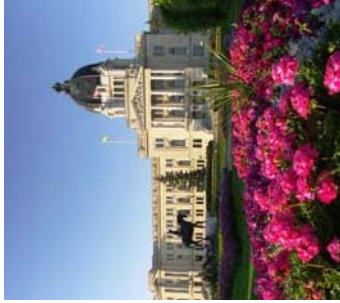




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Saskatchewan Industry and Resources National Business Survey

August 29, 2006





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Background and Objectives



Government of
Saskatchewan



Background and Objectives

- ◆ Saskatchewan Industry and Resources commissioned marketing research to establish a benchmark of national business attitudes toward doing business in Saskatchewan prior to the launch of a major marketing campaign directed at this target in the fall of 2006.
- ◆ Specific research objectives included:
 - Determining the attitudes of national business decision-makers toward conducting business in Saskatchewan;
 - Assessing current perspectives on Saskatchewan's economy;
 - Determining awareness of Saskatchewan's technology and research initiatives;
 - Understanding business decision factors that drive investment in expansion markets.

Methodology

- ◆ A total of 400 telephone interviews were conducted with business decision-makers across Canada:
 - iTracks conducted the fieldwork from central location interviewing facilities in Saskatchewan;
 - Fieldwork was conducted from June 30 to July 20, 2006;
 - Quota sampling of businesses in four markets as follows:
- | Market | Sample Size | Margin of Error |
|------------------|-------------|-----------------------------|
| British Columbia | 75 | $\pm 11.5\%$ |
| Alberta | 74 | $\pm 11.5\%$ |
| Ontario | 201 | $\pm 7.1\%$ |
| Quebec | 50 | $\pm 14.2\%$ |
| TOTAL | 400 | $\pm 5\%$ |
- Participants were screened for the following:
 - » Must have responsibility for decisions regarding where their company conducts its business;
 - » Must currently conduct business in more than one province in Canada;
 - » Selected industry sectors including energy and resources, manufacturing, agri-food processing, financial services, wholesale, retail, food service, accommodation, IT and telecommunications, biotechnology and life sciences.



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Executive Summary



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Challenges and Opportunities for Saskatchewan

Challenges Facing Saskatchewan Industry and Resources

- ◆ In an effort to improve business perceptions of the province, Saskatchewan Industry and Resources face a number of challenges:
 - Just over one-half (52%) of companies currently conducting business in Saskatchewan are unlikely to expand their business in the province, largely due to the fact that the market is too small (population base) and they see little growth opportunities.
 - A minority (25%) of business decision makers currently hold a favourable view of the Saskatchewan economy. Most (37%) are neutral regarding the economy of Saskatchewan and very few hold negative opinions (20%). However, when asked to describe the economy of Saskatchewan, negative comments revealed prevalent views that the economy is stagnant or shrinking, and certainly worse than other Western provinces and Ontario.
 - Current perceptions are still strongly associated with agriculture and resource-based industries. The vast majority of businesses are not aware of any leading research or technology initiatives emerging from Saskatchewan, the fact that Saskatchewan is among Canada's "have" provinces, or that the Saskatchewan Government recently announced business tax cuts.

Opportunities to Leverage

- ◆ The recent advertising campaign has the potential to change perceptions about the province and with a major launch planned for the Fall of 2006 recall levels should increase.
- ◆ The media vehicles (magazines and newspapers) are well chosen given the sources of information for business and investment news that decision makers typically consult.



Challenges and Opportunities for Saskatchewan

- Among respondents who recalled seeing the advertising, 46% indicated that they were more likely to consider Saskatchewan as a place to do business and perceptions about the province on key attitudinal measures also improved.
- Alberta-based companies already invest in the province to a greater degree than other regions, have more positive impressions of Saskatchewan overall and exhibit the strongest potential for business expansion. Alberta companies not currently invested in Saskatchewan are also more likely than other regions to consider Saskatchewan as a good place to do business.
- Investing more heavily in advertising directed at Alberta companies should reinforce and encourage more investment in Saskatchewan.





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Key Findings



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Current Business Practices



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Scope of Business

Incidence of Conducting Business in Various Provinces

- ◆ Almost six in ten (57%) companies participating in the survey currently conduct business in Saskatchewan
 - Saskatchewan is on par with Manitoba (53%) and the Atlantic provinces (52%) in terms of business investment
 - Alberta companies are the most likely to have a Saskatchewan presence (82% of Alberta based companies surveyed currently conduct business in the province)
 - Comparatively fewer companies from other provinces conduct business in Saskatchewan (56% in BC; 53% in Ontario and considerably fewer (36%) in Quebec)

Nature of Business Presence

- ◆ The majority (60%) of companies that currently conduct business in Saskatchewan are in the Wholesale/retail/food service/accommodation sector
 - Service providers account for 15% of businesses currently conducting business in Saskatchewan and 8% are from the oil/gas sector. Alberta-based companies that have the most presence in Saskatchewan are predominately from the retail (43%), oil and gas (26%) and service provider (18%) sectors. Investment from other provinces is highly skewed to retail operations
 - Although 24% of companies that participated in the survey were from the manufacturing sector, only 5% currently have operations in Saskatchewan

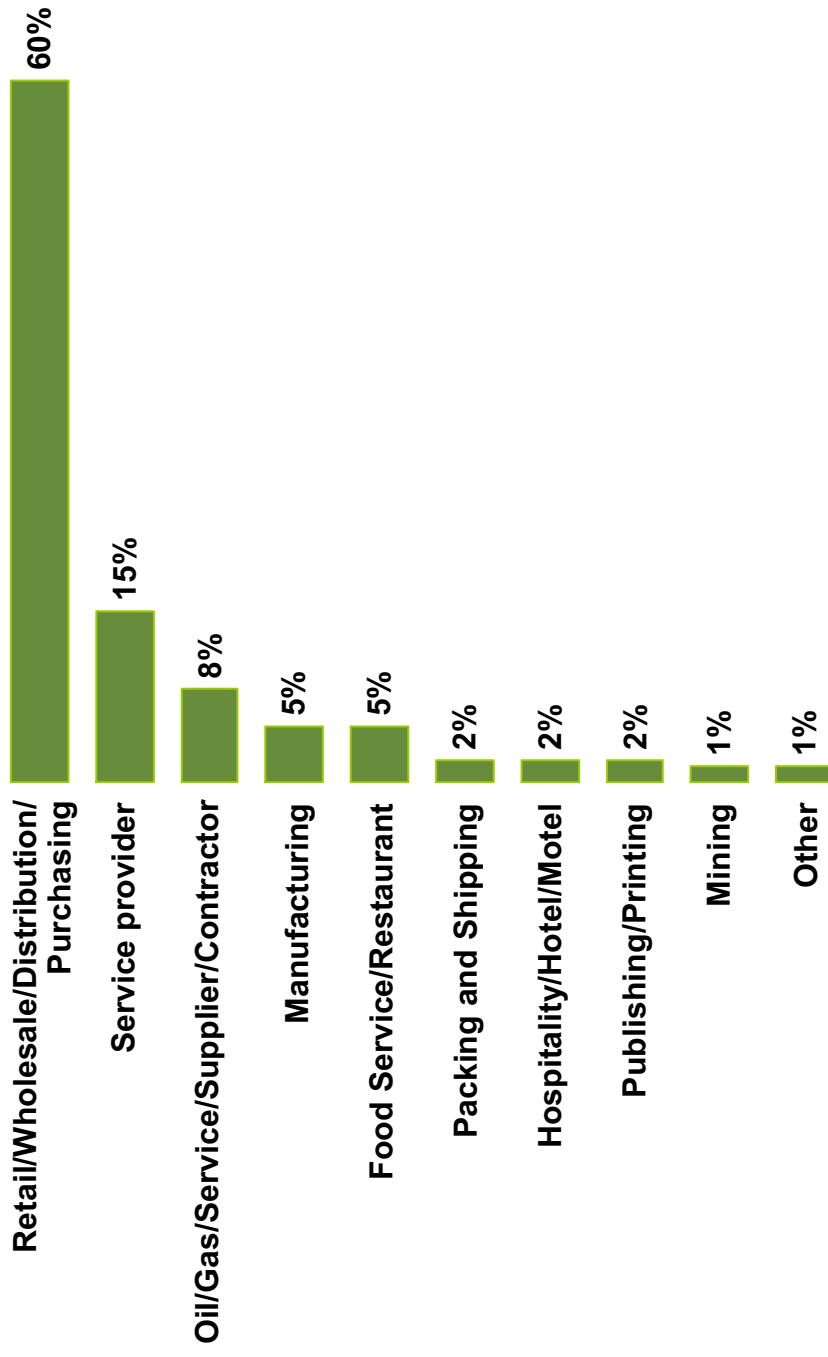
Scope of Business Conduct

s3. In which provinces does your company currently conduct business?

	Total	Region				Expansion		Awareness	
		BC	Alberta	Ontario	Quebec	Likely	Unlikely	Yes	No
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)	(n=223)	(n=165)	(n=119)	(n=399)
BC	73%	87%	93%	66%	50%	79%	64%	75%	73%
Alberta	74%	93%	93%	68%	44%	81%	65%	74%	74%
Saskatchewan	57%	56%	82%	53%	36%	69%	39%	70%	57%
Manitoba	53%	51%	53%	55%	44%	61%	39%	53%	52%
Ontario	81%	77%	57%	88%	94%	80%	81%	78%	81%
Quebec	69%	51%	31%	82%	98%	68%	71%	62%	69%
Atlantic Provinces	52%	40%	30%	62%	60%	58%	43%	50%	52%
Northwest Territories	22%	20%	27%	22%	14%	26%	16%	22%	22%

Nature of Business Currently in Saskatchewan

q1. You mentioned that you currently do business in Saskatchewan. What is the nature of that business?



Base: Respondents who conduct business in Saskatchewan (n=227)

Nature of Business Currently in Saskatchewan

q1. You mentioned that you currently do business in Saskatchewan. What is the nature of that business?

	Total	BC	Alberta	Ontario	Quebec
Base: Respondents who conduct business in Saskatchewan	(n=227)	(n=42*)	(n=61*)	(n=106)	(n=18**)
Retail/Wholesale/Distribution/ Purchasing	60%	62%	43%	66%	78%
Service provider	15%	14%	18%	13%	11%
Oil/Gas/Service/Supplier/Contractor	8%	2%	26%	1%	-
Manufacturing	5%	5%	3%	6%	6%
Food Service/Restaurant	5%	7%	2%	6%	6%
Packing and Shipping	2%	2%	-	3%	-
Hospitality/Hotel/Motel	2%	-	2%	3%	-
Publishing/Printing	2%	2%	5%	-	-
Mining	1%	2%	-	2%	-
Other	1%	2%	2%	1%	-



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Current Saskatchewan Expansion Plans



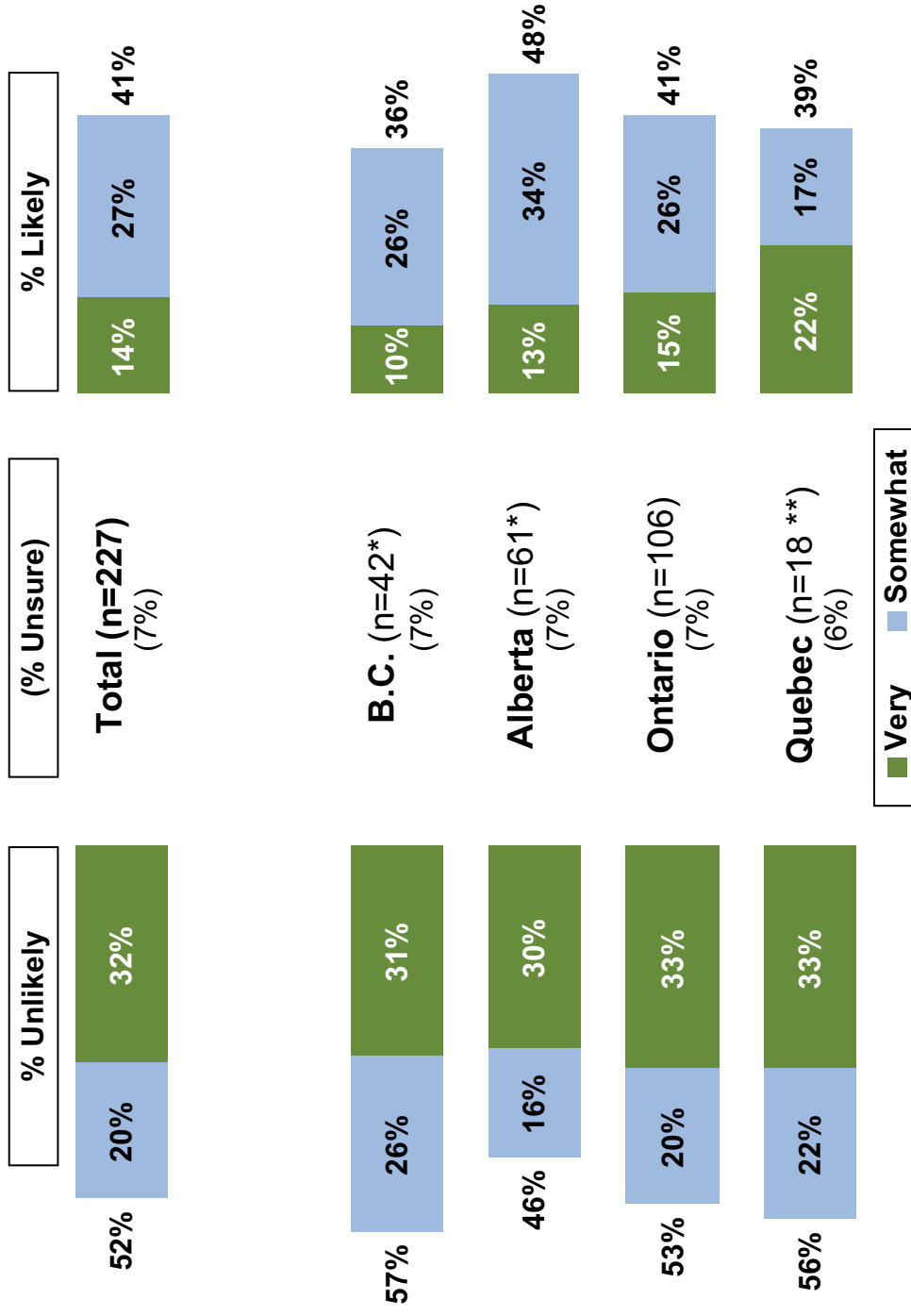
Expansion Plans

Likelihood of Expanding Business in Saskatchewan

- ◆ Among companies that currently conduct business in Saskatchewan, just over one-half (52%) of participating companies have no immediate intentions of expanding their business further in the province
 - Primary reasons for not considering expanding into the province is that the market is too small and there is little apparent growth opportunity. Other reasons include the fact that companies have no need to expand.
- ◆ Four in ten companies currently doing business in the province indicate some propensity to expand further indicating that they see opportunities and market growth potential
 - Alberta-based companies are most likely to indicate further expansion plans for Saskatchewan (48% likely; 13% very likely)
 - BC companies currently conducting business in Saskatchewan are least likely to have expansion plans
 - Almost one-third of companies currently conducting business in the province who plan to expand intend to do so by growing existing operations. Very few (5%) plan to establish new ventures in the province.

Saskatchewan Business Expansion Plans

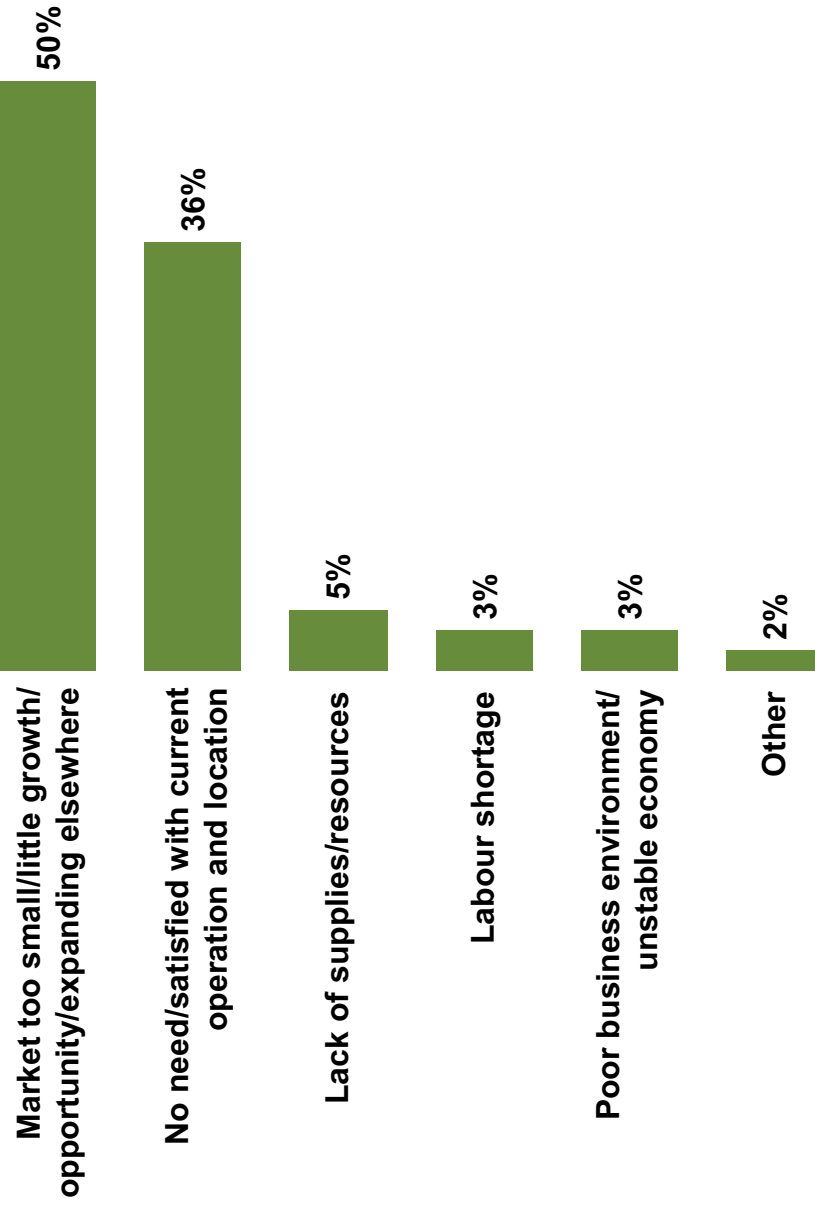
q2. How likely are you to consider expanding your business in Saskatchewan?



Base: Respondents who conduct business in Saskatchewan

Reasons for Not Expanding Business in Saskatchewan

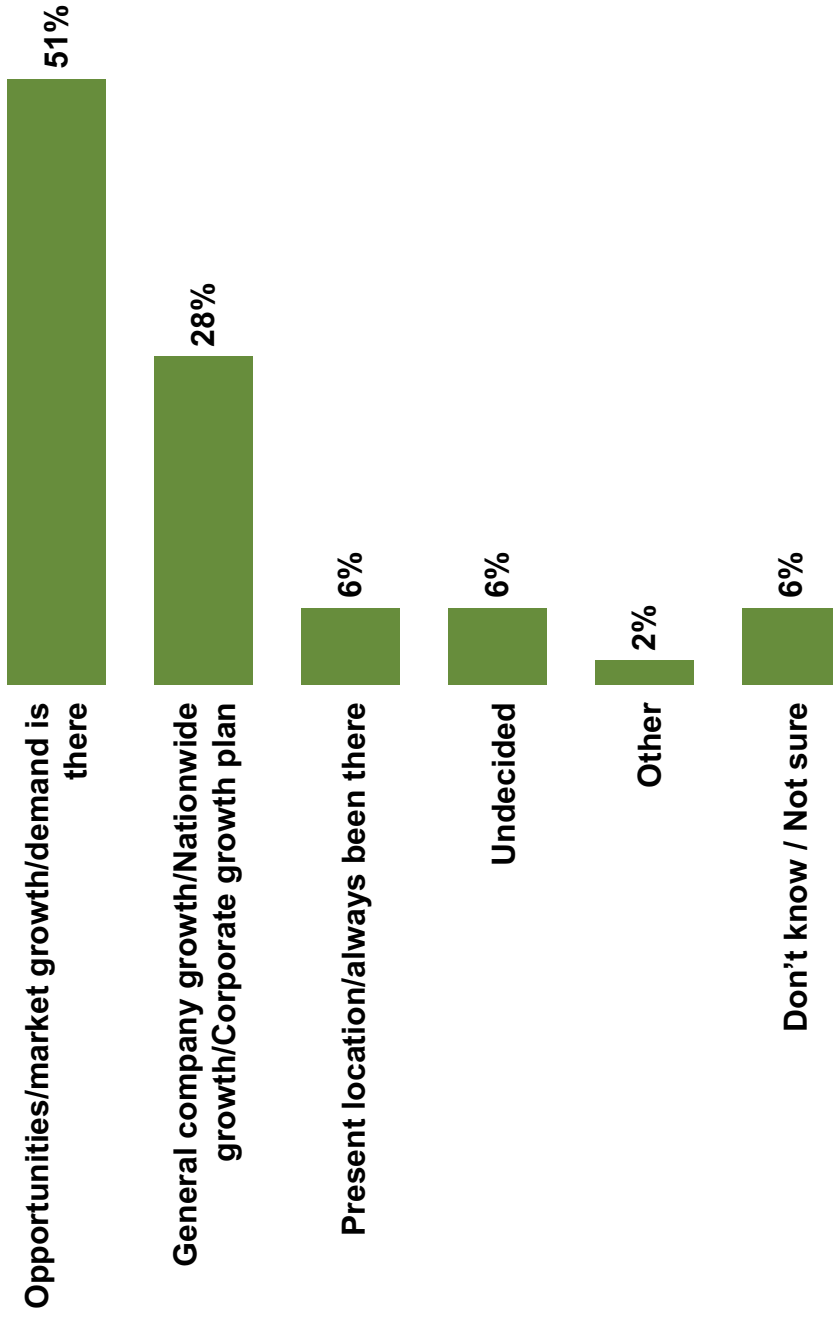
q3. Why is it that you are unlikely to consider expanding your business in Saskatchewan?



Base: Respondents who are unlikely to expand business in Saskatchewan (n=118)

Reasons for Expanding Business in Saskatchewan

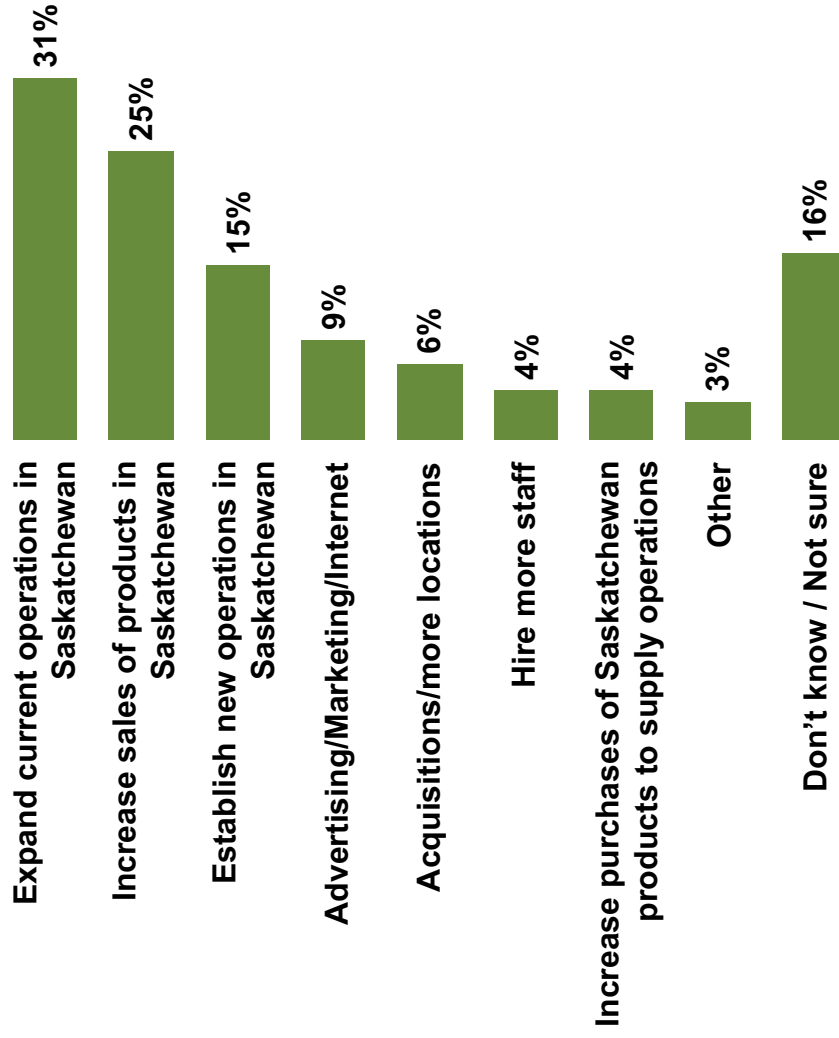
q5. Why have you decided to expand your business in Saskatchewan at this time?



Base: Respondents who are likely to expand business in Saskatchewan (n=94*)

Saskatchewan Business Expansion Plans

q6. How are you considering expanding your business in Saskatchewan?



Base: Respondents who are likely to expand business in Saskatchewan (n=94*)



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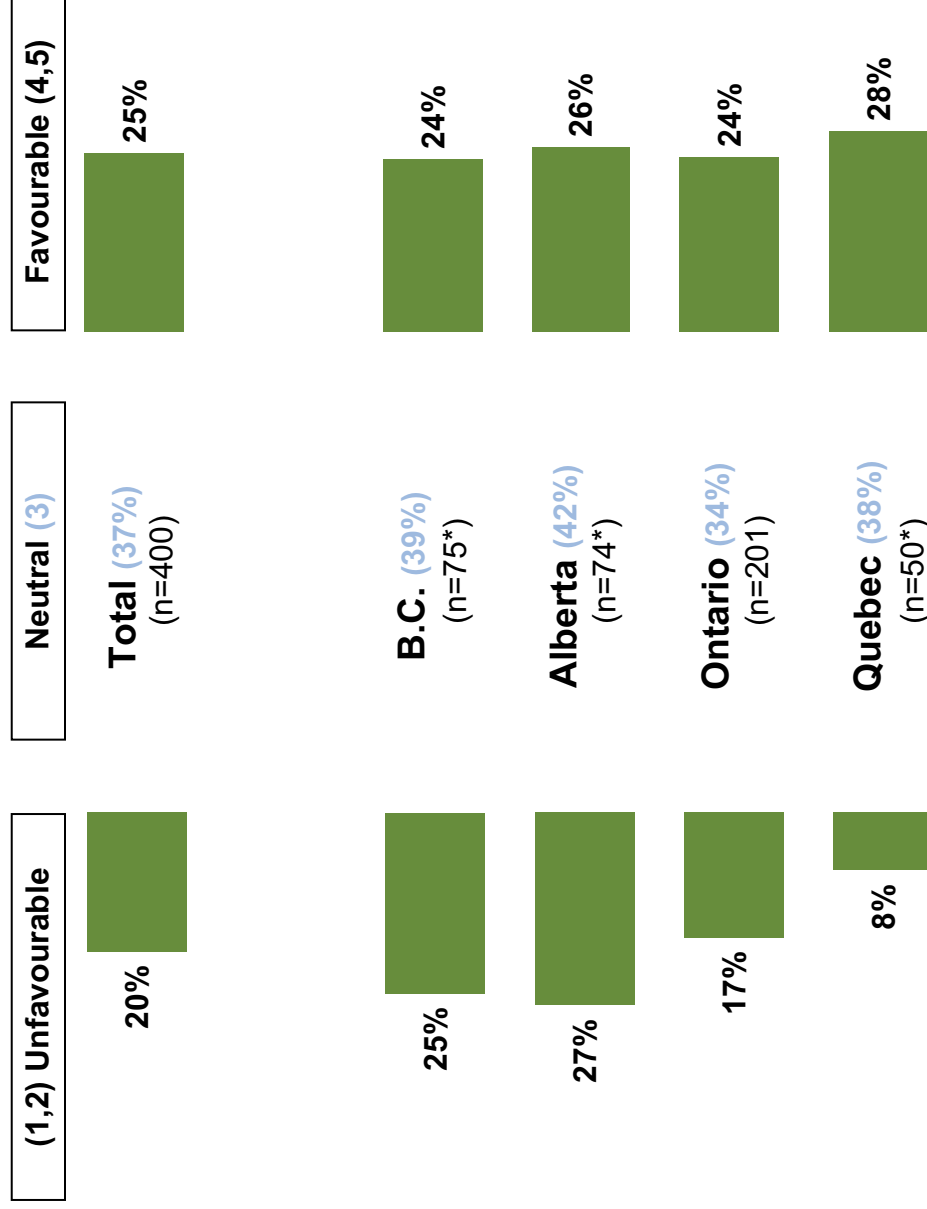
Existing Perceptions of Saskatchewan's Economy

Current Saskatchewan Economic Perceptions

- ◆ One quarter of business decision makers currently hold a favourable view of the Saskatchewan economy. Most (37%) are neutral regarding the economy of Saskatchewan and a few hold negative opinions (20%).
- ◆ Relative to the economy of three other provinces: 70% consider the economy of Saskatchewan worse than that of Alberta
 - 54% consider Saskatchewan's economy worse than Ontario, and
 - 26% consider Saskatchewan's economy worse than Manitoba
- ◆ When asked to describe the economy of Saskatchewan, negative comments (34%) outweighed positive perceptions (25%)
 - 15% describe the economy as shrinking/depressed/stagnant
 - Almost three in ten Alberta companies hold this opinion
 - Few (10%) describe the economy as growing/improving
 - Alberta-based companies are most likely to see growth potential (15%)
 - 19% associate the economy with farm/agricultural-based industry
 - Companies based in BC and Ontario are more likely to hold this view

Overall Perceptions of Saskatchewan's Economy

q7. I'd like to ask about your overall opinion of the economy of Saskatchewan. How would you rate Saskatchewan's economy on a scale of 1 to 5 where 1 means your opinion is Very Unfavourable , and 5 means your opinion is Very Favourable.

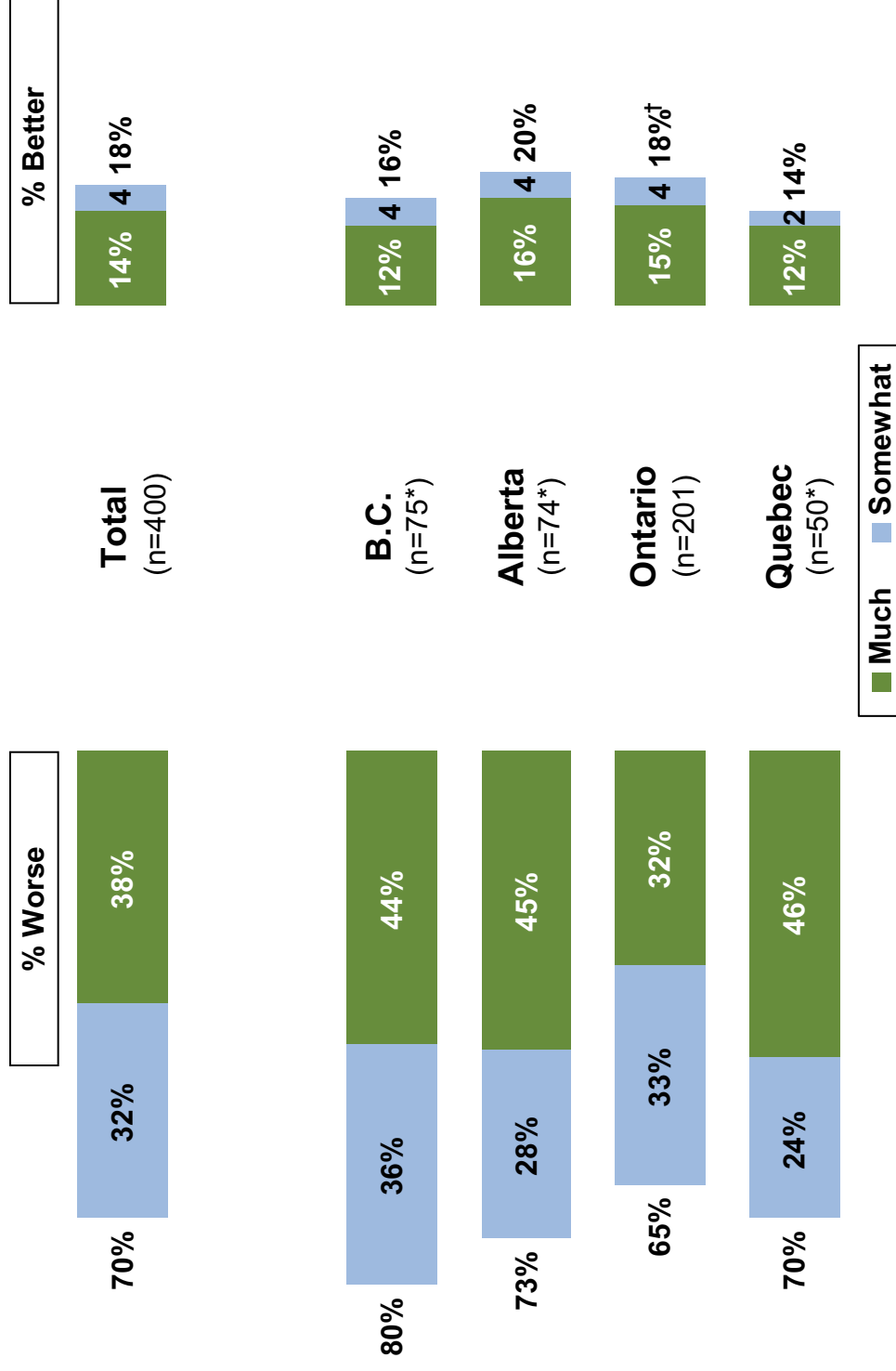


Base: All Respondents



Perceptions of Saskatchewan's Economy Relative to Alberta

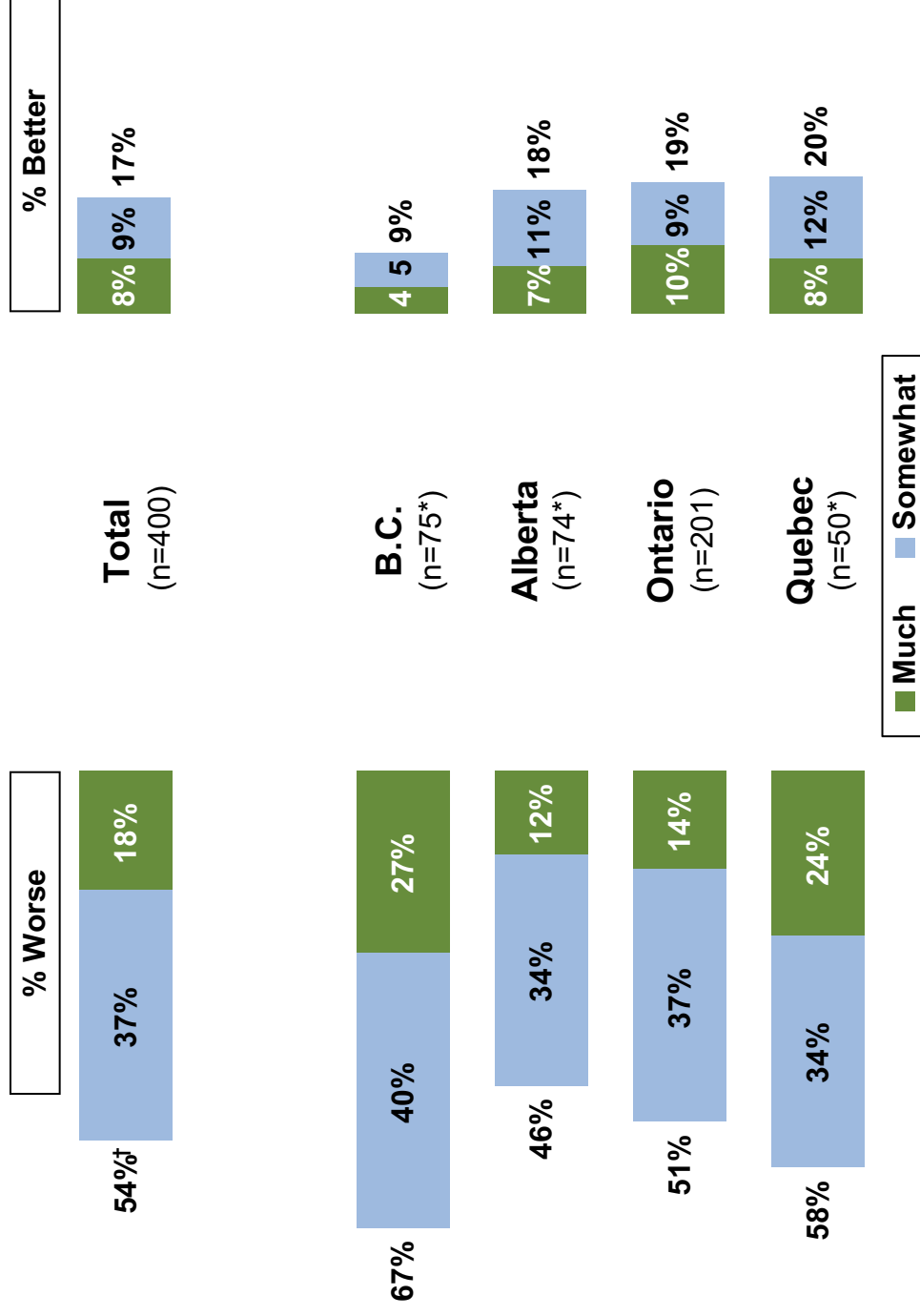
q8_1. I am going to name three other provinces in Canada. Compared to the economy of [Alberta], would you say that the economy in Saskatchewan is much better, somewhat better, about the same, somewhat worse or much worse?





Perceptions of Saskatchewan's Economy Relative to Ontario

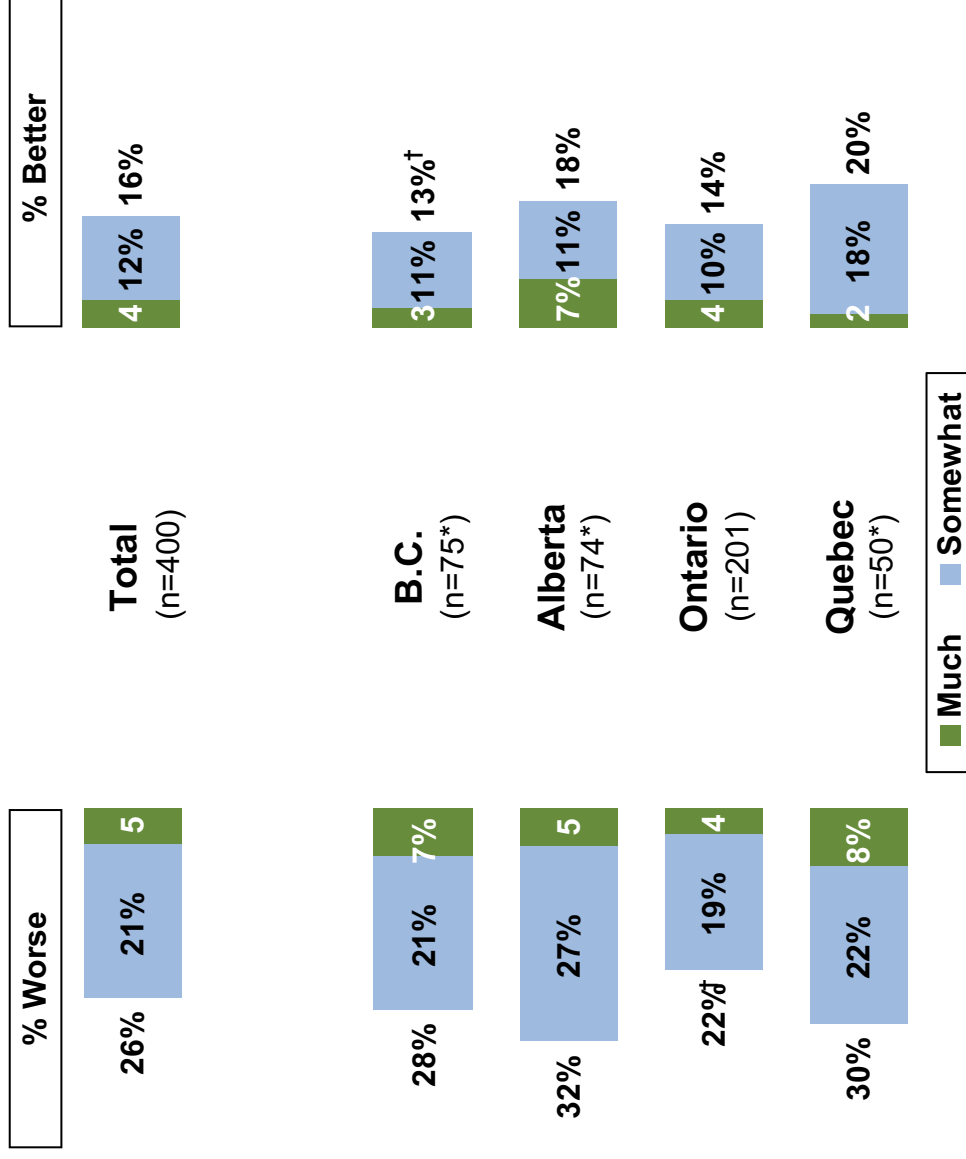
q8_2. I am going to name three other provinces in Canada. Compared to the economy of [Ontario], would you say that the economy in Saskatchewan is much better, somewhat better, about the same, somewhat worse or much worse?





Perceptions of Saskatchewan's Economy Relative to Manitoba

q8_3. I am going to name three other provinces in Canada. Compared to the economy of [Manitoba], would you say that the economy in Saskatchewan is much better, somewhat better, about the same, somewhat worse or much worse?



Impressions of Saskatchewan's Economy

q9. What specific words and phrases would you use to describe your impressions of Saskatchewan's economy?

	Total	BC	Alberta	Ontario	Quebec
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)
Positive (25% NET): Growing/improving/Booming/	10%	9%	15%	8%	8%
Strong/Healthy/Robust/Good/Sound/	6%	3%	8%	6%	10%
Has potential/growth opportunity/underdeveloped	6%	4%	12%	5%	2%
Diversifying	3%	3%	1%	4%	-
Neutral (46% NET): Flat/average/fair/neutral/stable	20%	25%	27%	17%	14%
Farm/Agricultural based economy	19%	25%	7%	21%	18%
Oil/Forest/Mining - Resource based	7%	11%	4%	6%	6%

Base: All Respondents

Impressions of Saskatchewan's Economy

q9. What specific words and phrases would you use to describe your impressions of Saskatchewan's economy?

	Total	BC	Alberta	Ontario	Quebec
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)
Negative (34% NET): Shrinking/depressed/unstable/ declining/slow/struggling/stagnant	15%	19%	32%	10%	4%
Narrow/limited/lack of diversity/lack of opportunity/not progressive	6%	1%	8%	7%	4%
Small/small market	5%	4%	5%	6%	2%
Weaker vs. Alberta/Other provinces	4%	3%	5%	3%	4%
No resources/brain drain	2%	1%	5%	2%	2%
Government	2%	1%	5%	2%	-
Other	2%	-	1%	3%	4%
Don't know / Not sure	24%	16%	4%	30%	40%

Base: All Respondents



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Considerations of Saskatchewan for Business



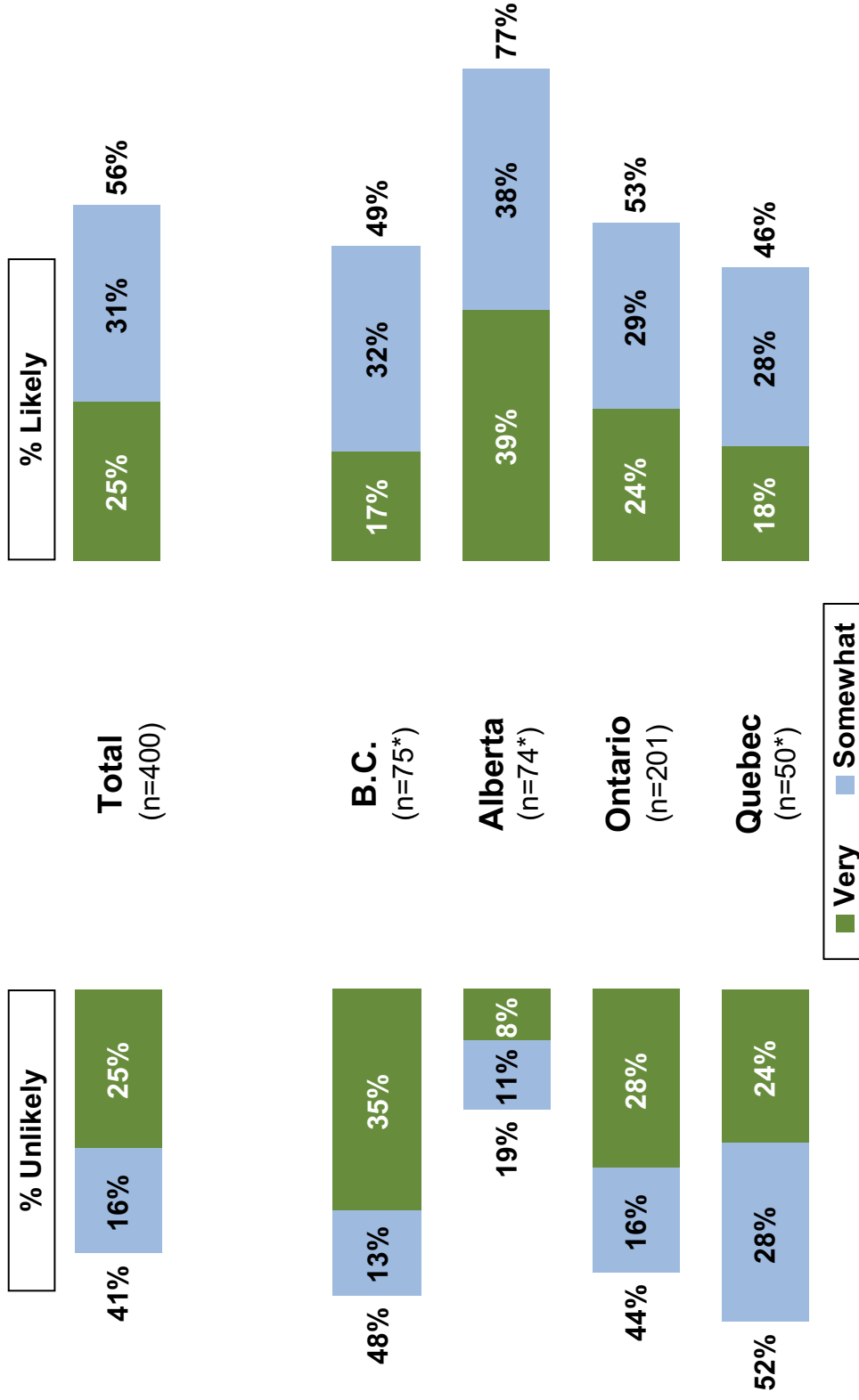
Likely to Consider Saskatchewan for Business

- ◆ Just over one-half (56%) of all companies indicate that they are likely to consider Saskatchewan as a place to do business in the future (25% very likely; 31% somewhat likely)
 - Alberta-based business are significantly more likely to consider Saskatchewan as a place to do business in the future (77% likely; 39% very likely)
 - When asked to identify the main benefits of doing business in Saskatchewan, four in ten were unable to provide specific reasons and three in ten stated that there are growth opportunities (predominately from Alberta-based business). Only 10% mentioned lower costs
- ◆ Among companies not currently doing business in the province, four in ten indicate that they will consider Saskatchewan as a place to do business in the future (9% very likely; 31% somewhat likely).
 - Alberta-based businesses not currently in the Saskatchewan market exhibit the most potential to invest (23% very likely to consider Saskatchewan; 54% somewhat likely)
 - Fewer companies from other regions are considering Saskatchewan in the future
 - » 36% somewhat likely in BC; none very likely
 - » 38% likely from Ontario (11% very likely)
 - » 38% from Quebec (9% very likely)
- ◆ The primary reasons for limited interest in considering Saskatchewan as a place to do business are:
 - Perceived limited growth opportunities due to the small market size/population base
 - Location issues (too far away/increased shipping costs)
 - No need to expand



Likely to Consider Saskatchewan for Business: All Respondents

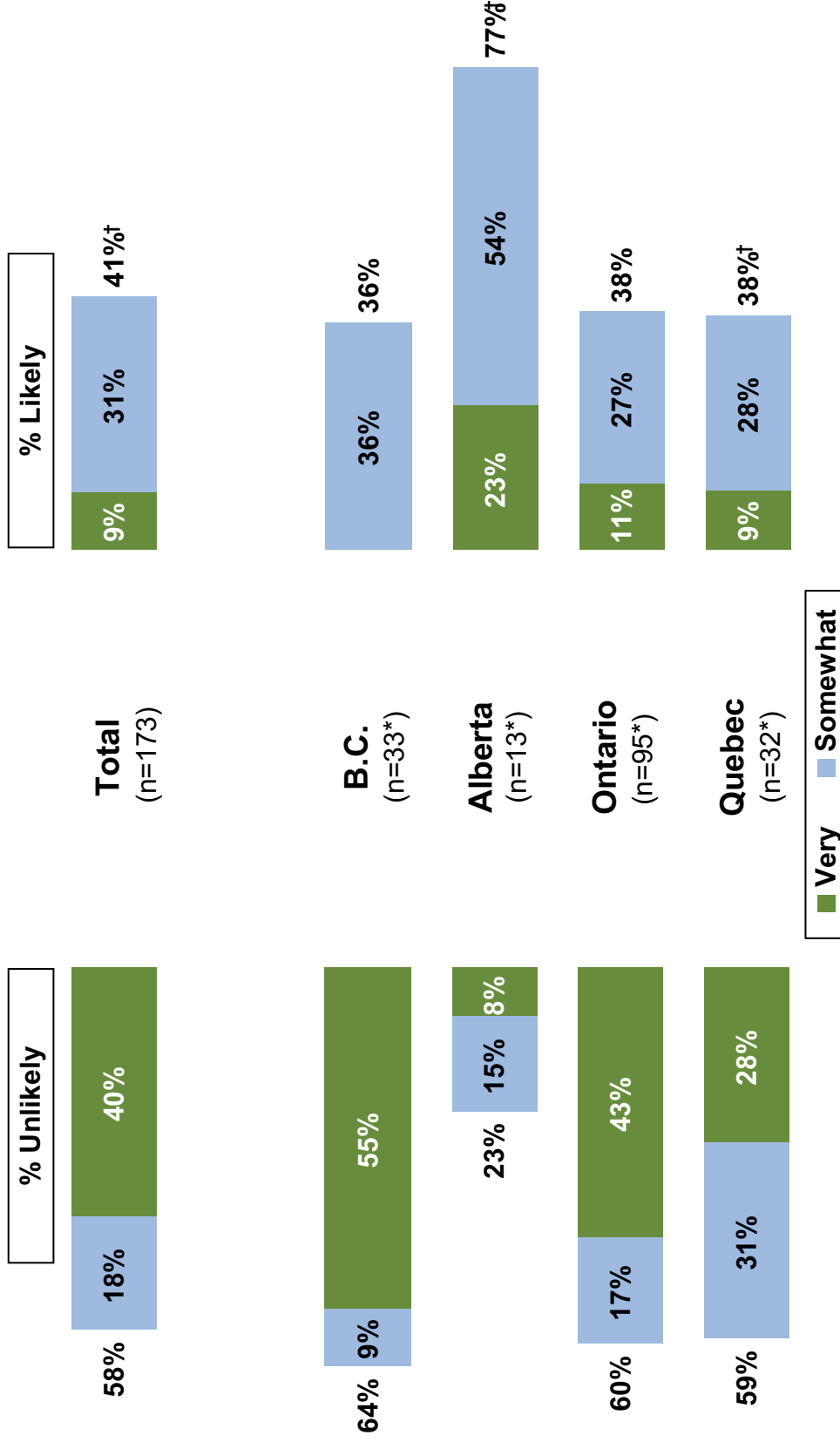
q10. How likely are you to consider the province of Saskatchewan as a place to do business in the future? Are you





Likely to Consider Saskatchewan for Business: Not Currently Conducting Business

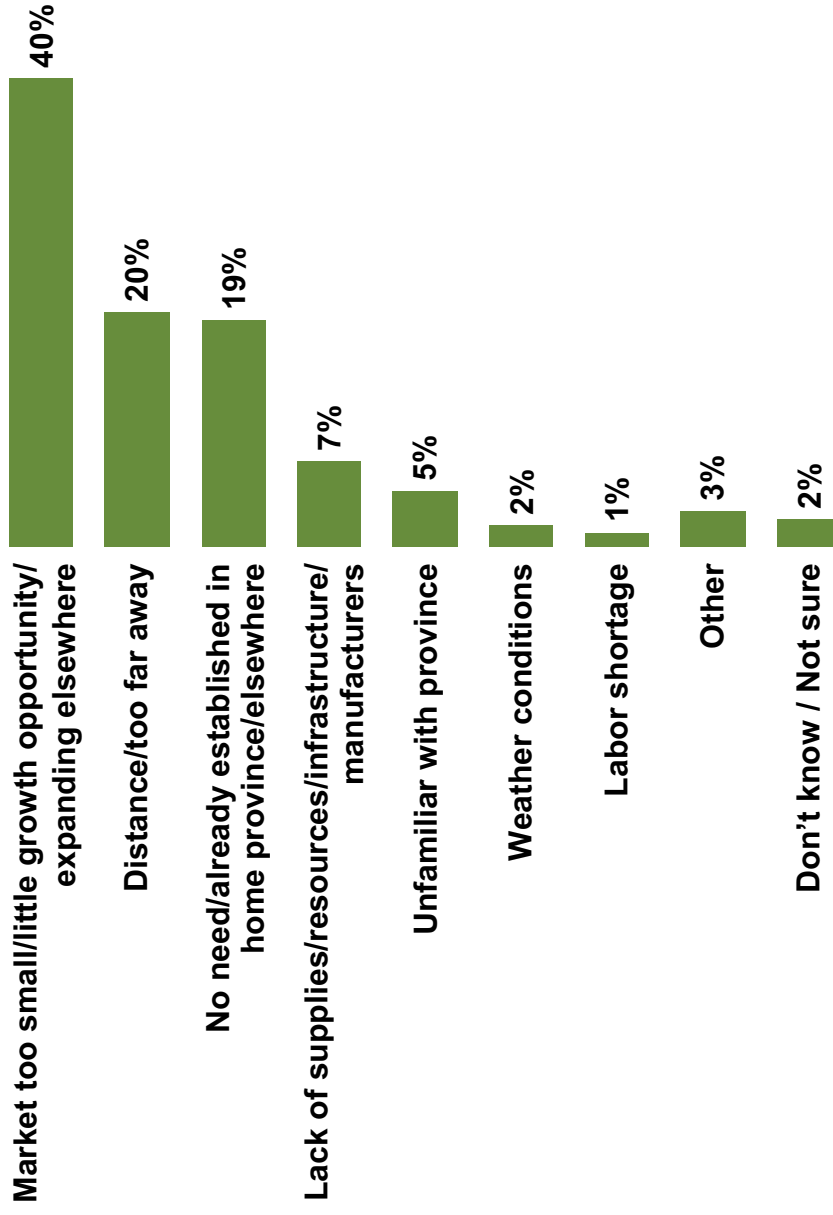
q10. How likely are you to consider the province of Saskatchewan as a place to do business in the future? Are you



Base: Respondents who are not conducting business in Saskatchewan

Reasons Why Unlikely to Consider Saskatchewan for Business

q11. Why is it that you are unlikely to consider Saskatchewan as a place to do business?



Base: Respondents who are unlikely to consider Saskatchewan (n=165)

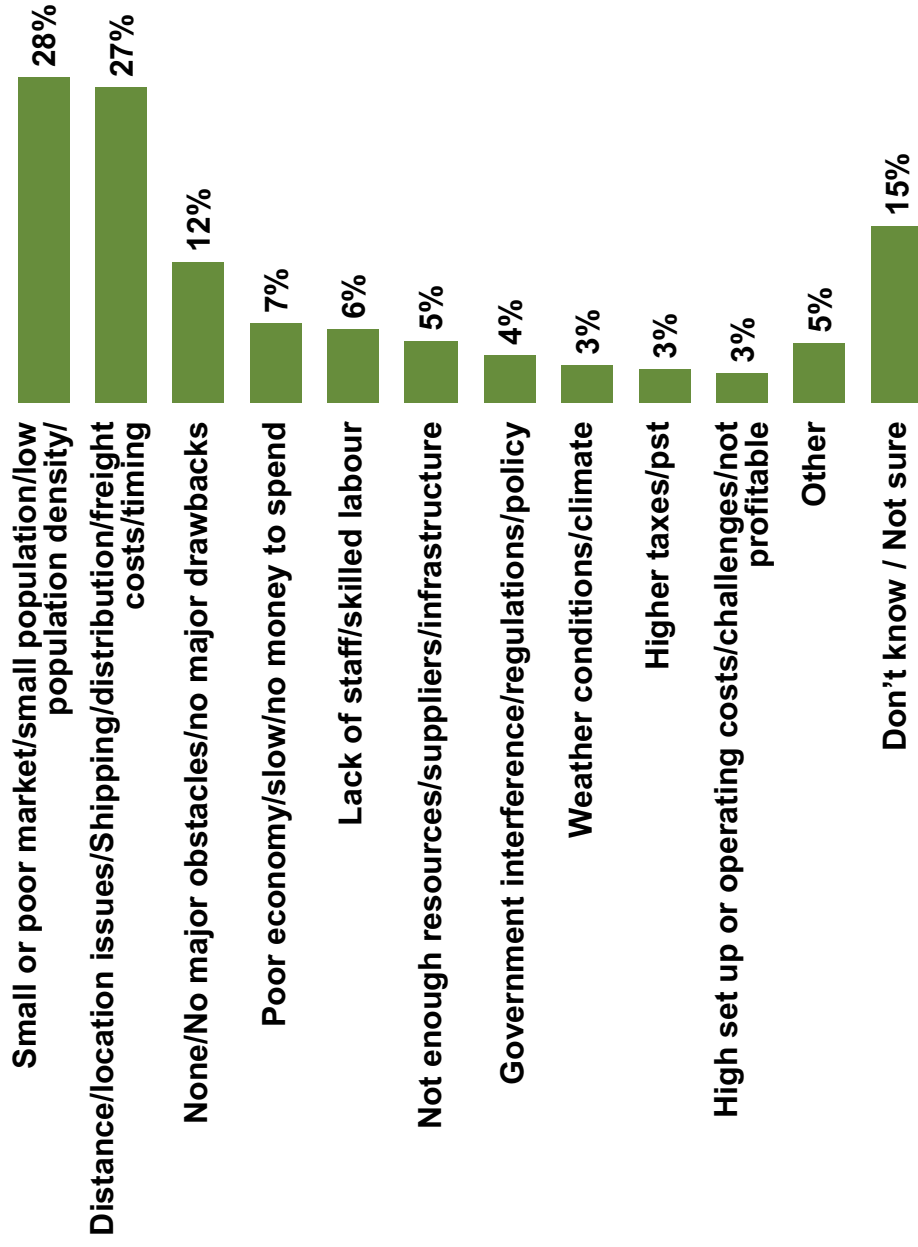
Perceived Benefits of Conducting Business in Saskatchewan

q13. What would you say are the main benefits of conducting business in Saskatchewan?

	Total	BC	Alberta	Ontario	Quebec
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)
Opportunity for growth/new market/few competitors/more sales/untapped	28%	27%	37%	26%	24%
The people - friendly/honest people	6%	11%	4%	7%	-
Lower costs to do business	6%	7%	7%	6%	2%
Central location/Close location/Good location	5%	8%	10%	4%	-
Incentives/financial/government/lower taxes	4%	8%	-	3%	6%
Good economy/ Business climate/Stable economy	4%	3%	4%	4%	4%
Good/Educated/Stable/Cheaper labour pool	4%	5%	3%	4%	2%
It's Canadian - less hassle	3%	1%	1%	4%	2%
Cheaper property/lower land costs/lower rent	2%	5%	5%	-	-
Abundance of resources/supplies/agriculture	2%	1%	4%	2%	-
Lower transportation costs	2%	3%	3%	1%	-
Other	3%	1%	-	3%	8%
None/None mentioned/Can't think of any	20%	17%	18%	20%	28%
Don't know / Not sure	21%	15%	11%	25%	30%

Drawbacks to Establishing Business in Saskatchewan

q14. And, in your opinion, what are the major drawbacks to establishing business in Saskatchewan?



Base: All Respondents (n=400)



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Perceptions and Awareness of Saskatchewan Economic Initiatives



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Current Perceptions of Saskatchewan

Strong Associations

- ◆ Current business perceptions about Saskatchewan are strongly linked to the agricultural industry (77% agree that Saskatchewan's major industry is agriculture)
- ◆ Another 59% are of the impression that Saskatchewan's economy is mostly dependent on natural resources
- ◆ Businesses in other locations do recognize that Saskatchewan residents exhibit a strong work ethic (65% agree)

Weak Associations

- ◆ Few business executives (one in three) associate Saskatchewan with being market leaders in the areas of technology, innovation, research and development
- ◆ About one-third of businesses agree that Saskatchewan is diversifying its economy or experiencing strong economic growth and a minority (39%) agree that Saskatchewan has a skilled and educated workforce

Advertising Has Had an Impact on Perceptions

- ◆ Those aware of advertising are more likely to have more positive impressions and are more likely to agree that:
 - Saskatchewan has a skilled and educated workforce (51% agree vs. 39%)
 - Saskatchewan is diversifying its economy (50% agree vs. 33%)
 - Saskatchewan is experiencing strong economic growth (43% agree vs. 30%)
 - Saskatchewan is a leader in technology and innovative products (24% vs. 13%)
 - Saskatchewan is a leader in research and development (22% vs. 11%)



Awareness of Saskatchewan Research and Technology Initiatives

Unaided Awareness of Initiatives

- ◆ The vast majority (87%) of businesses are unaware of any leading research or technology initiatives emerging from Saskatchewan
 - Business executives who have seen advertising are more likely to be aware of some initiatives (23% vs. 12%)
 - » Those aware of initiatives claim that they have heard of agricultural technology (15%); Synchrotron and petroleum research (13% each)

Aided Awareness of Initiatives

- ◆ On an aided basis (respondents were read a list of specific technology and research initiatives and asked whether they were aware of any of them prior to the survey date).
 - Better known initiatives:
 - » 39% are aware of the agricultural biotechnology cluster
 - » 23% have heard of petroleum research focusing on CO2 emissions
 - » 20% are aware of the vaccine development center
 - Less known initiatives:
 - » 16% are aware of the Synchrotron or the fact that Saskatchewan has one of the best fiber optic networks
- ◆ Recall of all initiatives was significantly better among respondents that claimed to have seen advertising





Awareness of Saskatchewan's Economic Performance

Awareness of Economic Growth

- ◆ Very few businesses (17%) are aware that Saskatchewan is one of the three “have” provinces in Canada
 - Alberta-based companies (29%) and those aware of advertising (29%) were more likely to be aware of this fact

Awareness of Business Tax Cuts

- ◆ 90% of all businesses were not aware that the Saskatchewan government has announced business tax cuts and will gradually eliminate corporate capital taxes in most sectors. The few that had heard of this announcement claimed they learned of it by word of mouth or from newspapers

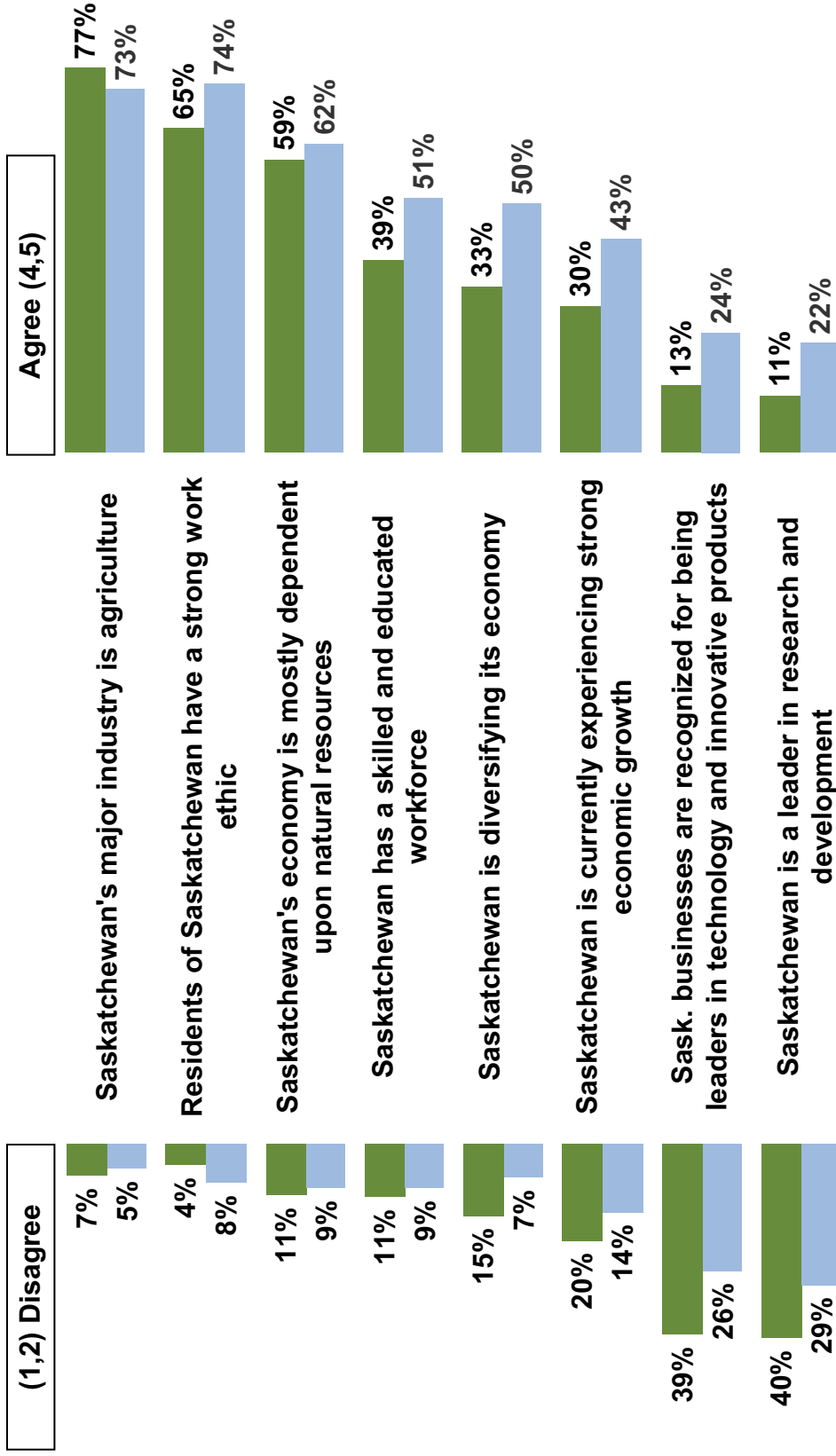
Perceived Impact of Tax Cuts

- ◆ Once business executives became aware of the corporate tax cut, most (84%) believe that it will have a positive effect on investment in the province
 - 27% believe it will strongly encourage investment; 54% say it will somewhat encourage investment
 - There were no differences across markets



Current Perceptions of Saskatchewan

q15. I'm now going to read you a list of statements about Saskatchewan. Using a scale of 1 to 5 where 1 means you strongly disagree and 5 means you strongly agree, to what degree do you agree or disagree that...



■ Total (n=400) ■ Aware of Advertising (n=119)

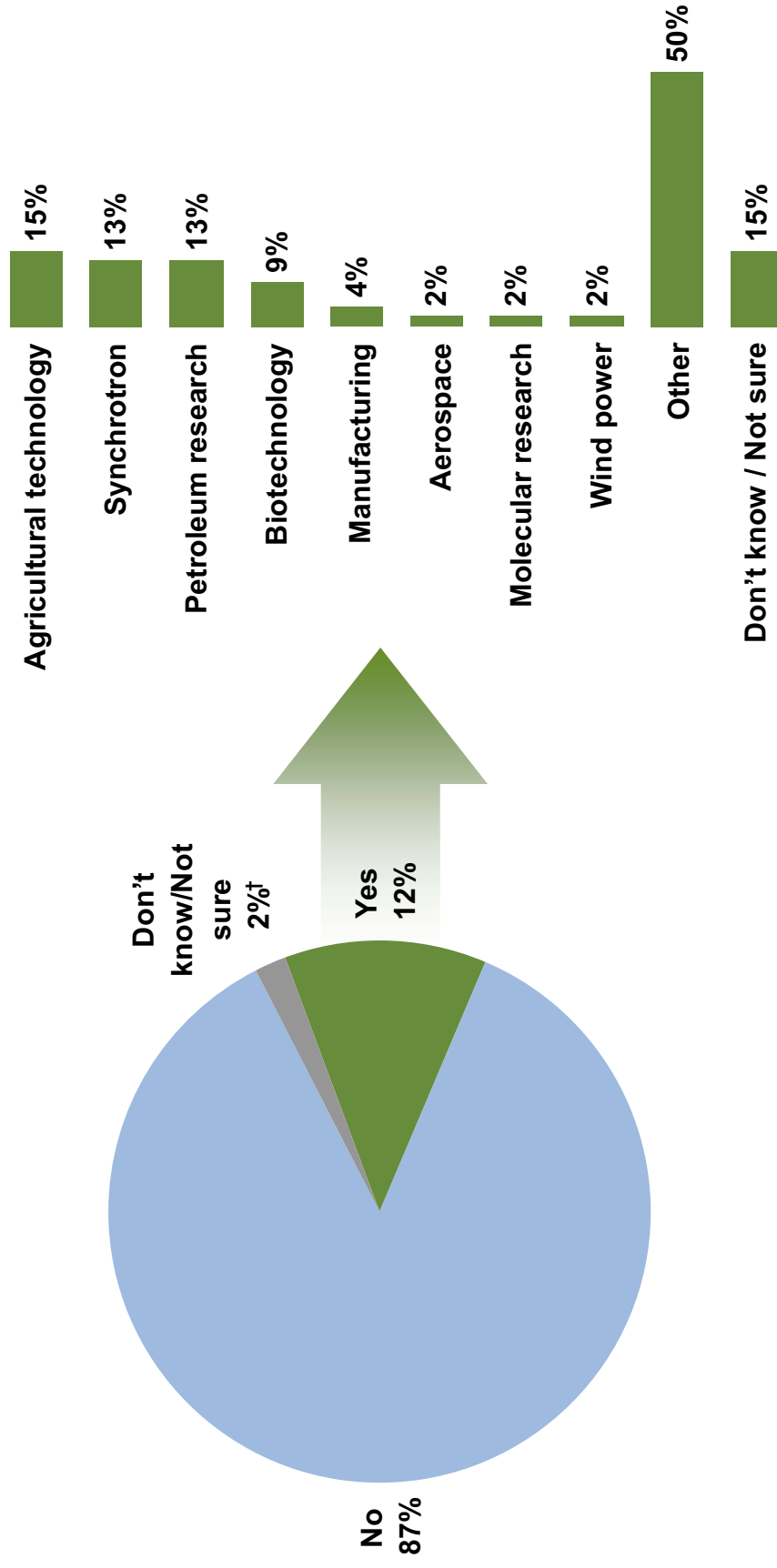
Base: All Respondents



Unaided Awareness of Saskatchewan Research/Technology Initiatives: All Respondents

q16. Thinking about research and technology, are you aware of any leading initiatives emerging from Saskatchewan?

q17. What specific initiatives have you heard of?



Base: All Respondents (n=400)

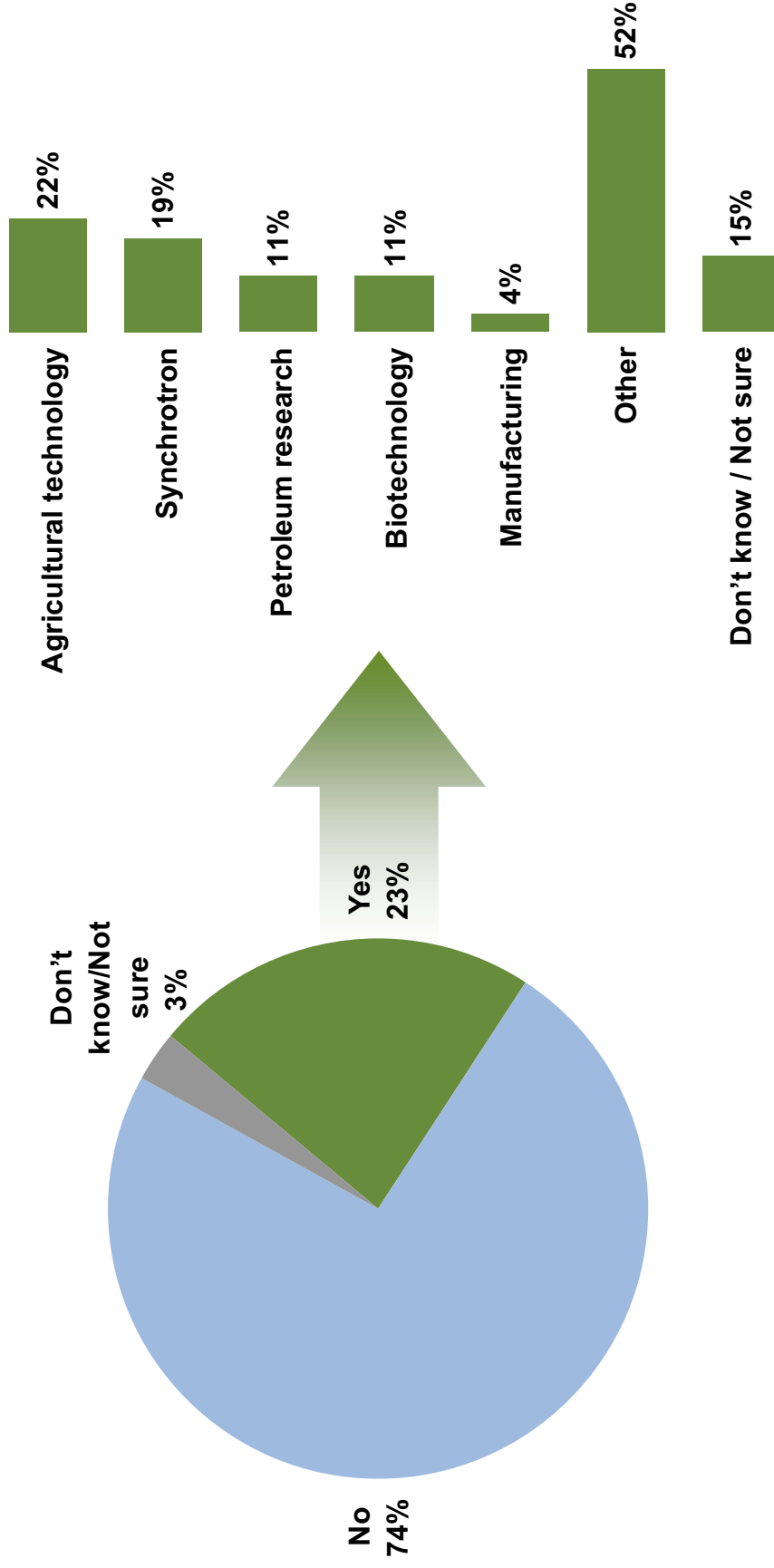
Base: Respondents who are aware of leading initiatives emerging from Saskatchewan (n=46*)



Unaided Awareness of Saskatchewan Research/Technology Initiatives: Respondents Aware of Advertising

q16. Thinking about research and technology, are you aware of any leading initiatives emerging from Saskatchewan?

q17. What specific initiatives have you heard of?

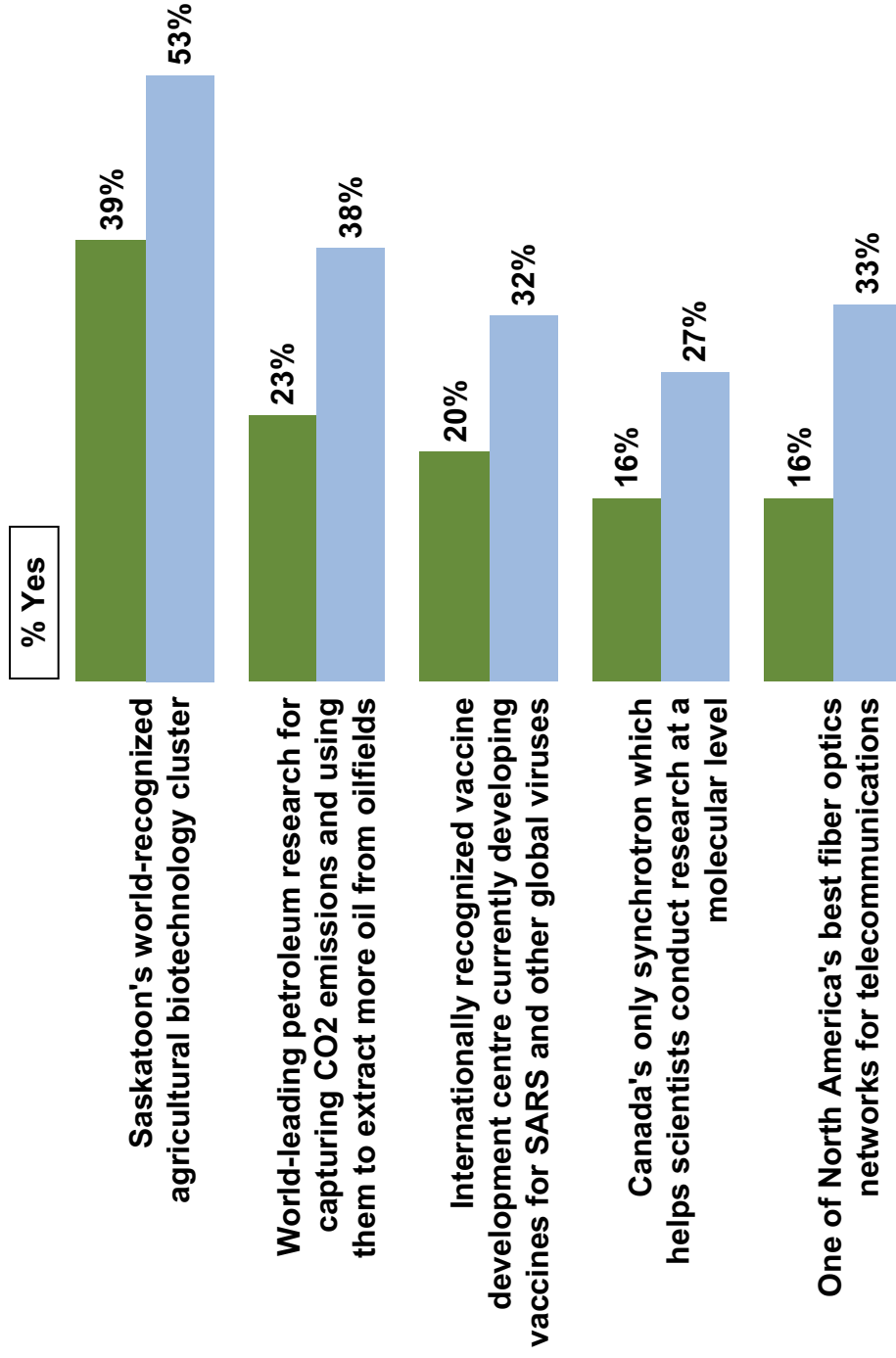


Base: Aware of Advertising (n=119)

Base: Respondents who are aware of leading initiatives emerging from Saskatchewan (n=27**)

Aided Awareness of Saskatchewan Research and Technology Initiatives

q18. I am going to read you a list of some technology or research initiatives that have recently come out of Saskatchewan. For each one, please tell me whether or not you were aware of any of these before today?



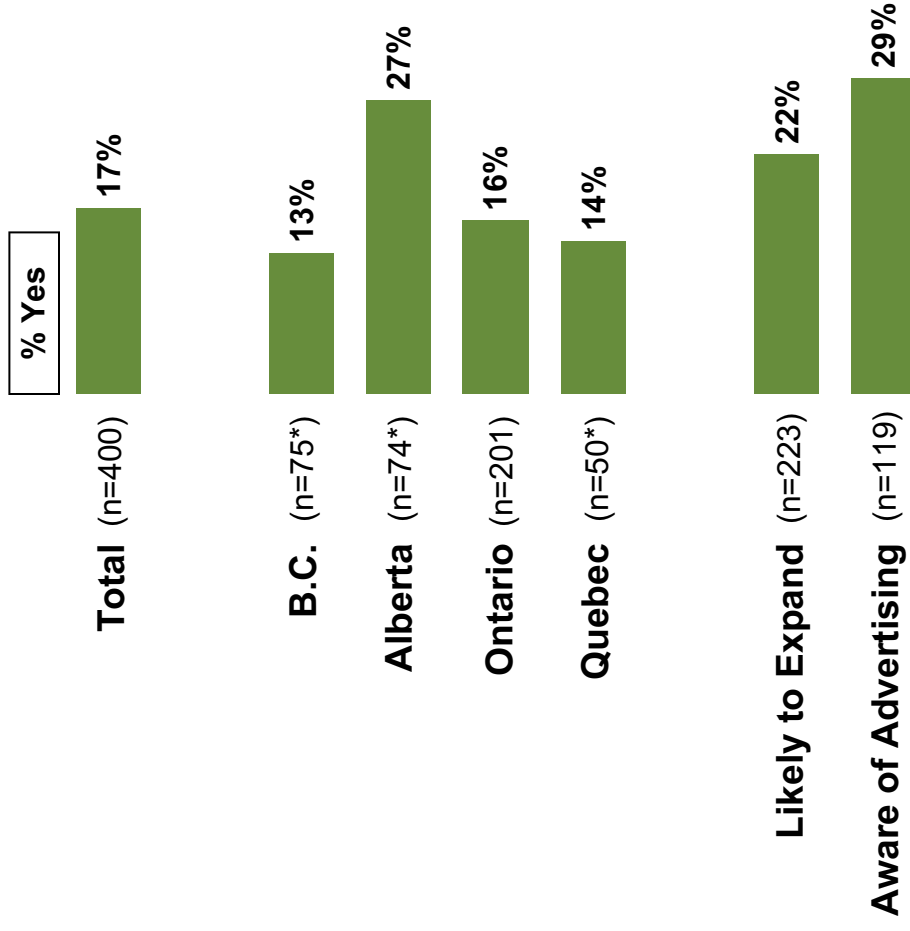
Base: All Respondents

■ Total (n=400) ■ Aware of Advertising (n=119)



Awareness of Saskatchewan's Economic Growth History

q19. In the past three years Saskatchewan's economic growth has outpaced the National average and the province is one of three 'have' provinces along with Alberta and Ontario (meaning that they don't receive equalization payments from the federal government). Before today, were you aware of this?

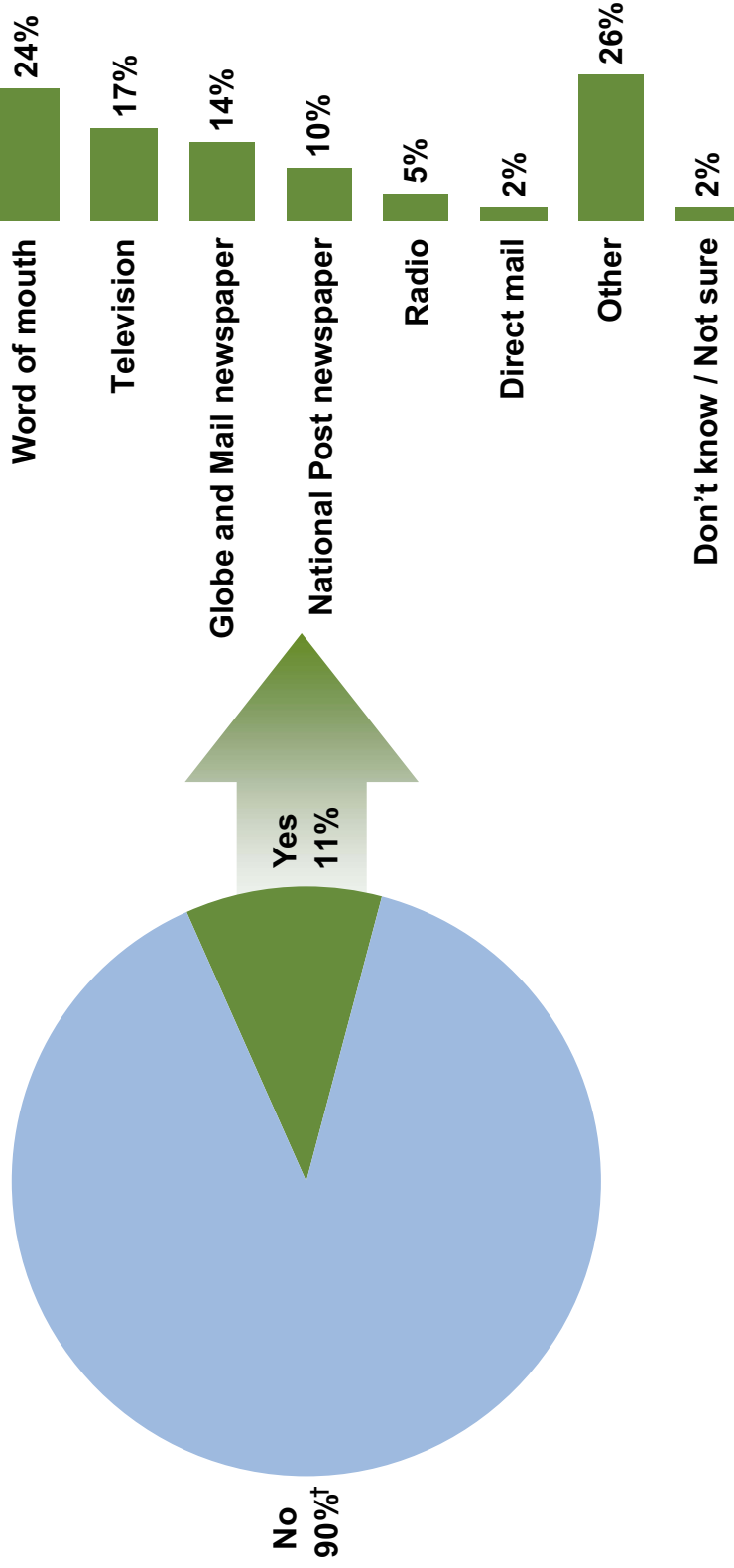


Base: All respondents

Awareness of Corporate Income Tax Cuts

q20. Recently, Saskatchewan announced that it will reduce corporate income tax and gradually eliminate corporate capital taxes in most sectors. Before today, were you aware of this business tax cut?

q21. Where did you see, hear or read about this business tax cut?

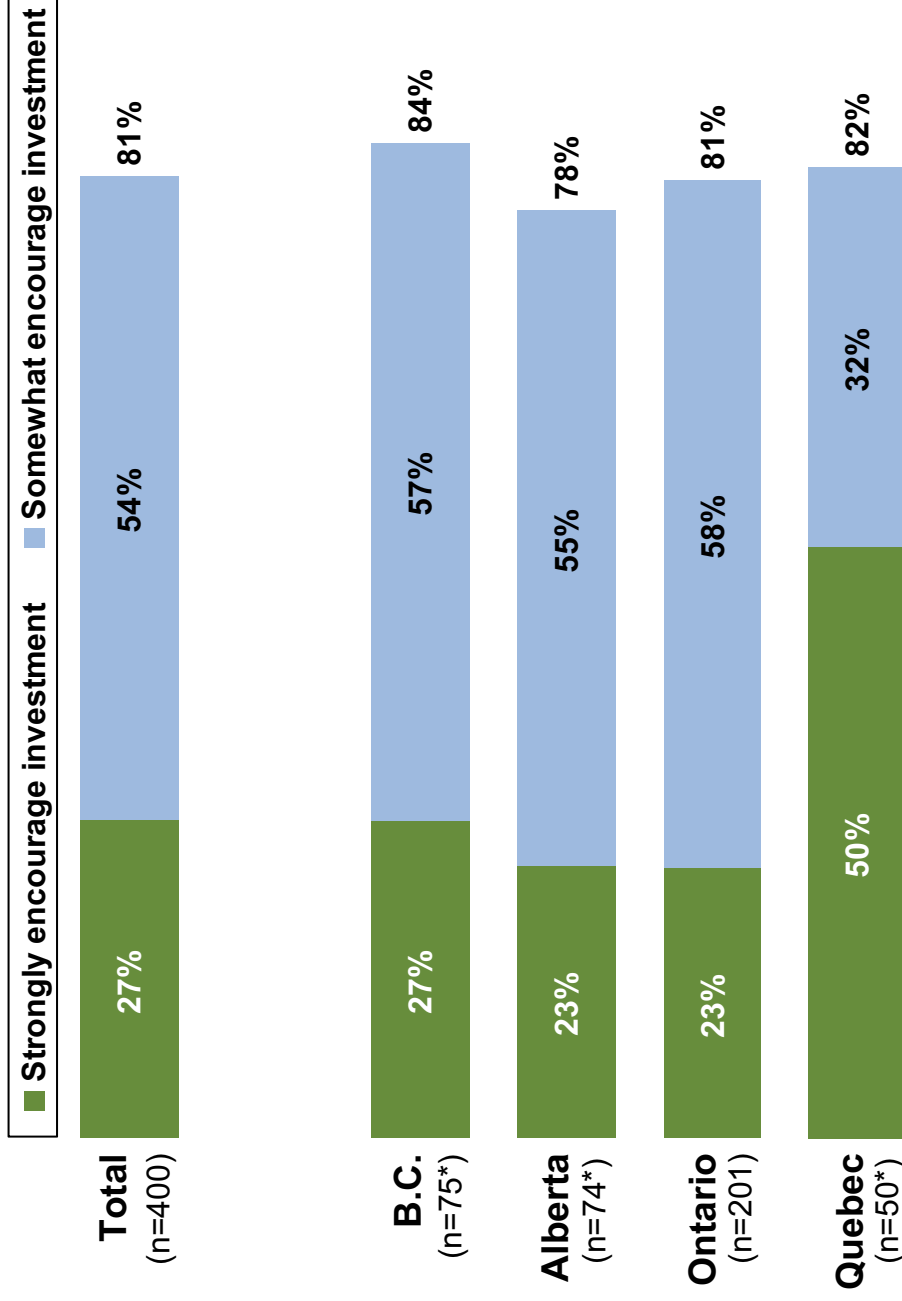


Base: All Respondents (n=400)

Base: Respondents who were aware of this business tax cut (n=42*)

Impact of Business Tax Cut on Investment

q22. Now that you know about the business tax cut, in your opinion would you say that this decision will...



Base: All respondents



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Advertising Awareness



Government of
Saskatchewan

Advertising Awareness

Unaided Advertising Awareness

- ◆ Awareness of advertising promoting Saskatchewan as a good place to do business was 21%
 - Higher awareness levels were evident in Alberta (31% claimed to have seen advertising) and among those who have expansion intentions (27%)
 - » Specific recall of advertising in the past 12 months included general references to Saskatchewan being a good place to do business (29%) and high-tech/Synchrotron (22%) messages
 - » Television (45%) and magazines (27%) were cited as the primary source of advertising awareness, followed by newspapers at 26%.

Aided Awareness

- ◆ Respondents were read a description of three specific advertising initiatives and asked if they recalled seeing any of the advertisements
 - Aided recall was relatively low:
 - » 9% claimed to have seen the Globe & Mail feature insert *Saskatchewan: Manufacturing Success*
 - » 7% recalled having seen the print ad that appeared in magazines and newspapers
 - Although recall levels appear to be quite low, the media buy was quite small, especially for the number of print ad insertions (three in the Globe and Mail and two in other newspapers). The issue appears to be related to the limited media buy.



Advertising Awareness

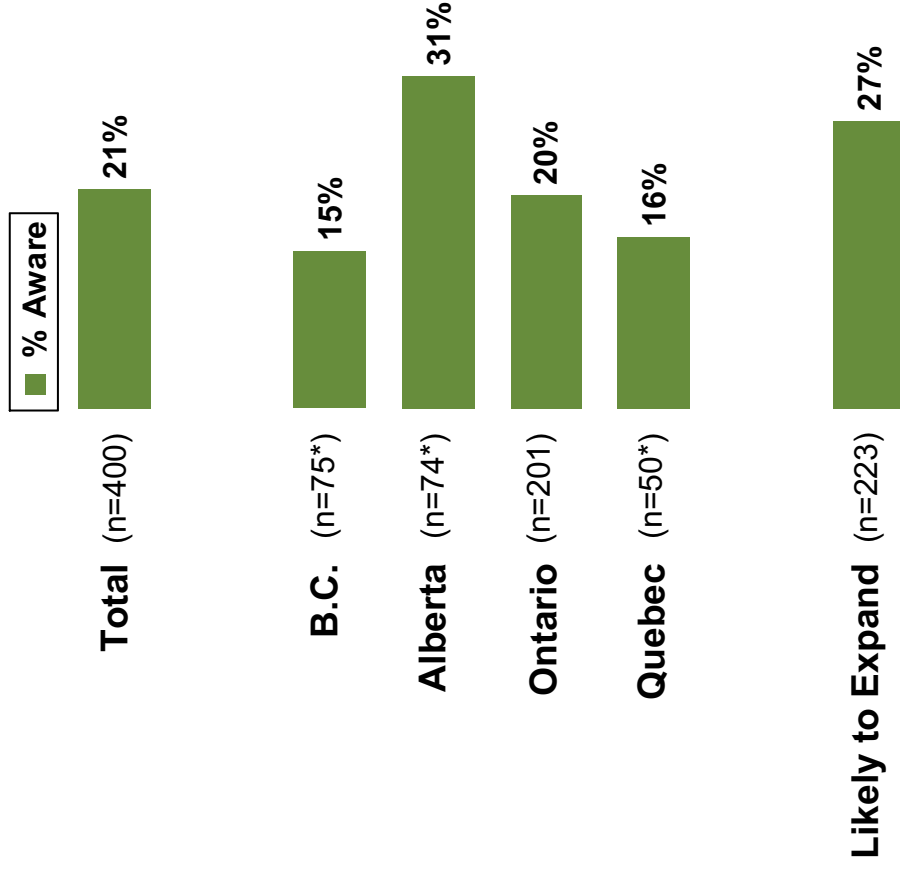
Impact of Advertising

- ◆ Although the campaign had very little exposure to the business market, 46% of respondents who claimed to have seen the advertising indicated that they were more likely to consider Saskatchewan as a place to do business, indicating that the advertising has the potential to both educate and persuade business investment among target business elsewhere in Canada



Advertising Awareness – Past 12 Months

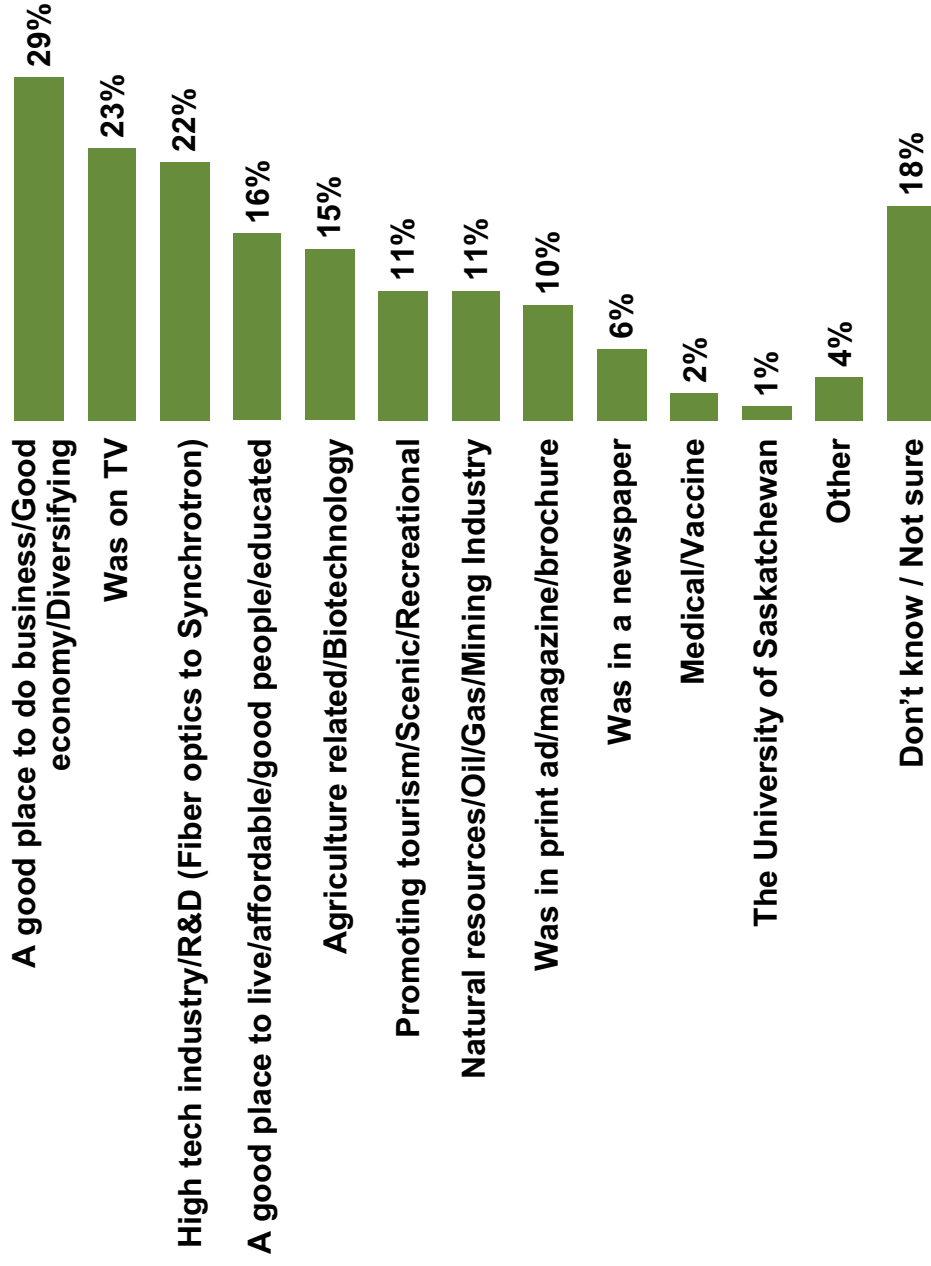
q23. In the past 12 months, have you noticed any advertising promoting Saskatchewan as a good place to do business?



Base: All respondents

Unaided Advertising Recall

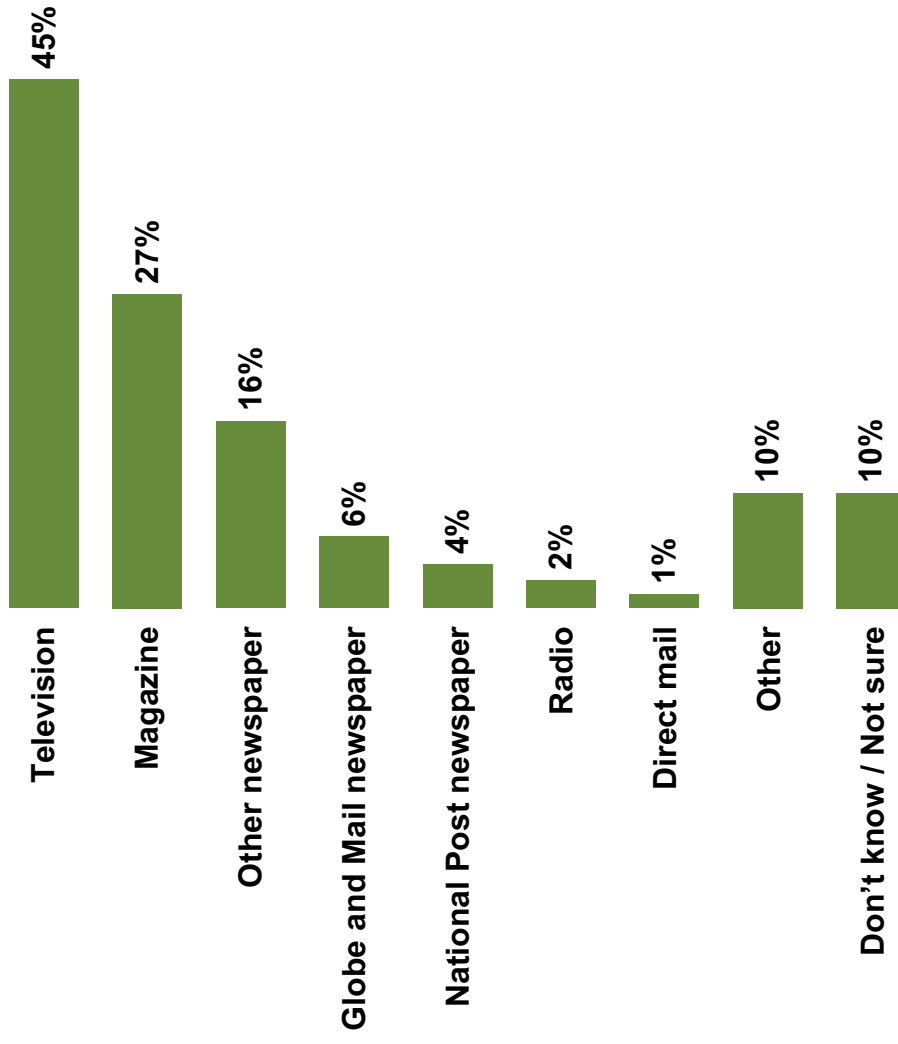
q24. Please tell me everything you can remember about the advertising you recall for Saskatchewan.



Base: Respondents who noticed advertising promoting Saskatchewan (n=82*)

Claimed Source of Advertising Recall

q25. And, where did you hear or see this advertising



Base: Respondents who noticed advertising promoting Saskatchewan (n=82*)

Aided Advertising Recall

q26. Do you recall seeing any of the following specific advertising from Saskatchewan?

A special six-page Globe and Mail Report on Saskatchewan: Manufacturing Success and a headline about business tax changes

9%



Print ad shows graphs and a green arrow pointing upward with headline: Saskatchewan Our Landscape is changing and tagline: The economy in Saskatchewan is far from flat

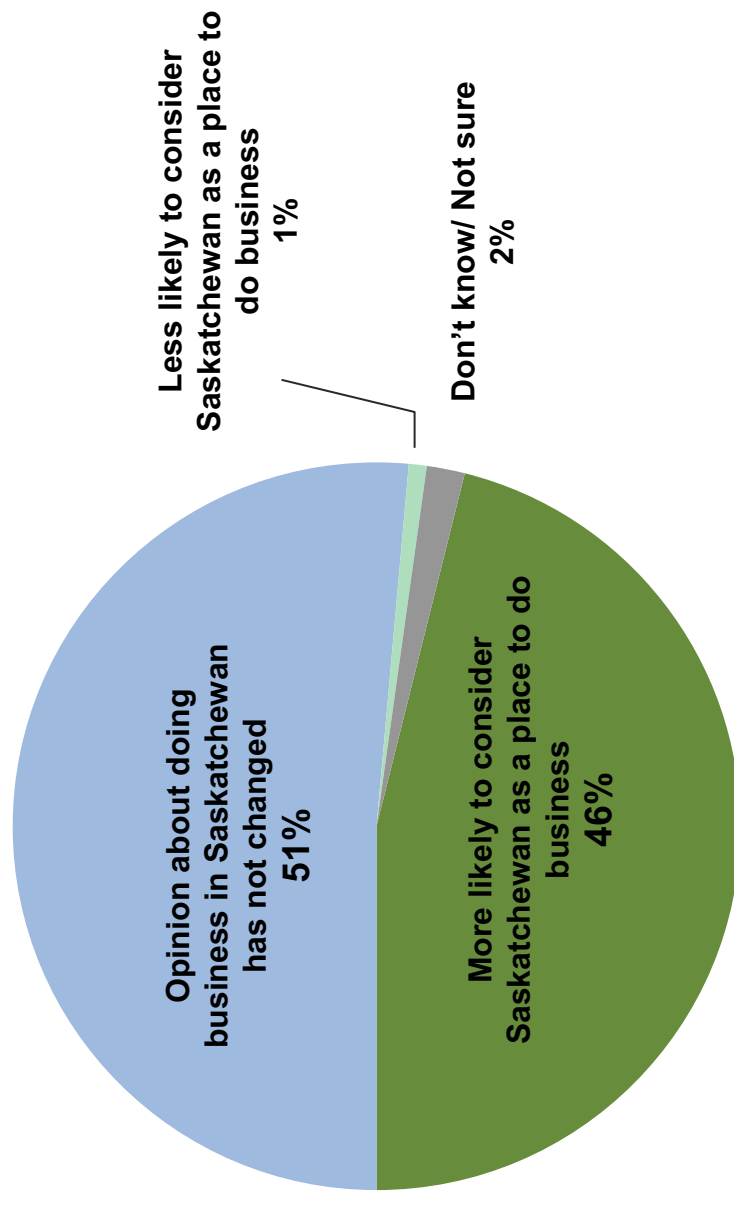
7%



Base: All respondents (n=400)

Impact on Investment Intentions

q27. As a result of seeing or hearing this advertising, if the opportunity presented itself, would you say that ...



Base: Respondents who noticed advertising promoting Saskatchewan (n=119)



Ipsos Reid



Factors Influencing Business Location



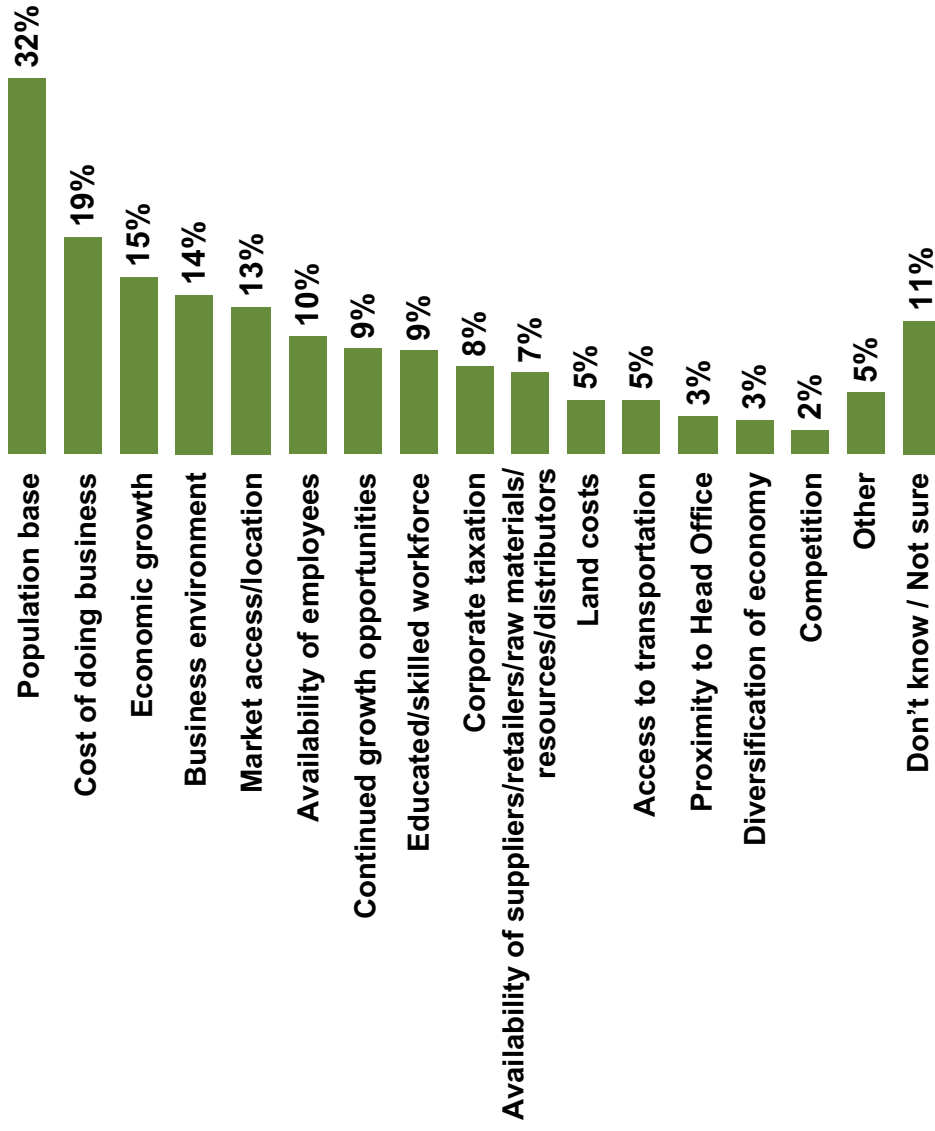
Government of
Saskatchewan

Factors Influencing Business Investment

- ◆ Decision-makers considering possible markets in which to conduct business in Canada consider several key elements in their analysis. Saskatchewan faces several challenges given their defined criteria, including:
 - Population base. This was the primary consideration cited by business executives (32% consider the market size as a key factor in deciding where to conduct business). One of the key drawbacks to the Saskatchewan market is its relatively small population base.
 - Economic Growth and Business Environment. Many business executives surveyed have negative perceptions or simply do not know much about the economy of Saskatchewan.
 - Location/Market Access. Location was the second biggest factor cited by companies as reasons they were unlikely to consider Saskatchewan as a place to do business.
- ◆ Key consideration factors that Saskatchewan can leverage include:
 - The cost of doing business. Ranked second in the list of consideration criteria, this is an area that respondents cited as possible benefits to conducting business in Saskatchewan, and included lower costs of doing business generally, lower land property costs and lower taxes.
 - Availability of employees. Saskatchewan residents are perceived to have a strong work ethic and four in ten businesses agree that the province has a skilled and educated workforce.

Factors Influencing Business Location Considerations – All Respondents

q28. What specific factors do you consider when making business decisions regarding where your company conducts its business in Canada? Anything else?



Base: All respondents (n=400)

Factors Influencing Business Location Considerations – by Region

q28. What specific factors do you consider when making business decisions regarding where your company conducts its business in Canada? Anything else?

	Total	BC	Alberta	Ontario	Quebec
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)
Population base	32%	41%	20%	33%	30%
Cost of doing business	19%	11%	20%	23%	8%
Economic growth	15%	23%	16%	11%	18%
Business environment	14%	21%	8%	12%	14%
Market access/location	13%	13%	11%	14%	8%
Availability of employees	10%	8%	15%	10%	6%
Continued growth opportunities	9%	15%	5%	10%	4%
Educated/skilled workforce	9%	7%	5%	8%	20%
Corporate taxation	8%	5%	8%	9%	6%

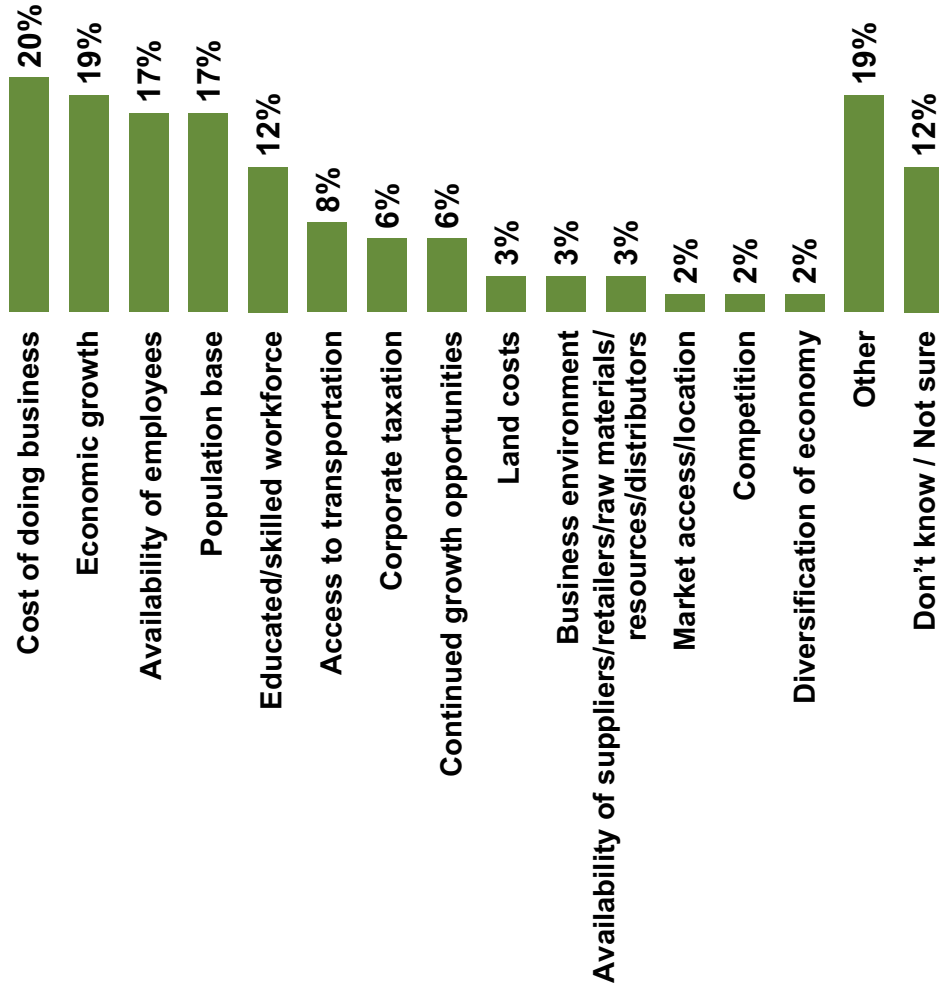
Factors Influencing Business Location Considerations – by Region (cont'd)

q28. What specific factors do you consider when making business decisions regarding where your company conducts its business in Canada? Anything else?

	Total	BC	Alberta	Ontario	Quebec
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)
Availability of suppliers/retailers/raw materials/resources/distributors	7%	5%	12%	5%	10%
Land costs	5%	3%	10%	4%	2%
Access to transportation	5%	5%	3%	6%	2%
Proximity to head office	3%	5%	3%	2%	8%
Diversification of economy	3%	3%	-	4%	2%
Competition	2%	3%	1%	2%	2%
Other	5%	1%	4%	6%	10%
Don't know / Not sure	11%	7%	14%	11%	16%

Most Important Business Location Considerations

q29. And, of the factors that you mentioned, which two are the most important considerations for your company at this time?



Base: Respondents who gave 3 or more mentions (n=65*)



Ipsos Reid



Sources of Business and Investment News



Government of
Saskatchewan



How Best to Reach Potential Business Investors

- ◆ The media channels that Saskatchewan Industry and Resources utilized in its recent advertising campaign (magazines and newspapers) were well-targeted to the media consumption habits of business decision-makers.
 - Almost four in ten (36%) business decision-makers consult the Globe and Mail newspaper for business and investment news
 - In Ontario, 42% cite the Globe and Mail as their primary source of business and investment news
 - In Quebec, the business and investment source of choice is Journal Les Affaires and the Globe and Mail (24% consult each)
 - Three in ten decision-makers also consult business magazines



Sources of Business & Investment News

q30. Just one final question to conclude our interview. What sources do you typically consult for business and investment news?

	Total	BC	Alberta	Ontario	Quebec	Likely to expand	Aware of Advertising
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)	(n=223)	(n=119)
Print							
Globe and Mail newspaper	36%	39%	27%	42%	24%	39%	48%
Business Magazines	29%	31%	20%	33%	24%	28%	28%
National Post/Financial Post	16%	20%	14%	16%	10%	17%	20%
Toronto Star	7%	-	-	14%	-	8%	7%
Vancouver Sun	4%	19%	-	-	-	2%	3%
Journal Les Affaires	3%	-	1%	-	24%	3%	1%
Direct mail	1%	3%	-	2%	-	1%	3%
Other papers	25%	27%	27%	20%	38%	27%	31%
Business Television News							
Other Television programs	5%	9%	4%	5%	-	6%	8%
ROB (Report on Business) News	4%	1%	5%	6%	-	4%	8%
CBC Newsworld	4%	3%	-	4%	10%	5%	8%
CNN	1%	1%	-	1%	-	1%	2%
Other Business TV news	2%	3%	1%	2%	-	2%	3%

Sources of Business & Investment News (cont'd)

q30. Just one final question to conclude our interview. What sources do you typically consult for business and investment news?

	Total	BC	Alberta	Ontario	Quebec	Likely to expand	Aware of Advertising
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)	(n=223)	(n=119)
Other							
Internet in general	9%	12%	11%	5%	16%	8%	4%
Industry associations	7%	4%	4%	10%	2%	7%	13%
Investment advisor	4%	3%	4%	6%	-	4%	5%
Other websites - too many to list	15%	21%	11%	13%	14%	15%	13%
Other - too many to list	34%	24%	43%	38%	18%	33%	38%
Don't know / Not sure	5%	5%	7%	4%	4%	5%	4%



Ipsos Reid

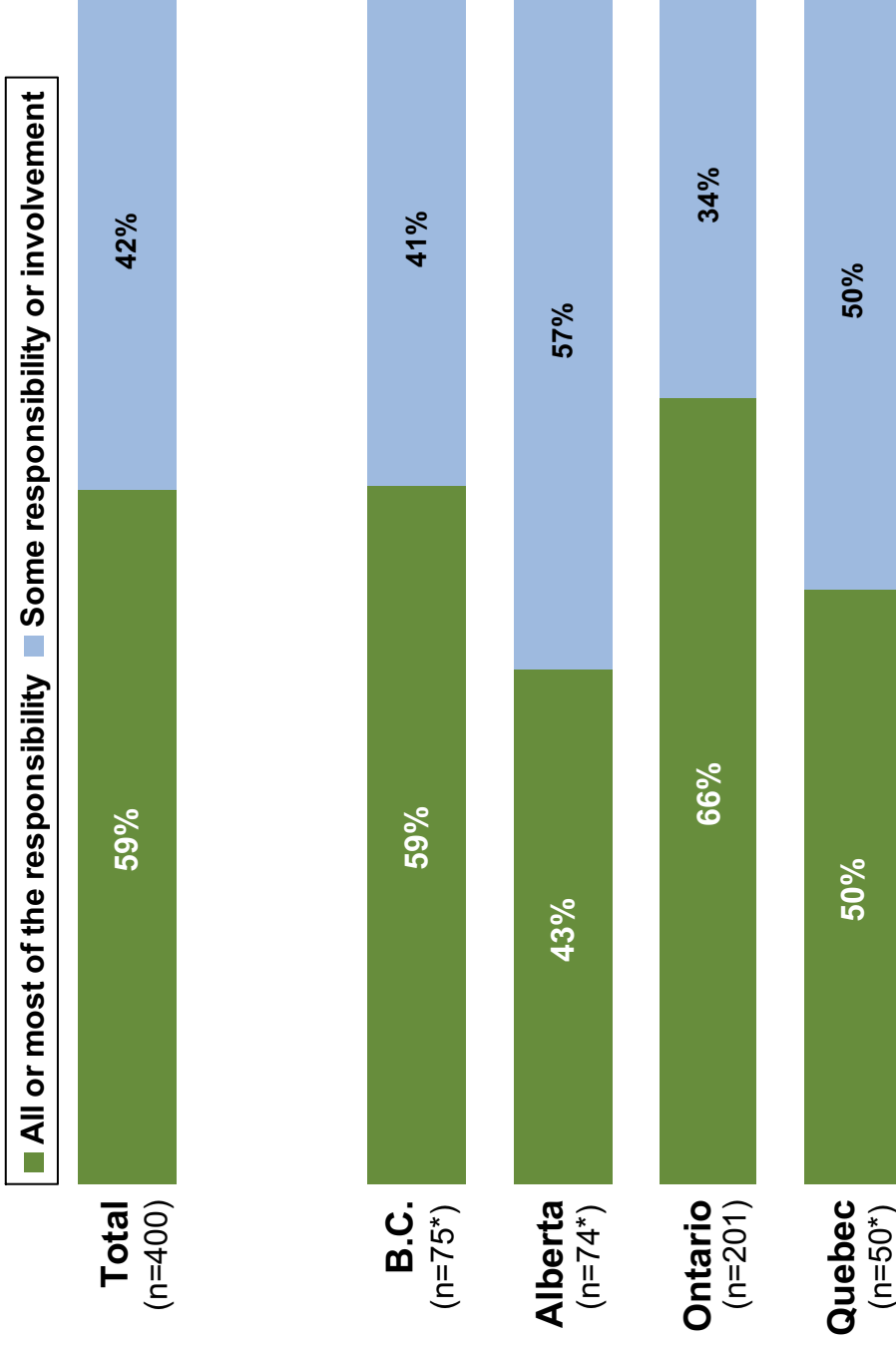


Firmographics



Decision Making Responsibility

s1. We are interested in understanding your responsibilities and level of involvement in decisions as to where your organization conducts its business. Would you say you have all or most of the responsibility, some responsibility or involvement, or no responsibility in this regard?



Base: All respondents

Size of Business – Number of Locations

s4. How many locations does your organization currently have in Canada?

	Total	Region				Expansion		Awareness	
		BC	Alberta	Ontario	Quebec	Likely	Unlikely	Yes	No
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)	(n=223)	(n=165)	(n=119)	(n=399)
1	47%	49%	39%	49%	44%	43%	55%	46%	47%
2-5	23%	21%	22%	23%	28%	22%	26%	25%	23%
6-25	12%	13%	18%	9%	14%	14%	9%	12%	12%
26-100	9%	8%	8%	10%	6%	10%	6%	9%	9%
101 or more	8%	8%	11%	9%	4%	9%	4%	7%	8%
Don't know / Not sure	2%	-	3%	1%	4%	2%	1%	1%	2%

Size of Business – Number of Employees

s5. What is the total number of employees in your company, considering all locations?

		Region				Expansion		Awareness	
	Total	BC	Alberta	Ontario	Quebec	Likely	Unlikely	Yes	No
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)	(n=223)	(n=165)	(n=119)	(n=399)
1-4	1%	-	1%	1%	-	1%	1%	-	1%
5-9	6%	1%	5%	7%	8%	5%	7%	5%	6%
10-19	19%	25%	12%	18%	24%	18%	21%	18%	19%
20-99	37%	29%	38%	40%	36%	32%	46%	39%	37%
100-499	12%	12%	18%	12%	6%	14%	10%	17%	12%
500-1,000	4%	5%	4%	3%	6%	5%	2%	6%	4%
1,000 or more	15%	20%	19%	12%	14%	17%	12%	12%	15%
Don't know / Not sure	6%	7%	3%	8%	6%	7%	3%	4%	6%

Business Revenues

s7. Which of the following categories does the annual revenue of your business fall into?

	Total	Region				Expansion		Awareness	
		BC	Alberta	Ontario	Quebec	Likely	Unlikely	Yes	No
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)	(n=223)	(n=165)	(n=119)	(n=399)
Less than \$500,000	4%	4%	8%	3%	2%	5%	3%	3%	4%
\$500,000 to less than \$1 million	7%	9%	4%	6%	8%	7%	6%	7%	7%
\$1 million to less than \$2 million	10%	11%	10%	9%	12%	9%	10%	8%	10%
\$2 million to less than \$5 million	19%	19%	14%	20%	24%	17%	23%	15%	19%
\$5 million to less than \$10 million	16%	19%	12%	17%	12%	17%	16%	18%	16%
\$10 million to less than \$20 million	9%	5%	7%	10%	8%	7%	12%	8%	9%
\$20 million or more	26%	23%	35%	25%	20%	30%	21%	30%	26%
Decline to respond	10%	11%	11%	9%	14%	10%	9%	10%	10%

Profile of Industry Sectors

s6. In a word or two, how would you describe the industry sector of your business?

	Total	Region				Expansion		Awareness	
		BC	Alberta	Ontario	Quebec	Likely	Unlikely	Yes	No
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)	(n=223)	(n=165)	(n=119)	(n=399)
Wholesale/retail/food service/accommodation	34%	36%	32%	38%	16%	31%	37%	31%	34%
Manufacturing	24%	25%	15%	24%	32%	24%	24%	28%	24%
Business Services	11%	3%	7%	15%	16%	9%	13%	8%	11%
Agri-Food Processing	6%	9%	7%	5%	6%	7%	6%	8%	6%
Energy/oil and gas	6%	3%	24%	-	6%	9%	2%	8%	6%
IT and Telecom	3%	5%	-	3%	6%	3%	3%	2%	3%
Construction	3%	4%	7%	1%	-	3%	1%	3%	3%
HealthCare/Veterinary/Pharmacy	2%	1%	-	4%	-	3%	1%	2%	2%
Biotechnology and life sciences	2%	1%	-	2%	8%	2%	2%	2%	2%
Financial Services	2%	1%	1%	3%	2%	2%	2%	3%	2%
Publishing/Printing/Newspaper	2%	3%	4%	1%	-	3%	-	4%	2%
Other	6%	8%	2%	7%	8%	3%	8%	4%	6%

Tenure of Business

s8. How long has your company been in business?

	Total	Region				Expansion		Awareness	
		BC	Alberta	Ontario	Quebec	Likely	Unlikely	Yes	No
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)	(n=223)	(n=165)	(n=119)	(n=399)
Less than one year	0%	-	1%	-	-	-	1%	-	0%
1-10	14%	11%	19%	14%	12%	13%	16%	8%	14%
11-20	24%	33%	20%	21%	26%	24%	23%	26%	24%
21-30	22%	19%	26%	23%	18%	21%	24%	27%	22%
31-40	14%	9%	8%	16%	22%	15%	12%	15%	14%
41-50	10%	5%	12%	11%	6%	12%	7%	9%	10%
51 or more	15%	21%	11%	14%	16%	14%	16%	14%	15%
Don't know / Not sure	1%	1%	3%	-	-	0%	1%	-	1%



Respondent Profile: Gender

s9. Gender

	Total	Region				Expansion		Awareness	
		BC	Alberta	Ontario	Quebec	Likely	Unlikely	Yes	No
Base: All respondents	(n=400)	(n=75*)	(n=74*)	(n=201)	(n=50*)	(n=223)	(n=165)	(n=119)	(n=399)
Male	84%	81%	87%	84%	86%	81%	89%	88%	84%
Female	16%	19%	14%	16%	14%	19%	12%	12%	16%