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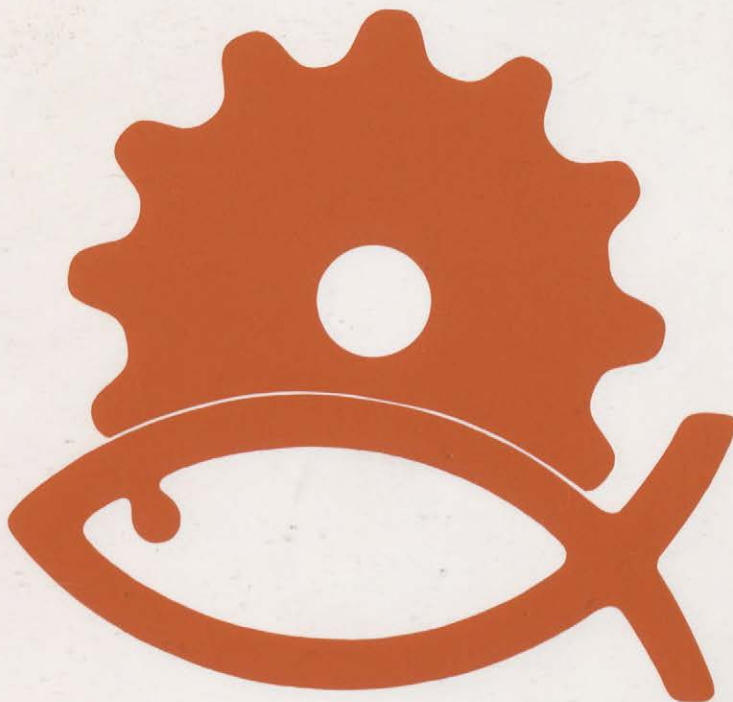
SUBSIDIARY AGREEMENT

CA

INDUSTRIAL  
INFRASTRUCTURE

1974-1983

Canada—Québec



Gouvernement  
du Canada

Expansion  
Économique  
Régionale

Government  
of Canada

Regional  
Economic  
Expansion



Office de planification  
et de développement  
du Québec

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SUBSIDIARY AGREEMENT

**INDUSTRIAL  
INFRASTRUCTURE**

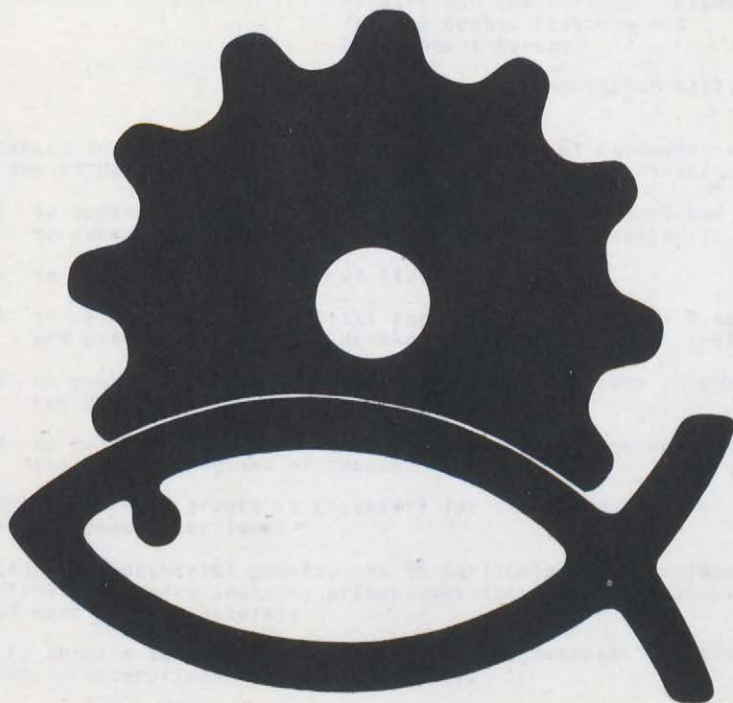
1974-1983



Canada—Québec

March 26, 1975

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Gouvernement  
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Office de planification  
et de développement  
du Québec

CANADA-QUEBEC  
SUBSIDIARY AGREEMENT  
ON INDUSTRIAL INFRASTRUCTURE  
1974-1983

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 and the Minister of State for Federal-Provincial Relations

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 industrial growth is essential for the achievement of the above-mentioned objectives;

AND WHEREAS this industrial growth, and in particular the development of diversified secondary industry presupposes the establishment of a network of host infrastructures;

AND WHEREAS certain agglomerations do not possess adequate facilities for setting up enterprises on their territory;

AND WHEREAS the Governor in Council, by Order in Council P.C. 1978-171 of the 23rd day of January, 1978, 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. 4379-77 of the 21st day of December, 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, 1983;
- 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 projects;
- p) "Prime contractor" means Québec or its agents;
- q) "Agent of Québec" means one or more municipal corporations and/or a Crown corporation.

PURPOSE

2. (1) The subject matter of this Agreement is the establishment of a program of financial assistance for Québec and its agents to enable them to set up or improve the infrastructures necessary for carrying out projects of industrial development, expansion, modernization or relocation.
- (2) Without restricting the meaning of the foregoing, the subject matter of this Agreement is, more specifically, the establishment of a program of direct financial assistance for Québec and its agents designed to enable them to:
- a) carry out, on the recommendation of the Minister of Industry and Commerce:
    - i) the development of new industrial parks,
    - ii) the expansion of existing industrial parks, and
    - iii) the improvement of the existing facilities of industrial parks;
  - b) complete the development of industrial fishery parks already designated in the Lower St. Lawrence-Gaspé and Magdalen Islands regions and introduce infrastructures essential to the fish products industry on the North Shore; and
  - c) develop or improve the infrastructures necessary for setting up a large-scale industrial project creating at least fifty (50) jobs and requiring an investment of at least one (1) million dollars. The eligible expenditures for such a project may not exceed the capital expenditures of the industrial project.
- (3) For the purposes of this Agreement, infrastructures mean in particular those related to water mains, sewers, roads, power and other such public utilities as are required for carrying out such a project. These public infrastructures may also include a hauling slip, a dry dock, an ice factory, a refrigerated warehouse, a community workshop, a sea-water catchment, water treatment and purification plants and other related facilities necessary for operating a fishery centre.

3. (1) Québec shall undertake, either directly or through agents of the Province, the projects listed in Schedule "B" of this Agreement.
- (2) Québec or the agent concerned, as the case may be, shall take over each project on completion, and shall accept full responsibility for its operation, maintenance and repair.
- (3) Québec or the agent concerned, as the case may be, shall acquire all lands and/or 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 eligible costs of each project and that of Québec shall be forty per cent (40%) of the eligible costs of each project.
- (3) The eligible costs include:
  - a) the total costs of the infrastructures installed in the industrial park or industrial fishery park that are required for their operation;
  - b) the total costs of the infrastructures required to connect the industrial park or industrial fishery park to basic services;
  - c) the cost of the portion of the restructuring of basic services chargeable to the industrial park or industrial fishery park;
  - d) the cost of the portion of certain new major facilities (reservoir, fresh-water or used-water treatment plants) required for the industrial park or industrial fishery park; and
  - e) the cost of the infrastructures required to connect a major industrial project to basic services and the cost of the portion of the restructuring of basic services chargeable thereto.
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 subsections (2) and (3) of this section, the costs to be financed by the Department and the Bureau in respect of the projects or portions thereof listed in Schedule "B" are:

- a) all direct costs which in the opinion of the Management Committee are reasonably and properly incurred for the construction of the project by the prime contractor with the exception of administration, research, survey, engineering, architecture and construction supervision costs; and
  - b) as compensation for the costs excluded under paragraph a) above, an amount equal to ten per cent (10%) of the direct costs referred to in paragraph a) above.
- (2) The costs relating to the acquisition of lands and interests in lands shall be assumed by the prime contractor and are not chargeable to the shared costs.
  - (3) The cost of construction work that may be done on land occupied by an industry either as owner or lessee is 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 \$82 602 000 and that of the Bureau shall be limited to \$55 068 000, making \$137 670 000 the total amount to be spent under this Agreement on the projects listed in Schedule "B".
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 to the Development Committee 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 Québec to the Management Committee.

#### IMPLEMENTATION PROCEDURES

11. The implementation of the projects under this Agreement is subject to 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 for approval before 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) 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 agreed 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 in cooperation with the Québec Department of Industry and Commerce" 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 the Honourable Marc Lalonde, Minister of State for Federal-Provincial Relations 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

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Marc Lalonde  
Minister of State for  
Federal-Provincial Relations

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 INDUSTRIAL INFRASTRUCTURE

SCHEDULE "A"

Text of Schedule "A" in the form in which it existed  
at the time the Agreement was signed

NATURE OF THE AGREEMENT

This is a program of financial assistance for Québec and its agents to enable them to set up or improve host infrastructures for industry, and to set up the infrastructures essential for carrying out industrial projects.

PROBLEMS AND OBJECTIVES

On the basis of the General Development Agreement, Canada and Québec have agreed to cooperate with a view to achieving certain objectives of economic development.

The achievement of the general objectives stated in the General Agreement signed March 15, 1974, while appearing within the normal framework of the policies and programs of the two governments, will receive an additional impetus through the implementation of proposals promoting development in accordance with the sectoral and regional priorities set out in Schedule "A" of the General Agreement. This is also a logical extension of the Québec government's efforts in creating and consolidating industrial boards and rationalizing and developing adequate industrial parks.

Efforts will also be made to distribute economic growth among the various regions of Québec in order to achieve a better urban balance and reduce regional disparities.

The development of businesses in a given area may, however, impose such a financial burden on Québec or its agents that the installation of all services connected with the development of these industries would be compromised. This Subsidiary Agreement on Industrial Infrastructure is designed to deal with such eventualities.

The first facet of this Subsidiary Agreement provides for granting direct financial aid to Québec or its agents in order to complete their existing industrial park installations and/or develop industrial land for new industrial parks. To avoid dilution of effort which could compromise Québec's overall prospects for development, and considering the modern factors of location, efforts will be concentrated on a limited number of urban centres that will be developed according to their potential.

The regional urban centres of Québec that are already or may become centres of development must have large industrial parks, since by their own drawing power, these areas are able to attract enterprises that serve

more than the purely local market. The role of these regional urban centres would thereby be reinforced so as to attain a sufficient level of development to stimulate an independent growth process capable of consolidating and/or accelerating the economic development of their regions.

Since the distribution of economic growth among the various Québec regions is designed, among other things, to achieve a better urban balance and to reduce interregional disparities, it is also necessary, in view of the modern factors of industrial location, to rely on a network of medium-rank agglomerations. The regional urban areas that are already or may become centres of development should also rely on these networks to ensure their expansion.

These medium-rank agglomerations should combine features that are likely to trigger or sustain economic growth that will complement the regional urban centres in terms of regional function, population of the urban centre or peripheral areas, the availability of facilities and services, the value of retail sales, the presence of skilled labour, and the possibility of investment in the processing industries. The investments provided for in this Agreement, subject to the foregoing criteria, do not remove the necessity for creating industrial zones with urban-oriented functions within other urban centres under the Industrial Funds Act.

The second facet of this Agreement provides for granting direct financial aid to Québec or its agents for the purpose of completing the development of industrial fishery parks already designated in the Lower St. Lawrence, Gaspé and Magdalen Islands regions and for introducing infrastructures essential to the fish products industry on the North Shore. These essential infrastructures also include the development of hauling slips, ice factories, refrigerated warehouses and community services. To be eligible under this Agreement, these facilities must be made available to all fishermen and fishing entrepreneur interests.

Industrial fishery parks and the other infrastructures connected with the fish products industry will make it possible to increase the productivity of the processing industries by creating economies of scale in this sector. As mentioned in the General Development Agreement, the aim is to concentrate the infrastructures in the best-equipped centres, the ones most likely to attract producers, and thereby promote the concentration of activities related to fishing.

Considering the substantial increase in the costs of developing land for fishery centres, the necessity of concentrating activities, and the promotional program of the Department of Industry and Commerce designed to encourage producers and fishermen to regroup in a few fishery centres, this Agreement will finance only a very limited number of projects and will distinguish between industrial fishery parks, small production centres and mere unloading points.

The industrial fishery parks to be completed are all located in Lower St. Lawrence-Gaspé where eighty per cent (80%) of Québec's fishing activities are concentrated. This Subsidiary Agreement will also allow for the financing of certain infrastructures in the North Shore region.

The third and last facet of this Agreement allows for a grant of financial assistance to Québec or its agents to permit Québec to pay for the infrastructures required for the realization of large industrial projects - in terms of lay-out, expansion, modernization and/or relocation - that cannot be set up in industrial parks. Such interventions in the area of infrastructures related to large industrial projects should promote the optimal development of Québec regions and at the same time reinforce Québec's industrial structure.

Because of the January 1978 amendment, information is provided to show how the problems and objectives have changed. The Schedule "A" which reflects the amendments of January 24, 1978 to the Agreement follows.

#### PROBLEMS AND OBJECTIVES

The initial Agreement of March 1975 on industrial infrastructure was intended to provide a program of financial assistance for Québec and its agents to enable them to set up or improve the necessary infrastructures for the establishment, expansion, modernization or relocation of industrial facilities.

To date, more than \$50 million has been spent under the Agreement on installing industrial infrastructures in various regions of Québec and this has enabled numerous industrial projects to be carried out.

However, Québec is now experiencing economic difficulties; unemployment is high and investment is nearly at a standstill. It is essential therefore to promote the optimum development of the manufacturing sector in view of its importance to the province.

As Schedule "A" of the General Development Agreement states, the evolution of the manufacturing sector in the next decade will be a determining factor in the development of the province. This sector occupies an important place in the Québec economy, representing 26% of total employment. Although it is no longer the most important source of new employment, the manufacturing industry plays a role in promoting development because of its spillover effects on other sectors.

The development of Québec's manufacturing sector presupposes however developing a network of host and auxiliary infrastructures for industry in a number of urban centres that are not necessarily in a position to finance the enlargement or creation of industrial parks.

Such action is a logical extension of the Québec government's efforts in creating and consolidating industrial boards and rationalizing and developing adequate industrial parks. Efforts will also be made to distribute economic growth among the various regions of Québec in order to establish the kind of urban system that is necessary for balanced growth.

As was the case in the initial Agreement, the purpose of this amendment is to provide the prerequisites for sustained industrial growth so as to increase opportunities for productive employment, improve the standard of living, reinforce the industrial structure of Québec and promote the optimal development of its various regions.

#### STRATEGY AND PROGRAMS

The amended Agreement on industrial infrastructure will give further

impetus to three kinds of action taken under the terms of the original Agreement.

1. Facet I - Industrial parks

DREE announced in July, 1977 that the Montréal region, including the satellite towns, had been designated as a special area benefitting from the provisions of the RDIA in order to stimulate the growth of a number of industrial sectors in the region, to modernize its industrial structure.

Consequently, it is necessary to improve the industrial infrastructure in the Montréal region as a whole so that municipalities can welcome the new industries attracted by the special area designation. The additional injection of funds for facet I will therefore be spent on improving existing industrial parks and creating new ones in the immediate Montréal region.

Second, the action that is planned will complement the steps taken under the original Agreement in both the resource regions and Québec in general. The overall aim of this amendment will therefore be to provide with adequate industrial facilities municipalities which are second in importance to regional urban centres. On the North Shore for example under the initial Agreement, an industrial park was set up in Sept-Iles that met its immediate needs. It now seems necessary to take similar action in Baie-Comeau / Hauterive, the second centre in the area, which seems likely to undergo extensive industrial development.

Last, some urban centres in Québec have benefitted from earlier programs and have the beginnings of industrial parks which should now be completed to ensure more sustained economic growth; this is particularly so in the case of Alma, Saint-Augustin on the outskirts of Québec City and Matane.

The original Agreement helped set up eleven (11) industrial parks and, as amended, will make it possible to proceed with the twenty or so which are listed in Schedule "B"; two of these - in Sept-Iles and Matane - have already received funds under the original Agreement.

It should be emphasized that the additional amounts will cover the expected demand for industrial land in these towns over the next five years. Moreover, so as to encourage a more rational use of the funds provided by the Agreement, it is proposed, with Québec's consent, to require each municipality that receives assistance to pay 25% of the cost of the project.

Each of the following industrial parks meets one or more of the requirements described above: Matane, Alma, Bernières, Montmagny, Saint-Augustin, Saint-Georges, Shawinigan/Grand-Mère, Granby, Joliette, Saint-Hyacinthe, Saint-Jean, Saint-Jérôme, Sorel, Valleyfield, Longueuil, Laprairie/Candiac, Varennes (IREQ), Montréal Métro, Baie-Comeau/Hauterive, Sept-Iles, Outaouais.



2. Facet 2 - Fishery Parks

The second facet of the Agreement provides for granting direct financial aid to Québec or its agents for the purpose of completing the development of industrial fishery parks already designated in the Lower St. Lawrence, Gaspé, Magdalen Islands and North Shore regions.

The new action which it is proposed to take on this facet is in line with the projects carried out under the terms of the first phase of the Agreement. The intention is to proceed with the relocation in well-equipped industrial parks of fish processing operations so as to make the Québec fishing industry more competitive and to enable it to acquire a greater share of the market. Such action will lead to increased productivity in this sector because of economies of scale.

Thus the amendment will make it possible to set up infrastructures in the industrial fishery parks in Paspébiac and Rivière-au-Renard in the Gaspé and in Harrington, Middle Bay, Kégaska and Blanc-Sablon on the North Shore. Moreover, in order to accelerate the relocation of fish processing industries to these centres, the Agreement may offer incentives which will be granted on terms and conditions to be defined by the fishery centres committee.

3. Facet 3 - Punctuals

The third facet of the Agreement allows for a grant of financial assistance to Québec to pay for the infrastructures necessary for a large industrial project when establishment is not possible in an industrial park. There are occasions when an industrial project is so large that it places an excessively heavy financial burden on the municipality concerned.

Consequently this facet makes provision for such eventualities and will ensure that a lack of adequate infrastructures does not prevent the establishment of industries. In most cases, the companies in question are active in areas connected with the exploitation of resources which means that they must of necessity be located in the resource regions where the host infrastructure is not always of the requisite quality.

Three projects were financed in the first stage of the Agreement and accounted for \$2.9 million. However, there ought to be a number of major projects in the next few years which might require a much larger financial contribution from the Agreement. Most such projects will be located in the resource regions and further details may become available at a later date.

The amendment to the Agreement will thus enable these projects to be carried out and also a number of others, the terms and conditions of their implementation being worked out in the course of negotiations between the two governments.

SUBSIDIARY AGREEMENT  
ON INDUSTRIAL INFRASTRUCTURE

SCHEDULE "B"

(In \$'000)

PROJECT DESCRIPTION	BREAKDOWN OF COSTS			BREAKDOWN OF EXPENDITURES (Canada 60% / Québec 40%)		
	TOTAL ESTIMATED COSTS*	CANADA DREE	QUEBEC	PAST 1974-78	FUTURE 1978-79	FUTURE 1979-83
FACET 1: INDUSTRIAL PARKS						
Haut-Saguenay - Park services - Phase I	1,615	969	646	1,560	55	-
Haut-Saguenay - Reservoir	665	399	266	593	72	-
Haut-Saguenay - Park services - Phase II	1,320	792	528	1,293	27	-
SUBTOTAL HAUT-SAGUENAY	3,600	2,160	1,440	3,446	154	-
Saint-Romuald	539	323	216	539	-	-
Valleyfield	1,500	900	600	-	900	600
Rimouski	1,700	1,020	680	-	1,155	545
Rivière-du-Loup	1,898	1,139	759	1,400	-	498
Rouyn	600	360	240	-	500	100

\*Includes 10% indirect costs

The final year of expenditure for each project in Schedule "B" is the deadline of the Agreement.

SUBSIDIARY AGREEMENT  
ON INDUSTRIAL INFRASTRUCTURE

SCHEDULE "B"

(In \$'000)

<u>PROJECT DESCRIPTION</u>	<u>BREAKDOWN OF COSTS</u>			<u>BREAKDOWN OF EXPENDITURES (Canada 60% / Québec 40%)</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 1979-83</u>
FACET 1: INDUSTRIAL PARKS						
Sherbrooke - Power supply system	1,430	858	572	1,430	-	-
Sherbrooke - Water mains	1,980	1,188	792	1,838	-	142
Sherbrooke - J.M. Jeanson reservoir	2,721	1,633	1,088	2,721	-	-
Sherbrooke - Treatment plant	1,868	1,121	747	1,686	-	-
Sherbrooke - Sewage system	593	356	237	588	5	-
Sherbrooke - Hertel pump station	1,599	959	640	1,595	4	-
Sherbrooke - Queen sewer	1,645	987	658	1,177	468	-
Sherbrooke - Park services	3,564	2,138	1,426	1,527	937	1,100
SUBTOTAL SHERBROOKE	15,400	9,240	6,160	12,744	1,414	1,242

\*Includes 10% indirect costs

SUBSIDIARY AGREEMENT  
ON INDUSTRIAL INFRASTRUCTURE

SCHEDULE "B"

(In \$'000)

PROJECT DESCRIPTION

BREAKDOWN OF COSTS

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

	TOTAL ESTIMATED COSTS*	CANADA DREE	QUEBEC	PAST 1974-78	FUTURE 1978-79	FUTURE 1979-83
FACET 1: INDUSTRIAL PARKS						
Drummondville - Phase I Sigouin sewer	197	118	79	197	-	-
Drummondville - Park services	4,803	2,882	1,921	3,045	215	1,543
SUBTOTAL DRUMMONDVILLE	5,000	3,000	2,000	3,242	215	1,543
Sept-Iles	3,346	2,008	1,338	1,933	860	553
Sept-Iles - Phase II	810	486	324	-	-	810
Noranda	400	240	160	-	275	125
Trois-Rivières	1,260	756	504	-	760	500
Victoriaville - Water and sewage system	1,161	697	464	1,160	-	1
Victoriaville - Roadworks - Phase II	260	156	104	153	21	86
Victoriaville - Water and sewage system Phase III	579	347	232	76	428	75
SUBTOTAL VICTORIAVILLE	2,000	1,200	800	1,389	449	162

\*Includes 10% indirect costs

SUBSIDIARY AGREEMENT  
ON INDUSTRIAL INFRASTRUCTURE

SCHEDULE "B"

(In \$'000)

PROJECT DESCRIPTION	BREAKDOWN OF COSTS			BREAKDOWN OF EXPENDITURES (Canada 60% / Québec 40%)		
	TOTAL ESTIMATED COSTS*	CANADA DREE	QUEBEC	PAST 1974-78	FUTURE 1978-79	FUTURE 1979-83
FACET 1: INDUSTRIAL PARKS						
Val-d'Or	1,800	1,080	720	1,298	502	-
Industrial parks impact study	90	54	36	-	75	15
Matane	500	300	200	430	70	-
Saint-Georges (Beauce)	1,281	769	512	-	187	1,094
Saint-Hyacinthe	1,700	1,020	680	-	100	1,600
Joliette	940	564	376	-	340	600
Montmagny	375	225	150	-	236	139
Outaouais	1,240	744	496	-	277	963
Delson	1,400	840	560	-	215	1,185
Saint-Augustin	1,444	866	578	-	825	619
Saint-Jérôme	1,188	713	475	-	175	1,013
Alma, Baie-Comeau/Hauterive, Sorel, Bernières, Saint-Jean, Granby, Shawinigan/Grand-Mère, Longueuil, Varennes, Matane, Montréal	22,066	13,239	8,827	-	-	22,066
<b>TOTAL FACET 1</b>	<b>72,077</b>	<b>43,246</b>	<b>28,381</b>	<b>26,421</b>	<b>9,684</b>	<b>35,972</b>

\*Includes 10% indirect costs

SUBSIDIARY AGREEMENT  
ON INDUSTRIAL INFRASTRUCTURE

SCHEDULE "B"

(In \$'000)

PROJECT DESCRIPTION

BREAKDOWN OF COSTS

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

	<u>TOTAL ESTIMATED COSTS*</u>	<u>CANADA DREE</u>	<u>QUEBEC</u>	<u>PAST 1974-78</u>	<u>FUTURE 1978-79</u>	<u>FUTURE 1979-83</u>
FACET 2: FISHERY PARKS						
Paspébiac	2,034	1,220	814	892	242	900
Cap-aux-Meules	77	46	31	-	-	77
Rivière-au-Renard	7,041	4,224	2,817	4,031	700	2,310
Grande-Rivière	4,096	2,458	1,638	367	2,752	977
North Shore (Harrington, Middle Bay, Kégaska, Blanc-Sablon, Rivière-au-Tonnerre and North Shore reserve)	1,587	953	634	11	332	1,244
Gascons	238	143	95	238	-	-
Services for fish reception and freezing	1,200	720	480	-	-	1,200
Relocation incentives	3,400	2,040	1,360	-	-	3,400
Millerand	220	132	88	-	17	203
Les Méchins waste water sewer	55	33	22	-	55	-
Financial studies - relocation	80	48	32	-	30	50
TOTAL FACET 2	20,028	12,017	8,011	5,539	4,128	10,361

\*Includes 10% indirect costs

SUBSIDIARY AGREEMENT  
DN INDUSTRIAL INFRASTRUCTURE

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-B3</u>
FACET 3: PUNCTUALS						
Sacré-Coeur	1,747	1,048	699	1,747	-	-
Saint-Honoré	858	515	343	858	-	-
Les Méchins	247	148	99	247	-	-
La Tuque - Industrial Boulevard	80	48	32	-	33	47
Access - Outardes sawmill	550	330	220	-	550	-
La Baie - Water supply and access road to Alcan	631	379	252	-	631	-
Magog	266	160	106	-	266	-
Amos	363	218	145	-	200	163
TOTAL FACET 3	4,742	2,846	1,896	2,852	1,680	210

\*Includes 10% indirect costs

SUBSIDIARY AGREEMENT  
ON INDUSTRIAL INFRASTRUCTURE

SCHEDULE "B"

(In \$'000)

<u>PROJECT DESCRIPTION</u>	<u>BREAKDOWN OF COSTS</u>			<u>BREAKDOWN OF EXPENDITURES (Canada 60% / Québec 40%)</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 1979-83</u>
 <u>SUMMARY</u> 						
Facet 1 - Industrial parks Reserve	72,077 4,453	43,246 2,672	28,831 1,781	26,421 -	9,864 -	35,972 4,453
Facet 2 - Fishery parks Reserve	20,028 2,372	12,017 1,423	8,011 949	5,539 -	4,128 -	10,361 2,372
Facet 3 - Punctuals Reserve	4,742 33,998	2,846 20,399	1,896 13,599	2,852 -	1,680 -	210 33,998
<b>TOTAL:</b>	<b>137,670</b>	<b>82,602</b>	<b>55,068</b>	<b>34,812</b>	<b>15,492</b>	<b>87,366</b>

\*Includes 10% indirect costs

APPROVED BY THE DEVELOPMENT COMMITTEE OF CANADA/QUEBEC GENERAL AGREEMENT

FOR CANADA \_\_\_\_\_ DATE January 24, 1978 FOR QUEBEC \_\_\_\_\_ DATE January 24, 1978  
                   Marcel Lessard  Jacques Léonard

Minister of Regional Economic Expansion

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



