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# Canadian Federal Government Services to Business

September 1977



Government of Canada

Industry, Trade and Commerce

Gouvernement du Canada

Industrie et Commerce

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OFF ARTMENT OF INDUSTRIE

OF



Government of Canada

Industry, Trade and Commerce

Gouvernement du Canada

Industrie et Commerce

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# DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE

#### THE TRADE COMMISSIONER SERVICE

In 1885 Canada's first full-time commercial representative arrived in Sydney, Australia. Paralleling the increasing volume and sophistication of Canadian international trade, the Trade Commissioner Service of the Department of Industry, Trade and Commerce now deploys approximately 300 trade commissioners and 170 locally-engaged commercial officers in a network of 89 offices in 67 countries. During its ninety year history, the range of activities of the Trade Commissioner has broadened given the involvement of Government and industry in a wider range of international commercial and economic activities.

#### Export Marketing

The traditional role of the Trade Commissioner Service is responding to requests for assistance from Canadian exporters and aiding foreign importers in locating Canadian sources of supply. In addition to liaison between buyer and seller, the Trade Commissioner acts as an export market consultant to assist Canadian exporters in all phases of marketing such as identification of export opportunities, assessment of the degree of competition in the market, introductions to foreign businessmen and government officials, screening and recommendation of agents, guidance on terms of payment and assistance with tariff or access problems. In 1976 TCS posts responded to more than 35,000 requests for assistance from Canadian businessmen and directed to the attention of Canadian industry over 45,000 enquiries from foreign buyers. This responsive service remains the primary function of most TCS offices abroad and is a major factor contributing to the close relationship that exists between the Trade Commissioner Service and the Canadian business community.

To complement these responsive activities, trade commissioners now also systematically identify market development opportunities and contribute to the operation of Departmental export market development programs for various segments of Canadian industry. As part of these programs, trade commissioners seek out market development opportunities, recommend promotional support projects such as trade fairs and missions and assist in their organization. Identifying Canadian capacity for international marketing, encouraging Canadian exporters to take advantage opportunities in foreign markets and helping to educate novice exporters in the intricacies of foreign trade are other important aspects of this program. These initiated promotional activities are linked to specific Government objectives including the upgrading of resource exports, increasing the proportion of fully-manufactured goods in Canada's export mix, diversifying trade ties and the creation of employment opportunities.

The expansion of the EEC and the strengthening of other regional trading blocs could have a bearing on the market access capabilities of Canadian exporters. Moreover, the terms of our trade are becoming critical to our export performance as international markets and many national economies remain in a period of economic uncertainty. As a result of these developments, Trade Commissioners are playing a more active role in the trade relations sphere. In addition to reporting on local legislation affecting Canadian exporters, posts work with the ITC International Bureaux and other branches of the Department to identify impediments to Canadian trades, negotiate improvements, and develop export promotional programs to take advantage of the enhanced terms of our market access.

# Industrial Development and Co-operation

Trade Commissioners participate in the rationalization and strengthening of the Canadian industrial base by contributing to the flow of industrial technology to Canada through licensing arrangements, joint ventures and direct foreign investment where appropriate. The Trade Commissioner works closely with officials of ITC and the Department of Regional Economic Expansion to identify and encourage direct foreign investment on a selective basis where such investment would be consistent with the Canadian government's foreign ownership policy, and industrial and regional development objectives.

Industrial cooperation agreements are an effective vehicle for strengthening relations with major trading partners and help to offset deteriorating terms of access caused by the formation of trading blocks and growing protectionist tendencies. Trade Commissioners play a role in the development and implementation of these agreements and will maintain an ongoing involvement to maximize returns to Canada from such agreements. Another facet of industrial cooperation is joint ventures overseas by Canadian firms, often to gain access to markets otherwise closed to conventional exports due to tariff or non-tariff restrictions designed to encourage local manufacturing. The trade commissioner may be called upon to identify when joint ventures abroad might be appropriate, to locate suitable local partners and to act as an advisor to the Canadian partner during the negotiation of a joint venture.

#### OFFICES IN CANADA

In order to give new emphasis to its overall objections, the Department has recently amalgamated the operations of TCS and the Regional Offices Branch under a single management team headed by the Director General of the Trade Commissioner Service and Field Operations. The traditional function of the Regional Offices is to provide the full range of departmental services to the Canadian business community through a network of offices across the country. This role is being expanded, particularly in the area of federal-provincial relations. The objective is to improve responsiveness to the daily needs of the Canadian business and public sectors, while ensuring a closer liaison with trade posts abroad.

A total of approximately 50 officers are presently engaged in the various activities of the regional offices and with management integration, greater cooperation and mobility between offices overseas and in Canada will be achieved to the benefit of the Canadian business and export community.

# OUTLOOK

As for the future, continued evolution of the role and responsibilities of the Trade Commissioner Service is expected. Although TCS activities may expand and change with Canada's international trade presence, service to the Canadian business community abroad will remain foremost among TCS objectives. Continued daily contacts with businessmen, more frequent tours of Canadian industry by Trade Commissioners, and increased dialogue with industry associations and provincial trade officials will ensure that the Trade Commissioner Service remains attuned to the needs of Canadian industry. While the role of the trade commissioner has changed over the years the increased scope and traditional challenge now facing Canada's trade representatives abroad will enable the Trade Commissioner Service to continue to attract the calibre of personnel upon which its reputation and effectiveness depends.

# DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE REGIONAL OFFICES

Across Canada, whenever and wherever a businessman or industrialist wants help or advice on how to improve his operation, there is a federal Department of Industry, Trade and Commerce Regional Office within easy reach. Offices are located in Vancouver, Edmonton, Regina, Winnipeg, Toronto, Montreal, Quebec, Halifax, Charlottetown, St. John's and Fredericton.

The Regional Offices are part of the department's Field Operations, which include the Trade Commissioner Service.

Informed and competent staff members in each of the 11 offices are well prepared to provide information and guidance on industrial incentive programs, export opportunities and many other ways of improving productivity.

#### SERVICES AVAILABLE

**Export Promotion.** The Regional Offices assist exporters and potential exporters with market planning and implementation of market plans. They help in locating and evaluating new markets and in expanding existing ones. They bring to bear departmental financial assistance (programs) for market development. They explain opportunities to the industrial community in participating in trade fairs, missions and in-store promotions. The Regional Offices provide counselling service for pricing, documentation, tariffs, labelling and modes of transportation. They provide information on financing and insurance for export purposes (EDC). The offices have intimate knowledge of current regulations on export and import controls. And they can help to identify licensing and joint ventures abroad.

Industrial Promotion. The Regional Offices provide direct services in your area on the Enterprise Development Program (ED\_). The overall objective of this program is to enhance growth in the manufacturing and processing sectors of the Canadian economy by providing assistance to selected firms to make them more viable and internationally competitive.

The thrust of the EDP is to increase the effectiveness of the department's industrial support programs to foster innovation and adjustment. The focus for assistance is on promising smaller and medium sized firms who are prepared to undertake relatively high-risk projects in relation to their resources which promise attractive rates of return on the total investment and which are viable.

The offices also help interested firms or individuals in participating in domestic trade fairs. They can advise on the establishment of new industries.

**General Services.** The Regional Offices provide information on federal government services from other federal departments, provincial governments and the private sector.

# REGIONAL OFFICES IN CANADA

NEWFOUNDLAND REGION 210 Water Street St. John's, Newfoundland A1C 1A9 NOVA SCOTIA REGION Suite 1124, Duke Tower 5251 Duke Street Scotia Square Halifax, Nova Scotia B3J 1N9

Tel: (709)737-5511 Telex: 016-4749

Tel: (902)426-7540 Telex: 019-21829 PRINCE EDWARD ISLAND
REGION
Dominion Building
97 Queen St.P.O. Box 2289
Charlottetown, P.E.I.
C1A 8C1

Tel: (902)892-1211 Telex: 014-44129

QUEBEC CITY
Suite 620
2 Place Quebec
Quebec, Quebec
G1R 2N5

Tel: (418)694-4726 Telex: 011-3312

ONTARIO REGION
Commerce Court West
51st Floor, P.O. Box 325
Toronto, Ontario
M5L 1G1

Tel: (416)369-3711 Telex: 022-1691

SASKATCHEWAN REGION 980-2002 Victoria Avenue Regina, Saskatchewan 54P 0R7

Tel: (306)569-5020 Telex: 071-2745 NEW BRUNSWICK REGION Suite 642 440 King Street Fredericton, New Brunswick E3B 5H8

Tel: (506)454-9707 Telex: 014-46140

QUEBEC REGION
Room 2124, Place Victoria
P.O. Box 257, Tour de la Bourse
Montreal, Quebec
H4Z 1J5

Tel: (514)283-6254 Telex: 012-0280

MANITOBA REGION Ste 1104, Royal Bank Bldg. 220 Portage Avenue Winnipeg, Manitoba R3C 0A5

Tel: (204)985-2381 Telex: 075-7624

ALBERTA & NORTHWEST TERRITORIES REGION 500 Macdonald Place 9939 Jasper Avenue Edmonton, Alberta T5J 2W8

Tel: (403)425-6330 Telex: 037-2762

BRITISH COLUMBIA & YUKON REGION Suite 2743, P.P. Box 49178 Bentall Centre, Tower "III" 595 Burrard Street Vancouver, British Columbia N7X 1K8 Tel: (604) 666-1434 Telex: 045-1191

# PROMOTIONAL PROJECTS PROGRAM

# Objective:

The objective of this program is to promote the export of Canadian products and services. The program is an expression of federal initiatives in which Canadian industry is invited to participate.

This program includes a wide variety of trade promotional techniques within three general categories: trade fairs outside Canada, incoming and outgoing

trade missions, and trade visitors (including incoming buyers and export oriented training). The total program is initiated by the Department based on consultation between industry Sector Branches, International Bureaux, Trade Commissioner posts abroad, and industry itself.

#### Form of Assistance

Varies according to the promotion. A typical example is illustrated in trade fair promotions - assistance includes project management, exhibit design and construction, assistance in shipping products, and a publicity program. Each exhibiting company pays a nominal participation fee.

# Who is Eligible:

Canadian companies with export capability seeking markets in other countries.

The decision on which companies are invited to participate in PPP projects is made within the Department based on a number of criteria which reflect both the Department's objectives and the ability of the company to service the market.

#### Company Obligations:

The company must undertake to provide information on sales results and agency agreements to assist the Department in measuring the usefulness of the promotion to Canadian business.

Exhibits must be staffed by competent company representatives who have the executive powers of discretion to quote prices and carry on contractual negotiations. At least one of these representatives should be from the parent Canadian company.

Company technical and sales literature should be available in the language of the host country.

The program consists of a number of sponsored promotions designed to meet particular requirements and includes:

#### 1. Trade Fairs Abroad

The Department sponsors and organizes participation in trade fairs abroad by Canadian firms, trade organizations, associations, etc. and coordinates the design, construction, erection and operation of the exhibits.

In recent years, emphasis has been on "vertical international fairs" with product and commercial specialization, as opposed to "horizontal fairs" to which the general public is admitted. As a result, participation is usually limited to a specific industry sector.

"Solo exhibitions" abroad are undertaken by the Department when it is felt that no regularly scheduled media are available to promote Canadian products in the market to be penetrated.

"In-Store Promotions" are sponsored as part of the Department's continuing program of promotions at point of sale for consumer products and "Sample Shows" are held where appropriate.

Posts in developing countries have made frequent use of the "Information Booth" concept where a grant is made from the Promotional Program to provide a "presence" at a local fair. The decision is made on the Post's

judgement that Canadian participation is desirable but is insufficient to justify full-scale participation.

Assistance provided to participants in Trade Exhibits sponsored under the Promotional Projects Program includes:

- management of the Canadian presentation
- space rental
- exhibit design and construction
- coordinated shipping service (including customs clearance and cost of return shipping)
- unpacking and placement of the exhibit
- all utilities (except telephone and telex)
- a portion of return economy airfare
- dismantling and repacking of exhibit
- a coordinated publicity program
- marketing counsel at the exhibit
- janitorial and security service
- official reception and lounge facility
- arrangements for hostesses, interpreters and hotel reservations (at industry expense)

#### Cost to the industry is:

- a participation fee
- hotel and living expenses
- portion of airfare to the site
- outgoing shipping
- set-up costs for specialized equipment

#### 2. Trade Missions

In general, outgoing missions are organized to achieve trade objectives such as the negotiation of trading agreements or the reduction of trade barriers. Incoming missions, on the other hand, serve as follow-up to these and other contacts with potential export customers.

The underlying principle behind the approval of a trade mission proposal is that each mission should have a clearly-stated trade objective and a membership selected to achieve that objective.

- (A) Types of Missions
- (a) Ministerial and High-Level Missions

Missions led by an Assistant Deputy Minister or higher fit into this category. Usually these missions have a general trade objective covering several product sectors. As such, they provide opportunities to meet with senior trade officials as a means of developing Canada's export potential in the areas visited. These missions could also lead to the negotiation and implementation of reciprocal trade agreements with those countries.

# (b) Commodity-Oriented Trade Missions

Many of the outgoing and incoming missions sponsored by the Department fit into this category. The overall aim of these missions is to develop a better understanding by Canadian industry of foreign market needs and to expose foreign buyers to Canadian expertise, services and equipment as a basis for export sales. To achieve these objectives mission membership is specific to the product sector of interest.

# (c) Seminars

Some outgoing missions take the form of seminars in foreign countries to introduce specialized technology which is available from Canada. On these occasions, additional support may be given for:

- the cost of meeting rooms and facilities (audio-visual, public address equipment);
- Translation services:
- printing and distributing of technical papers specific to the seminar.
- (d) Economic and Industrial Co-operation Missions

These missions usually result from the provisions for periodic exchanges included in reciprocal agreements with foreign governments. As such these outgoing and incoming missions provide the mechanism and environment for co-operation in technology, industry development and trade. They also provide a forum for resolving problems which are associated with these initiatives.

Assistance to Mission participants under the Program includes:

- Field itinerary and briefing book
- special visas and identity kit
- publicity
- return economy airfare and travel bookings
- interpreters
- baggage handling, security and secretarial service
- official receptions
- local transportation
- hotel bookings (Outgoing mission accommodation and living expenses are not normally included)
- follow-up on trade opportunities
- mission report

# (e) Trade Visitors

Under this segment of the PPP program, the Department invites influential foreign representatives from both business and government to examine Canadian products and industrial capability. Visits are also arranged to export-oriented trade fairs and exhibitions being held in Canada.

Under the Export-Oriented Training Section (EOTP) of the trade visitors activity, the Department pays travel expenses for technical trainees coming to Canada where those trainees are employees of potential customers or otherwise in a position to influence sales of Canadian products abroad.

# Mailing Address:

Office of Export Programs and Services Department of Industry, Trade and Commerce 240 Sparks Street, Ottawa, Ontario K·lA OH5

#### PROGRAM FOR EXPORT MARKET DEVELOPMENT (PEMD)

The Program for Export Market Development was established in 1971 to encourage and assist established Canadian suppliers of goods and services to enter new export markets or to undertake additional export development activities by sharing the costs incurred, thus reducing the risks involved

The incentives offered under PEMD are in the form of financial contributions where there is a proven need to share the risk of developing and/or maintaining overseas markets; bidding on capital projects of unusual size or complexity; unusual international competition or creating an export consortium to meet sales opportunities abroad. These contributions are repayable to the Crown if export sales are achieved. Repayment is not required if sales or contracts are not obtained.

The Program is divided into five sections representing a range of activities aimed at the exploitation of export opportunities

Section A: Participation in Capital Projects Abroad: to encourage suppliers of Canadian goods and services to participate in major international projects, such as the design, construction and equipment supply for industrial power plants, hotels, airports and harbour facilities. This Section applies anywhere outside Canada.

Section B: Market Identification or Adjustment: to encourage identification of new markets for Canadian goods and services, through visits by businessmen to new market areas of interest, to investigate and assess chances for an effective market penetration. This Section applies anywhere outside Canada and the Continental United States.

Section C: Participation in Trade Fairs Outside Canada: to encourage participation in Trade Fairs and industrial exhibitions which are not included in the Departmental Promotional Projects Program. This Section applies anywhere outside Canada.

**Section D: Incoming Buyers:** to encourage Canadian firms to invite to Canada or an approved location abroad, overseas personnel with purchasing influence.

Section E: Export Consortium Assistance: to improve the export performance of Canadian manufacturers, particularly small and medium size firms, by encouraging the formation and use of group marketing efforts through ongoing export consortia of compatible firms, to participate in a joint approach to foreign markets. This Section applies anywhere outside Canada.

General Eligibility Criteria

The program is available to eligible Canadian companies with an export capability wishing to expand their markets:

- 1. Firms may be new to exporting or may be established exporters who wish to enter new markets to export goods and services manufactured in Canada with significant Canadian content. Companies need not be incorporated and may be sole proprietorships or partnerships. Collaborative applications by more than one company, by a trade or industrial association, or by export agents are eliqible.
- 2. Crown Agencies, Federal and Provincial entities and other organizations from the public sector are not eligible.
- 3. Trading companies are eligible for PEMD assistance provided they are listed in the Department's Exporters Directory, the Trading House Directory or are considered qualified for such listings. Trading companies must represent Canadian firms capable of supplying goods and/or services (with a

significant Canadian content) which are considered competitive in the world markets concerned.

- 4. It must be demonstrated that the proposed project will increase the firm's export business over and above maintaining its current market share and the normal growth expectations in that market.
- 5. The work proposed in an application for PEMD assistance must be specific It must also be shown how the proposed project fits into the company's overall export strategy.
- 6. It is recommended that companies be listed in the "Exporters' directory" published by the Department of Industry, Trade and Commerce.

Applying for PEMD Assistance

#### Contacts

- a) Program literature and assistance in filing an application may be obtained from the nearest Regional Office or the Department in Ottawa.
- b) The Trade Commissioner post in the area of interest should be contacted for a preliminary assessment of the market potential and for suggestions as to the best method of approach. Product information and literature should be sent to the post well ahead of time.
- c) The Department's International Bureaux in Ottawa can advise on tariffs and overall access conditions and alert the applicant to any special market problems.
- d) The Industry Sector Branches in Ottawa are familiar with worldwide opportunities for specific products and services.

# Timing

In order to be eligible for assistance, all applications should be received by the Department at least six weeks prior to undertaking the project for which assistance is sought (except for Section A, where there is no such requirement).

#### Presentation

Applications for assistance under PEMD should be prepared on the official company stationery and should follow the format provided in the program literature.

#### Submission

Two copies of the application should be sent to the nearest Regional Office (see page 00).

#### Commencement of Work

The "effective date" of an application for assistance under PEMD is the date on which it is received by the Regional Office. The receipt date of a Letter of Intent to file an application may also be accepted, provided that the actual application is received within the following three weeks. Verbal communication by telephone is not acceptable. Eligible costs incurred before the "effective date" are not eligible for cost sharing.

#### Contractual Obligations

Once an application is approved the Company undertakes to comply with certain reporting procedures: These are: (1) the submission of a Project Report at the time of making claims against the approved assistance; and (ii) the submission of Business Data Reports on each anniversary of the "effective date" during the life of the formal agreement (usually three years).

#### U.S. DEFENCE MARKET OPPORTUNITIES

The Defence Programs Branch manages on behalf of the Department the Canada/United States Defence Production and Development Sharing Program. These arrangements were made in 1959 with the objective of fostering economic co-operation in defence matters for the mutual benefit of both countries.

Under the provisions of the agreement, Canadian firms can compete for U.S. defence contracts on the same basis as U.S. industry. To provide easy access to this market, the U.S. Government made special concessions to Canada by:

- a. Waiving the "Buy American Act" restrictions to allow the U.S. military departments to purchase a wide range of defence supplies from Canada, and
- b. changing U.S. Government regulations so as to permit "Duty Free Entry" of most Canadian defence goods.
- A Canadian manufacturer may sell defence supplies to the U.S. either as a prime contractor to the Department of Defense or as a subcontractor to a U.S. defence firm. Canadian companies may seek U.S. defence market opportunities directly, or use the marketing assistance of DITC offices and Canadian Trade Commissioners based in the U.S. and assistance could be made available from the DITC Defence Industrial Productivity Program for:
- a. cost sharing of product development for defence or defence related export markets:
- b. procurement of advanced machinery needed for the production of defence supplies for export; and
- c. special non-recurring and non-recoverable costs of a project.

Publications are available explaining the Canada/U.S. Defence Production Sharing Program and the related DITC Defence Industry Productivity assistance programs.

#### OFFSETS

The Branch has the responsibility for co-ordinating defence industrial benefits arising from major Canadian defence procurements abroad. Offsets can take the form of:

- a. license production and assembly of the equipment being purchased;
- b. the supply of parts or components of the defence equipment;
- c. the supply of parts or services from Canada to the foreign manufacturer of his sub-contractor for incorporation into other defence or commercial products; and

d. joint ventures, technology transfers, or other similar arrangements of benefit to Canadian industry.

Two examples of current offset programs are as follows:

(1) the Lockheed CP-140 Aurora long range patrol aircraft and (2) the German Leopard tank purchases.

For further information contact:

Defence Programs Branch Department of Industry, Trade and Commerce, 240 Sparks Street, Ottawa, Ontario, K1A 0H5.

#### PROGRAMS AND SERVICES IN SUPPORT OF GRAINS INDUSTRIES

# GRAINS AND OILSEEDS MARKETING INCENTIVES PROGRAM (GOMI)

The GOMI program was established to extend the scope of initiative, particularly in the private sector, by assisting projects that would not otherwise be carried out or would be carried out on a reduced scale. Assistance under the program is available to Canadian companies, agencies, industry associations, universities, institutes and similar entities for projects contributing to the sustained increase in grains and oilseeds sales. Assistance takes the form of contributions (recoverable, non-recoverable, and contingent contributions).

Assistance is provided to three categories of projects: Market Identification/Promotion, Product/Process Development and Canadian Capability. Examples of projects approved and/or under consideration indicate a broad cross-section of activity. In the Market Identification/Promotion area assistance is being provided for the test marketing of new grain varieties as a means of diversifying markets for Canadian grains and shortening the time period required to bring a new variety into the market place. The GOMI Program has assisted in the provision of physical facilities or Canadian Capability, that are necessary in the grains and oilseeds industry, to enable Canadian companies to participate more effectively in both the domestic and export markets. In the Product/Process Development area great emphasis has been put on promoting the value-added processing of grains and oilseeds and their components and derivatives including protein, starch and oil, in Canada through the development of new food products incorporating grain and oilseed components such as meat extenders, meat substitutes and breadings and coatings.

For further information contact:

Market Development Division, Grain Marketing Office, Department of Industry, Trade and Commerce, Ottawa, Ontario.

# POS PILOT PLANT CORPORATION

The Federal Government made a commitment at the Western Economic Opportunities Conference in July 1973 to initiate the establishment of a

grain and oilseed product development pilot plant in Saskatoon. Financial assistance from the Federal Government was assured at a level of 90% of the capital costs up to a maximum of \$4.5 million; provision was also made for expenditure by Government of up to \$3 million for operating costs over the first five years. This commitment was contingent on other sources providing the additional 10% of capital costs (or \$500,000 for a \$5 million facility). The sources were expected to represent industry, universities, trade associations and provincial governments.

Since receiving letters patent on December 6, 1973, the POS Pilot Plant Corporation has accepted the memberships of 21 industrial companies, one industry association, one university and two provincial governments. The solicitation of support from other eligible organizations is actively continuing and further memberships are anticipated in the course of the year.

The Pilot Plant offers unique facilities for development work concerning the value-added processing of grains and oilseeds. It is intended that the facility will provide Canadian industry with the means to remain in the forefront of technology for value-added processing of vegetable proteins. The government contribution is consistent with the commitment of the Grain Marketing Office to promote the value-added processing of vegetable proteins in Canada.

Construction on the Pilot Plant commenced at the beginning of January 1976 and it was officially opened July 25, 1977.

For further information contact:

Grain Marketing Office, Department of Industry, Trade and Commerce, Ottawa, Ontario.

#### RAPESEED UTILIZATION ASSISTANCE PROGRAM

The program (RUAP) was started in 1968 as a co-ordinated research and development effort to promote improvements in the manufacture of rapeseed products and thereby to enlarge markets for growing acreage of rapeseed. The program is funded through an annual grant from the Department of Industry, Trade and Commerce and is administered by the Rapeseed Association of Canada. The Association has formed a research committee, which decides upon project funding based on priorities established each year. The work undertaken is primarily carried out in Canadian universities and private research institutes. The major emphasis in the RUAP has been placed upon research in the areas of rapeseed meal and oil.

For further information contact:

Market Development Division, Grain Marketing Office, Department of Industry, Trade & Commerce, Ottawa, Ontario.

# CANADIAN INTERNATIONAL GRAINS INSTITUTE

The Institute, incorporated in July 1972, has a permanent staff of 20 specialists plus support personnel. It works in affiliation with the Canadian Wheat Board, the Canadian Grain Commission and the commercial sector of the grain industry. Financial responsibility is shared with the

Federal Government contributing 60% and the Canadian Wheat Board the remaining 40%.

The Institute's five member Board of Directors is composed of a Commissioner and senior officer of the Canadian Wheat Board and the Canadian Grain Commission and a senior officer from the Department of Industry, Trade and Commerce.

The Institute contributes to the maintenance and enlargement of markets at home and abroad for Canadian grains, oilseeds and their products by holding instructional programs for foreign participants selected from countries purchasing these commodities and for Canadians associated with the grain industry. Courses are offered in grain handling, transportation, marketing, flour milling, bread baking and macaroni manufacturing.

For further information contact:

Grain Marketing Office, Department of Industry, Trade & Commerce, Ottawa, Ontario.

# CANADA GRAINS COUNCIL

The Canada Grains Council was established in 1969 at the initiative of the Federal Government in conjunction with the grain industry. It is an industry-wide forum in which consensus may be achieved on problems facing the industry and which can make recommendations directly to government or provide views on matters referred to it by government. Currently, 29 industry associations, including producer groups, hold membership in the Council.

Expenses of the Canada Grains Council are funded from membership fees and a matching contribution from the Federal Government to a maximum of \$120,000 per annum. The Government contribution is shared equally between the estimates of the Departments of Industry, Trade and Commerce and Agriculture.

For further information contact:

Grain Marketing Office,
Department of Industry, Trade & Commerce,
Ottawa, Ontario.

or

Canada Grains Council, Suite 400, 177 Lombard Avenue, Winnipeg, Manitoba, R3B 0W5

Telephone: (204) 942-2254.

#### ASSISTANCE TO FACILITATE SALES OF GRAIN ON CREDIT

The government guarantees the repayment of credits to developing countries for the purchase of grains and oilseeds. Most credit sales of wheat, barley and oats are financed by the Canadian Wheat Board on terms of three years or less and any interest subsidization costs are borne by the Board. Any credit sales not financed by the Board, including sales of

other than Western grains, and sales on terms of more than three years, are insured under Section 27 of the Export Development Act (for government risk) and any interest subsidization charges are paid from Industry, Trade and Commerce Estimates. New commitments on terms of more than three years have not been made since 1972 but there remain substantial subsidization payments to be made on commitments previously entered with Brazil and Algeria.

For further information contact:

Grain Marketing Office, Department of Industry, Trade & Commerce, Ottawa, Ontario.

# SPECIALIZED INDUSTRIAL PROGRAMS

#### Payments to flour millers to equalize freight stop-off charges

Intended as a mechanism to equalize the cost of railway stop-off charges to Western Canadian millers on flour for export with those paid by their Eastern Canadian counterparts, this program is related to the statutory rates in Section 272 of the Railway Act.

For further information contact:

General Director, Grain Marketing Office, Department of Industry, Trade & Commerce, Ottawa, Ontario.

# OTHER PROGRAMS WHICH ARE PRIMARILY OF INTEREST TO

# GRAIN PRODUCERS AND/OR CONSUMERS

# Carrying Charges on Reserve Stocks of Feed Grain

As part of the new domestic feed grain policy which came into effect on August 1st, 1974, the Government pays the cost of carrying a feed grain reserve of up to 10 million bushels of feed wheat, oats and barley. The prime purpose of the reserve is to overcome disruption of supplies for the domestic market due to interruption in or lack of adequate transport. Initially, the full 10 million bushels were held at Thunder Bay but they are now held at a variety of locations closer to the actual feed deficient areas. The reserve stock which is owned and maintained by the Canadian Wheat Board is administered by a Reserve Stock Management Committee. The Committee consists of six members, two each from the Canadian Livestock Feed Board, Canadian Grain Commission and the Canadian Wheat Board. The annual cost of carrying the reserve is in the neighbourhood of \$4 million.

# Two Price Wheat

In September 1973, the Government fixed the price which may be charged to millers for wheat used in Canada for human consumption at \$3.25 a bushel basis, the top grade in-store Thunder Bay. The Government also announced that this would be the minimum price on wheat for human consumption in Canada guaranteed to producers for the seven year life of the program. When the export price is higher than \$3.25 a bushel the Government pays a subsidy to make up the difference to a maximum of \$1.75 per bushel bringing the total to a maximum of \$5.00 for milling wheat. The Two Price Wheat

program has a dual effect. It guarantees Canadian farmers a floor price of \$3.25 a bushel for domestic sales of wheat and durum until 1980. It also cushions consumers against export prices in excess of \$5.00 a bushel for milling wheat and \$5.75 a bushel for durum. In the period 1973-76 the export price was usually above the \$3.25 level, and the price, therefore, operated as a subsidy to consumers. Recently, export prices have been below the \$3.25 level.

Approximately 65 million bushels of wheat are used annually in Canada for human consumption and thus the program could cost \$114 million in a year when export prices were above the \$5.00 maximum for milling and the \$7.50 maximum for durum wheat.

#### Western Grain Stabilization Act

This program received Parliamentary approval in January 1976 after several years of consideration. It is seen as a major piece of legislation for the prairie economy, which provides producers with some protection against the extreme fluctuations in returns from year to year which have characterized the grain industry. The Government contributes 4 per cent and producers 2 per cent of eligible gross income from grain into a fund from which payments are made when the net cash flow to prairie grain producers from grain sales falls below the level of the average for the previous 5 years. It is expected that the Government's contribution to the fund in the 1977 calendar year will be about \$65 million.

# Prairie Grain Advance Payments Act

This Act was proclaimed in 1957 and provides for interest free cash advances to grain producers on wheat, oats and barley stored on farms in Western Canada. The basic concept of this program has remained unchanged although the Act has been amended on several occasions to bring it into line with current grain marketing and production situations. The maximum advance for individual producers was increased from \$6,000 to \$15,000 in March 1975. In general, the regulations governing the issuance of advances limit the amount of the advance to a proportion of the return a producer can anticipate as a result of grain deliveries in a crop year. Thus, the level of defaults is kept to a minimum and the only cost of the program is the cost of providing interest free advances in the early part of a crop year until such time as a producer has an opportunity to deliver his grain. The program is administered by the Canadian Wheat Board and the total cost to the Government, since 1957, has been approximately \$50 million.

For further information please contact:

General Director, Grain Marketing Office, Department of Industry, Trade & Commerce, Ottawa, Ontario.

# OVERSEAS PROJECTS OFFICE

A new Overseas Projects Office has been established in the department with prime responsibility for stimulating, developing and sustaining Canadian participation in all export projects other than pure commodity or equipment transactions or the direct sales of engineering consultants or Canadian construction services. The responsibility of this office includes the identification, promotion and co-ordination of Canadian industry response to specific project opportunities as well as the development of the appropriate financial and risk-sharing facilities for such projects.

The office is the focal point in the department for all capital and turnkey projects. It is also responsible for the identification and encouragement of potential exporters in pursuit of project opportunities in order that Canadian firms make the most effective use of all forms of assistance available both from government sources and from within the private sector.

To meet these objectives and responsibilities, the Office has been grouped into three regional divisions: Western Hemisphere; Europe and Middle East; and Pacific, Asia and Africa. In addition, there is a Market Research and Trade Information Division.

- The three regional divisions have four areas of responsibility:
- (1) to prepare briefing material for the department, EDC and other institutions concerning project financing and the suitability of Canadian companies to undertake specific projects or supply the machinery and equipment required;
- (2) to assist Canadian companies to assemble the best financial package to win contracts for overseas projects. Where appropriate this includes financing through Canadian chartered banks, EDC, CIDA, and multilateral banks, and insurance, bonds and guarantees that are customarily a significant part of capital projects;
- (3) to advise the business community on how best to identify and analyse the risks involved, to provide advice on international financing trends, and to monitor and assist the orderly development of the project;
- (4) to develop and sustain export projects by assessing Canadian capabilities and grouping of companies that could pursue projects beyond the capacity of any single company.

The fourth division, called the Market Research and Trade Information Division, has responsibility in several areas: - The Trade Enquiries & Publications Sector prepares an up-to-date series of ten booklets entitled "Doing Business in Canada" and "Financing Canadian Industries". A "New Products Bulletin" publication lists licensing/joint venture opportunities both in Canada and abroad. An Exporters Directory is maintained and kept up to date for use by the Trade Commissioner posts abroad.

This directory lists 8,000 Canadian exporting companies, and Canadian firms wishing to export should ensure that they are included in this publication.

The Market Research and Analysis Sector conducts studies to determine export markets for Canadian high technology commercial and defence related products and components. Studies are undertaken on both a product and/or country basis. The Market Research and Analysis Sector also provides consultative services to industry representatives concerning product development and market planning.

The Multilateral Project Information System (MPIS) maintains a computerized data bank describing the current status of worldwide projects.

By contacting the department either in Ottawa or at one of the department's regional offices, Canadian firms can obtain monthly reports on a variety of projects, e.g. agriculture, roads, sewage, ports and harbours, fishing, transportation, power. These projects are financed by various financial institutions including the World Bank, InterAmerican Development Bank, Asian Development Bank, and CIDA lines of credit.

Contact: General Director

Overseas Projects Branch

Department of Industry, Trade and Commerce

240 Sparks Street

Ottawa, Ontario K1A 0H5

# INFORMATION SERVICES FOR EXPORT (INTERNATIONAL BUREAUX)

The International Bureaux of the Department of Industry, Trade and Commerce are the central point of contact on matters affecting Canada's trade and economic relations with other countries and areas. They are the central source of intelligence about Canada's trade with other countries and are responsible for developing trade relationss and export marketing strategies for these areas.

The following types of services are provided to Canadian business and industry:

- 1. Market Information
- (a) general economic outlook for countries and areas,
- (b) specific market information for particular products can be obtained.
- 2. Market Access Information

The Bureaux have comprehensive and up-to-date information on access to markets. These are made available to Canadian exporters on request. This information includes:

- (a) tariff rates
- (b) phytosanitary regulations
- (c) licencing
- -import
- -foreign exchange
- (d) product standards
- (e) non-tariff barriers
- (f) documentation requirements

This list is illustrative; other access information and assistance is also available, particularly for the United States.

NOTE: Exporters or potential exporters seeking market and market access information should write to the appropriate geographical division (listed below) at

The Department of Industry, Trade and Commerce, 240 Sparks Street, Ottawa, Ontario, K1A 0H5.

When requesting information:

- (a) please specify the country (or countries) for which you desire information.
- (b) please specify the particular products which you intend to export; illustrative literature and product specifications are important for accurate tariff classification. Omnibus letters requesting tariffs for a wide range of products for a large number of countries (particularly where they involve two or more divisions) require a great deal of time to answer.
- (c) Referrals. The International Bureaux have a wide range of contacts in Canada and overseas, and information not immediately available in Canada can usually be obtained directly or by referring the businessmen to those sources.

#### 3. Publications

The Department publishes a number of booklets related to export markets. These can be obtained direct from the appropriate geographical division. Titles in the (a) and (b) series are also available from the Regional Offices.

- (a) Markets for Canadian Exporters.: This series follows a fairly standard format providing a wide range of general information about a country, its business climate and commercial milieu. (See attached list for current titles.)
- (b) Information for Canadian Businessmen: This series consists of a less standardized format, and may include reprints of useful articles from various sources. (See attached list for current titles).
- (c) Shipping Documents and Customs Regulations: This series is designed to assist the exporter in completing the export documentation necessary to ship to specific countries.
- (d) Other reports: From time to time the Department issues reports on Ministerial or High-Level Missions to particular areas or regions.

# 4. Special Access Assistance to U.S.A.

Most exports to the United States must be delivered on a duty-paid basis to meet the requirements of the market. The U.S.A. Division provides an advisory service on U.S. Customs and other access requirements in somewhat greater depth than what is provided by the Bureaux for exporters shipping to other countries. This work is done in close collaboration with the Canadian Embassy in Washington which provides the contact with the departments and agencies of the U.S. government.

Exporters directly, or through ITC's regional offices, provincial governments, or trade associations, can obtain assistance in the following areas:

- (a) Classification: Division specialists provide informal advice on where a product is classified in the U.S. tariff schedules and will obtain, through the Embassy in Washington, a formal classification ruling which is binding on all U.S. customs ports of entry.
- (b) Valuation: The exporter is advised by the Division on the value for duty which will result from his particular method of selling to the U.S. and suggestions are given as to how the value for duty may be lowered by

adjustments in that method. Detailed advice is also provided to the exporters on the preparation of data for submission to U.S. Customs for valuation rulings since the ascertainment of value for duty is a particularly complex matter.

- (c) Penalty-Fraud Actions: U.S. law in this area does not recognize either ignorance of the law on the part of the exporter or importer or inadvertence. A change in the value for duty or in the classification by U.S. Customs can result in a fraud-penalty action and assessments are normally applied retroactively, and can result in a serious financial burden on the exporter. The assessment applies not only to the loss of customs revenue but also the full value of the merchandise shipped over the period where the value for duty or classification is deemed to be in error. The law does, however, provide for mitigation of the penalty depending on the circumstances and the Division assists the exporter in obtaining mitigation of penalty, providing the action on the part of the exporter has not been deliberate.
- (d) Non-tariff access requirements, e.g. consumer products safety, hazardous materials, copyrights and trademarks, food and drug regulations, environmental protection regulations, labelling, etc.
- (e) Actual or potential countervail and dumping actions taken by the U.S. authorities.
- (f) Requirements for exporting to certain markets (e.g. Cuba) which may be affected by extraterritorial application of U.S.A. law (Cuban Assets Control Regulations).
- (g) Special trade problems, e.g. "escape clause" action against imports, restrictive trade practices, anti-trust policies.

#### AVAILABLE PUBLICATIONS

1. Markets for Canadian Exporters

United States:
-Upstate New York
-Mid Atlantic
-Detroit
-New York
-New England States

Haiti, Puerto Rico and Dominican Republic Central America Columbia and Equador Venezuela Mexico Cuba Eastern Caribbean Australia New Zealand Japan (new edition) Peoples Republic of China Hong Kong Nigeria Malaysia Philippines Singapore

Thailand
Guide to Kwanchow (Canton Fair)
(separate English and French versions)
Pakistan
Netherlands Antilles
Chile
Peru and Bolivia
India

2. Information for Canadian Businessmen

Romania
Bulgaria
Bermuda
Hungary
U.S.S.R.
Czechoslovakia
Poland

- 3. Market Profiles of Eastern Europe
- 4. Markets in Brief Latin American Countries.

INTERNATIONAL BUREAUX AREAS OF RESPONSIBILITY

# EUROPEAN BUREAU

Western Europe I Division

United Kingdom (995-9401)
France
Belgium
Netherlands
Germany
Italy (995-6438)
Denmark
Ireland

Western Europe II Division

Sweden (996-6966)
Norway
Finland
Iceland
Austria
Switzerland
Portugal
Spain
Greece
Malta

# Eastern European Division

U.S.S.R. (593-4884)
Poland
Yugoslavia
German Democratic Republic
Romania
Bulgaria
Hungary
Albania
Czechoslovakia

# PACIFIC, ASIA AND AFRICA BUREAU

Pacific Division - (996-5381)

Japan Australia New Zealand

Asia Division - (992-0356)

India
Pakistan
Afganistan
Philippines
Bangladesh
Sri Lanka
Burma
Nepal
Sikkim
Korea (ROK)

China (PRC) Hong Kong Korea (DPRK) Vietnam (SRVN) Taiwan

Malaysia Thailand Singapore Indonesia Brunei Khmer Republic Laos

Africa, Middle East Division - (996-5543)

Bahrain
Iran
Israel
Kuwait
Muscat
Qatar
Syria
U.A.E.
Cyprus
Iraq

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Jordan
Lebanon
Oman
Saudi Arabia
Turkey
Yemen (North and South)
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Algeria C.A.R. Chad Egypt Gambia Guinea-Bissau Libya Mali Morocco Senegal Sudan Upper Volta Burundi Cameroon Congo Gabon Guinea Ivory Coast Liberia Mauritania Niger Spanish Sahara Tunisia Zaire

B.L.S. Ghana Mauritius Malawi Nigeria Seychelles South Africa Tanzania Uganda Benin Ethiopia Kenya Malagasy Mozambique Rhodesia Sierra Leone Somalia Togo Zambia

Angola

Task Force on Iraq, Iran and Saudi Arabia - (996-9195)

# WESTERN HEMISPHERE BUREAU

United States Division (996-5471)

Latin America Division - (996-5546)

Mexico

Venezuela Colombia Ecuador Peru Bolivia Chile

Argentina Brazil Paraguay Uruguay

Caribbean and Central America Division (992-0384)

Cuba
Panama
Haiti
Honduras
Guatemala
El Salvador
Nicaragua
Costa Rica
Puerto Rico
Dominican Republic

Barbados
Guyana
Jamaica
Belize
Bahamas
Surinam
Bermuda
Cayman Islands
Turks and Caicos Islands
Netherlands Antilles
French West Indies
Leeward/Windward Islands
Trinidad and Tobago

#### THE ENTERPRISE DEVELOPMENT PROGRAM (EDP)

# Introduction

Effective April 1, 1977, a number of the Department's development and incentive programs were restructured and further decentralized. The EDP Program replaces our previous innovation programs - Program for the Advancement of Industrial Technology (PAIT), Industrial Design Assistance Program (IDAP), and the Productivity Enhancement Program (PEP) - and our previous adjustment assistance programs such as the General Adjustment Assistance Program (GAAP), Automotive Adjustment Assistance (AAA), Footwear and Tanning Industries Assistance Program (FTIAP), and the Pharmaceutical Industries Development Assistance Program (PIDA) combining the basic features of these previous programs. This is designed to facilitate coordination amongst the various forms of assistance, and to make assistance programs more accessible to the public, particularly smaller and medium-sized businesses. This has been referred to as "one-stop shopping" for programs.

The EDP Program is administered by the Enterprise Development Board and 10 regional Enterprise Development Boards which report to Cabinet through the Minister.

#### Objective

The overall objective of the EDP Program is to enhance growth in the manufacturing and processing sectors of the Canadian economy by providing assistance to selected firms to make them more viable and internationally competitive.

Canada's economic problems of vigorous international competition, rapidly escalating costs and lagging rates of productivity improvement, represent demanding circumstances to Canadian industry. The key to developing an efficient, internationally competitive industrial structure is private investment and the creation by Government of a suitable economic climate for those business decisions. There is, however, scope for direct intervention through relatively modest industrial support efforts aimed at industrial growth and efficiency.

The objective of the EDP Program is to increase the effectiveness of the Department's industrial support programs to foster innovation and adjustment. The focus for assistance is on promising smaller and mediumsized firms prepared to undertake relatively high risk projects in relation to their resources which are viable and promise attractive rates of return on the total investment.

# The Corporate/Merchant Banking Approach

There is a typical product life cycle through which all products pass. Generally, the cycle entails the following distinct phases:

- (a) concept
- (b) development
- (c) pre-production
- (d) production
- (e) marketing.

Previously, incentive and development programs have been oriented to certain phases of the product life cycle. For example, the Program for the Advancement of Industrial Technology (PAIT) was oriented to the concept, development and pre-production phases, while the General Adjustment Assistance Program (GAAP) was oriented to the pre-production, production and marketing phases.

But there are differing problems and risks facing a firm at all phases of the product life cycle. The corporate approach which is employed in EDP endeavours to examine all of the problems and risks facing a firm at each of the distinct phases in the product life cycle.

Standard operating policy for the EDP program is to adopt the corporate approach to analysis, that is, to undertake a rigorous analysis of applicant firms and their proposed projects to identify viable businesses with attractive future prospects. The orientation is towards the business plan of the firm to identify present and future requirements for assistance and to tailor one or more forms of assistance under the program together with other government assistance and private sector financing into a "do-able" financing package to suit the applicant company.

This approach provides what may be described as "merchant banking" flexibility, and endeavours to serve its applicants by identifying, structuring and providing (or arranging for) all of the types of financing, and financial and management services required to realize full potential. Accordingly, the EDP is directed more towards investing in firms rather than supporting projects.

The approach is to examine the resources of the firm (human, financial, physical and technological); the market opportunities and constraints; and the plans of the firm to marshall its present and attainable resources to exploit its present and future market opportunities.

#### The Decision-Making Structure

The corporate/merchant banking approach which the EDP Program adopts is clearly more demanding on the Department and on the firms applying for assistance.

The decision making structure for the program addresses these increased demands in two ways:

- (a) The decision making structure for the program is mixed private sector/public sector boards. This is designed to provide more pragmatic, market-oriented decisions than might be the case with purely public sector boards. Further, this provides the responsible officers with guidance and advice in the analysis of firms, and in structuring "do-able" packages of assistance.
- (b) Secondly, the decision making is decentralized to a greater extent with the creation of 10 regional boards with delegated approval limits. This is designed to provide faster decision making and an awareness of regional business conditions in the decision making process.

For definition of the powers of the Enterprise Development Board and the Regional Enterprise Development Boards, reference should be made to the regulations for the EDP Program, which are available from the Regional Offices of the Department of Industry, Trade and Commerce.

# Forms of Assistance

The following components of the EDP Program indicate the various forms of assistance available:

- (a) shared cost projects to develop proposals for projects eligible for assistance
- (b) shared cost projects to study market feasibility
- (c) shared cost projects to study productivity improvement projects
- (d) shared cost projects for industrial design projects
- (e) shared cost projects for innovation projects
- (f) loans and loan insurance for restructuring (plant expansion, equipment modernization, working capital, etc.)
- (g) shared cost projects and loan insurance for trouble shooting
- (h) special purpose forms of assistance ~ surety bond guarantees, footwear or tanning industries assistance, DHC~7 sales financing assistance.

# Sub-Objectives of Each Form of Assistance

Within the context of the overall objective of the EDP Program, each of the various forms of assistance has sub-objectives as described below:

(a) Grants to Develop Proposals for Projects Eligible for Assistance

In order to ensure that the more complex proposals for innovation and adjustment assistance are developed on a viable, adequately

researched and workable basis, grants to partially offset the cost of qualified consultants can be provided to this end.

# (b) Grants to Study Market Feasibility

Projects for innovation and restructuring often falter or fail due to problems related to markets and marketing. To reduce the risk of projects in this regard, grants to partially offset the cost of the services of expert consultants in this field can be provided before innovation or adjustment assistance is considered.

# (c) Grants to Study Productivity Improvement Projects

To encourage feasibility studies of productivity improvement measures which do not require technology which is new to the firm but do involve some risk, grants to partially offset the cost of consultants qualified to conduct such feasibility studies can be provided.

#### (d) Grants for Industrial Design

The objective of grants for industrial design is to assist and to generally promote greater use of qualified industrial design services for products to be mass produced.

#### (e) Grants for Innovation Projects

The purpose of innovation assistance is to increase technological innovation in Canada where it will lead to industrial growth and economic benefit to both the firm and to the Canadian economy. Grants can be provided to selected products and processes or service capability incorporating an advance in technology and offering good prospects for profitable commercial exploitation.

Due to the risk and uncertainty which accompany innovation projects, this type of assistance should frequently be provided in conjunction with other forms of assistance, for example, grants to study market feasibility.

# (f) Loans or Loan for Adjustment Projects

The basic purpose of the adjustment assistance aspects of the Program is to facilitate restructuring or rationalization of manufacturing and processing firms in Canada by providing last resort financial assistance. Canada's secondary manufacturing industries frequently have considerable difficulty in meeting international competition both at home and in export markets. While the problems are numerous and complex, one frequent problem is that Canadian manufacturers have in many cases been geared to serve domestic markets under protective tariffs. In order to enhance the viability of secondary manufacturing and processing and to permit Canadian firms to become more internationally competitive, massive private investment in restructuring operations and modernizing equipment and facilities is required. In some cases, usual sources of financing for this purpose are inadequate for some smaller and medium-sized firms and, in these cases, loan insurance (guarantees) can be provided through the adjustment assistance components of the Enterprise Development Program.

Direct loans can also be provided to viable Canadian firms engaged in manufacturing or processing but this assistance is restricted to cases where firms have been injured by import competition. Due to the risks frequently associated with last resort financial assistance, this type of assistance may frequently be provided in conjunction with other forms of assistance, for example, grants to develop restructuring proposals or grants to study productivity improvement projects.

# (q) Grants, Loans and Loan Insurance for Troubleshooting

Where grants, loans and loan insurance have been made to a firm under the Program and the firm is experiencing unforeseen problems which place the firm and the project receiving assistance in jeopardy, fully insured loans can be provided to protect the Crown's interests and grants for consulting assistance can be provided to devise and implement remedial actions to protect the Crown's interests. Where all possibilities of arranging a fully insured loan have been exhausted, a direct loan can be considered.

While this type of assistance is not automatically provided, this does provide considerable flexibility to rectify problems or salvage endangered firms or projects where the firm and the project continue to be viable with this additional assistance.

# (h) Special Purpose Forms of Assistance

The adjustment assistance aspects of the Program are occasionally utilized to structure special purpose forms of assistance to meet more specific objectives. Three forms of special purpose assistance which are in place are:

- (i) loans and grants to encourage restructuring of firms engaged in footwear or tanning industries;
- (ii) insurance on surety bonds for off-shore turnkey projects; and
- (iii) insurance on loans, leases and conditional sales agreements to air carriers in Canada and the United States to acquire de Havilland DHC-7 aircraft.

These three special purpose forms of assistance are administered by the central Board and are not included in the delegated approval authority of the 10 regional boards.

# Who is Generally Eligible for Assistance?

As a general statement, the orientation of the Enterprise Development Program is to provide assistance to smaller and medium-sized firms engaged in manufacturing or processing activities. Firms in the service sector are, under limited circumstances, also eligible provided the provision of services provides direct, tangible and significant benefit to firms engaged in manufacturing or processing activities.

As a matter of policy, the Board will restrict the availability of such assistance to cases where the benefiting manufacturing firm is eligible for assistance.

Applicants for innovation and industrial design assistance must be incorporated. Firms applying for adjustment assistance need not be incorporated to be eligible. However, it is desirable that all firms be incorporated before receiving assistance, as innovation is beneficial to both the firm and the Crown. Applications may be accepted from unincorporated firms on the basis that the firm will be incorporated prior to disbursement of assistance.

The following represent the prime eligibility criteria for assistance:

- (a) the firm and the project must be viable;
- (b) for loans and loan insurance, the firm must be unable to obtain financing on reasonable terms; and
- (c) for grants, the project must represent a significant burden to the firm in respect of its resources.

Specific eligibility criteria for the EDP Program are detailed in the regulations. For further information, please contact the Regional Offices of the Department of Industry, Trade and Commerce (see page 00).

#### INTERNATIONAL TRADE DATA BANK

The International Trade Data Bank of IT&C consists of information on the imports and exports of 41 major trading countries. These data are reported to the United Nations by each of these countries annually and is received by the Macro Economic Structural Analysis Group (MESA) on computer tape on an individual country basis.

The 41 countries report the origin and destination of their imports and exports respectively according to the U.N. Standard Country Code, providing approximately 265 individual partner country and region possibilities.

The value data are expressed in current U.S. dollars for total trade and for all five levels of the Standard International Trade Classification (SITC), where national statistics are available. Although some quantity data are available for certain commodities and countries, inconsistent reporting among countries limits its usefulness for comparative analysis.

Stored in time series form on 10 year files, the data run from 1962 to the most current year available. The data are updated annually and information for the past calendar year is normally available for all OECD countries and certain developing countries within the first nine months of the present calendar year. Data for other developing countries (especially Brazil, India and Mexico) are subject to a lag of 2-3 years.

The capability exists to manipulate the data into alternate commodity and/or country configurations, for example: grouping SITC codes into four digit B.T.N., or SIC classifications; summing individual country data into regions (e.g. EEC exports to EFTA). It is possible to investigate significant flows for a country or commodity by producing reports for only those flows over a specified value.

There are two sets of systems which operate in conjunction with the Data Bank. The Report Writing System includes six standard reports with options; the Market Shares System includes market shares manipulations and a separate report writing system.

User charges are based on an initial estimate followed by actual cost recovery. For further information, write to the Macro Economic Structural Analysis Group (25/5), Planning, Research and Evaluation, Department of Industry, Trade and Commerce, Ottawa, Ontario K1A OH5.

# Reporting Country Coverage of International Trade Data Bank

Belgium - Luxembourg France Germany, Federal Republic of Italy Netherlands EEC of 6 Denmark Ireland United Kingdom EEC of 9 Austria Finland Iceland Norway Portugal Sweden Switzerland European Free Trade Assoc. Spain Yugoslavia Industrial Europe Australia Canada

New Zealand United States Industrial Pacific Turkey OECD Hong Kong India Laos Pakistan Philippines Rep. of Korea Singapore Thailand Brazil Israel Mexico United Arab Republic Tran Kuwait Libya Arab RP Tunisia Venezuela Japan

# SPECIALIZED INDUSTRIAL DEVELOPMENT SUPPORT PROGRAMS AND SERVICES, DEPARTMENT OF INDUSTRY, TRADE & COMMERCE

# Agricultural and Food Products Market Development

#### Assistance Program (AGMAP)

# Objective

To encourage sustained growth for the sale of Canadian agricultural and food products in export and domestic markets.

# Qualifying Activities

Three general types of projects can qualify under the program; feasibility projects, including market definition and commercial feasibility for new or existing products and processes; including market and product process development; Canadian capability projects, designed to establish in Canada capabilities which are currently lacking.

#### Criteria

The potential market growth for the product or process, its ability to contribute to an improved net income for producers and the value added aspect.

#### Who is Eligible

Candian companies, associations, universities and similar entities.

#### Forms of Assistance

The three forms of assistance are: non-recoverable contributions, recoverable contributions and contingent contributions. The nature and extent of assistance will depend on the specifics of each application.

#### Allowable Costs

The direct project costs and an indirect allowance, and administrative costs.

# Title to Results

Vested in the company.

#### Applicant Obligations

Exploit results to obtain maximum benefit for Canada.

Mailing Address: Programs Division

Agriculture, Fisheries & Food Products Branch Department of Industry, Trade and Commerce

240 Sparks Street Ottawa, Ontario

K1A 0H5

#### SHIPBUILDING INDUSTRY ASSISTANCE PROGRAM (SIAP)

Assistance under this program is available to companies engaged in the building and conversion of ships of over specified minimum sizes (fishing boats of 75 feet or less are assisted by a different program, administered by the Department of Fisheries and Environment.

Only 30 companies presently qualify and enquiries from other companies should be directed to Shipbuilding and Components Division, Transportation Industries Branch, Department of Industry, Trade and Commerce, 240 Sparks Street, Ottawa, K1A 0H5.

#### DEFENCE INDUSTRY PRODUCTIVITY PROGRAM (DIP)

#### Objectives

(i) To sustain and develop the technological capability of Canadian industry for the purpose of defence export sales or civil export sales arising from that capability.

#### Form of Assistance

- (i) Support of selected research and development.
- (ii) Payment of one-half of the cost of acquisition of new equipment for plant modernization.
- (iii) Support of the establishment of production capacity and qualified sources for production of equipment component parts and materials on terms and conditions approved by Treasury Board.

# Eligibility Criteria

- a) The company proposing a project must be a Canadian based company.
- b) The proposed project must meet the program objectives.
- c) The project must be compatible with the structure and resources of the company and its forward strategy as developed in conjunction with the Industry Sector Branch.
- d) The project must demonstrate the potential for generating an acceptable incremental return compatible with the investment required by the company and Government. This return would normally take into account such factors as incremental export sales, employment, profit, capacity utilization, etc.
- e) The project must be oriented to defence or related civil markets which employ defence technology.

# How to Apply

Preliminary letter of application to any Industry, Trade and Commerce regional office or to the appropriate industry sector branch or the DIP Program Office, Department of Industry, Trade and Commerce, 240 Sparks Street, Ottawa, Ontario.

# Information to be Supplied with Application

- 1. Initially brief description of company, its products and capability.
- 2. Brief description of proposed product including estimated costs.

#### MACHINERY PROGRAM (MACH)

# Objectives:

- (i) Assist users of machinery to acquire advanced production equipment at the lowest possible cost; and,
- (ii) Enable machinery producers to derive maximum incentive and encouragement from the tariff.

# Form of Assistance

Remission of duty on qualifying imports.

# Eligibility Criteria:

- (a) The imported machinery must be classified under Tariff Items 42700-1, 41100-1 or 42701-1.
- (b) Reasonably equivalent machinery is not available from production in Canada.
- (c) Remission is in the public interest.

# How to Apply:

Prescribed forms are available at Customs Offices as well as IT&C Regional Offices or by writing to:

The Secretary
Machinery and Equipment Advisory Board
Department of Industry, Trade and Commerce
240 Sparks Street
Ottawa, Ontario

# DESIGN ASSISTANCE TO BUSINESS

Industrial design was born as a profession in the United States during the "Dirty Thirties" when the economy needed some fresh impetus. Canadian industry today faces a similar need.

To face up to this need, Design Canada programs and services are aimed at small and medium businessmen. Program delivery is provided with as little formality and wait period as possible.

Design Canada can assist you, through cost-shared product design and development programs and design advisory services to explore what industrial design might do for your business.

Design Canada can assist with product analysis (design audit). What are the product attributes that potential customers value the most? What product configuration embodies those attributes and yet reduces distribution costs? What is the right price? What design-up capability exists?

Design Canada can assist you in introducing a  $\operatorname{multi-disciplinary}$  approach that relates:

- (a) the pre- and post-production market research on the product-users' needs,
- (b) the product design,
- (c) the production line capability and potential in terms of your newly designed or redesigned product,
- (d) the constraints or advantages in your distribution system as they relate to your product design opportunity,
- (e) the packaging and corporate image aspects for your firm as they relate to your product design,
- (f) the costs involved in your design investment.

Design Canada can introduce you to:

- (a) federal and provincial product design financial assistance programs,
- (b) professional designers relevant to your need;
- (c) "management of design" seminars and university courses for your management personnel;
- (d) Canadian product "case studies" of industrial design application and commercial success and other information materials for members of your management team;
- (e) young designer internship programs for manufacturing companies;
- (f) other institutions and government departments with interests in design such as Consumer and Corporate Affairs, Consumers' Association of Canada, Provincial Design Institutes or Councils, Canadian professional design societies, industrial research institutes;
- (g) design scholarship programs for design studies and mid-term professional designers.

Industrial design may give you a way out of the increasing cost-squeeze problems. If you cannot produce your product more cheaply, maybe you can make it better.

Consumers will pay more for a better designed product. Consider German electronics, Scandinavian furniture, Italian plastics. Also consider one Canadian company, Performance Sailcraft, designer and producer of over

30,000 International class "Laser" sailboats. Demand for this Canadian boat is so high that Performance has licensed fabrication rights in eleven foreign countries.

Design Canada's organization is somewhat unique as it has a dual responsibility; to the National Design Council (comprised of 17 members appointed by the Minister of Industry, Trade and Council and responsible for the encouragement of increased design utilization in Canadian industry); and to the Department of Industry, Trade and Commerce.

Detailed enquiries concerning the Design Canada organization, programs and services should be directed to:

Executive Director,
Design Canada,
Department of Industry, Trade and Commerce
Ottawa, Ontario.
K1A 0H5

#### FASHION DESIGN ASSISTANCE PROGRAM (FDAP)

## Objectives

The primary objective of the Fashion Design Assistance Program is to increase the international competitiveness of the Canadian apparel and textile industries by:

- (a) increasing the number of well-trained creative fashion designers in Canada;
- (b) developing an environment which will stimulate increased creative fashion design activity in these industries;
- (c) building an image of Canada as a source of creative fashion merchandise in order to attract Canadian and foreign buyers.

There are two main components of the program, which are administered by a board of directors under the registered name FASHION/CANADA:

(1) The designer development component works towards the encouragement of greater opportunities for the development of trained Canadian fashion designers and acceptance of them in the industries.

An extensive study of the supply and demand for fashion designers in the fashion industry identified the need to improve training facilities and job opportunities. Bursaries for advanced studies and research grants are available to those individuals showing evidence of the necessary creative talent, motivation and self-discipline to meet competition in the market. Applications for bursaries must be submitted to FASHION/CANADA for screening by the Committee for Designer Development.

(2) The promotional component contributes to a national climate of fashion awareness through the continuing promotion of good Canadian design. This is achieved through promotional projects jointly funded with the leading fashion industry associations and provincial governments as well as continous information services to the fadhion media.

Mailing Address: FASHION/CANADA

Industry, Trade and Commerce

240 Sparks Street Ottawa, Ontario

K1A 0H5

#### IMPORT ANALYSIS

#### Introduction

The Branch was set up with the twin objectives of assisting both industrial development and trade promotion by providing analyses of imports in a significantly greater degree of detail than is available from regular import data produced by StatCanada.

The regular "Trade of Canada Imports" data provide detail to what StatCanada calls the "5-digit level", with approximately 2,700 Import Classes or "bits" of information. With imports running at \$37 billions annual rate the average import class carries a dollar value of \$13 million. In the next few years StatCanada will be moving to a "7-digit level", which means in practical terms that the number of import classes will increase to about 16,000 and the average value of imports per import class will be about 2-1/2 million (probably more since the value of imports may also be higher). The point remains that most import classes contain several products, and many contain literally hundreds of individual products.

At this time, the original concept of import analysis has grown to encompass four distinct functions:

- (1) Import Analysis
- (2) Market Surveys
- (3) Import Monitoring
- (4) Import Early Warning
- (1) Import Analysis

Import Analysis starts at the level of generalized import classes, takes a magnifying glass to them, and extracts the maximum product and marketing detail so necessary for commercial planning - the end use, market segmentation, and product characteristics such as price structure, size, capacity, performance, style, material of manufacture, etc.

For instance, in Import Analysis I.A.Div. 72-76, two Import Classes (425-99 Plastics Fabricated Materials n.e.s.) and (961 99 Plastic End Products n.e.s.) - two bits of information in the regularly available StatCanada series - were "magnified" into:

- -150 individual products or groups of products;
- -eight pages of product detail;
- -\$8 millions in dollar value in two months.

Analyses are initiated on the basis of specific requests from industry, from within the department, other government departments, and from provincial governments.

TYPE OF REQUEST - 1976

		Number	%
Industrial Industrial Industrial Monitoring	Development	44 71 42 32	23 38 22 17
Total		189	100

## (2) Market Surveys

Typically, the data from import analysis are micro-economic in character, which means that they are almost too small to relate comfortably to other sources of data. In turn it becomes difficult to develop trends for the product and prepare forecasts of demand.

The Market Surveys Division starts with the result of the import analysis - including the information that we are unable to publish because of confidentiality restrictions - and attempts to provide the macro-economic framework. The market is surveyed, wholesalers, retailers, suppliers, or manufacturers are interviewed, and relationships are developed between the particular product and economic indicators, preferably forecastable indicators since the primary objective is to forecast the Canadian market, identify specific market segments, and pin-point growth opportunities for industrial development.

## (3) Monitoring

The Branch receives requests to monitor imports of specific products. Sometimes the product is "well hidden" in the more generalized import classes, and sometimes the intention is to identify simply some segments of a well identified single-product import class (e.g. certain types of plywood). In all cases the request is ..defensive" in character, in that imports are thought to be causing an unacceptable level of dislocation or damage to Canadian manufacturers.

### (4) Import Early Warning

The department has decided that it needs to improve its ability to identify and document imports which cause or threaten to cause injury to Canadian industry. Our inability to do so often makes it impossible for the department to argue persuasively for remedial action and for such action to be instituted before the damage is done. The Department therefore has decided to implement an Early Warning System which will help to resolve this problem.

It is proposed that the Early Warning System will function in two phases: First, a small Unit will monitor all Import Classes for unusual activity or growth, using advance print-outs of StatCanada's master tapes, and thereby develop commercial intelligence on changing content of Import Classes and identifying trends and keeping up-to-date with current trade developments. Secondly, selected Import Classes will be analyzed in detail by using established techniques but with the time frame reduced from four months to two or three weeks. This valuable time saving is to be achieved by accessing directly to National Revenue's Customs invoices that are retained at Ports of Entry, rather than relying of StatCanada's copies, which are tied up for two or three months in their own statistical processes.

This will provide Canadian industry with a greater degree of certainty that, when production is threatened by injurious imports, the government can take action quickly. This should help improve the climate for doing business in Canada.

### General

The volume of requests in recent years has made it necessary for the Branch to establish a priority system. Priority is given to requests embodying increased employment, although this is modified in the case of monitoring projects where the benefits may well be in preserving employment - or preventing layoffs by correctly identifying and quantifying imports suspected of causing damage.

The industrial development that has been and can be stimulated by these studies has been of considerable significance to the Canadian economy in

terms of additional employment, resource up-grading, import replacement, export development, and balance of trade. While it is difficult to measure accurately the impact of these reports published by the Branch, because they are essentially an input into the decision-making processes of others, we have advised (based on unsolicited feedback from industry) that five new manufacturing establishments were set up in 1975 with the creation of some 254 new jobs. In addition (and again based on unsolicited feedback), some 35 firms are in various stages of development, while seven others are awaiting finalization of financial arrangements. This represents an investment of approximately \$120 million and some 3300 new jobs.

For further information contact: Import Analysis Branch Department of Industry, Trade and Commerce 240 Sparks Street Ottawa, K1A 0H5

#### INTERFIRM COMPARISONS

#### Purpose

The Interfirm Comparison Program has been designed by the Department of Industry, Trade and Commerce to help individual companies to ascertain, on a confidential basis, how their productivity and profitability compare with those of their competitors, why they differ and how they can be improved.

To date, too few companies are tracking their own productivity performance, and they have no way of comparing it with other comparable firms. The Interfirm Comparison Program not only encourages the companies to systematically evaluate their productivity, but shows them how it can be done, and provides them with a basis for comparison with their competitors.

## Description

Requests for interfirm comparisons originate from industry associations, groups of firms or government departments. Individual firms may also initiate projects, either by getting together a number of similar companies to request a comparison among them, or by suggesting a list of companies to IT&C for which a comparison appears desirable.

The main priority criteria for undertaking interfirm comparisons are:

- major productivity improvement opportunities or particular needs in the specific industrial sector;
- interest expressed by trade associations or groups of firms;
- interest expressed by Provinces in the specific industrial sector;
- comparability among prospective participants.

When the industrial sector is chosen, a comparable group of firms is selected in cooperation with the industry, and they are invited to participate in the comparison. The participating firms are visited, and an integrated set of key operating ratios worked out in close cooperation with them to measure the firms' relative performance in the most critical aspects of their operations. The number and the details of the ratios in the set usually vary from project to project, but the general pattern is similar: (a) profit margin on sales, and various costs per sales dollar that determine the margin, (b) asset turnover, and the amounts of various assets in proportion to sales (c) productivity and other supplementary ratios.

The information is collected through personal visits and no questionnaires are involved. All data are held in strictest confidence and are available only in ratio form to the participating companies. They are identified by code letter only. The data are standardized, analyzed and reports are provided to each participating firm. The process is concluded by a very important follow up discussion with each participant in order to stimulate corrective action.

In order to assist Canadian companies to improve their productivity and competitiveness, the new interfirm comparisons are provided free of charge by the Department of Industry, Trade and Commerce. As, however, nearly all sectors covered to date have requested that the comparisons be repeated annually, serious consideration is being given by the Department to some form of cost recovery for repeat comparisons.

#### Coverage

To date, interfirm comparisons have been completed from coast to coast covering about 600 companies in approximately 30 sectors, about 200 of them repeats.

For further information, write to: Director General, Business Services Branch, Department of Industry, Trade and Commerce, 240 Sparks Street Ottawa, K1A 0H5

#### SUPPORT FOR RESEARCH AND INNOVATION

A group of organizations have been created with grants from the Department of Industry, Trade and Commerce. The intention has been to increase the resources available to industry for the conduct of specialized research and the provision of technical advice.

### INDUSTRIAL RESEARCH INSTITUTES

Nine industrial research institutes have been established at Canadian universities - see attached list. Their purpose is to facilitate contact between industry and the academic staff of the university and to arrange for the conduct of research or the provision of other technical services that can assist industry and are within the capabilities of the university's staff and facilities. Assistance provided by the university for a client is done under contract with the client paying the full cost. Funds provided by the Department of Industry, Trade and Commerce (maximum of \$60,000 per annum for 3-7 years) are to underwrite the administrative costs of operating the institute in the early years when income from contracts is insufficient to meet these costs. Six institutes are now financially self-supporting from contract income; only three are still receiving grant support.

# CENTRES OF ADVANCED TECHNOLOGY

Nine centres of advanced technology have been established; five in universities and four in provincial research councils - see attached list. These centres, established with grants of up to \$175,000 per annum for 3-7 years, are based on an existing technical capability of the parent organization which has been upgraded and expanded to the point of being able to offer advice and assistance of a calibre that can permit Canadian industry to remain in the forefront of technological progress. Assistance provided by the centres is paid for in full by the client. Funding provided by the Department is used only to enable the centre to upgrade its technological capability and to underwrite the cost of operation during the formative years. The nine centres, only five of which are currently

receiving grant support, can provide expert assistance in the following areas of technology:

- (a) The production and use of powdered metals (Centre for Powder Metallurgy);
- (b) The selection, programming and operation of numerically controlled machine tools for all metal cutting and machining purposes (Canadian Institute for Metalworking).
- (c) the design, model or prototype construction and evaluation of equipment to be used in a marine environment (Centre for Ocean Engineering, Centre for Ocean Technology);
- (d) the design, simulation and control of systems and processes by computer (Systems Analysis, Control and Design Activity);
- (e) the innocuous disposal or re-use of industrial wastes (Centre de technologie de l'environnement);
- (f) the development of new or improved products and processes in the food and feed industries (Canadian Food Products). Development Centre).
- (g) the design and evaluation of materials, products and systems employed by the construction industry (Systems Building Centre);
- (h) the design, prototype construction and evaluation of biomedical instrumentation (Biomedical Instrumentation Development Unit).

#### INDUSTRIAL RESEARCH ASSOCIATIONS

Three industrial research associations have been created, in cooperation with industrial groups, for the purpose of organizing the conduct of research and development activity important to these groups. In the early years, the general work of the associations is supported by grants from the Office of Science and Technology (\$175,000 per annum for 5-7 years) and membership subscriptions obtained from participating companies. As the associations develop, membership subscriptions and contracts with individual firms for specific, proprietary, R & D work are expected to defray the total operating costs of the associations.

The industrial areas to which the three associations are directed are

- (a) welding technology (Canadian Welding Development Institute);
- (b) equipment and services related to the transportation and use of natural gas (Canadian Gas Research Institute);
- (c) new uses for elemental sulphur presently accumulating in Western Canada (Sulphur Development Institute of Canada).

## INDUSTRIAL RESEARCH INSTITUTES

General Manager
Industrial Research
Institute of the University
of Windsor
N9B 3P4
Tel: 519-253-8862

General Manager, Ryerson Applied Research Ltd., 380 Victoria Street Toronto, Ontario M5B 1W7 Tel: 416-595-5033 Director
Atlantic Industrial
Research Institute
N.S. Technical College
Halifax, Nova Scotia
B3J 2X4
Tel: 902-429-8300

Managing Director
Centre for Applied Research
and Engineering Design Inc.
McMaster University
Hamilton, Ontario
L8S 4K1
Tel: 416-522-9140

Director
Waterloo Research Institute
Office of Research
Administration
University of Waterloo
Waterloo, Ontario
N2L 3G1
Tel: 519-885-1211

Directeur Le Centre de Développement Technologique 2500 Avenue Marie-Guyard Montreal, Quebec H3C 3A7 Tel: 514-344-4720 Directeur,
Centre de Recherches en Sciences
Appliqueées à l'Alimentation
L'Université du Québec à
Montréal
Montreal, Quebec
H3C 3P8
Tel: 514-282-6954

Director
Office of Industrial Research
University of Manitoba
Winnipeg, Manitoba
R3T 2N2
Tel: 204-474-9463

Director
Office of Industrial Research
McGill University
853 Sherbrooke St. W.
Montreal, Quebec
H3A 2T6
Tel: 514-392-4963

## CENTRES OF ADVANCED TECHNOLOGY

Directeur
Centre for Powder Metallurgy
Ontario Research Foundation
Sheridan Park
Mississauga, Ontario
L5K 1B3
Tel: 416-822-4111

Director
Centre for Ocean Engineering
B.C. Research
3650 Westbrook Mall
Vancouver, B.C.
V6S 2L2
Tel: 604-224-4331

Director
Systems Analysis, Control
and Design Activity (SACDA)
University of Western Ontario
London, Ontario
N6A 5B9
Tel: 519-679-6570

Manager Cdn Institute of Metalworking McMaster University Hamilton, Ontario L8S 4K1 Tel: 416-525-9140

Manager
Centre for Ocean Technology
Nova Scotia Research Foundation
100 Fenwick Street, Box 790
Dartmouth, N.S.
B2Y 3Z7
Tel: 902-424-8670

Directeur
Centre de technologie de
l'environnement
Université de Sherbrooke
Sherbrooke, Québec
J1K 2R1
Tel: 819-565-4423

Director
Canadian Food Products
Development Centre
Manitoba Research Council
210 - No. 1 Lakeview Square
155 Carlton Street
Winnipeg, Manitoba
Tel: 204-944-2040

Director
Biomedical Instrumentation
Development Unit
Rosebrugh Building
University of Toronto
Toronto, Ontario
M5S 1A4
Tel: 416-978-6666

Chairman
Systems Building Centre
University of Toronto
35 St. George Street
Toronto, Ontario
M5s 1A4
Tel: 416-928-8653

#### INDUSTRIAL RESEARCH ASSOCIATIONS

Director General
Canadian Welding Development
Institute
254 Merton Street
Toronto, Ontario
M4S 1A9
Tel: 416-487-5415

Vice President & General Manager Canadian Gas Research Institute 55 Scarsdale Road Don Mills, Ontario M3B 2R3 Tel: 416-447-6465

President
Sulphur Development Institute
of Canada
Suite 830
Bow Valley Square
202 6th Avenue, S.W.
Calgary, Alberta
T2P 2R9
Tel: 403-265-4220

### THE MANAGEMENT ADVANCEMENT PROGRAM

This program comprises three elements:

- the Development of University Studies in International Business
- the Management Advisory Institutes
- the Development of Management Courses
- A) University Studies in International Business

The objective of international business studies support is to strengthen the long term competitiveness of Canadian industry through improving the quality of international business management. To this end, centres have been established in four universities across the country, developing course material, presenting continuing education programs for professional managers and providing courses, summer internship and seminars.

The four Centres now in place are located at the following universities: British Columbia, Western Ontario, Ecole des Hautes Etudes Commerciales (Montreal) and Dalhousie (Halifax). The first two were established in 1974 and the other two in 1975. The implementation of the Centres followed intensive consultation and negotiation with the Provinces and the host universities. We are confident that this program will make available to Canada very capable managers in international business.

The development grant to each university, according to the terms of the contract are up to a total amount of \$300,000 for a five year period, with a possibility of up to \$80,000 per year.

The Centres are monitored in their development by Advisory Boards comprised of prominent businessmen and representatives from the provincial and federal governments.

At the end of the five year contract, the related provincial government will finance the centre according to the rules applied in that particular province. The financial role of the federal government will in effect be terminated. The evaluation should at that time indicate if further federal involvement is necessary either to fund the same Centres for new initiatives or to develop other Centres.

The program also provides fellowships as an incentive to attract the best students into the international business programs developed by the four Centres. The maximum amount per year per centre is \$20,000. The awards being of \$3,000 at the master's level and \$5,000 at the doctor's level, plus \$1,000 for a married candidate.

To date \$154,000 have been disbursed for fellowships at the four centres. The total possible amount after five years is \$394,000 for fellowships.

### B) Two Management Advisory Institutes

The objective of this program is to develop effective relations between business and academic communities by establishing a framework through which the professors of the faculties of business administration and commerce may do original applied research and offer consulting services not already available through the consulting industry.

The department has undertaken to test this program by establishing two pilot institutes. Contracts have been signed with the University of Alberta and with Laval University in Quebec City. The provincial Governments were involved in the selection of the host universities and in the negotiation process.

The contract with each university calls for a grant of \$50,000 per year for a three-year period with a possibility of an extention of up to two more years, following a positive evaluation. These institutes should be self-supportive at the end of the five year period.

The institutes will be monitored by an Advisory Board comprised of business people, private consultants and of representatives of both the provincial and federal governments.

After three years of operation, an evaluation of the impact of the pilot projects will be conducted. This evaluation will enable the department to reach a decision to terminate or to extend these Management Advisory Institutes.

The persons involved are:

Dr. Roger S. Smith,
Professor and Acting Dean,
Faculty of Business Administration & Commerce,
The University of Alberta,
Edmonton, Alberta.
T6G 2G1 (Tel: 432-3901)

Dr. Claude Lebon, doyen,
Faculte des Sciences de l'Administration,
Universite Laval,
Cite Universitaire,
Ste-Foy, Quebec 10e (Quebec). (Tel: 418-656-2216)

Directors of the Four Centres for International Business Studies

Professor J.W.C. Tomlinson, Chairman Division of International Business Studies Faculty of British Columbia University of British Columbia Vancouver, B.C.

Tel: (604)228-2646

Dr. Harold Crookell, Director Centre for International Business Studies University of Western Ontario London, Ontario.

Tel: (519)679-2970

Mr. Robert Charbonneau, Director Centre d'etudes en Administration Internationale Ecole des Hautes Etudes Commerciales 5255, avenue Decelles Montreal, Quebec H3T 1V6.

Tel:(514)343-4520

Dr. Donald Patton, Director Centre for International Business Studies Dalhousie University Halifax, Nova Scotia. B3H 4H6.

Tel: (902)424-3502

## DISTRIBUTION SERVICES BRANCH

This new Branch of the Department of Industry, Trade and Commerce was formed principally in recognition of the increasing importance of distribution to the Canadian economy. In addition to the department's continuing involvement with programs and services for the manufacturing and processing industries, there is an increasing need to understand and appreciate the requirements of those businesses which provide distribution services. The two largest elements of these services -- Wholesale and Retail -- employed some 1,659,000 people in 1976, and had a payroll of over \$13 billion in showing a sales turnover in excess of \$107 billion. As well as with the Wholesale and Retail Trades, the Branch will be involved with jobbing and brokerage houses, accounting, marketing, franchising and transportation services, import and export trading houses and the trade associations relating to each of these segments.

The main functions of the Branch are to:

- (a) establish and provide, on a continuing basis, appropriate and relevant departmental services to this sector of commerce
- establish and maintain effective communication and liaison with the business community, institutions, provincial governments and other interested parties
- c) establish and maintain effective interdepartmental communications particularly with those departments who have involvement with distribution services
- d) conduct sector studies in order to identify areas of concern and opportunity for the development of appropriate policies and strategies designed to lead to greater sector efficiency
- e) provide information, advice and counsel to other industry sector branches on distribution services.

#### CANADIAN GOVERNMENT OFFICE OF TOURISM

The fundamental objective of the Canadian Government Office of Tourism is to sustain the orderly growth of tourism in Canada.

Early in 1975 CGOT, in response to the pressures of the energy situation, inflation and recession, undertook a review of its marketing programs. Objectives and strategies were re-appraised and modified. The major conclusion was that we must take a more collective approach to the promotion of tourism in Canada and that we must boost and promote mass tourism \_ not to the detriment of the automobilist \_ but in recognition of energy conservation issues and increased revenues which could be derived from mass tourism modes.

Out of this was born the Consortium Concept. Alliances with tourism interests in the public and private sectors were formed for the purpose of selling package vacations and mass modes of transportation. Consortia brought together the Office of Tourism, provincial and territorial governments, carriers and tour producers. In the spring and summer of 1976, 86 Consortia workshop seminars were held for travel agents across Canada and the U.S. Another series of seminars, promoting winter in Canada, was held in 28 cities.

The seminars and other Consortia marketing efforts have been well received but we still await overwhelming evidence that the travelling public is making any greater use of mass modes of transportation. In 1976, 86.2 per cent of 32.3 million visits from the U.S. were made by private automobile, compared to 86.8 per cent in 1975 and 86.6 per cent in 1974. Plane visits accounted for 4.4 per cent in 1976, 4.3 per cent in 1975 and 4.5 per cent in 1974. Train and bus figures also remained almost constant.

Highlight of the push towards package tours is the CGOT Tour Development Program. This is an incentive program designed to encourage tour wholesalers and operators to develop and offer more tours to a greater range of Canadian destinations and attractions; to help overcome the lure of competitve destinations abroad; and to channel travellers into more energy efficient modes of transportation in Canada.

In 1976, the first full year of the program, investment of approximately 350,000 helped 18 developers establish 112 new tours. This generated 4.9 million in direct new tourism revenue.

Every region of Canada shared in the economic benefits generated by tours assisted under the program. In time, the program could become a major factor in helping Canada overcome the deficit in its balance of payments.

Assistance is available through the program to carriers, tour wholesalers and operators in Canada and abroad as well as provincial and territorial governments.

CGOT is concerned that the Canadian tourism product, including attractions, facilities and services, be competitive with products offered in other parts of the world. Towards this end, high priority is currently being placed on developing a working inventory of key travel industry "plant" sectors - transportation, accommodation, hospitality services, events and attractions, outdoor recreation facilities and other services. Information included in the inventory serves a variety of purposes. It is used to help tour producers to put together better package vacations; for up-grading services and facilities; for improving development planning and project implementaion and for supporting private initiatives.

High priority is also attached by CGOT to co-ordinating and reinforcing federal, provincial, territorial and private activities pertaining to the development and promotion of tourism in Canada.

Problems now under consideration by CGOT and the provincial and territorial tourism departments include: the quality of Canada's services and facilities; the need for more dynamic destination areas; manpower effectiveness; profitability; financing and price competitiveness.

For further information, please contact:

Pierre Turcotte Regional Director, Canada Canadian Government Office of Tourism 240 Sparks Street Ottawa, Ontario K1A 0H6

Tel: (613)996-3134

## METRIC COMMISSION CANADA

Metric Commission Canada was established by Order in Council PC 1971-1146, June 1971. The Commission plays a co-ordinating role for over 100 sector committees covering all areas of the Canadian economy. The major impetus for conversion comes from the members who represent industry and commerce, associations, governments and other concerned bodies. Metric Commission Canada is involved in the development of conversion plans by each of these sector committees and in overall co-ordination of metric conversion in Canada.

Plans & Flyers. Companies or industries which want information on the development or program of metric conversion in their industry may obtain the complete plan documentation through the association of which they are members, or may contact the relevant Sector Plan Manager at Metric Commission Canada for the Plan desired or flyer summaries of the Plan.

Metric Theme Campaigns. Metric Commission Canada will allow the use of artwork, photography, reproduction films, etc. to any organization which sponsors a metric theme campaign designed to create awareness and positive attitudes concerning SI to Canadians. This can include promotional campaigns, films, editorial features, displays, books, etc. Metric Commission Canada will also distribute on a no-charge basis up to 10% of any promotional materials produced by an organization that meets the criteria of M.C.C. For further information, contact the Public Relations Branch of the Commission.

**Speakers' Bureau.** Metric Commission Canada provides speakers on metric conversion in the various sectors in all areas of Canada. For further information, contact the Promotional Projects Branch.

Metric Conversion Information Centres. Centres have been set up in several provinces to give information on the plans, progress and implication of metric conversion to businesses, trade associations, government departments, municipalities etc.

Information Materials. A variety of information is available to assist organizations and the general public in adjusting to the change in SI in Canada. This includes publications, promotional aids, films, slides, and posters. A metric kit has been especially designed for retaillers.

Financial Assistance for Workers Tools. A special program has been set up to assist the employee to replace his present imperial tools. He can claim reimbursement of 50 per cent of the total spent on the purchase of metric tools. The program came into effect April 1/77 and will last until March 31/82. Claim forms are availabe at Canada Manpower Centres.

For further information, contact: Metric Commission Canada Box 4000 Ottawa, Ontario K1S 5G8

#### STATISTICS CANADA

Statistics Canada, as Canada's central statistical agency, has a national responsibility for collecting and publishing the statistical information needed by governments, industry and the general public to understand the social and economic conditions of the country.

Information is available at minimum cost on almost every business, industrial, economic and social activity in the country. While the bureau prints an average of nine publications each working day, only some of the available information is released in this fashion. Much more is available upon request or is released in microform, as a computer print-out or on a computer tape, or is available on-line through CANSIM, the bureau's machine-readable database. A free catalogue summarizes information available in the publications and gives references to the unpublished information, the microform products and the important CANSIM program.

Specialized services are available to the public from the various subject areas, for example, trade statistics, price statistics and manufacturing statistics. The quinquennial Census of Population is the bureau's largest single program and the Census Information Service can provide a wide variety of socio-economic information on individuals and households for large or small geographic areas. In addition to the published data for almost all Census variables and some basic cross-tabulations of variables, more information is available in microform, on computer tapes and maps, and custom-tabulations can also be provided for special geographic areas at a reasonable cost.

Free publications are available to help the businessman find out more about the products and services of Statistics Canada and how to use statistics. In addition to the Catalogue, there are, for example, "Infomat" a weekly bulletin which summarizes highlights of bureau releases and lists titles of publications released each week, "Your Guide to the Consumer Price Index" and "How a Manufacturer Can Profit From Facts".

The bureau has a User Advisory Services Division whose primary task is to help people identify, obtain and effectively use statistical information. The Division has statistical reference centres in nine major cities and toll-free telephone access is available in several other areas.

These centres are the easiest point of entry to Statistics Canada. They are staffed by inquiries officers who each year answer over 140,000 requests for statistics or advice on the meaning and use of data. Most requests are received by telephone but many are by letter or from visitors to the libraries, which are open during normal working hours and provide study areas and permit limited photocopying. Arrangements to purchase publications can be made through the centres or directly from Ottawa. Computer terminals are available in each centre to access information directly from CANSIM.

Each local office has one or more Regional Advisers who promote the use of statistics through visits, talks and meetings; assist both experienced and inexperienced users with data problems and, if necessary, help people get in touch with the appropriate specialists in Ottawa; and feed back to Ottawa users' views, comments, criticisms, etc., to help Statistics Canada improve its products and services.

For further information or assistance, contact the Regional Advisers at any of the following branch offices of Statistics Canada:

3rd Floor, Viking Building, Crosbie Road, St. John's, Newfoundland Room 500,

General Post Office,
266 Graham Avenue,

Winnipeg, Manitoba

Tel.: 726-0713 Area 709 Tel.: 985-3257 Area 204

Sir John Thompson Building, 1256 Barrington Street, Halifax, Nova Scotia

Tel.: 426-5331 Area 902

1500 Atwater Avenue, Alexis Nihon Plaza,14th Floor, Montréal, Québec

Tel.: 283-5742 Area 514

Arthur Meighen Building, 25 St. Clair Avenue, East, Toronto, Ontario

Tel.: 996-6574 Area 416

530 Midtown Centre, 1783 Hamilton Street, Regina, Saskatchewan

Tel.: 569-5405 Area 306

10th Floor, Baker Centre Building, 10025 \_ 106th Street, Edmonton, Alberta

Tel.: 425-5052 Area 403

Main Floor, Alvin Building, 101 \_ 1145 Robson Street, Vancouver, British Columbia

Tel.: 666-3594 Area 604

#### CANADA DEPARTMENT OF AGRICULTURE

The Department of Agriculture is engaged in a wide range of activities relating to all aspects of the agricultural industry in Canada. These activities include: continuing research into the physical and economic problems of agriculture; grading and inspection of farm products; prevention and control of diseases and pests of crops and livestock; processing of farm management data; provision of farm credit; assistance in crop insurance; administration of price support programs to alleviate the effects of market fluctuations; and administration of emergency agricultural assistance programs.

Although this section is entitled Department of Agriculture, the programs described are offered not only by the department but also by other federal bodies providing service in these areas.

At the end of each program, the name and address of the responsible department or agency which can provide further information is given.

The department's Health of Animals Branch provides meat inspection services at registered meat and poultry slaughtering and processing plants to ensure wholesomeness of the product, and the branch administers programs to control and eradicate animal diseases. Free laboratory diagnosis is also available to veterinarians.

The programs and policies administered by the Production and Marketing Branch are designed to help producers obtain a fair return for management, capital and labour from the market. Its activities, carried out by various commodity and specialized divisions and services, include livestock and poultry improvement programs; measures to prevent the introduction and spread of plant pests; a quality control program for such farm needs as seed, animal feed, fertilizer and pesticides; grading and inspection to assure quality of many agricultural products; market reports for various commodities, and a food advisory service.

The Economics Branch identifies agricultural economic problems and opportunities; recommends policies and programs; projects trends and prospects in agriculture; and disseminates economic information. Its work includes the areas of policy development, farm and rural development, and marketing and trade. Its CANFARM Division, based at Guelph, Ontario, provides a modern, computerized record-keeping service for farmers.

The program carried out by the department's Research Branch is aimed at solving the physical problems of agriculture, thereby contributing to a more efficient and productive industry. The research work includes studies of soils, plants and animals; control of weeds, pests and diseases; and the processing and storage of food. The branch has 44 research establishments across Canada. As many as 1,400 research projects are under way at one time.

Address: Information Division Agriculture Canada SBI Building Billings Bridge Plaza 2323 Riverside Drive Ottawa, Ontario KlA OY9 Animal Disease Eradication Compensation for Animals Slaughtered:

The federal government compensates herd owners when their animals have to be slaughtered because of disease. The compensation generally corresponds to the market value of the animals, but there are maximum amounts applicable to cattle and horses destroyed under any area or herd disease eradication program.

Address: Contagious Diseases Division Health of Animals Branch Agriculture Canada SBI Building Billings Bridge Plaza 2323 Riverside Drive Ottawa, Ontario KIA OY9

Lending Programs

Exhibition Loans:

Under the federal Agricultural Exhibition Loans Program, exhibition associations may obtain long-term loans for the construction of buildings that, in addition to providing improved and enlarged exhibition facilities, can be used year-round for a wide variety of community purposes. The program enables agricultural exhibition associations to borrow up to 90 per cent of the cost of an approved project for a period of up to 30 years.

Address: Livestock Division Production and Marketing Branch Agriculture Canada Sir John Carling Building 930 Carling Avenue Ottawa, Ontario K1A OC5

Grants to Agricultural Fairs and Exhibitions:

To promote improvement in livestock production, grants are provided to listed fairs and exhibitions for judges' fees, junior activities, improvements to exhibition facilities, and for prizes in livestock classifications. The prize money assistance is given to competitive beef and dairy cattle, sheep, and swine shows held at listed exhibitions adopting the classifications offered by Agriculture Canada.

Address: Livestock Division Production and Marketing Branch Agriculture Canada Sir John Carling Building 930 Carling Avenue Ottawa, Ontario KIA OC5 Assistance and Price Stabilization Programs

Cash advances on farm-stored grains: The Prairie Grain Advance Payments Act provides for interest free cash advances to producers in Western Canada for wheat, oats and barley stored on farms. Advances can also be made in special cases, for example, where grain remains unharvested over the winter. Advances, which are subject to quota acres restrictions, are repaid by deductions from payment for subsequent deliveries of grain.

Address: Canadian Wheat Board 423 Main Street Winnipeg, Manitoba R3C 2P5

## Agricultural Stabilization Act:

The aim of this Act is to stablize the prices of agricultural products and help farmers get a fair return for their labour and money and maintain a fair balance between the prices farmers receive for their products and the cost of goods and services they purchase.

The Act provides for statutory price support for nine named commodities: cattle, hogs and sheep; industrial milk and cream; corn and soybeans, and oats and barley not produced in the designated areas as defined in the Canadian Wheat Board Act. Price support is provided at a minimum of 90 per cent of the previous 5-year average market price, with the support level indexed to meet changes in cash costs of production. The government may designate any other agricultural commodity for support where conditions warrant.

The Agricultural Stabilization Board, which administers the Act, can use one or more of the following methods to stabilize commodity prices; offers to purchase; deficiency payments or payments for the benefit of producers. For certain commodities, the board may set a minimum and maximum volume for which each producer is entitled to the support price.

Address: Agricultural Stabilization Board Agriculture Canada Sir John Carling Building 930 Carling Avenue Ottawa, Ontario K1A OC5 Dairy Support Program:

The Canadian Dairy Commission is responsible for the federal support program for industrial milk and cream and manufactured dairy products. There are four key areas to the program: purchase of dairy products for export or resale, producer levies, market sharing quotas and direct subsidy payments to producers.

The Commission's purchase program for creamery butter, skim milk powder and cheddar cheese is a major factor in establishing a basic market value for industrial milk and cream. Costs incurred by the Commission in assisting export sales are defrayed by a levy deducted from the market returns to producers from shipments made under market sharing quotas. These quotas, which have been allotted to producers, are designed to balance domestic production and market requirements. Market returns to producers of industrial milk and cream are supplemented by the Commission through a subsidy that is paid directly to them.

Address: Canadian Dairy Commission 2197 Riverside Drive Ottawa, Ontario K1A OZ2

Grants for Feed Grain:

The federal government helps meet the cost of transporting feed grain for livestock and poultry from the Prairie Provinces to eastern Canada and British Columbia; and the cost of transporting wheat from Ontario to Quebec, and wheat and corn from Ontario to the Atlantic Provinces.

Address: Canadian Livestock Feed Board Head Office
Suite 504
5250 Ferrier Street
Montreal, Quebec
H4P 1L6
Branch Office:
Suite 401
Federal Building
325 Granville Street
Vancouver, British Columbia
V6C 1S5

Farm Improvement Loans:

See "Federal Business Development Bank" and "Department of Finance".

### Farm Mortgage Loans:

The Farm Credit Corporation is responsible for the administration of the Farm Credit Act and the Farm Syndicates Credit Act. It also acts as an agent of Agriculture Canada in administering the Land Transfer Plan of the Small Farm Development Program.

## Farm Credit Act:

Three types of mortgage loans are available under the Farm Credit Act:

- . Under Part II of the Act, loans may be made up to 75 per cent of the appraised value of the farm land and buildings, not exceeding 100,000 for any farmer alone or jointly with others in a single farming business.
- . Under Part III, supervised loans may be made to farmers under 45 years of age. The amount of a loan may range up to 75 per cent of the appraised value of land and chattels but not exceed \$100,000 for any farmer alone or jointly with others in a single farming business. Special provision is made for loans of up to \$150,000, not exceeding 100 per cent of the market value of land and chattels, where the owner-operator is under 35 years of age. Loans under this Part are further secured by compulsory insurance on the life of the borrower in the amount by which the loan exceeds 75 per cent appraised value of the land, and a borrower's farming operations are subject to supervision by the Corporation until the loan is reduced to 75 per cent of the appraised value of the farm. To be eligible under either Part II or Part III, the person must be principally occupied or about to become principally occupied in farming.
- . Under Part IV, a person under 35 years of age may borrow up to \$150,000, not exceeding 100 per cent of the market value of his land and chattels, and may take up to five years to phase into farming. Borrowers must have a development plan showing that farming will be their main occupation within five years.

All borrowers must be of legal age to enter into a mortgage agreement. FCC loans may be made only to Canadian citizens or those with landed immigrant status. All loans are repayable on an amortized basis within a period not exceeding 30 years. The interest rate is set semi-annually in accordance with the Farm Credit Act Interest Rate Regulations.

Loans may be used to acquire farmland, to erect or modernize farm buildings, to purchase basic herd livestock and necessary farm equipment, to discharge liabilities, or for any other purpose that in the judgement of the corporation will facilitate the efficient operation of the mortgaged farm.

Farm Syndicates Credit Act:

Under the Farm Syndicates Credit Act, the corporation may lend to a group of three or more farmers who have signed an agreement for the joint purchase and use of machinery, buildings or installed equipment, an amount up to 80 per cent of the cost to a maximum of \$15,000 per member or \$100,000 whichever is the lesser. Loans are repayable over a period not exceeding 15 years for buildings and installed equipment, and seven years for mobile machinery. The interest rate is based on the cost of funds to the corporation and its expenses in servicing loans. The corporation staff provides assistance to farmers in the operation of simple and workable agreements.

Land Transfer Plan:

The Land Transfer Plan provides grants of up to \$3,500 and a farm listing service for operators of small farms who wish to retire or take advantage of other opportunities. It also provides special credit to operators of small farms with a down payment as low as \$200 for the purchase of land becoming available under the Plan.

Information booklets entitled "Farm Credit, Farm Syndicate Loans and Small Farm Development Program - The Land Transfer Plan" which detail the provisions of the two acts and the Land Transfer Plan administered by the Farm Credit Corporation are available at any of its offices.

Address: Farm Credit Corporation Head Office 2255 Carling Avenue P.O. Box 6309 Postal Station "J" Ottawa, Ontario K2A 3W9

Branches of the Corporation are located in Kelowna, Edmonton, Regina, Winnipeg, Guelph, Quebec City and Moncton. There are 108 field offices serving all the major agricultural areas in Canada.

#### CANADIAN INTERNATIONAL DEVELOPMENT AGENCY (CIDA)

Doing Business with CIDA

The Canadian International Development Agency (CIDA) administers Canada's programs of development co-operation in over 70 countries. CIDA relies on private enterprise to implement most of its projects, spending the largest part of its \$1.1 billion budget on private contractors, consultants, trading houses, suppliers and manufacturers in Canada. These are involved in all phases of development work, from preliminary exploration and design to the completion and final assessment of a project.

#### Professional Services

Normally, contracts for development work and consulting services are awarded only to Canadian-owned firms managed and operated from Canada. To be considered Canadian, at least 51 per cent of a company's shares must be beneficially owned by Canadians. Consultants, contractors, and trading houses must be registered with CIDA if they are to be considered for a contract. Official registration forms are available from the Consultant and Industrial Relations Divison at CIDA.

## Manufacturers and Suppliers

There are no restrictions as to the ownership of firms supplying goods and materials for use in CIDA projects, but at least two-thirds of the goods' content must be Canadian. Companies wishing to supply goods, materials or equipment to CIDA should register with the Sourcing and Priorities Division, Materiel Data Management Branch, Department of Supply and Services, Place du Portage, 11 Laurier Street, Hull K1A 0S5. Firms wishing to sell goods or services directly to developing countries should register with the Exporters' Directory, Office of Overseas Projects Branch, Market Research and Trade Information Division, Department of Industry, Trade and Commerce, 240 Sparks Street, Ottawa K1A 0H5.

## CIDA Assistance to the Business Community

CIDA's Business and Industry Division provides incentives to Canadian businessmen seeking to assist in the industrialization of Third World countries by establishing an enterprise or forming a joint venture. The Division gathers information regarding investment opportunities in particular countries, maintains a roster of interested Canadian firms, informs firms of opportunities, and provides them with incentives to investigate the opportunities further.

To be eligible for starter and feasibility study assistance, businesses must be at least 51 per cent Canadian-owned. Firms can receive a grant of up to \$2,500 for a starter study \_ one or more representatives of the company are sent to a developing country to examine an investment opportunity on site. The firm may then undertake a feasibility study involving a thorough analysis of all aspects of the enterprise required to arrive at a decision to invest. CIDA will pay 50 per cent of the allowable costs for the study to a maximum of \$25,000.

For further information write to:
Business and Industry Division
Canadian International Development Agency
122 Bank Street
Ottawa, Ontario
K1A OG4

#### CENTRAL MORTGAGE AND HOUSING CORPORATION (CMHC)

Central Mortgage and Housing Corporation is the federal housing agency responsible for administering the National Housing Act which was designed to aid in the improvement of housing and living conditions in Canada. As a result, the corporation has interests in all aspects of housing and urban growth and development. In addition to mortgage lending, it is concerned with housing research, urban planning, the development of a market for mortgages, improved housing design, development of new construction techniques and building materials, and the provision of an accommodation to meet the needs of special groups such as elderly persons, families or individuals of low income, and students.

#### NHA Insured Loans

Under the terms of the National Housing Act, financing for new house construction is available to builders of housing for sale, and to investors in rental housing developments. Generally, these loans are made by approved lending institutions, life insurance companies, trust and loan companies and banks, and insured by CMHC. The insurance fee, about 1 per cent of the amount of the loan, depending on whether the loan is advanced on completion of construction or by instalments as construction progresses, is payable by the borrower.

Loans are based on lending values established by CMHC. Loan ratios and maximums are, for home ownership, a ratio of 95 per cent of the \$47,000 of lending value plus 75 per cent of the balance up to loan maximum prescribed by CMHC for the particular market area.

For rental accommodation, other than hostels, the loan ratio is 90 per cent of the first \$49,600 of lending value plus 75 per cent of the balance up to the relevant prescribed maximum.

Where hostel accommodation is provided, the maximum is \$15,000 per person accommodated plus the lesser of 15 per cent of the loan amount, or 90 per cent of lending value for facilities that go beyond strictly residential use.

## Direct Loans by CMHC

If financing for homeowner housing is not available from approved lenders because of a lack of mortgage funds, CMHC may make direct loans. Builders applying to CMHC for financing are generally required to provide evidence that proposed houses have been pre-sold.

Direct loans for speculative rental housing construction are usually made only in smaller communities. Direct loans for home ownership and rental housing have assisted in meeting the housing needs of numerous new industrial townsites.

Long-term mortgage loans may be obtained by any non-profit organization, non-profit co-operative, or entrepreneur to provide rental housing of the self-contained type, or in hostel or dormitory form, for families, individuals or elderly persons of low income. For non-profit organizations and co-operatives these loans may be as high as 100 per cent of lending value. For entrepreneurs the loan maximum is 95 per cent of lending value.

The National Office of CMHC is on Montreal Road, Ottawa K1A 0P7. There are 70 branch offices, located in all the major urban centres.

# DEPARTMENT OF COMMUNICATIONS (DOC)

The Department of Communications carries out research in a number of areas related to telecommunications. Although some of this research is carried out in-house, or through universities under contract, the Department also conducts certain research projects through contracts with industry.

Those interested in obtaining more information about the industrial research contract program should contact the Department's Information Services.

Mailing address: Information Services Department of Communications 300 Slater Street Ottawa, Ontario K1A OC8

#### CONSUMER AND CORPORATE AFFAIRS CANADA

The department regulates many of the activities of the marketplace. It establishes regulations and standards with repect to the packaging, labelling, sale, importation, advertising and safety of products. It approves all devices used in trade for weighing and measuring. It mediates consumer complaints and informs consumers about the goods or services that they purchase. It grants temporary legal monopolies to originators of inventive and creative works and regulates the disclosure of such works in forms easily copied. It is a veritable storehouse of technological information maintaining a complete record of all patented inventions, registered industrial designs, trade marks, corporate names amd copyrights. It grants charters of incorporation to new businesses and maintains files on the financial statements of the approximately 400,000 federal and provincial corporations. It conducts inquiries into agreements, mergers and monopolies which act against the public interest and investigates business practices which are restrictive and misleading. It supervises the bankruptcy proceedings of insolvent companies and operates a small-debtor program for those companies declaring bankruptcy and which are at least \$1,000 in debt.

Address: Information and Public Relations Branch Consumer and Corporate Affairs Canada Place du Portage Ottawa, Ontario K1A 0C9

#### NATIONAL DEFENCE DEPARTMENT (DND)

Through the department's Directorate of Engineering and Maintenance Planning and Standardization (DEMPS), DND will provide, on request, the following services:

- . information on the current issue of documentation and interpretation of their requirements;
- . information on current standards or standard product specifications, and interpretation of the requirements, including commercial standards, national, North American, European, ISO, IEC, military ABCA and NATO agreements for all three elements.
- . advice on how to have a product qualified and listed on the Canadian Qualified Products List, the United States QPL or NATO countries' QPL's.
- . guidance on the facilities and equipment required to establish an acceptable laboratory for performing qualification testing.
- . advice to contractors on how they may obtain access to a data bank as a participating member of the Government-Industry Data Exchange Program (GIDEP).

Address: NDHQ/CEM/DEMPS 101 Colonel By Drive Ottawa, Ontario K1A 0K2

### DEPARTMENT OF REGIONAL ECONOMIC EXPANSION (DREE)

One of the main working tools of the Department of Regional Economic Expansion is its incentives program. Under the jurisdiction of the Regional Development Incentives Act (RDIA), the program is designed to stimulate increased manufacturing investment and employment in slow-growth regions. A recent extension of the Act by Parliament means RIDA assistance will be available for projects which commence commercial production prior to December 31, 1981.

Cash grants and/or loan guarantees are used to encourage entrepreneurs to locate in regions designated for incentive assistance or, for industries already established in those regions, to expand or modernize.

These regions include all of the provinces of Newfoundland, Nova Scotia, New Brunswick, Prince Edward Island, Quebec (excluding Hull and its immediate environs), Manitoba and Saskatchewan, together with the northern area of Ontario, Alberta and British Columbia, and all the Northwest Territories. These designated areas are subject to change. For up-to-date information, contact the DREE office in the appropriate province.

#### GRANTS

#### Objectives

To establish new manufacturing or processing facilities: to expand or modernize existing plants, in designated regions to reduce existing regional disparities.

#### Criteria

Project must be placed in a designated area. Other criteria as contained in the Regional Development Incentives Act.

Forms of Assistance

Two types of incentives are available:

- . development incentives
- . loan quarantees

# Eligibility

Most manufacturing and processing industries are eligible for development incentives and loan guarantees. The major exceptions are initial processing operations such as petroleum refining and certain areas of the pulp and paper industry. Operations involved in the processing of natural products, such as sawmills, fish plants or food processing are eligible.

Commercial facilities are not eligible for grants but loan guarantees may be provided for business offices, warehousing and freight-handling facilities, shopping centres, convention facilities, hotel and motel accommodations, recreational facilities and researching facilities.

Canadian ownership is not a prerequisite for the authorization of an incentive. However, applicants from outside of Canada are subject to the Foreign Investment Review Act and must satisfy the requirements of the Act before they can qualify for an incentive.

### Incentive Grants

Most incentives are determined according to a standard formula. Large projects (Category C) are analyzed differently and a specific amount is determined according to the benefits and needs of the individual project.

The three current categories are:

Category A - projects with approved capital cost (ACC) of less than \$200,000 and fewer than 40 direct jobs;

Category B - projects other than A cases but with less than  $1.5 \, \text{million}$  of ACC and fewer than  $100 \, \text{million}$ 

Category C - projects with at least \$1.5 million ACC or 100 direct jobs.

Standard formulas are based on percentages of ACC and for certain projects the average of the approved annual wages and salaries (W & S) paid during the second and third years after the commencement of commercial production.

The standard formulas for projects falling under categories  ${\bf A}$  and  ${\bf B}$  are as follows:

- 1) New facility or new product expansion:
- a) Atlantic Region 25% ACC plus 30% W & S.
- b) Other regions 25% ACC plus 15% W & S.
- 2) Modernization or volume expansion: All regions - 20% ACC.

When Incentive Grants Will Be Paid:

The first payment, of up to 80 per cent of the approved total incentive, can be made after the plant has been in commercial production for 30 days and after an inspection has revealed that the project is operating in accordance with terms of the offer. The remainder of the approved incentive will be paid within 30 months after the start of commercial production of an expansion or modernization, or within 42 months for a new plant or new product expansion; but not earlier than 24 or 36 months respectively.

Loan Guarantees

The loan guarantee program was included in the RDIA program in order to help entrepreneurs obtain adequate term debt financing for projects located within the designated areas. Two types of loan guarantee agreements are used by the department. Each type guarantees the repayment of a certain prenegotiated percentage of the loan but differs in its manner of application.

The two types of guarantee are:

- . shared risk
- . incremental

Write or call for further information to:

Incentives Branch
Department of Regional Economic Expansion
161 Laurier Avenue West
Ottawa, Ontario
K1A OM4

or Regional and Provincial Offices.

## DEPARTMENT OF ENERGY, MINES AND RESOURCES (EMR)

The department provides advice and assistance to companies on offshore mineral development and in-depth studies and analyses to the mineral industry; administers the Emergency Gold Mining Assistance Act; advises on and regulates the use of explosives; offers technical and scientific advice on mineral, metal and fuel extraction and processing; does routine testing of western coal; serves as a clearing house for the latest scientific and technological mining data; produces and makes available land maps, aeronautical charts, photo maps and population maps; catalogues and makes available new geological findings; provides up-to-date information on the energy resources of the sedimentary basins of western and northern Canada; makes available energy conservation information to business and industry; researches soil, clay and sand for urban planners and builders; catalogues the availability of such building materials as clay, gravel and sand; provides satellite and airborne remote-sensing imagery; supplies information on the earth's magnetic fields; provides laboratory facilities for geophysical instruments and makes available information and data on gravity, and information on earthquakes.

# Address:

Information EMR
Energy, Mines and Resources, Canada
588 Booth Street
Ottawa, Ontario
KIA OE4

## DEPARTMENT OF FISHERIES AND THE ENVIRONMENT (DFE)

The department provides technical advice to the fish processing and handling industries; marketing and management services to the fishing industry; scientific and charting services for marine transportation; information and knowledge related to climate, weather, air quality and sea and ice state; technical and scientific data on the Great Lakes and other inland water resources; wildlife statistics and wildlife management; scientific services on all aspects of forest management and wood utilization; environmental impact studies and integrated environmental management planning studies.

The Environmental Protection Service (EPS) develops and enforces the regulations and other instruments that are used to implement federal laws protecting the environment, and acts as an advisory body to other federal departments administering legislation with environmental regulations. It is also the public's point of contact with the Department of the Environment on such matters as: air and water pollution, solid waste management, noise, environmental contaminants, environmental impact assessments, environmental emergencies and programs to clean up pollution from federal sources. Advanced technical training is provided in a number of areas.

The program for the Development and Demonstration of Pollution Abatement Technology (DPAT) is primarily designed to assist Canadian industries and municipalities in the development and demonstration of new methods, procedures, processes and equipment that will either prevent, eliminate or reduce the release of pollutants to the environment. The program pays a percentage of the capital and operating costs involved.

EPS administers the Accelerated Capital Cost Allowance (ACCA) program to encourage businesses to control pollution. Under the terms of this program, an eligible taxpayer may write off the total cost of equipment or processes installed for the prime purpose of controlling air and water pollution over a two year period (50 per cent per year). The expenditures may cover the cost of prevention, reduction or elimination of pollution.

As part of its water pollution control program EPS administers the Cooperative Pollution Abatement Research program (CPAR), under which research projects are contracted out to develop the best practicable technologies for pollution abatement in the pulp and paper industry.

The Environmental Management Service (EMS) offers advice and other assistance through a number of agencies.

- 1. The Canadian Forestry Service researches and develops new or improved techniques for the management, protection and use of Canada's forest resources. Information and technology are transferred to the industrial sector and the general public, and a technical liaison service is maintained on a national basis for the forest products program. Special programs include national forest statistics, and the Forest Insect and Disease Survey (FIDS). A number of special training programs are available in the forest products area.
- The Canadian Wildlife Service gives advices and assistance to the Ministry of Transport, the Department of National Defence, airlines and municipal airports concerning bird hazards to aircraft.
- 3. The Inland Waters Directorate provides scientific, engineering and technical advice on all aspects of water management; hydraulic calibration and testing services not available commercially; data on water quantity and quality, to assist in the siting of industries; information on sediment loads in water, for assessing reductions in the capacity of reservoirs and canals and in planning dredging operations; data on river depths, for use in designing pipeline and other river crossings; data on water levels for navigation purposes, and for

calculating insurance risks in shoreline development; stream discharge data for culvert and bridge design and for calculating hydro-electric power potential; snow depth measurements and spring runoff forecasts, for the prediction and control of floods; and river discharge forecasts for use in power generation, irrigation and recreation programs.

4. The Lands Directorate maintains the Canada Geographic Information System (CGIS), a computer system designed to store, analyze and retrieve data gathered in the Canada Land Inventory Program (CLI). A joint federal-provincial program, the CLI collects data on land capability within the settled parts of Canada, totalling about one million square miles. These data indicate the physical capability of land to support agricultural, forestry, wildlife and outdoor recreation uses. Data on land use are also collected for use in regional planning and development. The CGIS may be used on a cost-recovery basis to produce other land statistics and analyses of land capability.

For more information on the services mentioned above, contact:

Information Services Directorate
Department of Fisheries and the Environment
Ottawa, Ontario K1A 0H3

Although the department offers invaluable information and advice to Canadian industry and business, only one sector, the Fisheries and Marine Service, offers direct financial aid.

#### Industrial Development

The Fisheries and Marine Service initiates projects on its own or on a shared-cost basis with the provinces or the fishing industry to discover new stocks of fish and shellfish, and to introduce up-to-date equipment and techniques. Technical assistance is provided to fishermen and the industry where and when needed.

## Fishing Vessel Insurance

The department operates a low cost Fishing Vessel Insurance Plan and will insure any seaworthy fishing vessel valued at more than \$500, for up to 100 per cent of the appraised value of the hull and machinery, for partial or total loss. Fishermen may opt for less than 100 per cent coverage in order to reduce their premiums. Optional additional coverage is available for electronic equipment, and third-party liability, through payment of an additional premium.

The rate of premium is fixed as a percentage of the insured value of each vessel. The actual rates vary on the basis of the construction, condition, age and equipment of each vessel; the qualifications of the crewj the types of fishing activities in which the vessel engages; its area of operations; and other factors related to the anticipated risks. There is no upper limit as to the rate of premium which may be charged by the Plan. Deductibles are based on such factors as age and type of vessel and may vary from region to region.

Fishing Vessel Construction Assistance

The Fisheries and Marine Service administers an assistance program under which the federal government can pay 35 per cent of the approved construction cost of eligible fishing vessels of the following lengths:

- . seacoast fisheries, 30 ft. to 75 ft.
- . inland fisheries, 20 ft. to 75 ft.

The assistance is paid to the vessel owners. A program of assistance for construction of vessels more than 75 feet in length is administered by Industry, Trade and Commerce.

For further information contact:

Fisheries and Marine Service Department of Fisheries and the Environment Ottawa, Ontario  $\ensuremath{\text{K1A}}$   $0\ensuremath{\text{H3}}$ 

#### EXPORT DEVELOPMENT CORPORATION (EDC)

Export Development Corporation is a federally owned commercial enterprise that provides financial facilities to assist Canada's export trade. It has assets well in excess of a billion dollars and lending, insurance and guarantees capacities of nearly \$9 billion. EDC operates to help Canadian exporters remain competitive in world markets. It does this by providing insurance, loans, guarantees and other services.

#### Credit Insurance

EDC has very general powers to assist any firm in Canada (no matter how large or small) by providing insurance against nonpayment by foreign buyers of Canadian goods and services in almost any area of export activity. Nonpayment may arise from: insolvency of the foreign buyer, failure of the buyer to pay on due date, repudiation when the exporter is not at fault, blockage of funds or transfer difficulties, war or revolution in the buyer's country, imposition of trade restrictions not in effect when the transaction was made, losses arising through diversion of cargo, and the like. Whole-turnover policies are available for goods and services sold on credit terms of up to 180 days, and specific policies for transactions extending over a number of years. There is no minimum value for eligibility of coverage. EDC normally covers a maximum of 90 per cent of the amount of loss, with the exporter required to assume the remaining 10 per cent. To assist with export financing, proceeds of any loss payable under a policy may be assigned to banks or other financing institutions.

#### Long-term Loans

EDC makes long-term loans to foreign purchasers of Canadian goods and services, or guarantees private loans to such purchasers, at as internationally competitive interest rates as possible. This facility is available when extended credit terms are required and when commercial financing is not available.

A transaction is normally one for which extended credit terms (beyond five years) are necessary and justifiable. Repayment schedules vary according to banking practice. The transaction must have the highest possible Canadian material/labour content and meet a minimum standard in this respect. EDC can support transactions involving the power, transportation, communications and other capital goods industries, as well as major engineering services. Usually, the Canadian exporter submits a loan application to EDC on behalf of the foreign borrower.

# Foreign Investment Guarantees

EDC provides insurance against loss of or damage to a Canadian firm's investments abroad arising from expropriation, insurrection, revolution, war or inconvertibility. Almost any right that an individual or firm might acquire in a foreign enterprise is eligible - including equity, loans, management or technical services contracts, royalty and licensing agreements.

Coverage may be extended only to new investments and is at present limited to those made in developing countries. The major criterion determining support is that the investor maximize the benefits to Canada and the host country. Normally, 15 per cent co-insurance must be carried by the investor.

Addresses for Information

Head Office: Corporate Communications Export Development Corporation 110 O'Connor Street Ottawa, Ontario

Mailing Address: P.O. Box 655 Ottawa, Ontario K1P 5T9 Tel: (613) 237-2570

In the Eastern Provinces: Eastern Region Office Export Development Corporation Lock Box 124 Tour de la Bourse Postal Station Montreal, Quebec H4Z 1C3 Tel: (514) 866-4796

Toll free from St. John's, Nfld., Halifax and Sydney, N.S., and Fredericton, N.B. - call Zenith 02300

In the Province Of Ontario: Ontario Region Office Export Development Corporation Suite 2011 145 King Street West Toronto, Ontario M5H 1J8 Tel: (416) 364-0135

Toll free from Belleville, Kingston, London, Kitchener Waterloo, North Bay, Peterborough, Sault Ste. Marie, Sudbury, Thunder Bay and Windsor - Zenith 85920.

In the Western Provinces: Western Region Office Export Development Corporation P.O. Box 49024, The Bentall Centre Vancouver, British Columbia V7X 1C4 Tel: (604) 688-8658

Toll free from Winnipeg, Regina, Saskatoon, Edmonton, Calgary and Victoria - Zenith 08659.

#### EXTERNAL AFFAIRS DEPARTMENT (EA)

For Canadian companies or investors operating abroad, the Department of External Affairs provides a range of services including the protection of Canadian interests in cases of nationalization or contractual disputes with host governments; the provision of consular services, including notarial functions, and the issuance of passports; advice on political and economic conditions in countries abroad and on specific commercial matters in the absence of resident trade commissioners; and lists of local professional agencies and services.

Information programs and activities, together with an array of information tools and techniques, at posts abroad may in co-operation with the Department of Industry, Trade and Commerce be directed to the general support of the trade and industrial development program. The Department of External Affairs also participates with business in joint information, cultural, and Canadian studies abroad where there is a mutual interest. In the framework of its visits and speakers program, it also brings important foreign personalities on familiarization visits to Canada.

The Department provides information and advice on international economic policy questions ranging from codes of conduct for multinational enterprises to transfer of technology issues and development policy. A broad area of information exchange and consultation with business is developing in international organizations such as the United Nations, the Organization for Economic Co-operation and Development, the General Agreement on Tariffs and Trade and the regional Economic Commissions of the United Nations, which are monitored by the Department.

The Department is involved in continuing discussions and information exchanges with associations of businessmen interested in particular regions, for example, the Pacific Basin and Latin America, and on particular subjects such as international consultations on resource questions and the Law of the Sea.

Address: Department of External Affairs
Information Services Division (FAI),
5th Floor, Tower B,
Lester B. Pearson Building,
125 Sussex Drive,
Ottawa, Ontario,
K1A 0G2

## FEDERAL BUSINESS DEVELOPMENT BANK (FBDB)

The Federal Business Development Bank (FBDB) is a Crown Corporation which assists the growth and creation of business enterprises across Canada by providing them with financial and management services. It supplements such services available from others and it gives particular attention to the needs of smaller enterprises.

#### Financing

Who is eligible and terms

FBDB extends financial assistance to new or existing businesses of almost every type in Canada which do not have other sources of financing available to them on reasonable terms and conditions.

The qualifications for FBDB financing are:

- a) that the amount and character of investment in such a business by persons other than FBDB may reasonably be expected to ensure the continuing commitment of these persons to the business, and
- b) that the business may reasonably be expected to prove successful.

Types of financing - purposes, size, repayment

FBDB financing is available by means of loans, loan guarantees, equity financing, or leasing, or by any combination of these methods, in whatever manner best suits the particular needs of the business. Where loans are involved they are made at interest rates which are in line with those generally available to businesses. Security is usually a first charge on fixed assets. Where equity is involved, FBDB normally takes a minority interest and is prepared to have its investment repurchased on suitable terms.

Most of the customers of the bank use FBDB funds to acquire land, buildings or equipment. Others use them to strengthen the working capital of a business, to establish a new business, and for other purposes.

FBDB financing ranges in size from a few thousand dollars upwards. Most loans are for \$100,000 or less. Close to half of them are for \$25,000 or less and the average size of loan is around \$45,000. The amount that can be borrowed for a specific purpose depends upon the borrower's ability to satisfy the general requirements of the bank. Businesses may obtain FBDB assistance on more than one occasion if they meet its requirements.

FBDB loans are usually repaid by way of monthly instalments of principal and interest, although where the particular needs of the business would make it appropriate, other arrangements may be considered.

For further information about the services of the bank, telephone, write or visit any of the 90 FBDB bank offices located across the country. A descriptive folder is available upon request.

## Management Services

In addition to its financial services the FBDB provides for small businesses Management Counselling, Management Training, and Information Services, known collectively as Management Services. The objectives of these services are to promote and assist in the establishment and development of small businesses in Canada.

#### Management Counselling

CASE (Counselling Assistance for Small Enterprises) is a management counselling service wherein retired business persons act as counsellors on behalf of the Bank. Its purpose is to assist owners and managers of business enterprises, particularly those of smaller size, to improve their methods of doing business. Also it provides an opportunity for retired business people to contribute to the development of the small business community by making available a vast store of knowledge and experience. To be eligible a business may already be established, or be about to engage in business in Canada.

Any proprietorship, partnership or limited company conducting virtually any type of business enterprise in Canada can apply provided:

- 1) the enterprise does not have more than 75 full-time employees;
- 2) the enterprise has had prior discussion of its problem(s) with its appropriate business adviser(s).

The only charge is \$20 per 7-hour day for each counsellor assigned.

#### Management Training

The Bank conducts an extensive series of one-day management seminars at many centres across Canada. The seminar programs are designed particularly for small businesses and cover a variety of topics related to small business management. A moderate registration fee is charged. The seminars are advertised locally in advance.

The Bank also prepares seminars for specific industries in collaboration with industry associations and other organizations which present seminars to their members.

The Bank prepares and distributes 30-hour courses on small business management topics to Ministries of Education across Canada for adult education programs co-ordinated by those Ministries at local colleges.

#### Information Services

### Small Business Information Services

The Bank's Small Business Information Service, an enquiry and referral service about government and other assistance programs for small business, is available at the Bank's 90-odd offices across Canada. A series of booklets called "Minding Your Own Business" is distributed free on request and covers many aspects of small business management. A quarterly news bulletin, "Small Business News" is also distributed free to help small businesses keep in touch with business developments. Each office of the Bank has a library of useful publications on small business management that may be examined by business people.

## Address:

Federal Business Development Bank (FBDB)
Head Office
901 Victoria Square
Montreal, Quebec
H2Z 1R1

#### DEPARTMENT OF FINANCE (FIN)

The primary role of the Department of Finance is to provide economic and financial advice to the Government of Canada.

While the Department does not normally administer programs, it does act as guarantor in several lending situations summarized below.

#### Small Business Loans

## Who May Borrow?

The proprietor of a small business enterprise or someone who is about to establish a new business enterprise may borrow. This may be a sole proprietor, a partnership or a limited liability company.

A small business enterprise is eligible if its annual gross revenue does not exceed \$1.5 million during the year in which the application is made or, in the case of a new business, the estimated gross revenue in the first fiscal period, which is of not less than 52 weeks duration, does not exceed \$1.5 million. Loans may be made to small businesses operated for gain or profit in Canada that are engaged in any of the following fields of industrial or commercial activity: manufacture, transportation, wholesale or retail trade, construction, communications, service.

#### Where to Get a Loan

A loan may be obtained at any chartered bank or at any credit union, caisse populaire, other co-operative credit society or trust company designated by the Minister of Finance as a bank for the purposes of the Act.

### Purpose

Loans may be made for any of the following purposes:

- fixed equipment loans for equipment of a kind usually fixed to real or immovable property;
- movable equipment loans for equipment of a kind not usually affixed to real or immovable property;
- premises loans for the purchase, construction, renovation, improvement or modernization of premises.
- land loans for the purchase of land necessary for the operation of a business enterprise including buildings thereon.

# Conditions

The terms and conditions of a loan are worked out between the applicant and the lender. In all cases, however, the following basic conditions must be met:

- the maximum which a business may have outstanding under the act at any one time is \$75,000;
- applicants must provide a reasonable portion of the cost of the purchase or project from their own resources;
- the maximum period over which a loan can be repaid may not exceed 10 years.

#### Security

All business improvement loans must be secured. Security is usually taken in the form of a chattel mortgage on the item purchased or a mortgage on other assets of the business.

A borrower is also required to sign a promissory note.

#### Restrictions

The following are not eligible for financing under the program:

- refinancing of existing debts or working capital requirements;
- business enterprises engaged in finance, real estate (other than agencies), insurance (other than agencies) or the business of a profession;
  - charitable and religious nonprofit organizations

### Application for a Loan

A business person seeking assistance should first discuss any financial requirements with the manager of a lending agency. Further information on the program is available from:

Chief Guaranteed Loans Administration Finance Department Ottawa, Ontario K1A OG5

## Fisheries Improvement Loans

The Fisheries Improvement Loans Act authorizes the Minister of Finance to guarantee term loans granted to fishermen by chartered banks and other lenders designated by the Minister of Finance as banks for the purpose of the Act for a wide variety of fisheries improvement projects.

## Who May Borrow?

Only fishermen may borrow.

## Where to Get a Loan

A loan may be obtained at any chartered bank or at any credit union, caisse populaire or other co-operative credit society, trust company, loan company or insurance company designated by the Minister of Finance as a bank for the purposes of the Act.

# Purpose

A loan may be made for any of the following purposes:

- purchase or construction of a fishing vessel;
- purchase or construction of fishing equipment such as auxiliary boats, engines, winches, electronic equipment, weirs, nets, traps and vehicles to be used in the fishing enterprise;
- major repair or overhaul of a fishing vessel;
- purchase or construction of shore installations, such as piers, wharves, boathouses and equipment used with them;
- development or improvement of a primary fishing enterprise such as the installation of a water system or the removal of a shore installation to a different site.

#### Conditions

The terms and conditions of a loan are worked out between the applicant and the lender. In all cases, however, the following basic conditions must be met:

- the maximum amount a borrower may have outstanding at one time is \$75,000;
- applicants must provide a reasonable portion of the cost of the purchase or project from their own resources;
- the maximum period of repayment may not exceed 10 years.

## Security

Loans must be secured. Security is usually taken in the form of a chattel mortgage on the item purchased or a mortgage on other assets of the fishing enterprise. The applicant must also sign a promissory note.

#### Restrictions

Loans to refinance existing debts or supply working capital are not permitted.

#### Applications for a Loan

A fisherman seeking assistance should first discuss financial requirements with the manager of a lending agency.

Application forms are available at any lending agency, while general information on the program is available from:

Chief
Guaranteed Loans Administration
Place Bell Canada
Ottawa, Ontario
K1A 0G5

#### Farm Improvement Loans

This program makes it easier for farmers to get term loans to buy additional farm land, livestock, agricultural implements, farm equipment or to carry out a Wide range of farm improvement projects. The Farm Improvement Loans Act authorizes the Minister of Finance to guarantee loans granted to farmers by chartered banks and other lenders designated by the Minister of Finance as banks for the purposes of the Act.

## Who May Borrow?

Only a farmer may borrow. It is not necessary in all cases to be the owner of a farm to be eligible. For many loan purposes, a farmer may apply if he is a tenant. He must, however, be in possession of a farm and his principal occupation must be the operation of that farm.

# Where to Get a Loan

Under the Provisions of the Farm Improvement Loans Act: any chartered bank or any credit union, caisse populaire or other co-operative credit society, trust company, loan company or insurance company designated by the Minister of Finance as a bank for the purposes of the Act.

## Purpose

Loans may be made for any of the following purposes:

- purchase of agricultural implements such as tractors, combines, portable sprinkler system, beekeeping equipment and household appliances;
- purchase of livestock including poultry, bee stock and fur-bearing animals;
- purchase and/or installation of agricultural equipment or a farm electric system where such equipment is affixed to immovable property such as a bulk milk tank, hay track, barn cleaner, etc;
- construction, repair or alteration of farm buildings including barns, sheds and other utility buildings, and in some cases, cottages or tourist cabins on the farm;
- purchase of additional land to enlarge an existing farm unit;
- major repair or overhaul loans to finance repairs or overhaul of agricultural implements or equipment where such costs are not less than \$400.00.
- other projects for farm improvement and development including fencing, drainage, irrigation, wells and water supply systems, and breaking and clearing of land.

## Conditions

The detailed terms and conditions of the loan are arranged between the applicant and the lender. In all cases, however, the following basic conditions must be met:

- the maximum amount a borrower may have outstanding at one time is \$75,000;
- the farmer must provide a reasonable portion of the purchase or project cost from personal resources; the maximum period of repayment may not exceed 10 years for livestock, agricultural implements or equipment, construction, repairs or alterations and improvements, and 15 years for additional land.

## Security

All farm improvement loans must be secured, usually through a preferential charge on the item purchased or a mortgage on the farm property. The farmer must also sign a promissory note.

#### Restrictions

Loans to refinance existing debts or supply working capital are not permitted.

#### Application for a Loan

A farmer seeking assistance should first discuss any financial requirements with the manager of a lending agency.

Application forms are available at any lending agency, while general information on the program is available from:

Chief Guaranteed Loans Administration Department of Finance Ottawa, Ontario KlA 0G5

#### HEALTH AND WELFARE CANADA (HWC)

The department's Health Protection Branch is responsible for the enforcement of the Food and Drug Act, the Narcotic Control Act, and Proprietary or Patent Medicine Act (Division 10 of the Food and Drugs Regulations). Explanations of the requirements of this legislation are given to businesses concerned.

At present, the department's Medical Services Branch will provide consultant services to large employers for the organization and operation of health services. The Radiation Protection Bureau provides advice and laboratory services to ensure the health and safety of workers using X-ray and/or nuclear energy.

The department will also provide advice and consultation on the Canada Pension Plan.

Address: Information Directorate
Health and Welfare Canada
Brooke Claxton Building
Tunney's Pasture
Ottawa, Ontario
K1A 0K9

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#### INDIAN AFFAIRS AND NORTHERN DEVELOPMENT (IAND)

The Department of Indian Affairs and Northern Development is involved in a wide range of responsibilities. They vary from the development of historic sites, and preservation and management of migratory birds to the economic development of the Canadian North.

The department has established a number of grants and loans in order to help both the native business person and any Canadian who wishes assistance with prospecting or mineral, oil or gas exploration in the north.

#### INDIAN ECONOMIC DEVELOPMENT FUND

#### Nature of Assistance

The Indian Economic Development Fund exists to help Indians establish and develop profitable businesses that will provide work for Indians living on or off the reserves.

Recently the criteria for the use of contribution and grant funds was expanded to provide incentives to new or expanded business enterprises which will result in economic benefit to Indian people. These contributions will be made available mainly to established companies willing to locate manufacturing or processing facilities on Indian reserves.

The fund offers four main services: guarantees, loans, contributions or grants and advice on management matters.

## Eligible Candidates

The fund is for Indians, either individually or in groups or anyone who can make a contribution to the economic development of Indian people.

For further information, contact the Manager of Business Services at the nearest regional office of the Department of Indian Affairs and Northern Development

## ESKIMO LOAN FUND

The Eskimo Loan Fund, like the Indian Economic Development Fund, offers four main services; guarantees, loans contributions or grants, and advice on management matters.

Loans, etc. are made to Eskimos for the same purposes as the Indian Economic Development Fund makes loans to Indians.

Eligible candidates: The fund is restricted to Eskimos, either individual or in groups, to co-operatives with at least 75 per cent Eskimo membership or to corporations with at least 75 per cent Eskimo-owned voting shares.

For further information, Eskimos in the N.W.T. should contact: Commissioner Government of the Northwest Territories Yellowknife, N.W.T.

Eskimos in other regions of Canada should contact:
Regional Director General
Department of Indian Affairs and
Northern Development
1141 Route de l'Eglise
Ste-Foy, Quebec 10
Quebec

## BUSINESS FUND

The Department of Indian Affairs and Northern Development has provided two separate \$5 million funds for the N.W.T. and Yukon small business entrepreneurs. The funds have been administered by the territorial governments and in the case of the N.W.T. have been turned over completely effective April 1, 1977.

In the Yukon, \$600,000 is made available annually (plus any repaid principal from loans which have been assured) for acquiring or expanding a northern business. The maximum loan is \$50,000 and must be repaid within 10 vears.

The N.W.T. Government is developing new regulations for their fund which became effective April 1, 1977. These changes will include:

- (a) maximum loans of \$100,000;
- (b) up to 15 years to repay in some cases:(c) loans for inventory as well as for land, buildings and equipment.

Interested persons should contact the nearest territorial government office.

A small business enterprise is defined in the regulations as one whose gross revenue does not exceed \$1 million a year.

For more information, contact the B.C. Regional office of the Department of Indian Affairs and Northern Development.

#### ASSISTANCE TO OUTFITTERS AND GUIDES

Indian Affairs and Northern Development will help Indians who want to work in the hunting and fishing industry through a system of loans, training and managerial courses and technical advice.

These special guide training courses, held either on or off the reserves, are organized in co-operation with provincial occupational training services.

For more information, contact a regional office of the Department of Indian Affairs and Northern Development.

#### ASSISTANCE TO INDIAN FARMERS

Under the Indian Economic Development Program, Indians who want to cultivate land or raise cattle can get funds and training.

The department encourages cattle raising through its herd rental program, which enables an individual to borrow up to 40 head of cattle for up to three years, and thus establish a basic herd.

Farmers who want to consolidate their operations can get help from the Indian Economic Development Fund.

Indians are encouraged to try to get money to run their farms from outside sources. If they are not successful they can get loans from the department for the purchase of equipment, building construction and to cover operating costs.

Band councils or regional departmental officers will have more information on this program.

## FINANCIAL AID TO PROSPECTORS IN THE YUKON AND NORTHWEST TERRITORIES

A qualified and licensed prospector in the Yukon or the Northwest Territories is eligible for a grant of not more than \$1,800 from Indian Affairs and Northern Development to help defray the expenses of a season's prospecting. The total amount of aid available is limited to \$70,000 per year for the two Territories.

Anyone interested should contact:

Supervising Mining Recorder Department of Indian Affairs and Northern Development P.O. Box 1500 Yellowknife, N.W.T.

or

Supervising Mining Recorder Department of Indian Affairs and Northern Development 200 Range Road Whitehorse, Yukon

#### LABOUR CANADA

The department provides conciliation services in industrial disputes, advisory and consultative services on employment safety systems and information and advice on accident prevention; analyzes and interprets Canadian labour legislation for the employer; promotes and services union-management relations (available through National Film Board offices) and makes an extensive lending library (mainly on labour relations) available to business and industry through the National Film Board. The department also publishes the "Labour Gazette" and "The Collective Bargaining Review" which gives information on wages, fringe benefits and other provisions of collective agreements.

Address: Public Relations
Labour Canada
10th Floor
Place du Portage, Phase II
Ottawa, Ontario

K1A 0J2

#### CANADA EMPLOYMENT AND IMMIGRATION COMMISSION

#### (MANPOWER)

The responsibilities of the Canada Employment and Immigration Commission include the counselling and placing of people in employment and the attraction of suitable immigrants to Canada.

One of the first goals of the Commission's Manpower Division is to help achieve the best possible use and development of the country's manpower resources. As aids to recruitment, retention of personnel and improving the skills of employees, the Commission has several programs and services for employers. The following programs offer various types of financial assistance to encourage business and industry in maintaining a high level of efficiency. The department has more than 450 Canada Manpower Centres across the country to assist both employees and employers.

## Canada Manpower Industrial Training Program

## Objectives

The Canada Manpower Industrial Training Program is geared to help employers fill positions for which skilled, qualified workers are not available; retrain employees who might otherwise have to be laid off because of technological or economic changes; participate in the support of industrial development strategies in various regions of the country; fill new job vacancies that resulted from the expansion of the company's operations; and provide jobs and training for people who find it especially difficult to obtain and hold permanent employment ("special needs" workers).

## Criteria

To be acceptable, a company's industrial training project must: be in line with training priorities established for that geographical area; provide a real and practical solution to a particular training problem; take place in Canada and last a minimum of one week, but not more than 52 weeks full time, or 1820 hours part time; provide trainees with skills that are transferable to similar jobs elsewhere (except in the case of projects for special needs workers); utilize, as fully as possible, the expertise and training available in the company and surrounding community.

## Eligibility

Any Canadian employer or employer association whose operations are not financed primarily by public funds is eligible to apply for training assistance under the program. If training is designed for people with special needs or problems, any employer is eligible to apply, with the exception of federal departments or agencies.

## Financial Assistance

There are two training expenditures that can be reimbursed under the Canada Manpower Industrial Training Program - direct training costs and trainee wages. The contracting employer must have incurred these costs before reimbursement by the Department of Manpower and Immigration.

Direct training costs that may be reimbursed include: up to 100 per cent of instructors' wages, to a daily maximum of \$20 per trainee, or \$100 per day, whichever is less; up to 100 per cent of instructors' travelling

and living expenses; up to 100 per cent of training aids such as text books and expendable tools; up to 75 per cent of course fees when training is contracted out to a public or private institution; up to 50 per cent of special travelling and living expenses incurred by trainees as a result of training.

Trainees wages may be reimbursed as follows: up to 40 per cent of actual wages for employees already working with the company; up to 60 percent of actual wages for previously unemployed people hired specifically for the program, and for workers whose employment is threatened; up to 85 per cent of actual wage for "special needs" workers who find it especially difficult to hold permanent employment.

Without exception the reimbursement may not exceed the maximum payments made under the Schedule of Rates provided in the Regulations of the Adult Occupational Training Act.

#### The Canada Manpower Consultative Service

The Canadian Manpower Consultative Service (CMCS) helps employers and their employees adapt to technological and other change. It acts as a catalyst to bring employers and workers together to discuss changes in the work place and formulate adjustment measures to solve the problems that change can bring. CMCS offers technical advice, guidance and financial incentives to employers and workers sufferig the effects of a change in technology or economic conditions — an industrial slowdown, plant relocation, or other factors that may lead to the dislocation of workers or the closure of plants or industries. Depending on the circumstances, the program may address itself to research and planning with respect to problems of turnover, employment instability, working conditions, absenteeism, training needs or management studies.

CMCS is not restricted to cases where problems have already occurred; it encourages preventive action wherever major changes can be foreseen.

If you have a manpower adjustment problem or know that your company or business will be facing one in the future, the time to act is now.

Contact the manager of your nearest Canada Employment Centre (formerly Canada Manpower Centre) who will put you in touch with a CMCS officer in your region, or write to the Director, Canada Manpower Consultative Service Program, Canada Employment and Immigration Commission, Bourque Building, 305 Rideau Street, Ottawa, K1A 0J9.

Through the Commission's more than 450 Canada Employment Centres (formerly Canada Manpower Centres) employers are assisted in: seeking workers locally and on other areas and countries; identifying workers who match the job requirements; giving the job order wide exposure in Job Information Centres; pre-screening applicants for the job vacancy; in-plant training programs; moving workers from other areas; coping with technological and other changes; and planning for future staff needs.

The centres will help to pre-screen job applicants, provide office space for job interviews, help the employer to determine causes of high worker turnover and provide facts and figures on local and other labour market areas.

The Commission also offers on-the-spot employment service at conventions.

Address: Information Service

Department of Employment and Immigration

Bourque Building 305 Rideau Street Ottawa, Ontario K1A 0J9

#### CANADA EMPLOYMENT AND IMMIGRATION COMMISSION

#### (UNEMPLOYMENT INSURANCE)

For more than 35 years, Canada's unemployment insurance program has given financial help to workers who are temporarily unemployed. The unemployment insurance program is administered by the Benefit Programs and National Services divisions of the Canada Employment and Immigration Commission.

UI pays different kinds of benefits - regular and special. The kind of benefit paid depends on how long the person worked and the reason for unemployment. The weekly benefit amounts to two-thirds of the person's average weekly insurable earnings in the last 20 weeks of work in the qualifying period. (If the person worked less than 20 weeks, the benefit is based on the average weekly insurable earnings in the weeks he or she did work.) The maximum of the weekly insurable earnings is adjusted annually. In 1977 it is \$220. The qualifying period is the last 52 weeks or, if the person filed a claim in the last year, the time since that claim began. To get regular benefits, a claimant must be available and actively looking for work.

The passage of Bill C-27 has changed the number of weeks of work needed to qualify for regular UI benefits. Up to December 4, 1977, a claimant had to work at least eight weeks in the qualifying period. From December 4, the number of weeks needed to qualify for regular benefits will vary from 10 to 14 weeks, depending on the rate of unemployment in the region where the person lives.

#### The benefit structure

How long regular benefits are paid depends on how long the person has worked and on the regional rate of unemployment. The five-phase benefit structure introduced in 1971 has been changed to a three-phase structure by Bill C-27.

The benefit structure sets out how long claimants can get benefits. The new three-phase structure consists of an initial benefit phase, a labour-force extended phase and a regional extended phase. In the initial benefit phase, a claimant can get one week of benefit for each insured week of work, up to a maximum of 25 weeks. For those who've worked longer, the labour force extended phase allows one week of benefit, to a maximum of 13, for every two weeks of insured employment beyond 26 weeks. The regional extended phase allows up to 32 more weeks, depending on the unemployment rate in various regions of Canada. But a claimant can get only 50 weeks of benefit in all.

Once an insurance agent has decided that a person is eligible for benefits, there is a two-week waiting period without benefits. If claimants quit their jobs without just cause or are fired for misconduct, they can be disqualified for up to six weeks beyond this two-week waiting period. A person can also lose benefits after the claim starts by refusing a suitable job offer or not actively looking for work.

# The special benefits

Claimants with 20 or more weeks of insurable employment in the qualifying period can get UI benefits when they are off work because of illness, injury or pregnancy. They can also get a lump-sum one-time benefit when they reach the age of 65.

Illness benefits are paid for up to 15 weeks. How long depends on the illness or injury. A certificate signed by a doctor is needed to get illness benefits.

Maternity benefits are payable for up to 15 consecutive weeks within a period that begins as early as eight weeks before the expected birth of the baby to 17 weeks after the birth. A woman needs to have worked 20 weeks and must have been employed or getting UI benefits when the child was conceived. Thus only regular members of the labour force get maternitiy benefits. A medical certificate is needed to get these benefits, too.

At age 65, workers are no longer covered by the UI program. They don't pay premiums, even if they keep on working. Nor can they collect regular or illness benefits. But if they have worked the required 20 weeks in the qualifying period before their 65th birthday, they can get a one-time lump-sum payment equalling three weeks' regular benefits.

#### Appealing a UI decision

A claimant who disagrees with a UI decision on a claim can appeal it. Employers can also appeal when an insurance agent decides to pay benefits to a claimant the employer believes should not get benefits or should be disgualified.

Appeals are heard by a board of referees with a chairman, a representative from labour and one from management. When someone disagrees with a board decision, they can appeal to an Umpire (a judge of the Federal Court of Canada). In rare cases, umpire's decisions can be appealed to the Federal Court of Appeals.

## Who pays for UI?

Premiums from employees and employers and funds from the federal government go into a special UI account. Employee and employer premiums are based on the level of benefits paid. In 1977, employees contribute 1.5 per cent of their weekly insurable earnings. Employers contribute 140 per cent of the employees' rate.

Employee and employer premiums go to pay for administering the UI program and the special benefits (illness, maternity and the one-time benefit paid at age 65). They also pay for regular benefits up to a certain annually-adjusted unemployment rate (5.6 per cent in 1976). Federal government funds pay for the cost of regular benefits attributable to unemployment in excess of that rate and all extended benefits. Extended benefits are paid in the labour force and regional extended phases.

# Premium reduction plans

Some employers pay lower premiums because they have approved income protection plans for their employees when they are ill or injured. These plans save UI money by not having to pay illness benefits, or only having to pay them for a shorter time. So employers' premiums are reduced. Over 20,000 Canadian employers with more than 3,000,000 employees have such approved plans. Part of the reduced premiums is passed on to the employees as refunds, or by providing new or increased benefits.

## Other CEIC programs

The CEIC also administers the government annuities program. This program was designed in the years before the Canada and Quebec Pension Plans to help Canadians provide for their retirement. The CEIC's Central Index is also responsible for issuing and maintaining an index of Social Insurance Numbers.

For information on unemployment insurance and social insurance numbers, write or call your local UI office. These offices have brochures on how to file a claim, rights and obligations of claimants, special benefits, teachers, students, fishermen, active job search and appeal procedure. Those applying for a Social Insurance number or employers completing records of employment can ask for copies of guides to both.

## CANADIAN PATENTS AND DEVELOPMENT LIMITED (CPDL)

CPDL is a Crown Corporation responsible for arranging the commercial exploitation of inventions arising from research carried out by government departments, universities and public research institutions. In this capacity, CPDL screens disclosures from its various sources, and arranges to patent those deemed to have commercial potential.

CPDL maintains an inventory of such inventions, which are available for licence, and which it advertises to industry by means of trade shows, technical publications and an "Inventions Catalogue".

The company is assisting the University of Waterloo in the provision of a service to inventors, designed to provide an early assessment of the potential of an invention, along with recommendations as to the need for further development, markets, etc., for a flat fee of \$50. The inventor retains the full rights. It is planned that this service will be extended.

Correspondence with respect to the licensing of existing inventions should be directed to:

Canadian Patents and Development Limited, 275 Slater Street, Ottawa, Canada. K1A 0R3 (613) 996-5530

Correspondence concerning services to inventors should be directed to:

The Inventors' Assistance Program, Office of Research Administration, University of Waterloo, Waterloo, Ontario N2L 3G1

### TRANSPORT CANADA (TC)

Through its three main services -- air, marine and surface -- the Department of Transport guides and advises all businesses and industries on the standards, licensing and rules and regulations related to all forms of land, sea and air transportation. Information is available from:

Transport Canada Tower C Place de Ville Ottawa, Ontario K1A 0N5

Address enquiries to the following branches:

## Canadian Air Transportation Administration

Flight Standards and Regulations Aircraft Licensing Personnel Licensing Operational Standards Aeronautical Information Services Airport Services and Properties

## Canadian Marine Transportation Administration

Director, Coast Guard Ship Safety

## Canadian Surface Transportation Administration

Road and Motor Vehicle Traffic Safety Branch Regulations Enforcement Highway Branch - Marine and Ferry Branch.

#### NATIONAL RESEARCH COUNCIL

The National Research Council is an independent research agency with its own governing council. Since its beginning in 1916 its objective has been to give effective leadership to the development of scientific research in Canada and to the application of science and engineering toward our national development.

One of the most important facets of NRC's wide ranging activities are the services it provides to and for industry. These services are the responsibility of the Vice-President (Industry).

Services to Industry

Within its capabilities, NRC attempts to meet the research needs of industry in Canada through the research of its laboratories, staff consultations, technical information services, project grants or contracts and other forms of assistance. NRC will complement and assist research in industry and will encourage and assist, where feasible, R & D projects to be carried out in industry.

New emphasis is being given to a closer coupling of NRC laboratory research and industrial R & D in selected projects. This will involve increased NRC initiatives in developing collaborative research projects with industry.

More specifically the NRC services to industry include:

1) The Industrial Research Assistance Program (IRAP)

This program constitutes the main thrust of NRC's effort to aid Canadian companies wishing to expand through new product development. Under the program, NRC shares approximately 50 per cent of the costs of selected research projects which are carried out by industry and which are of more than usual significance to the company's future and which hold some promise of making a significant contribution to the economic well-being of the country.

In fiscal '76/77 IRAP committed \$17.1 million in grants to industry, 67 per cent of the funds going to Canadian owned companies. Overall, IRAP is supporting some 262 projects undertaken by 176 companies and the number of new products resulting is showing a continuing increase. Thirty-six per cent of the funds are allocated to small companies (less than 200 employees), 19 per cent to medium-sized enterprises and 45 per cent to large companies (more than 1000 employees).

2) Program Industry/Laboratory Participation (PILP)

This new program is designed to promote a more rapid transfer to industry of the research results of NRC's laboratories and involves cooperative research between the laboratories and industrial firms, in which the latter may continue the development of NRC concepts to the commercially exploitable stage. In cases of high risk, it is possible that PILP will completely cover developmental costs.

In 1976/77, some \$2.8 million was committed to this program and some 20 companies participated.

3) Laboratory Projects

Many of the research programs in the NRC laboratories have a special importance for Canadian industries, providing them with new knowledge, developed techniques and expertise that are necessary to continued commercial well-being. Again some cooperative research, jointly funded and carried out by NRC and industry, is undertaken.

Results are transferred to industry through special committees and/or special workshop/seminars.

#### 4) Contracting Out

In certain cases NRC arranges contracts directly with industry to carry out major R & D projects. Examples include the Shuttle Attached Remote Manipulator System for the NASA Space Shuttle Program.

5) Scientific and Technical Information Services

The Canadian Institute for Scientific and Technical Information (CISTI) combines in one umbrella group all of the NRC activities related to the acquisition' storage and dissemination of scientific and technical information. These include the:

- (a) NRC Library which contains the most comprehensive collection of scientific and technical literature in Canada and it may be used by anyone in industry or business on a 24 hour a day basis. Computer data bases are used to provide a selective dissemination of information and an on-line information search capability (CAN-OLE) which may be accessed through local computer terminals.
- (b) Technical Information Service TIS provides technical information to Canadian companies (at no cost) in response to specific requests. It is staffed by engineers familiar with industrial problems and practices and who are trained to locate information relevant to the enquirer's needs. Sixteen field officers are located across the country for easy access by industry. Currently this service is responding to some 23,000 specific enquiries per year, providing more extensive industrial information assistance to some 750 firms.
- (c) Network Implementation Plans are being developed by the National Advisory Board on Scientific and Technical Information (ABSTI) to create a more effective national STI network in cooperation with existing information organizations.
- 6) Industrial Post-Doctoral Fellowships

Under this program NRC shares with industry the costs of employing graduate Ph.D.'s in industrial research work.

7) Regional Laboratories and Offices

NRC operates regional laboratories in Halifax, Saskatoon and Vancouver which can provide advice service to local industry in addition to the Technical Information Service.

8) Major Test Facilities

NRC builds and operates major engineering test facilities which are available for use by industry. These include wind tunnels, engine test facilities, low temperature laboratories, marine dynamics and ship laboratory, etc.

For more information, write to:

National Research Council Montreal Road

Ottawa K1A OR6

#### POST OFFICE DEPARTMENT

The Post Office Department is responsible for the operation of the Canada Post Office under the Post Office Act and provides for the transfer of information, goods and funds between the sender and receiver.

In support of this operation, postmasters in every community are available to assist customers with questions concerning the best use of postal services. In addition, marketing representatives provide advice and guidance on all aspects of mailing programs. The objective is to help business customers gain the most efficient use of their postal dollar.

Consultation and brochures are available to provide customers with information on how to prepare and package mail to obtain more efficient postal service, often at lower rates. These information packages may be obtained by writing or telephoning the Department's marketing branch in the area, listed under Post Office, Government of Canada, in the white pages of the telephone directories.

Programs to assist business and industry include:

POSTPAK - an economical mini-container system using mailbags or containers to move goods at bulk rates from point to point;

CERTIFIED MAIL - a proof-of-delivery system for important letters, documents or merchandise;

TELEPOST-MAILGRAM - a combination of electronic transmission and local mail delivery by telephoning the local CN/CP office. Cost is less than that of a telegram.

The Post Office provides three publications that are particularly helpful to business people:

- (1) Household Directory contains names, addresses and occupations of householders receiving mail at all post offices and rural routes except where covered by a commercial directory. This information is also available on computer tape.
- (2) Householder Figures Booklets contains the number of householders, English and French speaking, receiving mail at post offices and on rural routes not covered by letter carrier.
- (3) Letter Carrier Route Lists available for all areas covered by letter carriers. They show the number of customers and business places on each route and are used to "blanket" any area with advertising material.
- (4) Postal Code Directories, tapes and microfiche are also available for all postal codes in Canada.

Requests for any of this information should be directed to the marketing manager in each district; i.e. Newfoundland (St.John's), Nova Scotia (Halifax), New Brunswick (Saint John), Quebec East (Quebec City), Quebec West (Montreal), Montreal Metro (Montreal), Eastern Ontario (Ottawa), Southwestern Ontario (London), Northern Ontario (North Bay), Central Ontario (Toronto), Manitoba (Winnipeg), Saskatchewan (Saskatoon), Alberta (Edmonton), British Columbia/Yukon (Vancouver) or to:

Sales and Customer Service Canada Post Office Station 281 Ottawa, Ontario K1A 0Y2

### NATIONAL REVENUE, CUSTOMS AND EXCISE

## Application of Customs Drawbacks Legislation

The most direct method Customs and Excise has of financially assisting Canadian businessmen is through the payment of customs drawbacks. This is a program whereby customs duty and taxes are returned on certain imported products that have been used or disposed of in a manner that qualifies them under any of the areas of drawback. The customs drawback program would mainly be of interest to Canadian businessmen in respect of imported goods and materials that are further manufactured and exported. There are other provisions that allow for drawback on goods that are exported in the same condition as imported, supplied as ships' stores, and those supplied to Canadian Commercial Corporation in respect of purchases made by foreign countries. Where a manufacturer uses goods of foreign origin that have been imported by another company, a drawback may be claimed with a waiver from the importer.

The program is also beneficial to Canadian businessmen who only deal in Canada, as there is a provision whereby drawback may be allowed on certain specified goods, machinery, instruments and apparatus that are imported for home consumption when used in the production or manufacture of specific goods for the Canadian market.

Canadian businessmen, in general, are aware of the drawback program but in many cases they feel the documentation and preparation of a claim is too complicated and time consuming to warrant their consideration. In recent years, considerable improvements in the claim procedure have resulted in methods of determining the amount of drawback with far less effort and time being spent by the claimant and the drawbacks investigator.

The possibility of a business qualifying for drawback should be discussed on an individual basis with a member of Customs and Excise as there are definite benefits to be derived from such a program. The businessman who participates in the program is afforded a competitive advantage in the home and foreign market along with a higher profit margin.

Enquiries concerning the qualifications and time limitations for applying for drawback should be directed to the Drawbacks, Refunds and Remissions Unit at the Customs Regions serving the area within which the businessman concerned is located, or to:

Department of National Revenue, Customs and Excise, Drawbacks, Refunds and Remissions Division, Drawback and Refund Unit, Ottawa, Ontario K1A 0L5

## Carnet Systems

The A.T.A. (Admission Temporaire - Temporary Admission) Carnet is an internationally recognized customs document which is used by business and industry to facilitate the importation of goods, such as commercial samples, into the territories of other contracting parties. It is designed to assist the businessman as it permits him to:

- (1) make customs arrangements in advance for the countries he plans to visit;
- (2) make those arrangements in his country quickly and at a predetermined cost:
- (3) use a single carnet for goods which will pass through the customs of several countries; and

(4) use a single carnet for several business trips during the course of the one year validity period.

The T.I.R. (Transit International Routier - International Highway Transit) Carnet is another internationally known customs document which is designed to facilitate the transborder movement of goods in sealed, approved road vehicles or containers, from a country of export to a country of destination, either directly or through one or more intermediate member countries.

A carnet eliminates the necessity of regular customs inspection and resealing of loads in each of the countries through which the container or vehicle passes en route to its destination. In addition, the carnet incorporates an international financial guarantee for the payment of duties, taxes, other charges and penalties to a maximum of \$50,000, which removes the necessity of posting performance bonds with the various customs administrations transited during the journey.

Carnets are generally sold and administered by the Chamber of Commerce in each of the contracting countries. Businessmen in Canada should contact:

Carnet Canada Canadian Chamber of Commerce 1080 Beaver Hall Hill Montreal, Quebec

## Application of Anti-dumping Legislation

The Anti-dumping Act provides a mechanism for the protection of Canadian producers from unfair competition where the dumping of goods causes or threatens material injury to an established Canadian industry or materially retards the establishment of a new industry in Canada. Dumping is the selling of goods at prices lower than the prices at which the goods are sold in the domestic market of the exporter. Where it can be established that injurious dumping exists, anti-dumping duty is levied at the time of importation in an amount equal to the difference between the "normal value" and the "export price" of the goods.

If a Canadian producer or manufacturer is of the opinion that foreign goods are being injuriously dumped in Canada, he may make a written complaint to the Deputy Minister of National Revenue, Customs and Excise. In order to consider the complaint, supportive information is required. This should include such information as a precise description of the dumped goods and their origin, the history and total production of the Canadian industry, evidence of dumping, and evidence of material injury or material retardation.

The Deputy Minister initiates a formal investigation if he is of the opinion that there is evidence of dumping and that the dumping has caused, is causing or is likely to cause material injury to production in Canada or is materially retarding the establishment of production in Canada. The purpose of the investigation is to determine whether or not dumping has actually taken place. The investigation may be conducted by correspondence or by visits to the premises of the importer, exporter, or manufacturer of the goods. Depending on the findings, the investigation will lead to either (a) a termination of the proceedings or (b) a preliminary determination of dumping. If the investigation establishes that the goods have been or are being dumped and the actual or potential volume of dumped goods is not negligible, the Deputy Minister makes a preliminary determination of dumping. Notice of the preliminary determination is given and filed with the Anti-dumping Tribunal. The Anti-dumping Tribunal is a court of record, whose function is to receive representations, to hear evidence, and to make decisions concerning the effect of dumped goods on Canadian production.

Goods which the Tribunal has found to have caused material injury or retardation, or to have threatened material injury, are subject to an antidumping duty in an amount equal to the margin of dumping. Periodic reviews of the normal values and export prices, which determine the margin of dumping, will normally be undertaken to take account of changes in market conditions.

National Revenue undertake to process Anti-dumping complaints as quickly as possible and have adopted as a matter of administrative practice the following guidelines:

- (a) that no more than 30 days shall normally elapse between receipt of an adequately documented industry complaint and the decision of the Deputy Minister whether or not to initiate a formal investigation;
- (b) that no more than six months shall normally elapse between the initiation of an investigation and the decision by the Deputy Minister either to make a preliminary determination or to terminate the proceedings.

Enquiries concerning the Anti-dumping legislation should be directed to:

The Director General, Anti-dumping Directorate, Department of National Revenue Customs and Excise, Ottawa, Ontario K1A 0L5

## REVENUE CANADA - TAXATION

Income Tax Act: available from Publishing Centre, Supply and Services.

Interpretation Bulletins: available from Revenue Canada, Taxation, 875 Heron Road, Ottawa K1A 0L8.

Taxation Statistics: available from Publishing Centre, Supply and Services.

## Canada Pension Plan

Employer's Guide: available from District Taxation Offices

Information for the Self-Employed: available from District Taxation Offices.

CPP and Unemployment Insurance Tables: available from District Taxation Offices.

Income Tax Contribution Tables: available from District Taxation Offices.

# SECRETARY OF STATE DEPARTMENT (SS)

The department's bilingual leaflets entitled "About Canadian Citizenship" provide valuable information to immigrants and employers on how to apply for Canadian Citizenship.

A recently released booklet, "36 Ways to Put Bilingualism to Work for You" provides business and service groups with suggestions and ideas on how to introduce bilingualism to operation areas where contact with the public and occupational groups will assist in establishing goodwill and understanding.

Many private businesses across Canada have launched individual campaigns in support of the government's policies and programs for national unity, which is an important part of this department's mandate.

"Actualite Terminologique', available from the Department of Supply and Services, is published 11 times per year and contains most-used and new, phrases and words in French and English. It can be purchased for 25 cents per issue/copy or \$2.00 per annual subscription.

Canada's Public Archives and the National Library report through the Secretary of State and are valuable sources of information on a wide range of subjects of interest to business and the public.

Address:

Information Services Secretary of State Department 22nd Floor, Lord Elgin Plaza 66 Slater Street Ottawa, Ontario

## DEPARTMENT OF SUPPLY AND SERVICES (DSS)

The Supply Administration of DSS is a service agency of the Federal Government charged with providing centralized acquisition of goods and services for about 150 federal government departments and agencies. In fiscal year 1975-76 this represented 276,000 contract documents, with an aggregate value of over \$1.8 billion (about \$1.0 billion in scientific and engineering type procurement and the rest in commercial acquisitions). More than 21,000 different Canadian firms received contracts from DSS and 91% of the \$1.8 billion covered by those contracts was spent in Canada. DSS contracting is governed by the Government Contracting Regulations and by the Treasury Board Policy and Guidelines on Contracting in the Government of Canada.

In fulfilling our supply responsibility, the main concern of DSS is to provide the goods and services required by our customer-departments, at the lowest total lifecycle cost within the timeframe specified by the client, and to do so in a manner which can be seen to reflect fairness in the expenditure of public funds. In addition to this primary requirement, we are expected to assist, when practical, in the attainment of national objectives through the procurement function. One such objective is the fostering of a healthy economic climate in Canada.

### Industry Liaison and Communication

It is a basic premise in DSS that all Canadian businessmen should have the opportunity to do business with the federal government. To facilitate this, we maintain source lists of all firms capable of, and interested in, providing the goods and services required by the Government. At present, about 60,000 such firms are recorded on our source lists and we are continually working to identify and evaluate new sources of supply. To this end we have prepared, and distribute on request, a booklet entitled "How to do Business with DSS" and we produce the "Weekly Bulletin of Business Opportunities" which shows all1 unclassified contracts of \$10,000 or more placed by DSS. Our monthly "Research and Development Bulletin" shows all R and D contracts placed during the month. Both of these bulletins provide information on upcoming acquisition projects and identify new product requirements. These publications and our continuing programs of industrial briefings by the Secretary of the Supply Administration and by various Product Centres provide constant contact with the business community.

In addition to these ongoing activities we periodically conduct "Operations Access", which are exhibitions and seminars designed primarily to show small and medium-size businessmen across the country how to do business with DSS.

Bids are solicited on a tender basis wherever possible, but, where competition is not possible, because of an absence of qualified suppliers, rigorous negotiation replaces the tendering process as the means of obtaining the best value for our customer. Names of firms that have won awards, as well as details of the winning tenders, are available on request to all interested Canadians.

# Canadian Preference Policies

There are, however, certain specific policies which are designed to provide additional assistance to Canadian industry. For example, whenever possible DSS contracting takes into account the government's stated preference for purchasing goods or services from the private sector rather than maintaining a governmental or departmental capability. This practice has resulted in a significant increase in the number of printing, research and development, and data processing contracts placed with small and medium-size Canadian firms in recent years.

In addition, our bid solicitation policy limits the search for suppliers to Canadian firms only, provided that adequate competition can be assured between such firms.

We are also required by individual product policies to buy certain Canadian manufactured products only (e.g. textiles, electric lamps) and we have bid evaluation formulae which allow us to pay premiums of up to 10% of the difference between foreign and Canadian content in manufactured goods and 20% for Canadian coal.

## Purchasing Offsets

In some instances it is necessary to buy products or equipment from foreign sources because qualified Canadian suppliers do not exist. This is most often true in acquisition projects for highly specialized technical or defence oriented equipment. In these cases, we usually try to negotiate offset agreements in which the foreign supplier undertakes to purchase goods or services in Canada to offset, to some extent, the amount of money being spent offshore on that particular project. In this way, monies which might otherwise have been lost to Canadian industrial community are redirected back into it to the benefit of the nation as a whole.

## Future Developments

To the extent possible, DSS tries to deal with manufacturers, rather than distributors, wholesalers or retailers. The Canadian manufacturing industry is heavily concentrated in Ontario and Quebec, and as a result DSS purchases have been heavily concentrated in Ontario and Quebec. Over the past six years 76% to 81% of the value of our contracts have been placed in these two provinces. DSS is now working to distribute this contracting more equitably to the western and eastern provinces. Signing authorities in our Regional Offices have been increased significantly in recent years and our contracting officers in the regions are encouraged to find sources of supply in their areas so that contracts can be placed close to the point of use.

We hope that the action taken to date will change our current distribution of contracts, but studies have shown that there are not many manufacturers in Atlantic and Western Canada producing products which are used by our customers, and further adjustments may be required to increase the level of participation of the Atlantic and Western provinces in the DSS acquisition program.

### Small business

DSS does not discriminate between Canadian based suppliers on the basis of either the amount of Canadian ownership in the firm or size of the enterprise. It has been suggested that we should, in fact, provide some assistance to small business beyond that afforded by our current operating procedures. We are presently working with DITC and the Minister of State for Small Business to study the amount of DSS contracting that now goes to "small businesses". Through this study we hope to identify ways and means of increasing their business volumes.

## Public sector co-operative supply

DSS has recently signed co-operative supply agreements with the provinces of New Brunswick, Newfoundland and the Yukon and Northwest Territories. Other agreements are under consideration with these regions, and with other provinces. It is hoped that agreements such as these, which entitle the provinces and territories to use DSS supply services, will promote economies and efficiencies in the public sector. It is also hoped that through public sector co-operation it will be possible to use the public sector procurement programs to promote industrial development.

For further information on the services of the Department, contact: Departmental Headquarters

Secretary, Supply Administration Supply and Services Canada Place du Portage Hull, Québec K1A 0S5

## Regional Operations

Director of Supply
Atlantic Region Supply Centre
Supply and Services Canada
P.O. Box 3000
Main Post Office
Darmouth, Nova Scotia
B2Y 4A8
Telex: 019-22528

Director
Capital Region Supply Centre
Supply and Services Canada
1010 Somerset Street West
Ottawa, Ontario
K1A 0T4
Telex: 053-3573

Director of Supply
Manitoba Region Supply Centre
Supply and Services Canada
1580 Dublin Avenue
Westrow Mall
Winnipeg Manitoba
R3E 3J2
Telex: 07-57734

Director of Supply Pacific Region Supply Centre 3551 Viking Way Richmond, British Columbia V6V 1W6 Telex: 043-55731

Supply manager Canadian Dept. of Supply & Services 5400 KOBLENZ Mainzer Strasse 39 Postfach 566 Germany Telex: 0862661 BWB

Director of Supply Quebec Region Supply Centre Supply and Services Canada 800 Golf Road, Nuns' Island Montreal, Québec H3E 1G9 Telex: 05-25425

Director of Supply Ontario Region Supply Centre Supply and Services Canada 1191 Cawthra Road Mississauga, Ontario L5G 4K8 Telex: 06-961225

Director of Supply Western Region Supply Centre Supply and Services Canada 10210-107th Street Edmonton, Alberta T5J 1J9 Telex: 037-3960

Supply Manager Cdn Dept of Supply & Services Macdonald House No. 1 Grosvenor Square London, W1X OAB England

#### CANADIAN COMMERCIAL CORPORATION

#### CCC at a Glance

The Canadian Commercial Corporation (CCC) is a Crown Corporation set up by Act of Parliament in 1946 to facilitate the development of trade between Canada and other nations. It is specifically charged with assisting persons in Canada to export or import goods and commodities.

Within this broad mandate, the Corporation has principally emphasized procurement on behalf of foreign governments. In 30 years, with the valued co-operation of the international marketing service of the Department of Industry, Trade & Commerce, CCC has successfully helped Canadians to export almost 7 billion dollars in goods, commodities and services.

Each year it assists over 400 Canadian firms to do business in 90 world countries covering a multitude of goods from sophisticated electronics systems to commercial supplies of every description. Many of these procurements are made on behalf of the Canadian International Development Agency's aid programs to less developed countries.

## How CCC Operates

In many cases CCC provides Canadian suppliers with accessibility to foreign government purchasing offices. Opportunities are also secured for Canadian business through the establishment of Purchase Agreements between CCC and foreign governments and international agencies. Thousands of bids are secured each year through this route.

Frequently the Corporation is approached by companies who wish it to act as the prime contractor with the foreign government. In the majority of these cases the company has aggressively developed the market but has concluded that the support of CCC is the best way to guarantee closing the deal.

In all cases CCC becomes the prime contractor with the foreign customer and in turn subcontracts with the Canadian firms.

CCC assumes complete responsibility for the administration of the contract, and can arrange shipment; inspection, and acceptance; and makes prompt payment to Canadian suppliers upon shipment of the goods. When required by the customer, bid and performance bonds are also arranged.

The Corporation has its own contracting policies and procedures and is fortunate to be able to utilize the full resources of Department of Supply and Services to carry out these policies. Prices to the extent practicable are obtained through competition. Sole source procurements are made where Canadian companies have developed their own markets or at the request of the customer.

## The Nature of CCC Business

The Corporation employs three basic procurement methods in facilitating export.

Firstly, through INDIVIDUAL CONTRACTS it supplies thousands of items ranging from boots and shoes to locomotives.

Secondly, through PACKAGE DEALS it puts together all the necessary equipment, for example, to build roads, construct a railroad or supply complete schools.

Thirdly, it undertakes PROJECT MANAGEMENT. This means CCC manages and is responsible for complete major systems including such diverse technologies

as major aircraft programs and municipal water supply systems. For each project, all of the design, construction, assembly and test is subcontracted to Canadian suppliers.

# How CCC Works with Canadian Industry

The Canadian Commercial Corporation works with Canadian industry in a cooperative business partnership. The Corporation actively and promptly helps companies to develop bid positions and recognizes the practicalities of dealing in the international competitive marketplace.

The principal aim of CCC is to help wherever possible those firms who would like to develop new export opportunities or to consolidate existing markets. Its role is not intended to inhibit the initiative of Canadian manufacturers in foreign markets nor to deprive private sector trading houses of legitimate business expectations. In other words CCC assists Canadian business to export but does not compete with it.

#### CCC CAN PROVIDE AN IMPORTANT COMPETITIVE EDGE FOR CANADIAN COMPANIES

For example, foreign governments unfamiliar with the Canadian market have had procurement carried out by CCC until such time as they became sufficiently familiar with Canadian industrial and sales practices to deal directly with suppliers. For these customers, working through CCC provides a ready solution to the problems of distance, communications and the developing of product specifications to suit their needs. The availability of CCC and the service it provides has proven very attractive to many countries and has brought business into Canada which otherwise would have gone to traditional overseas procurement sources.

As a further example, as more Canadian companies actively seek a larger share of the world market they must often face intense competition from well established and much larger industries of other countries. In certain circumstances when confronted with this stiff competition the sponsorship by CCC of the Canadian bid has proven to be the most effective way to ensure equal consideration by the foreign customer. Should you need the active participation of the Corporation to help with export business you are currently developing, or require further information on how the Corporation can help you, we suggest you contact:

General Manager Canadian Commercial Corporation Ottawa K1A 056

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