



Canada's IT Industry – \$155 Billion and Growing

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Jared Byrne/Abraham Wu
CS Calgary, Canada

Market Overview:

In Canada's Information and Communications Technology (ICT) sector there are about 33,000 organizations, employing over 500,000 people and generating approximately \$155 billion in revenue. Over 80% of this sector works in computer and software services, while the remaining 15-20% covers wholesaling, manufacturing, and communications services. Within Canada's ICT sector, the vast majority of organizations are considered small - as was noted in 2011, then there were less than 80 organizations with more than 500 employees; comparatively, there were over 28,300 companies with less than 10 employees.

Opportunities for U.S. Businesses:

- Multiple provincial governments offer tax credits for companies that engage in research and development (R&D) activities. For example, the provinces of BC and Alberta both offer a scientific research and experimental development tax credit that is refundable for eligible companies for up to 10% of the expenditure limit (\$3 and \$4 million in BC and Alberta respectively). The province of Ontario offers the Ontario research and development tax credit (ORDTC), the Ontario business-research institute tax credit (OBRITC), and the Ontario innovation tax credit (OITC).
- As Canadians are generally transitioning to new, more advanced forms of technology and communication, and more businesses are turning to "software as a service" (SaaS) business models, an improvement in ICT infrastructure and equipment is required.
- This profitable, growing sector provides a perfect opportunity for investment and partnership opportunities. Despite Canada's talented labor force, and established industry, Canadian businesses rank 8th in ICT investment pointing to the reality that there is still a shortage of investment and capital within Canada's ICT industry.
- A gap within the Canadian ICT industry provides opportunity for U.S. businesses who can manufacture and supply ICT services and equipment (ex. computer/communications equipment manufacturing, systems design, more advanced servers, etc.) to Canadian businesses and governments that intend to transition to cloud computing, better utilize "big data," and/or produce better websites and e-services.

Upcoming Events and Conferences

- [iTech2014](#): October 8, 2014 – Calgary, Alberta
- [Canada 3.0](#): October 28-30, 2014 – Calgary, Alberta
- [GTech2014](#): October 27-30, 2014 – Ottawa, Ontario
- [International CES](#): January 6-9, 2015 – Las Vegas, NV
- [InfoComm15](#): June 17-19, 2015 – Orlando, FL

Web Resources

- [Industry Canada – ICT Sector Profile](#)
- [Information Technology Association of Canada](#)
- [Summary of R&D Tax Credits Available in Canada](#)
- [ICT Investment in Canada \(Compared to its Peers\)](#)

For More Information

Please contact **Jared Byrne**, the Commercial Specialist in the Clean Technology sector at the U.S. Commercial Service in Canada at Jared.Byrne@trade.gov or (403) 265-2116. You can also visit our website at <http://www.export.gov/canada>.

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Comments and Suggestions: We welcome your comments and suggestions regarding this market research. You can e-mail us your comments/suggestions to:

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