

COUNTRY MARKET INTELLIGENCE

Canada Market Intelligence

Market structure, procurement and commercial entry

October 2026

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Reading this report

The data retains its stated period, currency and measurement scope. ExpandOcean Views interpret the commercial implications of each analytical module. Sources are linked beside factual claims. Data cutoff: 16 October 2026.

1 Market structure and commercial context

Statistics Canada reported goods imports of **C\$73.7 billion in August 2026**, down 2.0% month over month; exports were C\$77.9 billion in that month. Canada's 2025 two-way merchandise trade with China was C\$125.6 billion, up 5.7% from 2024; Canadian exports to China were C\$35.0 billion. The figures imply C\$90.6 billion of imports from China by subtraction; this is not a product opportunity or China's mirror export measure.[1] [2]

Statistics Canada's latest foreign-control report shows that wholesale trade had 48.9% of assets under foreign control in 2024, a concentration indicator rather than a count of prospective buyers.[3] Prospect by province, buyer role and channel, distinguishing importers and distributors from specialist retailers and technical institutional buyers. Treat Quebec as a separate language and route-to-market workstream rather than assuming English collateral covers the country.

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Sell into buying systems, not a map

Statistics Canada's August 2026 import value and Global Affairs Canada's 2025 bilateral trade figure establish scale, but neither identifies addressable buyers by itself. The practical commercial unit is a qualified account with category authority, import experience, inventory policy and downstream channel access. Prospect qualification should therefore capture whether an organization buys directly, uses a distributor, or specifies goods for another buyer; the same customs category may be served through different commercial routes. Province and bilingual requirements then become filters that shape account prioritization and conversion effort, rather than afterthoughts once a quotation is sent.

2 Macro purchasing power and finance

Canada's latest available national accounts release at the reporting date shows real GDP increased **0.8% quarter over quarter in Q2 2026**. Household final consumption rose **0.8%**, business capital investment increased, and real imports advanced **0.3%**. Household disposable income increased 2.1% in the quarter and the household saving rate was 3.7%; income growth included a one-time GST/HST credit top-up, so it should not be extrapolated as recurring consumer purchasing power.[4]

Credit and foreign-exchange exposure shape offers. The Bank of Canada's target overnight rate was **2.25% on September 2, 2026**, unchanged from the prior scheduled decision. It is a benchmark, not an importer's borrowing rate. A landed-cost quote should show a consistent C\$ cost bridge and exchange-rate date; financing and tax recovery depend on the buyer.[5]

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Make landed economics inspectable

Quarterly GDP growth of 0.8% and household consumption growth of 0.8% show activity advancing, not a guarantee of broad-based demand. A 3.7% household saving rate and one-off transfer effects caution against reading one quarter as durable spending capacity. The persuasive commercial instrument is a transparent cost stack: quoted currency and expiry, Incoterm, transport assumptions, tariff classification inputs and tax treatment. Canadian buyers can then test cash tied up in inventory against sell-through or production schedules without confusing a macro benchmark with their own credit terms.

3 China supply and procurement competition

China is already a large trade partner for Canada. Global Affairs Canada reports 2025 merchandise trade of C\$125.6 billion and Canadian exports to China of C\$35.0 billion. Those two figures support an arithmetic bilateral import residual of **C\$90.6 billion** on the same reported basis, but they do not disclose which product categories, importers or supplier relationships constitute a reachable segment. Canadian customs data and China's export mirror are compiled from each country's own reporting and attribution conventions; they should not be combined as if they were identical measures.[2] Statistics Canada explicitly explains that bilateral merchandise figures need not match across countries because country attribution differs.[1]

Research competition by HS code and buyer, using Canadian import data to identify sourcing patterns, provinces, importers and direct-import capability. Canadian sourcing departments balance ex-works or FOB price against quality consistency, compliance evidence, payment terms, supply continuity, minimum order quantities, lead time and after-sales resolution. A sourcing intermediary is most credible when it reduces the buyer's coordination burden with clear specifications, sample/inspection checkpoints and issue escalation—not when it merely forwards a supplier catalogue. For repeated orders, record the approved specification, packaging, lot traceability and agreed change-control process.

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Treat bilateral scale as a starting filter

The C\$90.6 billion derived Canada-imports-from-China value is only the residual of Global Affairs Canada's bilateral trade total less reported Canadian exports; it is not a product TAM, direct-supplier count or forecast. Canadian reporting definitions also differ from China's mirror flows. Build an evidence trail down from Canadian HS imports to named buyer types and procurement routes, then qualify whether orders are direct or distributor-led. That discipline prevents a large bilateral headline from obscuring category-level competition and gives the buyer a concrete reason to evaluate a new sourcing relationship.

4 Digital channels and payment

Digital selling supports discovery, but Statistics Canada's online retail measure is narrower than total cross-border digital commerce. In November 2025, seasonally adjusted Canadian retail e-commerce sales were **C\$4.0 billion**, equal to **5.7%** of total retail trade; total retail sales were C\$70.4 billion. The e-commerce figure covers online sales by Canadian retailers and excludes purchases by Canadian consumers from foreign-based retailers, so it is not a measure of all online demand for overseas sellers. [6] Discovery occurs through marketplaces, search, retailer sites and professional networks; sourcing decisions require buyer engagement, technical documents, samples and negotiated terms.

B2B pages should answer procurement questions. Buyers need specification sheets, carton dimensions, certifications applicable to the product, warranty/returns boundaries, production lead times and an actionable quotation process. For Quebec-facing public commercial materials, French obligations are material: the Charter of the French language requires product inscriptions and public commercial documents such as catalogues and order forms in French; other-language versions may accompany them subject to statutory conditions.[7] Do not promise Canadian domestic card or local payment options without confirmed operating arrangements.

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Use digital to qualify, then humanize the deal

Canada's C\$4 billion e-commerce statistic reflects domestic retailers and one month; it neither captures foreign retailer sales nor proves that a digital channel will convert a sourcing lead. Quebec localization is operationally significant because product information and public-facing commercial documents have French-language requirements. Accurate bilingual assets can reduce friction at the point buyers compare suppliers, while the underlying commercial trust still depends on response quality and verifiable transaction controls.

5 Industrial and sector demand mechanisms

Canadian demand is generated through several distinct buying systems. Retailers and wholesalers replenish finished goods against seasonal plans and sell-through. Manufacturers purchase inputs, components and machinery through engineering, quality and purchasing approval. Construction and infrastructure demand is project- and specification-driven, while public procurement generally involves formal tendering. Do not treat national GDP as a direct demand signal for any one category; inspect sector-specific import and buyer evidence before outreach.

Statistics Canada's Q2 2026 accounts show real business investment in machinery and equipment increased, with computer and peripheral investment up **16.7%** in the quarter, largely linked to imported processing units, including types used in data centres. Imports of tires, vehicle engines and parts, basic chemicals, computers and peripherals contributed to import-volume growth. In August 2026, Canadian manufacturing sales were **C\$79.9 billion**, with inventories of C\$127.7 billion and an inventory-to-sales ratio of 1.60. These figures point to active industrial purchasing systems but do not establish supplier eligibility or future buying.[4] [8]

Build lists around manufacturers, wholesalers, retail buyers, project distributors and public tenders; approval paths matter more than sector labels. When demonstrating relevance, cite verified use cases only—never imply ExpandOcean has Canadian clients or installed experience absent permissioned evidence.

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Map the approval path before pitching

The Q2 evidence of 16.7% real growth in computer and peripheral investment, alongside the August manufacturing sales and inventory indicators, is a signal of current activity—not proof that any particular account is sourcing from China. A commercial search should identify who writes specifications, who approves suppliers, and who bears import and inventory risk. Sharpen lead qualification by recording the buying trigger and approval sequence at each account. A contact with purchasing authority may still need engineering, compliance, finance or a distributor to clear the transaction before a repeat order becomes possible.

6 Import tariffs, taxes and customs

Canada's 2026 Customs Tariff lists China as eligible for **Most-Favoured-Nation (MFN)** treatment, but not the General Preferential Tariff (GPT) or Least Developed Country Tariff (LDCT). MFN is not a single duty rate: the applicable rate depends on the goods' tariff classification, customs value and relevant tariff provisions. The Canadian Customs Tariff is effective from January 1, 2026. Buyers should check the exact 10-digit Canadian tariff item, applicable rate, trade remedies and any current surtax before committing to a price.^[9]

CBSA's commercial import sequence requires determining whether goods may legally enter, their classification and value for duty, importer setup, shipment/reporting, release and accounting/payment. Commercial importers need a CARM Client Portal account, a nine-digit business number and a six-character RM import program account; non-resident importers must obtain the business number through CRA before CARM registration. The importer of record remains responsible for duties, taxes, recordkeeping and post-accounting corrections. Brokers can act as agents, but hiring one does not erase the importer's accountability.^[10]

Goods imported into Canada are generally subject to GST or the federal part of HST, calculated on the Canadian-dollar value including duty and excise tax, unless a specified non-taxable import applies. A registered importer may claim an input tax credit where the requirements are met. Provincial HST treatment and self-assessment vary with destination and importer status. Distinguish customs duty from GST/HST in quotations and never present a generic tax-inclusive landed price without SKU classification, origin, destination and importer arrangements.[11]

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Turn tariff exposure into a quote control

China's MFN eligibility determines a tariff treatment, not a universal duty percentage. The actual rate depends on the tariff line and possible additional measures, while GST/HST sits separately on the import tax base and can have recovery implications for eligible registered importers. Treat classification and origin documents as buyer-facing quote inputs, not fine print. A commercial proposal can show which figures are supplier-quoted and which require the Canadian importer or broker to confirm. That separation helps buyers compare offers without mistaking a base factory price for a delivered, duty-paid cost.

7 Technical and consumer compliance

Compliance is category-specific and can involve federal and provincial authorities. The Canada Consumer Product Safety Act applies to a wide range of consumer goods, including toys, household products and sporting goods, while food, drugs and motor vehicles are regulated under other laws. Under the CCPSA, commercial importers have document-retention and traceability duties; safety incidents and certain defects may trigger mandatory reporting, and unsafe products may be prohibited. A supplier dossier should preserve product identity, batch/lot information, test records, warnings, instructions and supplier details so the Canadian importer can meet its own obligations.[12]

A foreign test report, CE mark or factory declaration alone does not establish Canadian compliance. Electrical equipment approval and sector-specific rules depend on the product and applicable Canadian standards or provincial requirements; controlled categories may need regulator-specific permits, registrations or labels. Quebec's French-language rules affect product inscriptions, instructions and warranties as well as public commercial documentation, subject to the Act's precise rules and exceptions.[7] Confirm the right regulator and standard against the actual product before quotation or production approval. Label changes after production can create rework, border delay or unusable stock.

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Make compliance part of buyer discovery

CCPSA duties attach to the Canadian commercial chain, and the relevant rules vary by category; the same generic supplier pack cannot establish compliance for every shipment. Asking a prospect early about destination province, intended use, existing approval route and importer-of-record helps identify required evidence before a price is treated as final. Collect product-specific test and traceability files and flag unresolved items to the buyer's compliance lead. This reduces avoidable surprises without claiming that an intermediary's document review substitutes for regulatory advice or certification.

8 Logistics and commercial entry

Canada's scale means the correct delivery design depends on the buyer's warehouse location, shipment size, inventory cadence and import model. Routing should be selected for the buyer's warehouse location, shipment size, inventory cadence and import model. Compare origin handling, freight, insurance, brokerage, terminal charges, inland delivery and buffer on a like-for-like Incoterm. For repeat business, an agreed reorder signal and safety-stock policy can be more valuable than a small unit-price reduction.

CBSA makes clear that commercial goods must be reported and accounted for and that importer setup in CARM precedes practical account management. Delegating a licensed broker through the portal, documenting release/payment responsibilities and deciding whether to use Release Prior to Payment are operational decisions for the importer. For Chinese suppliers and Canadian buyers, define who books freight, who insures cargo, who is importer of record, who supplies origin and tariff data, and who resolves shortages or damage. A pilot shipment can validate packaging, documents, arrival condition and replenishment workflow before scaling purchase commitments.^[10] Track conversion from identified prospect through verified decision-maker, buying route, specification, compliant quote, pilot, first order and repeat order. Track response rate, qualified meetings, quote-to-order conversion, landed-cost variance, delivery performance, defects and repeat-purchase interval by buyer segment. This gives ExpandOcean a disciplined basis to allocate prospecting effort and identify where a deal stalls, without representing outcomes as assured.

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Prove the operating rhythm on the first order

CARM makes the importer of record accountable, and shipping adds costs beyond the factory price, so the first transaction tests your process as much as the product. Agree shipment responsibilities, required documents, release funding and exception handling before dispatch. On arrival, record condition, actual landed cost, delivery variance and reorder timing against the original quotation. If demonstrated in a specific engagement, ExpandOcean's commercial advantage is clarity and continuity across sourcing steps rather than a promised cost reduction. A clean record from a small initial order makes your subsequent buying decision evidence-based.

9 References

Measurement note: Trade and retail values above are nominal Canadian dollars unless stated otherwise; GDP and investment growth rates are real quarter-over-quarter changes. August 2026 is the latest goods-trade month shown on Statistics Canada's trade portal at the 16 October 2026 reporting cut-off. The bilateral China residual is a subtraction from the same Global Affairs Canada 2025 basis, not a product-level market estimate.

contact ExpandOcean.

- [1] Statistics Canada, Canadian international merchandise trade, August 2026
- [2] Global Affairs Canada, Canada-China relations
- [3] Statistics Canada, Foreign control in the Canadian economy, 2024
- [4] Statistics Canada, Gross domestic product, income and expenditure, second quarter 2026
- [5] Bank of Canada, Policy interest rate
- [6] Statistics Canada, Retail trade, November 2025
- [7] Québec, Charter of the French language
- [8] Statistics Canada, Manufacturing Statistics
- [9] Canada Border Services Agency, Customs Tariff 2026: List of countries and applicable tariff treatments
- [10] Canada Border Services Agency, Set up your business to import
- [11] Canada Revenue Agency, GST/HST on imports and exports
- [12] Health Canada, Meeting Canada Consumer Product Safety Act requirements