



# Canada

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## *cultural note*

most Canadians live in the country's southernmost area, within 300 miles of the U.S. border. For marketing purposes, it is possible to think of Canada as a country some 3,500 miles long by 300 miles wide.

## Country Background

### History

Like the United States, Canada is a former British colony. Now a self-governing member of the British Commonwealth, Canada achieved its independence from the United Kingdom in a series of gradual treaties rather than via a war of independence. Indeed, after the U.S. War of Independence, many British Loyalists left the United States to live in Canada. The only foreign invaders that British-controlled Canada has ever had to repel were from the United States. The last official U.S. invasion occurred during the War of 1812, when U.S. troops tried to annex Canada and "throw the British out of North America." The outmanned Canadians managed to hold off U.S. forces until British naval power forced an end to the war.

## *cultural note*

while the United States and Canada are now firm allies, Canada's valiant defense against unprovoked U.S. aggression is taught to every schoolchild. The idea that the U.S. will someday swallow up Canada-if not by military force, then by economic or cultural means-remains deeply embedded in the Canadian psyche.

The original inhabitants of Canada were Inuits (the acceptable term for Eskimos) and Native Americans (Indians). The first European claim to Canada was made by French explorers in 1534, who established the colony of New France in what is now Québec. The British followed with a colony in Newfoundland in 1583, and for almost two hundred years France and England ruled competing colonies in Canada. The colonies were sustained by the fur trade with the Indians, and only in missionary work did the French outpace the British. European conflicts between France and England often led to fighting in Canada as well. Finally, during the course of the European Seven Years' War, the British forces in Canada over-whelmed the French. The French troops abandoned the unprofitable New France colony in 1760, and Canada became a British possession.

Like the original thirteen colonies of the United States, Canada was divided into separate colonies under British rule. However, in part because of the historical animosity

between the French and the English, there was far less unity among the Canadian colonies. After the grievances of the American colonies incited the United States to fight for its independence, Britain tried to avoid the same mistakes with Canada. The Canadian provinces were given a considerable amount of selfgovernment, and most Canadians generally found Britain's rule acceptable.

It took further threats from the United States to convince the colonies of British Canada to unite in a defensive confederation. After the U.S. Civil War, thousands of Irish soldiers were discharged from the Union Army. Many of these armed, trained men joined the Fenian Brotherhood, a society dedicated to freeing Ireland from British rule. The Fenians hatched a lunatic scheme: They would invade the Canadian colonies and hold them for ransom, demanding freedom for Ireland. In 1866, Fenian forces invaded Canada at three separate border crossings. Their incursions posed little threat, and the Fenians were soon repulsed. However, they did frighten the recalcitrant colonies into accepting unification. Under the British North America Act, most of the colonies were united on July 1, 1867. Canada dates its origin as a country from this event. Since the United States objected to the title "Kingdom of Canada," the new country was given the less imperial, biblicallyinspired name "Dominion of Canada."

Like the United States, Canada expanded westward in the nineteenth century, and new provinces were added. The Canadian frontier expansion is remembered as a fairly peaceful process, unlike the violent American "inching of the West." Rather than gunslingers, outlaws, and Indian fighters, Canadians glorified the builders of their transcontinental railroad, which was completed in 1885. Canada followed Britain into both world wars, providing soldiers, food, and manufactured goods. The 1931 Statute of Westminster granted Canada full independence from the United Kingdom, and the postwar NATO alliance brought the United States and Canada closer together. Canada reached its current configuration in 1949, when the last remaining colony, Newfoundland, finally joined the Canadian confederation.

## Type of Government

Canada is a federal multiparty parliamentary democracy, with the provinces holding more power than do states in the U.S.A.

The titular head of state of Canada is the British monarch, represented by the governor general. The head of government in Canada is the prime minister. The Canadian parliament has two houses: a 104-seat Senate and a 295-seat House of Commons.

### *cultural note*

there has been friction between the French-speaking Quebecois and the English-speaking peoples who have surrounded them for centuries, long before Canada existed as a nation. The Quebecois have seen French speakers in other provinces become assimilated, and they are determined not to let that happen in Qu6bec. They have insisted upon changes in the Canadian constitution, including recognition as a "distinct society" within Canada. The constitutional changes were considered in 1990 at Meech Lake. The provinces could not come to an agreement, in part because some Native American tribes were also demanding recognition as "distinct societies." Quebec's independence party, the Parti Quebecois, continues to advocate sovereignty, and it remains to be seen if a compromise can be reached.

## Language

English and French are the official languages, with French predominating only in Québec.

## Religion

The traditional division of Canada between Roman Catholic (46 percent) and Protestant (41 percent) remains; Jews and Eastern Orthodox each constitute less than 2 percent.

## Demographics

The current population of Canada is about 27 million. The traditional French and British lineage of Canadians has been changed by immigration and intermarriage.

Twentieth-century immigrants were likely to be German, Italian, or Ukrainian. Recently, the pending return of the British Hong Kong colony to mainland Chinese control in 1997 has prompted many Hong Kong Chinese to come to Canada.

Native Americans and Inuits constitute only 1.5 percent of Canada's population.

## Cultural Orientation

### Cognitive Styles: How Canadians Organize and Process Information

Canadians in general are well informed and open to reasonable discussions. The French province of Quebec is less open. They are quite analytical and prefer objective information over subjective. They act on problems more from the perspective of universal rules than from the particular perspectives of the people involved.

### Negotiation Strategies: What Canadians Accept as Evidence

Facts are accepted as the primary evidence in negotiations, with little credence given to feelings. There is a strong ethnocentrism within the provinces, especially in Québec. This leads to a faith in self-determination that may underlie their behavior in negotiations.

### Value Systems: The Basis for Behavior

The French province of Quebec has quite a different value system from the rest of Canada. Consumerism is well developed in all provinces. The following three sections identify the Value Systems in the predominant culture-their methods of dividing right from wrong, good from evil, and so forth.

### Locus of Decision Making

There is extremely high individualism in decision making, but one must follow company policy. Therefore, one person can be exchanged for another without disrupting negotiations. Canadians do not find it difficult to say "no." A need for privacy prohibits discussing one's family and personal affairs in business negotiations. Friendships are few and specific to needs.

### Sources of Anxiety Reduction

An objective approach to life allows the use of social organizations and other external structures to provide stability and insulation from life. Emotion is not to be shown in

public. Competitive behavior is expected, since recognition is one's greatest reward. Time is money. Experts are relied upon at all levels.

### Issues of Equality/Inequality

Emphasis is on one's ability, but considerable tension exists between the provinces, particularly with Quebec. Although there are inequalities in roles, equal

rights should be guaranteed to all, as superiors and subordinates are "people like me." Material progress is as important as humanistic progress. Traditional sex roles are changing rapidly, but women are still fighting for equality in pay and power.

## Business Practices

### Appointments



#### *punctuality*

- Punctuality is considered important. Be on time for all business-related meetings.
  - French-speaking areas of Canada may have a somewhat more casual attitude toward time, but individual business people vary. As a foreigner, you will be expected to be prompt, even if your Canadian counterpart is not.
  - In general, it is acceptable to be fifteen minutes late for evening social occasions.
- Remember that people in many countries write the day first, then the month, then the year (e.g. December 3, 1999, is written 3.12.99). This is usually the case in Canada.
  - Mornings tend to be preferred for appointments.
  - Business hours are generally 9:00 A.M. to 5:00 P.M., Monday through Friday.
  - Shop hours are generally 10 A.M. to 6 P.M., Monday through Saturday, but many shops are open to 9 P.M. Sunday shopping was prohibited under The Lord's Day Act, but some provinces have changed the law, allowing local municipalities to decide if they want Sunday shopping.



#### Negotiating

- Negotiating styles tend to be very similar to those in the United States, although the pace may be slightly slower.
- Canadians associate the United States with self-promotion and "hype." Never inflate a product's benefits; it could generate claims of illegal promotion.
- When dealing with French Canadians, it is important to have all material written in French as well as English.

#### *cultural note*

in Quebec, there are very stringent French-language requirements for all commercial endeavors. French is the only legal language in which to conduct business, and all signs must be posted in French only. However, English phrases that have no French equivalents (such as "happy hour" or "bargain basement") are allowed.

- In general, the manners of English-speaking Canadians are similar to those of English-speaking U.S. citizens. Canadian business people expect a firm handshake, direct eye contact, and an open, friendly manner.
- Despite these similarities, English-speaking Canadians are closer to the reserved traditions of the British than U.S. citizens. It is important not to come off as an overbearing boor from the United States.
- While many Canadians quickly address others by their first names, it is safest to wait for your Canadian counterpart to suggest it.
- One "un-American" habit that the Canadians have inherited from the British is a disdain for new clothing. Old clothes that are neat, clean, and "broken in" are respected among business people; new, trendy clothes may not be.
- Acknowledge Canadians' desire for a "Canadian identity."
- French Canadians generally exhibit less reserve than English-speaking Canadians. Their gestures will be more expansive, they may stand closer while talking, and they are more likely to touch during a conversation.
- Canada is a multiethnic nation-British, French, Inuit, Indian, German, and so forth-and the etiquette of business people may reflect their ethnic background. For example, many wealthy Hong Kong Chinese have acquired Canadian citizenship; their habits may be quite different from those of other Canadians.



### Business Entertaining

- Business meals are popular in Canada, although the concept of the breakfast meeting is only now gaining acceptance.
- Most entertaining is done in public establishments, such as restaurants or nightclubs. (Contrary to popular belief, most Canadian cities do have an active nightlife.)
- Traditionally, dinners were considered social occasions-if business was discussed at all, it was at the end of the meal. While this is changing, it is safest to allow your Canadian counterpart to bring up business first.
- Invitations to dine at a Canadian home are relatively infrequent, except in the western provinces, where outdoor barbecues have become popular.

### Time

- Canada spans six time zones. Most of Quebec and Ontario are on Eastern Standard Time [five hours behind Greenwich Mean Time (G.M.T. - 5)]. Western Ontario, Manitoba, and eastern Saskatchewan (including Regina) are on Central Standard Time. Western Saskatchewan, Alberta, and easternmost British Columbia are on Mountain Standard Time. Most of British Columbia is on Pacific Standard Time (eight hours behind G.M.T.). All of these correspond to time zones in the United States.
- Atlantic Standard Time (four hours behind G.M.T.) is one hour ahead of Eastern Standard Time. All the Maritime Provinces are on Atlantic Standard Time except for Newfoundland Island, which reminds the world of its separate identity by maintaining a separate time zone that is thirty minutes ahead of Atlantic Standard Time (3 1/2 hours behind G.M.T.). Note that this thirty-minute difference applies only to Newfoundland Island; Labrador, which is the mainland part of Newfoundland Province, is on Atlantic Standard Time.

- From the end of April through late October, most of Canada is on daylight saving time.

## Protocol



### Greetings

- The standard greeting is a smile, often accompanied by a nod, wave, and/or verbal greeting.
- In business situations, a handshake is used upon greetings or introductions.
- Among Canadians of British descent, the handshake tends to be firm, and a weak handshake may be taken as a sign of weakness. Men usually wait for women to
- offer their hand before shaking.
- French Canadians also have a fairly firm handshake. And they shake hands more often: upon greetings, introductions, and departures, even if the person has been greeted earlier that day.
- Good friends and family members sometimes embrace, especially among the French. A kissing of cheeks may occur as well. Note that the French do not finish an embrace with a pat or two on the back, as many U.S. citizens do.
- If you see an acquaintance at a distance, a wave is appropriate.
- The greeting "How are you?" is not an inquiry about your health. The best response is a short one, such as "Fine, thanks."



### Titles / Forms of Address

- The order of most Canadian names is first name, middle name, last name.
- To show respect, use a title such as Dr., Ms., Miss, Mrs., or Mr. with the last name.
- When you meet someone for the first time, use the person's title and surname until you are told to do otherwise (this may happen immediately).
- Note that although they often use first names over the telephone, French Canadians may revert to using surnames in person.



### Gestures

- The standard space between you and your conversation partner should be two feet. British Canadians are uncomfortable standing any closer to another person. French Canadians may stand slightly closer.
- Canadians, especially those of British descent, do not tend toward frequent or expansive gesturing.
- In general, friends of the same sex do not hold hands. Only French Canadians commonly touch during conversation.
- To point, you can use the index finger, although it is not polite to point at a person
- To beckon someone, wave all the fingers in a scooping motion with the palm facing up.

- To show approval, there are two typical gestures. One is the "O.K." sign, done by making a circle of the thumb and index finger. The other is the "thumbs up" sign, done by making a fist and pointing the thumb upward.
- The "V-for-victory" sign is done with the palm facing out. It can be taken as an insult when done with the palm inward.
- The backslap is a sign of close friendship among British Canadians. It is rarely used among the French.
- To wave good-bye, move your entire hand, facing outward.

### *cultural note*

in most of Canada, to call the waiter or waitress over, briefly wave to get his or her attention. To call for the check, make a writing gesture. In Qu6bec, it is only necessary to nod the head backwards or to make a discreet wave of the hand.

- Direct eye contact shows that you are sincere, although it should not be too intense. Some minorities look away to show respect.
- When sitting, Canadians often took very relaxed. They may sit with the ankle of one leg on the knee of the other or prop their feet up on chairs or desks.
- In business situations, maintain good posture and a less casual pose.



### Dress

- In cities, conservative business attire is best.
- In rural areas and small towns, clothing is less formal and less fashionable.
- When not working, Canadians dress casually.
- Canadian winters can be quite cold. Dress warmly.



### Gifts

- Business gifts should be modest. Ostentation tends to be frowned upon by Canadians.
- When you visit a home, it is customary to take a gift. Flowers, candy, or alcohol are common gifts.

### *cultural note*

when visiting a French-Canadian family, be aware that houses are divided into "public" rooms (which visitors may enter) and "private" rooms (which they may enter only when asked). The kitchen is often a private room; do not enter unless asked.

- At Christmastime gifts are exchanged. To your business associates, you can give gifts that are helpful at the office, or liquor or wine. Most stores gift-wrap at Christmas.
- A good time to give a gift is when you arrive or when you leave. The best gifts are those that come from your country.
- Business gifts are given after you close a deal. Unless the giver specifies a time at which the gift is to be opened, as may happen with a gift at Christmastime, gifts are usually unwrapped immediately and shown to everyone.
- Taking someone out for a meal or other entertainment is a common gift.