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AGREEMENT

**CANADA**

**QUÉBEC**

Canada-Québec  
Subsidiary Agreement  
on Tourism  
Development  
1985-1990

Canada 

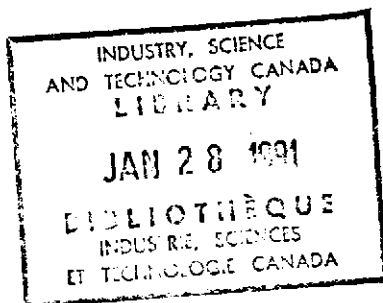
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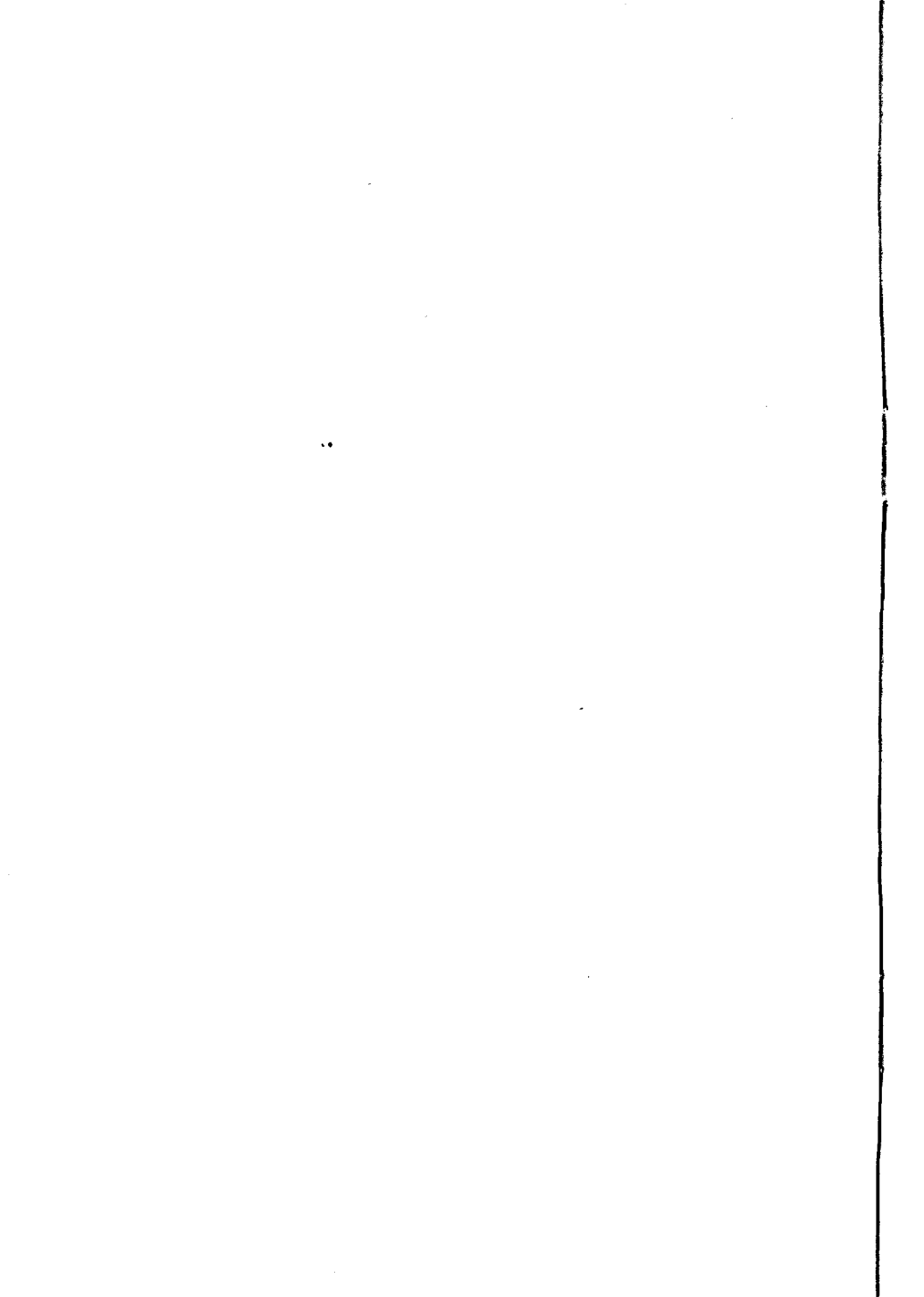
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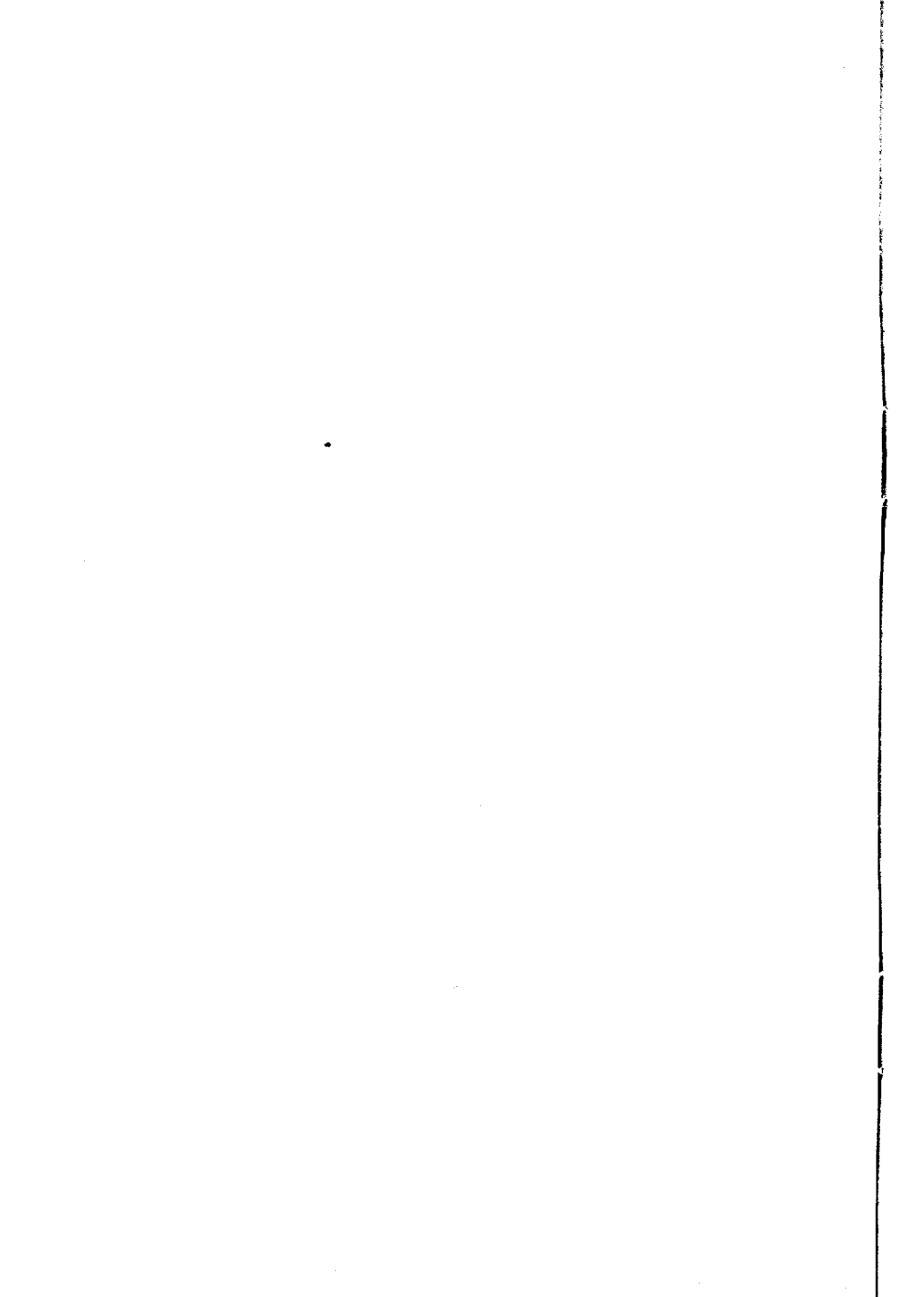
Canada-Québec  
Subsidiary Agreement  
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Development

The present publication has been prepared jointly by the Office of the Federal Economic development coordinator (Department of Regional Industrial Expansion) and le Secrétariat aux Affaires intergouvernementales canadiennes du Québec

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**CANADA-QUÉBEC  
SUBSIDIARY AGREEMENT ON  
TOURISM DEVELOPMENT**

THIS AGREEMENT made this 16th day of January 1985.

BETWEEN:

THE GOVERNMENT OF CANADA represented by the Minister of Regional Industrial Expansion and the Minister of State (Tourism) and the Minister of Communications

OF THE FIRST PART

AND:

THE GOVERNMENT OF QUÉBEC represented by the Minister responsible for Canadian Intergovernmental Affairs, and the Minister of Tourism, and the Minister of Leisure, Hunting and Fishing, and the Minister of Cultural Affairs.

OF THE SECOND PART.

WHEREAS the Government of Canada and the Government of Québec have entered into an Economic and Regional Development Agreement, dated the 14th day of December 1984, to achieve the following objectives:

- A) to intensify the economic and regional development of Québec and to create an environment in which Québec and its regions can achieve their economic potential through, in particular, the enhancement of their own comparative advantages, the development and strengthening of productive enterprises, and by the growth of employment;

- B) to consolidate and improve opportunities for employment and incomes so that the population of Québec can contribute to the economic and regional development of Québec, and to benefit from it, given that human resource development is an integral element of economic and regional development;
- C) to facilitate consultation on and coordination of the economic and regional development policies, programs and activities of both governments, in order to benefit as much as possible from development opportunities and to reduce constraints to such development.

WHEREAS the tourism sector has been identified as a priority sector having a potential for economic and regional development.

WHEREAS the Governor-in-Council, by Order-in-Council No. P.C. 1984-4192 of the 21st day of December, 1984, has authorized the Minister of Regional Industrial Expansion and the Minister of State (Tourism) to execute this Agreement on behalf of the Government of Canada.

AND WHEREAS the Government of Québec, in accordance with the Decree No. 1-85 dated January 9, 1985, has authorized the Minister responsible for Canadian Intergovernmental Affairs to execute this Agreement on behalf of the Government of Québec.

NOW THEREFORE the parties hereto mutually agree as follows

**1. Definitions**

**1.1 In this Agreement:**

- a) "Management Committee" means the Committee created as per section 6.3 of the Canada-Québec Economic and Regional Development Agreement to manage and administer this Agreement;

b) "Eligible costs" mean reasonable and direct costs incurred for the purpose of this Agreement that are:

- (i) invoiced under an arm's length contract for goods and services made under this Agreement;
- (ii) any other cost which is expressly described as an eligible cost in the authorization form described in Section 9.1

but, unless expressly permitted by the Management Committee, shall not include costs which are:

- (iii) any salary or benefit paid by either party to any of its employees, or those of one of its agencies;
  - (iv) any cost incurred by either party for the use of any fixed assets which are the property of that party, or any overhead or indirect cost which are incurred by that party or those of one of its agencies;
  - (v) the costs of land;
  - (vi) any of the exceptions numbered 1 to 17 inclusive set out in Department of Supply and Services Costing Memorandum No. 1031 attached hereto for references as Schedule "D".
- c) "Termination date of this Agreement" means the last date for authorizing a project under this Agreement, namely March 31, 1990;
- d) "Term of this Agreement" means the period between the date of signature of this Agreement and March 31, 1990;

- e) "Fiscal Year" means the period commencing on April 1 of any year and terminating on March 31 of the immediately following year;
- f) "Federal Minister" means the Minister of Regional Industrial Expansion;
- g) "Federal Minister responsible for the Agreement" means the Minister of State (Tourism);
- h) "Québec Minister" means the Minister responsible for Canadian Intergovernmental Affairs or any Minister authorized to act on his behalf;
- i) "Québec Minister responsible for the Agreement" means the Minister of Tourism, or the Minister of Leisure, Hunting and Fishing, or the Quebec Minister of Cultural Affairs;
- j) "Ministers responsible for the Agreement" means the federal Minister of State (Tourism) and the Québec Minister of Tourism, or the Québec Minister of Leisure, Hunting and Fishing, or the Québec Minister of Cultural Affairs;
- k) "Project" means activities deriving from enumerated programs listed in Schedule "B";
- l) "Applicant" means the recipient of a governmental contribution from one of the programs described in Schedule "B".

## **2. Purpose**

The purpose of this Agreement is to promote the cooperation and coordination of efforts between the Governments of Canada and Québec for the implementation of measures to stimulate tourism development and to increase the economic benefits of tourism activities in Québec in the context of the strategy defined in Schedule "A" of this Agreement.

## **3. Objectives**

**3.1** The objectives of this Agreement are to:

- increase the development of the Quebec Tourism industry mainly by encouraging private investment in distinctive tourism products;
- stimulate the recognition of tourism products on international markets;
- increase Quebec tourism revenues and create employment;
- favor the long - term growth of the tourism industry by:
  - (i) stretching the tourism season;
  - (ii) increasing tourism in the winter months;
  - (iii) increasing the number of visitors from the United States and other countries.

**3.2** In the implementation of this Agreement, all projects shall be reviewed by the Management Committee to ensure consistency with the objectives of this Agreement and of the Economic and Regional Development Agreement. All proposals for amendment of this agreement from the Management Committee shall be

reviewed in the context of these objectives when they are presented to the Federal Minister and the Québec Minister.

- 3.3 To achieve the objectives of this Agreement, the Government of Canada and the Government of Québec shall undertake and pursue the programs outlined in Schedule "B" of this Agreement.

#### **4. Financial provisions**

- 4.1 Notwithstanding anything in this Agreement, the total contribution payable by the Government of Canada shall not exceed fifty (50) million dollars. The Government of Canada shall pay its share of the eligible costs of the projects listed in Schedule "C".
- 4.2 Notwithstanding anything in this Agreement the total contribution of the Government of Québec shall not exceed fifty (50) million dollars. The Government of Québec shall pay its share of the eligible costs of the projects stated in Schedule "C".
- 4.3 In general, the Government of Canada and the Government of Québec shall share the eligible costs of the projects stated in Schedule "C" on the basis of a 50/50 sharing ratio.

#### **5. Amendment**

- 5.1 The Federal Minister and the Québec Minister may amend the provisions of this Agreement except as is expressly set out in Section 5.2.
- 5.2 Any amendment to the objectives set out in Section 3.1 of this Agreement or to the financial provisions expressed in Sections 4.1 and 4.2, shall require the prior approval of the Governor in Council and the Government of Québec.

5.3 Projects submitted to one party prior to the date of this Agreement may be accepted as complying with the terms of this Agreement if, following an official request from the Minister responsible for the Agreement for that government, they are approved in writing by the other Minister responsible for the Agreement. However, no expenditure prior to the date of this Agreement shall be deemed eligible.

## **6. Management and coordination**

6.1 A Management Committee shall be established. It shall be co-chaired by two senior officials, one of whom is to be appointed by the Federal Minister responsible for the Agreement and another by the Québec Minister; there shall be an equal number of representatives from the Government of Canada and from the Government of Québec, among which one will be the ex-officio member appointed by each Minister signing the Economic and Regional Development Agreement. The Management Committee shall be responsible for the general administration and management of this Agreement. For the management and administration of the programs implemented under this Agreement, the Management Committee shall be guided by the terms described in Schedule "B".

6.2 A member of the Management Committee may, in writing, authorize a person to attend and to vote at meetings of the Management Committee on his behalf.

6.3 A quorum for all meetings of the Management Committee shall be two members of whom one shall be the federal co-chairperson or a designate and one shall be the Quebec co-chairperson or a designate.

6.4 When there is not a unanimous decision by the Management Committee, the issue shall be referred to the Ministers responsible for the Agreement for resolution and shall be kept in abeyance until it is resolved.

- 6.5 The Management Committee shall continue to operate until the final completion of all projects implemented pursuant to this Agreement.
- 6.6 The powers, duties and functions of the Management Committee are the following:
- a) to approve all procedures in respect of its meetings, including rules for the conduct of meetings and the making of decisions where the members are not physically present in a specific place;
  - b) to review projects submitted in accordance with the requirements stated in Section 9.1 and to recommend to Ministers responsible for the Agreement the acceptance or the rejection of projects and, as required, the appropriate financial contribution;
  - c) before each fiscal year during the term of this Agreement, including the year commencing on April 1, 1985, to prepare a work plan identifying a schedule of work and the budgeted amounts for projects which will be submitted for inclusion in Schedule "C";
  - d) to recommend annually to the Ministers responsible for the Agreement estimates of proposed expenditures for each fiscal year;
  - e) to submit progress reports to the Ministers responsible for the Agreement prior to the annual meeting of the Economic and Regional Development Agreement, or as requested;
  - f) to prepare financial statements each year on a quarterly basis, reflecting actual and anticipated cash flows by year and by program for the purposes of Section 6.4 of the Economic and Regional Development Agreement;



- g) to ensure the full and free flow of relevant information between the parties;**
- h) to approve the establishment of appropriate project advisory committees, including technical and public information committees as required, and to make the necessary arrangements for the attendance of representatives from other departments, agencies and the private sector at Management Committee meetings where their presence could contribute to the effectiveness of the Management Committee.**
- i) where the Management Committee identifies significant human resource implications in respect of any project, to seek advice from appropriate departments and agencies of both governments;**
- j) to recommend the addition, amendment, or deletion of any project under this Agreement when the Management Committee considers that the purposes and objectives of this Agreement would be furthered by these measures;**
- k) to ensure that all contracts incorporate all relevant provisions of this Agreement;**
- l) to meet at least once a year for the purposes of this Agreement;**
- m) to meet with representatives of federal and provincial departments or agencies or other appropriate persons to facilitate cooperation and attainment of the objectives of the Agreement;**
- n) to carry out any other duties, powers or functions specified elsewhere in this Agreement or such as may be assigned to the Management Committee by the Ministers responsible for the Agreement;**

- o) to propose amendments to this Agreement to the Ministers responsible for this Agreement;
- p) to determine the completion date for projects included in the Agreement.

## **7. Secretariat**

The Management Committee shall establish a secretariat, which will assist the Committee in administering the ongoing activities of the Agreement. This secretariat shall be managed by a representative of the Québec Minister; however, a representative of each Minister responsible for the Agreement shall participate in the preparation of meeting agenda and minutes. The duties and functions of the secretariat shall be defined by the Management Committee.

## **8. Application Form**

- 8.1 The Management Committee shall develop and approve an application form which will be used by applicants for financial assistance under this Agreement.
- 8.2 This application form shall provide the relevant information for the assessment of the application that each party will forward to the Management Committee in order to allow both parties to ensure that the project is in line with the objectives and criteria of the various programs of this Agreement.
- 8.3 The Management Committee shall develop and approve a work analysis form and a project management process that will meet both parties' requirements.

## **9. Project authorization**

- 9.1 Each project submitted under this Agreement shall be described in a suitable Project Authorization Form which, among other things, shall include the following

information: the project name and description, the implementing party, the purpose and objectives, a budget establishing eligible costs, the effective date, an outline of how the project is to be carried out and progress reported, the scheduled completion date, the performance indicators, the jobs created, the total funds required and the share to be borne by each of the parties involved, the ownership and responsibility for the operation and maintenance of the project after completion, arrangements for public information and project evaluation and such other information as may be required by the Management Committee;

9.2 The Management Committee shall recommend the approval or the rejection of the project to the Ministers responsible for the Agreement;

9.3 Each project approved or rejected under this Agreement shall be confirmed by the signature of both co-chairpersons on the project authorization form.

#### **10. Contribution arrangement**

10.1 For cost-shared projects implemented by the Quebec Government as specified in Schedule "B", the Management Committee shall confirm to the organism responsible for the implementation of the project its decision to offer a financial contribution in a letter jointly signed by the co-chairpersons or their representatives. This letter shall engage both Governments within the limits accepted by the Management Committee and shall define the terms and conditions of the contribution.

10.2 For joint or complementary activities specified in Schedule "B", except for studies, each party shall inform the applicant of its decision and, where applicable, shall pay its share according to the terms of Schedule "B".

10.3 For joint activities related to studies, as specified in Schedule "B", the Management Committee shall inform

the applicant of its decision in a letter of offer jointly signed by the co-chairpersons or their representatives. This letter shall engage both governments within the limits accepted by the Management Committee and shall define the terms and conditions of the contribution. Once accepted by the applicant, the letter of offer shall serve as a contract between the applicant, the Government of Canada and the Government of Québec.

- 10.4 All revisions and amendments to the original contribution offer shall require the Management Committee's authorization.
- 10.5 For cost-shared projects implemented by the Government of Québec, the Management Committee shall be informed of decisions regarding calls for tenders, announcements of contract awards and selection of the successful tenderer.
- 10.6 For all projects, any cost overrun in excess of the eligible costs budgeted or any cost incurred following the project completion date shall not be accepted by the Management Committee unless the Management Committee is informed on time and approves the inclusion of that cost.

## **11. Payment procedures**

- 11.1 No project may be approved after the termination date of this Agreement. No claim shall be paid by the parties unless it is received in the 12 months following the project completion date.
- 11.2 For cost-shared projects implemented by the Government of Québec, the Government of Canada shall pay to the Government of Québec, under recommendation of the Management Committee, its share of the contribution for a project as defined in Schedule "C". The Government of Québec shall submit promptly to the Government of Canada, according to progress made,

a claim for expenses incurred and paid. Those claims shall be submitted and audited according to the Management Committee's requirements by an authorized representative of the Government of Québec.

- 11.3 For joint or complementary activities, each party shall pay directly to the applicant its share of the contribution for a project as defined by Schedule "C".
- 11.4 The Government of Québec shall maintain accounts and records related to claims submitted to the Government of Canada according to Section 11.2.
- 11.5 Any discrepancy indicated by an audit between the amount contributed by each of the parties and the amount payable hereunder shall be adjusted forthwith.
- 11.6 Notwithstanding subsection 1.1. c, this Agreement may be terminated at the end of any fiscal year following the expiration of at least three years from the date of execution hereof, by either party giving to the other at least two clear fiscal years' notice in writing thereof.

## **12. Public information**

- 12.1 The Government of Canada and the Government of Québec agree to prepare press releases jointly, and to prepare and participate jointly in communication programs related to this Agreement. To this end, the Government of Canada and the Government of Québec agree and accept:
  - a) to collaborate in the preparation and implementation of a public information program;
  - b) to announce jointly all projects authorized by the Management Committee and included in Schedule "C";

- c) that all calls for tenders associated with projects included in this Agreement must contain the following sentence: "This development project is financed by the Federal Department of Regional Industrial Expansion and the Québec Department of Tourism, or the Québec Department of Leisure, Hunting and Fishing, or the Québec Department of Cultural Affairs;
- d) that all advertisement panels on work sites must mention that the project is the joint realization of both levels of government;
- e) that the Government of Canada and the Government of Québec have the right to provide and install, upon completion of the project, where it is possible, a permanent plaque or board with an inscription respecting the meaning of paragraph d);
- f) to organize jointly, and in concert with the recipients of a contribution, the official ceremonies related to projects included in the Agreement.

### **13. Evaluation**

- 13.1 The information judged necessary by either party to complete an evaluation of the socio-economic impact of this Agreement in terms of its stated objectives shall be furnished on request to the other party pursuant to the evaluation framework specifying the evaluation criteria, which shall be prepared by the Management Committee and which will be appended to the Agreement within the year following the signature of the Agreement. Activities not cost-shared will be evaluated by the government responsible for their realization who, in turn, will report on its evaluation to the other government. To this end, the Government of Canada and the Government of Québec agree and accept:

- a) to exchange all relevant information and data as may be reasonably required for any evaluation that pertains to this Agreement;
- b) to consider, within 12 months prior to the termination date of the Agreement, the evaluation framework and the data and information generated, in order to undertake a comprehensive evaluation of the Agreement.

#### **14. General**

- 14.1 No member of the House of Commons of Canada or the National Assembly of Québec shall be admitted to any share or part of this Agreement or to any benefit arising therefrom.
- 14.2 The applicant shall indemnify and save harmless the other parties, their officers, servants and agents, against all claims and demands of third parties in any way arising out of the implementation of all initiatives, except to the extent to which such claims or demands relate to the act or negligence of any officer, employee, or agent of the other parties. Where the ongoing responsibility for the operation, maintenance and repair of any project hereunder is to be vested in a third party, the contractual arrangements made between the implementing party and the said third party shall provide a clause in order to save the parties harmless from any claims, demands, actions, and causes of action which may be made against them arising out of the operation, maintenance and repair of any such project by the third party.
- 14.3 The provision of contributions by the Government of Canada and the Government of Québec for the implementation of this Agreement is subject to the Parliament of Canada and the National Assembly of Québec having appropriated funds for such financing in the fiscal year in which it is required.

- 14.4 Canadian materials, as well as Canadian professional services shall be used in respect of all projects to the extent that they are available and consistent with proper economy and the expeditious performance of these programs or projects.**
- 14.5 This document and Schedules A, B, and C form the entire Agreement.**



IN WITNESS WHEREOF this Agreement has been executed on behalf of Canada by the Minister of Regional Industrial Expansion and the Minister of State (Tourism), the Minister of Communications, and on behalf of the Province of Québec by the Minister responsible for Canadian Intergovernmental Affairs, and the Minister of Tourism, and the Minister of Leisure, Hunting and Fishing, and the Minister of Cultural Affairs.

IN THE PRESENCE OF:

**GOVERNMENT  
OF CANADA**

**GOVERNMENT  
OF QUÉBEC**

\_\_\_\_\_  
**Minister of Regional  
Industrial Expansion**

\_\_\_\_\_  
**Minister of Canadian  
Intergovernmental Affairs**

\_\_\_\_\_  
**Minister of State (Tourism)**

\_\_\_\_\_  
**Minister of Tourism**

\_\_\_\_\_  
**Minister of  
Communications**

\_\_\_\_\_  
**Minister of Leisure,  
Hunting and Fishing**

\_\_\_\_\_  
**Minister of Cultural Affairs**

## **SCHEDULE A**

# **CANADA QUÉBEC SUBSIDIARY AGREEMENT ON TOURISM DEVELOPMENT**

## **BACKGROUND**

The development of the tourism industry in Québec offers opportunities to create jobs and to contribute to regional economic development. Tourism is one of the economic activities that have a high potential to rapidly create new jobs. Given the fact that more than any other sector, expenditures for implementation or exploitation of tourism operations have a direct impact on regional economy, this sector is a major generator of regional economic development. Tourism represents an important source of revenues for many families as well as being an important source of foreign exchange earnings which have a positive influence on the balance of payments.

Tourism in Québec generated in 1982 more than \$2 billion in terms of revenues and investments totalizing \$160 million. This sector also created 120 000 jobs and represented a substantial source of revenues for more than 20 000 enterprises, mainly in the small business category. Finally, the Quebec total volume of receipts in international travel accounts for 13% of service exports, making this sector the fifth largest export sector, behind pulp and paper, iron, auto parts and aluminum.

The examination of the factors that have an influence on the development of tourism suggests that the tourism sector in Québec does not fulfill its economic potential and requires that both governments adopt specific measures to stimulate the tourism industry in order to maximize the economic benefits of tourism.

## **Strategy**

The development of Québec distinctive tourism products will be prioritized in destinations that have the potential to generate an increasing number of Canadian and international tourists. Thus, priority will be given to the establishment and development of infrastructures, equipments, public and private sites, and events that will become travel generators. The Agreement will attempt to increase the economic impact of winter tourism by addressing the problem of the obsolescence and inadequacy of downhill ski center infrastructures and accommodation facilities. Priority will also be given to the development and marketing of specific market segments, such as meetings and incentives travel, cultural tourism and also to the upgrading of the tourism information network. The Agreement will stimulate the creation and development of new attractions related to the St. Lawrence River as well as the fish and game product: modernization of facilities and marketing of outdoor package tours.

The Agreement will attempt to improve and strengthen the sector intelligence by stimulating activities such as special market research and regional tourism development studies.

At last, to assist in achieving these objectives, the Government of Canada and the Government of Québec encourage interest groups, including those representing individuals of Native ancestry, to make tourism development proposals which meet the basic criteria of this Agreement.

## **SCHEDULE B**

### **CANADA-QUÉBEC SUBSIDIARY AGREEMENT ON TOURISM DEVELOPMENT**

#### **I) TOURISM MARKET DEVELOPMENT**

##### **Program objectives**

The objective of this element of the Agreement is to position Québec on international markets as an attractive destination through increased promotion that focuses either on tourism products where Québec has particular advantages or on developing markets. More specifically, the emphasis will be on marketing activities stressing on the five following priorities:

- 1) Development of markets, particularly in the southern and northern central United States
- 2) Promoting, prospecting and bidding for international conventions for Montréal and Québec
- 3) Positioning on international markets the fish and game product and certain attractions or exceptional sites that are representative of the Québec natural regions
- 4) Developing interprovincial packages on the European market, and United Kingdom and France in particular
- 5) Marketing of new international events

## **Eligibility**

To be eligible, activity programs, action plans or projects must reflect the objectives and strategies of the Agreement, meet the commercial viability criteria, and lead to measurable results. Projects must also meet the sub-criteria approved by the Management Committee for each individual activity in light of the above-mentioned priorities.

## **Assistance**

Assistance provided by the two governments under this program element will be available to tour wholesalers, carriers, associations, organizations, and individuals proposing activities, action plans or projects related to the objective of this Agreement. The amount of assistance granted under this program will be subject to the criteria established by the Management Committee, taking into account the type of activity or project, but will not, under any circumstances, exceed 75% of eligible costs.

## **Implementation**

- 1) For joint or complementary activities related to international congresses and special events, each party shall submit projects to the Management Committee. The Committee will review their compliance with the priorities jointly established by the Ministers responsible for the Agreement. In avoiding resources duplication, both parties shall jointly assess the project. The conclusion of the analysis is submitted to the Management Committee who shall make its recommendation to the Ministers responsible for the Agreement. Once approved, a letter of offer outlining the recommendation shall be prepared in line with the provisions of the Agreement.

- 2) For the other priorities, the Government of Québec, in consultation with the Government of Canada, elaborates strategies and specific marketing activity programs which are reviewed and approved by the Management Committee to insure their compliance with the objectives and criteria of this program. The cost-shared marketing activities are implemented by the Government of Québec.

## **II) TOURISM PRODUCT DEVELOPMENT**

The objective of this element of the Agreement is to increase competitiveness on the Canadian and international tourism scene by stimulating investment in areas where Québec has definite advantages and by encouraging projects that will further exploit tourism development potential.

### **A) ASSISTANCE FOR DEVELOPMENT AND MODERNIZATION OF ALPINE SKI RESORTS**

#### **Program objectives**

This program designed to encourage private investment has a twofold objective: to increase the economic impact of winter tourism in Québec, and to promote the development of major as well as medium-sized multipurpose resorts. More specifically, program objectives are:

- a) to modernize and establish infrastructure and operating and maintenance facilities in eligible resorts in order to improve the quality and increase the diversity of the "ski product"
- b) to increase and upgrade on-site commercial accommodations and year-round recreational and tourism facilities to maximize other season use.

## **Eligibility**

- 1) To be eligible, a project must be primarily aimed at alpine skiing with a view to developing, modernizing and consolidating tourism resorts, diversifying activities, and extending their period of operations.
- 2) The project must be part of an overall investment program made simultaneously on recreational and tourism facilities as well as on-site commercial accommodations.
- 3) The overall program must be comprised of investments on recreational and tourism facilities as well as on commercial accommodations for an amount at least equal to the total of the investments made on the overall ski product.
- 4) The overall investment program must totalize at least a minimum of \$2 million and be completed during the term of this Agreement.
- 5) The project must be commercially viable and generate economic benefits for Canada and Québec both from a tourism and economic aspect.

## **Eligible costs**

- a) The expenditures related to the acquisition, the construction and the installation of the following equipments:
  - basic infrastructure required for operating the ski center
  - the slopes (improved or new additions)
  - the mechanical lifts systems
  - the artificial snow-making equipments

- the major slope maintenance equipments
  - the lighting system for the slopes
  - the infrastructure at the bottom of the slopes for access to skiers, rentals, etc.
  - the ancillary recreational equipments and facilities
- b) The investment expenditures related to the development or the expansion of on-site commercial accommodations may be considered eligible for financial assistance under program elements.
- c) The acquisition of capitalized assets as well as shares or any other property titles are excluded.

### **Assistance**

Government assistance under this program may vary according to the category and the nature of work. However, under no circumstance will financial assistance exceed 50% of the eligible costs of work and equipment.

## **B) ASSISTANCE FOR MAJOR TOURISM DEVELOPMENT PRODUCTS**

### **1) Investment incentive**

#### **Program objectives**

This element of the Agreement is intended to act as a stimulus for private sector investment in order to encourage the emergence and development of tourism destination zones by establishing year-round resorts, major facilities and attractions that will increase the attractiveness of Québec destination for Canadian and international clientele.



## **Eligibility**

To be eligible, the project must reflect the objectives and strategies of the Agreement and consist of capital costs of more than \$500,000. It must also:

- be commercially viable
- generate economic benefits and tourism for Canada and Québec
- government assistance must be a decisive factor for the project implementation

## **Assistance**

Assistance granted under this element may take the form of a repayable or non-repayable grant, which will not exceed the amount considered necessary by the Management Committee to enable the applicant to carry out the project, but will never exceed 50% of eligible costs.

## **2) Assistance for developing major public tourism attractions**

### **Program objectives**

This element is intended to develop and consolidate infrastructure development, facilities and attractions designed to enhance Québec's image as a tourism destination, attracting national and international tourists, lengthening their stay, and to generate peripheral private investment.

### **Eligibility**

To be eligible, the project could be public sector owned or of public interest and must reflect the objectives and strategies of the Agreement and have a capital cost of more than \$1 million. It must also

generate significant economic benefits for both Canada and Québec.

### **Assistance**

The amount of the contribution for a project will take into consideration all possible sources of financing, including local contributions.

### **Implementation**

- 1) For joint or complementary activities that could be eligible for financial assistance under this Agreement, each party shall submit projects to the Management Committee. The Committee will review their compliance with the priorities jointly established by the Ministers. In avoiding resources duplication, both parties shall jointly assess the project. The conclusion of the analysis is submitted to the Management Committee who shall make its recommendation to the Ministers responsible for the Agreement. Once approved, a letter of offer to the applicant outlining the recommendation shall be prepared in line with the provisions of the Agreement.
- 2) Québec Government public sector projects will be jointly funded but implemented by the Government of Québec. The Government of Québec will elaborate the projects that will be evaluated in light of the priorities, objectives and criteria of the present Agreement and approved by the Management Committee.

## **III) STUDIES**

### **Program objective**

The program is intended to support studies that are needed in connection with the development and marketing of tourism products, either a destination, an attraction, an event or any other tourism product likely to

contribute to attract Canadian and international visitors. Also considered under this program element will be any studies aimed at identifying and assessing tourism development opportunities related to private or public sector projects which could be implemented through one of the program elements of this Agreement.

### **Eligibility**

To be eligible, the project could originate from the public or private sector and should reflect the objectives and strategies of the Agreement as well as relate primarily to the feasibility of tourism projects, market analysis and the development of marketing strategies. Development studies will also be eligible.

### **Assistance**

The government contribution will cover fair and reasonable costs of consultant fees. The maximum of the assistance granted will not exceed fifty (50%) per cent of the eligible cost for a commercial venture and ninety (90%) per cent for the development of planning studies sponsored by the various Québec regional tourism associations.

### **Implementation**

For joint or complementary activities that could be eligible for financial assistance under this Agreement, each party shall submit projects to the Management Committee. The Committee will review their compliance with the priorities jointly established by the Ministers. In avoiding resources duplication, both parties shall jointly assess the project. The analysis results will then be submitted to the Management Committee for recommendation to the Ministers responsible for the Agreement. Once approved, a letter of offer to the applicant shall be prepared in line with the provisions of the Agreement.

## **IV) ADMINISTRATION**

Program objectives are:

- to provide the necessary resources and tools for proper management of the Agreement
- to establish public information programs
- to evaluate the socio-economic impact of this Tourism Agreement

### **Implementation**

The Government of Canada and the Government of Québec, through the management committee, will implement joint activities approved in accordance with this program.

## **V) HARMONIZATION — COORDINATION OF FEDERAL AND PROVINCIAL TOURISM DEVELOPMENT AND MARKETING PLANS**

In order to evaluate the nature of the studies and types of projects that could be accepted by the Management Committee, within the framework of the programs described in Schedule B, the Ministers responsible for the Agreement will prepare, before March 31, 1985 and afterwards on an annual basis, a proposal of their development and marketing plans required under this Agreement. The proposed projects submitted should then meet the established priorities of those plans.

## SCHEDULE "C"

### Canada-Québec sub-agreement on tourism development

Code	Project description	Cost (\$000)		
		Total estimated costs	Canada	Québec
I)	Market development	12 000	6 000	6 000
II)	Product development:			
	A) Development of downhill ski resorts	35 000	17 500	17 500
	B) Major tourism projects	50 000	25 000	25 000
III)	Studies	2 000	1 000	1 000
IV)	Administration	1 000	500	500
	Total	100 000	50 000	50 000

### APPROVED BY MINISTERS RESPONSIBLE FOR THE AGREEMENT

Canada \_\_\_\_\_ Date \_\_\_\_\_

Thomas M. McMillan  
Minister of State (Tourism)

Québec \_\_\_\_\_ Date \_\_\_\_\_

Pierre-Marc Johnson  
Minister responsible for  
Canadian Intergovernmental Affairs

