



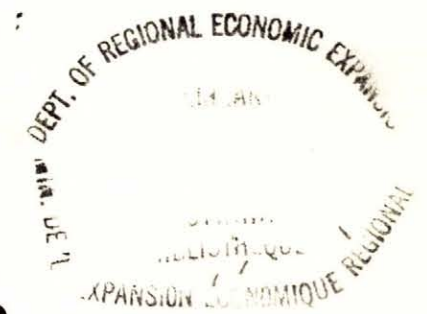
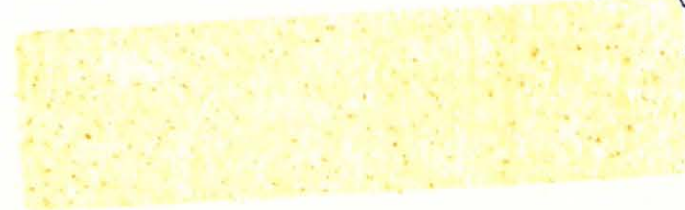
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REPORT ON REGIONAL DEVELOPMENT INCENTIVES

REGIONAL INDUSTRIAL EXPANSION
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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 OCTOBER, 1973

	<u>CONTENTS</u>	<u>PAGE</u>
INTRODUCTION		1
PART I	<u>SUMMARY STATISTICS</u>	7
	Disposition of Applications and Status of Offers	
	Table 1 - Incentive Grant Applications	9
	Table 2 - Loan Guarantee Applications	10
PART II	<u>INCENTIVE GRANT ACTIVITY DURING THE MONTH</u>	11
	Details of Offers Accepted; and of Offers Accepted and Subsequently Revised, Declined, or Withdrawn.	
	Table 3 - Incentive Grant Activity	12
PART III	<u>LOAN GUARANTEE ACTIVITY DURING THE MONTH</u>	24
	Details of Offers Accepted; and of Offers Accepted and Subsequently Revised, Declined, or Withdrawn.	
	Table 4 - Loan Guarantee Activity	25
PART IV	<u>DEFINITIONS</u>	26

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 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, which is available to the general public, is to provide Parliament 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 23, represent more localized focal points of potential development. The designated regions and special areas are shown on the map on page 6.

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.

* Incentive grants ceased to be available in Region C as of June 30, 1973. The region, however, continues to be designated until December 31, 1973, for the purpose of loan guarantees to commercial projects.

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 project.

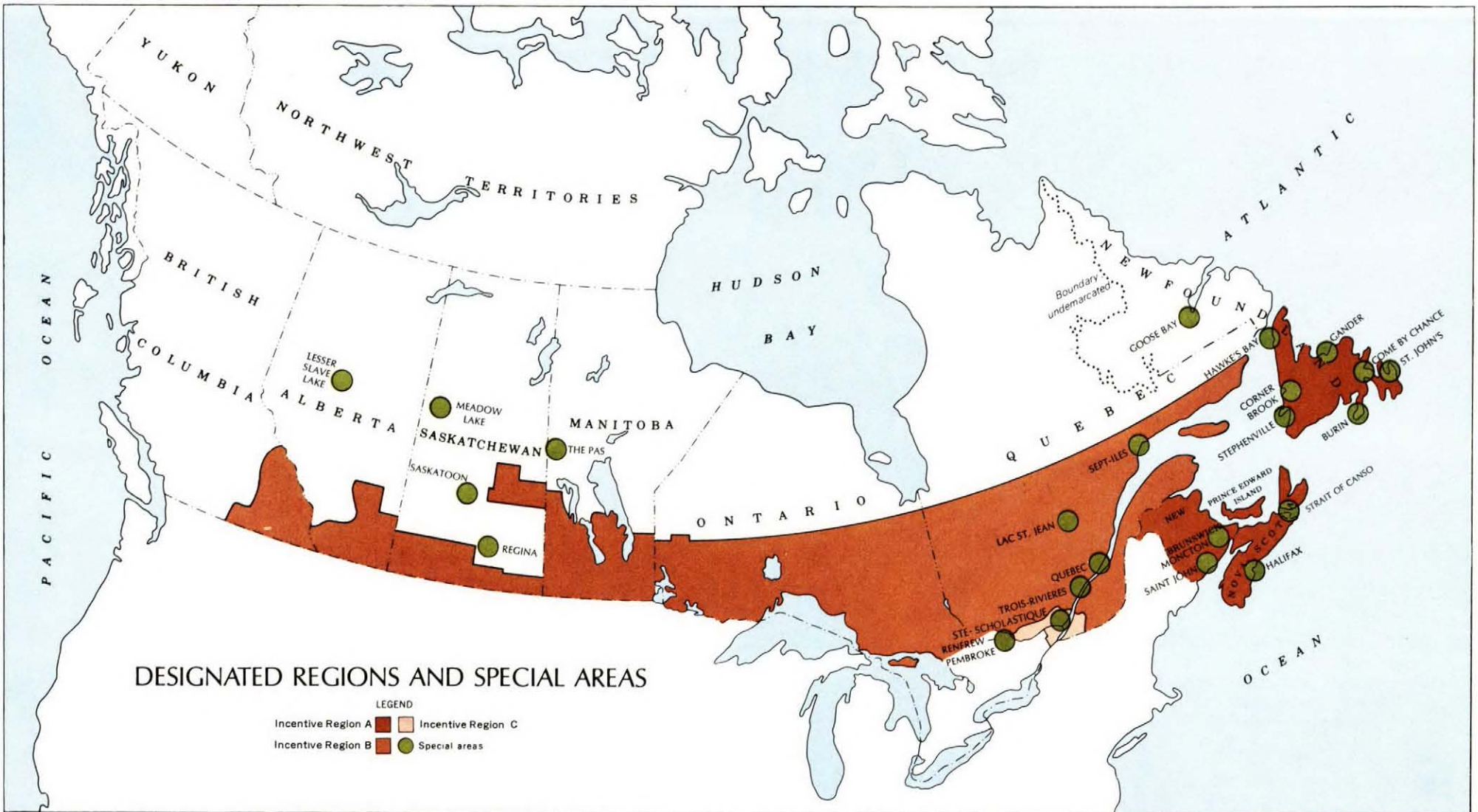
Industrial incentives available under the "Special Area" provisions of the Department of Regional Economic Expansion Act are not subject to the same statutory maxima.

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.

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 the definition 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 support 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 incentive 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, 1973.

Among other things, it shows:

- (1) that, during the month of October, 123 applications were received and 65 offers were made;
- (2) that, of the 8,514 applications received since the inception of the program, 4,751 were rejected or withdrawn and 3,371 resulted in offers;
- (3) that, after allowing for lapses, withdrawals and offers not accepted, the net total of accepted offers stood at 2,491 and
- (4) that, against obligations represented by the net total of 2,491 accepted offers, partial payments had been made in 1,187 cases and final payments in 174 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 \$1,946.5 million;
- ... expected direct new jobs numbering 101,429
and
- ... incentive grants of \$391.9 million.

Incentive grants actually paid to date total \$121.4 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, 1973.

Among other things, it shows that, during the month of October, one application was received, and one offer was made. The one accepted offer was offset by two accepted offers that were subsequently declined or withdrawn.

TABLE 1

INCENTIVE GRANT APPLICATIONS

DISPOSITION OF APPLICATIONS AND
STATUS OF OFFERS - OCTOBER 1973

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	123	1005	8514
Applications Withdrawn	51	429	2692
Applications Rejected	26	334	2059
Offers Made	65	529	3371
<u>STATUS OF OFFERS MADE</u>			
Offers Made	65	529	3371
Offers Lapsed	12	34	177
Offers Declined	9	35	253
Offers Accepted	64	488	2867
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	64	488	2867
Accepted Offers Declined or Withdrawn	22	104	376
Net Offers Accepted	42	384	2491
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	42	384	2491
No Payment Made	-	-	1130
Partial Payment Made	46	344	1187
Final Payment Made	10	63	174

TABLE 2

LOAN GUARANTEE APPLICATIONS

DISPOSITION OF APPLICATIONS AND
STATUS OF OFFERS - OCTOBER 1973

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	1	35	250
Applications Withdrawn	2	24	115
Applications Rejected	0	14	74
Offers Made	1	10	39
<u>STATUS OF OFFERS MADE</u>			
Offers Made	1	10	39
Offers Lapsed	1	2	5
Offers Declined	-	-	2
Offers Accepted	1	8	29
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	1	8	29
Accepted Offers Declined or Withdrawn	2	4	6
Net Offers Accepted	(1)	4	23
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	(1)	4	23
Guarantees in Operation	3	7	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 and 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 1973

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. Alanco Ltée	Montreal, P.Q.	Metal Plating and Anodizing	N	\$ 788,000	70	8% and \$500 per eligible job (70)	\$ 98,040 <u>D</u>
2. Alberta Bean Growers Ltd.	Bow Island, Alta.	Processing Beans	N	\$ 250,800	6	20%	\$ 50,160 <u>R</u>
3. Anil Canada Limited	Chester, N.S.	Prefinished Hardboard Siding	E	\$ 950,000	32	20%	\$ 190,000
4. Boulangerie Cooperative St-Augustin	St-Augustin, P.Q.	Bakery	E	\$ 130,100	8	15%	\$ 19,515
5. Brass & Bronze Mfg. Co. Ltd.	Montreal, P.Q.	Telephone Booths	E	\$ 67,000	22	10%	\$ 6,700 <u>D</u>
6. Browning Harvey Limited	Grand Falls, Nfld.	Soft Drinks	E	\$ 277,000	7	20%	\$ 55,400 <u>R</u>
7. Cabotcraft Industries Limited	Point Edward, N.S.	Fibreglass Boats	N	\$ 385,000	40	25% and \$3,000 per eligible job (40)	\$ 216,250

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>
8. Canada Softwoods Limited	Lac au Saumon, P.Q.	Kiln Dried Softwood Lumber	N	\$ 150,000	4	15%	\$ 22,500 <i>D</i>
9. Canadian Pine Classics Limited	Arnprior, Ont.	Pine Furniture	N	\$ 564,400	61	15% and \$1,300 per eligible job (61)	\$ 163,960 <i>D</i>
10. Canadian Publishers (1970) Ltd.	Winnipeg, Man.	Printing of Flyers and Catalogues	N	\$ 522,000	34	10%	\$ 52,200 <i>L</i>
11. Carapac Limited	Caraquet, N.B.	Processing Marinated Herring	N	\$ 175,000	38	15% and \$1,000 per eligible job (38)	\$ 64,250 <i>R</i>
12. Carter Temro Ltd.	Winnipeg, Man.	Engine Heater Components	E	\$ 78,000	6	15%	\$ 11,700
13. Central Alberta Dairy Pool	Bassano, Alta.	Honey	E.M.	\$ 121,100	6	15%	\$ 18,165
14. Chase Nuclear (Canada) Limited	Renfrew, Ont.	Zirconium Alloy Pressure Tubing	N	\$2,575,000	33	18% and \$1,000 per eligible job (33)	\$ 496,500 <i>R</i>
15. Chipman Wood Products (1973) Ltd.	Chipman, N.B.	Fence Panels	N	\$ 486,300	43	25% and \$1,000 per eligible job (43)	\$ 164,575

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>
16. Mr. Adrice P. Cormier	Cape Bald, N.B.	Processing of Clams and Groundfish	E	\$ 37,000	2	30%	\$ 11,100
17. Coronet Boats Limited	Woodstock, N.B.	Fiberglass Power Boats	N	\$ 680,000	40	25% and \$3,000 per eligible job (40)	\$ 290,000
18. Croydon Manufacturing Co. Limited	Sherbrooke, P.Q.	Rainwear and Sportswear	N	\$ 488,000	174	15% and \$450 per eligible job (173)	\$ 151,050
19. Dairy Producers Co-operative Ltd.	Saskatoon, Sask.	Cheese, Ice Cream and Milk	E.M.	\$ 357,300	Nil	10%	\$ 35,730
20. Dairy Producers Co-operative Ltd.	Saskatoon, Sask.	a) Cheddar Cheese, Milk Powder and Animal Feed	a) N.P.E.	a) \$ 708,100	a) 27	a) 10% and \$2,000 per eligible job (27)	a) \$ 124,810
		b) Butter	b) M	b) \$ 168,250	b) Nil	b) 10%	b) \$ 16,825
21. DeLong Chick Hatchery Co. Ltd.	New Germany, N.S.	Eggs	E.M.	\$ 87,072	7	30%	\$ 26,121
22. Diamond Metal Products Ltd.	Laval, P.Q.	Hospital and Institutional Equipment	N	\$ 370,000	37	5% and \$1,000 per eligible job (34)	\$ 52,500
23. E.J. Green & Company Limited	Winterton, Nfld.	Fish Processing	E.M.	\$ 39,280	6	20%	\$ 7,856

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>
24. F.G. Bradley Co. Ltd.	Winnipeg, Man.	Meat Processing	N	\$ 410,000	69	5% and \$2,900 per eligible job (33)	\$ 116,200
25. Farinon Electric of Canada Ltd.	Dorval, P.Q.	Communication Equipment	E	\$ 274,000	66	10%	\$ 27,400
26. Filature Lemieux Inc.	St-Ephrem, P.Q.	Wool Yarn	E	\$ 103,000	12	15%	\$ 15,450
27. Fishery Products Limited	Catalina, Nfld.	Processing of Caplin	N.P.E.	\$ 621,070	55	25%	\$ 155,268 <i>B</i>
28. Fort Amherst Seafoods Ltd.	Quidi Vidi, Nfld.	Processing of Caplin	N.P.E.	\$ 174,000	45	20% and \$2,000 per eligible job (45)	\$ 124,800 <i>B</i>
29. G.H. Lund Boat Co. Ltd.	Steinbach, Man.	Fiberglass Boats	N	\$ 360,000	48	5% and \$1,000 per eligible job (48)	\$ 66,000
30. Haley Industries Ltd.	Renfrew, Ont.	Magnesium Castings	E.M.	\$ 654,435	48	20%	\$ 130,887
31. Hansa-Sealand Ltd.	Moncton, N.B.	Aluminum Doors and Related Products	E	\$ 72,248	6	20%	\$ 14,450
32. Huhn Seal Company Ltd.	St-Laurent, P.Q.	Engine and Marine Seals	N	\$ 280,000	10	10% and \$1,000 per eligible job (10)	\$ 38,000

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>
33. I.T.P. America Corporation (T.B.I.)	Montreal, P.Q.	Transfer Printing of Fabrics	N	\$ 173,000	25	7% and \$700 per eligible job (25)	\$ 29,610 <i>D</i>
34. Island Maid Margarine Company Limited	St. John's, Nfld.	Margarine	N	\$ 368,000	18	15% and \$2,500 per eligible job (15)	\$ 92,700 <i>D</i>
35. J.R. Lumber Co. Ltd.	Amos, P.Q.	Lumber	E	\$ 478,400	36	15%	\$ 71,760
36. Jos. T. Beaudoin Ltée	Thetford Mines, P.Q.	Polyethylene Bags	M	\$ 153,000	4	10%	\$ 15,300 <i>D</i>
37. Lehto Printers Limited	Thunder Bay, Ont.	Lithographing and Commercial Printing	N	\$ 263,645	6	20%	\$ 52,729 <i>R</i>
38. Les Aliments Maxi Inc.	La Pocatière, P.Q.	Frozen Foods	N	\$ 660,800	71	15% and \$1,500 per eligible job (66)	\$ 198,120 <i>D</i>
39. Les Bateaux L.B.L. Inc.	Princeville, P.Q.	Aluminum Boats	N	\$ 126,000	28	17% and \$1,200 per eligible job (24)	\$ 50,220
40. Les Industries Saulnier Inc.	Terrebonne, P.Q.	Wood Pallets and Iron and Steel Machining	N	\$ 285,000	34	5% and \$800 per eligible job (34)	\$ 41,450 <i>D</i>

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>
41. Les Scies Du Saguenay Lac St-Jean Ltée	Alma, P.Q.	Saws	N	\$ 175,850	13	20% and \$3,000 per eligible job (13)	\$ 74,170
42. MacDonald and Son (North Bay) Limited	North Bay, Ont.	Beverages	N.P.E.	\$ 182,500	16	20% and \$2,000 per eligible job (13)	\$ 62,500
43. MacPherson Meat Packers Ltd.	Montague, P.E.I.	Meat Processing	E.M.	\$ 30,000	3	30%	\$ 9,000
44. Maurice St-Laurent Ltée	St-Bruno, P.Q.	Butter and Cheese	N	\$ 415,248	17	8% and \$1,250 per eligible job (13)	\$ 49,470
45. Moduline Industries (Maritimes) Ltd.	Amherst, N.S.	Sectional Mobile Homes	N	\$ 850,000	125	10% and \$1,000 per eligible job (125)	\$ 210,000
46. Nipissing Cedar Products Ltd.	Sturgeon Falls, Ont.	Cedar Shingles	N	\$ 396,000	55	20% and \$1,400 per eligible job (55)	\$ 156,200
47. Northern Armature Works Limited	Timmins, Ont.	Coils for Electric Motors	N	\$ 176,239	13	15% and \$3,000 per eligible job (13)	\$ 65,436
48. Nosco Enterprises Limited	Lunenburg, N.S.	Processing of Natural Food Products	N	\$ 72,000	14	15% and \$1,500 per eligible job (11)	\$ 27,300

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>
49. Ocean Harvesters Ltd.	Old Perlican, Nfld.	Processing Frozen Fish	E	\$ 129,000	45	20%	\$ 25,800 <i>D</i>
50. P. Janes & Sons Limited	Hant's Harbour, Nfld.	Fish Processing	E.M.	\$ 102,883	76	20%	\$ 20,576
51. Panelbilt Du Canada Ltée	Alma, P.Q.	Prefabricated Homes	N	\$ 626,815	41	15% and \$2,700 per eligible job (40)	\$ 202,022 <i>R</i>
52. Ralston Purina of Canada Ltd.	Levis, P.Q.	Silo Staves	N	\$ 115,500	14	10% and \$1,500 per eligible job (11)	\$ 28,050
53. Residential Concrete Products Limited	Dartmouth, N.S.	Precast Concrete Products	N	\$ 115,000	6	20% and \$2,500 per eligible job (6)	\$ 38,000 <i>R</i>
54. Robb Engineering	Amherst, N.S.	Structural Steel Products	E.M.	\$1,268,000	33	20%	\$ 253,600
55. ROC Machineries Inc.	Ville St-Pierre, P.Q.	Concret Mixers	N	\$ 73,000	23	10% and \$650 per eligible job (23)	\$ 22,330
56. Sally Ann Baking Company Limited	Glace Bay, N.S.	Baked Goods	N	\$ 200,000	19	20% and \$2,000 per eligible job (15)	\$ 70,000
57. Scierie Gallichan Inc.	Launay, P.Q.	Lumber	N	\$ 900,000	48	15% and \$1,500 per eligible job (48)	\$ 207,000

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>
58. Société Coopérative Agricole De Chicoutimi	Chicoutimi, P.Q.	Processing Milk, Cream and Ice Cream	N	\$ 492,769	19	20%	\$ 98,553 0
59. Tiny Tots Knitting Mills Inc.	Montreal, P.Q.	Children's Knitted Outerwear	E	\$ 87,000	38	8%	\$ 6,960 0
60. Treco Inc.	St-Romuald, P.Q.	Furniture	N	\$ 730,000	104	10% and \$1,200 per eligible job (104)	\$ 197,800
61. Tucker Plastic Products Ltd.	Coaticook, P.Q.	Plastic Products	E	\$ 693,500	40	15%	\$ 104,025
62. Uniwall Cedar Homes & Cottages Ltd.	Hartland, N.B.	Cedar Planks for Cottages	N	\$ 71,000	11	20% and \$1,650 per eligible job (10)	\$ 30,700 0
63. Vardy's Limited	Hickman's Harbour, Nfld.	Lumber and Miscellaneous Wood Products	N	\$ 83,000	14	25% and \$1,500 per eligible job (14)	\$ 41,750
64. Wallken Enterprises Limited	Mount Pearl, Nfld.	Roof Trusses and Wall Panels	N	\$ 76,900	16	25% and \$1,500 per eligible job (16)	\$ 43,225

ACCEPTED OFFERS SUBSEQUENTLY REVISED

<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. Blue Cove Packing Co. Ltd. (Aug. 1973)	Blue Cove, N.B.	Marinated Fish	N	\$ 85,000	20	30%	\$ 25,500 <i>B</i>
2. Canada Packers Limited (June 1973)	Upper Canard, N.S.	Processing Poultry Products	E	\$ 791,500	24	15%	\$ 118,725 <i>B</i>
3. Chippin Bros. Limited (July 1973)	Fredericton, N.B.	Meat Products	E	\$ 606,900	14	20%	\$ 121,380
4. Crystal Plastics Ltd. (Nov. 1971)	Saint John, N.B.	Plastic Containers	E	\$ 190,000	5	30%	\$ 57,000
5. Herpak Inc. (July 1973)	Montreal, P.Q.	Smoked Meat and Sausages	a) E b) N.P.E.	a) \$ 87,000 b) \$ 66,650	a) 19 b) 9	a) 8% b) 8% and \$1,000 per eligible job (9)	a) \$ 21,292 b) \$ 6,960
6. L'Annonciation Furniture Ltd. (June 1973)	L'Annonciation, P.Q.	Wooden Bedroom Furniture	E.M.	\$ 131,000	11	15%	\$ 19,650
7. North Shore Packing Co. Ltd. (Sept. 1971)	Malpeque, P.E.I.	Fish Processing	E	\$ 98,500	15	20%	\$ 19,700
8. J.E. Totte and P. Totte (Feb. 1973)	The Pas, Man.	Bakery	N	\$ 83,805	5	20% and \$2,000 per eligible job (5)	\$ 26,761
9. Ubald Forest & Fils Ltée (May 1972)	La Visita-Vion, P.Q.	Sawmill	E.M.	\$ 60,000	-	8%	\$ 4,800

ACCEPTED OFFERS SUBSEQUENTLY REVISED

<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. W.R. Zeidler (1962) Ltd. (July 1971)	Mitsue Lake, Alta.	Spruce, Poplar, Lumber and Veneer	N	\$3,206,650	100	20% and \$4,000 per eligible job	\$1,041,330

ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN

1. Arrowhead Textiles Ltd. (Nov. 1972)	Granby, P.Q.						
2. Burns Foods Limited (May 1973)-	Regina, Sask.						
3. Canadian Art Studios Ltd. (Aug. 1971)	Bedford, P.Q.						
4. Cassell & Sons Aluminum & Construction Co. Ltd. (Feb. 1973)-	Windsor, Nfld.						
5. Cobb's Arm Lime Ltd. (Sept. 1972)	Cobb's Arm, Nfld.						
6. Continental Breweries Ltd. (Oct. 1971)	Montreal, P.Q.						
7. Daigle Aqua Inc. (Nov. 1971)	Cowansville, P.Q.						
8. Eastern Printing Plates Co. Ltd. (Feb. 1972)	Montreal, P.Q.						
9. Glaverbel Canada Limitée (Dec. 1969)	Bécancourt, P.Q.						
10. James Richardson Company (Limited) (Feb. 1973)-	Grande Vallée, P.Q.						

ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN

<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. Lépine-Laurier Inc. (Aug. 1973)	St-Gregoire, P.Q.						
12. Les Industries Matagami Inc. (Aug. 1973)	Matagami, P.Q.						
13. Meubles Dumont Inc. (Nov. 1971)	Berthierville, P.Q.						
14. Monette & Larivière Inc. (May 1972)	Valleyfield, P.Q.						
15. Nor Packers (66) Ltd. (Oct. 1972)	Montreal-Nord, P.Q.						
16. Port au Choix Shipbuilding & Supply Ltd. (Aug. 1972)	Port-au-Choix, Nfld.						
17. Quebec Reman Ltd. (Oct. 1972)	St-Paul l'Ermite, P.Q.						
18. Tapis Frontenac Ltée (Sept. 1972)	Beauport, P.Q.						
19. Tilly Manufacturing Ltd. (April 1973)	Dorval, P.Q.						
20. Goucan Industries Ltd. (June 1972)	Dorval, P.Q.						
21. Westank Industries Ltd. (Nov. 1970)	Regina, Sask.						
22. Westcott's Limited (May 1972)	St. John's, Nfld.						

ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN

<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>
23. Western Moulded Pulp Products Ltd. (Mr. H. J. Sheriff) (Jan. 1973)	Kimberley, B.C.						

ACCEPTED GRANT OFFER PREVIOUSLY WITHDRAWN
BUT RE-ACTIVATED DURING OCTOBER, 1973

1. J.S. Tricots (June 1972)	Montreal, P.Q.	Sweaters and Co-ordinates	N	\$ 93,000	66	5% plus \$300 per eligible job (66)	\$ 24,450
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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 1973

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. Extender Minerals of Canada Ltd.	Matachewan, Ont.	Industrial Filters	\$ 186,000	10	\$ 60,000	\$ 54,000

OFFERS ACCEPTED AND SUBSEQUENTLY REVISED

Nil

OFFERS ACCEPTED AND SUBSEQUENTLY DECLINED OR WITHDRAWN

1. Continental Breweries Ltd. (June 1973)	Coteau Station, P.Q.
2. Ostman Lumber Company Limited (May 1972)	Bancroft, Ont.

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 from the date of the offer. 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 the 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 until 24 months after the certified date of commercial production when the incentive is based only on approved capital costs; or until 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 organization 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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