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Regional
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INDUSTRY, SCIENCE
AND TECHNOLOGY CANADA

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INDUSTRIE, SCIENCES
ET TECHNOLOGIE CANADA

KENT REGION PILOT PROJECT



FEBRUARY 17, 1975

NEW BRUNSWICK

SUBSIDIARY AGREEMENT

SUBJECT: Kent Region Pilot Project

DATE SIGNED: February 17, 1975

DATE OF TERMINATION: March 31, 1977, plus 2 years for projects stated before the termination date, subject to Management Committee approval.

OBJECTIVES: To undertake a pilot project which would assist residents of the Kent-Northumberland county region in developing and implementing projects in fisheries, forestry, agriculture, resource-based manufacturing, tourism and recreation, in order to improve income and employment opportunities in the region and to gain experience which could be usefully applied in other areas of Canada.

ELEMENTS AND EXPENDITURES: The following is a list of projects the province will arrange to carry out under this agreement.

	<u>ESTIMATED TOTAL COST</u>	<u>PROVINCIAL SHARE</u>	<u>FEDERAL SHARE</u>
(1) Project Initiation, Technical Support (may include land acquisition)	\$1,440,000	\$288,000	\$1,152,000
(2) Infrastructure (Municipal Services for urban economic expansion)	1,000,000	200,000	800,000
(3) Program Administration	<u>300,000</u>	<u>60,000</u>	<u>240,000</u>
TOTAL	\$2,740,000	\$548,000	\$2,192,000
			(Federal share including 15% for contingencies) \$2,520,800

ADMINISTRATION AND MANAGEMENT: Supervision will be carried out by a Management Committee consisting of equal numbers of representatives of each government, designated by the respective Federal and Provincial Ministers.

CANADA - NEW BRUNSWICK

SUBSIDIARY AGREEMENT

KENT REGION PILOT PROJECT

THIS AGREEMENT made this 17th day of February, 1975

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

OF THE FIRST PART,

AND THE GOVERNMENT OF THE PROVINCE OF
NEW BRUNSWICK
(hereinafter referred to as "the Province"),
represented by the Premier of New Brunswick

OF THE SECOND PART.

WHEREAS Canada and the Province signed a General Development Agreement dated April 23, 1974, (hereinafter referred to as "the GDA"), to achieve the objectives stated in section 3 thereof;

AND WHEREAS in pursuit of these objectives, Canada and the Province have agreed to seek to achieve a coordinated application of relevant federal and provincial policies and programs through the process of identifying development opportunities and assisting in their realization through the coordinated and concentrated application of relevant federal and provincial programs, including the provision of specialized measures required for such realization;

AND WHEREAS Canada and the Province have agreed that because the human and natural resources of the Kent region (defined as Kent County and Hardwicke and Rogersville Parishes of Northumberland County) are substantially underutilized and because there is a desire and capability on the part of people in the region to make better use of their resources, Canada and the Province will undertake a development program for the Kent region, having due regard to the preservation of environmental quality;

AND WHEREAS the Governor in Council by Order in Council P.C. 1975-335 of the 13th day of February, 1975, has authorized the Minister of Regional Economic Expansion to execute this Agreement on behalf of Canada;

AND WHEREAS the Lieutenant Governor in Council by Order in Council No. 75-85 of the 5th day of February, 1975, has authorized the Premier of New Brunswick to execute this Agreement on behalf of the Province;

NOW THEREFORE the parties hereto mutually agree as follows:

DEFINITIONS

1. In this Agreement:

- (a) "capital project" means any specific project, as determined by the Management Committee, in which construction or activities related to construction are involved;
- (b) "eligible cost" means those costs defined in section 5;
- (c) "Federal Minister" means the Minister of Regional Economic Expansion of Canada and includes anyone authorized to act on his behalf;
- (d) "fiscal year" means the period commencing on April 1 of any year and terminating on March 31 of the immediately following year;
- (e) "initiative" means the subject matter of this Agreement and includes any program, project or other activity designed to implement the objectives of the GDA;
- (f) "Management Committee" means the committee referred to in section 8;
- (g) "Ministers" means the Federal Minister and the Provincial Minister;
- (h) "program" means a series of specific, related, individual activities;
- (i) "project" means a specific activity forming a self-contained unit within a program; and
- (j) "Provincial Minister" means the Premier of New Brunswick and includes anyone authorized to act on his behalf.

OBJECTIVES, PURPOSE AND SUBJECT MATTER

2. (1) Pursuant to section 3 of the GDA, the objectives of this Agreement are to provide for the joint participation of Canada and New Brunswick in initiatives directed towards the attainment of the objectives of the GDA, including the

reinforcement of federal and provincial government policies and programs relating to realization of the development potentials of the Kent region and to overcome obstacles to translating these potentials into permanent job opportunities.

- (2) Pursuant to the objectives stated in subsection (1), subject to the terms and conditions of this Agreement, contributions may be made for the purposes of undertaking action to strengthen the economy of the Kent region through provision of flexible policies, programs and mechanisms required to identify, plan for, promote, elaborate and implement opportunities for expanded employment and income in the Kent region. (At the Management Committee's discretion, individuals living outside but close to the Kent region may be eligible for assistance under this Agreement, providing they are part of a project that for the most part involves people in the region.) More specifically, contributions will support activities necessary to:
 - (a) identify and pursue new or unexploited development opportunities;
 - (b) ensure existing and new enterprises have maximum opportunity to be strong economic units providing long-term job opportunities; and
 - (c) assist the local population in their efforts to capitalize on regional development opportunities.
 - (3) Schedule "A" attached to and forming part of this Agreement contains details of the programs and projects identified for implementation.
 - (4) Schedule "B" contains background and rationale for the programs and projects.
3. (1) The Province shall take over, or arrange to be taken over, on completion, each capital project undertaken under this Agreement and shall accept full responsibility for its operation, maintenance and repair, except in cases where other federal-provincial arrangements may apply.
- (2) The Province shall arrange for the takeover and acquisition of all lands and interests in lands that are required for program implementation.
 - (3) It is understood and agreed that where a project under this Agreement is to be undertaken by a municipality or

other institution or agency under provincial jurisdiction, such arrangements as are necessary with respect to such undertakings shall be the responsibility of the Province.

4. No program or project shall be approved after the expiry date of this Agreement and, unless the Federal Minister otherwise agrees, no claim made in respect of any program or project or parts thereof under this Agreement shall be paid unless it is received by Canada within one year following the said expiry date.
5. (1) Subject to subsection (3), the eligible costs of capital projects to be financed or shared under this Agreement in respect of the capital projects or portions thereof listed in Schedule "A" are:
 - (a) all direct costs, including those relating to public information that in the opinion of the Management Committee have been reasonably and properly incurred by the Province for the implementation of the capital projects, but excluding administrative, survey, engineering and architecture costs; and
 - (b) ten per cent (10%) of the costs pursuant to paragraph (a) as an allowance towards the exclusions specified therein.
- (2) Subject to subsection (3), the eligible costs of non-capital projects to be financed or shared under this Agreement in respect of the projects or portions thereof listed in Schedule "A" are:
 - (a) all costs reasonably and properly incurred by the Province under all contracts entered into in accordance with this Agreement by the Province with any person or corporation for the acquisition of equipment or the performance of work or services for the execution of the project; and
 - (b) the gross salaries, employer's share of contributions for Canada Pension Plan and Unemployment Insurance, and reasonable travel and removal expenses in accordance with applicable provincial regulations of those provincial employees determined by the Management Committee to be or to have been engaged in the implementation of projects; provided that such costs, as determined by the Management Committee, are incremental to the Province and are in addition to such staff, services and facilities as are normally available or already

in existence within the Province, it being expressly understood and agreed that costs for accommodation in provincially-owned buildings and costs for regular provincial telephone and other utility systems and other services shall be excluded, except as otherwise agreed by the Management Committee.

- (3) The costs to be shared by Canada do not include any costs relating to the acquisition of lands or interests in lands, or costs arising from conditions of acquisition, except where otherwise specified in Schedule "A".
 - (4) Subject to the approval of the Federal Minister, costs incurred on approved programs and projects by either party are eligible if incurred within twelve months prior to the date of this Agreement.
6. Notwithstanding anything in this Agreement, the total amount payable by Canada under this Agreement with respect to the program listed in Schedule "A" shall not exceed eighty per cent (80%) of the total eligible costs up to an amount of \$2,520,800, which amount includes a fifteen per cent (15%) contingency allowance.
7. (1) Unless otherwise agreed by the Ministers, the eligible costs of each program shall be limited to the estimated total costs specified in Schedule "A".
 - (2) If, at any stage of a program or project, it appears to the Province that the costs thereof will exceed the estimated costs specified in Schedule "A", the Province shall promptly so inform the Management Committee and state the reasons for such increase.
 - (3) Upon being informed, the Management Committee shall consider the circumstances which have contributed to the increase in the estimated costs and shall prepare and present a report and recommendations to the Ministers in respect of the action proposed to be taken if adjustments in program costs are required.
8. (1) Canada and the Province shall through the Ministers appoint a Management Committee consisting of an equal number of representatives of each party.
- (2) The Management Committee shall be responsible for the overall management of this Agreement and, in particular, for the following:
 - (a) approval of all programs and projects necessary for the implementation of this Agreement;

- (b) submission for the approval of the Ministers annually, and no later than September 1, of the projected budget required for the subsequent fiscal year;
 - (c) coordination of all cost-shared programs and projects under this Agreement;
 - (d) modifications necessary in the course of the fiscal year within the annual budget following its approval by Canada and the Province;
 - (e) reporting to the Ministers its evaluation of the progress of this Agreement and its recommendations with respect to the progress of implementation;
 - (f) establishing at its discretion, in order to facilitate implementation, advisory, coordinating or steering committees consisting of representatives of the departments and agencies of Canada and the Province involved in the implementation of programs and projects under this Agreement;
 - (g) applying the procedures specified in section 11;
 - (h) recommending to the Ministers amendments to be made to this Agreement;
 - (i) performing any other functions that may be assigned to it by the parties hereto; and
 - (j) providing to the officials designated under subsection 9.2 of the GDA such information and advice as they may determine to be necessary for the performance of the functions assigned to them under the GDA by the Ministers designated therein.
- (3) (a) Except as otherwise specified in this Agreement or agreed by the Management Committee, the Province shall be responsible for operational program and project development and, under the overall supervision of the Management Committee, for implementing all cost-shared programs under this Agreement, and shall also ensure the provision of the staff and administrative machinery for the implementation of programs and projects under this Agreement assigned to the Province.
- (b) The Province, through its representation on the Management Committee, shall be responsible for liaison and program coordination between the agencies of the Province administering the programs included in this

Agreement or whose activities affect the implementation of this Agreement.

- (4) The Department of Regional Economic Expansion, through its representation on the Management Committee, shall be responsible for liaison and program coordination between the agencies of Canada administering the programs included in this Agreement or whose activities affect the implementation of this Agreement.

PAYMENT PROCEDURES

9. Subject to section 10, payments by Canada shall be made promptly to the Province on the basis of provincially audited progress claims setting out the eligible costs incurred and paid for eligible programs and projects, and submitted in a form and verified in a manner satisfactory to the Federal Minister.
10. (1) In order to assist with the interim financing of programs and projects, Canada may, if the Province so requests, make interim payments to the Province of one hundred per cent (100%) of Canada's share of claims submitted, based on estimates of costs actually incurred, certified by a senior officer of the Province.
- (2) The Province shall account for each interim payment by submitting to Canada, within the quarter following such payment by Canada, a detailed statement of the actual costs incurred and paid, verified in a manner satisfactory to the Federal Minister. Any discrepancy between the amounts paid by Canada by way of interim payments and the amounts actually paid by the Province shall be promptly adjusted between Canada and the Province.
- 10.1 Payment of claims under section 9 and 10 shall be augmented by ten per cent (10%) for capital projects as provided for in paragraph 5 (1) (b).

IMPLEMENTATION PROCEDURES

11. The financing by Canada of the programs and projects listed in Schedule "A" is conditional upon the following procedures being observed in the implementation of each of the programs and projects:

A - Capital Projects (Cost Exceeding \$20,000)

(1) Definition

The Management Committee shall establish a definition of the project for the purpose of identifying the work to be financed.

(2) Tenders and Contract Awards

- (a) Unless the Management Committee otherwise agrees, all construction, purchase and other contracts shall be reviewed by the Management Committee and shall be let pursuant to tenders invited by public advertisement acknowledging the financial participation of the parties hereto;
- (b) opening of all tenders shall be public and the Management Committee shall be supplied with copies of each advertisement for tender together with notice of the time and place for tender opening, in sufficient time to enable any member of the Management Committee or his representative to be present at all tender openings and to participate in the evaluation of tenders;
- (c) all contracts shall be awarded to the responsible and responsive tenderer who submitted the lowest evaluated bid, unless otherwise agreed by the Management Committee; and
- (d) all announcements of contract awards shall be made jointly by Canada and the Province.

(3) Construction and Implementation

- (a) All substantive amendments to contracts shall require the prior approval of the Management Committee;
- (b) any member of the Management Committee or his representative shall be permitted to inspect the project at all reasonable times for the purpose of verifying progress claims and obtaining any other information concerning the project which may be required by the Federal Minister or the Provincial Minister; and
- (c) the Province shall forward to the Management Committee a report as to the progress of the work, in such detail and at such time as may be required by the Management Committee.

B - Non-capital Projects

(1) Definition

The Management Committee shall establish a definition of the project for the purpose of identifying the work to be financed, outlining the work program, method of implementation, types of services to be employed, equipment and materials required and estimates of cost.

(2) Implementation

- (a) All contracts for professional services in excess of \$25,000 shall be awarded and supervised in accordance with procedures to be established by the Management Committee, unless in its opinion it is impractical to do so;
- (b) reports produced by consultants or resulting from projects under this Agreement shall become the property of both parties hereto; and
- (c) the Province shall forward to the Management Committee a report as to the progress of the work, in such detail and at such time as may be required by the Management Committee.

12. Subject to the express provisions of subsection 5 (4), contracts and purchases made and work done prior to the date of this Agreement in respect of projects listed in Schedule "A" may be accepted as complying with the provisions of this Agreement if they are consistent with the provisions of the GDA and if they are approved in writing by the Federal Minister on the recommendation of the Management Committee.

13. Public Information

- (1) Canada and the Province agree to cooperate in the development and implementation of a program of public information respecting implementation of projects under this Agreement, and further agree to supply, erect and maintain on the direction of the Management Committee:
 - (a) during the course of construction of capital projects, a project sign or signs specifying that the relevant project is a Canada-New Brunswick Regional Development Project financed by contributions by the Department of Regional Economic Expansion of the Government of Canada

(and any other Federal agency, where relevant) and the Government of the Province of New Brunswick or such other wording to the like effect as may be agreed to by the Ministers; and

- (b) where relevant upon completion of each project, a permanent sign or plaque to the effect set forth in (a).
- (2) Any public announcement of the measures covered by this Agreement, and any official opening ceremony for each project outlined in Schedule "A", shall be arranged jointly by the Ministers.

RECORDS AND AUDIT

14. Each of the parties hereto shall keep detailed and accurate accounts and records of its expenditures in respect of all programs and projects, the cost of which is to be shared between them under this Agreement, and shall make such accounts and records available at all reasonable times for inspection and audit by the other party. Any discrepancy between the amounts paid by either party and the amounts actually payable by it, as disclosed by any such audit, shall be adjusted by means of subsequent progress claims.

GENERAL

15. (1) The provision of financing by Canada and the Province for the implementation of programs under this Agreement is subject to the Parliament of Canada and the Province having provided funds for such financing for the fiscal year in which such financing is required.
- (2) No member of the House of Commons or of the Legislative Assembly of New Brunswick shall be admitted to any share or part of any contract, agreement, or commission made pursuant to this Agreement, or to any benefit to arise therefrom.
- (3) Any dispute between the parties hereto on any question of law or fact arising out of this Agreement shall be submitted to and determined by the Federal Court of Canada pursuant to the Federal Court Act of Canada.
- (4) Where one party hereto is responsible for the implementation of a cost-shared program or project it shall indemnify and

save harmless the other party, its officers, servants and agents, against all claims and demands of third parties in any way arising out of the implementation of such program or project, except as such claims or demands relate to the act or negligence of any officer, employee or agent of the other party.

- (5) This Agreement shall terminate on March 31, 1977. Subject to approval of the Management Committee, projects started before March 31, 1977, will be eligible for cost-sharing at the agreed ratio for an additional two years.
- (6) Subject to the terms and conditions of section 14 of the GDA this Agreement may be renewed for any further period agreed upon by the parties hereto, but such renewal shall be subject to the approval of the Governor in Council and Lieutenant Governor in Council.
- (7) The following conditions relevant to employment and the award of contracts shall apply in respect of all programs and projects carried out under this Agreement:
 - (a) recruiting of labour shall be conducted through the Canada Manpower Centres unless the Management Committee considers that this service cannot reasonably be provided;
 - (b) in the employment of persons on a project, there shall be no discrimination by reason of race, sex, age, marital status, national origin, colour, religion or political affiliation; it being agreed, however, that the foregoing shall not prevent the implementation of special measures designed to benefit native people or disadvantaged groups;
 - (c) the provisions of the Labour Standards Arrangement proposed by the Federal Department of Labour in 1970 shall be applicable to this Agreement; and
 - (d) Canadian material and manpower shall be used in respect of all programs and projects to the extent to which it is procurable and consistent with proper economy and the expeditious performance of the initiatives.

EVALUATION

16. During this Agreement, Canada and the Province shall jointly effect an assessment of the programs listed in Schedule "A" with regard

to the stated objectives. Annual progress reports shall be submitted by the Management Committee to the Ministers on or before the annual meeting of the Ministers as prescribed under subsection 9.1 of the GDA. In addition, Canada and the Province shall also jointly effect an evaluation of all the programs with respect to the general economic and socioeconomic development objectives of this Agreement.

AMENDMENTS

17. (1) Substantive changes to this Agreement, and to Schedule "A" thereof, may be effected as agreed from time to time by the Ministers in writing. Each program added to Schedule "A" shall form part of this Agreement as if it had originally been included in this Agreement. It is expressly understood and agreed, however, that any amendment to section 6 shall require the approval of the Governor in Council and Lieutenant Governor in Council.
- (2) Subject to subsection (1), the Management Committee may make adjustments during the fiscal year to the programs in Schedule "A" to this Agreement provided, however, that such adjustments do not increase the total amounts of the Schedule nor conflict with the objectives of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed on behalf of Canada by the Minister of Regional Economic Expansion, and on behalf of the Province by the Premier of New Brunswick.

In the presence of:

GOVERNMENT OF CANADA

Witness

Minister of
Regional Economic Expansion

GOVERNMENT OF THE PROVINCE OF
NEW BRUNSWICK

Witness

Premier of New Brunswick

CANADA-NEW BRUNSWICK
SUBSIDIARY AGREEMENT
KENT REGION PILOT PROJECT

SCHEDULE "A"

<u>Program Description</u>	<u>Estimated Cost of Program (\$'000)</u>	<u>Federal Share Including (a) Direct Cost (b) 10% Allowance (where applicable) (\$'000)</u>
1. <u>PROJECT INITIATION AND TECHNICAL SUPPORT</u>	1,440	
1.1 <u>Project Initiation*</u>		
To facilitate implementation of development projects by providing funds for enrichment of departmental programs and/or establishment of new ones.		920
1.2 <u>Technical Assistance</u>		
To provide technical guidance to individuals or groups in exploration of and/or action on development possibilities or other activities that would support development.		148
1.3 <u>Planning and Research</u>		
To provide for planning studies and/or research important to the development program.		40

* May include costs relating to the acquisition of lands or interests in lands, or costs arising from conditions of acquisition.

CANADA-NEW BRUNSWICK
SUBSIDIARY AGREEMENT
KENT REGION PILOT PROJECT

SCHEDULE "A"

Program Description	Estimated Cost of Program (\$'000)	Federal Share Including (a) Direct Cost (b) 10% Allowance (where applicable) (\$'000)
1.4 <u>After Care</u>		
To provide training and advisory support to operators of regional enterprises.		44
2. <u>INFRASTRUCTURE</u>	1,000	
2.1 <u>Municipal Infrastructure</u>		
To ensure municipal services are adequate to handle urban economic expansion.		776
2.2 <u>Other Infrastructure</u>		
To provide for those other small infrastructure items which will enhance development potential of the region.		24
3. <u>PROGRAM ADMINISTRATION</u>		
To provide for the necessary full time staff and facilities to carry out the program.	300	240
TOTAL	2,740	
DREE SHARE:	2,192	

CANADA-NEW BRUNSWICK
SUBSIDIARY AGREEMENT
KENT REGION PILOT PROJECT

SCHEDULE "B"

PROGRAM SUMMARY

BACKGROUND

The Kent region, covering 1,985 square miles, has a population of 30,015 and an estimated labour force of 8,300. Relative to the rest of the Province, the participation rate and incomes are low and the unemployment rate is high.

Although the region is presently characterized by high unemployment and low income, it has potential for substantial economic expansion. A variety of organizations, including New Brunswick NewStart, regional development groups and federal and provincial agencies, have studied development possibilities in the Kent region. Among development opportunities identified to date are: increasing production and processing of agricultural products; increasing returns from regional forests through improving their management and increasing local value added; developing Christmas tree stands; expanding tourist facilities based on the scenic and historic resources of the area and the growth of Kouchibouguac National Park; increasing returns from the fisheries; increasing manufacturing activity in parts of the region, and locational advantages.

Most of the opportunities are not the type that will attract major investors from outside the region. However, one of the most promising aspects of the Kent situation is the interest and initiative of the local people, and prospects are good that local residents will capitalize on area potential. To facilitate this, measures must be taken to encourage interested individuals or groups in exploring opportunities and, where possible, assisting them in obtaining necessary information, technical guidance and capital to pursue opportunities.

A means of providing such support to the development process in the Kent region was tested in a pilot ARDA program in fiscal 1973-74. Experience with this undertaking demonstrated that people were willing to commit their resources to development activities if they were given adequate guidance and support.

Based on the experience with ARDA, the development strategy of this Agreement is to: make people of the region and elsewhere aware of regional sector development potentials; provide, where possible, necessary financial, technical and infrastructure support in order for regional development potentials to be acted on; provide the necessary after-care to ensure that development initiatives result in permanent jobs.

PROGRAMS

This section outlines the broad programs which appear at this time to be the best means of implementing the development strategy. It is realized that as circumstances change, and as the approach is applied, it may be necessary to develop new programs and modify existing ones.

Whenever possible, the following programs will be utilized to supplement regular departmental programs. It is not intended that the programs of the Kent effort will replace those operating on a province-wide basis, or other federal and/or provincial programs applying in the Kent region. Criteria for disbursement of funds from the following programs will be established by the Management Committee.

PROJECT INITIATION AND TECHNICAL SUPPORT PROGRAM

Objectives

1. To facilitate implementation of development projects by providing a fund from which money can be drawn to assist projects as they become ready;
2. to support local exploration of development possibilities and to provide appropriate technical guidance in setting up and operating economic enterprises; and
3. to provide for research and planning where necessary.

Rationale

A development program based primarily on local initiative is heavily dependent on government's ability to respond quickly to local projects for capitalizing on development opportunities. Since these may be in any sector, and impossible to anticipate by more than a few months, it is necessary to have an uncommitted fund from which money can be drawn to assist such projects. This ensures that government can react quickly to development opportunities; a capability which is fundamental to the success of the development effort. Technical assistance is necessary over a broad range of activity from local opportunity search to advice to existing firms on marketing, management, and other matters related to establishing and operating an enterprise. Appropriate technical assistance will ensure that projects are viable conceptually and that they result in permanent job opportunities. Certain planning or research activities that are too large or specialized for the administrators of the Kent program to handle may be essential to the success of the overall effort. This program element will provide funding for consultants or line departments to carry out such work.

Initiatives

Initiatives will include (but not be limited to) the following:

- (a) implementing of projects that will result in, or contribute to the creation of permanent job opportunities in the Kent region;
- (b) providing additional technical field staff from line departments;
- (c) providing funds for short term consulting assistance to local groups or individuals;
- (d) undertaking studies of one or more sectors of the Kent regional economy;
- (e) providing for the training of prospective and existing operators of an economic enterprise; and
- (f) providing local entrepreneurs with advice on operating a business.

INFRASTRUCTURE PROGRAM

Objective

To provide infrastructure necessary to support activity that will result in permanent job opportunities.

Rationale

Certain opportunities may become a reality only if there is appropriate infrastructure in place to service the potential enterprise. In such instances, investment in infrastructure will result in permanent job opportunities.

Initiatives

Initiatives will include (but not be limited to) the following:

- (a) providing municipal services in communities where a lack of such services is demonstrated to be hindering economic expansion; and
- (b) providing such other facilities that are essential to support economic expansion.

PROGRAM ADMINISTRATION

Objective

To provide the necessary additional staff and facilities to monitor, coordinate and evaluate the program.

Rationale

The Kent development effort will increase demands on provincial staff resources. This program will provide funds to cover extra costs incurred in the execution of the Kent sub-agreement.

PROGRAM COORDINATION AND COMMUNITY CONSULTATION

The initiatives proposed in this Agreement cut across the responsibilities of a number of provincial and federal departments. It is intended that those initiatives funded by this Agreement be implemented by the appropriate provincial department(s). To assure effective and coordinated implementation of projects, the Management Committee may establish project development subcommittees whose membership shall be drawn from the implementing department and from other departments which may have a direct interest in the project. Normally the project development subcommittees will be asked to:

- (a) work with the project originator(s) (government and/or local residents), and develop a project proposal which is both feasible and acceptable to regional individuals or groups prepared to go ahead with the project;
- (b) propose appropriate implementation mechanisms; and
- (c) delineate linkages with other projects, programs and activities.

Experience in Kent and elsewhere has demonstrated that individuals, communities, and development groups wish to be consulted prior to the implementation of development interventions. It is intended that this Agreement be implemented in such a manner as to satisfy this expressed need.

