



**© HOW TO DO BUSINESS WITH  
CANADIAN ENTERPRISES**

September 13th, 2018



## S U M M A R Y

- ❑ Canada-Vietnam Relations
- ❑ Portrait of Canada
- ❑ Canadian Culture
- ❑ Why Do Business in Canada and Choose Montreal
- ❑ Doing Business in Canada - Legal Framework



# CANADA-VIETNAM RELATIONS



# COOPERATION AND FRIENDSHIP FOR 45 YEARS

Founded since establishing their diplomatic relations in 1973, **Canada and Vietnam** have jointly decided to establish a comprehensive partnership encompassing the following areas:

## ❑ **Trade and Investment**

Vietnam has been Canada's largest trading partner in the ASEAN region since 2015. Multilateral economic, trade and financial cooperation mechanisms, including the WTO, APEC forum, IMF and World Bank. Examine Canada-ASEAN free trade agreement potential, and promote implementation of the Trans-Pacific Partnership.

## ❑ **Cultural and Academic Exchange**

Academic cooperation, mobility, including through the establishment of partnerships and student exchange programs between educational institutions. In 2017, there were over 14,000 Vietnamese students studying in Canada.

## ❑ **Science, Technology and Innovation**

Engagement of various innovation stakeholders to share information, experience and topics of mutual interest, including research and development.

## ❑ **People-to-people ties**

Nearly 250,000 Vietnamese-Canadians live in Canada.



# PORTRAIT OF CANADA



# CANADA

Canada is the second largest country on earth.



- Population: 38 000 000
- Founding people: Aboriginal, French and British
- Largest cities:
  - Toronto: 6 000 000
  - Montreal: 4 000 000
  - Vancouver: 2 500 000
- Official languages: English and French
- Main Religions: Roman Catholic and Protestant

Canada is made up of 10 provinces and three territories. Our country has three coasts and borders the United States on two sides.

# ECONOMY

Canada's free market economy includes three main types of industries:



- ❑ **Service industries** provide thousands of different jobs in areas like transportation, education, health care, construction, banking, communications, retail services, tourism and government. More than 75 percent of working Canadians now have jobs in service industries.
- ❑ **Manufacturing industries** make products to sell in Canada and around the world. Manufactured products include paper, high technology equipment, aerospace technology, automobiles, machinery, food, clothing and many other goods. Our largest international trading partner is the United States.
- ❑ **Natural resource industries** include forestry, fishing, agriculture, mining and energy. These industries have played an important part in the country's history and development. Today, the economy of many areas of the country still depends on developing natural resources, and a large percentage of Canada's exports are natural resource commodities like oil, gas and minerals.

# GOVERNMENT

Canada is a constitutional monarchy, a parliamentary democracy and a federal state

## FEDERAL STATE

Canada has 3 levels of government – federal, provincial or territorial, and municipal. Each level of government has different responsibilities and a different role to play in the country.

### FEDERAL GOVERNMENT

Responsible for national and international matters. The federal government is led by the Prime Minister.

### PROVINCIAL OR TERRITORIAL GOVERNMENTS

Each Province has the power over “property and civil rights”. Each province is led by a Premier and has its own elected legislature.

### MUNICIPAL GOVERNMENTS

This is the level of government that governs a city, town or district. Municipal governments are led by a mayor.





# CANADIAN CULTURE



# COMMUNICATION STYLES

- ❑ Canadians are quite civil, polite, humble, funny, tolerant and eager to distinguish themselves from Americans.
- ❑ Canadians usually shake hands with both men and women. Generally, men do not touch other men and women beyond the standard handshake.
- ❑ Generally, Canadians are not comfortable talking about salaries or personal finances and tend to steer away from discussing emotions.
- ❑ Making eye contact is a sign of respect and sincerity.
- ❑ Direct questions, more often than not, get direct answers.
- ❑ Also scorned are some personal habits associated with other cultures such as clearing one's throat aggressively, not wearing deodorant, burping in public, slurping, chewing with one's mouth open or spitting.
- ❑ Canadians tend to address each other on a first-name basis, although it is always best, especially with one's superiors, to start out with Mr. or Mrs. (or Dr.) and the person's last name.

# BEHAVIOUR IN THE WORKPLACE

- ❑ The common dress code for offices is informal to casual for both men and women.
- ❑ In Canada there is a very strong work ethic.
- ❑ Deadlines are important and they are taken with utmost seriousness.
- ❑ Serving clients well and rapidly is usually a high priority.
- ❑ Generally lateness is not received well.
- ❑ Sexual overtures in the workplace are considered inappropriate and threatening and may result in legal action being taken.
- ❑ There is a high degree of civility while in the office, and no person would be made to feel inferior on account of their lower socio-economic condition.
- ❑ Workplace relations, which tend to be among peers, are often kept quite separate from personal relationships.
- ❑ If you do wish to consider hiring or promoting someone who is a personal friend based on merit, it is probably best to distance yourself from the process.
- ❑ In general, people like to be part of the team.
- ❑ Canadians do not like confrontation, but respond well to any sincere attempt to mend any situation.
- ❑ Avoid publicly confronting someone.
- ❑ Canada is a very ethnically and religiously diverse and rich country. Most offices operate in a relative secular way and it is very uncommon to find someone who would try to proselytize in the office environment.

## MANAGERIAL PREFERRED QUALITIES

- ❑ Canada is a place where innovation and hard work are well-regarded qualities at work. You will be judged by your performance and ability to get the job done.
- ❑ Diplomacy, tact and cultural sensitivity are quite crucial for the success of a manager.
- ❑ A manager is expected to deal with and handle conflict in a constructive manner.
- ❑ As persons in a position of leadership, a manager must lead by example.
- ❑ Teamwork is often considered an ideal form of working.
- ❑ It is important to show confidence, humility and good listening skills.

## HIERARCHY AND DECISION-MAKING

- ❑ Decisions tend to be made by managers.
- ❑ Consensus is considered desirable but not imperative.
- ❑ It is entirely acceptable to go to your supervisor for answers or feedback.
- ❑ Canadians in general believe that authority can be challenged respectfully.
- ❑ Ideas for decisions may come from subordinates as well from management.
- ❑ Many places reward and encourage participation and initiative.
- ❑ Younger employees expect to be given space to make contributions and express innovative ideas.



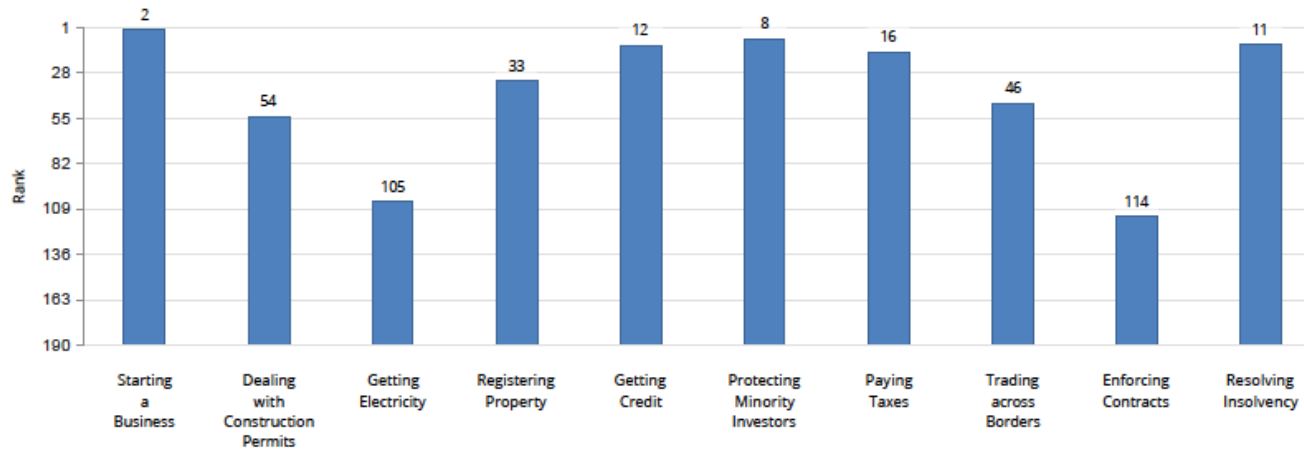
# WHY DO BUSINESS IN CANADA AND CHOOSE MONTREAL



# WHY DO BUSINESS IN CANADA





Rankings on Doing Business topics - Canada

Source: World Bank Group



- ❑ Ranked as the fourth most attractive country for foreign investment by the *Global Opportunity Index- Attracting Foreign Investment* published by the Milken Institute in 2013.
- ❑ Considered “the #1 place to do business in the G7” for the 2013-2017 forecast period, according to *The Economist Intelligence Unit* (February 2013) and *Invest In Canada* (2013).
- ❑ Banking system is considered to be the soundest in the world, according to the World Economic Forum.
- ❑ A strong entrepreneurial culture: According to a World Bank report, Canada ranks #1 among G7 for the lowest number of procedures and least days required to establish a new business.
- ❑ Direct Access to nearly 1 billion consumers due to NAFTA and CETA.

# TOP REASONS TO CHOOSE MONTREAL

1. TALENT	2. COST ADVANTAGE	3. QUALITY OF LIFE	4. STRATEGIC LOCATION
			
<ul style="list-style-type: none"> <li>❑ Canada's University Capital</li> <li>❑ Most bilingual and trilingual population in Canada</li> <li>❑ Qualified labour and student pool: close to 75 000 specialists related to AI and almost 9 000 university in AI and Data related programs</li> </ul>	<ul style="list-style-type: none"> <li>❑ Competitive salaries</li> <li>❑ Tailor made incentives and government support</li> <li>❑ Most competitive operating costs in North America for an IT business</li> <li>❑ Low mandatory benefit costs</li> <li>❑ Attractive tax treatment</li> </ul>	<ul style="list-style-type: none"> <li>❑ Affordable cost of living: 24% less than comparable metropolitan areas</li> <li>❑ Affordable housing: 30% less than in Toronto and 67% less than San Francisco</li> </ul>	<ul style="list-style-type: none"> <li>❑ Government committed to AI and innovation</li> <li>❑ Mid-way between Silicon Valley and Europe</li> <li>❑ A 60-minute flight from Boston and New York City</li> </ul>

Source: Montreal International

# SOME OF THE COMPANIES THAT MAKE MONTREAL'S AI ECOSYSTEM GREAT

<p><b>MACHINE LEARNING</b></p> <p>Google Maluuba mldb.ai + Microsoft</p>	<p><b>VOICE RECOGNITION</b></p> <p>NUANCE fluent.ai</p>	<p><b>ENTERPRISE INTELLIGENCE</b></p> <p>VIA SCIENCE plotly ApSTAT TECHNOLOGIES</p>	<p><b>IMAGE HEALTHCARE</b></p> <p>imagia Codens Medical Imaging Rendeing confidence*</p>	<p><b>FINANCE</b></p> <p>iSENTIUM finn.ai</p>
<p><b>COMPUTER VISION</b></p> <p>envision.AI</p>	<p><b>SUPPLY CHAIN</b></p> <p>jda. Plan to deliver*</p>	<p><b>TRANSPORTATION</b></p> <p>INRO GIRO</p>	<p><b>MUSIC CREATION</b></p> <p>LIANDR</p>	<p><b>EDUCATION</b></p> <p>ERUDITE SCIENCE</p>
<p><b>AI AS A SERVICE</b></p> <p>E<sup>AI</sup></p>	<p><b>MARKETING, SALES AND CUSTOMER SUPPORT</b></p> <p>hey day fuzzyai AUTOMAT smooch Seevibes thirdshelf</p>		<p><b>IMMIGRATION</b></p> <p>BOTLER</p>	<p><b>SECURITY</b></p> <p>aerial DELVE LABS</p>
				<p><b>RESEARCH ASSISTANT</b></p> <p>MIM</p>

Source: Montreal International



# SAMPLE OF LEADING COMPANIES ACTIVE IN AI IN MONTREAL



Source: Montreal International

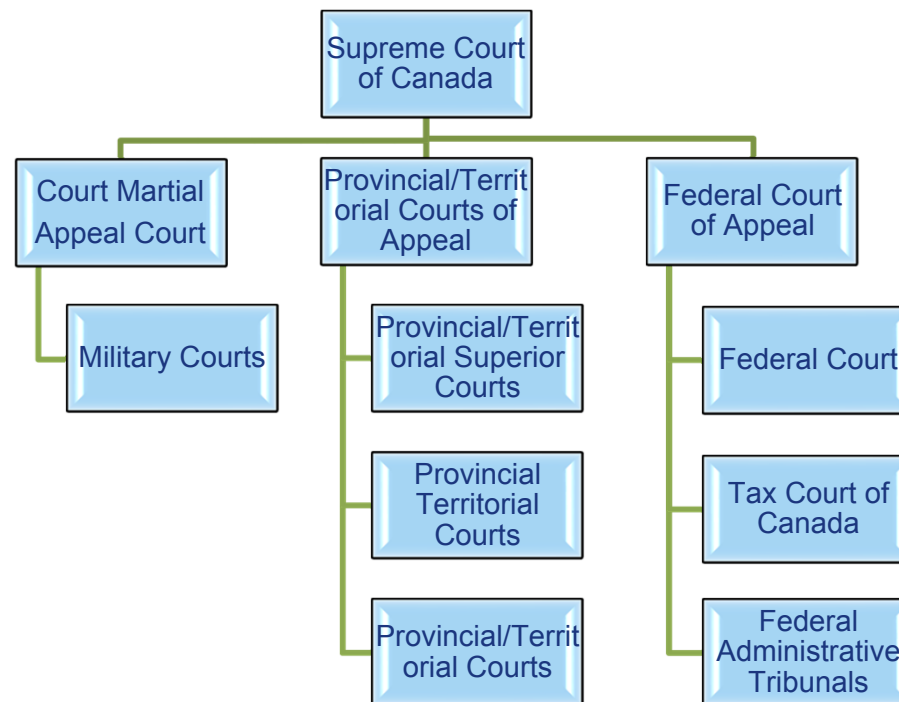


## DOING BUSINESS IN CANADA LEGAL FRAMEWORK



# LAW AND JUSTICE

- ❑ **The Rule of Law** is the foundation of the legal system.
- ❑ **Public Law** deals with matters that affect society as a whole. It includes criminal, constitutional and administrative law. Public laws set the rules for the relationship between the individual and society and for the roles of different levels of government.
- ❑ **Private and Civil Law** deal with the relationships between individuals. Civil laws set the rules for contracts property ownership, the rights and obligations of family members, damage to someone or to their property caused by others, and so on.
- ❑ **Courts** - Both federal government and the provincial governments pass laws and share the administration of justice:





# I. CANADA IS PART OF INTERNATIONAL TREATIES AND AGREEMENTS



# WORLD TRADE ORGANIZATION (WTO)

160 Member States - 98% of World Trade

Canada: 1985 – Vietnam: 2007

The **WTO** is the only global international organization dealing with the rules of trade between nations. The goal is to ensure that trade flows as smoothly, predictably and freely as possible.

❑ **Dispute Settlement Body:**

BSD deals with disputes between WTO members.

❑ **Anti-Dumping Agreement:**

If a company exports a product at a price lower than the price it normally charges on its own home market, it is said to be “dumping” the product.

❑ **Market access for goods:**

Conditions, tariff and non-tariff measures, agreed by members for the entry of specific goods into their markets.

❑ **Subsidies and countervailing measures:**

WTO disciplines the use of subsidies, and it regulates the actions countries can take to counter the effects of subsidies.

❑ **General Agreement on Trade in Services (GATS):**

Members have assumed commitments in individual service sectors such as new transmission technologies, electronic banking, tele-health or tele-education services), voice telephony and postal services.

❑ **Information Technology Agreement:**

Requires each participant to eliminate and bind customs duties at zero for all products specified in the Agreement such as technology products, computers, telecommunication equipment, semiconductors, semiconductor manufacturing, testing equipment, software, scientific instruments.

❑ **Electronic commerce:**

Establish a comprehensive work programme to examine all trade-related issues relating to global electronic commerce. Members will continue their current practice of not imposing customs duties on electronic transmissions.

❑ **Women and trade:**

The WTO seeks to build a more inclusive trading system that will allow more women to participate in trade and to reap the economic benefits of global trading.

# UNITED NATIONS (UN)

Founded in 1945 – 193 Member States

Canada: 1945 – Vietnam: 1977

**Mission:** Maintain international peace and security - Develop friendly relations among nations - Achieve international co-operation in solving international problems of an economic, social, cultural, or humanitarian character - Be a centre for harmonizing the actions of nations in the attainment of these common ends.

❑ **Convention against Corruption (UNCAC)**

Set of standards, measures and rules that all state parties to the convention should apply to strengthen their legal and regulatory regimes to fight corruption.

❑ **United Nations Convention on Contracts for the International Sale of Goods**

Provide a modern, uniform and fair regime for contracts for the international sale of goods.

❑ **Convention on the Recognition and Enforcement of Foreign Arbitral Awards**

Provide common legislative standards for the recognition of arbitration agreements and court recognition and enforcement of foreign and non-domestic arbitral awards.

❑ **UNCITRAL Model Law on International Commercial Arbitration**

Aims to assist States in reforming and modernizing their laws on arbitral procedure.

❑ **UNCITRAL Model Law on Cross-Border Insolvency**

Aims to assist States to equip their insolvency laws with a modern legal framework.

❑ **Technical Notes on Online Dispute Resolution**

Descriptive and non-binding and reflect the main elements of an online dispute resolution process.

# WORLD'S INTELLECTUAL PROPERTY ORGANIZATION (WIPO)

Established in 1967 – 191 Member States

Canada: 1970 – Vietnam: 1976

The **WIPO** mission is to lead the development of a balanced and effective international intellectual property (IP) system that enables innovation and creativity for the benefit of all.

## ❑ **Berne Convention for the Protection of Literary and Artistic Works**

Deals with the protection of works and the rights of their authors. It provides creators such as authors, musicians, poets, painters etc. with the means to control how their works are used, by whom, and on what terms.

## ❑ **Hague Agreement Concerning the International Registration of Industrial Designs**

Established an international system that allows industrial designs to be protected in multiple countries or regions with minimal formalities.

## ❑ **Paris Convention for the Protection of Industrial Property**

Applies to industrial property in the widest sense: patents, trademarks, industrial designs, utility models, service marks, trade names, geographical indications and the repression of unfair competition.

## ❑ **Madrid – The International Trademark System**

File a single application and pay one set of fees to apply for protection in up to 117 countries. Modify, renew or expand your global trademark portfolio through one centralized system.

# INTERNATIONAL LABOUR ORGANIZATION (ILO)

Since 1919 – 187 Member States

Only tripartite U.N. agency, the **ILO** brings together governments, employers and workers representatives to set labour standards, develop policies and devise programmes promoting decent work for all women and men.

**The ILO has identified eight conventions as fundamental, covering subjects that are considered as fundamental principles and rights at work:**

- |   |  |
|---|--|
| ① Freedom of Association                      | ⑤ Minimum Age Convention                     |
| ② Right to Organise and Collective Bargaining | ⑥ Worst Forms of Child Labour                |
| ③ Forced Labour                               | ⑦ Equal Remuneration Convention              |
| ④ Abolition of Forced Labour                  | ⑧ Discrimination (Employment and Occupation) |

## ◀ Subjects covered by international labour standards ▶

- |  |                                     |
|--|-------------------------------------|
| • Freedom of association, Collective bargaining                          | • Wages, Working time               |
| • Forced labour, Child labour  | • Occupational Health & Safety      |
| • Equality of opportunity and treatment                                  | • Maternity protection              |
| • Labour administration, Labour inspection                               | • Domestic workers, Migrant workers |
| • Employment policy, Employment promotion, Training, Employment security | • Seafarers, Fishers, Dockworkers   |
| • Social policy, Social security   | • Indigenous and tribal peoples     |





## **II. CANADA IS PART OF MULTILATERAL AND BILATERAL TREATIES & AGREEMENTS**

# TREATIES & AGREEMENTS

Bilateral: Two States - Multilateral: Three or more States

- ❑ **North American Free Trade Agreement (NAFTA)**  
Tariffs on virtually all originating goods traded between the United States, Canada and Mexico were eliminated in 2008.
- ❑ **Canada-European Union Comprehensive Economic and Trade Agreement (CETA)**  
Progressive free trade agreement which covers virtually all sectors and aspects of Canada-EU trade in order to eliminate or reduce barriers.
- ❑ **CPTPP (Not in force yet)**  
New free trade agreement between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. Once the CPTPP enters into force, it will be one of the largest free trade agreements in the world and will provide enhanced market access to key Asian markets.
- ❑ **Free Trade Agreements (FTAs)**  
Colombia, Costa Rica, Chile, Honduras, Israel, Jordan, Korea, Panama, Peru, Iceland, Norway, Switzerland Liechtenstein, Korea. (To come): Ukraine, Singapore, Japan, the Dominican Republic, Morocco, the Caribbean Community countries, Guatemala, Nicaragua, El Salvador .
- ❑ **Foreign Investment Promotion and Protection Agreement (FIPA)**  
Bilateral agreements made Canada (36 countries) to encourage foreign investment through a framework of legally-binding obligations and rights.
- ❑ **UNIDROIT**  
The International Institute for the Unification of Private Law is an independent intergovernmental Organisation. Its purpose is to study needs and methods for modernising, harmonising and co-ordinating private and in particular commercial law as between States and groups of States and to formulate uniform law instruments.
- ❑ **Organization for Economic Co-operation and Development (OECD)**  
35 member countries. They can culminate in formal agreements by countries, for example on combating bribery, on arrangements for export credits, or on the treatment of capital movements. They may produce standards and models, for example in the application of bilateral treaties on taxation, or recommendations and guidelines, for example on cross-border co-operation in enforcing laws against spam, corporate governance or environmental practices.



## **III. CANADA INTERNAL LAW**

# INTERNAL LAW

Canada's legal system owes its origin to two of the world's major legal traditions: French civil law, applied in the Province of Québec (Civil Code derives from Napoleon Code) and English common law (Derives from British common Law), applied in the rest of Canada (ROC).

- ❑ **Canadian Charter of Rights and Freedoms:**  
Part of the Canadian Constitution, the Charter sets out those rights and freedoms that Canadians believe are necessary in a free and democratic society.
- ❑ **Corruption of Foreign Public Officials Act:**  
Facilitation payments are not permitted under Canadian law, regardless of whether in Canada or Abroad.
- ❑ **Investment Canada Act:**  
The Act applies to all “non-Canadians”, which includes any person that is not a Canadian citizen or permanent resident of Canada, along with any entity that is not controlled or beneficially owned by Canadians.
- ❑ **Canada's Custom Act:**  
Control the movement of Goods into and out of Canada.
- ❑ **Special Import Measures Act:**  
The CBSA provides help to Canadian producers who face unfair foreign competition in the Canadian marketplace.
- ❑ **Competition Act:**  
The Act contains provisions aimed at preventing anti-competitive practices in the marketplace.
- ❑ **Canada Consumer Product safety Act:**  
To protect the public against manufacture, importation, advertisement or sale of any consumer product that is a danger to human health or safety.
- ❑ **Citizenship and Immigration**  
Control the movement of people at the border and in Canada: Visas, Work Permits, Intra-Company Transferee, Dependants.
- ❑ **Food and Drug Act:**  
Act regarding the production, import, export, transport across provinces and sale of food, drugs and cosmetics.
- ❑ **E-Commerce:**  
Different parts of Canada may have different regulations for e-commerce, online sales contracts, advertising or terms and conditions.

# INTERNAL LAW

## ❑ **Canada Free Trade Agreement (CFTA)**

Its objective is to reduce and eliminate, to the extent possible, barriers to the free movement of persons, goods, services, and investments within Canada.

## ❑ **Criminal Code**

The criminal law of Canada is under the exclusive legislative jurisdiction of the Parliament of Canada.

## ❑ **Corporate Laws:**

- Federal or Provincial Incorporation
- Legal Structure
- Duties and Liabilities of a Corporation
- Directors and Officers Duties and Liabilities

## ❑ **Tax Laws**

- Business
- Personal
- GST (VAT)
- Provincial Retail Sales Tax

## ❑ **Insolvency Laws**

- Rules of Bankruptcy
- Arrangements creditors and vendors
- Liquidation
- Cross-border insolvency

## ❑ **Employment and Labour Laws:**

- Minimum Employment Standards
- Human Rights - Discrimination
- Unemployment Insurance
- Workers Compensation – Health and safety
- Freedom of association, collective bargaining

## ❑ **Intellectual Property Laws:**

- Patents
- Trade-marks
- Copyright
- Industrial Design
- Personality Rights
- Domain Names
- Licensing

## ❑ **Environmental Laws**

- Permits
- Toxic and dangerous substances
- Air Pollution
- Land Contamination
- Water
- Waste Management

# INTERNAL LAW

## □ **Personal Information Protection and Electronic Documents Act (PIPEDA):**

Organizations must obtain an individual's consent when they collect, use or disclose that individual's personal information.

Personal information can only be used for the purposes for which it was collected.

PIPEDA requires an organization that experiences a “breach of security safeguards” involving personal information under the organization’s control, to:

- Report the breach to the Privacy Commissioner of Canada
- Notify affected individuals
- Notify government institutions, parts of government institutions or other organizations

An organization that knowingly fails to report or maintain records of a breach will be guilty of an offence punishable by fines of up to C\$100,000.

## □ **Anti-Spam Law:**

Apply to all electronic messages (i.e. email, texts) organizations send in connection with a “commercial activity.” Its key feature requires Canadian and global organizations that send commercial electronic messages (CEMs) within, from or to Canada to receive consent from recipients before sending messages.

A CEM is any electronic message that encourages participation in a commercial activity, such as an email that contains a coupon or tells customers about a promotion or sale. That said, a message that includes hyperlinks to a website or contains business-related information does not make it a CEM.

Organizations that don’t comply risk serious penalties, including personal liability for company officers and directors, and penalties up to \$10 million.

## □ **Procurement Processes (Code of Conduct):**

Policy and legal framework relating to Government of Canada purchase of goods or services.

# SOURCES

**United Nations** – [www.un.org](http://www.un.org)

**World Trade Organization** – [www.wto.org](http://www.wto.org)

**International Labour Organization** – [www.ilo.org](http://www.ilo.org)

**World Bank Group Flagship Report - Doing Business Canada 2018** – [www.doingbusiness.org](http://www.doingbusiness.org)

**World Intellectual Property Organization** – [www.wipo.int/portal/en](http://www.wipo.int/portal/en)

**OECD Economic Survey of Canada** – [www.oecd.org](http://www.oecd.org)

**Industry Canada Main Site** – [www.ic.gc.ca](http://www.ic.gc.ca)

**Canada International** – [www.canadainternational.gc.ca](http://www.canadainternational.gc.ca)

**Cultural Information - Canada** – [www.international.gc.ca](http://www.international.gc.ca)

**Welcome to Canada - What you should know** – [www.canada.ca/en/services/immigration-citizenship](http://www.canada.ca/en/services/immigration-citizenship)

**Justice Laws Website** – [www.laws-lois.justice.gc.ca](http://www.laws-lois.justice.gc.ca)

**Canadian Intellectual Property Office** – [www.ic.gc.ca/eic/site](http://www.ic.gc.ca/eic/site)

**Business Case – Greater Montreal An Artificial Intelligence Hub** – [www.montrealinternational.com](http://www.montrealinternational.com)

**Greater Montreal, an Intelligence Artificial Hub** – [www.montrealinternational.com](http://www.montrealinternational.com)

**Good Reasons to Invest in Montreal** – [www.montrealinternational.com](http://www.montrealinternational.com)

