



**Regional
Economic
Expansion**

**Expansion
Économique
Régionale**

REPORT ON REGIONAL DEVELOPMENT INCENTIVES

September, 1972

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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 SEPTEMBER, 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.

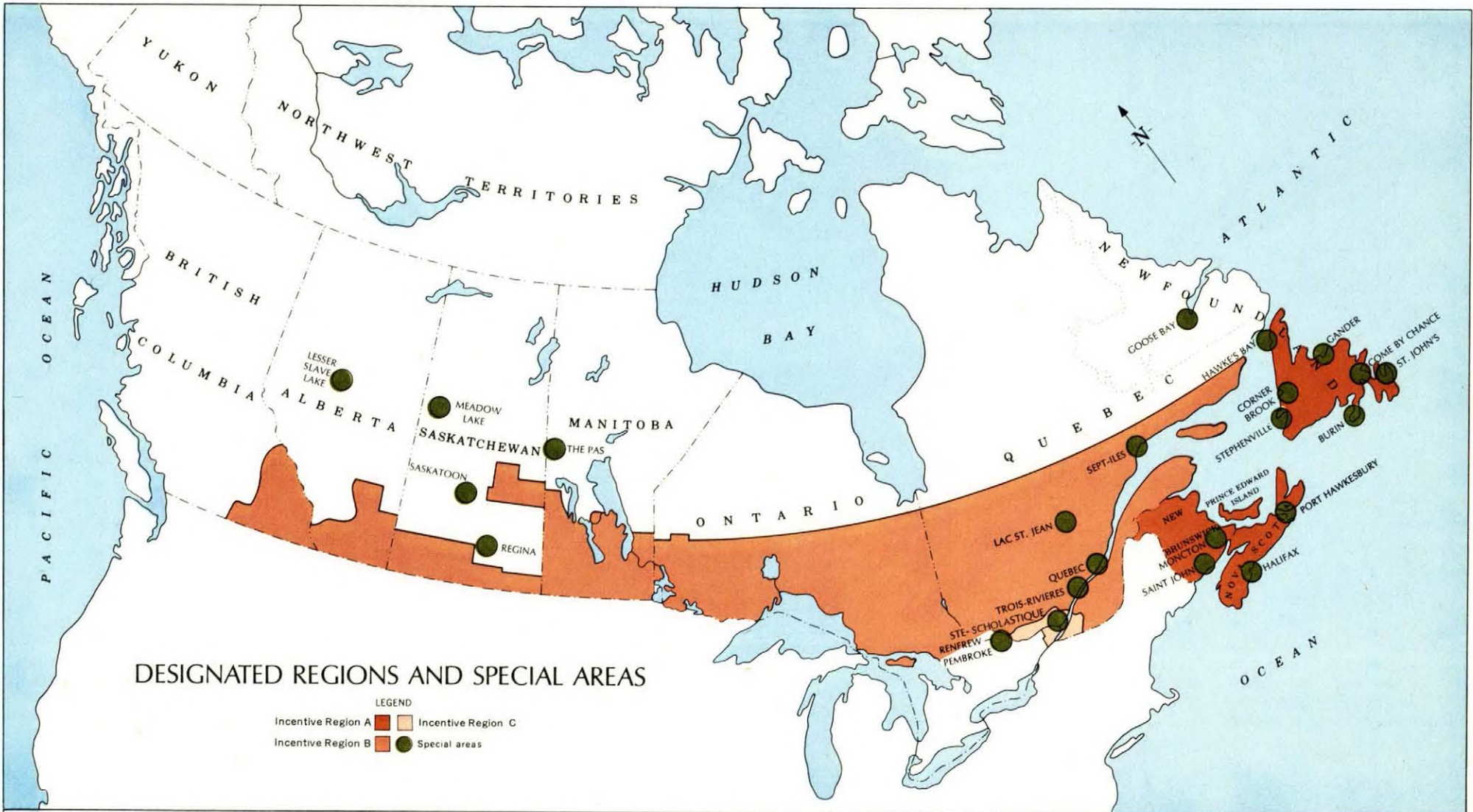
Loan guarantees, which are intended to offset difficulties that investors sometimes encounter in obtaining loan funds for investment in slow-growth regions, may not exceed 90 per cent of the total advances made by a lender, plus the interest involved, or 72 per cent of the total capital costs.

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

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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 September, 1972.

Among other things it shows:

- (1) that, during the month of September, 178 applications were received (making a total of 1,472 during the current fiscal year) and 58 offers were made (making a total of 555 during the current fiscal year);
- (2) that, of the 6,455 applications received since the inception of the program, 3,135 were rejected or withdrawn and 2,433 resulted in offers;
- (3) that, after allowing for lapses, withdrawals and offers not accepted, the net total of accepted offers stood at 1,813; and
- (4) that, against obligations represented by the net total of 1,813 accepted offers, partial payments had been made in 712 cases and final payments in 17 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 \$1,464 million;
- expected direct new jobs numbering 73,548; and
- incentive grants of \$295.1 million.

Incentive grants actually paid to date total \$64.4 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 September, 1972.

Among other things, it shows that, during the month of September, 6 applications were received (making a total of 46 during the current fiscal year).

TABLE 1
INCENTIVE GRANT APPLICATIONS
DISPOSITION OF APPLICATIONS AND
STATUS OF OFFERS - SEPTEMBER 1972

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	178	1,472	6,455
Applications Withdrawn	106	571	1,789
Applications Rejected	106	414	1,346
Offers Made	58	555	2,433
<u>STATUS OF OFFERS MADE</u>			
Offers Made	58	555	2,433
Offers Lapsed	5	38	125
Offers Declined	4	38	182
Offers Accepted	75	554	2,003
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	75	554	2,003
Accepted Offers Declined or Withdrawn	13	72	190
Net Offers Accepted	62	482	1,813
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	62	482	1,813
No Payment Made			1,084
Partial Payment Made	36	175	712
Final Payment Made	2	17	17

TABLE 2

LOAN GUARANTEE APPLICATIONS

DISPOSITION OF APPLICATIONS AND
STATUS OF OFFERS - SEPTEMBER 1972

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	6	46	182
Applications Withdrawn	8	31	62
Applications Rejected	2	12	46
Offers Made	-	8	19
<u>STATUS OF OFFERS MADE</u>			
Offers Made	-	8	19
Offers Lapsed	-	-	1
Offers Declined	-	1	1
Offers Accepted	-	3	11
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	-	3	11
Accepted Offers Declined or Withdrawn	-	1	2
Net Accepted Offers	-	2	9
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted Guarantees in Operation	-	2	9

PART II - INCENTIVE GRANT ACTIVITY DURING THE MONTH

Part II consists of Table 3 which provides a complete alphabetic listing for the month of September 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 SEPTEMBER 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. Acton Fiberglass Inc.	Acton Vale, P.Q.	Pleasure Craft	E	\$ 57,000	9	10%	\$ 5,700
2. A. Lassonde & Fils Inc.	Rougemont, P.Q.	Apple Juice	E	\$ 35,760	5	10%	\$ 3,576
3. A. Lassonde & Fils Inc.	Rougemont, P.Q.	Apple Juice	N	\$ 149,470	4	10% and \$2,000 per eligible job (4)	\$ 22,947
4. Allarco Developments Limited	Medicine Hat, Alta.	Methanol	N	\$13,030,000	93	10% and \$1,000 per eligible job (68)	\$1,371,000
5. Alphametrics Ltd.	Winnipeg, Man.	Electro-optical Measurements Control Equipment	N	\$ 100,657	22	15% and \$1,600 per eligible job (21)	\$ 48,698
6. Ameublement Castel Inc.	Amqui, P.Q.	Wooden Chairs	N	\$ 126,720	28	15% and \$1,500 per eligible job (28)	\$ 61,008 <i>R</i>
7. Artcraft of Montreal Ltd.	Ville d'Anjou, P.Q.	Lighting Fixtures and Parts	a) E.M. b) N.P.E.	a) \$ 151,950 b) \$ 173,050	18 17	a) 7% b) 7% and \$1,100 per eligible job (17)	a) \$ 10,636 b) \$ 30,814 <i>D</i>

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<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>
8. Astro Industrial Machine Ltd.	Winnipeg, Man.	Highway Trailer Cargo Heaters	N	\$ 113,200	19	12% and \$1,500 per eligible job (15)	\$ 36,084 <u>D</u>
9. B. Brouillet Inc.	Montreal, P.Q.	Wooden Furniture	E	\$ 102,000	22	10%	\$ 10,200
10. Berry Brothers Limited	Argentia, Nfld.	Steel Structures and Equipment	N.P.E.	\$1,500,000	102	20% and \$4,000 per eligible job (102)	\$708,000 <u>D</u>
11. Bradley Bros. Ltd.	Noranda, P.Q.	Protective Steel Pipes	N	\$ 96,500	10	10% and \$450 per eligible job (10)	\$ 14,150
12. Canso Seafoods Limited	Canso, N.S.	Fish Products	N	\$2,000,000	275	20% and \$5,000 per eligible job (275)	\$1,775,000 <u>R</u>
13. Cape Ann Seafoods Limited	Port La Tour, N.S.	Processing Fresh, Frozen and Salted Ground Fish	E.M.	\$ 37,500	8	30%	\$ 11,250
14. Cedrex Ltée	St. Juste de Bretenières, P.Q.	Cedar Shingles	N	\$ 197,355	22	15% and \$1,500 per eligible job (22)	\$ 62,603 <u>R</u>
15. Cegelec Industrie Inc.	Laprairie, P.Q.	High Pressure Air Compressors	E	\$ 799,680	24	6%	\$ 47,980 <u>D</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>
16. Chapman Bros. Ltd.	Amherst, N.S.	Carbonated Beverages	N	\$ 127,500	5	20%	\$ 25,500 <i>R</i>
17. Chilko Modular Ltd.	Grand Forks, B.C.	Modular Housing	N	\$ 399,764	66	10% and \$2,500 per eligible job (66)	\$204,976
18. Cobb's Arm Lime Ltd.	Cobb's Arm, Nfld.	Lime Products	N	\$ 510,000	27	25% and \$3,000 per eligible job (26)	\$205,500 <i>D</i>
19. Dry Kiln Services Limited	Pembroke, Ont.	Kiln Drying Lumber	N	\$ 631,000	18	15% and \$3,000 per eligible job (18)	\$148,650
20. DuPont of Canada Ltd.	North Bay, Ont.	Explosives	N	\$2,125,000	140	12%	\$255,000 <i>R</i>
21. Eastern Canada Packaging Limited	Bromptonville, P.Q.	Polypropylene Bags, Polythene	E	\$ 114,000	9	15%	\$ 17,100
22. Eastern Meat Purveyors (Halifax) Ltd.	Darmouth, N.S.	Comminuted and Portion Controlled Meat Products	N	\$ 300,000	15	15% and \$2,500 per eligible job (15)	\$ 82,500
23. Edward Brush Manufacturing Inc.	Montreal, P.Q.	Staple Set and Twisted-In Wire Brushes	N	\$ 70,000	17	5% and \$500 per eligible job (16)	\$ 11,500
24. Electro-Mecanik (Lac St. Jean) Inc.	Alma, Lac St. Jean, P.Q.	Motor Bobbins and Electric Controls	N	\$ 115,000	11	10% and \$2,850 per eligible job (10)	\$ 40,000 <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>
25. Enterprises A.R.M. Ltée	Daveluyville, P.Q.	Wood and Metal Furniture, etc.	N	\$ 105,500	27	10% and \$1,000 per eligible job (27)	\$ 37,550
26. Expert Candy Ltd.	Montreal, P.Q.	Manufacturing of Candies and Ice Cream Cones	E	\$ 311,000	29	8%	\$ 24,880
27. Farr Company Ltd.	Laval, P.Q.	Industrial Sound Control Equipment	N	\$ 412,000	67	8% and \$700 per eligible job (65)	\$ 78,460 <i>R</i>
28. Fiberfab Canada (1971) Ltd.	Gimli, Man.	Fiberglass Auto Body Kits	N	\$ 150,000	16	15% and \$1,500 per eligible job (14)	\$ 43,500 <i>D</i>
29. Fiberworld Limited	Hawkesbury, Ont.	Polypropylene	E.M.	\$2,360,000	23	5%	\$118,000
30. Fleetwood Corporation	Mount Royal, P.Q.	Portable Color Television Sets	E	\$ 55,750	64	5%	\$ 2,788
31. Fleetwood Corporation	Mount Royal, P.Q.	Portable Black and White Televisions	E	\$ 177,950	66	5%	\$ 8,898
32. Les Frères Clément Limitée	Trois-Rivières, P.Q.	Wooden Chairs and Ski Lifts	E	\$ 114,000	12	15%	\$ 17,100
33. Gary Wilson Tire Service Limited	Renfrew, Ont.	Tire Treads	N.P.E.	\$ 105,700	6	17% and \$2,000 per eligible job (2)	\$ 21,969 <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>
34. Geli - Son Inc.	Evain, Cté Témiscamingue, P.Q.	Imprinting	N	\$ 65,000	12	10% and \$1,300 per eligible job (9)	\$ 18,200
35. General Brake & Clutch Service Ltd.	Winnipeg, Man.	Manufacturing of Re-built Engines and Parts	N.P.E.	\$ 65,796	16	12% and \$1,350 per eligible job (13)	\$ 25,445 <i>L</i>
36. Georges A. Sansregret Inc.	Joliette, P.Q.	Meat Products	E	\$139,100	5	10%	\$ 13,910
37. Gilbert Products Inc.	Pointe-aux- Trembles, P.Q.	Sockets, Cord a) E Set Assembly b) N.P.E. and Plugs, Lamps, Shades and Plastic Wall Decor	a) E b) N.P.E.	a) \$355,325 b) \$266,740	27 40	a) 10% b) 10% and \$900 per eligible job (40)	a) \$ 35,533 b) \$ 62,674
38. Ideal Equipment Co.	Montreal, P.Q.	Newly Designed Textile Machinery	N.P.E.	\$204,672	66	9% and \$850 per eligible job (48)	\$ 59,220
39. Imperial Industries Co.	Winnipeg, Man.	Sporting and Outdoor Leisure Products	N	\$619,000	107	10% and \$1,000 per eligible job (107)	\$168,900
40. Imprimerie du Nord Enrg.	Caraquet, N.B.	Imprinting	N	\$ 54,996	5	30%	\$ 16,499 <i>B</i>
41. J. Blois Corey Limited	Cherryvale, Queen's Co., N.B.	Manufacturing of Lumber	N	\$153,324	11	35% and \$2,000 per eligible job (11)	\$ 75,663

<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>
42. J.R. Lumber Co. Ltd.	Amos, P.Q.	Lumber Chips	E.M.	\$470,000	18	20%	\$ 94,000
43. Jabco Machinery Ltd.	Sherbrooke, P.Q.	Metal Work	N	\$ 72,000	14	15% and \$1,050 per eligible job (14)	\$ 25,500
44. Jacques Poulin Vulcanisation Ltée	Beauceville East, P.Q.	Insulating Soles	N.P.E.	\$ 90,000	14	20% and \$875 per eligible job (8)	\$ 25,000
45. Jet - Tex Dyers Ltd.	Valleyfield, P.Q.	Dyeing and Finishing Fabrics	N	\$833,658	49	5% and \$2,000 per eligible job (47)	\$135,683
46. Kaybel Inc.	Granby, P.Q.	Rugs	N	\$180,000	38	20% and \$1,100 per eligible job (37)	\$ 76,700 <u>R</u>
47. Lima Metal Works Co. Ltd.	Montreal North, P.Q.	Plastic Products	a) E b) N.P.E.	a) \$ 28,300 b) \$ 63,700	Nil 7	a) 10% b) 10% and \$900 per eligible job (7)	a) \$ 2,830 b) \$ 12,670
48. Lingerie Marionnette Limitée	St. Bernard, P.Q.	Lingerie	N	\$160,000	73	25%	\$ 40,000 <u>R</u>
49. Maritime Co-Operative Services Limited	Moncton, N.B.	Pelleted Feed for Livestock	E	\$154,238	1	15%	\$ 23,135
50. Monbec Printing Ltd.	St. Laurent, P.Q.	Industrial Printed Matters	E	\$150,000	13	10%	\$ 15,000
51. Montreal Armature Works Limited	Bathurst, N.B.	Rebuilt Electrical Motors and Generators	N	\$149,175	10	30%	\$ 44,752

<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>
52. Montreal Hardware Mfg. Co. Limited	Boucherville, P.Q.	Hardware Articles	N	\$490,300	6	10%	\$ 49,030
53. Moonbeam Lumber Company Limited	Moonbeam, Ont.	Manufacturing of Lumber	N	\$308,800	34	20% and \$2,500 per eligible job (34)	\$146,760 <u>D</u>
54. Mr. Hanger (Quebec) Inc.	Saint-Laurent, P.Q.	Plastic Hangers	N	\$157,800	23	5% and \$700 per eligible job (23)	\$ 23,990
55. Nawico Cables Ltd.	Lachine, P.Q.	Wire and Cable	N.P.E.	\$126,200	28	10% and \$2,000 per eligible job (10)	\$ 32,620
56. New Monaco Mfg. Inc.	St. Jérôme, P.Q.	Children's Furniture	N	\$115,000	25	8% and \$1,000 per eligible job (25)	\$ 34,200
57. New Way Concrete Products Limited	Bathurst, N.B.	Building Blocks	N	\$ 59,580	10	35%	\$ 20,853 <u>D</u>
58. North Bay T.V. and Audio Ltd.	North Bay, Ont.	Electronic Equipment	E	\$ 34,500	2	18%	\$ 6,210 <u>D</u>
59. Placage Champlain Inc.	Tring - Jonction, P.Q.	Plywood	N.P.E.	\$218,000	65	12% and \$1,200 per eligible job (63)	\$101,760
60. Placage Métropolitain Inc.	Pointe-Aux-Trembles, P.Q.	Metal Plating	M	\$102,000	15	10%	\$ 10,200
61. Priami Chesterfield Inc.	Montreal North, P.Q.	Sofas	E	\$ 43,400	21	5%	\$ 2,170

<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>
62. Renzy Mines Limited (N.P.L.)	Maniwaki, P.Q.	Copper and Nickel Sulphates and Cobalt Oxides	N	\$721,000	45	20% and \$4,000 per eligible job (41)	\$308,200 <u>D</u>
63. S. & P. Furniture Co. Ltd.	Arnprior, Ont.	Wood Furniture	N	\$237,000	45	15% and \$1,500 per eligible job (45)	\$103,050 <u>R</u>
64. Scapa Dryers (Canada) Ltd.	Joliette, P.Q.	Plastic Papermaking Wires	E	\$300,000	10	10%	\$ 30,000
65. Société Coopérative Avicole Régionale	St. Damase, P.Q.	Chicken Products	N.P.E.	\$273,100	71	5% and \$900 per eligible job (65)	\$ 72,155 <u>R</u>
66. Swim Brothers Limited	Lockeport, N.S.	Fresh, Frozen, Smoked and Salted Fish	E.M.	\$115,000	50	30%	\$ 34,500
67. T.J. Hardy Company Limited	Rose Blanche, Nfld.	Fish Oil	N.P.E.	\$ 85,500	4	15% and \$2,000 per eligible job (4)	\$ 20,825
68. Tabago Furniture Ltd.	Ste Thérèse, P.Q.	Wood Furniture	E	\$190,000	30	7%	\$ 13,300
69. Tapes Frontenac Ltée	Beauport, P.Q.	Carpets and Rugs	N	\$100,000	16	20% and \$1,000 per eligible job (14)	\$ 34,000 <u>D</u>
70. Textilco Inc.	Montreal, P.Q.	Dyeing Thread	N.P.E.	\$168,400	9	8% and \$1,000 per eligible job (8)	\$ 21,472

<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>
71. Thorburn Mill Supply Limited	Pointe Claire, P.Q.	Hydraulic Hose Metal and Teflon Hose and Safety Valves	a) E b) N.P.E.	a) \$ 14,966 b) \$ 57,228	8 7	a) 7% b) 7% and \$1,300 per eligible job (7)	a) \$ 1,047 b) \$ 13,106
72. Toastess Corporation (Canada) Ltd.	Pointe Claire, P.Q.	Small Electrical Appliances	E	\$201,000	21	10%	\$ 20,100
73. Trudeau Lumber Inc.	St. Louis de Gonzague, P.Q.	Wood Bobbins for Metal Cables	N	\$246,260	33	7% and \$1,100 per eligible job (29)	\$ 49,138
74. Valley Abattoir	Minitonas, Man.	Fresh and Cooked Meats	E.M.	\$ 87,500	1	10%	\$ 8,750
75. Walker Glass Co. Ltd.	Ville d'Anjou, P.Q.	Mirrors, Frames, Lamp Bases, etc.	a) E b) N.P.E.	a) \$105,286 b) \$119,714	8 15	a) 7% b) 7% and \$1,000 per eligible job (15)	a) \$ 7,370 b) \$ 23,380

ACCEPTED OFFERS SUBSEQUENTLY REVISED

1. American Iron Metal Co. (1969) Ltd. (April 1972)	Montreal, P.Q.	Lead Ingots and Lead Alloys	N.P.E.	\$870,000	24	8% and \$1,500 per eligible job (24)	\$105,600
2. Cancoat Papers Ltd. (May 1972)	Montreal, P.Q.	Electrostatic Photocopying Papers	N	\$630,000	78	10% and \$1,500 per eligible job (73)	\$172,500

<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>
3. Electro-Knit Fabrics (Canada) Ltd. (Sept. 1971)	Montreal, P.Q.	Knitted Fabrics	E	\$872,400	106	10%	\$ 87,240
4. Exotic Veneers Ltd. (Mar. 1972)	St. Leonard, P.Q.	Furniture Components	E.M.	\$166,000	16	10%	\$ 16,600
5. Flakeboard Co. Ltd. (Aug. 1972)	Milltown, N.B.	Particle Board	E	\$2,034,000	57	25%	\$508,500
6. Holiday Luggage Mfg. Co. Inc. (Jan. 1972)	St. Leonard, P.Q.	Luggage	a) M b) N.P.E.	a) \$607,450 b) \$900,095	Nil 115	a) 10% b) 10% and \$1,500 per eligible job (115)	a) \$ 60,745 b) \$262,509 <i>R</i>
7. M. & M. Auto Parts Inc. (Nov. 1971)	Amos, P.Q.	Auto Parts	N	\$286,681	18	25% and \$3,600 per eligible job (9)	\$104,070
8. Penta Sports Products Ltd. (John Platt) (July 1972)	Montreal, P.Q.	Sporting Goods	N	\$140,000	48	6% and \$550 per eligible job (48)	\$ 34,800
9. Union Trunk & Luggage Mfg. Co. Ltd. (Nov. 1971)	Montreal, P.Q.	Trunks	E	\$200,000	40	10%	\$ 20,000
10. Vibrapipe Concrete Products Limited (Aug. 1972)	Blainville, P.Q.	Cement Pipes	E.M.	\$558,000	35	10%	\$ 55,800
11. Vulcanisation Marquis Ltée (Feb. 1972)	Rimouski, P.Q.	Retreaded Tires	E	\$132,360	8	15%	\$ 19,854

<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. A. & G. Welding Shop (Aug. 1972)	Arcola, Sask.						
2. Cambridge Publishers (Canada) Ltd. (Aug. 1971)	Winnipeg, Man.						
3. Carsteel Shredders Ltd. (Sept. 1971)	St. John's, Nfld.						
4. Chubb-Mosler & Taylor Safes, A Division of Chubb Industries Ltd. (Mar. 1972)	St-Laurent, P.Q.						
5. Dawnwood Forest Products Limited (Mar. 1972)	Barry's Bay, Ont.						
6. Dux Machinery Corporation (Jan. 1972)	St. Thérèse, P.Q.						
7. Ingraphics Ltd. (Mar. 1970)	Steinbach, Man.						
8. Kameco Electronics Ltd. (July 1971)	Montreal, P.Q.						
9. La Fabrique Laitière de St-Isidore Ltée (April 1972)	St-Isidore de Prescott, Ont.						
10. Lawn Furniture Inc. (Aug. 1971)	Montreal North, P.Q.						

<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>
11. Plasticraft Mfg. & Sales Ltd. (June 1972)	Saskatoon, Sask.						
12. Premier Wood Products Limited (Jan. 1972)	Trail, B.C.						
13. Saxe Brothers Inc. (Mar. 1972)	Montreal, P.Q.						

PART III - LOAN GUARANTEE ACTIVITY DURING THE MONTH

No Loan Guarantees were accepted, declined, withdrawn or revised during September, 1972.

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.

INDUSTRY CANADA/INDUSTRIE CANADA



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