

## ECONOMIC RELATIONS BETWEEN CANADA AND FRANCE – SUMMARY

Canada–France economic and trade relations are dynamic and diversified. They are characterized by sustained trade of high value-added products, good performance of trade in services and expanded partnership in the form of direct investment, strategic alliances, as well as scientific and technological partnerships.

France is Canada's eighth largest trading partner and the third in Europe. In 2008, France–Canada trade exceeded for the first time the historic level of 9 billion dollars. A little rise in exports (+3%) led to a new record of 3.2 billion. Imports (+15%) met again their historic level of 5.9 billion.

France is one of Canada's top ten priority markets. The French market is a major outlet for Canadian high-tech and high value-added finished goods. Almost half of all Canadian exports are from the high-tech sectors: aeronautics, electrical and mechanical equipment, measurement and control instruments, and pharmaceuticals to which you can add uranium and mineral fuels.

Canada is one of France's major suppliers of turbojets, vaccines, natural uranium, iron ores, horse meat, scallops and frozen lobster.

For trade in services, France is Canada's fourth partner and is second in Europe. Bilateral trade in services is growing. Estimated at 4 billion in 2006 (last known year), bilateral trade consists mainly of travel, commercial services, transportation and government services. Canada is a net service importer for 408 million.

In 2008, there were 405,000 French visitors to Canada and 809,000 Canadian visitors to France. As such, France is the third-ranked country of origin for international visitors to Canada and is the fifth most popular country with Canadians

travelling abroad. France is, on both sides, the second European country (after the United Kingdom).

Canada's presence in France is significant. At the end of 2008, Canadian investment stock in France totalled 18.7 billion, or 2.9% of all Canadian foreign investment. This places France third in Europe and seventh worldwide in terms of preference by Canadian investors. About 260 Canadian companies (all types of operations) are present in France. The largest are usually among the top players in their sector. These include Bombardier, the Caisse de dépôt et de placement du Québec, Cascades, McCain, RIM, Rio Tinto Alcan, SNC-Lavalin, Tembec, Transat, Vermilion.

France is Canada's fourth-largest foreign investor and its third-largest European investor, with direct investment stock of 18.5 billion, or 3.7% of all foreign direct investment in Canada. About 450 French companies have head offices in Canada, with over 800 establishments of all types of operations. French companies were initially highly concentrated in Quebec, but in recent years have become very active in Ontario and the western provinces. In addition to almost every company listed on the CAC 40 index, the biggest names in industry, services, banking and insurance, as well as many small and medium-sized businesses, are active in Canada, in virtually every sector of the economy.

France is one of Canada's priority partners in terms of scientific cooperation and technologic partnership. High value-added partnerships with a focus on innovation are active in transportation (aeronautics and railway), aerospace industry, biotechnology, information and communications technology, renewable energy, environmental technologies, nanotechnologies and advanced materials.

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