

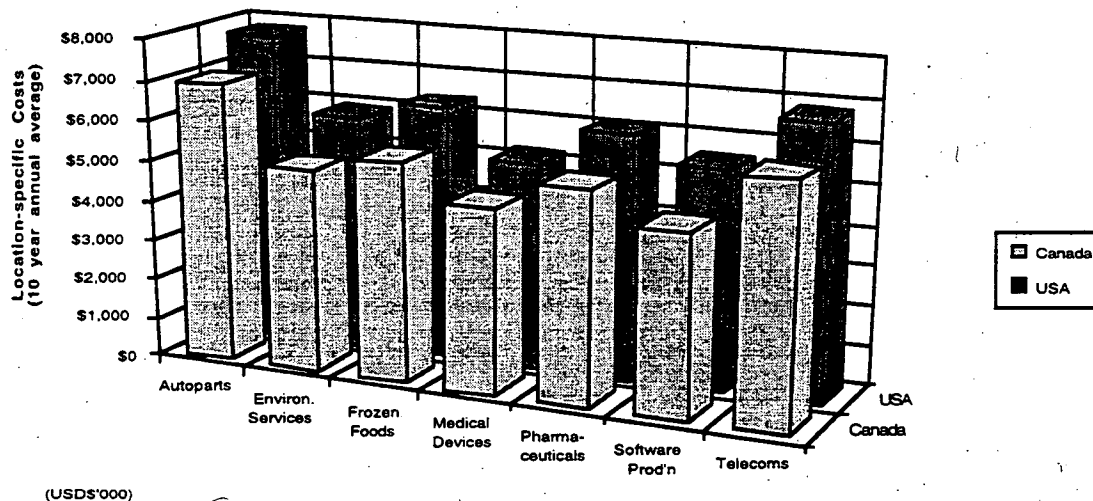
The model developed standard financial statements (balance sheet, income statement, etc.) for ten years, treating each facility as a stand-alone operation. The model also incorporates a number of standard financial and operating assumptions.

A. Summary of findings

1. For every industry, overall costs are lower in Canada than the U.S.

Exhibit I-1 summarizes the Canadian and U.S. results, by industry. In each of the seven industries examined, overall location-sensitive costs are consistently lower in Canadian jurisdictions than in U.S. ones.

Exhibit I-1
Location-sensitive costs, by industry¹



¹Based on annual average U.S. dollar costs as follows:

	U.S. (USD\$'000)	Canada (USD\$'000)
Autoparts	7,775	6,945
Environmental Services	5,882	5,055
Frozen Food	6,331	5,443
Medical Devices	5,164	4,572
Pharmaceutical	6,091	5,292
Software	5,469	4,540
Telecoms	6,782	5,946
Average	6,213	5,399