



Innovation, Science and  
Economic Development Canada

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Développement économique Canada

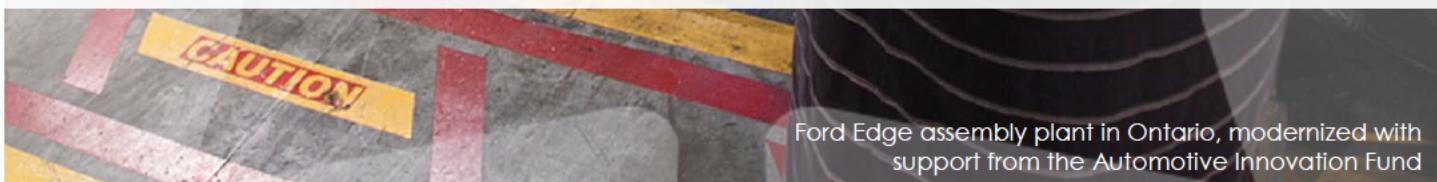


## AUTOMOTIVE INVESTMENT ATTRACTION HUB

[www.canada.ca/invest-auto](http://www.canada.ca/invest-auto)

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Ford Edge assembly plant in Ontario, modernized with support from the Automotive Innovation Fund



Canada

## 1. Invest



MAKE **CANADA** PART OF  
YOUR WINNING FORMULA

**Choose Canada: Low taxes, highly skilled workforce and concierge service for investors**

Cutting-edge R&D, unparalleled market access and seamless integration into the Great Lakes automotive manufacturing cluster make Canada the ideal place to build the car of the future. The Automotive Investment Attraction Hub helps investors make the most of Canada's highly skilled workforce, generous investment incentives and thriving research ecosystem. The Hub offers investors concierge service that includes customized research support - we make sure investors have the information they need, when they need it.

The Hub's one-window approach simplifies site selection. It is a single point of contact where investors can obtain strategic information about Canada's low corporate tax rates; abundance of Science Technology, Engineering and Math graduates (STEM); funding for automotive innovation or any other details investors need to make an informed decision.

Do you want to know how Canada's world-class universities can lower R&D costs, without sacrificing quality? Or how Canadian researchers laid the foundation for the machine learning algorithms at the leading edge of autonomous vehicle technology? Or how battery research in Quebec and Nova Scotia is leading the charge to the next level for Electric Vehicles?

Just ask.

The Automotive Investment Attraction Hub offers investors the research support they need to make the right choice for their company's future: the Canadian choice.

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## 2. Industry



**Vibrant auto sector: The ideal place to build the cars of today, and tomorrow**

Canada is one of the world's top 10 auto producing countries, with a leading auto parts sector and cutting edge R&D. More than 2.3 million vehicles are produced in Canada each year and Canada's assembly plants are leaders in quality. With just a 14% share of North America's total automotive production, Canada won 33% of the North American JD Power Initial Quality Awards over a 25-year period.

OEMs trust their Canadian operations with innovative projects. Canada was the first country outside Japan that Toyota chose to manufacture Lexus vehicles and Honda chose its Canadian operations to lead the global Civic project. Since 2011, the five OEMs that assemble vehicles in Canada have announced more than \$8 billion in re-investments in their Canadian operations.

Canada has a leading auto parts sector. Nearly 700 parts suppliers cater to every product category. A cluster of Machine, Tool, Die and Mold-Making companies in southwestern Ontario helps companies automate processes and Tier 1 suppliers like Magna International, Linamar and Martinrea have grown from their base in Canada into global giants.

### 3. Innovation



**Innovation: Canada is embracing innovation to grow businesses into globally successful brands**

As part of the Innovation and Skills Plan, Canada is investing \$1.26 billion in high growth sectors via the Strategic Innovation Fund. The fund will be available to key industries, including the automotive sector. The Strategic Innovation Fund will fuel growth in a sector that already has leading research clusters in Hydrogen Fuel Cells, Electric Vehicles, Secure Communications and Artificial Intelligence.

Artificial Intelligence is an area of exceptional strength for Canada. The machine learning algorithm being used to develop autonomous vehicles was largely developed by Canadian academics, and the \$125 million Pan-Canadian Artificial Intelligence Strategy is linking together the leading research centers in Edmonton, Montreal and Toronto.

Key players in the industry have taken notice. Ford, GM, Google and Uber all undertake autonomous vehicle research in Canada.

## 4. Workforce



**High caliber workforce:** Canada's highly educated workforce is ideally suited for advanced manufacturing and R&D

Canada's got talent. Canadian workers are among the best trained and best educated in the world. Over 55% of Canadian workers have post-secondary education, the highest proportion of any country in the Americas.

Canadians excel at all levels of education. Canada has consistently achieved top 10 in math, science and reading in the OECD's Program for International Student Assessment (PISA). Canada's university system is highly regarded, with QS ranking it in the top five in the world for overall system strength.

More than 2.4 million full and part-time students are improving their skill sets in Canada's extensive system of community colleges and institutions. These education systems develop curricula in consultation with industry to ensure that training aligns with the current and future needs of the labour market.

Highly educated Canadian workers in key sectors are cost effective. Canada has the lowest costs in the G7 in both software design and R&D.

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## 5. Business



**Business-friendly: Low corporate taxes and preferential access to key markets earn Canada its place among the world's most business-friendly countries**

Low corporate taxes and unparalleled market access helped Canada earn its place in the top 10 in Forbes' Best Countries for Business in 2017. It was the only country in the Americas to make the cut.

Canada has 12 free trade agreements that ensure preferential market access to more than 40 countries that account for over half the world's total GDP. The Canada-European Union Comprehensive Economic and Trade Agreement (CETA) gives Canada tariff-free access to more than 700 million consumers in the EU.

Canada also has the lowest business costs and total effective tax rate in the G7, as well as competitive investment programs to drive investment.

## 6. Talent



**Talent attraction: Canada is building the most skilled, talented, creative and diverse workforce in the world**

Canada takes pride in its openness. We're open to trade. We're open for business. We're open to immigration. Canada welcomes the world's brightest minds and those bright minds deepen the economic ties between Canada and their countries of origin. Canada is committed to ensuring that highly skilled workers continue to propel companies doing business in Canada to success in the global marketplace.

The new Global Skills Strategy makes it even easier for employers to have the talent they need to succeed. To facilitate growth, it sets an ambitious two-week standard for processing temporary resident visas and work permits for highly skilled talent. It also creates work-permit exemptions for researchers and highly skilled workers. Highly skilled workers do not need a work permit for short-term assignments (i.e. one 30-day period in a calendar year). Researchers are also permitted one 120-day stay in Canada every twelve months when they are working on a research project at a publicly-funded, degree-granting institution or affiliated research institute, which includes automotive research institutes that partner with industry at major Canadian universities.

Canadian immigration policies are also family-friendly. Spouses of highly-skilled workers are eligible for their own open work permits that allow them to work for any employer in Canada. For skilled workers who want to make Canada their family's new home, Express Entry is the first step to making that happen.

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## 7. Leading R&D



**Leading R&D: Generous investment incentives fund cutting edge auto research**

Canadian businesses invest more than \$15 billion in research and development each year, encouraged by government policies that incentivize doing R&D in Canada. The Scientific Research and Experimental Development Tax Incentive Program (SR&ED) is one of the most generous R&D funding programs in the world. More than 20,000 claimants save \$3 billion through its tax credits and deductions annually. In certain circumstances, companies can claim up to 35% of R&D expenditures (including equipment and labour) and SR&ED savings are supplemented by additional R&D tax incentive programs operated by Canada's provinces.

Canada's universities have an extensive network of publicly-funded automotive research institutes where researchers can collaborate with industry. Through the Canada Research Chairs Program the Government of Canada invests \$265 million annually in leading research, including research in hybrid powertrains, lightweighting and mechatronic vehicle systems.

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## 8. Top reasons to put Canada's research and development to work for you!

We have:

### World-class talent

- Canada wins 1/3 of J.D. Power and Associates initial quality awards, with only 1/7 of North America's assembly plants.
- Canada's workforce is one of the most highly educated in the world. Nearly 2/3 of adults have post-secondary education.
- Dr. Jeff Dahn won the Gerhard Herzberg medal for increasing the lifespan and storage capacity of lithium-ion batteries.
- Researchers like Yoshua Bengio and Geoffrey Hinton have revolutionized artificial intelligence, partnering with tech leaders IBM and Google, and paving the way for autonomous vehicles

### Commercialization infrastructure

- Canada offers 40-60% savings on R&D costs, a network of incubators and accelerators, and the test infrastructure to commercialize automotive tech.

We are:

### Globally competitive

- Canada is the only country in the Americas on Forbes Magazine's Top 10 Best Countries for Business List.
- Canada is part of an integrated Great Lakes automotive supercluster, a mega marketplace with over 141 million consumers.

### Driving the future of tech

- More than 50 million cars run industry-leading QNX software that was developed in Canada.
- Ontario has the 2nd largest tech hub in North America. Canada is best in the G7 for available engineers and skilled trades.

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## 9. Resources

### **Strategic Innovation Fund**

A simple, flexible \$1.26 billion fund to grow Canada's industrial and tech sectors.

### **Invest in Canada - Automotive**

Take advantage of the free, comprehensive and confidential Canadian Trade Commissioner Service.

### **Export Development Canada**

Canada's export credit agency finances export trade to respond to international business opportunities.

### **Global Skills Strategy**

Making it even easier for Canadian businesses to attract the talent they need to succeed.

### **Scientific Research and Experimental Development Tax Incentive Program**

Encouraging research in Canada through one of the world's most generous R&D programs.

### **Pan-Canadian Artificial Intelligence Strategy**

Making Canada a leading destination for artificial intelligence research and commercialization.

### **Make Canada your gateway to the world**

12 free trade agreements, including the Canada-European Union Comprehensive Economic and Trade Agreement (CETA).

## 10. Contact Us

To find out more about auto sector advantages in Canada contact us via [email](#) or call us Toll Free at 1-800-328-6189 (TTY: 1-866-694-8389) or direct at 1-343-291-1473.