

**EXECUTIVE SUMMARY**

Toronto bills itself as offering unlimited value, unlimited talent and unlimited excitement. With business cost savings up to 12.2%, an intelligent, available workforce of 1.4 million, and world-renowned theatre and internationally acclaimed cultural venues, Toronto makes good business sense. It has lower overall business costs than most large G8 cities. Companies looking to tap into both the US and Canadian markets find it a superb choice. It is geographically located within an eight-hour drive of 180 million consumers in both countries. This makes it very central for foreign investment into North America to serve the larger NAFTA market, not just Canada. It pulls much of its strength from its diverse population, providing a well-educated and internationally savvy workforce; the citizens are tolerant, multilingual and actively encourage immigration from around the world.



- Access the North American market from a safe, tolerant and cost-effective location
- R&D tax incentives are the best of any G-8 country
- Employer health care costs per employee are 85% lower than in the U.S.
- Well-educated, multilingual labour force.

**‘Our clients and prospects are spread out across the country, but Toronto provides us with a critical base.’**

J F Courville,  
president and CEO, State Street

**‘Toronto is an important growth market for us.’**

Joseph Natale,  
president, TELUS Business Solutions

**CONTACT**

- Ron Wandel, Manager, Investment Attraction.  
Tel 416-392-3384, fax 416-397-5332,  
e-mail rwandel@toronto.ca; investing@toronto.ca
- City of Toronto Economic Development, City Hall, 9th Floor, East Tower, 100 Queen Street West, 9E, Toronto, Ontario, Canada M5H 2N2
- www.toronto.ca/business

**NEW INVESTMENT FOCUS**

- Medical and biotechnology
- Information and communication technology
- Financial services
- Film and television
- Design

**RECENT ANNOUNCEMENTS**

**Top new company announcements**

| Company (HQ country)                | Employment | Size (sq ft) |
|-------------------------------------|------------|--------------|
| KOEI (IT-Japan)                     | 200        | 50,000       |
| SFBC Anapharm (Clinical Trials-USA) | 200        | 40,000       |
| Salesforce.com (IT-USA)             | 100        | 25,000       |

**Top new office tower announcements**

| Tower name (developer)           | Height     | Investment |
|----------------------------------|------------|------------|
| RBC Centre (Cadillac Fairview)   | 48 storeys | C\$400m    |
| Bay Adelaide Centre (Brookfield) | 50 storeys | C\$290m    |
| TELUS Tower (Menkes)             | 30 storeys | C\$250m    |

**Top new hotel announcements**

| Hotel name                         | Height     | Investment |
|------------------------------------|------------|------------|
| Trump International Hotel & Towers | 72 storeys | C\$550m    |
| Four Seasons Hotel                 | 55 storeys | C\$325m    |
| Ritz Carlton Hotel & Residences    | 53 storeys | C\$300m    |

**MAJOR EMPLOYERS**

**City of Toronto's top 10 largest private employers**

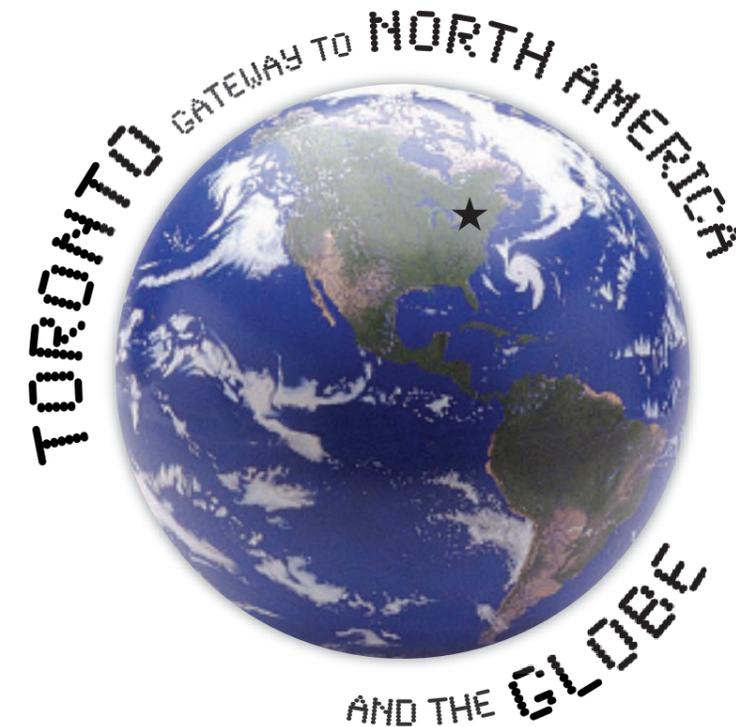
| Company                            | Business sector                   | Employees |
|------------------------------------|-----------------------------------|-----------|
| Canadian Imperial Bank of Commerce | Banking (global HQ)               | 12,000    |
| Royal Bank of Canada               | Banking (global HQ)               | 11,000    |
| Toronto Dominion-Canada Trust      | Banking (global HQ)               | 11,000    |
| Bank of Nova Scotia                | Banking (global HQ)               | 10,000    |
| Bank of Montreal                   | Banking (global HQ)               | 8000      |
| Bell Canada                        | Utility                           | 5500      |
| Bombardier                         | Aerospace (manufacturing)         | 3500      |
| Apotex                             | Pharmaceutical (manu) (global HQ) | 3500      |
| IBM Canada                         | IT (research & tech support)      | 3400      |
| Manufacturers Life Insurance Co    | Insurance (global HQ)             | 2700      |

**LABOUR MARKET**

**City of Toronto and surrounding region**

|                                    | Toronto           | Region            |
|------------------------------------|-------------------|-------------------|
| Population                         | 2.6 million       | 5.4 million       |
| Labour force                       |                   |                   |
| - percentage age 39 years or under | 55.7%             | 57.1%             |
| - languages spoken by 25,000+      | 19                | 22                |
| Labour force                       |                   |                   |
| - % with university degree         | 36%               | 31%               |
| - % with some post-secondary       | 70%               | 68%               |
| - unemployment (annual average)    | 7.9%              | 6.9%              |
| Universities and colleges          | 9                 | 12                |
| - full-time students               | 185,000           | 210,000           |
| Number of businesses               | 76,000            | 139,500           |
| Office space                       | 119 million sq ft | 162 million sq ft |
| Industrial space                   | 283 million sq ft | 746 million sq ft |
| GDP                                | C\$127bn          | C\$262bn          |
| Average household income           | C\$69,125         | C\$74,453         |

Source: Statistics Canada, City of Toronto



www.toronto.ca/business investing@toronto.ca



# Toronto

## gateway to North America and the globe

**Toronto is a thriving gateway to the globe's most lucrative markets – the best investment choice**

**T**oronto, an international centre for commerce, research and innovation, is a thriving gateway to the world's most lucrative markets. Value, talent and infrastructure combine with a cosmopolitan atmosphere to create a unique experience.

Toronto is North America's top-rated economy on La Salle Investment Management's 2005 North American Regional Economic Growth Index. Its diverse economy, characterised by 10 key employment sectors, ensures economic resilience. The competitive cost of doing business, an excellent return on investment, and a growing, highly educated labour force make it the best choice for investment.

### Global gateway

Toronto is a preferred business gateway to the US and Europe. About 50% of the US population is within a one-day drive, and the city's population of 2.6 million is one of the continent's largest and most prosperous consumer and commercial markets.

Fast and efficient trucking, railways, waterways and air services link Toronto to the world. The city's Pearson International Airport provides flights to more than 300 destinations in 54 countries through 64 carriers, handles 30 million passengers and is capable of processing one million metric tons of cargo annually.

China, Germany, the UK, India, the US

and 87 other countries maintain consular offices in the city. Dozens of international trade commissions promote and facilitate global business.

Toronto is home to more than 90% of the world's international banks operating in Canada, 85% of the world's mutual fund companies, and half of Canada's venture capital firms.

### Economic powerhouse

The City of Toronto is in the heart of the Toronto region's 5.4 million people. In North America, it ranks alongside economic powerhouses such as Chicago and New York. The value of all goods and services produced in 2005 was \$127bn, with GDP output growth forecast to increase at a rate of 3.7% annually from 2007 to 2010.

### Value

Business costs in Toronto are lower than in most US centres and for key competitors with the biggest savings on skilled labour and industries doing research and development (R&D).

Based on an exchange rate of \$1.17 to C\$1, Canada is ranked the most economical G7 nation by the Competitive Alternatives, a comprehensive, international survey conducted by KPMG in 2006, with costs lower than other major industrialised countries, namely: the US, the UK, France, Germany, Italy and Japan.

Toronto finished ahead of all large US cities surveyed in seven of the 17 business operations analysed, ranking first in cost competitiveness against global cities such as Amsterdam, Frankfurt, London and Yokohama. Ten-year average annual operating costs in Toronto are between 3% and 26% more cost-effective than in US cities of similar size and stature, including Boston, Chicago, Dallas, Detroit, New York and San Jose.

Labour costs are the largest single contributor to Toronto's cost advantage. Of the G7 countries, Canada had the lowest total labour costs, ranging from a 3% average per employee cost advantage over Italy to an 11% advantage over the US.

### Top opportunity

Toronto's ambitious waterfront revitalisation initiative is one of the largest

urban development projects under way in North America, making the area one of the city's most dynamic investment opportunities. The estimated \$17bn investment over the 30-year build out will help to create up to 40,000 residential units, one million square metres of employment space and 400 hectares of parks and public spaces.

The first area of development is a 22-hectare site, approximately the same size as London's Canary Wharf and New York's Battery Park City, and is within walking distance of the city centre. When complete, it will provide housing for 12,000 residents, create jobs for 8000 people, and develop five hectares of parks and public spaces, including a 1.5 kilometre water's-edge promenade.

### Economic mixture

The city's multi-sectoral business base, together with expansive business networks, ensures sustained growth through changing times. Leading sectors include:

- business and professional services: among the largest in North America and growing faster than sectors in New York, Los Angeles, Philadelphia, Boston and Washington at an annual rate of 6%.
- financial services: more than 205,000 highly skilled employees make Toronto's financial services sector the third-largest in North America after New York and Chicago.
- food and beverage: Toronto's food cluster is the largest in Canada and a North American leader. The largest operations, with annual sales in excess of \$50m, are mainly multi-national subsidiaries, serving the markets beyond the boundaries of Toronto and the province.
- information and communication technology: annual sales for Toronto's cluster amount to more than \$32.5bn, with \$6.2bn in annual exports. More than 300 foreign companies have subsidiary operations in the Toronto region.
- medical and biotech: Toronto's cluster is a world-leader in genomics, proteomics and bioinformatics research. More than \$1bn of research is conducted annually in the city's Discovery District and facilities such as MaRS. The incubator brings

together science, business and capital resources to encourage innovation and rapid commercialisation.

### Educated workforce

The city's post-secondary educational facilities include three universities and five colleges offering multi-faceted training to 185,000 full-time students. International Baccalaureate Organization (IBO) programmes are offered at several Toronto educational institutions. Excellent programmes in engineering, computer sciences and multi-media attract more than 10,000 international students each year.

With 58% of the workforce attaining post-secondary education, Toronto's 1.4 million-strong labour force outpaces that of comparable US cities. The workforces of New York, Chicago and Washington have post-secondary education rates of 28%, 33% and 43% respectively.

### People are our strength

Diversity of race, religion and lifestyle helps to define Toronto. The city-region has an excellent overall ranking across the categories of diversity, creativity, technology and talent when compared with other cities.

Immigrants are encouraged to celebrate and share their ethnic traditions. A high percentage of the population is multilingual, speaking Italian, Mandarin, Cantonese, Portuguese and Punjabi among other languages, creating a versatile employment base with the ability to communicate and network with international partners.

### Winning lifestyle

Torontonians pride themselves on their tolerance and quality of life, which thrives on clean, safe streets, superb recreation and entertainment venues, and vibrant cultural life.

A geographical mosaic of international neighbourhoods illustrates Toronto's status as one of the world's most multicultural cities, making it an easy place to attract talented minds from other countries. Great public transit, a reasonable cost of living, and major league sports and entertainment options also make this city an attractive place in which to live, work and invest.