

Introduction

Canada is a country in North America that extends from the Atlantic Ocean in the east, to the Pacific Ocean in the west, and the Arctic Ocean to the north. Canada borders the United States. The geography of Canada is mostly plains with mountains in the west. The government system is a parliamentary democracy, a federation, and a constitutional monarchy. The head of state is the queen of the United Kingdom, and the head of government is the prime minister of Canada. Canada has a market economic system in which the prices of goods and services are determined in a free price system. Canada is a member of the Asia-Pacific Economic Cooperation (APEC), the North American Free Trade Agreement (NAFTA), and the Trans-Pacific Partnership (TPP).



Location: Northern America

Capital City: Ottawa (-5 GMT)

Chief of State: King Charles III represented by Governor General Mary Simon

Head of Govt.: Prime Minister Justin Pierre James Trudeau

Currency: Canadian dollar (CAD)

Major Languages: <p>English (official) 87.1%, French (official) 29.1%, Chinese languages 4.2%, Spanish 3.2%, Punjabi 2.6%, Arabic 2.4%, Tagalog 2.3%, Italian 1.5% (2022 est.)</p>

Primary Religions: <p>Christian 53.3%, Muslim 4.9%, Hindu 2.3%, Sikh 2.1%, Buddhist 1%, Jewish 0.9%, Traditional (North American Indigenous) 0.2%, other religions and traditional spirituality 0.6%, none 34.6% (2021 est.)</p>

Calling Code: 1

Voltage: 120

Key Websites

Main Government Page: canada.ca

Commerce Ministry: ic.gc.ca

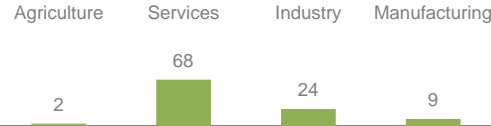
Export Promotion Agency: edc.ca

Investment Promotion Agency: investcanada.ca

Key Economic Facts

| | |
|--|---------------------------|
| Income Level (by per capita GNI): | High Income |
| Level of Development: | Developed |
| GDP, PPP (current international \$): | \$2,273.49 billion (2022) |
| GDP growth (annual %): | 3.40% (2022) |
| GDP per capita, PPP (current international \$): | \$58,399.55 (2022) |
| Manufacturing, value added (% of GDP): | 9.30% (2019) |
| Current account balance (BoP, current US\$): | -\$7.95 billion (2022) |
| Inflation, consumer prices (annual %): | 6.80% (2022) |
| Labor force, total: | 21,344,993 (2022) |
| Unemployment, total (% of total labor force) (modeled ILO estimate): | 5.21% (2022) |
| Imports of goods and services (current US\$): | \$717.79 billion (2022) |
| Exports of goods and services (current US\$): | \$721.52 billion (2022) |

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

| Index | Rank |
|---|----------|
| Corruption Perceptions Index | 13 / 178 |
| EY Globalization Index | 15 / 60 |
| Global Competitiveness Index | 13 / 141 |
| Global Enabling Trade Index | 24 / 136 |
| Global Manufacturing Competitiveness Index (GMCI) | 9 / 40 |
| Global Services Location Index | 46 / 60 |
| Index of Economic Freedom | 8 / 179 |
| International Logistics Performance Index (LPI) | 20 / 160 |
| Inward FDI Potential Index | 4 / 139 |
| KOF Index of Globalization | 11 / 185 |
| Networked Readiness Index (NRI) | 14 / 139 |
| Open Budget Index | 15 / 117 |

Risk Assessment (Provided by Coface)

Country rating: A2 - The political and economic situation is good. A basically stable and efficient business environment nonetheless leaves room for improvement. Corporate default probability is low on average.

Business Climate rating: A1 - The business environment is very good. Corporate financial information is available and reliable. Debt collection is efficient. Institutional quality is very good. Intercompany transactions run smoothly in environments rated A1.

Strengths

- Abundant and diversified energy, mineral, and agricultural resources
- Fifth-largest oil and gas producer in the world
- Strong, well-capitalized, and well-supervised banking sector
- Immediate proximity to the large U.S. market
- Development of trade relations (CETA with the EU)
- Excellent business environment

Weaknesses

- Dependent on the U.S. economy (1/2 of FDI stock, integration of the two countries' automotive industries) and energy prices
- Loss of competitiveness in manufacturing companies due to low labour productivity
- Insufficient R&D expenditure
- Decrease in the share of the working population, only slowed down by high selective immigration
- High household debt (more than 180% of disposable income in late 2021)
- Deteriorating housing affordability
- Energy exports were weakened by inadequate supply pipelines to the coasts and the United States, and by the U.S.'s resources

U.S. Embassy

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