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ANNUAL REPORT 1976 / 77

Foreign Investment Review Act

The Honourable Jack H. Horner
Minister responsible for
the administration of the Act



Government
of Canada

Foreign Investment
Review Agency

Gouvernement
du Canada

Agence d'examen de
l'investissement étranger

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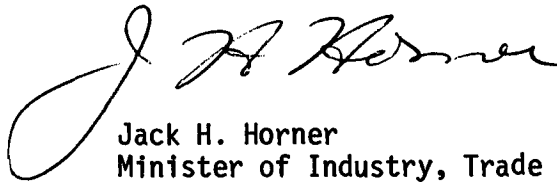
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To His Excellency,
The Right Honourable Jules Léger,
Governor General of Canada.

Sir:

As Minister responsible for the administration of the Foreign Investment Review Act, I have the honour to present to your Excellency the Third Annual Report under the Act for the fiscal year ended March 31, 1977.

Respectfully submitted,



Jack H. Horner
Minister of Industry, Trade and Commerce

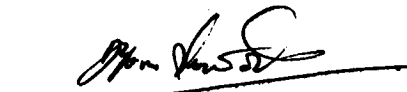
Ottawa, Canada
October 1977

The Honourable Jack H. Horner,
Minister of Industry, Trade and Commerce,
Ottawa, Canada.

Sir:

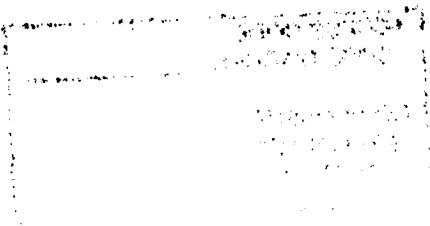
I have the honour to submit to you, as Minister responsible for the administration of the Foreign Investment Review Act, the Third Annual Report under the Act for the fiscal year ended March 31, 1977.

Respectfully submitted,



Gorse Howarth
Commissioner

Ottawa, Canada
October 1977



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CHAPTER ONE

INTRODUCTION

This report describes operations under the Foreign Investment Review Act for the period April 1, 1976 to March 31, 1977. The Act requires that the Government review two types of foreign investments, namely;

- (1) most acquisitions of control of Canadian businesses by non-Canadians,* and
- (2) the establishment of new Canadian businesses by non-Canadians who either do not already have any business in Canada, or do not have any business in Canada to which the new business is or would be related.

The provisions of the Act came into force in two steps. Phase I, covering the acquisition of control of existing businesses, came into effect on April 9, 1974, and Phase II, covering the establishment of new and unrelated businesses, on October 15, 1975. Thus, the year under review was the first full year during which the provisions concerning the establishment of new and unrelated businesses by non-Canadians were in effect.

The Minister of Industry, Trade and Commerce is responsible for the administration of the Act. The Honourable Jean Chretien succeeded the Honourable Don Jamieson as Minister on September 14, 1976. Mr. Gorse Howarth, who had previously been Acting Commissioner of the Foreign Investment Review Agency, was appointed Commissioner on August 10, 1976. Appendix A sets out principal officers and the organization of the Agency.

New and revised Foreign Investment Review Regulations specifying the information that must be contained in a notice of a reviewable investment proposal were tabled in Parliament on March 11, 1977. The new Regulations combine, simplify and reduce the information requirements for acquisition and new business proposals. They also provide for a much abbreviated form of notice for "small business" investment proposals. These are proposals involving the acquisition or establishment of a business with gross assets of less than \$2 million and fewer than 100 employees. On issuing the new Regulations the Minister announced that in most "small business" cases the information provided in the abbreviated

*The expression "non-Canadians" paraphrases the term "non-eligible persons" which is defined and used in the Act.

form of notice should be sufficient to enable him to recommend, without delay, that the investment be allowed. In other "small business" cases the Minister may require the investor to file additional information and subject the proposal to more extensive review and assessment.

Also on March 11, 1977, the Minister issued an amendment to the previously-issued Guidelines Concerning Related Business. The amendment recognizes that there may often be relatedness between an established business in Canada which is engaged in the importation and distribution of proprietary products manufactured abroad by an affiliate and the establishment by the same person or persons of a new business to assemble or manufacture those products in Canada. (Where a new business is or would be related to an established business carried on by that same person in Canada the establishment of the new business is not reviewable under the Foreign Investment Review Act.)

CHAPTER TWO

REVIEW ACTIVITIES

The Act requires that a notice of every investment proposal or actual investment to which the Act applies be filed with the Foreign Investment Review Agency. The review is carried out, in the first instance, by the Agency, which then briefs and advises the Minister. The Minister, in turn, submits his recommendation to the Governor in Council who makes the final decision whether or not to allow the proposal. The Governor in Council may allow a proposal only if it is concluded that the proposal is likely to be of significant benefit to Canada.

This chapter describes operations under the Act during the 1976/77 fiscal year. The total number of applications received by the Agency rose sharply, from 255 in 1975/76 to 454 in 1976/77. This reflects the fact that the provisions of the Act requiring review of proposals to establish new businesses were in effect during the full year under review, but for only a few months of the previous fiscal year. The number of applications certified as reviewable more than doubled, increasing from 170 to 424. Acquisition and new business review activities are described separately in this chapter.

(A) ACQUISITION ACTIVITY

NUMBER OF APPLICATIONS TO ACQUIRE

During the fiscal year 1976/77 the Agency received 189 applications to acquire Canadian businesses, precisely the same number as during the previous year, (see Table I). The number of applications certified as reviewable rose from 144 to 186 as a result of two factors. First, the number of applications returned as non-reviewable continued to decline, from 27 to 7. The downward trend reflects a better understanding of the Act on the part of foreign investors and their advisors as a result of experience with the review process and the publication by the Minister of guidelines which more clearly define the types of investments that are reviewable. Second, the number of applications on which a reviewability decision was pending at year-end fell from 25 to 9.

In addition to the 186 applications certified as reviewable during the year, 49 unresolved applications were carried forward from 1975/76, for a total of 235. Of these, 191 were resolved, compared to 153 in the previous year. One hundred and fifty-three acquisitions were

allowed, 19 were disallowed, and a further 19 were withdrawn by the applicants before a decision was reached. The remaining 44 certified applications were carried forward into fiscal year 1977/78.

CHARACTERISTICS OF ACQUIREE BUSINESSES

Statistical data on reviewable acquisition proposals is presented in Tables II and III. Certain trends which became apparent in prior years' statistics continued in 1976/77.

- As a proportion of all acquisition proposals, those having to do with the acquisition of Canadian controlled businesses continued to decline, to 38 per cent, from 48 per cent in the previous year and 65 per cent in 1974/75.
- The number of applications to acquire foreign controlled businesses continued to rise, from 75 in 1975/76 to 116 in 1976/77. This partly reflects a revival of corporate merger activity in the United States and Europe as economic and financial conditions improved following the worldwide recession. Indirect acquisitions, i.e. the acquisition of a Canadian business enterprise through acquisition of shares in its foreign parent, accounted for most of the increase. The number of indirect acquisitions rose to 69 in 1976/77, from 40 in 1975/76 and 19 in 1974/75.
- As in other years, acquiree businesses controlled by Canadians were on average much smaller than those controlled by foreigners. Indeed, the difference intensified. For, while there was a 26 per cent increase in the average size, measured by assets, of all acquiree firms, the average for those that were Canadian controlled rose only modestly, from \$3.5 million to \$3.6 million. The average size, by assets, of foreign controlled firms was more than double that figure, at \$7.3 million, a sharp increase from the 1975/76 average of \$5.7 million.

INDUSTRIAL DISTRIBUTION OF ACQUIREES

Table IV shows the distribution of acquirees by major industry sector. There is one major deviation from the trends established in prior years. The proportion of applications involving acquisitions of businesses in wholesale and retail trade rose quite sharply, from 20 per cent to 25 per cent, and the percentage of total assets involved in transactions in that sector almost doubled, from 13 per cent to 23 per cent. The change in assets is largely attributable to an application (which was later withdrawn) to acquire Zellers, a very large firm in that sector. Applications to acquire manufacturing businesses continued to

account for just over half of all reviewable acquisition cases. Within manufacturing, the largest number of applications involved acquisitions in the chemical, food and beverage, metal fabricating, and electrical products industries, (Table V).

The number of applications to acquire businesses in the primary sector continued to decline. In January, 1976, Guidelines Concerning Acquisitions of Interests in Oil and Gas Rights were issued by the Minister to clarify the application of the Act to transactions involving interests in oil and gas properties. Issuance of the guidelines is likely responsible for some part of the reduction in the number of applications received pertaining to acquisitions of partial interests in exploration properties. Applications to acquire businesses in the finance, insurance and real estate sectors have also continued to decline.

REGIONAL DISTRIBUTION OF ACQUIREES

Data on location, by province, of acquiree businesses is provided in Table VI. Acquiree businesses frequently have operations in more than one province but, for statistical purposes, only that province in which the major portion of the operations of the acquiree are located is recorded in the table.

Acquiree businesses located wholly or principally in Ontario were the subject of 105 cases, or 57 per cent of the reviewable applications received. The preponderance of Ontario businesses reflects a number of factors. Ontario accounts for roughly 40 per cent of Canada's gross national product. It is also the principal centre of manufacturing in Canada and, as previously noted, over half the acquisition proposals are in the manufacturing sector. The increasing incidence of indirect takeovers is also a factor. In 1976/77 over three-quarters of all indirect acquisitions involved Ontario businesses. The number of applications to acquire Quebec businesses also rose, from 27 to 38. The percentage of acquiree businesses located in the Atlantic and Western provinces declined.

COUNTRY OF CONTROL OF APPLICANTS (ACQUIRORS)

A breakdown of applicants (prospective acquirors) by country of apparent control is shown in Table VII. During 1976/77 there was little deviation from the pattern of previous years. Applicants controlled in the U.S. continued to predominate, with 120 applications, or 65 per cent of the total received, down slightly from the 67 per cent of the previous year. European controlled applicants accounted for 33 per cent of the applications, against 30 per cent the previous year, and all other countries 2 per cent, down from 3 per cent.

Tables VIII and IX show the geographical and industrial patterns of applications grouped according to the control nationality of the applicant. U.S. applicants tended, as in the past, to concentrate somewhat more heavily on acquisitions in Ontario and the Western provinces. Proportionately, European acquirors sought more businesses in Quebec and fewer in the west than U.S. investors.

In prior years U.S. investors concentrated more heavily than European applicants on acquisitions in the manufacturing sector. But in 1976/77, the percentage of applications relating to manufacturing from U.S. and European investors were similar, at 53 per cent.

PATTERNS OF OUTCOME OF ACQUISITION CASES

In 1976/77, 191 acquisition cases were resolved, 25 per cent more than in 1975/76. The outcome of the resolved cases is shown in Tables X and XI. The same tables also show the geographical distribution of the applicants, whether the acquiree businesses were Canadian or foreign controlled, and the industry sector of the acquirees.

As in the past, the nature of existing ownership and control of acquiree businesses was reflected in the outcome of cases reviewed. In those cases brought to a decision during the year under review, 56 applications were allowed and 11 disallowed where the acquiree business was under Canadian control, an allowance rate of 84 per cent. For applications involving the acquisition of control of a business which was already foreign controlled, the allowance rate was 92 per cent, with 97 applications allowed and 8 disallowed.

It was noted in previous annual reports that the difference between the allowance ratios of applications involving the acquisition of foreign controlled businesses and of applications involving Canadian controlled businesses obviously reflects the fact that one of the benefit factors that must be taken into account in the assessment process is "the degree and significance of participation by Canadians in the business". The acquisition by foreign interests of an already foreign controlled Canadian business may, in certain circumstances, bring about an increase in the extent of participation by Canadians in the business as shareholders, as directors, or as senior managers. This is less likely to occur where the acquiree business is Canadian controlled. Indeed there is often an actual diminution of Canadian participation where the acquisition involves a business that is Canadian owned and controlled.

As in earlier years, there was no material difference in the ratio of allowance (allowances as a proportion of all decided cases) by nationality of applicants. For the two largest groups of applicants, those controlled in the United States and Europe, the allowance rates were 88 per cent and 90 per cent respectively. By major industrial sector the ratios of allowance were 75 per cent for the primary sector,

93 per cent for manufacturing, and 86 per cent for acquisition proposals in other sectors. The somewhat lower statistical rate of allowance in the primary sector should be interpreted with caution, considering the relatively small number of cases involved.

REASONS FOR ACQUISITIONS

Tables XII and XIII indicate the principal apparent reasons why purchasers sought to make an acquisition and vendors sought to sell their businesses. The reasons given are those offered by the vendors or applicants. Frequently, of course, there is more than one reason for the decision, and in some cases the reason given may not be the whole or even principal reason which finally prompted the vendor's or buyer's decision.

The apparent reason for by far the largest percentage of decisions to acquire was a desire to expand the business of the applicant by acquiring a complementary business. Horizontal or vertical integration and diversification was the stated motive for 74 per cent of the applications. A desire to enter the Canadian market was the reason given in 18 per cent of the cases. In 8 per cent of the cases the application arose out of the non-Canadian investor's wish to expand an existing degree of ownership.

Financial problems of one kind or another accounted for the largest percentage of the decisions to sell. The poor financial condition of the business or an inability to raise additional capital was stated as the main reason for sale in 46 per cent of the cases. What might be termed personal reasons, such as the desire of the owner to retire, ill health of the owner, or an attractive purchase offer, prompted the decision to sell in 26 per cent of the applications. Factors not directly connected with the condition of the acquiree business itself were behind many of the sales. A desire on the part of the parent firm of the Canadian business to abandon that area of business activity accounted for 19 per cent of the sales; a need by the parent to raise capital 6 per cent; and decisions by foreign partners to divide their Canadian assets 2 per cent.

Sixty indirect takeovers, arising from the acquisition of the foreign parent of the Canadian business, were excluded from these calculations, because in those cases the reasons for the transaction frequently have little or nothing to do, directly at least, with the state of the Canadian business.

(B) NEW BUSINESS ACTIVITY

NUMBER OF APPLICATIONS TO ESTABLISH NEW BUSINESSES

As noted earlier, the new business provisions of the Act were in force throughout the whole of fiscal year 1976/77 compared to only five and one-half months in fiscal year 1975/76. As a consequence, the number of applications received quadrupled, from 66 in 1975/76 to 265 in 1976/77. Because the time periods are so different, year-to-year comparisons are not meaningful. Of the applications received during 1976/77, 238 were certified as reviewable. An additional 20 applications were carried forward from the preceding year. A total of 207 applications were resolved, of which 166 were allowed, 14 disallowed, and 27 were withdrawn before a decision was reached to allow or disallow. At year end 51 applications remained under assessment.

As may be seen from Tables XIV and XV, most by far of the reviewable new business proposals were for the establishment of relatively small businesses. Just over 80 per cent of the proposals involved an initial planned investment of less than \$500,000. Similarly, planned employment in over 80 per cent of the cases was under 25 persons. Less than 6 per cent of the proposals involved planned investments over \$5 million and only 3 per cent involved the employment of over 100 persons.

INDUSTRIAL AND PROVINCIAL DISTRIBUTION OF NEW BUSINESSES

The industrial distribution of new business proposals, shown in Table XVI, differs noticeably from that of acquisition proposals. Whereas a small majority of acquisition applications so far have involved proposals to acquire manufacturing businesses, new business proposals more frequently involve the establishment of businesses in the service and construction industries. Slightly under 30 per cent of new business applicants wished to establish manufacturing businesses, compared to 64 per cent who proposed to establish businesses in the service sector. New business proposals are heavily oriented toward "wholesale and retail trade", the object of 98 applications or 41 per cent of the total. The emphasis on trade probably reflects a common practice of businessmen, when entering a country for the first time, of beginning with the importation and distribution of their products. Demand must first be developed to an adequate level before the establishment of manufacturing facilities, which require the long-term commitment of more substantial financial resources. Expansion into manufacturing in Canada can often be expected to occur later.

The regional distribution of new business proposals, by province of principal location, is shown in Table XVIII. The pattern is quite similar to that of acquisition applications. There is, however, a significant difference in the Atlantic region, which was the subject of

6 per cent of all new business proposals, compared to less than 2 per cent of acquisition proposals. This difference may reflect the smaller industrial base of the region, and consequent relative lack of suitable "acquisition candidates", as well as the influence of provincial and federal government programmes in encouraging the location of new industrial development in areas of high unemployment and slow growth. Numerically, 56 per cent of new business proposals were for the establishment of businesses in Ontario, 19 per cent in Quebec and 19 per cent in the western provinces. In terms of dollar amounts of planned investment, however, Quebec, Ontario, and the western provinces combined, each accounted for about one-third of the total.

COUNTRY OF CONTROL OF APPLICANTS

Table XIX shows the country of control of new business applicants. The distribution is considerably different from that for acquisition applicants (65 per cent of whom were controlled in the United States, 33 per cent in Europe, and 2 per cent in other countries). For new business applicants the corresponding percentages are 50, 40, and 10. The close links between Canada and the United States in industrial development and the long tradition of U.S. investment in Canada undoubtedly account for most of the difference in the pattern of applications. Many U.S. companies, particularly the larger ones, had already established operations in Canada long before the Foreign Investment Review Act came into effect. Much of their investment activity in Canada is directed towards the expansion of their existing operations or the establishment of new businesses in related fields, neither of which is subject to review under the Act. A greater proportion of investment in Canada by other, non-U.S., foreign investors consists of reviewable transactions because they have a smaller aggregate base of existing investment.

There are some marked differences in the apparent locational preferences of U.S. and European new business investors, as shown in Table XX. Sixty-five per cent of applications by U.S. controlled investors contemplated the establishment of businesses in Ontario and 21 per cent in the Western provinces, with only 13 per cent in Quebec and 2 per cent in the Atlantic provinces. Of the four regions Ontario was also the preferred location of European applicants, but the proportion who intended to establish there was significantly less at 48 per cent. Quebec was the intended location of 28 per cent of the European applicants, the Western provinces 13 per cent, and the Atlantic provinces 10 per cent.

Table XXI, which shows the industry sectors in which applicants from the different countries of control wished to establish, suggests another difference between U.S. and European controlled investors. Of the reviewable applications submitted by U.S. controlled applicants and examined during the year, 5 per cent concerned the establishment of new

businesses in the primary sector, 24 per cent in manufacturing, and no less than 71 per cent in the service sector. For European new business applicants the primary sector accounted for 8 per cent, manufacturing 38 per cent and service 54 per cent. The difference is largely attributable to the relatively high proportion of U.S. applicants who proposed to establish businesses providing community, business and personal services. Close similarities in the business and social environment between Canada and the U.S. and the presence in Canada of a very large number of U.S. subsidiaries, make entry into these sectors relatively easy for U.S. investors. It is rather less easy for Europeans (except for the British, in some spheres) and other non-U.S. investors.

PATTERNS OF OUTCOME OF NEW BUSINESS CASES

Tables XXII and XXIII show the outcome of new business cases reviewed during the year, according to the country of control of the applicant and the industrial sector concerned. The allowance ratio -- applications allowed as a proportion of the total decided -- differs only slightly by country of control of the applicant. For applications by U.S. investors it was 89 per cent, for Europeans 95 per cent, and for applicants from other countries 96 per cent. In terms of industry grouping, all of the applications in the primary sector, 95 per cent of those in manufacturing, and 90 per cent of those in the service sector were allowed. The higher allowance ratio for new business applications than for acquisition applications reflects the greater ease with which new business applicants can usually demonstrate significant benefit to Canada. In many new business proposals, all or most of the increase in economic activity created by the investment can be considered a net gain to Canada. In acquisition cases, on the other hand, the apparent benefit to Canada that would accrue through acquisition has to be measured against any gains that would otherwise occur. Sometimes, especially when the acquiree business is prosperous and has good prospects, the net gain may appear to be minimal or even non-existent.

REASONS FOR ESTABLISHMENT OF NEW BUSINESSES

The stated reasons why foreign investors wished to establish new businesses in Canada are shown in Table XXIV. The most common reason, accounting for a total of 69 per cent of the applications, was a desire to enter a new market. Expansion into Canada was the reason given by 52 per cent of the applicants, and a further 17 per cent wished to penetrate the North American market from a Canadian base. Expansion of an existing but unrelated business in Canada, usually the importation of the applicant's products, prompted 27 per cent of the applications. Of this group 10 per cent wished to replace an agent or distributor with a wholly owned subsidiary; in 8 per cent of the cases Canadian demand for the product had become large enough to justify the establishment of production facilities in this country; 7 per cent wished to diversify

their Canadian product lines, and 2 per cent sought to establish service facilities for products which they exported to Canada. The remaining 4 per cent wished to assure security of supply of raw materials which they obtain from Canada.

(C) SIGNIFICANT BENEFIT

The "significant benefit to Canada" criteria and their application to reviewable cases are described in Appendix B. The following few examples are intended to illustrate the types of benefits achieved. They also illustrate that the weighting given to each benefit category varies depending on the particulars and circumstances of the case.

In one case, the applicant, a Canadian corporation but controlled in a foreign country, had decided that it would have to integrate forward into processing and packaging if it was to remain internationally competitive in a consumer products business. The acquiree had experienced unfavourable operating results for a number of years and although not in immediate financial difficulty its longer term outlook was uncertain. Sustained attempts by the company to find a suitable Canadian buyer had been unsuccessful. The Canadian business enterprise was located in a region where alternate business and employment opportunities were limited. Therefore, the long-term viability of the firm took on even greater significance.

A few of the significant undertakings of the applicant were:

- (1) to make capital expenditures in the order of \$200,000 to increase plant capacity by 40 per cent;
- (2) to introduce a second shift which would result in the creation of 75 new jobs;
- (3) to retain all the Canadian management staff;
- (4) to introduce an incentive program for senior management; and
- (5) to market vigorously the products of the Canadian business enterprise in a number of export markets.

As it turned out the benefits of rationalization through vertical integration in this instance were such that some of these undertakings were exceeded. For example, plant capacity was actually increased by two-thirds and more than 100 new jobs were created.

A new business proposal in the chemical industry was approved on the basis of undertakings which included, among others, commitments:

- (1) to invest almost \$10 million in the new business in the first five years;
- (2) to make 10 per cent of the equity available to Canadian management with an option to acquire a further 10 per cent interest within a specified period; and
- (3) to employ at least 28 Canadians.

In terms of prospects for the area, the planned investment was quite significant. As well, the applicant indicated that most of the capital expenditures on goods and services would be made in Canada. An opportunity for significant minority equity participation in a capital intensive industry which in Canada is dominated by non-Canadians was equally important. A further benefit of the proposal was the introduction into Canada of a new, more efficient manufacturing process. The secondary effects of the capital expenditures in the area in question, including its impact on employment, are likely to be significant as well.

A proposal by IFI International (Delaware) Inc., which obtained control of Bantam Books, Inc. of the United States and which in turn sought approval to acquire control of Bantam Books of Canada Ltd., led to a unique proposal which addresses some of the major problems confronting the book publishing industry in Canada. Due to the limited size of the Canadian market, it has not been possible to develop a uniquely Canadian paperback industry which must have sufficient volume in order to compete effectively. Without the presence of a Canadian paperback publisher, Canadian authors are at a disadvantage. As well, the strength of U.S. distribution networks of U.S. paperback publishers makes it very difficult for Canadian firms to penetrate the U.S. paperback market.

In order to expand the market for Canadian authors and publishers, IFI and Bantam Books Inc. undertook to form a new publishing entity. Its prime objective is the publication of paperback books of Canadian origin. The new company has been established and publications have been issued. The applicant also submitted undertakings and plans to foster Canadian authorship, the printing of books in Canada and the distribution of books of Canadian origin.

As can be seen from the benefits derived in these examples, all of the criteria were not applicable in each and every case. A flexible review procedure as opposed to a fixed rules approach enables the Government to take account of the unique opportunities of each investment proposal.

In this regard, the Act does not impose on the Agency or the Government an obligation to maximize or optimize the benefits of reviewable investments as a condition of allowance but rather simply to determine that those proposals which were allowed to proceed are of

significant benefit to Canada. Nevertheless, as a general rule, there is an element of bargaining or negotiation, which enables the Government and the applicant to explore fully the range of possible benefits that are attainable as a result of a proposed investment. As a result of these discussions the applicant is in a better position to structure his proposal in a manner that will meet the test of significant benefit.

Appendices C and D summarize the significant benefits to Canada by principal factors of assessment for each acquisition and new business proposal allowed to proceed in 1976/77.

As might be expected, in view of its scope and significance, a positive effect on the level and nature of economic activity in Canada was present in over 90 per cent of the acquisition proposals and in all of the new business proposals. Benefit in the area of increased exports was found in 48 per cent of the acquisition proposals and in 43 per cent of new business proposals. It has to be recognized, of course, that not all investment proposals are of the type that have potential for exports.

Increased Canadian participation, as shareholders, directors, and/or managers, was present in over 60 per cent of the acquisition proposals, and about 90 per cent of new business proposals provided some degree of Canadian participation. In 68 of 97 allowed acquisition cases where the acquiree was already under foreign control there was some increase in Canadian participation. In some cases the acquiror offered undertakings to increase Canadian participation, not only in the business being acquired but also in his other business operations in Canada.

Beneficial effects in terms of productivity, industrial efficiency, technological development, innovation and product variety were present in about 80 per cent of the acquisition proposals and about two-thirds of the new business proposals.

Approximately one-half of the acquisition proposals and one-quarter of the new business proposals allowed were judged to have some beneficial impact on competition in Canada. All cases allowed were found to be compatible with national and provincial industrial and economic policy objectives.

CHAPTER THREE

OTHER OPERATIONS AND ADMINISTRATION

APPLICATION PROCEDURES

Since the inception of the review process the Agency has been continuously evaluating and, as necessary, modifying the notice requirements of the Act with a view to expediting the processing of applications and lessening the administrative burden on applicants. The latest revision, a major one which was announced by the Minister on March 11, 1977, has the dual objective of reducing the reporting burden on small investors and of streamlining procedures within the Agency so as to permit it to concentrate its resources on the assessment of the larger, more important, investment proposals.*

OPINIONS

It is Agency practice to provide assistance to investors in the form of advice on the applicability of the Act to their proposed investments and on other matters relating to its administration. Two types of opinions are provided to investors: Agency opinions, and Ministerial opinions. Agency opinions, which are informal, pertain to the reviewability of an investment under the Act; that is to questions such as whether control of a business has in fact changed hands; whether a property or assets in the process of being purchased constitutes a Canadian business enterprise; whether a part of a business is capable of being carried on as a separate business (if so its acquisition may be reviewable); whether an investment meets the definition of small business for purposes of the notice requirements; whether the threshold exemptions apply to an acquisition investment; and whether and when a business has been established.

Experience indicates that investors often find it helpful to discuss their proposals with Agency officials before making formal requests for opinions. Problems can be dealt with expeditiously, at minimum expense and inconvenience to the investor, and Agency officials are frequently able to offer the investor useful advice on the

*As a result of the new measures introduced on March 11, 1977, the median processing time for small cases has been reduced from 62 days to 15 days (from the introduction date to August 31, 1977). For all cases, large and small, the median processing time has been reduced from 98 days to 65 days (from the introduction date to August 31, 1977).

preparation of his application. A properly completed application can, of course, be processed more quickly than one which is deficient in one or more respects, at a saving in time and expense. The number of informal discussions of this kind was considerably higher this year as the provisions of the Act providing for the review of new business investments were in effect for the full year as against less than half of the previous fiscal year.

Subsection 4(1) of the Act requires the Minister, upon application by an investor, to give formal opinions on two subjects: whether the investor is a "non-eligible person"; and whether a proposed new business would or would not be related to an existing Canadian business of the investor. When all material facts are disclosed to the Minister at the time of the application, and remain substantially unchanged, his opinion is binding on the Minister for two years.

Fourteen applications for "eligibility" opinions were under study at the end of fiscal year 1975/76 and 12 new applications were received in 1976/77. Of the 26, 18 applicants were found to be eligible persons, 2 applications were withdrawn when it became apparent that favourable opinions could not be given, and the remaining 6 applications were under study at March 31, 1977. In addition to these applications, there were another 5 requests for renewals of opinions already given, on the expiry of the statutory two year term. All were renewed. (Appendix E lists the applicants who sought "eligibility" opinions and were found not to be "non-eligible persons", during the 1976/77 fiscal year.)

As noted, Phase II of the Act relating to new businesses was in force throughout the year, rather than only five and one-half months as was the case in 1975/76. As a result there was an increase from 3 to 12 in the number of requests for opinions on "relatedness". In 4 cases the new businesses were found to be related to an existing business of the investor, 5 were withdrawn when it became clear that the new businesses were unrelated, and the remaining 3 were under review at year end.

SURVEILLANCE

Where a non-Canadian proposes to make or has made an investment which is subject to review under the Act and has not filed notice with the Agency, the Minister is authorized to require that the appropriate notice be filed. During fiscal year 1976/77 the Agency examined 3,034 news media reports, besides unsolicited information from individuals and companies, with respect to acquisitions of Canadian businesses, mergers of foreign companies, and the establishment of new businesses in Canada. Information obtained by surveillance officers prompted the initiation of 196 investigations, resulting in the filing of 14 acquisition notices and 7 new business notices.

The relatively small number of reviewable investments identified by the Agency's surveillance activities, for which no notice had been filed, indicates that very few non-Canadian investors are failing to comply with the Act.

ENFORCEMENT

The major features of an investment proposal which are considered in the context of determining benefit to Canada are set out in the plans and undertakings of the applicant. Undertakings are generally more formal and precise than plans and, therefore, more readily enforceable. Although applicants are not required to give formal undertakings, they are encouraged to do so where practicable.

Procedures are in effect to monitor the implementation by the investor of all plans and undertakings. In each case monitoring takes place at intervals which, though they may sometimes vary with the nature and content of plans and undertakings, are usually annual. Most undertakings cover a number of years and monitoring activity extends, of course, over the whole period. So far the overwhelming majority of plans and undertakings have been fulfilled.

The Act provides that the Minister may institute legal proceedings in any case where the investor fails to comply with the terms and conditions of his investment as set out in his application and/or in the plans and undertakings. To the end of the year under review no such action had been necessary.

CONSULTATIONS WITH GOVERNMENT DEPARTMENTS AND PROVINCES

Compatibility with national and provincial industrial and economic policies is one of the aspects of any proposed investment which must be assessed when it is reviewed under the Act. The Agency has established procedures for consultation with provinces and with federal government departments and agencies to ensure that this criterion is met. These procedures continue to operate effectively.

PUBLIC RELATIONS INITIATIVES

A number of measures have been taken in the past to increase public and investor awareness of the purposes and objectives of the Foreign Investment Review Act. During the year officers of the Agency participated in several seminars held in other countries as well as in Canada to explain the scope and administration of the Act. The Agency has undertaken the publication of a series of "Occasional Papers", the first of which was issued in February, 1977, in order to inform readers, and encourage discussion, on topics related to foreign investment in

Canada. Towards the end of the year under review work started on the first issue of a quarterly journal, for publication in the Fall of 1977, which will contain articles contributed by other government and non-government sources, as well as by officers of the Agency, and which is intended to inform foreign investors about relevant legislative changes and investment conditions in Canada. Publication is the responsibility of the Research and Analysis Branch.

ADMINISTRATION

During the fiscal year 1976/77 the Agency expended, from its allotment of \$4,021,000 and 151 man-years, approximately \$3,219,000 and 123 man-years. This compares with an expenditure of \$3,200,711 and 132 man-years for the fiscal year 1975/76. Improved administrative procedures permitted the Agency to handle a much larger workload with a reduced personnel complement.

In connection with Part I of the Official Languages Resolution, 74 positions of the 151 man-years allotted to the Agency were designated as bilingual. As of March 31, 1977, of the 123 employees on strength 49 were bilingual.

The Agency has fully implemented the Treasury Board's language policy on "Work Instruments" as laid out in TB Circular 1975-113, and has two units working effectively in French.

CHAPTER FOUR

THE FINANCING OF GROSS FIXED CAPITAL FORMATION IN CANADA

The Annual Report for the fiscal year 1975/76 contained, in Chapter 5, an analysis of the impact of the Foreign Investment Review Act on the flow of foreign capital into Canada. This chapter is intended to take that analysis forward; it will also examine the role of foreign capital in meeting Canada's investment requirements by reference to three benchmarks:

- (a) the level of gross fixed capital formation (investment expenditures) in Canada relative to the size of the Canadian economy,
- (b) the principal sources of investment capital, including foreign savings, which finance gross fixed capital formation in Canada, and
- (c) the nature and composition of the long-term foreign savings element.

Finally, it will examine FIRA's influence on the various components of savings, including foreign savings, with a view to assessing what proportion of gross fixed capital formation activity in Canada actually comes under FIRA's influence and the parameters of that influence.

GROSS FIXED CAPITAL FORMATION

Historically, Canada has sustained a reasonably high level of fixed capital formation, as is demonstrated by the table on the following page. Gross fixed capital formation has usually accounted for from 22 per cent to 23 per cent of the Canadian gross national product. By way of comparison, gross fixed capital formation has in recent years averaged approximately 18 per cent of GNP in the United States and the United Kingdom, 25 per cent in Germany and France and 33 per cent in Japan.

Gross fixed capital formation includes (1) expenditures by governments for schools, hospitals, roads, etc. (social capital), (2) investment in housing, and (3) expenditures on non-residential construction and machinery and equipment (business capital expenditures). The breakdown between these three major components has been fairly stable year by year with business capital expenditures accounting for approximately 60 per cent of total fixed capital formation in Canada.

TABLE 1

CAPITAL FORMATION IN CANADA

<u>Period</u>	<u>Gross National Product (GNP)</u>	<u>Gross Fixed Capital Formation (GFCF)</u>	<u>GFCF as a % of GNP</u>
	(\$ billions)	(\$ billions)	
1961-65 (average)	46.8	10.2	21.9
1966-70 (average)	73.3	16.4	22.4
1971	94.4	20.8	22.0
1972	105.2	23.0	21.9
1973	123.6	27.8	22.5
1974	147.2	34.3	23.3
1975	165.4	40.1	24.2
1976	190.0	44.3	23.3

Source: National Income and Expenditure Accounts, Statistics Canada

SOURCES OF INVESTMENT CAPITAL

Gross fixed capital formation is financed by savings of various types and origins. Over the years some major changes have occurred in the relative contributions of the principal sources of savings. Detail is set out in Table II.

The personal savings component has increased quite dramatically in this decade. It accounted for over 29 per cent of total savings in 1976, as against 16 per cent in the 5-year period ending 1970 and 14 per cent in the first half of the 1960's. The reasons for the sharp increase in personal savings are difficult to identify with certainty and precision. The desire to maintain the purchasing power of savings in an inflationary environment is probably a major factor. New tax incentives, such as the introduction of the interest and dividend deduction from taxable income of up to \$1,000 per year, the Registered Home Ownership Savings Plan, and the increased attractiveness of Registered Home Ownership Savings Plans, no doubt also contributed to the increase. The strong upsurge in personal savings in Canada in recent years is paralleled in most other industrial countries. For example, the contribution of personal savings to total U.S. savings, (which is relatively higher than in Canada), also increased substantially, from 25 per cent of total savings in 1961 to 35 per cent in 1976.

Government savings, the difference between total receipts and total current spending by all levels of government, have not exhibited a consistent pattern over the years. Government savings fluctuated within a range of 10 per cent to 17 per cent of total savings to 1974 and subsequently dropped sharply to very low levels in 1975 and 1976. This

TABLE II
 MAJOR COMPONENTS OF SAVINGS
 (as a % of total)*

<u>Period</u>	<u>Personal Savings</u>	<u>Governments and Undistributed Profits of Government Enterprises</u>	<u>Undistributed Corporate Profits</u>	<u>Capital Consumption Allowances</u>	<u>Non-Residents Savings</u>
1961-65	14.2	10.2	17.4	52.5	6.7
1966-70	15.9	17.2	17.0	49.3	2.7
1971	17.3	13.4	17.0	51.7	-0.9
1972	21.4	11.9	18.6	49.0	2.8
1973	24.5	13.7	23.7	45.3	0.8
1974	25.2	16.7	22.9	41.5	5.4
1975	30.6	0.1	19.5	44.7	13.2
1976	29.4	1.4	16.9	44.3	10.4

*Note: Does not add to 100% as not all components are included.

Source: National Income and Expenditure Accounts, Statistics Canada.

shift reflects the impact, on government revenues and expenditures, of fiscal measures designed to stimulate the weak economy, as well as the automatic effect on the tax and unemployment insurance systems of a below-average level of economic activity.

Business savings consist of undistributed corporate profits and capital consumption allowances. The contribution of undistributed corporate profits has been relatively stable; apart from 1973 and 1974, they accounted for 17 per cent to 19 per cent of total savings throughout the 1961 to 1976 period.

Capital consumption allowances (CCA) form the single most important component not only of business savings but of total savings as well. It has frequently accounted for as much as personal savings and undistributed corporate profits, the next two largest components, combined. In recent years, however, the relative contribution of the CCA component has declined. This reflects both the more rapid growth in personal savings and the effects of inflation. Because capital consumption allowances are based on the historical costs of assets, in a period of rapidly rising prices the savings generated by business through CCA fall increasingly short of the amount required to replace the assets at current prices. The shortfall then has to be financed through other forms of savings.

No clear trend is discernible in the relative contribution of non-resident savings. They increased quite sharply, to 13 per cent of total savings, in 1975 and remained high in 1976. Not since 1959/60 have non-resident savings accounted for such a sizeable share of total savings.

THE NATURE AND COMPOSITION OF LONG-TERM FOREIGN SAVINGS

Table II shows that 87 per cent of all savings required to finance gross fixed capital formation in 1975 and some 90 per cent of the savings required in 1976 came from domestic sources. The remainder, 13 per cent in 1975 and 10 per cent in 1976, was provided by non-resident savings. Non-resident savings, in a Balance of Payments framework, are derived from short-term and long-term capital flows. However, short-term capital flows (although they amounted to \$2.7 billion and were thus quite significant in 1976) are not considered in this discussion because they do not, of themselves, provide the basis for gross fixed capital formation. Normally fixed capital formation is financed by long-term capital flows.

The two major components of non-resident long-term savings are, first, direct investment and, second, portfolio investment. Direct investment comprises equity and long-term debt capital invested by non-residents in Canadian business enterprises which they control. Portfolio investment represents equity and long-term debt capital invested in Canada by non-residents where there is no accompanying element of control. Much the greater part of portfolio investment consists of acquisitions by non-residents of bonds issued by Canadian provincial and municipal governments and their agencies and by Canadian

TABLE III

NON-RESIDENT LONG-TERM INVESTMENT IN CANADA

(\$ millions)

<u>Period</u>	<u>Direct Investment</u>	<u>Portfolio Investment</u>
1961-65 (average)	430	497
1966-70 (average)	739	1,072
1971	925	108
1972	620	1,352
1973	750	592
1974	725	1,726
1975	630	4,766
1976	-395	8,588

Source: Quarterly Estimates of the Canadian Balance of International Payments, Statistics Canada.

corporations. As Table III indicates, portfolio investment increased very sharply indeed in 1975 and 1976. On the other hand, net direct investment shows up as a minus figure (-\$395 million) in 1976, for reasons that are explained below.

A number of factors contributed to the marked shift in the relationship between direct and portfolio investment in 1975 and 1976. Provincial and municipal governments and their utilities increased substantially their borrowing in foreign capital markets. Similarly, corporate borrowing from abroad rose quite sharply in 1975 and 1976. The removal of the withholding tax on interest payments to non-residents in June, 1975, eliminated an obstacle to borrowing from abroad. Also, through much of this period the unusually large spread between interest rates in Canada and elsewhere favoured borrowing from non-residents rather than from Canadian capital sources. All this resulted in a major increase in inflows of non-resident portfolio investment capital.

If non-resident direct investment inflows had remained constant the importance of direct investment would still have declined, as a proportion of all non-resident savings, because of the very large increase in non-resident portfolio investment in 1975 and 1976. But the figures indicate a sharp drop in the inflow of non-resident direct investment capital in 1976. However, it should be noted that the figures in Table III are computed on a net basis -- gross inflows of new investment capital less any disinvestment by non-residents, e.g. through the sale by non-residents of Canadian assets to Canadians. There were a number of large, non-recurring transactions of this type in 1975 and 1976 in the direct investment category, e.g. the purchase by Petro Canada of all the assets held in Alberta by Atlantic Richfield at an estimated cost of \$340 million. It is estimated that special transactions of this nature accounted for some \$725 million of outflow in 1976 alone. Consequently, if the figures are adjusted to exclude "abnormal" transactions of that type, it would appear that there was in 1976 an inflow of non-resident direct investment capital of some \$330 million, rather than the reported outflow of \$395 million.

Nevertheless, the inflow of non-resident foreign direct investment to Canada in 1976 was substantially lower than in 1974 and 1975. The full reasons for this drop in the net direct investment inflow in 1976 are not yet clear. But it is apparent that there was a marked shift in the pattern of financing of investments by foreign controlled firms. The inflow of funds raised through gross new issues of corporate bonds sold abroad rose from \$448 million in 1974 to over \$1 billion in 1975 and to \$3.2 billion in 1976, much or most of it for the account of foreign controlled firms in Canada. There appears to be a trend away from intercorporate borrowing from parents and affiliates towards borrowing in the open market. Because loans by non-resident parent companies to their Canadian subsidiaries are treated in the balance of payments accounts as foreign direct investment, whereas loans obtained on the open-market abroad are treated as foreign portfolio investment, this

trend serves to diminish, over time, the relative importance of direct investment inflows. In any event, as will be seen from the following table, foreign direct investment flows have traditionally constituted only a minor portion of the aggregate of savings which finance capital formation in Canada.

TABLE IV
THE CONTRIBUTION OF DIRECT INVESTMENT TO
GROSS FIXED CAPITAL FORMATION

<u>Period</u>	<u>Gross Fixed Capital Formation (GFCF)</u>	<u>Foreign Direct Investment (FDI) in Canada</u>	<u>FDI as a % of GFCF</u>
	(\$ millions)	(\$ millions)	
1961-65 (average)	10,243	430	4.2
1966-70 (average)	16,398	739	4.5
1971	20,800	925	4.4
1972	23,051	620	2.7
1973	27,848	750	2.7
1974	34,260	725	2.1
1975	40,120	630	1.6
1976	44,309	-395	N.A.
average 1961-1976	20,162	569	2.8

Source: National Income and Expenditure Accounts, Statistics Canada.

FIRA'S INFLUENCE ON SAVINGS AND INVESTMENT

The impact of FIRA on savings and investment is quite complex and defies quantification in a National Accounts or Balance of Payments framework. The Foreign Investment Review Act covers most investments for acquisitions of control of Canadian businesses by non-Canadians. It also covers investments for the establishment of new businesses by non-Canadians who either do not already have any business in Canada, or do not have any business in Canada to which the new business is, or would be related. To the extent that these investments result in inflows of long-term capital from other countries they are included in the Balance of Payments foreign direct investment figures. However, not infrequently some part of the capital invested by non-Canadians is raised in Canada or is provided out of undistributed corporate profits and/or capital consumption allowances, if the non-Canadian already has a Canadian business, and this does not, of course, show up in the direct investment figures. On the other hand, direct investment flows include capital

remitted from abroad by foreign corporations for the expansion of their existing operations or for investment in new, but related activities in Canada. Those latter types of investment are not reviewable under the Act. Thus, it follows that not all of the investment reviewed under FIRA is represented by inflows of foreign direct investment capital, and conversely, that not all of the foreign direct investment in Canada is subject to review under FIRA. It would seem that the direct impact of the Act on the flow of foreign capital, though unquantifiable, is limited in scope. The available (indirect) evidence does not indicate that it has had or is having a significant deterrent effect.

CONCLUSIONS

In recent years the rate of gross fixed capital formation in Canada has been quite strong and compares reasonably well with the experience of many of Canada's major trading partners. Gross capital formation in Canada is financed predominantly (90 per cent) by domestic savings, particularly corporate and personal savings. Foreign savings, though they have increased in importance over the last few years, still account for a relatively small proportion (1975, 13 per cent; 1976, 10 per cent) of total savings used to finance Canadian capital expenditures. The composition of the foreign savings component has undergone a marked change since 1974. Portfolio investments, (where there is no control and therefore no FIRA review), by non-residents have assumed a much larger role and inflows of foreign direct investment have consequently declined in relative importance. In recent years, foreign direct investment in Canada has accounted for less than 3 per cent of total savings needed to finance capital formation. FIRA's impact on the level of foreign direct investment in Canada is unquantifiable but there is no evidence that it is substantial; in terms of total investment in Canada it is insignificant.

STATISTICAL
TABLES

TABLE I

ALL APPLICATIONS
OUTCOME OR STATUS

	Acquisitions			New Businesses			All Applications		
	75/76	76/77	Total ¹	75/76	76/77	Total ²	75/76	76/77	Total ¹
Applications received of which:	189	189	608	66	265	331	255	454	939
Withdrawn prior to certification	10	12	29	3	19	22	13	31	51
Returned as non-reviewable	27	7	90	4	14	18	31	21	108
Decision as to reviewability pending at year-end	25	9	9	33	27	27	58	36	36
Uncertified applications carried forward from previous year	17	25	-	-	33	-	17	58	-
Applications certified as reviewable in the fiscal year	144	186	480	26	238	264	170	424	744
Unresolved applications carried forward from previous year	58	49	-	-	20	-	58	69	-
Applications resolved in the fiscal year of which:	153	191	436	6	207	213	159	398	649
Allowed	110	153	326	4	166	170	114	319	496
Disallowed	22	19	53	-	14	14	22	33	67
Withdrawn after certification but before being brought to a decision by the Governor in Council	21	19	57	2	27	29	23	46	86
Applications under assessment at year end	49	44	44	20	51	51	69	95	95

¹April 9, 1974 to March 31, 1977²October 15, 1975 to March 31, 1977

TABLE II
 REVIEWABLE ACQUISITION CASES
 ACQUIREES CLASSIFIED BY ASSET RANGE AND BY WHETHER
 CANADIAN CONTROLLED OR FOREIGN CONTROLLED

Asset Range	Total				Canadian controlled				Foreign controlled			
	Number of cases		Assets (\$mil.)		Number of cases		Assets (\$mil.)		Number of cases		Assets (\$mil.)	
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
Less than \$0.5 mil.	24	36	9.9	8.0	20	18	20.2	3.7	4	18	12.9	4.3
\$ 0.5 mil.-\$ 1 mil.	29	41	23.0	32.8	15	19	20.2	15.5	14	22	12.9	17.3
\$ 1.1 mil.-\$ 2 mil.	32	37	47.4	58.6	13	9	18.7	13.7	19	28	28.7	44.9
\$ 2.1 mil.-\$ 5 mil.	27	35	87.7	104.9	11	13	34.2	33.9	16	22	53.3	71.0
\$ 5.1 mil.-\$10 mil.	21	15	156.7	104.2	6	5	41.5	33.2	15	10	115.2	71.0
\$10.1 mil.-\$25 mil.	7	11	116.7	177.9	3	4	124.9	149.5	4	7	220.8	634.7
Over \$25 mil.	4	11	229.0	606.3	1	2	124.9	149.5	3	9	220.8	634.7
TOTAL	144	186	670.4	1,092.7	69	70	239.5	249.5	75	116	430.9	843.2
	%	%	%	%	%	%	%	%	%	%	%	%
	<u>75/76</u>	<u>76/77</u>	<u>75/76</u>	<u>76/77</u>	<u>75/76</u>	<u>76/77</u>	<u>75/76</u>	<u>76/77</u>	<u>75/76</u>	<u>76/77</u>	<u>75/76</u>	<u>76/77</u>
Less than \$0.5 mil.	13.9	23.1	1.2	1.0	26.1	31.4	8.4	2.3	2.7	18.1	3.0	0.7
\$ 0.5 mil.-\$ 1 mil.	22.9	18.3	3.7	2.7	24.6	21.4	8.4	5.4	21.3	16.4	3.0	1.9
\$ 1.1 mil.-\$ 2 mil.	22.2	19.9	7.1	5.4	18.8	12.9	7.8	5.5	25.4	24.1	6.7	5.3
\$ 2.1 mil.-\$ 5 mil.	18.7	18.8	13.1	9.6	15.9	18.6	14.3	13.6	21.3	19.0	12.4	8.4
\$ 5.1 mil.-\$10 mil.	14.6	8.1	23.4	9.5	8.7	7.1	17.3	13.3	20.0	8.6	26.7	8.4
\$10.1 mil.-\$25 mil.	4.9	5.9	17.4	16.3	4.4	5.7	52.2	59.9	5.3	6.0	51.2	75.3
Over \$25 mil.	2.8	5.9	34.1	55.5	1.5	2.9	52.2	59.9	4.0	7.8	51.2	75.3
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

TABLE III
 REVIEWABLE ACQUISITION CASES
 ACQUIREES CLASSIFIED BY EMPLOYMENT RANGE AND BY WHETHER
 CANADIAN CONTROLLED OR FOREIGN CONTROLLED

Employment range	Total				Canadian controlled				Foreign controlled			
	Number of cases		Employment		Number of cases		Employment		Number of cases		Employment	
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
0- 25	70	93	819	1,046	38	43	479	431	32	50	340	615
26- 50	27	24	1,008	926	14	5	496	201	13	19	512	725
51- 75	14	22	836	1,382	7	6	583	387	7	16	585	995
76- 100	4	10	332	880	2	5		450	2	5		430
101- 300	18	24	3,473	3,686	7	9	2,092	3,041	11	15	5,053	20,473
301-1,000	8	6	3,672	2,756	1	1			7	5		
Over 1,000	3	7	4,634	17,072	-	1	-	-	3	6	4,634	
TOTAL	144	186	14,774	27,748	69	70	3,650	4,510	75	116	11,124	23,238
	%	%	%	%	%	%	%	%	%	%	%	%
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
0- 25	48.6	50.0	5.5	3.8	55.1	61.5	13.1	9.5	42.7	43.1	3.0	2.6
26- 50	18.7	12.9	6.8	3.3	20.3	7.1	13.6	4.6	17.3	16.4	4.6	3.1
51- 75	9.7	11.8	5.7	5.0	10.1	8.6	16.0	8.6	9.3	13.8	5.3	4.3
76- 100	2.8	5.4	2.2	3.2	2.9	7.1		10.0	2.7	4.3		1.9
101- 300	12.5	12.9	23.5	13.3	10.1	12.9	57.3	67.3	14.7	12.9	45.4	88.1
301-1,000	5.6	3.2	24.9	9.9	1.5	1.4			9.3	4.3		
Over 1,000	2.1	3.8	31.4	61.5	-	1.4	-	-	4.0	5.2	41.7	
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

TABLE IV
REVIEWABLE ACQUISITION CASES
ACQUIREES CLASSIFIED BY PRINCIPAL INDUSTRY SECTOR

Industry sector	Number of cases		Assets of acquirees (\$000)		Average assets of acquirees (\$000)		Distribution by number of cases %		Distribution by assets of acquirees %	
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
	Mines, mineral fuels, and incidental services	14	10	c	167,838	c	16,784	9.7	5.4	c
Other primary	2	3	c	10,996	c	3,665	1.4	1.6	c	1.0
Manufacturing	75	98	353,581	499,207	4,714	5,094	52.1	52.7	52.7	45.7
Construction	4	-	12,882	-	3,221	-	2.8	-	1.9	-
Transportation, communication and other utilities	5	9	3,665	79,388	733	8,821	3.5	4.8	0.6	7.3
Wholesale and retail trade	29	47	84,309	256,131	2,907	5,450	20.1	25.3	12.6	23.4
Finance, insurance and real estate	10	9	112,226	59,843	11,223	6,649	6.9	4.8	16.7	5.4
Community, business, and personal services	5	10	13,312	19,264	2,662	1,926	3.5	5.4	2.0	1.8
<u>TOTAL SUMMARY</u>	144	186	670,441	1,092,667	4,656	5,875	100.0	100.0	100.0	100.0
Primary	16	13	90,466	178,834	5,654	13,756	11.1	7.0	13.5	16.4
Manufacturing	75	98	353,581	499,207	4,714	5,094	52.1	52.7	52.7	45.7
Service	53	75	226,394	414,626	4,272	5,528	36.8	40.3	33.8	37.9

(c) Asset figures excluded to preserve confidentiality

TABLE V
REVIEWABLE ACQUISITION CASES
ACQUIREES CLASSIFIED BY PRINCIPAL TYPE OF MANUFACTURING

Type of manufacturing	Number of cases		Assets of acquirees (\$000)		Average assets of acquirees (\$000)		Distribution by number of cases %		Distribution by assets of acquirees %	
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
	Food and beverage	7	12	13,703	45,217	1,958	3,768	9.3	12.2	3.9
Tobacco products	1	-	c	-	c	-	1.3	-	c	-
Rubber and plastic products	2	4	c	6,694	c	1,674	2.7	4.1	c	1.3
Leather	1	1	c	c	c	c	1.3	1.0	c	c
Textiles	-	3	-	c	-	c	-	3.1	-	c
Knitting mills	1	-	c	-	c	-	1.3	-	c	-
Clothing	2	1	c	c	c	c	2.6	1.0	c	c
Wood	5	3	9,432	21,003	1,886	7,001	6.7	3.1	2.7	4.2
Furniture and fixture	4	2	4,581	c	1,145	c	5.3	2.0	1.3	c
Paper and allied	1	1	c	c	c	c	1.3	1.0	c	c
Printing, publishing, and allied	3	1	3,236	c	1,079	c	4.0	1.0	0.9	c
Primary metal	5	5	60,308	c	12,061	c	6.7	5.1	17.1	c
Metal fabricating	7	11	12,046	36,389	1,721	3,308	9.3	11.2	3.4	7.3
Machinery	10	5	78,127	63,704	7,813	12,741	13.4	5.1	22.1	12.8
Transportation equipment	5	3	14,352	5,674	2,870	1,891	6.7	3.0	4.1	1.1
Electrical products	8	10	76,102	72,151	9,513	7,215	10.7	10.2	21.5	14.5
Non-metallic mineral products	2	9	c	87,412	c	9,712	2.7	9.2	c	17.5
Petroleum and coal products	-	3	-	c	-	c	-	3.1	-	c
Chemical	6	16	14,905	39,351	2,484	2,459	8.0	16.4	4.2	7.9
Miscellaneous manufacturing	5	8	8,331	14,705	1,666	1,838	6.7	8.2	2.4	2.9
TOTAL	75	98	353,581	499,207	4,714	5,094	100.0	100.0	100.0	100.0

(c) Asset figures excluded to preserve confidentiality

TABLE VI
REVIEWABLE ACQUISITION CASES
ACQUIREES CLASSIFIED BY PROVINCE OF PRINCIPAL LOCATION

Region	Number of cases		Assets of acquirees (\$000)		Distribution by numbers of cases		Distribution by assets of acquirees	
	75/76	76/77	75/76	76/77	%		%	
					75/76	76/77	75/76	76/77
Atlantic provinces	6	3	27,814	4,388	4.2	1.6	4.2	0.4
Newfoundland	1	1	c	c	0.7	0.5	c	c
Prince Edward Island	-	-	-	-	-	-	-	-
Nova Scotia	-	2	-	c	-	1.1	-	c
New Brunswick	5	-	c	-	3.5	-	c	-
Quebec	27	38	163,795	353,224	18.7	20.4	24.4	32.4
Ontario	71	105	266,344	465,880	49.3	56.5	39.7	42.6
Western provinces	40	40	212,488	269,175	27.8	21.5	31.7	24.6
Manitoba	5	7	80,050	22,405	3.5	3.7	12.0	2.0
Saskatchewan	2	1			1.4	0.5		
Alberta	17	20	88,708	129,768	11.8	10.8	13.2	11.9
British Columbia	16	12	43,730	117,002	11.1	6.5	6.5	10.7
The Territories	-	-	-	-	-	-	-	-
TOTAL	144	186	670,441	1,092,667	100.0	100.0	100.0	100.0

(c) Asset figures excluded to preserve confidentiality

TABLE VII
 REVIEWABLE ACQUISITION CASES
 APPLICANTS CLASSIFIED BY COUNTRY OF APPARENT CONTROL

Applicant's country of apparent control	Number of cases		Assets of acquirees (\$000)		Distribution by number of cases %		Distribution by assets of acquirees %	
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
	United States	97	120	465,689	706,320	67.3	64.5	69.5
Europe	43	62	198,150	380,728	29.9	33.3	29.5	34.9
Belgium	2	-	c	-	1.4	-	c	-
France	6	5	c	18,005	4.1	2.7	c	1.6
Italy	2	1	c	c	1.4	0.5	c	c
Liechtenstein	1	-	c	-	0.7	-	c	-
Luxembourg	1	2	c	c	0.7	1.1	c	c
Netherlands	5	-	20,201	-	3.5	-	3.0	-
Norway	1	-	c	-	0.7	-	c	-
Switzerland	4	6	5,152	90,338	2.8	3.2	0.8	8.3
Sweden	2	9	c	25,193	1.4	4.8	c	2.3
United Kingdom	17	29	51,994	194,821	11.8	15.6	7.7	17.8
West Germany	2	10	c	37,976	1.4	5.4	c	3.5
All Other Countries	4	4	6,602	5,619	2.8	2.2	1.0	0.5
Bermuda	1	1	c	c	0.7	0.5	c	c
Japan	2	2	c	c	1.4	1.2	c	c
Lebanon	-	1	-	c	-	0.5	-	c
Mexico	1	-	c	-	0.7	-	c	-
TOTAL	144	186	670,441	1,092,667	100.0	100.0	100.0	100.0

(c) Asset figures excluded to preserve confidentiality

TABLE VIII
 REVIEWABLE ACQUISITION CASES
 ACQUIREES CLASSIFIED BY PROVINCE OF PRINCIPAL LOCATION
 AND APPLICANTS BY COUNTRY OF APPARENT CONTROL

Region	"U. S." applicants				"European" applicants				"All Other" applicants			
	Number		Distribution of cases		Number		Distribution of cases		Number		Distribution of cases	
	75/76	76/77	%		75/76	76/77	%		75/76	76/77	%	
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
Atlantic provinces	3	3	3.1	2.5	2	-	4.7	-	1	-	25.0	-
Newfoundland	-	1	-	0.8	-	-	-	-	1	-	25.0	-
Prince Edward Island	-	-	-	-	-	-	-	-	-	-	-	-
Nova Scotia	-	2	-	1.7	-	-	-	-	-	-	-	-
New Brunswick	3	-	3.1	-	2	-	4.7	-	-	-	-	-
Quebec	16	16	16.5	13.3	11	20	25.6	32.3	-	2	-	50.0
Ontario	50	71	51.5	59.2	20	32	46.5	51.6	1	2	25.0	50.0
Western provinces	28	30	28.9	25.0	10	10	23.2	16.1	2	-	50.0	-
Manitoba	4	5	4.1	4.2	1	2	2.3	3.1	-	-	-	-
Saskatchewan	1	1	1.1	0.8	1	-	2.3	-	-	-	-	-
Alberta	12	16	12.4	13.3	3	4	7.0	6.5	2	-	-	-
British Columbia	11	8	11.3	6.7	5	4	11.6	6.5	-	-	-	-
The Territories	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	97	120	100.0	100.0	43	62	100.0	100.0	4	4	100.0	100.0

TABLE IX
REVIEWABLE ACQUISITION CASES
ACQUIREES CLASSIFIED BY PRINCIPAL INDUSTRY SECTOR
AND APPLICANTS CLASSIFIED BY COUNTRY OF APPARENT CONTROL

Industry sector	"U.S." applicants				"European" applicants				"All Other" applicants			
	Number		Distribution of cases		Number		Distribution of cases		Number		Distribution of cases	
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
Mines, mineral fuels, and incidental services	8	4	8.2	3.3	5	6	11.6	9.7	1	-	25.0	-
Other primary	2	2	2.1	1.7	-	1	-	1.6	-	-	-	-
Manufacturing	58	63	59.8	52.5	17	33	39.5	53.2	-	2	-	50.0
Construction	2	-	2.1	-	2	-	4.7	-	-	-	-	-
Transportation, communication and other utilities	4	9	4.1	7.5	1	-	2.3	-	-	-	-	-
Wholesale and retail trade	17	30	17.5	25.0	10	15	23.3	24.2	2	2	50.0	50.0
Finance, insurance, and real estate	2	4	2.1	3.3	7	5	16.3	8.1	1	-	25.0	-
Community, business, and personal services	4	8	4.1	6.7	1	2	2.3	3.2	-	-	-	-
<u>TOTAL</u>	97	120	100.0	100.0	43	62	100.0	100.0	4	4	100.0	100.0
<u>SUMMARY</u>												
Primary	10	6	10.3	5.0	5	7	11.6	11.3	1	-	25.0	-
Manufacturing	58	63	59.8	52.5	17	33	39.5	53.2	-	2	-	50.0
Service	29	51	29.9	42.5	21	22	48.9	35.5	3	2	75.0	50.0

TABLE X
 OUTCOME OF RESOLVED ACQUISITION CASES
 APPLICANTS CLASSIFIED BY COUNTRY OF APPARENT CONTROL
 AND ACQUIREES BY WHETHER CANADIAN CONTROLLED OR FOREIGN CONTROLLED

Outcome of cases and applicant's country of apparent control	TOTAL				Canadian controlled				Foreign controlled			
	Number of cases		Percent		Number of cases		Percent		Number of cases		Percent	
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
Allowed												
United States	83	92	75.5	60.1	41	32	69.5	57.1	42	60	82.4	61.8
Europe	23	57	20.9	37.3	16	22	27.1	39.3	7	35	13.7	36.1
Other	4	4	3.6	2.6	2	2	3.4	3.6	2	2	3.9	2.1
TOTAL	110	153	100.0	100.0	59	56	100.0	100.0	51	97	100.0	100.0
Disallowed												
United States	15	12	68.2	63.1	11	6	61.1	54.5	4	6	100.0	75.0
Europe	5	6	22.7	31.6	5	4	27.8	36.4	-	2	-	25.0
Other	2	1	9.1	5.3	2	1	11.1	9.1	-	-	-	-
TOTAL	22	19	100.0	100.0	18	11	100.0	100.0	4	8	100.0	100.0
Withdrawn												
United States	10	14	47.6	73.7	6	6	46.1	54.5	4	8	50.0	100.0
Europe	9	5	42.9	26.3	5	5	38.5	45.5	4	-	50.0	-
Other	2	-	9.5	-	2	-	15.4	-	-	-	-	-
TOTAL	21	19	100.0	100.0	13	11	100.0	100.0	8	8	100.0	100.0
Total Resolved												
United States	108	118	70.6	61.8	58	44	64.4	56.4	50	74	79.4	65.5
Europe	37	68	24.2	35.6	26	31	28.9	39.7	11	37	17.4	32.7
Other	8	5	5.2	2.6	6	3	6.7	3.9	2	2	3.2	1.8
TOTAL	153	191	100.0	100.0	90	78	100.0	100.0	63	113	100.0	100.0

TABLE XI
RESOLVED ACQUISITION CASES
ACQUIREES CLASSIFIED BY PRINCIPAL INDUSTRY SECTOR
AND BY OUTCOME

Industry sector	Allowed cases				Disallowed cases				Withdrawn cases			
	Number of cases		Percentage		Number of cases		Percentage		Number of cases		Percentage	
	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77	75/76	76/77
Mines, mineral fuels, and incidental services	12	7	10.9	4.6	2	3	9.1	15.8	3	2	14.3	10.5
Other primary	3	2	2.7	1.3	1	-	4.5	-	1	-	4.8	-
Manufacturing	50	89	45.5	58.2	11	7	50.0	36.8	5	9	23.8	47.4
Construction	-	2	-	1.3	-	1	-	5.3	1	-	4.8	-
Transportation, communication and other utilities	3	4	2.7	2.6	3	-	13.6	-	1	1	4.8	5.3
Wholesale and retail trade	29	35	26.4	22.9	4	6	18.2	31.6	5	5	23.8	26.2
Finance, insurance and real estate	8	8	7.3	5.2	1	-	4.6	-	5	1	23.7	5.3
Community, business, and personal services	5	6	4.5	3.9	-	2	-	10.5	-	1	-	5.3
TOTAL	110	153	100.0	100.0	22	19	100.0	100.0	21	19	100.0	100.0
<u>SUMMARY</u>												
Primary	15	9	13.6	5.9	3	3	13.6	15.8	4	2	19.1	10.5
Manufacturing	50	89	45.5	58.2	11	7	50.0	36.8	5	9	23.8	47.4
Service	45	55	40.9	35.9	8	9	36.4	47.4	12	8	57.1	42.1

TABLE XII

ALLOWED AND DISALLOWED ACQUISITION CASES
 APPLICANTS' PRIMARY REASON FOR ACQUISITION
 FISCAL 1976/77

<u>Primary reason for wanting to make acquisition</u>	<u>Number* of cases</u>	<u>Percentage</u>
Horizontal integration and expansion	55	49.1
Forward vertical integration	9	8.0
Backward vertical integration	7	6.3
Diversification into new areas of activity	12	10.7
Entry into Canada	20	17.9
Increase in degree of ownership	9	8.0
TOTAL	112	100.0

TABLE XIII

ALLOWED AND DISALLOWED ACQUISITION CASES
 VENDORS' PRIMARY REASON FOR SELLING
 FISCAL 1976/77

<u>Primary reason for wanting to sell</u>	<u>Number* of cases</u>	<u>Percentage</u>
Business in a poor financial position	37	33.0
Desire of parent to dispose of the area of business	21	18.7
Inability to raise capital for, or manage expansion	15	13.4
Attractive purchase offer	13	11.6
Desire of owner to retire	10	8.9
Desire of parent of vendor company to raise capital	7	6.3
Ill health of owner	6	5.4
Division of assets among foreign partners	2	1.8
Acquire technical expertise	1	0.9
TOTAL	112	100.0

*Excludes 60 indirect takeovers (the acquisition of the foreign parent of the Canadian business) as the reason for the transaction is not necessarily directly applicable to the Canadian business.

TABLE XIV
 REVIEWABLE NEW BUSINESS CASES
 NEW BUSINESSES CLASSIFIED BY PLANNED INVESTMENT RANGE
 FISCAL 1976/77

<u>Planned Investment Range</u>	<u>Number of cases</u>	<u>Planned Investment</u> (\$000)	<u>Distribution by Number of cases</u> %	<u>Distribution by planned investment</u> %
Less than \$0.5 mil.	193	13,778	81.1	3.9
\$ 0.5 mil.-\$ 1 mil.	20	17,440	8.4	5.0
\$ 1.1 mil.-\$ 2 mil.	8	13,041	3.4	3.7
\$ 2.1 mil.-\$ 5 mil.	4	17,100	1.7	4.9
\$ 5.1 mil.-\$10 mil.	4	24,000	1.7	6.8
\$10.1 mil.-\$25 mil.	6	81,338	2.5	23.2
Over \$25 mil.	3	184,000	1.2	52.5
TOTAL	238	350,697	100.0	100.0

TABLE XV
 REVIEWABLE NEW BUSINESS CASES
 NEW BUSINESSES CLASSIFIED BY PLANNED EMPLOYMENT RANGE
 FISCAL 1976/77

<u>Planned Employment Range</u>	<u>Number of cases</u>	<u>Planned Employment</u>	<u>Distribution by number of cases</u> %	<u>Distribution by planned employment</u> %
0- 25	201	1,295	84.5	21.6
26- 50	19	662	8.0	11.1
51- 75	7	455	2.9	7.6
76- 100	4	346	1.7	5.8
101- 300	6	c	2.5	c
301-1,000	-	-	-	-
Over 1,000	1	c	0.4	c
TOTAL	238	5,983	100.0	100.0

(c) Planned employment figures excluded to preserve confidentiality.

TABLE XVI
 REVIEWABLE NEW BUSINESS CASES
 NEW BUSINESSES CLASSIFIED BY PRINCIPAL INDUSTRY SECTOR
 FISCAL 1976/77

<u>Industry sector</u>	<u>Number of cases</u>	<u>Planned investment (\$000)</u>	<u>Average planned investment (\$000)</u>	<u>Distribution by number of cases %</u>	<u>Distribution by planned investment %</u>
Mines, mineral fuels, and incidental services	12	} 43,745	2,916	5.0	} 12.5
Other primary	3			1.3	
Manufacturing	70	211,713	3,024	29.4	60.4
Construction	4	1,025	256	1.7	0.3
Transportation, communication and other utilities	11	295	27	4.6	0.1
Wholesale and retail trade	98	7,141	73	41.2	2.0
Finance, insurance and real estate	14	} 86,778	2,169	5.9	} 24.7
Community, business, and personal services	26			10.9	
TOTAL	238	350,697	1,474	100.0	100.0
<u>SUMMARY</u>					
Primary	15	43,745	2,916	6.3	12.5
Manufacturing	70	211,713	3,024	29.4	60.4
Service	153	95,239	622	64.3	27.1

TABLE XVII
 REVIEWABLE NEW BUSINESS CASES
 NEW BUSINESSES CLASSIFIED BY PRINCIPAL TYPE OF MANUFACTURING
 FISCAL 1976/77

Type of manufacturing	Number of cases	Planned investment (\$000)	Average planned investment (\$000)	Distribution by number of cases	Distribution by planned investment
				%	%
Food and beverage	-	-	-	-	-
Tobacco products	1	c	c	1.4	c
Rubber and plastic products	3	1,243	414	4.3	0.6
Leather	1	c	c	1.4	c
Textiles	3	2,270	757	4.3	1.1
Knitting mills	-	-	-	-	-
Clothing	2	c	c	2.9	c
Wood	2	c	c	2.9	c
Furniture and fixture	3	636	212	4.3	0.3
Paper and allied	1	c	c	1.4	c
Printing, publishing, and allied	-	-	-	-	-
Primary metal	4	78,224	19,556	5.7	36.9
Metal fabricating	8	36,141	4,518	11.4	17.1
Machinery	6	2,815	469	8.6	1.3
Transportation and equipment	2	c	c	2.9	c
Electrical products	7	13,340	1,906	10.0	6.3
Non-metallic mineral products	4	925	231	5.7	0.4
Petroleum and coal products	-	-	-	-	-
Chemical	7	62,350	8,907	10.0	29.5
Miscellaneous manufacturing	16	6,121	383	22.8	2.9
TOTAL	70	211,713	3,024	100.0	100.0

(c) Planned investment figures excluded to preserve confidentiality.

TABLE XVIII
 REVIEWABLE NEW BUSINESS CASES
 NEW BUSINESSES CLASSIFIED BY PROVINCE OF PRINCIPAL LOCATION
 FISCAL 1976/77

<u>Region</u>	<u>Number of cases</u>	<u>Planned investment (\$000)</u>	<u>Distribution by number of cases %</u>	<u>Distribution by planned investment %</u>
Atlantic provinces	14	10,360	5.9	3.0
Newfoundland	2	} 8,485	0.8	} 2.5
Prince Edward Island	7		3.0	
Nova Scotia	4	} 1,875	1.7	} 0.5
New Brunswick	1		0.4	
Quebec	45	120,121	18.9	34.2
Ontario	133	108,825	55.9	31.0
Western provinces	46	111,391	19.3	31.8
Manitoba	1	} 84,845	0.4	} 24.2
Saskatchewan	1		0.4	
Alberta	18		7.6	
British Columbia	26	26,546	10.9	7.6
The Territories	-	-	-	-
TOTAL	238	350,697	100.0	100.0

TABLE XIX
 REVIEWABLE NEW BUSINESS CASES
 APPLICANTS CLASSIFIED BY COUNTRY OF APPARENT CONTROL
 FISCAL 1976/77

<u>Applicant's country of apparent control</u>	<u>Number of cases</u>	<u>Planned investment (\$000)</u>	<u>Distribution by number of cases %</u>	<u>Distribution by planned investment %</u>
United States	119	134,529	50.0	38.4
Europe	96	202,120	40.3	57.6
Belgium	1	c	0.4	c
Denmark	8	1,900	3.4	0.5
Finland	1	c	0.4	c
France	10	15,350	4.2	4.4
Italy	10	17,821	4.2	5.1
Liechtenstein	1	c	0.4	c
Netherlands	2	c	0.8	c
Spain	1	c	0.4	c
Sweden	5	c	2.1	c
Switzerland	7	34,928	3.0	10.0
United Kingdom	25	6,593	10.5	1.9
West Germany	25	33,866	10.5	9.7
All Other Countries	23	14,048	9.7	4.0
Australia	3	c	1.3	c
Brazil	1	c	0.4	c
Guyana	1	c	0.4	c
Haiti	1	c	0.4	c
Hong Kong	4	974	1.7	0.3
India	1	c	0.4	c
Japan	7	c	3.0	c
Korea	1	c	0.4	c
Netherlands Antilles	2	c	0.9	c
South Africa	1	c	0.4	c
Yugoslavia	1	c	0.4	c
TOTAL	238	350,697	100.0	100.0

(c) Planned investment figures excluded to preserve confidentiality.

TABLE XX
 REVIEWABLE NEW BUSINESS CASES
 NEW BUSINESSES CLASSIFIED BY PROVINCE OF PRINCIPAL LOCATION
 AND APPLICANTS CLASSIFIED BY COUNTRY OF APPARENT CONTROL
 FISCAL 1976/77

Region	"U. S." applicants		"European" applicants		"All Other" applicants	
	Number	Distribution	Number	Distribution	Number	Distribution
	of cases	of cases	of cases	of cases	of cases	of cases
		%		%		%
Atlantic provinces	2	1.7	10	10.4	2	8.8
Newfoundland	-	-	2	2.1	-	-
Prince Edward Island	-	-	6	6.3	1	4.4
Nova Scotia	2	1.7	1	1.0	1	4.4
New Brunswick	-	-	1	1.0	-	-
Quebec	15	12.6	27	28.1	3	13.0
Ontario	77	64.7	46	48.0	10	43.4
Western provinces	25	21.0	13	13.5	8	34.8
Manitoba	1	0.8	-	-	-	-
Saskatchewan	-	-	1	1.0	-	-
Alberta	9	7.6	9	9.4	-	-
British Columbia	15	12.6	3	3.1	8	34.8
The Territories	-	-	-	-	-	-
TOTAL	119	100.0	96	100.0	23	100.0

TABLE XXI
 REVIEWABLE NEW BUSINESS CASES
 NEW BUSINESSES CLASSIFIED BY PRINCIPAL INDUSTRY SECTOR
 AND APPLICANTS CLASSIFIED BY COUNTRY OF APPARENT CONTROL
 FISCAL 1976/77

<u>Industry sector</u>	<u>"U. S." applicants</u>		<u>"European" applicants</u>		<u>"All Other" applicants</u>	
	<u>Number of cases</u>	<u>Distribution of cases</u> %	<u>Number of cases</u>	<u>Distribution of cases</u> %	<u>Number of cases</u>	<u>Distribution of cases</u> %
Mines, mineral fuels, and incidental services	4	3.4	7	7.3	1	4.4
Other primary	2	1.7	1	1.0	-	-
Manufacturing	28	23.5	36	37.5	6	26.1
Construction	3	2.5	1	1.0	-	-
Transportation, communication and other utilities	7	5.9	3	3.1	1	4.3
Wholesale and retail trade	51	42.8	38	39.7	9	39.1
Finance, insurance, and real estate	5	4.2	7	7.3	2	8.7
Community, business, and personal services	19	16.0	3	3.1	4	17.4
TOTAL	119	100.0	96	100.0	23	100.0
<u>SUMMARY</u>						
Primary	6	5.1	8	8.3	1	4.4
Manufacturing	28	23.5	36	37.5	6	26.1
Service	85	71.4	52	54.2	16	69.5

TABLE XXII
 OUTCOME OF RESOLVED NEW BUSINESS CASES
 APPLICANTS CLASSIFIED BY COUNTRY OF APPARENT CONTROL
 FISCAL 1976/77

<u>Outcome of cases and applicant's country of apparent control</u>	<u>Number of cases</u>	<u>Percentage</u>	<u>Outcome of cases and applicant's country of apparent control</u>	<u>Number of cases</u>	<u>Percentage</u>
<u>Allowed</u>			<u>Withdrawn</u>		
49 United States	71	42.8	United States	14	51.9
Europe	73	44.0	Europe	12	44.4
All Other	22	13.2	All Other	1	3.7
TOTAL	166	100.0	TOTAL	27	100.0
<u>Disallowed</u>			<u>Total Resolved</u>		
United States	9	64.3	United States	94	45.4
Europe	4	28.6	Europe	89	43.0
All Other	1	7.1	All Other	24	11.6
TOTAL	14	100.0	TOTAL	207	100.0

TABLE XXIII
RESOLVED NEW BUSINESS CASES
NEW BUSINESSES CLASSIFIED BY PRINCIPAL INDUSTRY SECTOR
AND BY OUTCOME
FISCAL 1976/77

Industry sector	Allowed cases		Disallowed cases		Withdrawn cases	
	Number of cases	Percentage	Number of cases	Percentage	Number of cases	Percentage
Mines, mineral fuels, and incidental services	8	4.8	-	-	1	3.7
Other primary	-	-	-	-	1	3.7
Manufacturing	61	36.8	3	21.4	8	29.7
Construction	2	1.2	1	7.1	-	-
Transportation, communication and other utilities	8	4.8	2	14.3	1	3.7
Wholesale and retail trade	61	36.8	5	35.8	9	33.3
Finance, insurance and real estate	9	5.4	-	-	3	11.1
Community, business, and personal services	17	10.2	3	21.4	4	14.8
TOTAL	166	100.0	14	100.0	27	100.0
<u>SUMMARY</u>						
Primary	8	4.8	-	-	2	7.4
Manufacturing	61	36.8	3	21.4	8	29.7
Service	97	58.4	11	78.6	17	62.9

TABLE XXIV
 ALLOWED AND DISALLOWED NEW BUSINESS CASES
 APPLICANTS' PRIMARY REASONS FOR ESTABLISHING A NEW BUSINESS
 FISCAL 1976/77

<u>Primary reason for wanting to establish a new business</u>	<u>Number of cases</u>	<u>Percentage</u>
Entry into Canada for the first time	93	51.7
Enter North American Market for the first time via Canada	31	17.2
Replace distributor or agent with a wholly owned distribution subsidiary	18	10.0
51 Penetration of the Canadian market now sufficient to support production facilities	15	8.3
Diversification into new areas of activity by an existing foreign controlled enterprise in Canada	12	6.7
Security of supply for inputs requires establishment of a business in Canada	8	4.4
Provide service organization for products exported into Canada	3	1.7
TOTAL	180	100.0

APPENDICES



APPENDIX A

PRINCIPAL OFFICERS AND ORGANIZATION OF THE AGENCY

September 30, 1977

Minister

The Hon. Jack H. Horner

Commissioner

G. Howarth 995-9601

Deputy Commissioner

J.J. Tennier 995-9605

Assessment Branch

Deputy Commissioner
J.J. Tennier 995-9605

Director, Resource Industries Division
C. Pineau 995-9452

Director, Manufacturing Industries Division
995-9455

Director, Service and Construction Industries
Division
L.F. Drahotsky 995-9456

Compliance Branch

Director
W.T. Wood 995-9997

Deputy Director
J.G. Wright 992-5339

Senior Legal Advisor
P. Tetro 992-5478

Research and Analysis Branch

Director
G.H. Dewhirst 992-3847

General Inquiries 995-9449

ORGANIZATION

The Agency, whose sole responsibility is to advise and assist the Minister responsible for the administration of the Act, is composed of three branches: the Compliance Branch, the Assessment Branch, and the Research and Analysis Branch.

The Compliance Branch receives notices from investors with respect to their proposed investments and checks their reviewability under the Act. Also, the Branch provides Agency opinions and formulates Ministerial opinions. The other responsibilities of the Branch include surveillance, investigation, enforcement, and general administration of the Agency, which are described elsewhere in this report.

The Assessment Branch analyses investment proposals against the criteria for the assessment of benefit to Canada. The analysis is based on the information provided by the investor in the notice or further information on companies and sectors provided by interested federal departments and agencies. In addition, the Branch maintains direct contact with the provincial governments in order to identify their policies relevant to particular proposals. Following this analysis, the Assessment Branch provides advice to the Minister in order to enable him to assess the extent to which proposals offer significant benefit to Canada.

The Research and Analysis Branch provides company and industry analysis in support of the assessment process. It also reviews results achieved through the administration of the Act and helps to develop new approaches to improve its effectiveness. The Branch also evaluates the various factors, both external and domestic, which affect trends in foreign investment in Canada. Similarly, it is responsible for enabling the Agency to advise the Minister on the effects that any proposed federal economic and industrial policies may have on foreign investment. This involves an adequate degree of liaison and consultation with other federal departments and agencies.

APPENDIX B

PRINCIPLES OF ASSESSING SIGNIFICANT BENEFIT

This Appendix reproduces, with a few minor changes, the description of the assessment process set out on pages 11 to 15 of the Agency's 1975/76 Annual Report.

Subsection 2(2) of the Foreign Investment Review Act lists the factors to be taken into account by the Minister and the Government in assessing whether a proposed acquisition of a Canadian business enterprise or establishment of a new enterprise is or is likely to be of significant benefit to Canada. The factors are:

- (a) the effect on the level and nature of economic activity in Canada, including the effect on employment, on resource processing, on the utilization of Canadian parts, components and services, and on exports;
- (b) the degree and significance of participation by Canadians in the business enterprise and in the industry sector to which the enterprise belongs;
- (c) the effect on productivity, industrial efficiency technological development, innovation and product variety;
- (d) the effect on competition within any industry or industries in Canada;
- (e) compatibility with national industrial and economic policies, taking into consideration industrial and economic policy objectives enunciated by the federal government and any province likely to be significantly affected by the proposed investment.

The relative significance or weight attached to each of these factors is not, and cannot be, the same for all transactions. Inevitably it varies with the nature of the transaction, the industry in which it occurs and the region in which it is being made. Thus, for example, an increase in economic activity in a slow growth area may be judged to be more beneficial than in an area whose resources are already virtually

fully occupied; Canadian participation will likely be considered more important in a sector that is heavily dominated by foreign firms than in one where foreign control is much less; and increases in efficiency or competition are given greater weight if they are expected to occur in industries where such changes are likely to have a far reaching impact on economic performance.

Furthermore, some of the criteria may have little or no application to a given transaction, depending upon the type of enterprise and the characteristics of the industry sector to which it belongs. A wholesale or retail distribution enterprise, for example, is usually not in a position to make any contribution towards Canadian exports. The various factors have to be applied flexibly and realistically to each investment proposal.

The aim of the review process is to determine the net, rather than the absolute, benefits likely to accrue from a particular investment proposal. Accordingly, the benefit criteria are applied with reference not only to the situation as it is at the time the proposal is made, but also to the situation as it might be expected to develop in the absence of the investment proposal. To illustrate: in the case of a proposed acquisition, if the Canadian business which is the acquiree can be expected to expand and develop even if the proposed transaction is not allowed to proceed, there cannot be said to be benefits in terms of increased economic activity, employment, etc. unless it appears that the applicant's plans will bring about increases over and above those which would otherwise occur. Similarly, the establishment of a proposed new business will not provide all those benefits which, at first sight, are associated with it if one of its effects would be to displace economic activity that, in the absence of the proposed business, is being carried on or would be undertaken by others.

In reviewing any investment proposal, the Agency makes every effort to ensure that the proposal is described by the investor as fully and precisely as possible. The Agency does not demand commitments or undertakings from investors; rather it assists investors in determining means by which the effects of their investment proposals can be described as fully and as precisely as possible. Undertakings, where given, assist the Minister and the Government to assess, with greater certainty, the effects of allowance. On the other hand, the sum total of the undertakings, where given, in a particular case does not usually comprise all the elements which must be considered in the assessment process. There may be features of an investment proposal which contribute in important ways to the determination of "significant benefit to Canada" but which are not reflected in undertakings given by the investor. A proposal to establish a new business using important novel technology might itself clearly offer substantial benefits to Canada relative to technological development. In those circumstances it might be unnecessary to include any specific undertaking on this aspect of the

proposal. Similarly, an acquisition proposal by one small business of another small business, in an industry sector dominated by a few large firms, might well be seen as being likely to increase effective competition in that industry, even in the absence of any specific commitment or undertaking to that effect.

Thus, a review that is confined to the undertakings given in connection with a particular investment which was allowed will often not account for all the elements of consideration that went into the determination of "significant benefit to Canada". Indeed, there could be circumstances in which the obvious consequences of a particular investment would, in themselves and without any undertakings, be sufficient to support a finding of "significant benefit to Canada".

It follows that even full disclosure of all the undertakings given in connection with a particular investment proposal would not provide a complete picture of the benefits to Canada of that investment. Moreover, such practice runs the risk of undermining the effective implementation of the Act as potential investors, knowing that their plans and undertakings would be revealed, became more reluctant to provide clear and specific undertakings. Experience has shown that investors are generally very sensitive about premature disclosure of their plans to others -- their competitors in Canada and abroad, their employees, and their suppliers and customers.

The Minister is authorized under the Act to disclose any information contained in written undertakings given in the course of the review of an investment. However, he may not be required to do so unless he is of an opinion that disclosure (i) is necessary for the proper enforcement or administration of the Act and (ii) will not prejudicially affect the conduct of the business of the investor. Clearly these considerations must weigh heavily in any decision to exercise his discretion in this regard. Frequently it turns out that those undertakings which can be disclosed without harm to the interests of the investor are not the most useful ones for the purpose of adequately indicating the benefits offered by the investment to Canada. The disclosure of selected undertakings can be misleading because they may come to be regarded as the whole explanation and justification for allowance of the investment. Consequently, as a means of disclosing as much as possible while maintaining confidentiality of the specific undertakings, a checklist is published with the announcement of all allowed investments. The list shows, in qualitative form, types of benefits associated with the investment, such as increased employment, greater resource processing and improved efficiency. In addition, where the case is of some importance and seems likely to be of general interest, some specific details of the undertakings are provided in the Minister's press release where that can be done without prejudice to the interests of the parties concerned. The investor is of course free to make his own disclosure in as much detail as he sees fit.

No "standard" undertakings have been developed or utilized for any of the factors by which benefit is assessed. Undertakings have been given and accepted which are contingent or absolute; they vary from quite specific ones, expressed in precise numerical terms, to general undertakings concerning the on-going behaviour and structure of the Canadian business. The determining factors are the particulars and circumstances of the case under review. A brief look at types of undertakings received with respect to some of the benefit criteria will illustrate the range of possibilities.

New Investment

Most proposals, either for the acquisition of a Canadian business or the establishment of a new business in Canada, involve some capital expenditures for the acquisition of new equipment, the expansion or modification of existing facilities, or the construction of new plants. Undertakings have usually specified the nature and purpose of the planned investment, as well as the amounts to be spent. Sometimes the undertakings have applied to the conduct of the business by the investor, rather than the type and amount of investment. Examples include undertakings to reinvest earnings in the business or to finance planned investment in a way consistent with Canadian fiscal and monetary policy.

Employment

Virtually all investment proposals promise some concrete employment benefits, the creation of new jobs being the most obvious. Undertakings have usually specified the number of jobs to be created, sometimes by type of job and duration if applicable. However, employment benefits are not confined to the creation of new jobs. They may include, variously, the introduction of an employee pension plan, an improvement of other employee benefits or the establishment of an employee training program.

Exports

A widespread concern regarding foreign investment in Canada is that the export activities of subsidiaries in Canada are often restrained by their parents. Where appropriate, therefore, undertakings have been obtained to deter or limit artificial restrictions on the export marketing activities of the Canadian company. Sometimes,

export related undertakings have been quite positive and reasonably specific, e.g. in committing the investor to the attainment of a specific level of exports or to an agreement to designate the Canadian company as the sole producer of a particular line for the world market. On the other hand, there have been undertakings of a more general character, such as a commitment by the parent firm to assist and encourage the export activities of its Canadian subsidiary.

Use of Canadian Goods and Services

Undertakings related to the use of Canadian goods and services frequently involve a general commitment by the investor to purchase his material and service requirements from Canadian sources, provided those sources are competitive, in price, quality, delivery, etc. Occasionally, they have been a good deal more specific, e.g. by binding the investor to give Canadian suppliers of goods or services an opportunity to tender on all orders in excess of a specified amount.

Technology

Technology related undertakings most frequently involve commitments by the investor to establish, maintain, or expand research and development facilities in Canada, sometimes specifying the budget and the research staff to be employed for this purpose. Often, undertakings are made regarding the design and development of a particular product, the availability of technology to the Canadian business, and the terms under which patents, trademarks, technology and "know-how" are transferred from parent to subsidiary.

Canadian Participation

Canadian participation in a business may be in the form of ownership, management, or direction. Undertakings have been given with respect to all these forms of participation. Undertakings regarding the appointment of Canadians to the Board of Directors are usually quite specific as to the number or proportion of the Board members who will be Canadians and the date by which this will be achieved. Undertakings concerning opportunities for qualified Canadians to rise to senior management positions cannot usually be stated in quite

such specific terms. Commitments to make available equity in the business to Canadians, when given, are reasonably specific as to the percentage of the equity that will be offered or sold to Canadians and the time period within which the offer or sale will be made, usually subject to market conditions.

Only those investment proposals which, after review, are considered to offer significant benefits to Canada may be allowed to proceed.

APPENDIX C

ALPHABETIC LIST OF ALLOWED AND DISALLOWED ACQUISITION CASES
SIGNIFICANT BENEFITS TO CANADA
SUMMARIZED BY PRINCIPAL FACTORS OF ASSESSMENT

FISCAL 1976/77

No.	Applicant/acquiree and its business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
1.	Aarque Steel Corp./Dahlstrom Canada Ltd. and Dahlstrom Eastern Ltd., which manufactures elevator cars and doors, and metal cabinets.	A	x	x		x						x
2.	Aktiebolaget Electrolux (known as A.B. Electrolux)/Onward Manufacturing Co., which assembles and sells canister and upright vacuum cleaners, and distributes electrical and electronic consumer products.	A	x	x	x					x		x
3.	Aktiebolaget Svenska Kullagerfabriken "(ABSKF)"/Dormer Tools of Canada Ltd., which distributes machine tooling such as drills, taps and dies.	A	x		x		x	x		x		x
4.	Alexandre Assouad and César Assouad/the Plessisville factory of Nazaire Fortier Inc., a tanner of leather.	A	x	x	x	x		x	x	x	x	x
5.	Altro (Canada) Ltd./Compass Commercial Enterprises Ltd., a wholesaler of industrial and commercial flooring products.	A		x	x					x		x
6.	Amerace Corp./Anchor Coupling Canada Ltd., which assembles and distributes hydraulic hose assemblies and related fittings.	A			x	x		x	x			x
7.	Amjay Ropes and Twines Ltd./Amjay Cordage Ltd., a distributor of ropes and twines.	A	x	x	x		x	x	x		x	x
B.	Arctic Sports Products Ltd./certain assets of G.H. Lund Boat Co. Ltd., a manufacturer of aluminum boats and accessories.	A			x		x	x		x		x
9.	Armet Industries Corp./the Silicone Rubber Parts Division of Dow-Corning Silicones Inter-America Ltd., which fabricates molded silicone rubber products.	A	x	x		x	x	x	x	x		x
10.	Assurances Generales de France I.A.R.T./The Insurance Group of Canada West Ltd., a holding company.	A	x	x	x		x	x	x		x	x

No.	Applicant/acquiree and its business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
11.	Barber Steamship Lines, Inc./Hurum Marine (Ontario) Ltd. and certain assets of Hurum Marine Ltd., which engage as shipping agents.	A	x				x	x				x
12.	BASF Canada Ltd./BASF Zodiac Ltd., which manufactures and sells insulating materials.	A	x		x	x	x			x		x
13.	Beecham Canada Ltd./Mowatt & Moore Ltd., a pharmaceutical company.	A	x	x	x			x	x	x	x	x
14.	Bell Foundry Co. Ltd./Thor Foundry Ltd., which manufactures and sells iron and aluminum castings.	A	x	x	x	x	x	x				x
15.	Blackwood Hodge (Canada) Ltd./Tobin Tractor (1957) Ltd., which sells, services, and rents construction and industrial equipment.	D										
16.	Bogardus, Wilson, Ltd./Galaxy Glass Ltd., a wholesaler of flat glass and a processor of tempered glass.	A		x		x		x		x		x
17.	Boliden Aktiebolag/Great Lakes Nickel Ltd., engaged in exploration for, and development of, mineral ores.	A	x	x	x	x		x				x
18.	Booker McConnell Ltd./H.S.C. (Health Supply Centre) Ltd., which distributes health food products and health food related publications.	A	x	x	x	x	x	x	x	x		x
19.	Boston Gear of Canada Ltd./the Boston Gear Division of Rockwell International of Canada Ltd., a distributor of power transmission products.	A	x	x	x		x					x
20.	Brady Industries Ltd./Bray-Dor Industries Ltd., which fabricates, installs and repairs industrial doors.	D										
21.	Brewster Transport Co. Ltd./Jasper Sky Tram Ltd., which operates an aerial tramway.	D										
22.	The Burke Co./Ewing & Records Inc., which manufactures prefabricated concrete forms and re-enforcing structures.	A		x		x						x
23.	C.B. Packaging Ltd./Holway Paper Box Manufacturing Co. Ltd., which manufactures paper boxes.	A	x	x		x		x				x
24.	C & J Clark Canada Ltd./Calderone Shoe Co. Ltd., which retails footwear.	D										

No.	Applicant/acquiree and its business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
25.	80682 Canada Ltd./the Decca Micro-electronics Division and the Decca Desitron Microwave Division of Deram Ltd., which manufactures microwave and microelectronic products.	A	x	x	x	x	x		x	x		x
26.	The Canada Metal Co. Ltd./The Carter White Lead Co. Ltd., a manufacturer of lead salts, litharage and red leads.	A	x		x	x	x	x			x	x
27.	Canada Printing Ink Co. Ltd./the Ink and Graphic Products Division of Tenneco Chemicals Canada Ltd., which sells ink and graphic products, and press room supplies.	A			x	x	x	x				x
28.	Carisbrook Industries Inc./the Crawford-Collingwood Ontario Division of Indian Head Inc., a manufacturer of pillows and cushions.	D										
29.	Carisbrook Industries Inc.(second submission)/the Crawford-Collingwood Ontario Division of Indian Head Inc., a manufacturer of pillows and cushions.	A					x			x		x
30.	Carling O'Keefe Ltd./Le Club de Hockey Les Nordiques Inc., a professional hockey team.	A		x	x		x					x
31.	Clarence J. Miller and Richard Elgie/the Tractor Division of British Leyland Motors Canada Ltd., a distributor of farm tractors and accessories.	A	x	x	x		x					x
32.	Coca-Cola Ltd. - Coca Cola Ltée./ certain assets of Cadbury Schweppes Powell Ltd., which produces soft drinks.	A	x	x				x				x
33.	Colt Industries Inc./Garlock of Canada Ltd., Compressor Products of Garlock Ltd. and Amiante de Sherbrooke Ltée., manufacturers of rubber moulded sealing products, compressor and engine components, and asbestos yarn and cloth.	A	x	x	x	x	x	x	x	x		x
34.	Columbia Ribbon and Carbon Manufacturing Co. Inc. and Marline Resources Co. Inc./Canada Carbon and Ribbon Co. Ltd., a producer of office and business machine ribbons, carbon and related materials.	A		x		x			x	x		x

No.	Applicant/acquiree and its business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
35.	Columbia Trailer Parts Co. Ltd./Nor-Am Transportation Equipment Ltd., which manufactures and distributes truck trailer suspensions and axles.	A	x	x	x	x	x		x	x		x
36.	Conrac Corp./Rixson-Firemark (Can.) Ltd., a manufacturer and distributor of builders' hardware products.	A	x	x				x		x		x
37.	Cooper-Bessemer of Canada Ltd./the White Superior Division of White Motor Corp. of Canada Ltd., which imports and sells component compressors and engines.	A				x		x				x
38.	Coronet Industries Inc./Coronet Carpets Ltd., a manufacturer and distributor of nylon carpets.	A	x	x	x	x	x		x			x
39.	Crompton & Knowles Corp./Kem Manufacturing Canada, Ltd., which manufactures and sells specialty chemical products.	A	x	x	x	x	x			x		x
40.	Curtice-Burns Inc./Nalley's Ltd., which imports, manufactures and sells snack foods, salad dressings, and other food items.	A	x		x		x	x		x		x
41.	Dainippon Ink & Chemicals America Inc./Kohl and Madden Printing Ink Co. of Canada Ltd., which manufactures printing ink.	A	x	x	x	x	x	x		x		x
42.	David G. Ghysels/General Crane Industries Ltd., a manufacturer and distributor of a highly specialized, trailer-mounted, telescopic, hydraulic tower crane.	A	x			x	x		x	x		x
43.	De Beaujeu Agromart Ltd./L.C. Currah Mills Ltd. and Currah Plowboy (Oxford) Ltd., the former a retailer of feed and seed and the latter a retailer of fertilizer.	A	x	x	x		x	x				x
44.	Deram Ltd./certain assets of Com Dev Marine, which sells and services marine radar and navigation equipment.	A			x		x	x			x	x
45.	Dow Jones & Co. Inc./Irwin-Dorsey Ltd., a text book publisher and distributor.	D										
46.	Doxsee Food Corp./Les Produits d'Erable Beaudry, Inc., a processor of maple syrup.	A				x		x				x
47.	Dresser Industries Canada Ltd./General Abrasive (Canada) Ltd., which manufactures aluminum oxide, silicone, carbide and aluminum zirconia.	D										
48.	Dresser Industries Canada Ltd. (second submission)/General Abrasive (Canada) Ltd., which manufactures aluminum oxide, silicone, carbide and aluminum zirconia.	A										x

No.	Applicant/acquiree and its business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
49.	Dresser Industries, Inc./Jarco Services, Ltd., which leases hydraulic bumper jars to the petroleum industry.	D										
50.	Dufferin Materials and Construction Ltd./The Ready-Mix Concrete Division of King Building Materials, which produces ready-mix concrete.	A	x	x	x		x			x		x
51.	Edwin Showalter and Charles P. Thompson/Larsson's Camps Ltd., a tourist resort.	A	x	x			x					x
52.	E.G. & G., Inc./Radionics Ltd., which distributes and services electronic testing and research equipment.	D										
53.	Elco Mining Ltd./One-half interest in 42 coal licenses from Emkay Canada Natural Resources Ltd., which explores for and develops coal mines.	A	x	x	x	x	x	x	x			x
54.	Equity Mining Corp./Equity Mining Capital Ltd. and S.G. Mining Inc., engaged in financing, exploring, and developing mineral properties in Western Canada.	A	x	x	x		x	x	x			x
55.	Esselte, A.B./National Loose Leaf Devices Ltd., which manufactures metal mechanisms for loose leaf binders.	A			x		x	x			x	x
56.	Esselte, A.B./Oxford Pendaflex Canada Ltd., which manufactures and distributes office filing systems, supplies and equipment.	A	x	x		x		x	x	x	x	x
57.	The Excelsior Life Insurance Co./Hartfordshire Square, an apartment complex.	A	x	x	x	x		x				x
58.	Faber-Castell Corp./Venus Esterbrook Canada Ltd., a manufacturer and distributor of writing instruments.	A	x	x	x	x	x	x		x		x
59.	FAS International, Inc./Capital Pipe & Steel Products of Canada Ltd., a distributor of specialty piping and steel products.	A	x	x	x		x					x
60.	Federal-Mogul Corp./Robert G. Evans Co. of Canada Ltd., a distributor of grinding wheels.	A	x		x		x					x
61.	Ferguson Supply Ltd./Tobin Tractor (1957) Ltd., a distributor of heavy construction equipment.	A	x	x	x		x					x
62.	F.M.E. Corp./the Mailing Equipment Division of the Singer Co. of Canada Ltd., which leases, sells and repairs postal meters and related mailroom equipment.	A			x			x		x	x	x

No.	Applicant/acquiree and its business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
63.	Franki Canada Ltd./Caisson Drilling Services Ltd., a construction company.	A	x					x	x			x
64.	Fuji Photo Film Co. Ltd./R & H Products Ltd., a distributor of photographic equipment and supplies.	D										
65.	Garvin Bantel International Ltd. and Butler King (Money Brokers) Ltd./Guy Butler (Canada) Ltd., a broker of Eurocurrencies.	A					x			x		x
66.	General Mills Canada, Ltd./Regal Toy Ltd., a manufacturer of toys.	D										
67.	General Mills Canada Ltd. (second submission)/Regal Toy Ltd., a manufacturer of toys.	A	x	x	x	x		x		x		x
68.	Grissol Foods (1975) Ltd./Biscuits Montmagny Inc. and Henri & Fils Inc., the former a manufacturer of biscuits and the latter a manufacturer of candy.	A	x	x	x	x		x	x	x	x	x
69.	Gulf Oil Canada Ltd./Amity Holdings Ltd., a gasoline service station.	A	x	x	x						x	x
70.	Gulf Oil Canada Ltd./Mosbacher Oil & Gas Ltd., engaged in exploration for, and the development of, petroleum and natural gas fields.	D										
71.	Guthrie Delaware Inc./Ajax Magnethermic Canada Ltd., which manufactures induction heating and melting equipment.	A	x		x	x						x
72.	Hall Corp. Shipping Ltd./Prescott Machine & Welding Ltd., which does marine refitting and repair work.	A	x	x	x		x					x
73.	Hall Corp. Shipping Ltd./Queensway Tank Lines Ltd., a tank truck transportation business.	A	x	x	x			x				x
74.	Hankin Supply Ltd./The Waterworks Distribution Division of Francis Hankin & Co. Ltd., a distributor of waterworks products.	A	x	x	x		x	x				x
75.	Hansen Transmissions Ltd. - Ltée./April Machine Ship Inc., which provides machining and assembly service.	A	x	x	x							x
76.	Harris Exploration Ltd. and William Franklin Huddleston/certain assets of Project Oil & Gas Operators Ltd., engaged in exploration for, and the development of, petroleum and natural gas fields.	A	x	x	x			x				x

No.	Applicant/acquiree and its business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
77.	Hayes-Dana Ltd./the Toronto assets of Traction Specialty Ltd., a distributor of automotive parts.	A					x	x				x
78.	Hayes-Dana Ltd./Western Wheel & Parts Ltd., which sells and services heavy duty truck components.	D										
79.	Hayes-Dana Ltd. (second submission)/Western Wheel & Parts Ltd., which sells and services heavy duty truck components.	A	x	x		x	x	x	x	x		x
80.	H.K. Porter Co. Inc./VR/Wesson Ltd., which manufactures carbide and other metal working tools.	A	x	x	x	x		x		x		x
81.	Husky Oil (Alberta) Ltd./certain assets of Union Oil Co. of Canada Ltd., engaged in the exploration for, and production of petroleum and natural gas.	A	x	x	x		x	x		x	x	x
82.	Husky Oil Operations Ltd./a gasoline service station owned by 8P Oil Ltd.	A	x	x	x		x			x	x	x
83.	IFI International (Delaware) Inc./Bantam Books of Canada, a paperback book publisher and distributor.	A				x	x	x		x	x	x
84.	Illinois Tool Works Inc./Devcon Canada Ltd., which manufactures epoxy resins and adhesives.	A		x	x	x	x		x	x		x
85.	Inchcape & Co. Ltd./Cresswell Roll Forming Co. Ltd. and Cresswell Pomeroy Ltd., which manufacture cold rolled formed sections, and fabricate light metal.	A		x		x	x	x		x	x	x
86.	Infolink Corp./the Graphics Division of Victor (Canada) Ltd., which imports, sells and services communication devices.	A	x	x	x		x	x				x
87.	Insul-8 Corp./Insul-8 Corp. (Canada) Ltd., a manufacturer of electrical conductor systems.	A	x	x	x		x	x	x	x		x
88.	Interline Furniture Ltd./Genwood Industries Ltd., a manufacturer of colonial style tables and chairs.	A	x	x	x	x		x	x	x	x	x
89.	Jacobs AG/Nabob Foods Ltd., which produces and sells various food products.	A		x	x	x		x		x	x	x
90.	Jamesway Co. Ltd./Inter-City Auto Parts Inc., a distributor of automotive parts.	A		x	x	x	x			x	x	x
91.	Jamesway Co. Ltd./The McRoberts Spring Operation of Rockwell International of Canada Ltd., which manufactures multi-leaf automotive springs.	A	x	x		x				x		x

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92.	Johnson & Higgins Willis Faber Ltd./Butler Mareety & Meldrum Ltd., a general insurance broker.	A	x	x	x		x	x		x	x	x
93.	Jones Stroud (Holdings) Ltd./Cash's Canada Labels Ltd., a manufacture of woven and printed labels and nametapes.	A					x					x
94.	Joseph Rokop and Geoffrey W. Hughes/Maple Leaf Tool & Die Co. also known as Lakeview Manufacturing Tool & Die Co. Ltd., which manufactures steel mill machinery.	A	x	x		x		x	x	x		x
95.	Karl M. Reich Maschinenfabrik GmbH/Trans-World Tools of Canada Ltd., a distributor of imported industrial electric power tools.	A	x	x	x	x					x	x
96.	Kayser-Roth Corp./Kayser-Roth Canada Ltd., a producer of women's apparel.	A	x	x	x	x	x		x	x		x
97.	Kellogg Co./Mrs. Smith's Pie Co. (Canada) Ltd., which produces frozen dessert pies.	A	x	x		x		x		x		x
98.	Kingsbury Industries Inc./Kingsbury Machine Tool (Canada) Ltd., which manufactures, imports and sells machine tools and components.	A	x			x		x		x		x
99.	Koppers Co., Inc./The Hamilton Facing Mill Co., Ltd., which sells foundry supplies.	A	x	x			x	x				x
100.	Lafarge Concrete Ltd. - Lafarge Béton Ltée./Argus Aggregates Ltd., which crushes and processes aggregates.	D										
101.	Lasko Metal Products, Inc./Air-King Ltd., which manufactures range hoods, de-humidifiers, fans and heaters.	A	x		x	x	x	x	x	x	x	x
102.	Leaseway Ltd./Melchin Auto Transport Ltd., Jeffers Transport Co. Ltd. and certain assets of Mel-Trans Holdings Ltd., which transports new automobiles to dealerships.	A		x	x		x	x				x
103.	Liggett Group Inc./Diversified Products of Canada Ltd., a manufacturer and distributor of leisure and sporting goods.	A	x		x	x				x		x
104.	Lynes United Services Ltd./certain assets of Webster Drilling Ltd., which drills water wells.	A	x	x	x		x	x				x
105.	McKerlie Millen (Ontario) Inc./Centennial Auto Parts Ltd., which retails automotive replacement parts.	A	x	x			x	x			x	x

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106.	Mocomat Beverage Systems Ltd./the Dispenser Division of the Oshawa Group Ltd., an importer and distributor of frozen coffee, orange juice extracts, and dispensing equipment.	A	x	x	x	x	x			x		x
107.	Neepsend Ltd./Jessop Steel of Canada Ltd., which manufactures specialty tool steels.	A	x	x		x	x	x		x		x
108.	Nippon Seiko K.K./Hoover NSK Bearing Co. (Canada) Ltd., a distributor of anti-friction bearings.	A	x	x			x	x			x	x
109.	N.V. Indivers/Canadian Vac-Hyd Processing Ltd., which engages in metallurgical services.	D										
110.	331564 Ontario Ltd./Place Concorde, an apartment complex.	A										x
111.	337035 Ontario Ltd./H & E Motors Ltd., an automotive dealership.	A	x	x	x		x	x		x		x
112.	The Parker Pen Co./Manpower Services (Ontario) Ltd., which markets temporary help services.	A	x		x		x					x
113.	Pepsi-Cola Canada Ltd./The Raymond Snack Division of Borden Products Ltd., a manufacturer and distributor of potato chips, snack foods and nuts.	A	x	x	x		x	x	x	x		x
114.	Pertec Corp./Computer Machinery Canada Ltd., which sells and services computer peripheral equipment.	D										
115.	Pertec Computer Corp. (previously known as Pertec Corp.) (second submission) /Computer Machinery Canada Ltd., which sells and services computer peripheral equipment.	A	x		x		x	x	x	x		x
116.	Pfizer Chemicals & Genetics Ltd./Warwick Seed Co. Ltd., which produces hybrid seed corn.	A	x	x	x	x		x	x		x	x
117.	Pilkington Brothers (Canada) Ltd./Glaverbel-Mécaniver Group, which produces and distributes flat glass products.	A	x	x	x	x	x	x				x
118.	Pincher Creek Ranch's Ltd./certain assets of Ben Gay, Inc., a cattle ranch.	A	x	x	x		x	x		x		x
119.	Plastiglilide Manufacturing Corp./Plastiglilide Ltd., which manufactures injection molded plastic parts.	A	x	x	x	x	x					x
120.	Ponder & Best Inc./Precision Cameras of Canada (1964) Ltd., a distributor of photographic equipment.	A	x	x	x		x	x	x	x	x	x

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121.	Preussag Canada Ltd./Cuvier Mines Ltd. and Preuvier Mines Ltd., engaged in mineral exploration.	A	x		x	x		x				x
122.	Q.E.I. Inc./Quindar Products Ltd., which manufactures control and signalling equipment.	A	x		x	x			x	x		x
123.	Quaker State Oil Refining Corp./Valley Camp Ltd. and Fort William Coal Dock Ltd., the former a manufacturer and distributor of specialty chemicals and the latter a leasor of bulk handling equipment.	A		x	x		x				x	x
124.	Redpath Industries Ltd./Merry Packaging Ltd., which manufactures flexible packaging materials.	A	x	x		x		x				x
125.	Reichhold Chemicals Ltd./Travis Chemicals Division and the Molsberry Chemical Spray Division of Wainoco Oil Ltd., the former a distributor of chemicals, and the latter a provider of vegetation control services, contract painting services, and distributor of herbicides.	A	x	x	x		x					x
126.	Reliable Electric Co./Superior Continental Canada Ltd., which manufactures and distributes telephone equipment.	A	x		x	x			x	x	x	x
127.	Reliance Electric Co./Reliable Communications & Power Products Ltd. and Superior Continental Canada, Ltd., which manufactures telephone communication devices and equipment.	A	x	x		x	x	x	x	x	x	x
128.	Research-Cottrell (Canada) Ltd./Alcore Fabricating Ltd., which manufactures a wide variety of industrial equipment in fiberglass and thermoplastic materials.	A	x	x			x		x	x		x
129.	Roberts Consolidated Industries Inc./Roberts Co. Canada Ltd., which manufactures floor covering installation supplies.	A	x	x	x		x			x		x
130.	Rousselot S.A./Canada Glue Co. Ltd., a manufacturer of glues and adhesives.	A					x	x	x	x	x	x
131.	Royal Worcester Spode Ltd./Spode (Canada) Ltd., an importer and distributor of china, crystal and ceramics.	A					x	x				x
132.	RWI Holdings Ltd. and RWI Holdings Two Ltd./3450 - 3460 Drummond Street and 3475 Mountain Street, an apartment complex.	A		x								x
133.	RWI Holdings Ltd./One Lakeview Square, a commercial office building.	A										x

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134.	Sandvik Aktiebolag, Uddeholms Aktiebolag and Granges N. Aktiebolag/Ekberg Canada Ltd., which assembles stainless steel fittings.	A	x	x		x		x		x	x	x
135.	Schaan Properties Ltd./Appartements Ports de Mer - Seaport Apartments, an apartment complex.	A										x
136.	Schenker of Canada Ltd./Elmac World Transport Ltd., which engages in freight forwarding activities.	A		x	x		x	x	x	x		x
137.	Schlumberger Electric Co./Sangamo Co. Ltd., which manufactures precision electricity metering and recording instruments.	A		x	x			x		x		x
138.	Shannon Wire Weavers Ltd./Shannon Wire Cloth Ltd., which assembles woven wire screens and filters.	A	x	x	x	x					x	x
139.	Sherritt Gordon Mines Ltd./Thio-Pet Chemicals Ltd., a producer of hydrogen sulphide, carbon disulphide, and iron sponge.	A			x			x	x		x	x
140.	Sidbec-Normines Inc./certain assets of Quebec Cartier Mining Co., which explores for and develops iron deposits.	A	x	x	x	x	x					x
141.	Simon & Schuster Inc./Simon & Schuster Canada Ltd., a paperback book publisher and distributor.	D										
142.	SKF Industries, Inc./McQuay-Norris Division of Eaton Yale Ltd., which markets automotive parts for the automotive aftermarket.	A	x		x		x			x		x
143.	La Société de Matériels et Installations en Inoxydable/Trailbec Ltée., which manufactures low bed trailers.	A	x		x	x	x		x	x		x
144.	Spector Industries, Inc./Hennis Freight Lines of Canada Ltd., a trucking company engaged in the shipment of general freight.	A	x	x	x						x	x
145.	Standard Auto Glass Western Ltd./Dominion Coachcraft Industries (Canada) Ltd., which installs vinyl automobile tops.	A	x		x			x				x
146.	Stange Canada Ltd./Ashner Food Products Ltd., which manufactures dry fruit crystal mixes and liquid fruit concentrates.	A	x	x	x	x	x	x	x	x	x	x
147.	Stanley P. Roth/Bedford Industries Ltd., Bedford Plastics Co. Ltd. and Bedford Industries (1974) Ltd., a manufacturer of plastic products.	A	x	x		x	x	x		x		x

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148.	Star Headlight & Lantern Co. Inc./Assembly Electronics Ltd., a manufacturer of strobe lights.	A	x			x		x		x		x
149.	State Electric Co. Ltd./D. Thompson Ltd., and D. Thompson (Western) Ltd., which are electrical contractors.	D										
150.	St. Lawrence Cement Co. (second submission)/Ciment Indépendant Inc., a manufacturer of cement and commercial stone.	A	x	x		x	x	x	x	x		x
151.	Superior Propane Ltd./Trinity Gas Co. Ltd. and Propane Co. Ltd., which distribute propane gas and appliances.	A	x	x	x			x	x	x		x
152.	Super Parts Rebuilders, Inc./Mobomak Automotive Products Ltd., which rebuilds and distributes carburetors and carburetor kits.	A	x			x		x	x	x	x	x
153.	Theodore Fishman/Foamade Industries (Canada) Ltd., a producer of unicellular foam products.	A	x	x	x		x			x	x	x
154.	Thomas Industries Inc./Oliver-MacLeod Ltd., which manufactures prefabricated metal chimneys and factory built fireplaces.	A	x	x	x	x	x	x	x			x
155.	Top Drug Mart Ltd./certain assets of Nymark Drugs Ltd., Nymark Drugs (Bathurst-Steeles) Ltd., which retail drugs, and health and beauty aids.	A		x	x			x		x	x	x
156.	Trim Trends Canada Ltd./Brimac Anodizing Ltd., which anodizes bright metal automotive rims.	A	x		x	x		x				x
157.	Tuff-Kote Dinox, Inc./Tuff-Kote Rustproofing of Canada, Ltd., which rustproofs automobiles.	A	x	x	x							x
158.	Tyco Laboratories, Inc./Grinnell Fire Protection Systems Ltd., which manufactures and installs fire protection systems and components.	A	x	x	x	x	x	x	x	x		x
159.	Unicorn Abrasives of Canada Ltd./the Simonds Abrasives Division of Wallace-Murray Canada Ltd., which produces Crude abrasive grain and manufactures and distributes grinding wheels.	A	x	x		x		x	x	x		x
160.	Unilock Ltd./KNR Concrete Products Ltd., North American Stone Co. Ltd., and KNR Durastone Ltd., manufacturers of interlocking compressed concrete paving stones.	A	x	x	x		x	x	x	x		x

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161.	United Coal Sales Co./Shannon's Camp, a tourist resort.	A	x		x		x	x			x	x
162.	Unity Railway Supply Co. Inc./Davanac Industries Ltd., a manufacturer of railway products and paints.	A	x		x		x			x		x
163.	Viksa, Inc./Disston (Canada) Ltd., which manufactures saws and industrial knives.	A	x	x	x		x	x	x		x	x
164.	Viksa, Inc./Jean-Paul Ruel, Inc., which manufactures saws and industrial knives.	A	x	x	x		x	x	x		x	x
165.	Weldwood of Canada Ltd./Merrill & Wagner Ltd., a manufacturer of lumber and veneer.	A	x	x	x	x	x	x				x
166.	Welltech Inc./Gamache Well Servicing Ltd., Prairie Gold Servicing Co., Well Servicing Holdings Inc. and Dow Well Servicing Ltd., which engage in oil and gas well completion, servicing and workover.	D										
167.	Western Pacific Industries Inc./Veeder-Root of Canada Ltd., which sells and services accounting control and recording devices.	A					x	x		x		x
168.	West Fraser Timber Co. Ltd./Fraser Lake Sawmills Ltd., Brodco Enterprises Ltd., Northern Interior Forest Products Ltd., Fort Fraser Planing Mill Ltd., Tupper Lumber Co. Ltd., Peace River Spruce Ltd., and Nechako Industries Ltd., a sawmill operation.	A		x	x		x	x		x		x
169.	Wilh Werhahn Canada Ltd./D.A. Stuart Oil Co. Ltd., which manufactures and sells metal working products, lubricants, cleaners, rolling oils, rust inhibitors and hydraulic fluids.	A	x	x		x	x	x	x	x		x
170.	Williams Gold Refining Co. of Canada Ltd./Northern Stag Industries Ltd., which manufactures fishing lines, nets and sinkers, and gun care products.	A	x		x	x	x	x		x		x
171.	Wood Associates Co./Bon Portage Fisheries Ltd., which processes fish and lobster.	A	x	x	x	x	x	x		x		x
172.	Yoder Brothers Inc./Yoder-Atkin Ltd., which produces and sells plants, flowers and related products.	A			x	x	x					x

APPENDIX D

ALPHABETIC LIST OF ALLOWED AND DISALLOWED NEW BUSINESS CASES
SIGNIFICANT BENEFITS TO CANADA
SUMMARIZED BY PRINCIPAL FACTORS OF ASSESSMENT

FISCAL 1976/77

No.	Applicant/new business and nature of new business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
1.	Acme Mausoleum Corp./Acme Mausoleum Corp., to promote and construct mausoleums.	A	x		x		x	x		x	x	x
2.	ACO Severin Ahlmann GmbH & Co., KG, Josef Severin Ahlmann and Robert W. Morris/ACO Drain Canada Ltd., to manufacture concrete water drainage channels.	A	x	x	x		x				x	x
3.	Albert W. Kucel, Terry A. Kucel and Joel D. Kucel/Crescent Leather Finishing Co. of Canada Ltd., to engage in the finishing of leather.	A	x	x	x		x				x	x
4.	Almay Cosmetics Ltd./Almay Cosmetics Ltd., to package and market cosmetics.	A	x	x	x							x
5.	Almex Inc./Almex Inc., to manufacture extruded aluminum products.	A	x	x	x	x	x		x	x	x	x
6.	Alpha Leather Co. Ltd./Alpha Leather Canada Ltd., to engage in tanning and distribution of leather.	A	x	x	x	x	x			x		x
7.	Aménagement Jéromag Ltée./Aménagement Jéromag Ltée., to operate a land development and rental company.	A	x	x	x		x				x	x
8.	American Family Life Assurance Co. of Columbus/American Family Assurance Corp. of Canada Ltd., to sell life and health insurance.	A	x	x	x		x			x	x	x
9.	Ameublement P. Gauthier Inc. - P. Gauthier Furniture Inc./Ameublement P. Gauthier - P. Gauthier Furniture Inc., to import and distribute furniture.	A	x	x	x	x	x	x	x	x	x	x
10.	Amjay Ropes and Twines Ltd./Amjay Ropes and Twines Ltd., to manufacture yarns from synthetic resins.	A	x	x	x	x	x	x	x		x	x
11.	Angénieux Corp. of America Inc./Angénieux Corp. of Canada Ltd., to market optical related electromechanical equipment.	A	x	x	x		x	x				x
12.	Anthony Blackmore, David Blackmore and David Hackett/Blackmore-Hackett Ltd., to manufacture paper products.	A	x	x	x	x	x					x
13.	Artfire Home Furnishings Ltd./Artfire Home Furnishings Ltd., to manufacture prefabricated fireplaces.	A	x	x	x		x			x	x	x

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14.	Aster International Equipment Ltd./ Aster International Equipment Ltd., to distribute packaging equipment and fractional horsepower motors and accessories.	A	x	x	x	x	x		x		x	x
15.	Astra Chemicals Ltd./Swix Sport International Division of Astra Chemicals Ltd., to manufacture ski poles and ski wax.	A	x	x		x			x	x	x	x
16.	Balston Canada, Ltd./Balston Canada Ltd., to distribute industrial filters, cartridges and related products.	A	x	x	x							x
17.	Baumgarten & Wallia (Bottling) Private Ltd./Brihan Bottlers & Distillers (Nova Scotia) Ltd., to distil and bottle rums and alcoholic beverages.	A	x	x	x	x	x					x
18.	Beckermann Custom Kitchens Ltd./Beckermann Custom Kitchens Ltd., to manufacture prefab kitchen cabinets.	A	x	x	x	x	x	x	x	x	x	x
19.	The Beehive Jewellers of Canada Inc./The Beehive Jewellers of Canada Inc., to market fine gold jewellery.	A	x	x	x		x	x	x	x		x
20.	Belrive Fashions (Canada) Ltd./Belrive Fashions (Canada) Ltd., to manufacture ladies apparel.	A	x	x	x				x			x
21.	Bermuda Management Holdings Ltd./Computer Systems Services of Canada Ltd., to design computer systems and programs.	A	x	x	x		x		x	x	x	x
22.	Borsig Hartmann Valve Ltd./Borsig Hartman Valve Ltd., to manufacture ball valves.	A	x	x	x	x	x		x	x		x
23.	Brand Leather & Hide Corp./Brand Leather & Hide Canada Ltd., to wholesale hides and finished leather.	A	x	x	x		x					x
24.	Buffalo Testing Laboratories Inc./Niagara Falls Testing Laboratory, to provide chemical metallurgical, biological and forensic testing services.	A	x	x	x				x		x	x
25.	B.V. Javo/Javo Ltd., to market horticultural machinery.	A	x	x		x	x	x	x	x	x	x
26.	Calypso Ltd./Calypso Ltd., to manufacture sunglasses.	A	x	x	x	x	x	x		x		x
27.	80340 Canada Ltd./Subaru Canada Ltd., to import and distribute Subaru automobiles.	A	x	x	x		x			x		x
28.	B1349 Canada Ltd./Anvil Manufacturing Industries Ltd., to manufacture and distribute construction equipment.	A	x	x	x	x	x	x			x	x

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29.	Canadian Armor All Products Ltd./Canadian Armor All Products Ltd., to distribute rubber, plastic and leather cleaning product.	A	x	x	x		x					x
30.	Carl N. Tuttle, Jr./Southern Refractories (Canada) Ltd., to manufacture and instal linings for blast furnace troughs.	A	x	x	x		x				x	x
31.	Cascade Shipping Co./Cascade Shipping Co. of Canada Ltd., to operate a shipping agency.	A	x	x		x	x	x				x
32.	Cast Metal Industries, Inc./Cast Metal Industries Ltd., to engage in machining pattern cutting and pattern tooling.	A	x	x	x	x	x	x	x	x		x
33.	Catu Containers Canada Ltd./Catu Containers Canada Ltd., to sell and lease shipping containers.	A	x	x	x		x	x			x	x
34.	C & C Holdings Ltd./C & C Holdings Ltd., to manufacture denim and corduroy apparel.	A	x	x		x	x	x		x	x	x
35.	Century Parking Inc./Sentry Parking Ltd., to operate indoor and outdoor parking facilities.	D										
36.	Charles K. Barbo, Donald B. Daniels, D.T. Hashimoto, Creekview Investments Ltd. and Point Grey Investment Co. Ltd./Vania Development Inc., to construct and operate mini-storage warehouses.	A	x	x	x		x			x		x
37.	Charles P. Creighton, James F. Creighton and Charles R. Teschemacher/Alden Optical Laboratories, to manufacture soft contact lenses and sell related products.	A	x	x		x		x	x		x	x
38.	Chemtex Fibers Inc./Chemtex Fibers Canada Ltd., to design synthetic fibre and film plants.	A	x		x		x	x	x			x
39.	CH2M Hill Canada Ltd./CH2M Hill Canada Ltd., to engage in consulting engineer services.	D										
40.	C.L. Systems, Inc./Computer Library Systems of Canada Ltd., to market automated library systems.	A	x	x			x			x		x
41.	Clarence J. Miller and Richard Elgie/L-Jay Tractors Ltd., to distribute British Leyland farm tractors, parts and accessories.	A	x	x	x		x					x
42.	Claudius Peters A.G./Claudius Peters Ltd., to market materials handling equipment and provide engineering consulting services.	D										
43.	Compagnie Générale de Chauffe and Elf Hydrocarbures du Québec Ltée./Utec Canada Chauffage Conditionnement D'Air Services Ltée., to install, operate and maintain climate control systems.	A	x	x	x		x		x	x		x

No.	Applicant/new business and nature of new business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
44.	Companhia Brasileira de Entrepostos e Comércio - Cobec/Companhia Brasileira de Entrepostos e Comércio - Cobec, to operate a general trading company.	A	x	x		x		x			x	x
45.	Compton Associates Pty Ltd./Compton Associates Consulting Ltd., to engage in fund raising.	A	x	x			x				x	x
46.	Les Constructions Promirad Inc. - Promirad Construction Inc./Les Constructions Promirad Inc., - Promirad Construction Inc., to operate a land development and rental company.	A	x		x		x				x	x
47.	Copylease Corp. of America/Copylease of Canada Ltd. - Copylease du Canada Ltée., to purchase and lease rebuilt photocopy equipment.	A	x	x	x		x				x	x
48.	Craftkell (Ontario) Ltd./Craftkell (Ontario) Ltd., to retail sheepskin coats and related products.	A	x	x	x		x					x
49.	Le Creuset S.A.R.L./Le Creuset Canada Ltd., to manufacture enamelled cast iron cookware.	A	x	x	x	x	x	x	x	x		x
50.	Crossfield Oil & Gas Ltd./Crossfield Oil & Gas Ltd., to engage in oil and gas exploration.	A	x	x	x		x					x
51.	Daintee Chocolate Confectionary Co. (Blackpool) Ltd./Daintee Confectionary Canada Ltd., to wholesale sugar confectionary.	A	x	x	x	x	x	x				x
52.	Dansk Industri Syndicat A/S/Disa Electronics Ltd., to distribute and service electronic measuring equipment.	A	x	x	x		x	x		x		x
53.	D.A.R.E. International Inc./D.A.R.E. International Inc., to manufacture polyvinyl finishing materials.	A	x	x	x		x					x
54.	Diamond Shamrock Canada Ltd. and The Alberta Gas Trunk Line Co. Ltd./Diamond Shamrock Alberta Gas Ltd., to manufacture polyvinyl chloride.	A	x	x	x	x	x				x	x
55.	Diehl/Diehl Canada Ltd., to manufacture tracks for military and commercial vehicles.	A	x	x	x	x	x	x	x			x
56.	Dixie Industries Ltd./Dixie Industries Ltd., to distribute chain accessories and logging tools.	A	x	x	x		x			x	x	x
57.	Dodge Cork Co. Inc./Dodge Cork Canada Ltd., to distribute cork and cork products.	A	x	x	x		x		x	x	x	x
58.	Donald Brook Davies/Donald Davies of Dublin, to retail ladies apparel and woollens.	A	x	x			x			x		x

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59.	Duracraft Plastics Inc./United Tubular Industries of Canada Ltd., to manufacture tubular brass plumbing goods.	A	x	x	x		x				x	x
60.	Dynapco Sales Agency Ltd./Dynapco Sales Agency Ltd., to operate as brokers, and management consultants.	A	x	x			x					x
61.	Ecolotec Inc./Danlotec Ltd., to distribute street cleaning and sewer maintenance equipment.	A	x	x	x						x	x
62.	Dr. Edoardo Guariglia/Tennis Intérieur Mauricien Inc., to provide indoor tennis and badminton facilities.	A	x	x			x					x
63.	Eisenwerk Weserhutte A.G./Weserhutte (Canada) Ltd., to distribute material handling equipment.	D										
64.	Elegance International, Inc./Elegance Tissue et Nouveautés Inc., to market women's high fashion designs.	A	x	x			x			x	x	x
65.	Emmie Kong-Hong Wong and Ho-Cheug Wong/International Paper Industries, to export paper products.	A	x	x		x	x					x
66.	Engineering Model Associates, Inc./Engineering Model Associates, Ltd., to design and produce scale model parts.	A	x	x	x		x			x		x
67.	Eskofot A/S/Eskofot Canada Ltd., to import, distribute and service reproduction equipment.	A	x	x			x				x	x
68.	Les Fabricants de Moules I.C.M. Inc. - I.C.M. Mould Manufacturers Inc./Les Fabricants de Moules I.C.M. Inc. - I.C.M. Mould Manufacturers Inc., to manufacture low-priced injection moulds.	A	x	x	x	x	x		x			x
69.	Feron Co. Ltd. and Liu Industrial Corp. Ltd./Windsor Cultured Marble Products Ltd., to manufacture cultured marble sinks and water closets.	A	x	x	x	x	x	x	x		x	x
70.	Festo-Pneumatic Ltd./Festo-Pneumatic Ltd., to assemble, service and warehouse pneumatic digital control systems.	A	x	x	x	x		x	x	x	x	x
71.	Fife Corp./Fife Canada Ltd., to distribute industrial process control equipment.	A	x	x	x		x			x	x	x
72.	Flinrol, Inc. and Air Guard Control of Canada Ltd./Flygrid of Canada Ltd., to manufacture and sell electric insect control devices.	A	x	x	x	x	x					x
73.	Formac International, Inc./Washington Logging Equipment Ltd., to distribute logging equipment.	A	x	x	x		x	x		x	x	x

No.	Applicant/new business and nature of new business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
74.	Franz Vogt/Voko Office Interiors Ltd., to assemble and sell office furniture.	A	x	x	x	x		x	x	x	x	x
75.	FVD Finanz-Und Vermogens - Dienst GmbH/ FVD Finanz, to raise funds for oil & gas exploration.	A	x	x	x		x					x
76.	General Export International Trade Co./ Yugotours of Canada Ltd. - Yugotours du Canada Ltée., to operate a travel agency.	A	x	x	x		x					x
77.	Glasdon (Canada) Ltd./Glasdon (Canada) Ltd., to manufacture fiberglass modular building systems and other fiberglass products.	A	x	x	x	x	x			x		x
78.	Hans Erich Dotter/Goldwell Cosmetics (Canada) Ltd., to market permanent wave products.	D										
79.	Hans Erich Dotter (second submission)/ Goldwell Cosmetics (Canada) Ltd., to market permanent wave products.	A	x	x	x		x	x				x
80.	Harco Corp. and Commonwealth Seager Group/ Seager-Harco Corrosion Materials Corp., to distribute cathodic corrosion protection products.	A	x	x	x		x			x		x
81.	Harlock Williams Lemon Ltd./Harlock Williams Lemon Ltd., to operate as marine insurance underwriters.	A	x	x	x	x	x					x
82.	Henderson-Kenton Ltd./Henderson-Kenton Ltd., to retail household furniture and related merchandise.	D										
83.	Hildenbrand Holdings Ltd./Hildenbrand Holdings Ltd., to provide management consulting services in the exploration and development of oil and gas.	A	x	x	x			x				x
84.	Holt Lloyd International Ltd./Holt Lloyd (Canada) Ltd., to manufacture car-care products.	A		x	x	x	x		x	x	x	x
85.	Houthandel Gebr. Van Beek, B.V./Labrador Forest Products Corp. Ltd., to engage in forestry operations.	A	x	x	x	x	x	x	x	x		x
86.	HTH Kokkener A/S/HTH Cabinets Ltd., to import, assemble and wholesale kitchen cabinets and furnishings.	A	x	x		x	x					x
87.	Hutschenreuther AG/Hutschenreuther (Canada) Ltd., to distribute fine porcelain, dinnerware and crystal.	A	x	x	x		x			x	x	x
88.	Imtrac Industries, Inc./Imtrac of Canada, to import and distribute glass and ceramic giftware products.	A	x	x			x					x

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89.	INI-Soquem/INI-Soquem, to engage in the exploration and development of mineral ores.	A	x	x	x		x					x
90.	Interex Geophysics Ltd./Interex Geophysics Ltd., to manufacture airborne geophysical survey and automatic data processing systems.	A	x	x	x				x	x		x
91.	International Navigation Corp./Internav Ltd., manufacture navigation receivers and accessories.	A	x	x	x	x	x		x	x		x
92.	Inventor Invest A.B./Inventor (Canada) Ltd., to distribute composting toilets.	A	x	x	x		x			x	x	x
93.	Isopipe Ltd./Isopipe North America Ltd., to provide specialized services in developing standardized computer software programs.	A	x	x			x	x				x
94.	Jacques C. Bouville/Timmann Distributing Ltd., to assemble and distribute commercial and industrial scales.	A	x	x	x	x	x				x	x
95.	James E. Tobin, Peter M. Kirby, Roger E. Bruneau and Frank M. Barsitz/80223 Canada Ltd., to manufacture ski equipment.	A	x	x	x	x	x		x		x	x
96.	J.C.A. Canada Inc./J.C.A. Canada Inc., to manufacture costume jewellery.	A	x	x	x		x				x	x
97.	Jebsen & Jessen (Singapore) Pty Ltd./Dewana Trading Ltd., to operate a general trading company.	A	x	x		x	x					x
98.	Karl Klokotschink/Clapperton Crystal Kingston Ltd., to import, cut and polish high quality lead crystal blanks.	A	x	x	x	x	x		x	x	x	x
99.	Kassnar Imports Inc./Kassnar Canada Ltd., to import sporting, hunting and camping merchandise.	D										
100.	K-D Manufacturing Co./K & D Tools of Canada Ltd., to distribute automotive hand tools.	A	x	x			x				x	x
101.	KemaNord AB/KemaNord, to manufacture sodium chlorate.	A	x	x	x	x	x	x			x	x
102.	Kendale Technology Corp./KTC Digit Service Ltd., to repair and refurbish clocks and radios.	A	x	x	x		x	x				x
103.	K-Products, Inc./K-Brand Ltd., to wholesale promotional caps and jackets with embroidered emblems attached.	A	x	x	x		x			x		x
104.	MacDermid Inc./MacDermid Chemicals, Inc., to distribute proprietary chemical products.	A	x	x	x		x		x		x	x

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105.	Maple Leaf Terminals Ltd./Maple Leaf Terminals Ltd., to provide bulk storage and distribution facilities.	A	x	x	x		x	x		x	x	x
106.	Marine Intercontinental Stevedoring of Canada Ltd./Marine Intercontinental Stevedoring of Canada Ltd., to engage in the provision of stevedoring services.	D										
107.	Marshall Earth Resources Ltd./Marshall Earth Resources Ltd., to retail jewellery and establish a gem and mineral museum.	A	x	x	x		x					x
108.	Mary Kay Cosmetics, Inc./Mary Kay Cosmetics Ltd., to distribute cosmetics and toiletries.	A	x	x	x		x			x	x	x
109.	Medicornea, Inc./Duracon Laboratories Ltd., to manufacture contact lenses.	A	x	x	x	x	x	x			x	x
110.	Mercury Petroleum Ltd./Mercury Petroleum Ltd., to engage in exploration for, and the development of petroleum and natural gas.	A	x	x	x		x					x
111.	Moog Hydra-Point Canada Ltd./Moog Hydra-Point Canada Ltd., to assemble and sell machine tools.	A	x	x			x			x		x
112.	Moulinex S.A./Moulinex Canada Ltd., to manufacture electric domestic appliances.	A	x	x	x		x	x	x	x	x	x
113.	M R Products (Kingsville) Ltd. (also known as Mr. Chain)/M - R Products (Kingsville) Ltd., (also known as Mr. Chain), to manufacture plastic injection mould products.	A	x	x	x		x	x	x	x	x	x
114.	Muskin Canada Ltd./Muskin Canada Ltd., to manufacture toys.	A	x	x	x		x	x	x			x
115.	Nestler Canada Ltd./Nestler Canada Ltd., to manufacture drafting machines and related equipment.	A	x	x	x	x	x		x	x	x	x
116.	NETP Ltd./NETP Ltd., to manufacture moulded plastic parts and wire harnesses.	A	x	x	x	x	x	x			x	x
117.	Newmore Plastics (Canada) Ltd./Newmore Plastics (Canada) Ltd., to manufacture vinyl coated material.	A	x	x	x	x	x		x			x
118.	Nicolet Instrument Corp./Nicolet Instrument Canada Ltd., to sell and service digital electronic measurement instruments.	A	x	x	x		x					x
119.	Norman Yasin/Fashionaire Ltd., to manufacture men's, women's and children's apparel.	A	x	x	x	x	x					x
120.	Northern Silver Fox Resources Inc./Northern Silver Fox Resources Inc., to engage in the exploration for, and the development of mineral ores.	A	x	x	x		x					x

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121.	Notsa Engineering (Canada) Ltd./Notsa Engineering (Canada) Ltd., to manufacture and distribute computer controlled inspection devices.	A	x	x	x	x	x					x
122.	Olympic Footwear Ltd./Olympic Footwear Ltd., to import and distribute footwear.	A	x	x	x	x	x					x
123.	274380 Ontario Ltd./Centennial Fuel Marketers Ltd., to purchase and resell refined petroleum products.	A	x	x		x	x	x				x
124.	Pacific Coast Container Ltd./Pacific Coast Container Ltd., to store, handle, maintain and repair marine cargo containers.	A	x	x	x		x			x		x
125.	Pacific Expansion Corp./Busan, to operate a Korean restaurant.	A	x	x	x		x			x		x
126.	Paco Electronics Ltd. and Gusdorf & Sons, Inc./Gusdorf Canada Ltd., to wholesale TV stands, carts and shelves.	A	x	x	x		x			x		x
127.	Paderno Canada Ltd./Paderno Canada Ltd., to manufacture aluminum and stainless steel cookware.	A	x	x	x	x	x	x		x	x	x
128.	Pass & Seymore, Inc./Pass & Seymore Canada Ltd., to manufacture electrical wirings devices.	D										
129.	Pentel of America Ltd./Pentel Stationery of Canada Ltd., to distribute graphic instruments.	A	x	x	x		x				x	x
130.	88037 Petroleum Ltd./88037 Petroleum Ltd., to engage in exploration for petroleum and natural gas.	A	x	x			x					x
131.	Pictet International Ltd./Canadian National Trust and Loan Co., to operate an investment company.	A	x	x			x					x
132.	Pinacle Leisure Group - Cercle de Loisirs Pinacle Ltée./Pinacle Leisure Group - Cercle de Loisirs Pinacle Ltée., to operate a deluxe restaurant.	A	x	x	x		x					x
133.	Plastic Paint and Finish Specialties Ltd./Plastic Paint and Finish Specialties Ltd., to manufacture paint.	A	x	x	x	x	x	x	x	x	x	x
134.	Plastmo Ltd./Plastmo Ltd., to manufacture plastic eavestroughing.	A	x	x	x	x	x		x	x		x
135.	Plume International Ltd./Plume International Ltd., to manufacture die-casting machinery.	A	x	x	x	x	x		x		x	x
136.	Pool Land Ltd./Pool Land Ltd., to import, sell and install swimming pool kits.	D										

No.	Applicant/new business and nature of new business	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
137.	Preiss Young International Inc./Preiss Young International Inc., to operate as marketing consultants to real estate developers.	A	x		x		x					x
138.	Les Produits Sportifs Micron Inc. - Micron Sports Products Inc./Les Produits Sportifs M.A.S. Inc., to manufacture sports footwear.	A	x	x	x	x	x					x
139.	Quebec Frozen Foods, Inc./Q.B. Frozen Foods Ltd. - Les Aliments Congelés Q.B. Ltée., to process and store blueberries.	A	x	x	x	x	x			x	x	x
140.	Quintette Coal Ltd./Quintette Coal Ltd., to mine metallurgical coal.	A	x	x	x	x	x					x
141.	Richard G. Nahodyl/R.G. Nahodyl Interior Design and Furnishings, to provide interior design services.	A	x	x	x		x			x		x
142.	Robert Bernhardt Lindbert/L & H Wood (Ontario) Ltd., to recycle wooden pallets and boxes.	A	x	x	x						x	x
143.	Robert M. Nuckols and George Gunther/Paxon Coil Systems Ltd., to manufacture metal slitting and forming machinery.	A	x	x	x	x	x	x	x	x		x
144.	Roger Gower/Les Chaînes Trempees Canadiennes Ltée. - Canadian Alloy Chains Ltd., to manufacture traction devices.	A	x	x	x	x	x			x	x	x
145.	Sakae Iwamoto Ltd./Sakae Iwamoto Ltd., to operate a Japanese restaurant.	A	x	x	x		x			x		x
146.	Saxon Coal Ltd./Saxon Coal Ltd., to mine metallurgical coal.	A	x	x	x	x	x					x
147.	SCAC SA/SCAC Transport Canada Inc., to engage in freight forwarding.	A	x	x	x		x	x		x		x
148.	Scanwater International B.V. and The East Asiatic Co. (Canada) Ltd./Scanwater Canada Ltd., to manufacture and distribute centrifuges and related storage treatment equipment.	A	x	x	x	x				x		x
149.	Scientific Drilling Controls/Scientific Drilling Ltd., to provide oil well borehole services.	A	x	x	x		x	x	x		x	x
150.	Security Pacific Overseas Investment Corp./Security Pacific Canada Ltd., to engage in commercial lending.	A	x	x	x		x				x	x
151.	Serge Thelemaque/Haitian Transfer Express Co. (Quebec) Inc., to transfer funds between Haiti and Quebec.	D										
152.	Les Services G.C. (Québec) Inc. - G.C. Services (Québec) Inc./Les Services G.C. (Québec) Inc. - G.C. Services (Quebec) Inc., to operate a collection agency.	D										

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153.	Servier Canada Ltée./Servier Canada Ltée., to distribute pharmaceutical products.	A	x x		x	x	x	x	x	x	x	x
154.	Showerlux Canada Ltd./Showerlux Canada Ltd., to manufacture shower cabinets, doors, partitions and mirror cabinets.	A	x x		x	x	x			x		x
155.	Société Immobilière Ferrinel Ltée. (now known as Les Habitations Ferrinel Ltée.)/ Société Immobilière Ferrinel Ltée. (now known as Les Habitations Ferrinel Ltée.), to construct low and moderate income housing.	A	x x		x		x	x			x	x
156.	Sonoco Ltd. and Mauser K.G./Sonoco-Mauser Containers Ltd., to manufacture and sell blow-moulded plastic containers.	A	x x			x	x	x	x		x	x
157.	Specialty Cast Metals Ltd./Specialty Cast Metals Ltd., to manufacture and distribute alloy steel castings.	A	x x		x	x	x			x	x	x
158.	Springboard International Records Inc./ Springboard International Records (Canada) Ltd./to manufacture phonograph records and tapes.	D										
159.	Standard Havens, Inc./Standard Havens (Canada) Ltd., to market antipollution devices and storage silos for asphalt.	A	x x								x	x
160.	Stuart Weaving Group (Canada) Ltd./Lion World Travel, to operate a travel agency.	A	x x		x		x			x		x
161.	Teradyne, Inc./Teradyne Canada Ltd., to lease, install and maintain telephone testing equipment.	A	x				x	x	x			x
162.	Textile Trim Canada Ltd./Textile Trim Canada Ltd., to manufacture specialty products for automotive interiors, and foam-filled mattresses.	A	x x		x	x	x					x
163.	Transprints (U.K.) Ltd./Transprints (U.K.) Ltd., to design and market print paper.	A	x		x			x		x	x	x
164.	Tranter Canada Ltd./Tranter Canada Ltd., to manufacture heat exchange equipment.	A	x x		x	x	x	x	x			x
165.	TWM Manufacturing Co. Canada Ltd./TWM Manufacturing Co. Canada Ltd., to market pneumatic suspension systems.	A	x x			x		x	x			x
166.	Union General Ltd./Union General Ltd., to manufacture hot-wound (railway) springs.	A	x x		x	x	x	x			x	x
167.	University Computing Co. (Canada) Ltd./ University Computing Co. (Canada) Ltd., to develop computer software for major corporations.	A	x x		x		x	x		x	x	x

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168.	Urban Outdoors, Inc./Urban Outdoors, Inc., to engage in outdoor advertising.	A	x	x	x		x		x	x	x	x
169.	Vega Industries, Inc./Vega Glass Centres, Ltd., to wholesale flat glass.	A	x	x	x		x	x				x
170.	Venture Founders Corp./Venture Founders Corp., to identify and evaluate potential venture capital projects.	A	x	x	x		x		x	x		x
171.	W. Braun Co./W. Braun Canada, to distribute plastic and glass containers and closures.	A	x	x	x		x					x
172.	Wellman Engineering Corp. Ltd./Wellman Engineering Corp. Ltd., to manufacture nickel-chromium alloy castings.	A	x	x	x	x	x	x	x		x	x
173.	Westlig Ltd./M.E.S.A. Ltd., to produce primary magnesium and magnesium castings.	A	x	x	x	x	x	x	x		x	x
174.	The Willis & Paul Corp./Willis & Paul Co. Ltd., to provide system design and construction management capabilities.	A	x	x	x		x		x		x	x
175.	Wiltron Co./Wiltron Instruments Ltd. - Instruments Wiltron Ltée., to market electronic measuring and testing equipment.	A	x	x	x		x				x	x
176.	Windmill Electric Products Ltd./Windmill Electric Products Ltd., to import and distribute household products and small electrical appliances.	D										
177.	Wm. Y. Bogle/Bogle Belting Canada Ltd., to manufacture precision drive belts.	A	x	x	x	x	x			x		x
178.	Wombwell Foundry & Engineering Co. Ltd./Wombwell Foundry & Engineering Canada Ltd., to market steel rolls.	A	x	x	x	x	x		x	x	x	x
179.	Yashica Co. Ltd./Yashica Canada Ltd., to market photographic equipment.	A	x	x	x		x			x	x	x
180.	Zinetti Pasta Ltd./Zinetti Pasta Ltd., to manufacture pasta products.	A	x	x	x	x	x				x	x

APPENDIX E

LIST OF CORPORATIONS THAT OBTAINED OPINIONS FROM THE MINISTER,
PURSUANT TO SUBSECTION 4(1) OF THE ACT,
THAT THEY WERE NOT NON-ELIGIBLE PERSONS WITHIN THE MEANING OF THE ACT
Fiscal 1976/77

<u>Name</u>	<u>Date of Opinion</u>
Danbel Industries Ltd.	April 30, 1976
Genstar Ltd.	May 11, 1976
North Canadian Oils Ltd.	June 2, 1976
Pitfield, MacKay, Ross & Co. Ltd.	June 2, 1976
Timmins Investments Ltd.	June 10, 1976
Dome Mines Ltd.	June 28, 1976
Dome Petroleum Ltd.	June 28, 1976
Bow Valley Industries *	July 6, 1976
Banister Continental Ltd.	September 13, 1976
Westeel-Rosco Ltd.	November 3, 1976
Consolidated Bathurst Ltd.	November 10, 1976
Cumberland Financial Corp. and Landex Development Corp.	November 26, 1976
Karhu-Pinso Ltd.	November 26, 1976
Pancana Industries Ltd.	December 29, 1976
Canadian Enterprise Development Corp. Ltd. *	January 7, 1977
International Nickel Co. of Canada Ltd. *	January 7, 1977
Trizec Corp. Ltd.	February 2, 1977
Little Long Lac Group	February 14, 1977
Asamera Oil Corp. Ltd. *	March 15, 1977
Campbell Red Lake Mines Ltd.	March 15, 1977
Dome Mines Ltd.	March 15, 1977
Denison Mines Ltd. *	March 21, 1977
York Lambton Corp. Ltd.	March 21, 1977

* Renewed

