

Canada is considered to be one of the world's leading developed economies with globally integrated commercial and financial markets. The nation's diverse economic landscape encompasses key industries such as energy/natural resources, tech/IT, aeronautics, finance, advanced manufacturing, life sciences and forestry. Inflation is on a recovery trajectory, as a result of interest rate hikes.

Climate policy, immigration and affordable housing are among the key priorities of the current government.

Source: [The CIA World Factbook - Canada](#)

01 Your advisors at the Chamber of Commerce

Nothing to change

02 Key indicators

| | |
|-----------------|--|
| AREA | 9,984,670 km ² |
| POPULATION | 38,929,902 (2022) |
| GOVERNMENT TYPE | federal parliamentary democracy (Parliament of Canada) under a constitutional monarchy; a Commonwealth realm; federal and state authorities and responsibilities regulated in the constitution |
| LANGUAGES | 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.) |
| GDP | \$2.16 trillion (Current US\$, 2022) |
| GROWTH RATE | +3.8% (2022) |

Carte

03 Macroeconomic indicators

The Canadian economy is outperforming expectations. Despite high interest rates, Canada has avoided a recession. Inflation has fallen from a peak of 8.1% (Jun 2022) to 2.8% (Feb 2024). The labour market remains solid: 1.1 million new jobs have been created since the pandemic, marking the fastest employment recovery in the G7. Real wages have gone up, thereby increasing purchasing power.

It is expected that economic growth will further pick up, with interest rates being lower and inflation declining to about 2% (according to predictions). Both the IMF and the OECD project that Canada will see the strongest economic growth in the G7 in 2025.

Heightened risks surrounding the global economy call for careful economic and fiscal management. The federal government is maintaining the lowest net debt- and deficit-to-GDP ratio of all G7 countries and thereby preserves Canada's long-term fiscal sustainability.

Canada's strong tradition of macroeconomic stability is an important foundation for economic growth and investment. Knowing that the federal government's finances are sustainable, even as aging populations put pressure on government budgets, is an important source of certainty for both Canadian and foreign investors.

Source: [Government of Canada – Economic and fiscal overview](#)

IM F Statistics:

automatic

04 Relationships with Luxembourg

Existing conventions and agreements

Non double taxation agreement

Nothing to change

Air Services agreement

Nothing to change

Source: [Administrations des contributions directes](#)

Add:

EU-Canada Comprehensive Economic and Trade Agreement (CETA)

CETA is a progressive trade agreement between the EU and Canada. It entered into force provisionally in 2017 and has been ratified by Luxembourg in June 2020.

All national (and in some cases regional) parliaments need to approve CETA before it can take full effect.

CETA features some of the strongest commitments ever included in an EU trade agreement, including the promotion of labour rights, environmental protection and sustainable development.

The benefits of CETA include the elimination of duties on 99% of all tariff lines, of which 98% were scrapped when it provisionally entered into force. It also improves and secures EU companies' access to the Canadian services market.

Source: [European Commission](#)

More:

[Comprehensive Economic and Trade Agreement \(CETA\) between Canada, of the one part, and the European Union and its Member States, of the other part](#)

[CETA - a boost for jobs and exports in Luxembourg](#)

05 Further information

Foreign Trade

Nothing to change

Contact points in Canada

Embassy of the Grand Duchy of Luxembourg in **Washington**

Ambassador with residence in Washington : **Ms Nicole BINTNER-BAKSHIAN**

2200 Massachusetts Avenue N. W.

Washington, D.C. 20008

United States of America

Tel.: (+1-202) 265-4171 / 72

Fax: (+1-202) 328-8270

E-Mail: washington.amb@mae.etat.lu

Site web: www.washington.mae.lu

Honorary consuls

DELETE MR MICHEL DESCHAMPS

Ottawa

Mr Paul WILLOX

Honorary Consul with jurisdiction over the Capital Region:

150 Elgin Street, Floor 10

K2P 1L4 Ottawa, Ontario

Tel.: (+1) (613) 751-4472

E-Mail: ottawa@consul-hon.lu

Toronto

Ms Shauneen Elizabeth BRUDER

Honorary Consul with jurisdiction over Ontario:

1318 Cleaver Drive

Oakville

L6J 1W4 Toronto, Ontario

Tel.: (+1) (416) 809 1016

E-Mail: toronto@consul-hon.lu

Vancouver

Mr Ron BOZZER

Honorary Consul with jurisdiction over the Province of British Columbia:

Hungerford Tomy Lawrenson and Nils.

Barristers & Solicitors

1100 Cathedral Place

925 West Georgia Street

V6C 3L2 Vancouver

Tel.: (+1) 604 408 5616

E-Mail: vancouver@consul-hon.lu

Source: [Ministry of Foreign affairs of Luxembourg](#)

Country risk as defined by Office du Dueroire for Canada

Nothing to change in the text

Link: [Country Risk Insurance - ODL](#)

Additional information on Ontario, Quebec, British Columbia and Alberta.

Ontario

- 415,598 sq mi
- Most populated province in Canada
- Over 14 million inhabitants
- 40% of Canada's total chemical and biochemical production
- 3,000 cleantech companies
- 3,000 food and beverage businesses
- Extensive mining activities focused on mineral production for critical industries

Focus on: Toronto (city)

- Over 3 million inhabitants
- GDP of \$171 billion
- Canada's financial and business capital
- 12,000 companies employing over 350,000 people and contributing to CAD 80 billion in GDP
- Strong technological sector, third-largest tech hub in North America
- Largest natural resources stock exchange in the world. The Toronto Stock Exchange and Venture Exchange host 40% of global public mining companies

- Over 96,000 businesses

- Workforce of 1.6 million

Quebec

- 595,391 sq mi

- Over 8 million inhabitants

- Strong aerospace and defense sector

- Developed pharmaceutical industry

- Fourth largest producer of primary aluminum

Focus on: Montreal

- Over 1,8 million inhabitants (city)

- GDP of \$228 billion

- Third largest center of aerospace manufacturing

- Quebec's leading export industry with more than < CAD 15 bn in annual shipments

- Home to the largest port in Eastern Canada

- Strong academic/research network composed of top tier universities, such as McGill University

British Columbia

- 364,764 sq mi

- Over 5 million inhabitants

- Second largest natural gas producer in Canada

- Major player worldwide in the wood industry, being one of the world's largest exporters
- Logistics and maritime industries are key sectors; the port of Vancouver is Canada's largest port and is considered to be the most diversified port in North America

Focus on: Vancouver

- Over 660,000 inhabitants (city)
- GDP of CA \$163.7 billion
- Competitive tax regime
- Closest major port to Asia

Alberta

- 255,541 sq mi
- Over 4 million inhabitants
- Alberta's oil production amounts to 80% of Canada's total oil production
- More than half of natural gas in Canada stems from Alberta
- Oil and gas represented 22% of Alberta's revenue in 2021/22
- Developed agricultural industry