufacturing exporter. It consists of 2,900 companies and employs 70,710 workers. Chemicals shipments were valued at \$44.9 billion in 2010, including exports worth \$28 billion (75 percent to the United States).
- Nine of the 10 largest chemical companies in the world have production facilities in Canada.
- The sector continued its strong recovery in 2010, with sales of basic chemicals and resins up 14 percent over 2009 and operating profits up 73 percent to \$2.3 billion. Export sales grew 19 percent.
- Substantial reserves of natural gas provide a readily available source of competitively priced feedstock and allow for low-cost production of ethylene and its derivatives.
- Biotechnology is now being used to create organic chemicals, some of which are produced from biomass feedstocks like corn and wheat. As technologies based on bio-waste become more viable, Canada will be a global player, given the resources derived from its agricultural and forestry industries.

Plastics

- With the estimated value of 2010 shipments at \$16.8 billion (including exports of \$6.7 billion), Canada boasts a sophisticated, multi-faceted plastics sector.
- Canada's large pool of highly skilled machinists and technicians is an important asset. Canadian firms have internationally recognized expertise in high-quality injection moulding, thermoforming machinery, blown-film extrusion systems and extruders for corrugated pipe.

- The Canadian industry is closely integrated with other advanced manufacturing sectors such as aerospace, automotive, medical devices and telecommunications.
- Canada is a leader in research for producing plastic resins from biomass. As oil prices rise, companies that are ready to make use of alternative feedstocks—which Canada has in abundance—will enjoy cost advantages to gain new markets.
- Large energy reserves and a skilled workforce adept in state-of-the-art technology are driving growth in the synthetic-resin industry. Shipments in 2010 were valued at \$6.5 billion, including \$5.5 billion in exports.

