



RESEARCH GROUP

GLENN WILLIAMSON, CEO & CHIEF RESEARCH OFFICER

Arizona-Canada: A Model for Subnational

Economic Partnership in North America

ADDITIONAL WRITE-UPS

USMCA

Click [here](#) to read about strengthening the Canada-Arizona economic relationship.

Education

Rebalancing Arizona’s education-to-workforce pipeline. Click [here](#) to learn more.

Pharmaceutical Industry

Canada is one of North America’s most established pharmaceutical manufacturing bases. Read the entire report [here](#).



It is important to recognize the deliberate and sustained commitment both Arizona and Canada have made to strengthening this relationship through a meaningful and visible presence in each other’s markets. Arizona maintains representation in Canada, while Canada—through its consulates and active provincial engagement—has established a consistent and growing footprint across the state. Provinces including Ontario, Quebec, Alberta, and British Columbia continue to demonstrate strong engagement, while Arizona’s cities and counties actively build and maintain direct relationships across Canada. This multi-layered engagement is strengthened by the Canada Arizona Business Council, which plays a central role in connecting stakeholders and ensuring sustained alignment across both regions.

Across all sectors, the Arizona-Canada relationship demonstrates strong resilience and continuity. Canadian visitors represent the

Continued...

second-largest international tourism segment in Arizona; however, they generate the highest total visitor spending, making Canada the most economically significant international tourism market for the state. Seasonal residents and air connectivity further reinforce long-standing economic and personal ties.

While the broader North American environment periodically experiences strain and policy debate, including trade-related discussions such as tariffs, the Arizona–Canada relationship remains stronger than most—defined by steady collaboration and constructive engagement. At the subnational level, both sides have consistently demonstrated that practical cooperation and institutional continuity can sustain long-term momentum regardless of national policy cycles. This has allowed the relationship to function as a best-practice model of state-to-country economic engagement in North America.

At the private-sector level, engagement continues to expand in both directions. More than 500 Canadian companies operate in Arizona, contributing to innovation, job creation, and diversification. At the same time, Arizona-based companies are increasingly expanding into Canada, particularly in technology, advanced manufacturing, aerospace, and clean energy. This balanced flow is strengthening a more integrated commercial relationship.

A defining feature of this partnership is the alignment of capital and long-term growth opportunity. Canadian institutional investors and private capital groups continue to invest in Arizona’s infrastructure, real estate, and advanced industries, while Arizona-based firms increasingly view Canada as a stable, sophisticated market for expansion. This mutual confidence is reinforcing long-term economic connectivity.

Equally important is the growing collaboration in talent, research, and innovation. Universities, research institutions, and industry partners on both sides are building increasingly connected ecosystems that support workforce development and technological advancement, strengthening competitiveness across both regions.

Canada is also actively engaged in Arizona’s expansion in semiconductors and advanced manufacturing, anchored by investments such as Taiwan Semiconductor Manufacturing Company. These developments are creating new opportunities for supply chain integration, research collaboration, and workforce development.

Looking ahead, there remains strong opportunity to deepen engagement at the municipal and community level. The Canada Arizona Business Council continues to focus exclusively on advancing this bilateral corridor, prioritizing tangible business outcomes, investment facilitation, and cross-border capital flow.

This relationship is also unfolding alongside both jurisdictions’ broader strategic priorities—Canada’s national and global engagements and Arizona’s position within the United States and wider North American economy. In this context, the Arizona–Canada relationship functions as a highly effective complementary layer that strengthens broader economic outcomes on both sides.

Continued...

Our overarching objective is for this ecosystem to stand as a leading example of how a U.S. state–Canada relationship can operate effectively, while also incorporating a broader trilateral dimension that includes Sonora. Together, Arizona, Canada, and Sonora form a highly functional North American corridor built on trust, execution, and practical integration.

Ultimately, this model demonstrates how subnational cooperation can deliver sustained economic value through alignment of capital, talent, manufacturing, innovation, and geography. It is a framework designed not only to reflect existing success, but to provide a reference point for effective regional cooperation across North America.

In the end, what exists between Arizona, Canada, and Sonora is an evolving integrated economic system embedded in the North American fabric—one that continues to adapt, expand, and strengthen over time.