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LIBRARY AGREEMENT

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INVEST DEVELOPMENT

1974-1982

Canada—Québec



Gouvernement
du Canada

Expansion
Économique
Régionale

Government
of Canada

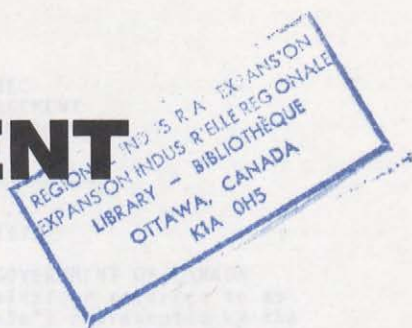
Regional
Economic
Expansion



Office de planification
et de développement
du Québec

SUBSIDIARY AGREEMENT

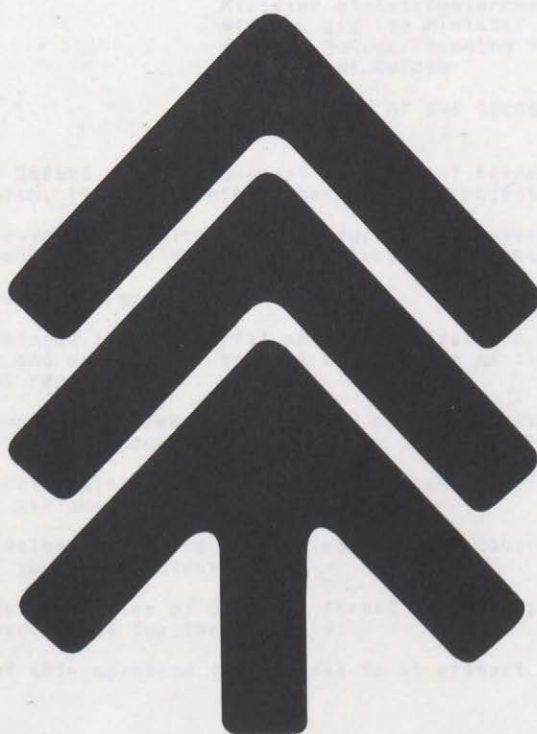
FOREST DEVELOPMENT



1974-1982

Canada—Québec

March 26, 1975



Gouvernement
du Canada

Government
of Canada

Expansion
Économique
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Regional
Economic
Expansion



Office de planification
et de développement
du Québec

CANADA-QUEBEC
SUBSIDIARY AGREEMENT
ON FOREST DEVELOPMENT

1974-1982

AGREEMENT made this 26th day of March, 1975

BETWEEN:

THE GOVERNMENT OF CANADA
(hereinafter referred to as
"Canada") represented by the
Minister of Regional Economic
Expansion

OF THE FIRST PART,

AND:

THE GOVERNMENT OF QUEBEC
(hereinafter referred to as
"Québec") represented by the
Minister of Intergovernmental
Affairs and the Minister responsible
for the Québec Planning and
Development Bureau

OF THE SECOND PART.

WHEREAS Canada and Québec signed a General Development Agreement on the 15th day of March, 1974, to achieve the following objectives:

- a) to improve opportunities for productive employment and to consolidate employment in the traditional sectors;
- b) to improve the standard of living;
- c) to reinforce the industrial and urban structure of Québec and promote the optimal development of the various regions;
- d) to promote increased participation by Quebeckers in their own development; and
- e) to promote balanced development in Québec in relation to the various regions of Canada.

AND WHEREAS the development of the forest industry can contribute to the realization of these objectives;

AND WHEREAS a large proportion of Québec's forest industries depend on the northern forest area for their supply;

AND WHEREAS most of this northern forest area is at present inaccessible;

AND WHEREAS it would be advisable to construct road links to provide access to this resource;

AND WHEREAS the Governor in Council by Order in Council P.C. 1977-1698 of the 21st day of June, 1977 has authorized the Minister of Regional Economic Expansion to sign this Agreement on behalf of Canada;

AND WHEREAS the Lieutenant-Governor in Council by Order in Council No. 1731-77 of the 1st day of June, 1977 has authorized the Minister of Intergovernmental Affairs and the Minister responsible for the Québec Planning and Development Bureau to sign this Agreement on behalf of Québec;

NOW THEREFORE the parties hereto mutually agree as follows:

DEFINITIONS

1. In this Agreement:
 - a) "General Agreement" means the Agreement made between Canada and Québec on the socioeconomic development of Québec, signed on the 15th day of March, 1974;
 - b) "Federal Minister" means the Minister of Regional Economic Expansion and includes anyone authorized to act on his behalf;
 - c) "Québec Minister" means the Minister responsible for the Québec Planning and Development Bureau and includes anyone authorized to act on his behalf;
 - d) "Ministers" means the Federal Minister and the Québec Minister;
 - e) "Department" means the Department of Regional Economic Expansion;
 - f) "Bureau" means the Québec Planning and Development Bureau;
 - g) "Development Committee" means the Committee established pursuant to subsection 9.1 of the General Agreement;
 - h) "Management Committee" means the Committee established pursuant to subsection 10(2) of this Agreement;
 - i) "Fiscal year" means the period commencing on April 1 of any year and terminating on March 31 of the immediately following year;
 - j) "Term of this Agreement" means the period from the date of this Agreement until March 31, 1982;
 - k) "Deadline" means the last date for authorizing eligible work as specified in Schedule "B";
 - l) "Termination date" means the date on which a project is completed, as determined by the Management Committee;

- m) "Subsidiary Agreement" means an Agreement made pursuant to section 6 of the General Agreement;
- n) "Schedule A" means the schedule containing the problems and objectives;
- o) "Schedule B" means the schedule containing the list, the distribution of costs and the schedule for completion of the project;
- p) "Prime Contractor" means Québec or its agents;
- q) "Agent of Québec" means a Québec Crown corporation;
- r) "Equipment project" means any specific project drawn up by the Management Committee that provides for construction work or activities associated with construction.

PURPOSE

- 2. The subject matter of this Agreement is the establishment of a network of access roads to the forests in certain regions of Québec and the increase in yield per acre of wooded areas through intensive forest management in Southern Québec.
- 3.
 - (1) Québec shall undertake, either directly or through agents of the Province, the projects listed in Schedule "B" of this Agreement.
 - (2) Québec shall take over each project on completion and shall accept full responsibility for its operation and maintenance with the exception of silviculture work in private forests.
 - (3) Québec or the agent concerned, as the case may be, shall acquire all lands and interests in lands that are required for the projects listed in Schedule "B".
- 4.
 - (1) Canada and Québec shall finance the projects listed in Schedule "B" to the extent and in the manner specified in the said Schedule.
 - (2) Canada's contribution shall be sixty per cent (60%) of the allowable costs of each project and that of Québec shall be forty per cent (40%) of the allowable costs of each project.
- 5. Unless written approval is obtained from the Federal Minister following an official request from the Québec Minister, Canada shall not be responsible for any expenditures for work authorized after the deadline specified in Schedule "B" for the project concerned nor shall Canada pay any claim that is not received within twelve months of the date on which the project is completed.

6. (1) Subject to subsection (2) of this section, the cost to be financed by the Department and the Bureau in respect of the projects or portions thereof listed in Schedule "B" are:
 - a) for all equipment projects, direct costs which, in the opinion of the Management Committee, have been properly incurred for the realization of projects by the prime contractor with the exception of administration, research, survey, engineering, architecture and construction supervision costs;
 - b) as compensation for the costs excluded under paragraph a) above, and for equipment projects only, an amount equal to ten per cent (10%) of the direct costs incurred;
 - c) for all projects other than equipment projects, all direct costs which, in the opinion of the Management Committee, have been properly incurred for the realization of projects by the prime contractor; legal and engineering costs are considered eligible.
- (2) The costs relating to the acquisition of lands and interests in lands shall be assumed by Québec and are not chargeable to the shared costs.
7. Notwithstanding any other provision of this Agreement, with the exception of section 15, the Department's financial contribution shall be limited to \$82,999,800 and that of the Bureau shall be limited to \$55,333,200, making \$138,333,000 the total amount to be spent on the projects listed in Schedule "B" of this Agreement.
8. This Agreement, including the Schedules, may be amended with the agreement of the Ministers expressed in writing, except for section 7 which may be amended only with the approval of the Governor in Council and of the Lieutenant-Governor in Council.
9. Eligible expenditures incurred prior to the date of this Agreement, including those relating to contracts awarded and purchases made, may be accepted as complying with the terms of this Agreement if they are approved in writing by the Federal Minister following an official request by the Québec Minister. However, no expenditure incurred prior to April 1, 1974, shall be deemed eligible.

MANAGEMENT

10. (1) The supervision of the Agreement is entrusted to the Development Committee whose composition and duties are described in subsections 9.1 and 9.2 of the General Agreement.
- (2) The routine administration of the projects under this Agreement shall be ensured by a Management Committee

comprising an equal number of representatives of Canada and of Québec.

- (3) The Management Committee is responsible to the Development Committee, and its specific tasks are:
 - a) to recommend projects in light of the objectives stated in this Agreement;
 - b) to see to the implementation of the projects provided for in Schedule "B";
 - c) to suggest amendments to be made to this Agreement, including Schedules "A" and "B", subject to sections 7 and 8 of this Agreement;
 - d) to establish, if necessary, such subcommittees as may be required for the execution of its mandate; and
 - e) to provide information to the communities and agencies affected by this Agreement.
- (4) Canada and Québec agree to provide the Management Committee, through their respective representatives, with all information necessary for the performance of its functions.
- (5) A request to include or modify a project must be submitted formally by the prime contractor to the Management Committee.

IMPLEMENTATION PROCEDURES

11. The implementation of the projects under this Agreement is subject to the application of the following provisions:
 - (1) The final plans and specifications, the form of invitation to tender and the form of contract shall be approved by Québec and submitted to the Management Committee which, after examination, will authorize the call to tender or the commencement of government-sponsored construction.
 - (2) All construction and purchase contracts shall be let pursuant to tenders invited by public advertisement and shall be awarded to the responsible tenderer who submits the lowest evaluated bid; the Management Committee may, however, agree otherwise.
 - (3) Any major amendments to a construction or purchase contract shall require the approval of the Management Committee.
 - (4) The Management Committee shall be permitted, at the request of one of its members, or at least quarterly, to inspect the project for the purpose of verifying progress claims and obtaining any other information concerning the project.

RECORDS AND AUDIT AND PAYMENT PROCEDURES

12. (1) Subject to section 13, payments by Canada shall be made to Québec, promptly and according to the proportions agreed upon in subsection 4(2) of this Agreement, for eligible costs actually incurred and paid in respect of a project, augmented by ten per cent (10%) as provided in paragraph 6(1)(b) of this Agreement, upon submission by Québec, in the form and manner upon, of a claim authenticated by the President-Director General of the Bureau or his mandatary.
- (2) Canada may, however, at the request of the Bureau and upon the recommendation of the Management Committee, make interim progress payments (during the implementation of a given project) corresponding to its share of the expenditures incurred for the said project, augmented by ten per cent (10%) as provided in paragraph 6(1)(b) of this Agreement. These expenditures shall be evaluated and certified by a senior officer of Québec.
- (3) Québec shall maintain an accounting of such interim payments and shall submit to Canada, within one hundred and twenty (120) days of an interim payment, an itemized statement of the expenditures in such manner and form as mutually agreed upon. Any discrepancy between the amounts paid by Canada by way of interim progress payments and the amounts actually payable by the Department shall be promptly adjusted between Canada and Québec.
13. All payments made to Québec by Canada pursuant to section 12 shall be paid through the Bureau to the consolidated fund of Québec.
14. Québec shall ensure that accurate accounts and records relating to each project are maintained by the Province, and undertakes to provide Canada, upon request, with all accounts and records necessary for the auditing of claims relating to each of the projects undertaken under this Agreement.
15. The contribution of Canada and of Québec for each fiscal year is, for the purposes of this Agreement, conditional on funds being made available by the Parliament of Canada and by the Québec National Assembly.

EVALUATION

16. In accordance with the provisions of subsection 6.5 of the General Agreement, the impact of each of the projects listed in Schedule "B" shall be evaluated, according to the criteria established by the Development Committee, in the year following the signing of this Agreement.

GENERAL PROVISIONS

17. (1) All documents inviting tenders related to the projects under this Agreement must specify the following: "This development project is financed by the Department of Regional Economic Expansion of Canada and by the Québec Planning and Development Bureau and implemented by the Department of Lands and Forests" or such other wording to the like effect as may be agreed to by the Ministers.
 - (2) Canada shall supply, erect and maintain during the course of construction of each project, a sign or signs specifying that the relevant project is a development project undertaken under this Agreement, or other such wording to the like effect as may be agreed to by the Ministers.
 - (3) Canada reserves the right to supply and erect upon completion of the project, where possible, a permanent sign or plaque bearing an inscription to the effect set forth in subsection 17(2).
 - (4) The official opening ceremonies for the projects listed in Schedule "B" shall be arranged jointly by the Ministers.
18. No member of the House of Commons or of the Québec National Assembly shall be admitted to any share or part of any contract, agreement, commission or benefit relating to or arising out of any subsidiary agreement.
 19. The party responsible for the implementation of a project shall indemnify and save harmless the other party, its officers and agents, against all claims and demands of third parties in any way arising out of the implementation of such project.
 20. All construction work done during the implementation of the projects under this Agreement shall be subject to and carried out in accordance with labour conditions agreed to by Canada and Québec.
 21. All contracts relating to the implementation of the projects shall be awarded without discrimination by reason of sex, age, marital status, race, ethnic origin, religion or political affiliation. It is agreed, however, that the foregoing shall not prevent the implementation of special measures designed to benefit native people and other disadvantaged groups residing in a region where a project is carried out.
 22. Canadian material, as well as Canadian professional services, shall be used in respect of all projects to the extent to which they are available and consistent with proper economy and the expeditious performance of these programs or projects.

IN WITNESS WHEREOF, this Agreement has been executed on behalf of Canada by the Honourable Marcel Lessard, Minister of Regional Economic Expansion, and on behalf of Québec by Messrs. Claude Morin, Minister of Intergovernmental Affairs and Jacques Léonard, Minister of State for Planning and responsible for the Québec Planning and Development Bureau, on the above-mentioned day and year.

IN THE PRESENCE OF:

SIGNED ON BEHALF OF CANADA

Witness

Marcel Lessard
Minister of Regional Economic
Expansion

IN THE PRESENCE OF:

SIGNED ON BEHALF OF QUEBEC

Witness

Claude Morin
Minister of Intergovernmental
Affairs

Witness

Jacques Léonard
Minister of State for Planning and
responsible for the Québec Planning
and Development Bureau

SUBSIDIARY AGREEMENT
ON FOREST DEVELOPMENT

SCHEDULE "A"

INTRODUCTION

The purpose of this Schedule is to describe the problems and objectives which set the terms of this Agreement between the Government of Canada and that of Québec.

Commercially exploitable forest in Québec covers an area of approximately 298,000 square miles, 28,000 square miles of which is private land, the remaining 270,000 square miles being in public ownership. It contributes about 25% of Québec's gross domestic product. This resource is a factor of prime importance in the economic development of Québec because of the jobs it creates and the industrial and commercial activity that it generates.

PROBLEMS

1. Sylviculture and reforestation

The forest territory in the inhabited regions covers a productive and accessible forest area of approximately 50,000 square miles. Because most of this territory has undergone excessive cutting and has, as a whole, not been under intensive forest management, the present cut is far below what it could be.

Assuming an annual increase in volume of 35 cubic feet per acre, which specialists say is a very conservative estimate, in the long run (30 or 40 years), 11 million cunits a year could be exploited in the forest in the inhabited regions, a figure that corresponds to the current cut for the entire province.

According to the Department of Lands and Forests, Québec will experience a shortage of growing stock within 15 years unless radical steps are taken to carry out sylviculture and reforestation work in the Québec forest. Starting in the early 1990s, the forest industries in the Outaouais, Montréal, the Eastern Townships, the Mauricie and Québec City regions will experience major problems obtaining wood at a competitive price, since more than 95% of the present potential of both the public and private woodlands in these territories will have been harvested. To meet their needs for raw material, the mills in these regions must depend on sizeable volumes of wood from the Lower St. Lawrence-Gaspé, North Shore, Saguenay-Lac-Saint-Jean and Abitibi-Témiscamingue regions, and from the bordering provinces and American states.

However, although the forest industries in these resource regions do not have such severe problems with volumes of supply, the supplies are expensive and will continue to be so in the future because the cutting areas are gradually moving further away from the mills.

2. Access to forest resources

The overall forest-road network in the Lower St. Lawrence-Gaspé consists of four main types of roads:

- public roads which are the responsibility of the Department of Transport;
- forest roads which are used mainly for the exploitation of Crown forests;
- access roads which are the responsibility of the Department of Natural Resources; and
- forest-roads which are owned by the companies.

In view of the short average distance the wood is transported and the high road density constituted by the four main types of road, it might be concluded that no new roads need to be added to the Lower St. Lawrence-Gaspé highway network. However, the standard of these roads needs to be upgraded to meet the demands of modern transportation and to allow equipment capable of carrying heavy loads to be used which permits economies of scale.

In the North Shore administrative region, it has become necessary to accelerate access to the resource, particularly in view of the Outardes sawmill industrial project.

The forest territory located in the Outaouais and the southern part of the Abitibi-Témiscamingue administrative region covers an area of 1,800 square miles of which the total volume of potentially usable growing stock amounts to 9 million cunits for the softwoods and 6 million cunits for the hardwoods. In the Outaouais forest region, indications are that a new inaccessible 150,000 cunits of hardwoods annually could be exploited if there were an access road running through these woodlands between Témiscaming and Maniwaki for 125 miles.

Construction of such a road will provide a long-term solution to the problem of the inaccessibility of the growing stock in this forest territory for the mills located along the Outaouais River and on the Hull-Maniwaki-Mont-Laurier highway network.

OBJECTIVES

The purpose of this Agreement is to enable Québec to improve its forest road network in the Crown forests of the Saguenay-Lac-Saint-Jean, North Shore, Lower St. Lawrence-Gaspé and Abitibi-Témiscamingue regions.

This Agreement will promote optimal exploitation of forest resources, eliminate the danger of shortages of wood in the short and medium term and provide opportunities for the expansion of existing mills.

This Agreement fits in perfectly with the development strategy outlined in Schedule "A" of the General Development Agreement since intensive management and optimal exploitation of the forest resource will enable the regions to better realize their development potential, consolidate and create employment in the forests, sawmills and pulp and paper mills and will enable Quebeckers, who control 85% of the lumber industry, to participate more fully in their own development.

IMPACT

The intensive management of forests in the inhabited regions and the existence of a network of high standard forest roads will have a direct effect on wood production and supply and therefore on employment in the forests, sawmills and pulp and paper mills.

The region affected by the Témiscaming-Maniwaki-Mont-Laurier access road construction program in particular has a potential annual volume of production of 500,000 cunits of commercially usable growing stock, 300,000 cunits for hardwoods and 200,000 cunits for softwoods. The construction of the Témiscaming-Maniwaki forest road will also lead to an increase in recreational activity in an area well suited to it since it contains several hunting and fishing reserves.

In the short term this road will also have a beneficial effect on the forestry industry in the area by solving the problem of access to growing stock for the mills along the Outaouais River and on the Hull-Maniwaki-Mont-Laurier highway network.

The silviculture and reforestation program is expected to create jobs in nine Québec regions, mainly in the Lower St. Lawrence-Gaspé where unemployment is high. The number of jobs created will amount to 960 work-years during the season which lasts about 6 or 7 months. In addition, experience has shown that silviculture and reforestation programs generate economic activity at a ratio of between one to one and one to three.

SUBSIDIARY AGREEMENT
ON FOREST DEVELOPMENT

SCHEDULE "B"

(In \$'000)

<u>PROJECT DESCRIPTION</u>	<u>BREAKDOWN OF COSTS</u>			<u>BREAKDOWN OF EXPENDITURES (Canada 60% / Québec 40%)</u>			<u>DEADLINE</u>
	<u>TOTAL ESTIMATED COSTS*</u>	<u>CANADA DREE</u>	<u>QUEBEC</u>	<u>PAST 1974-78</u>	<u>FUTURE 1978-79</u>	<u>FUTURE 1979-B2</u>	
FACET 1 - ACCESS ROADS							
Saguenay-Lac-Saint-Jean (02)							
L-209 Chapais	\$ 3,541.2	\$ 2,124.7	\$ 1,416.5	\$ 1,171.0	\$ 1,090.0	\$ 1,280.2	31/03/82
L-200 Sainte-Marguerite	1,420.3	852.2	568.1	1,241.0	169.0	10.3	31/03/82
L-208 Frotet Lake-Waconichi Lake	531.0	318.6	212.4	524.7	-	6.3	31/03/79
L-201 Bras du Nord	231.6	139.0	92.6	170.5	28.6	32.5	31/03/79
L-203 Lac Bourgat	1,381.6	829.0	552.6	1,380.0	1.6	-	31/03/79
L-207 Margonne	4,200.9	2,520.5	1,680.4	986.2	1,235.0	1,979.7	31/03/82
Road Signs	52.2	31.3	20.9	52.2	-	-	31/03/82
L-206 Mistassini River West	27.6	16.6	11.0	27.6	-	-	31/03/78
SUBTOTAL	11,386.4	6,831.9	4,554.5	5,553.2	2,524.2	3,309.0	

*Includes 10% indirect costs and a reserve of 15%

SUBSIDIARY AGREEMENT
ON FOREST DEVELOPMENT

SCHEDULE "B"

(In \$' DDO)

PROJECT DESCRIPTION

BREAKDOWN OF COSTS

BREAKDOWN OF EXPENDITURES
(Canada 60% / Québec 40%)

DEADLINE

PROJECT DESCRIPTION	BREAKDOWN OF COSTS			BREAKDOWN OF EXPENDITURES (Canada 60% / Québec 40%)			DEADLINE
	TOTAL ESTIMATED COSTS*	CANADA DREE	QUEBEC	PAST 1974-78	FUTURE 197B-79	FUTURE 1979-82	
Abitibi-Témiscamingue (OB)							
N-800 Quévillon - Matagami	\$ 2,676.3	\$ 1,605.8	\$ 1,070.5	\$ 729.8	\$ 1,443.6	\$ 502.9	31/03/82
N-801 Fonteneau Township	432.2	259.3	172.9	426.7	4.5	1.0	31/03/82
N-805 Canica Island	800.0	480.0	320.0	800.0	-	-	31/03/82
N-808 Lac Valet	235.5	141.3	94.2	217.7	-	17.8	31/03/79
N-809 Mazarin Township	483.7	290.2	193.5	466.7	-	17.0	31/03/79
N-810 Villebois Township	3,340.0	2,004.0	1,336.0	592.5	970.0	1,777.5	31/03/82
N-816 Val-d'Or-Laforce	3,357.7	2,014.6	1,343.1	3,332.3	-	25.4	31/03/79
N-818 Waswanipi	1,950.0	1,170.0	780.0	900.0	1,020.0	30.0	31/03/82
Road Signs	65.0	39.0	26.0	59.5	5.5	-	31/03/82
N-814 Bearn	1,469.0	881.4	587.6	733.0	736.0	-	31/03/79
N-804 Miniac	327.0	196.2	130.8	327.0	-	-	31/03/79
N-806 Mégiscane River	420.3	252.2	168.1	412.3	8.0	-	31/03/79
N-819 Maniwaki-Témiscaming	14,400.0**	8,640.0	5,760.0	-	2,455.0	11,945.0	31/03/82
SUBTOTAL	29,956.7	17,974.0	11,982.7	8,997.5	6,642.6	14,316.6	

*Includes 10% indirect costs and a reserve of 15%

**Includes the cost of an environmental impact study

SUBSIDIARY AGREEMENT
ON FOREST DEVELOPMENT

SCHEDULE "B"

(In \$'000)

<u>PROJECT DESCRIPTION</u>	<u>BREAKDOWN OF COSTS</u>			<u>BREAKDOWN OF EXPENDITURES (Canada 60% / Québec 40%)</u>			<u>DEADLINE</u>
	<u>TOTAL ESTIMATED COSTS*</u>	<u>CANADA DREE</u>	<u>QUEBEC</u>	<u>PAST 1974-78</u>	<u>FUTURE 1978-79</u>	<u>FUTURE 1979-82</u>	
<u>North Shore (09)</u>							
C-900 Sacré-Coeur	\$ 833.0	\$ 499.8	\$ 333.2	\$ 616.6	\$ 135.0	\$ 81.4	31/03/82
C-901, C-908 F.D. Outardes	7,043.9	4,226.3	2,817.6	2,881.7	2,450.0	1,712.2	31/03/82
C-902, C-903, C-904 Mider	958.0	574.8	383.2	597.2	306.3	54.5	31/03/82
Road Signs	22.0	13.2	8.8	22.0	-	-	31/03/82
SUBTOTAL	8,856.9	5,314.1	3,542.8	4,117.5	2,891.3	1,848.1	
<u>Lower St. Lawrence-Gaspé (01)</u>							
Grand Portage	250.0	150.0	100.0	110.0	140.0	-	31/03/82
Chic-Choc	2,110.0	1,266.0	844.0	360.0	500.0	1,250.0	31/03/82
Lower St. Lawrence	1,907.5	1,144.5	763.0	106.5	280.0	1,521.0	31/03/82
Gaspé	460.0	276.0	184.0	160.0	150.0	150.0	31/03/82
Baie des chaleurs	2,258.7	1,355.2	903.5	177.0	429.6	1,652.1	31/03/82
Road Signs	13.8	8.3	5.5	12.8	1.0	-	31/03/82
SUBTOTAL	7,000.0	4,200.0	2,800.0	926.3	1,500.6	4,573.1	
RESERVE	1,000.0	600.0	400.0	-	-	-	
TOTAL FACET I	58,200.0	34,920.0	23,280.0	19,594.5	13,558.7	25,046.8	

*Includes 10% indirect costs and a reserve of 15%

SUBSIDIARY AGREEMENT
ON FOREST DEVELOPMENT

SCHEDULE "B"

(In \$'000)

PROJECT DESCRIPTION

BREAKDOWN OF COSTS

BREAKDOWN OF EXPENDITURES
(Canada 60% / Québec 40%)

DEADLINE

TOTAL ESTIMATED
COSTS*

CANADA
DREE

QUEBEC

PAST
1974-78

FUTURE
1978-79

FUTURE
1979-82

FACET II - SYLVICULTURE AND
REFORESTATION

Reforestation	\$40,000.0	\$24,000.0	\$16,000.0	\$ 6,336.5	\$ 6,300.0	\$27,363.5	31/03/82
Sylviculture - Crown forests	20,000.0	12,000.0	8,000.0	4,984.9	4,000.0	11,015.1	31/03/82
Production assistance - private forests	20,133.0	12,080.0	8,053.0	6,780.7	6,100.0	7,252.3	31/03/82
TOTAL FACET II	80,133.0	48,080.0	32,053.0	18,102.1	16,400.0	45,630.9	

*Includes 10% indirect costs and a reserve of 15%

SUBSIDIARY AGREEMENT
ON FOREST DEVELOPMENT

SCHEDULE "B"

(In \$'000)

PROJECT DESCRIPTION

BREAKDOWN OF COSTS

BREAKDOWN OF EXPENDITURES
(Canada 60% / Québec 40%)

<u>PROJECT DESCRIPTION</u>	<u>TOTAL ESTIMATED COSTS*</u>	<u>CANADA DREE</u>	<u>QUEBEC</u>	<u>PAST 1974-78</u>	<u>FUTURE 1978-79</u>	<u>FUTURE 1979-82</u>
FACET I - ACCESS ROADS	\$ 58,200.0	\$ 34,920.0	\$ 23,280.0	\$ 19,594.5	\$ 13,558.7	\$ 25,046.8
FACET II - SYLVICULTURE AND REFORESTATION	80,133.0	48,080.0	32,053.0	18,102.1	16,400.0	45,630.9
TOTAL	138,333.0	83,000.0	55,333.0	37,696.6	29,958.7	70,677.7

*Includes 10% indirect costs and a reserve of 15%

APPROVED BY THE DEVELOPMENT COMMITTEE OF THE CANADA/QUEBEC GENERAL AGREEMENT

FOR CANADA _____ DATE June 22, 1977
Marcel Lessard

FOR QUEBEC _____ DATE June 22, 1977
Jacques Léonard

Minister of Regional Economic Expansion

Minister of State for Planning and responsible for
the Québec Planning and Development Bureau

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