

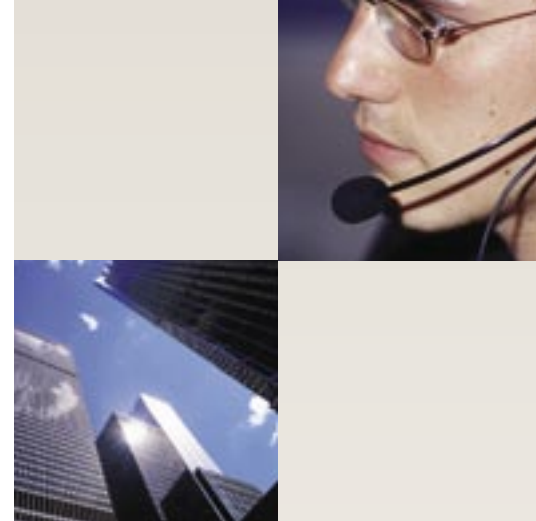
# Outsourcing to Ontario



*The  
Advantage  
Next Door*



**ONTARIO**  
CANADA



“Quality is ingrained in every step of our approach. Here in Ontario, we have access to the IT talent necessary to deliver on complex business projects. That has been a critical factor in our being able to grow our business. Secondly, because of our geographic location, we share a business culture with our U.S. clients, which mitigates some of the risks that can arise from miscommunication. There will always be complexities that arise during the life of an assignment, especially in the type of high-value projects we undertake. Our near-shore business model facilitates handling that process successfully.”

Glen Johnson  
*Vice-President, Business Development,*  
**Intelliware Development Inc.**

Powerful market forces are driving a growing North American demand for more complex IT and BPO services.

Top outsourcing companies have discovered in Ontario the talent and technologies they need to cost-effectively deliver high-value services that call for high levels of expertise, security and interaction with clients.

Whether you need a base for a network help desk, employee benefits administration, an application development laboratory, a customer service centre, or finance and accounting operations, Ontario offers a unique combination of strengths that can help you meet your clients' toughest, most challenging assignments.



## FAST FACT

Toronto is North America's 3rd largest financial and insurance centre, trailing only New York and Chicago.



## A world of outsourcing solutions in Ontario

Major international players are creating outsourcing solutions in Ontario. They're handling human resources, finance, accounting, and IT network administration. They're improving service levels, implementing new technologies and setting new standards for productivity in centres throughout the province.

### Who's here?

CGI, Kanbay, Keane and Satyam are leveraging Ontario's strategic location, government incentives and world class talent pool to meet the growing demands of U.S. and global companies.

### Need more?

ARINSO, ACS, ADP, AON, Arvato Services (a division of Bertelsmann AG), BitHeads, Convergys, Georgeson Shareholder Communications, ICT Group, Minacs Worldwide, NCO, NuComm International, Sitel, StarTek, Stream and Teletech.

## Educated, talented workers—at your service

At the heart of our outsourcing industry successes are the skills and talents of Ontario workers.

- **IT and business-savvy.** Ontario is the financial, head office and IT centre of Canada. We have a large pool of experienced talent for the growing IT and business process outsourcing industry.
- **Educated.** 57% of Ontario workers have completed their post-secondary education, compared with the U.S. average of 38%.
- **Dedicated.** Staff turnover rates in call centres are low—less than 20% annually on average. The absenteeism rate is around 3%. The result? Lower recruitment and training costs; higher customer satisfaction.
- **Multilingual.** Our English is easy to understand and our accent is considered neutral. 20% of our workers speak a second language fluently. Major languages include French, Portuguese, Spanish, Chinese, Punjabi, Italian, German, Polish and Ukrainian.

"There's good access to skilled resources in Ontario. We rely on that, particularly for contact centres where you need people that have a variety of languages. There's a great university-educated population that we can draw upon as well."

Paul Kocher  
Partner,

**IBM Business  
Consulting Services**



## Outsourcing success leads to expansion in Eastern and Northern Ontario

In the past few years, Ottawa's outsourcing industry has grown to include more than two dozen companies, including leaders such as CGI, Convergys, Solectron and Unisys.

StarTek Inc., a leading provider of customer service, is opening two new, 450-person operations in Ontario—one in Hawkesbury, the other in Thunder Bay—to add to their operations in Kingston, Cornwall and Sarnia.

Many companies are drawn by the spectacular environment and quality of life offered in Northern Ontario.

During the last three years, contact centres have created 6,800 new jobs in North Bay, Sudbury, Sault Ste. Marie, Thunder Bay and Timmins. Cross Country Automotive Services, for example, provides General Motors' 24/7 roadside assistance service for drivers across North America from its facility in Sault Ste. Marie.

spotlight

# A win/win

Canada ranks as the top destination in the world for Business Process Outsourcing (BPO) by U.S. firms, and second only to India in terms of outsourced U.S. information technology (IT) services.

## location for IT and BPO services

### WHY?

Our workers have the skills to make sure the job is done right.

**We have a worldwide reputation for software development, application maintenance and e-business.** Our universities and colleges produce top quality software development and computer networking graduates, year after year. The University of Waterloo and Sheridan College, for example, have won international renown for the cutting-edge skills of their computer graduates.

**We are a North American centre for business, finance and insurance.** BPO services in Ontario—human resources, payroll, customer care, tech support—are provided by trained, experienced workers, 68% of whom have post-secondary education. Our university-level business schools are among the world's best. Colleges across Ontario now offer Bachelor of Applied Business degrees in Financial Services, Human Resources, International Accounting or E-business Supply Chain Management. Sixteen colleges offer programs in contact centre operations.

Leading-edge services. Smart, skilled workers. It's a winning combination.

### All this—and a top-ranked business environment, too!

The Economist Intelligence Unit (EIU) forecasts that, through to 2009, Canada will be one of the best countries in the world in which to do business. Why? Our openness to foreign trade and capital, our high-quality infrastructure and the tremendous opportunities within the North American marketplace.

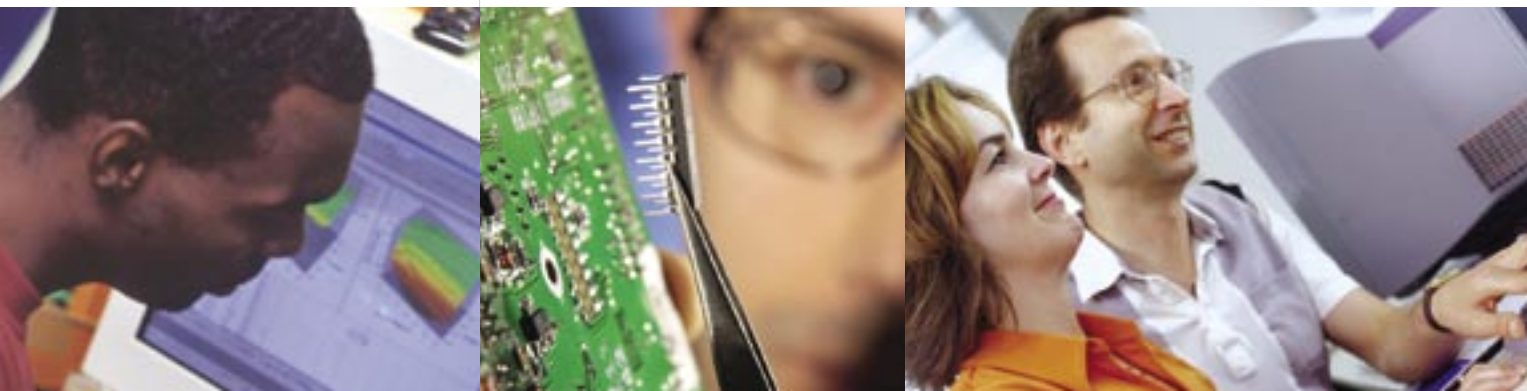
- Ontario's combined corporate tax rate (provincial plus federal) is almost four percentage points below the U.S. average
- R&D tax incentives that are among the most generous in the world. The after-tax cost of \$100 in R&D expenditures can be reduced to less than \$41
- Low telecom costs
- Programs to help lower hiring and job training costs
- No Ontario sales tax on 1-800/888 business telephone service

"Ontario plays a key role in TCS' Global Delivery Model which enables us to deploy and deliver high quality, high value services and products in IT consulting and business process outsourcing to companies around the world. Ontario's business culture, proximity to the U.S., highly skilled workforce, lower costs and the fact that it is the business capital of Canada, all contributed to our decision to invest in the province."

Mukesh Gupta  
Director—Strategic Relations,  
**Tata Consultancy  
Services**

### FAST FACT

68% of workers in Ontario's finance and insurance sector have completed their post-secondary education, compared to 53% of their U.S. counterparts.





## FAST FACT

75% of Ontario's ICT workers have completed their post-secondary education, compared to 59% in the U.S.

### Ontario's near-shore advantage for high-value outsourcing

Most major international outsourcing companies — IBM, EDS, Accenture and others — have operations in Ontario. India's "Big 3" — Wipro, TCS and Infosys — are here as well.

#### HOW COME?

**We share a North American business culture** with U.S. clients. We have the same business practices and terminologies. We have similar laws covering critical business issues such as data security and privacy, copyright, trademark and patent rulings. These shared values reduce the chance of miscommunication and increase levels of understanding, trust and security.

**Our workforce of more than 6 million skilled, well-educated workers** has internationally recognized strengths in information technologies and business processes.

#### **Collaborations and projects are easy to execute and manage.**

Our central location in North America means we work in the same time zones as U.S. clients. Major business centres like Toronto, Ottawa, Waterloo and London are just a short flight from major U.S. cities such as Detroit, Chicago, New York and Boston.

**Advanced telecommunications.** Our fibre-based digital systems provide seamless voice, video and data links with major U.S. and international carriers, supporting smooth cross-border operations.

"Ontario has established itself as a prime location for outsourcing. When we help a client develop a well-diversified global footprint, we look at Ontario's outsourcing strengths — infrastructure, language and culture, people skills and, of course, proximity to the U.S. — and see where we can fit those strengths into the portfolio in a way that maximizes the advantages for our client."

Eugene Kublanov  
Vice President,  
**neolT**



For more information about investing in Ontario, please visit our website:  
**[www.2ontario.com](http://www.2ontario.com)**

1-800-819-8701 (North America)  
00-800-46-68-27-46 (U.K. and Europe)

Ontario Investment and Trade Services  
BCE Place, TD Canada Trust Tower  
Suite 4040, 161 Bay Street  
Toronto, Ontario, CANADA  
M5J 2S1

Tel: 416-360-4647  
Fax: 416-360-1817  
E-mail: [info@2ontario.com](mailto:info@2ontario.com)

All figures are in US dollars unless noted.

