

TABLE 2: CURRENT AND PRIOR STUDIES ON CANADIAN AND U.S. TRANSFER PRICING METHODS

CANADIAN TRANSNATIONAL CORPORATIONS
(in percentages)

	Arpan [1971] N=8	Tang [1981] N=78	XXXXXXXXXX [Current] N=28*
Full cost		25.9	21.4
Variable cost		5.5	
Other cost		1.9	3.6
Total cost	12.5	33.3	25.0
Market		37.1	64.3
Negotiated		25.9	3.6
Other		3.7	7.1
Total noncost	87.5	66.7	75.0
Total	100.0	100.0	100.0

UNITED STATES TRANSNATIONAL CORPORATIONS
(in percentages)

	Tang [1979] N=85	Burns [1980] N=62	Yunker [1982] N=52	Borkowski [1992] N=79	Tang [1993] N=90	XXXXXXXXXX [Current] N=62**
Full cost	42.3		39.0	51.9	37.6	25.8
Variable cost	2.4				2.5	6.5
Other cost	1.2				1.3	4.8
Total cost	45.9	37.0	39.0	51.9	41.4	37.1
Market	31.8	43.0	34.0	32.9	45.9	38.7
Negotiated	16.4	15.0	17.0	15.2	12.7	11.3
Other	5.9	5.0	10.0			12.9
Total noncost	54.1	63.0	61.0	48.1	58.6	62.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

* Limited to Canadian TNCs with U.S. subsidiaries

** Limited to U.S. TNCs with Canadian subsidiaries

NOTE: Other studies used all Canadian and U.S. TNCs, regardless of subsidiary location