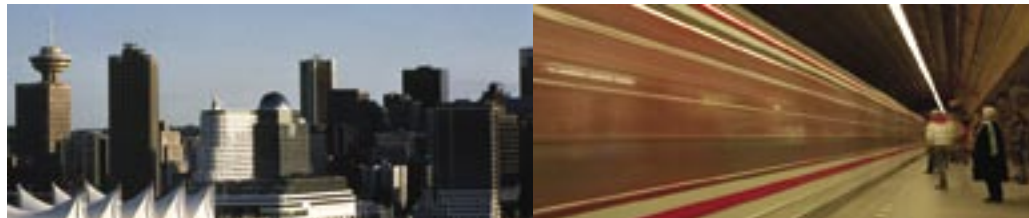


# CANADA

INVESTING IN LEADERSHIP ... GAINING ADVANTAGE

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International businesses are taking advantage of Canada's No. 1 rank in the G7 for the lowest overall business costs to grow their operations in North America. KPMG proves this cost advantage in *Competitive Alternatives: KPMG's Guide to International Business Costs, 2006 edition*, which analyzes location-sensitive costs for 128 cities in North America, Europe and Asia-Pacific.



## CANADA: LOW-COST HOT SPOTS FROM SEA TO SEA

### MARITIME KNOW-HOW

It's an exceptional one, two, three and four low-cost sweep for Moncton, Charlottetown, Halifax and St. John's in the New England/ Atlantic Canada region, according to KPMG's analysis. Next to large New England markets, such as Boston, these Canadian cities provide low-cost footholds on emerging high-growth sectors, from pharmaceuticals, telecommunications, clinical trials, chemicals to medical device sectors.

### STRATEGIC NORTHEAST CORRIDOR

Sherbrooke has the No. 1 low-cost rank among 91 G7 cities in nine of the 17 sectors KPMG reviewed – the premier low-cost city in North America. Major Canadian business centres Montréal and Toronto also confirm their leadership positions with first and third overall low business cost ranks among large North American cities. As a research-intensive technology-driven cluster, Waterloo Region offers investors cost advantages of approximately 7 and 11 percentage points over the U.S. average for software design and biotechnology respectively. Quebec City, meanwhile, ranks among the top 10 low-cost cities in the G7 in nine out of the 17 sectors KPMG reviewed.

### PRAIRIE OPPORTUNITY

The Western Canadian economy offers international investors a low-cost business environment that is diversified and innovative. Saskatoon leads the Midwest U.S./Western Canada region with the lowest overall business costs, while Edmonton has top 10 rankings in the region in seven out of the 17 sectors KPMG analyzed. Winnipeg and Calgary hold third and fourth positions as overall low-cost leaders in the region, with strong rankings in aerospace and software design.

### PACIFIC HIGH-PERFORMANCE

Vancouver has the No. 1 low-cost position among large Pacific cities in North America. Vancouver is also a low-cost gateway to rapidly growing Asia-Pacific markets through the largest port in the country. Not to be outdone, Chilliwack has the lowest business costs in all 17 sectors in the Pacific U.S./ Canada region, with low-cost results in research-intensive industries that include biotechnology, chemicals and software design.

Combine these regions together, and global businesses have low-cost strategic locations from which to seamlessly access the world's largest marketplace through the North American Free Trade Agreement (NAFTA).

**So take advantage of Canada's low-cost hot spots today, before your competitors do.**

**For more information on investing in Canada, please visit [www.investincanada.gc.ca](http://www.investincanada.gc.ca).**

## CANADA QUICK FACTS

### NAFTA Market access:

435 million consumers with a combined GDP of US\$13.4 trillion.

### Overall cost advantage:

5.5 percentage points lower than the U.S.

### Labour cost advantage:

11 percentage points lower than the U.S.

### Research and development cost advantage:

10.9 percentage points lower than the U.S.