

Canada represents a significant market for EAS at nearly \$1 billion and it is also the gateway to the lucrative U.S. market, which was valued at \$13.6 billion in 2007. NAFTA has established a platform for economic integration at most levels of business between Canada and the United States.<sup>29</sup>

As result of a combination of skills, innovation, proximity to the United States and cultural similarities and other location drivers, Canada remains the world's No. 2 market (after India) for business process outsourcing (BPO) with annual revenues of \$13.7 billion in information technology and BPO.<sup>30</sup> Despite the narrowing cost advantage, Canada remains a key player in the global scene due to the ability of its workforce to handle complex technology integration and development.

Companies like home-grown CGI Group and x wave have become global players in the IT outsourcing business, and Canada has attracted significant investment from the major global outsourcers including: IBM Global Services, EDS, Computer Sciences Corporation, Accenture, Wipro, Satyam Computer Services, Infosys, Convergys, and Unisys. The outsourcing operations are not simply local market centres, but multi-million dollar investments designed to support global clients.

#### MICROSOFT: LOCATION, LOCATION, LOCATION



Phil Sorgen,  
President,  
Microsoft Canada Co.

Canada's embrace of computing technologies first brought the iconic software developer to Canada in 1986. Since then, Canada's software development strengths and the ready availability of its highly skilled workforce have led to numerous expansions, most recently in Vancouver, where the company decided to locate a new development centre, one of only a handful to operate internationally outside the company's Redmond, WA, headquarters. Vancouver was chosen in part because it is a global gateway with a diverse population. Its convenient location near the U.S. border also provided the company with the flexibility of recruiting and retaining highly skilled people affected by the immigration issues in the United States.

"The economic climate in this country makes Canada a great place to do business," says Phil Sorgen, President of Microsoft Canada. "Microsoft is committed to investing in Canada and we hope that other Canadian and multinational companies recognize the opportunities here as well. Microsoft is a global company, and our greatest asset is smart, talented, highly skilled people. Our goal as a company is to attract the next generation of leading software developers from all parts of the world, and Canada is a beacon for some of that talent."

<sup>29</sup> Gartner Dataquest. Forecast: Enterprise Application Software, 2006-2011. October 2007.

<sup>30</sup> Accenture Inc. The State of Canadian Outsourcing: Leap Frogging or Standing Still.