

- (5) that growth over the period 1980 to 2080 would be as follows:

Categories A (Urban) & E (Agricultural Property) = 15%  
Categories B (Utilities & Railroads) & C (Government) = 0%  
(see assumption 3)

Category D (Loss of Income & Extra Costs) = 60%

- it was further assumed that all growth during this period would occur between 1980 and 2030 and would be in the form of a uniform increasing series over this 50 year period.

- (6) that the appropriate interest rate to be used in estimating Canadian benefits is 7.5% per annum.

The estimates of growth used by the Review Committee varied significantly from those used by the U.S. Corps of Engineers.

Using the 1972 estimate of average annual benefits given in Table 6 and the various assumptions outlined above, the Review Committee estimated the average annual benefit to Canada of the proposed Pembilier Dam at the completion of construction in 1980. The calculation and estimates are outlined in Table 7 using 1972 prices with a final adjustment to 1971 prices. While it had been agreed with the U.S. Corps of Engineers that all estimates of benefits and costs would be provided in 1972 prices the Corps ultimately advised that it would be unable to provide cost estimates in 1972 prices. Since the Review Committee had completed its work, it was decided to make a simple downward adjustment of 5% to provide an estimate in 1971 prices.