



**Regional  
Economic  
Expansion**

**Expansion  
Économique  
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# **REPORT ON REGIONAL DEVELOPMENT INCENTIVES**

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**October, 1972**

DEPARTMENT OF REGIONAL ECONOMIC EXPANSION

REPORT TO PARLIAMENT ON THE ADMINISTRATION OF DEVELOPMENT  
INCENTIVES UNDER THE REGIONAL DEVELOPMENT INCENTIVES ACT  
AND SECTION 10 OF THE DEPARTMENT OF REGIONAL ECONOMIC  
EXPANSION ACT FOR THE MONTH OF OCTOBER, 1972

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## INTRODUCTION

The Regional Development Incentives Act and the Department of Regional Economic Expansion Act make provision for incentives in support of the establishment, modernization or expansion of manufacturing and other types of facilities. The incentives, which may take the form of grants or loan guarantees, are made available as a means of increasing or maintaining employment opportunities in regions and areas designated by the Governor-in-Council as those requiring special measures to facilitate economic expansion and social adjustment.

Copies of the statutes and regulations concerned, and of brochures explaining the administrative process by which incentive grants and loan guarantees are made, may be obtained from the Public Information Division of the Department of Regional Economic Expansion.

The purpose of this monthly report is to provide Parliament and the general public with up-to-date information on the operation of the regional development incentives program. The report contains summary statistics on administrative actions taken from the inception of the program until the end of the month in question, together with listings of essential facts pertaining to each offer of incentive assistance accepted during that month.

Industrial incentives are available in broad regions and special areas designated by the federal government following consultation with the provincial governments.

The designated regions cover broad segments of the country. The special areas, of which there are now 23, represent more localized focal points of potential development. The designated regions and special areas are shown on the map on page 5.

The size of an incentive grant may be varied, within statutory limits, to meet the requirements of a particular project. For a new plant or the expansion of an existing plant into new product lines, it is based on approved capital costs and, if considered appropriate, the number of jobs to be created. For a plant modernization or an expansion that does not involve a new product, only approved capital costs can be considered.

The maximum available grant depends on location and type of project, as shown in the following table:

<u>Location</u>	<u>Type of Project</u>	
	<u>Modernization or Expansion</u>	<u>New Plant or New Product Expansion</u>
Region A (Atlantic Provinces)	30% of eligible capital costs	35% of capital cost plus \$7,000 per eligible direct job created.
Region B (Standard Designated Regions)	20% of eligible capital costs	25% of capital cost plus \$5,000 per eligible direct job created.
Region C (Special Designated Region - southwestern Quebec and southeastern Ontario)	10% of eligible capital costs	10% of capital cost plus \$2,000 per eligible direct job created.

Maximum limits, as stipulated in the Regional Development Incentives Act, are \$30,000 per eligible direct job created or one-half of the capital to be employed in the operation.

Industrial incentives available under the "Special Area provisions" of the Department of Regional Economic Expansion Act are not subject to the same statutory maxima. However, as a matter of administrative practice, standards applicable under the Regional Development Incentives Act are normally applied where relevant.

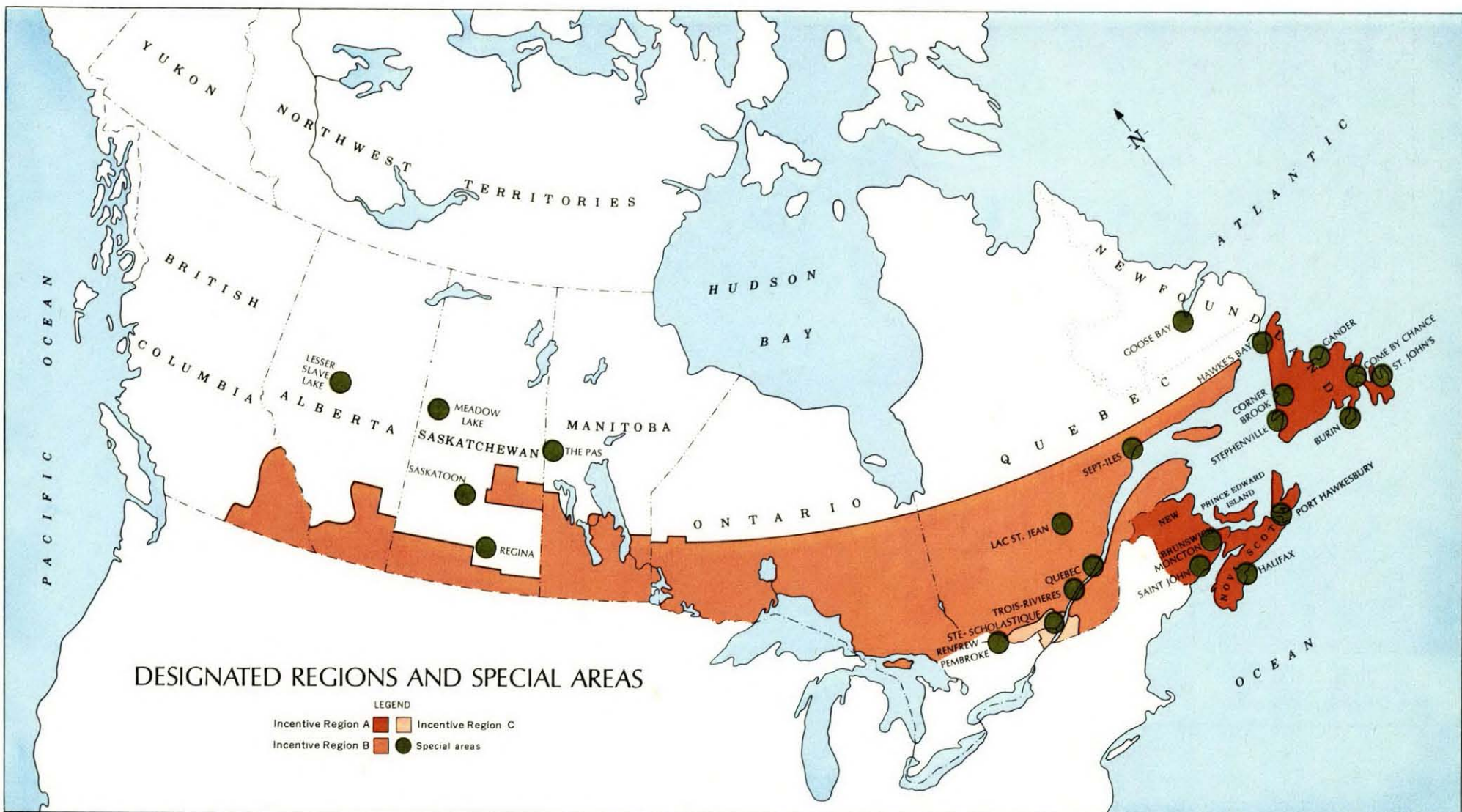
Loan guarantees, which are intended to offset difficulties that investors sometimes encounter in obtaining loan funds for investment in slow-growth regions, may not exceed 90 per cent of the total advances made by a lender, plus the interest involved, or 72 per cent of the total capital costs.

The monthly reports will be supplemented at the end of each fiscal year, beginning with the fiscal year ending March 1973, with a consolidated listing of all accepted offers of incentive assistance, indicating their current status.

Although administrative practice differs somewhat depending on whether incentive assistance is provided under the Regional Development Incentives Act or the Department of Regional Economic Expansion Act, standard terminology is used in this report. Under the Regional Development Incentives Act, for example, letters are used to offer incentive assistance. Under the Department of Regional Economic Expansion Act, proposed agreements are used for the same purpose. For the sake of simplicity, both actions are described in this report as

"offers made". In the final section of the report, which is concerned with sources of data and definitions of terms, attention is drawn to a number of other technical points of some significance.

In conclusion, it should be noted that applications for incentive assistance and supporting documentation contain a large amount of information that must be regarded as commercially confidential. It is for this reason that, as a matter of policy, the Department is unable to make public certain types of data. It is for the same reason that the Department does not reveal the fact that a particular application has been received unless and until it results in an accepted offer of incentive assistance. This policy is, of course, consistent with the aims and objectives of the program, which is designed to encourage investment in the designated regions and special areas of Canada.



DESIGNATED REGIONS AND SPECIAL AREAS

- LEGEND
- Incentive Region A
  - Incentive Region B
  - Incentive Region C
  - Special areas

PUBLISHED 1972  
 CARTOGRAPHIC UNIT  
 PUBLIC INFORMATION DIVISION



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PART I - SUMMARY STATISTICS

In this part of the report, there are two tables setting forth summary statistics on different aspects of the regional development incentives program.

Table 1, which relates to incentive grants, is concerned with the disposition of applications received and the status of offers made as of the end of October, 1972.

Among other things, it shows:

- (1) that, during the month of October, 196 applications were received (making a total of 1,668 during the current fiscal year) and 88 offers were made (making a total of 643 during the current fiscal year);
- (2) that, of the 6,651 applications received since the inception of the program, 3,319 were rejected or withdrawn and 2,521 resulted in offers;
- (3) that, after allowing for lapses, withdrawals and offers not accepted, the net total of accepted offers stood at 1,867; and
- (4) that, against obligations represented by the net total of 1,867 accepted offers, partial payments had been made in 746 cases and final payments in 23 cases.

Estimates made at the time of offered incentives, and adjustments made as a result of subsequent changes in the projects concerned, produce the following totals pertaining to the current level of net accepted offers:

- eligible capital costs of \$1,491 million;
- expected direct net jobs numbering 75,920; and
- incentive grants of \$301.8 million.

Incentive grants actually paid to date total \$66.4 million.

Table 2, which relates to loan guarantees, is concerned with the disposition of applications received and the status of offers made as of the end of October, 1972.

Among other things, it shows that, during the month of October, 5 applications were received (making a total of 51 during the current fiscal year) and one offer was made (making a total of 9 during the current fiscal year).

TABLE 1

INCENTIVE GRANT APPLICATIONS

DISPOSITION OF APPLICATIONS AND  
STATUS OF OFFERS - OCTOBER 1972

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	196	1,668	6,651
Applications Withdrawn	107	678	1,896
Applications Rejected	77	491	1,423
Offers Made	88	643	2,521
<u>STATUS OF OFFERS MADE</u>			
Offers Made	88	643	2,521
Offers Lapsed	2	40	127
Offers Declined	11	49	193
Offers Accepted	74	628	2,077
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	74	628	2,077
Accepted Offers Declined or Withdrawn	22	94	210
Net Offers Accepted	52	534	1,867
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	52	534	1,867
No Payment Made			1,098
Partial Payment Made	34	209	746
Final Payment Made	6	23	23

TABLE 2

LOAN GUARANTEE APPLICATIONS

DISPOSITION OF APPLICATIONS AND  
STATUS OF OFFERS - OCTOBER 1972

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	5	51	187
Applications Withdrawn	6	37	68
Applications Rejected	2	14	48
Offers Made	1	9	20
<u>STATUS OF OFFERS MADE</u>			
Offers Made	1	9	20
Offers Lapsed	-	-	1
Offers Declined	-	1	1
Offers Accepted	4	7	15
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	4	7	15
Accepted Offers Declined or Withdrawn	-	1	2
Net Accepted Offers	4	6	13
<u>STATUS OF OFFERS ACCEPTED</u>			
Net Offers Accepted Guarantees in Operation	4	6	13

PART II - INCENTIVE GRANT ACTIVITY DURING THE MONTH

Part II consists of Table 3 which provides a complete alphabetic listing for the month of October of:

- (1) Offers accepted;
- (2) Offers accepted and subsequently revised; and
- (3) Offers accepted and subsequently declined; or withdrawn.

The month and year of the most recent report for offers accepted and subsequently revised, declined or withdrawn are indicated in brackets under the company name. Only the revised data are shown.

Abbreviations have been used to describe the details of "type of project". Although full descriptions are provided in Part IV of this report, the abbreviations used are:

N	-	New Plant
N.P.E.	-	New Product Expansion
E	-	Expansion
M	-	Modernization
N.C.F.	-	New Commercial Facility

TABLE 3

INCENTIVE GRANT ACTIVITY

DETAILS OF OFFERS ACCEPTED, AND OF OFFERS ACCEPTED  
AND SUBSEQUENTLY REVISED, DECLINED OR WITHDRAWN DURING OCTOBER 1972

OFFERS ACCEPTED

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
1. A.A.L. Métal Inc.	St. Jérôme, P.Q.	Steel Frames	E	\$ 129,000	5	10%	\$ 12,900 <i>R</i>
2. Acme-Ailee Co. Ltd.	Montreal, P.Q.	Zippers	N	\$ 174,000	27	10% and \$650 per eligible job (26)	\$ 34,300
3. Alberta Seed Processors Ltd.	Brooks, Alta.	Processing of Seed	N	\$ 138,708	15	18% and \$2,400 per eligible job (15)	\$ 60,967 <i>R</i>
4. Alfa Flooring Reg'd.	St. Hubert, P.Q.	Wood Floor Tile	E	\$ 100,000	9	8%	\$ 8,000 <i>D</i>
5. Amico Metal Corporation	St. Jérôme, P.Q.	Locks and Small Hardware	E.M.	\$ 220,000	13	10%	\$ 22,000
6. Artwood Panel Board Inc.	St. Romuald, P.Q.	Pre-finished Panels	E	\$ 157,600	8	15%	\$ 23,640 <i>R</i>
7. B A S F Canada Limited	Cornwall, Ont.	Plasticizers and Polyesters	E	\$1,294,000	18	10%	\$129,400
8. B. & B. Tire Service Inc.	Quebec, P.Q.	Retreading Truck Tires	N	\$ 202,000	12	15%	\$ 30,300
9. Better Quality Furniture	Winnipeg, Man.	Furniture	N	\$ 59,100	11	25%	\$ 14,775 <i>R</i>

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
10. Blair Robinson Limited	Woodwards Cove, N.B.	Smoked Herring	E.M.	\$ 30,400	5	30%	\$ 9,120
11. Buffalo Narrows Bakery Ltd.	Buffalo Narrows, Sask.	Bakery	N	\$ 77,300	5	15% and \$2,000 per eligible job (5)	\$ 21,595
12. Campbell Corporation (1972) Limited	Hull, P.Q.	Printing	N	\$ 491,600	87	10% and \$1,200 per eligible job (87)	\$153,560
13. Canadian Artistic Dies Inc.	Sherbrooke, P.Q.	Automatic Pantographs	N.P.E.	\$ 170,000	18	20% and \$1,200 per eligible job (18)	\$ 55,600 <i>D</i>
14. Caravane Val-Bar Inc.	St. Louis de Blandford, P.Q.	Mobile Homes and Tent Trailers	E	\$ 180,000	43	20%	\$ 36,000
15. C.E.G.F. Canada Limited	Charlottetown, P.E.I.	Frozen Foods	N	\$1,610,000	38	20% and \$5,000 per eligible job (38)	\$512,000 <i>D</i>
16. Centennial Print & Litho Ltd.	Fredericton, N.B.	Commercial Printing	E.M.	\$ 75,750	2	20%	\$ 15,150
17. Chestnut Canoe Company Limited	Fredericton, N.B.	Canvas and Fiberglass Canoes	N	\$ 810,000	30	25% and \$5,000 per eligible job (30)	\$352,500 <i>R</i>
18. Connors Bros. Limited	Shippegan, N.B.	Ground Fish Fillets and Crab Meat	E.M.	\$ 400,000	40	20%	\$ 80,000

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
19. Courtaulds (Canada) Limited	Cornwall, Ont.	Knitted Fabrics	N.P.E.	\$1,285,000	180	10% and \$1,000 per eligible job (180)	\$308,500
20. Custom Formed Metals Ltd.	Laval, P.Q.	Roll-formed Products	N	\$ 322,450	40	10% and \$1,200 per eligible job (40)	\$ 80,245
21. Donat Flamand Inc.	St. Appolinaire, P.Q.	Windows	N	\$ 181,000	27	10% and \$1,500 per eligible job (27)	\$ 58,600
22. Eastern Paper Box & Tube Co. Ltée	Drummondville, P.Q.	Paper Cones and Tubes	a) E b) N.P.E.	a) \$ 154,220 b) \$ 81,025	12 13	a) 20% b) 20% and \$1,000 per eligible job (13)	a) \$ 30,844 b) \$ 29,205
23. East-West Packers (1969) Ltd.	St. Boniface, Man.	Meat Products	M	\$ 206,000	Nil	10%	\$ 20,600
24. E.G.W. Limitée	Chambly, P.Q.	Aircraft Tenders and Trailers	E	\$ 392,000	35	10%	\$ 39,200
25. Factory Farm Foods	Montreal, P.Q.	Specialty Foods	N	\$ 120,000	30	10% and \$900 per eligible job (20)	\$ 30,000
26. La Fédération Régionale des Chantiers Coopératifs de l'Ouest Québécois	Taschereau, P.Q.	Lumber Chips	N	\$3,086,000	109	20% and \$3,200 per eligible job (109)	\$966,000

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
27. The Fencline Company	Debert, N.S.	Wooden Fences	N	\$ 201,400	55	10% and \$1,300 per eligible job (55)	\$ 91,640
28. Fuji Dyeing and Printing Co. Ltd.	Trois Rivières, P.Q.	Dyeing, Finishing and Printing of Double Knits	N	\$4,387,000	267	12% and \$1,600 per eligible job (267)	\$953,640 <i>R</i>
29. Le Grand Cidrier Inc.	St. Hilaire, P.Q.	Apple Cider	E	\$ 72,000	11	8%	\$ 5,760
30. Gregg Cabinets Ltd.	Chambly, P.Q.	Kitchen Cabinets and Bathroom Vanities	E	\$ 410,000	74	8%	\$ 32,800
31. Gregory Sanders Inc.	Acton Vale, P.Q.	Knitted Goods	E.M.	\$ 137,000	39	10%	\$ 13,700 <i>R</i>
32. Huntingdon Woollen Mills Ltd.	Huntingdon, P.Q.	Synthetic Pile Fabrics	N.P.E.	\$ 564,000	80	7% and \$1,300 per eligible job (45)	\$ 97,980
33. Imperial Converters Co. Ltd.	St. Jérôme, P.Q.	Single Knit Fabrics and Garments	N	\$ 757,000	121	10% and \$700 per eligible job (121)	\$160,400 <i>D</i>
34. Les Industries Fortin Inc.	Waltham, P.Q.	Drying and Planing Wood	N	\$ 105,500	10	25% and \$2,300 per eligible job (10)	\$ 49,375
35. Les Industries Zodiac Ltée	St. Narcisse, P.Q.	Upholstering	E	\$ 631,500	28	20%	\$126,300
36. International Bakeries Ltd.	Montreal, P.Q.	Baked and Sweet Goods	E.M.	\$ 112,500	11	10%	\$ 11,250 <i>D</i>

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
37. J.D. Irving Limited	Veneer Siding, N.B.	Dressed Lumber	E.M.	\$968,000	5	25%	\$242,000
38. J.J. Cossette Inc.	Champneuf, P.Q.	Lumber Chips	N	\$702,300	45	15% and \$1,000 per eligible job (45)	\$150,345
39. Joly Sac Inc.	Duvernay, P.Q.	Polythene Bags and Rollers	a) E b) N	a) \$ 23,100 b) \$ 90,000	10 8	a) 10% b) 10% and \$1,500 per eligible job (8)	a) \$ 2,310 b) \$ 21,000
40. Knit-Craft Fashion Mills Ltd.	Montreal, P.Q.	Sweaters and Knitted Shirts	E	\$140,500	21	10%	\$ 14,050
41. Le Laboratoire Chez - Nous (Lac St. Jean) Inc.	St. Félicien, P.Q.	Sanitary Products	N	\$ 79,300	19	10% and \$1,500 per eligible job (19)	\$ 36,430
42. M. Laval Lapointe	St. Romain, P.Q.	Ladies' Wear	N	\$ 42,000	33	25%	\$ 10,500
43. Louis Dusseault Inc.	St. Léonard, P.Q.	Butter	M	\$ 70,000	Nil	8%	\$ 5,600
44. MacFarlane-Lefaivre Mfg. Ltd.	Montreal, P.Q.	Synthetic Material Shoes	a) M b) N.P.E.	a) \$ 47,000 b) \$146,000	67 21	a) 10% b) 10% and \$1,500 per eligible job (21)	a) \$ 4,700 b) \$ 46,100
45. Matinee Dress (1961) Inc.	Montreal, P.Q.	Ladies' Dresses	E	\$ 70,000	60	8%	\$ 5,600

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
46. Melo Containers Ltd.	Ville St. Laurent, P.Q.	Styrofoam Containers	N	\$ 557,000	15	7% and \$1,000 per eligible job (12)	\$ 50,990
47. Mica Dam Sawmills Limited	Revelstoke, B.C.	Rough Green Lumber	E.M.	\$ 136,654	11	15%	\$ 20,498
48. Morvan Limitée	Boucherville, P.Q.	Adhesives	E	\$ 170,180	18	10%	\$ 17,018
49. Mueller Industries Canada Ltd.	St. Jérôme, P.Q.	Sewer Products	E.M.	\$ 199,386	19	10%	\$ 19,939
50. Napoléon Gagnon & Fils (1972) Inc.	Tourville, P.Q.	Lumber Chips	N	\$ 643,000	50	15% and \$2,500 per eligible job (50)	\$221,450 <i>B</i>
51. Nor Packers (66) Ltd.	Montréal-Nord, P.Q.	Smoked Ham	N.P.E.	\$ 60,400	16	5% and \$600 per eligible job (15)	\$ 12,020 <i>D</i>
52. Nu-Way Trading & Creations Inc.	Montreal, P.Q.	Plastic Buttons and Buckles	N.P.E.	\$ 119,500	44	6% and \$500 per eligible job (40)	\$ 27,170 <i>D</i>
53. Pacific Mobile Corporation	St. Germain, P.Q.	Mobile Homes	N	\$ 685,000	125	25%	\$171,250
54. Pan American Screw Corporation Limited	Ville LaSalle, P.Q.	Light Commercial Fasteners	E.M.	\$ 797,000	65	8%	\$ 63,760
55. Parkway Motor Homes Ltd.	St. Laurent, P.Q.	Motor Homes	N	\$ 456,900	78	6% and \$1,000 per eligible job (63)	\$ 90,414 <i>D</i>

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
56. Pretty Polly (Canada) Ltd.	Mont-Joli, P.Q.	Hosiery	N	\$1,240,000	242	10% and \$2,000 per eligible job (242)	\$608,000
57. Prince-Caravane Inc.	Princeville, P.Q.	Mobile Homes	N	\$ 254,000	42	10% and \$2,000 per eligible job (42)	\$109,400
58. Quebec Reman Ltd.	St. Paul l'Ermite, P.Q.	Remanufacturing of Motor Parts	N.P.E.	\$ 85,700	22	8% and \$1,500 per eligible job (6)	\$ 15,856 <i>D</i>
59. Raygo Inc.	St. Hyacinthe, P.Q.	Rebuilding Parts for Heavy Vehicles	N	\$ 110,225	14	7% and \$1,100 per eligible job (14)	\$ 23,116
60. Reliable Hosiery Mills Ltd.	Montreal, P.Q.	Underwear	N	\$ 143,600	49	5% and \$500 per eligible job (49)	\$ 31,680
61. Rus-tique Brik Manufacturing Co. Ltd.	Moncton, N.B.	Concrete Bricks	N	\$ 104,000	11	25% and \$1,250 per eligible job (11)	\$ 39,750
62. S. Huot Inc.	Quebec, P.Q.	Mill Equipment	E	\$ 225,000	22	20%	\$ 45,000
63. Salmon Wood Enterprises Ltd.	Lac-au-Saumon, P.Q.	Shingles	N	\$ 192,700	55	10% and \$2,000 per eligible job (55)	\$129,270 <i>S</i>

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
64. Scierie Gallichan Inc.	Launay, P.Q.	Planing Mill	N	\$ 150,400	20	10% and \$500 per eligible job (20)	\$ 25,040
65. Scotstown Woodcraft Limited	Scotstown, P.Q.	Furniture	E	\$ 48,500	12	20%	\$ 9,700
66. Serta Maritimes Ltée	Moncton, N.B.	Box Springs	N.P.E.	\$ 125,950	4	20% and \$2,000 per eligible job (4)	\$ 33,190
67. Service de Pneus Fortin Ltée	Kénogami, P.Q.	Retreading Tires	E	\$ 202,800	13	17%	\$ 34,474
68. Société Populaire des Pâtes et Papiers du Québec Inc.	Cabano, P.Q.	Corrugated Paper	N	\$17,600,000	176	25% and \$5,000 per eligible job (176)	\$5,280,000 <u>D</u>
69. South Shore Products Ltd.	Mahone Bay, N.S.	Sauerkraut	N	\$ 94,000	8	20% and \$2,500 per eligible job (8)	\$ 38,800
70. Tri-Steel Fabricators Ltd.	Montreal, P.Q.	Bolted Steel Transmission Towers and Substations	N.P.E.	\$ 180,000	40	8% and \$800 per eligible job (33)	\$ 40,800
71. Vadnais & Vadnais Inc.	Ste Florence, P.Q.	Floors and Planks	N	\$ 175,000	51	10% and \$1,000 per eligible job (51)	\$ 68,500 <u>R</u>

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
72. Valimo Ltd.	Montreal, P.Q.	Jewellery	N	\$ 90,600	20	8% and \$400 per eligible job (19)	\$ 14,848 <sup>D</sup>
73. Weldwood of Canada Limited	Longlac, Ont.	Flakeboard	N	\$6,731,000	139	10% and \$2,000 per eligible job (139)	\$951,100 <sup>R</sup>
74. Zimcor Company	Lachine, P.Q.	Aluminum Extruded Shapes	E	\$ 997,000	84	10%	\$ 99,700

ACCEPTED OFFERS SUBSEQUENTLY REVISED

1. Canada Bay Lumber Co. Ltd. (Dec. 1971)	Roddickton, Nfld.	Lumber	N	\$ 117,000	17	20% and \$2,500 per eligible job (17)	\$ 65,900 <sup>R</sup>
2. Canam Steel Works Inc. (Dec. 1971)	St. Gédéon Beauce, P.Q.	Structural Steel	N	\$ 680,000	100	13% and \$1,700 per eligible job (100)	\$258,400
3. Chapman Bros. Ltd. (Sept. 1972)	Amherst, N.S.	Carbonated Beverages	N	\$ 127,500	5	30%	\$ 38,250 <sup>R</sup>
4. Frontenac Plywood Door Company (Feb. 1971)	Lac Mégantic, P.Q.	Door Manufacturing	E	\$ 112,630	13	20%	\$ 22,526
5. Imperial Pants Co. Limited (Feb. 1972)	Montreal, P.Q.	Slacks	E.M.	\$ 100,000	25	10%	\$ 10,000
6. Johncraft Limited (Aug. 1972)	Montreal, P.Q.	Wooden and Aluminum Overhead Doors	E.M.	\$ 135,917	11	9%	\$ 12,233 <sup>R</sup>

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
7. Maritime Processing Company Limited (April 1972)	Truro, N.S.	Tallow Processing	E	\$100,000	3	20%	\$ 20,000
8. Morel Inc. (June 1971)	Montreal, P.Q.	Frozen Food	N.P.E.	\$456,600	35	10% and \$1,900 per eligible job (19)	\$ 81,760
9. Quality Bakery Limited (Oct. 1971)	Dartmouth, N.S.	Bakery Products	N	\$ 97,850	5	20%	\$ 19,570
10. Sawridge Native Enterprises Limited (March 1971)	Slave Lake, Alta.	Lodging and Dining Facility	N	\$902,250	35	25% and \$3,500 per eligible job (35)	\$348,063
11. Scieries Saguenay Ltée (Jan. 1972)	Bagotville, P.Q.	Sawmill and Kiln Dried Mill	E.M.	\$378,000	9	20%	\$ 75,600
12. Sheres Company Ltd. (May 1972)	Anjou, P.Q.	Upholstered Epoxy Painted Furniture and Plating of Metal Furniture	a) E b) N.P.E.	a) \$192,000 b) \$471,000	98 50	a) 10% b) 10% and \$2,000 per eligible job (50)	a) \$ 19,200 b) \$147,100
13. Valley Textile Agencies Corp. Ltd. (March 1972)	Montreal, P.Q.	Taslan Yarns and Upholstery Fabrics	N.P.E.	\$300,000	68	5% and \$1,250 per eligible job (65)	\$ 96,250
14. W.J. Gage Limited (Jan. 1971)	Winnipeg, Man.	Commercial Printing	N	\$165,150	6	10% and \$2,000 per eligible job. (6)	\$ 28,515

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
<u>ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN</u>							
1. Advanced Precision Tooling (June 1970)	Saint John, N.B.						
2. Auto Comfort (R) Inc. (Oct. 1971)	Senneterre, P.Q.						
3. Bryant Inc. (Oct. 1971)	Sherbrooke, P.Q.						
4. Haro Industries Limited (June 1972)	Granby, P.Q.						
5. Korman's Dairy Limited (May 1972)	Timmins, Ont.						
6. La Fédération Régionale des Chantiers Coopératifs de l'Ouest Québécois (July 1972)	Taschereau, P.Q.						
7. La Scierie Manicouagan Inc. (Feb. 1972)	Ragueneau, P.Q.						
8. Lavoie Lumber Company Limited (March 1972)	Kedgwick, N.B.						
9. Matthews Mechanical Limited (Dec. 1971)	Winnipeg, Man.						
10. Micro-Max Products Ltd. (Jan. 1971)	Magog, P.Q.						
11. Moirs Division of Standard Brands Limited (Oct. 1971)	Halifax, N.S.						

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
12. National Products Ltd. (Nov. 1971)	Winnipeg, Man.						
13. New Food Products Co. Ltd. (June 1972)	Rexton, N.B.						
14. Ottawa Valley Laminating Company Ltd. (June 1972)	Renfrew, Ont.						
15. Oxbow Industries Limited (June 1972)	Oxbow, Sask.						
16. Renfrew Industries Ltd. (June 1971)	Pembroke, Ont.						
17. Rémi Carrier Inc. (Oct. 1971)	Montreal, P.Q.						
18. S.W. Bell (1967) Ltd. (March 1970)	Stickney, N.B.						
19. Select Feeds Ltd. (Oct. 1971)	Taber, Alta.						
20. Syl-Ester Wood Products Corporation Ltd. (Oct. 1970)	Lac Mégantic, P.Q.						
21. Wilfrid Paquet & Fils Ltée (June 1972)	St. Théophile, P.Q.						
22. William Neilson Limited (Aug. 1972)	New Liskeard, Ont.						

PART III - LOAN GUARANTEE ACTIVITY DURING THE MONTH

Part III consists of Table 4 which provides a complete alphabetic listing for the month of October of:

- (1) Offers accepted;
- (2) Offers accepted and subsequently revised; and
- (3) Offers accepted and subsequently declined; or withdrawn.

The month and year of the most recent report for offers accepted and subsequently revised, declined or withdrawn, is indicated in the brackets under the company name. Only the revised data are shown.

TABLE 4

LOAN GUARANTEE ACTIVITY

DETAILS OF OFFERS ACCEPTED, AND OF OFFERS ACCEPTED  
AND SUBSEQUENTLY DECLINED, WITHDRAWN OR REVISED DURING OCTOBER 1972

OFFERS ACCEPTED

<u>Company</u>	<u>Location of Facility</u>	<u>Type of Operation</u>	<u>Expected Capital Cost</u>	<u>Expected Direct New Jobs</u>	<u>Loan Amount</u>	<u>Maximum Amount of Loan Guarantee</u>
1. Hôtel Parc Samuel Holland Inc.	Quebec, P.Q.	Hotel	\$ 7,300,000	250	\$ 5,840,000	\$ 1,460,000
2. Jack Berger Ltd.	Winnipeg, Man.	Photo Engraving and Photogrammetry	\$ 400,000	13	\$ 275,000	\$ 68,750
3. Matanex Inc.	Mataie, P.Q.	Motel	\$ 630,000	21	\$ 500,000	\$ 166,666
4. QSP Ltd. - QSP Ltée	Longueuil, P.Q.	Steel Rebar and Alloy Steel	\$21,100,000	278	\$14,800,000	\$12,100,000

PART IV - DEFINITIONS

TERMS USED IN PART I

Application -- A submission, in the approved form, by an applicant requesting a development incentive. Each application is restricted to a development on a single site, but one application may relate to a modernization, an expansion, a new product expansion or a complete new facility, or to some combination of these. An application covering a combined development is counted and reported as a single application, but each individual type of project is evaluated separately.

Received -- An application delivered to the Department. The date of receipt is the first control date, and is used for reporting and determining conditions of "prior commitment" as defined in the Regional Development Incentives Act and Regulations.

Withdrawn -- An application withdrawn, at the request of the applicant, after receipt but before or during evaluation.

Rejected -- An application turned down, under the provisions of the governing statute, because the project in question is considered ineligible, would proceed without incentive assistance or would not make a significant contribution to economic expansion and social adjustment within a designated region or special area.

Offer Made -- When an application has been evaluated and an estimate made of the grant or loan guarantee required to assure that the proposed project can be brought into commercial production, the applicant is offered an incentive, subject to specified conditions. The date of the offer establishes the second control date for reporting and management.

Lapsed -- When the applicant in receipt of an offer does not return a formal acceptance within ninety-days, the offer is deemed to have lapsed and the applicant is so advised. The project can only be given further consideration if a new application is made.

Withdrawn -- When an incentive offer is withdrawn, prior to acceptance, because of new information justifying such action.

Declined -- When the applicant formally declines an offered incentive.

Offer Accepted -- An offer of incentive assistance is accepted when the applicant returns a signed copy of the offer within ninety days of receipt. In accepting an offer, the applicant agrees to the latest date on which construction will begin.

Withdrawn -- When, prior to making payment, the Department determines that contractual commitments

relating to a project were made before the application was filed, or that other legal requirements were not met, and takes action to withdraw the offer in question.

Declined -- When the applicant formally advises the Department that he does not intend to proceed with a project following his acceptance of an offer relating to it.

No Payment Made -- No payment can be made to an applicant until the facility is certified as being in "commercial production", a condition defined in the Regional Development Incentives Act and Regulations. This requires an on-site inspection and audit by an officer authorized to act on behalf of the Minister.

Partial Payment Made -- When commercial production of the facility has been certified and one or more payments have been made in relation to the offered incentive, but final payment has not been made.

Final Payment Made -- When the facility has been in commercial production for the prescribed period, a final inspection is made by the Department, and if all conditions specified in the accepted offer and in the governing Act and Regulations have been met, a final payment is made. The final payment cannot be made before 24 months after the certified

date of commercial production when the incentive is based only on approved capital costs; or before 36 months after the certified date of commercial production when the incentive is based in part on the number of jobs created in the operation.

#### Application of Terms to Loan Guarantees

The above definitions apply to both incentive grants and loan guarantees, except that there are no payments to applicants with loan guarantees.

When providing loan guarantees the Department enters into an agreement with the lender to guarantee repayment of a portion of a loan being made to the applicant. Such an agreement can only be executed when the applicant and the lender complete the loan arrangements. The original offer to the applicant by the Department is in the form of a letter of intent, a copy of which is sent to the prospective lender. Acceptance of the letter of intent by both parties is considered as an "offer accepted". If the applicant fails to complete his loan arrangements, the offer is withdrawn. If the applicant abandons his project or completes his loan arrangements without the guarantee, the offer is "declined". Once the Department has completed an agreement with the lender, there is a "guarantee in operation".

A loan guarantee applicant discharges his loan obligations directly with the lender, reducing at the same time the potential liability of the Department.

TERMS USED IN PART II

Company -- The legal corporate or organizational identification of the applicant at the time of his acceptance of an offer of incentive assistance.

Plant Location -- The name used is that which Statistics Canada uses to identify the specific geographic location of the plant or facility.

Product or Process -- The nature of the product or process.

Type of Project --

N. - New Plant - a new facility, the word facility being used as defined in the Regional Development Incentives Act and Regulations.

N.P.E. - New Product Expansion - an addition to an existing facility to manufacture or produce a product not previously manufactured or produced by the applicant.

E. - Expansion - an addition to an existing facility to increase the output of the products presently being manufactured or produced.

M. - Modernization - a change in an existing facility designed primarily to reduce production costs or improve product quality.

N.C.F. - New Commercial Facility - a new facility designed to provide a service rather than to undertake manufacturing or processing.

Expected Eligible Cost -- The capital costs of a project, as estimated by the Department on the basis of information supplied by an applicant, covering only costs that are eligible under the Regional Development Incentives Act and Regulations.

Expected Direct New Jobs -- The number of jobs to be created directly by the project, as estimated by the Department on the basis of information supplied by the applicant.

Eligible Jobs -- The Regional Development Incentives Act and Regulations define specific conditions under which a job-related incentive can be paid. Where an offer containing a job-related incentive has been made, the Department evaluates the estimate made by the applicant of the eligible jobs to be created. This number is declared in

the offer as the expected number of eligible jobs, and is the Departmental estimate of the number of jobs on which payment will be based.

Rate of Offer -- The rate of offer defines the terms under which grant payments will be made. These are expressed as a percentage of eligible capital costs and/or a dollar amount per eligible direct job to be created. The terms are based on the Departmental evaluation of the application.

Estimated Amount of Incentive Grant -- The Departmental estimate of the grant likely to be paid, based on evaluation of the proposed project.

An Estimated Incentives Grant in this report indicates the original estimate, and subsequent formal revisions thereto; or actual payments where final inspection and payment has been made.

#### TERMS USED IN PART III

Type of Operation -- A description of the product and process.

Expected Capital Cost -- Total capital costs associated with fixed assets, as estimated by the Department on the

basis of information supplied by the applicant. At the time the project becomes operational, this figure is amended, if necessary, to indicate actual investment.

Loan Amount -- The total value of the original loan to be guaranteed.

Maximum Amount of Loan Guarantee -- The initial amount of the loan guarantee, expressed as a percentage of the total loan.

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