

WHY CANADA PERCEPTION VS. REALITY

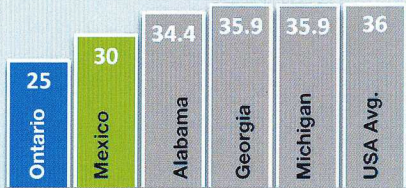


Ontario is where advanced R&D facilities, world-class academic institutions and leading-edge businesses collaborate to transform ideas into globally traded commercial products. It's where 700+ parts suppliers and 500+ tool, die and mould makers converge along a 400-kilometre automotive corridor, forming one of the most robust supply chains in the world. The road to Ontario is paved with innovation.

1. Ontario's Low Corporate Tax Rates

This offsets the labour cost differential.

Combined Federal/State/Provincial Rates for 2013 (%)



Depreciation: Accelerated rate of depreciation of machinery and equipment for faster write-off, creating a tax shield.

Tariff Rates: 0% tariffs on incoming parts (USA = 2.5%). 0% tariffs on imported machinery and equipment (U.S and Mexico levy tariffs).

2. More bang for your R&D Budget

Tax credits generate 40-60% savings, which is why the big names conduct R&D here.



3. Your dollar goes further

30% further!

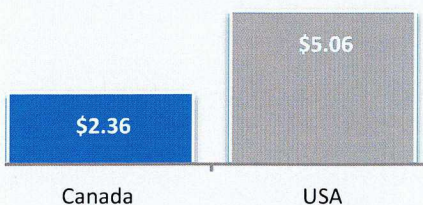
CAD/USD Exchange Rate
(Bank of Canada, 2015)



4. Health Care/Legacy Costs

Substantially lower costs.

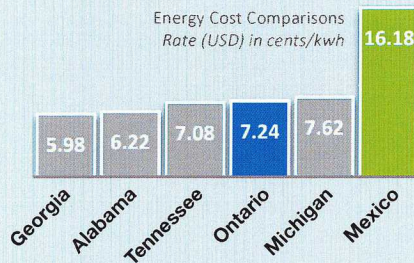
Employer Health Care Costs for a Typical Firm (USD Hourly, 2014)



5. Energy

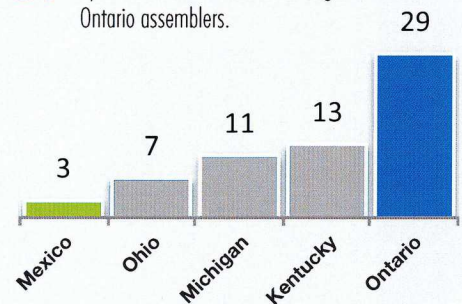
Affordable, reliable and clean.

Energy Cost Comparisons
Rate (USD) in cents/kwh



6. J.D. Power IQS Awards

1/3 of North American awards go to Ontario assemblers.



7. Educated & Reliable Workforce

Greater skill and innovation.

Post Secondary Education, by Country (2013)

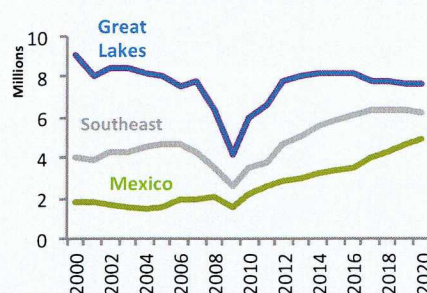


Length of Service, Comparison by Country



8. Great Lakes Production Cluster

The most important region in North America. Over 8.1M vehicles produced annually and the hub of R&D, design and mission critical suppliers.



9. Significant Incentives for Automakers

Jobs and Prosperity Fund: \$2.7B over 10 years
Automotive Innovation Fund: \$1B

Recent Commitments include:

	Jul 2015	Next Gen Lexus	\$412 M
	Feb 2015	Equinox	\$560 M
	Jan 2015	Minivan	\$2 B
	Nov 2014	Civic	\$857 M
	Sept 2013	Flex/Edge	\$700 M