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**Regional Economic Expansion**  
**Expansion Économique Régionale**

# **REPORT ON REGIONAL DEVELOPMENT INCENTIVES**

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**June, 1973**

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 JUNE, 1973

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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 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 six.

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 end of the month under review in this report. 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.

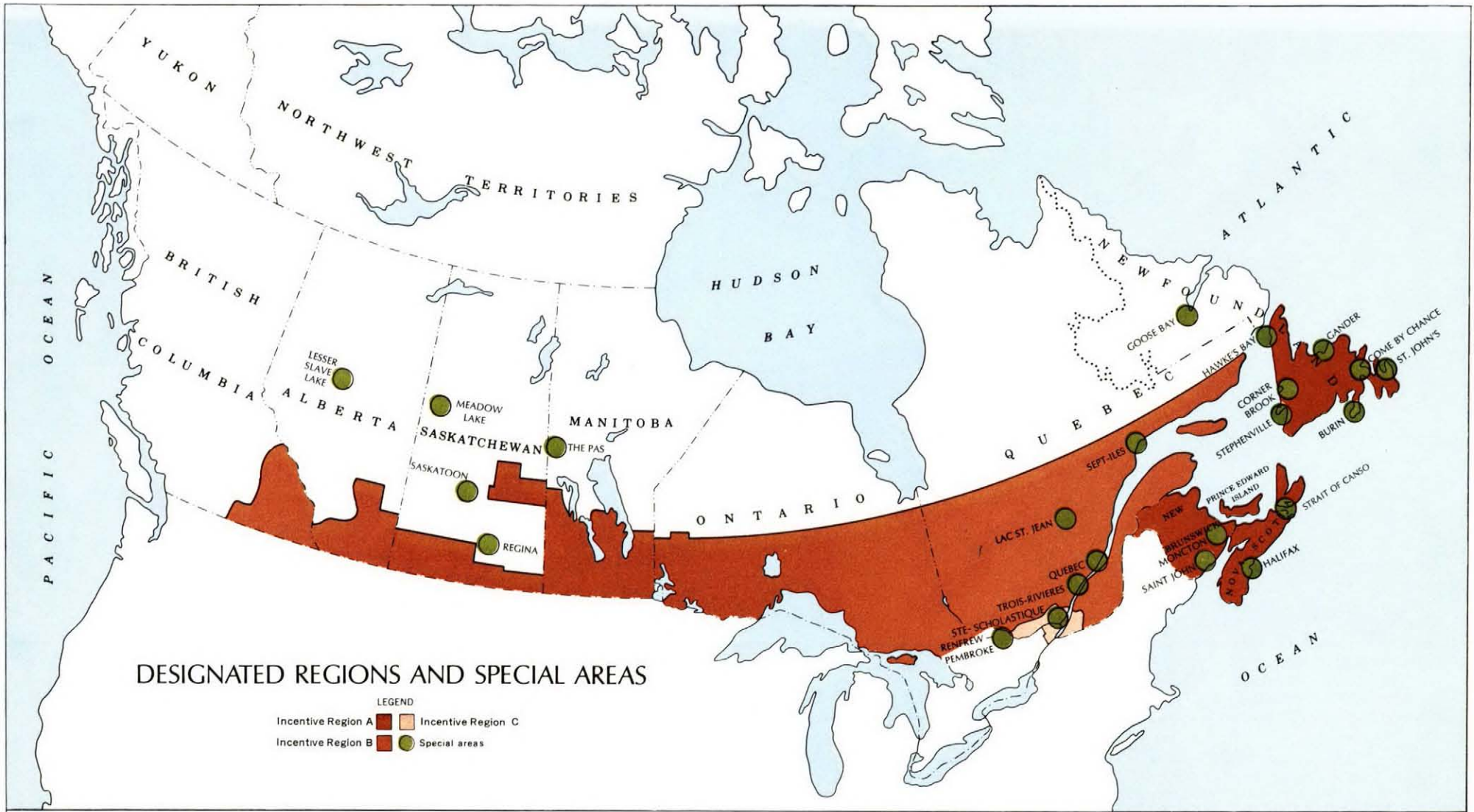
Loan guarantees, which are intended to offset difficulties that investors sometimes encounter in obtaining loan funds for investment in slow-growth regions, may not exceed 90 per cent of the total advances made by a lender, plus the interest involved, or 72 per cent of the total capital costs.

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 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 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.



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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 June 1973.

Among other things, it shows:

- (1) that, during the month of June, 220 applications were received and 170 offers were made;
- (2) that, of the 8,128 applications received since the inception of the program, 4,494 were rejected or withdrawn and 3,167 resulted in offers;
- (3) that, after allowing for lapses, withdrawals and offers not accepted, the net total of accepted offers stood at 2,271; and
- (4) that, against obligations represented by the net total of 2,271 accepted offers, partial payments had been made in 1,062 cases and final payments in 136 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 \$1,842 million;
- ... expected direct new jobs numbering 94,560;
- and
- ... incentive grants of \$371.3 million.

Incentive grants actually paid to date total \$112.4 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 June 1973.

Among other things, it shows that, during the month of June, nine applications were received, and two offers were made.

TABLE 1

INCENTIVE GRANT APPLICATIONS

DISPOSITION OF APPLICATIONS AND  
STATUS OF OFFERS -JUNE 1973

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	220	619	8128
Applications Withdrawn	126	275	2544
Applications Rejected	96	222	1950
Offers Made	170	325	3167
<u>STATUS OF OFFERS MADE</u>			
Offers Made	170	325	3167
Offers Lapsed	6	12	157
Offers Declined	5	13	231
Offers Accepted	97	216	2594
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	97	216	2594
Accepted Offers Declined or Withdrawn	18	51	323
Net Offers Accepted	79	165	2271
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	79	165	2271
No Payment Made	-	-	1073
Partial Payment Made	14	187	1062
Final Payment Made	8	29	136

TABLE 2

LOAN GUARANTEE APPLICATIONS

DISPOSITION OF APPLICATIONS AND  
STATUS OF OFFERS - JUNE 1973

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	9	19	235
Applications Withdrawn	2	12	103
Applications Rejected	1	8	68
Offers Made	2	3	32
<u>STATUS OF OFFERS MADE</u>			
Offers Made	2	3	32
Offers Lapsed	-	1	3
Offers Declined	-	-	2
Offers Accepted	2	4	<b>25</b>
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	2	4	25
Accepted Offers Declined or Withdrawn	-	1	3
Net Offers Accepted	2	3	22
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	2	3	22
Guarantees in Operation	1	2	8

PART II - INCENTIVE GRANT ACTIVITY DURING THE MONTH

Part II consists of Table 3 which provides a complete alphabetic listing for the month of June 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 JUNE 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 Job</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
1. Action Knitting Mills Ltd.	Montreal, P.Q.	Ladies' Knitted Sweaters	N	\$ 247,000	48	5% and \$300 per eligible job (45)	\$ 25,850 <i>D</i>
2. Aldo Aliments Congelés Ltée	St-Eustache, P.Q.	Frozen Foods	N	\$ 60,350	9	10% and \$1,200 per eligible job (8)	\$ 15,635
3. Art Textiles Acadia Ltd.	Lunenburg, N.S.	Woven Fabrics and Sewn Goods	E	\$ 88,000	12	30%	\$ 26,400- <i>D</i>
4. Arvin Special Machinery Limited	Chatham, N.B.	Machine Parts	N	\$ 393,000	25	15% and \$4,000 per eligible job (25)	\$ 158,950 -
5. B.S.C. Printers Limited	Gander, Nfld.	Printed Products	N	\$ 53,250	3	30%	\$ 15,975-
6. B. & R. Choinière Ltée	Ste-Thérèse Ouest, P.Q.	Agricultural Machines	N	\$ 455,000	162	10% and \$750 per eligible job (138)	\$ 149,000

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>
7. Ben Hokum and Son Ltd.	North Algoma Township, Ont.	Lumber	M	\$ 163,500	30	20%	\$ 32,700~
8. Ben Hokum and Son (Quebec) Limited	Clarendon Township, P.Q.	Lumber	N	\$ 557,000	55	10% and \$2,000 per eligible job (55)	\$ 165,700
9. Bercotec Inc.	Montreal, P.Q.	Push Trucks, Bases in Formed Sheet Metal and Chrome and Hydraulic Beds (Products for Hospitals)	N.P.E.	\$ 71,500	29	5% and \$500 per eligible job (25)	\$ 16,075 <sup>0</sup>
10. Bishop Manufacturing Ltd.	Bishopton, P.Q.	Coffins	E.M.	\$ 137,000	22	20%	\$ 27,400
11. Bonbons Sagoine Candy Ltée	Grande-Anse, N.B.	Candy	N	\$ 104,800	8	20% and \$2,500 per eligible job (8)	\$ 40,960-
12. Boucherie Roy Inc.	Verdun, P.Q.	Meat Processing	E	\$ 45,000	8	10%	\$ 4,500
13. Boulangerie R. Langlais & Fils Ltée	Gaspé, P.Q.	Bread and Pastry	E	\$ 50,000	4	20%	\$ 10,000
14. Burlington Industries (Canada) Limited	Granby, P.Q.	Nylon Raw Yarn	N.P.E.	\$ 544,000	25	10% and \$1,000 per eligible job (25)	\$ 79,400

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>
15. Canada Packers Limited	Upper Canard, N.S.	Poultry Products	E	\$ 655,000	24	15%	\$ 98,250- <i>R</i>
16. Charlton-Leslie Engineering Ltd.	Saint John, N.B.	Metal Pipe and Fittings	N	\$ 358,000	58	20% and \$3,500 per eligible job (58)	\$ 274,600- <i>R</i>
17. Clifford C. Long and Sons Limited	White Rock, N.S.	Green Rough Lumber	M	\$ 87,500	2	30%	\$ 26,250- <i>R</i>
18. Collins & Aikman Limited	Farnham, P.Q.	Automotive Carpet	E.M.	\$1,005,000	13	8%	\$ 80,400
19. Delta Clothing Inc.	Ste-Thérèse de Blainville, P.Q.	Clothes Sewing	E	\$ 100,000	<del>46</del> 54	10%	\$ 10,000
20. Dominion Foam Corporation	St-Léonard, P.Q.	Polyurethane Foams	E	\$ 638,500	45	8%	\$ 51,080
21. Donald E. Beckett Ltd.	Martinon, N.B.	Lumber	N	\$ 161,300	11	10% and \$2,000 per eligible job (11)	\$ 38,130~
22. Driam Pipes Quebec Ltd.	St-Hubert, P.Q.	Spiral Steel Pipe	N	\$ 165,000	23	10% and \$1,300 per eligible job (21)	\$ 43,800
23. Duchesne et Fils Ltée	Yamachiche, P.Q.	Metal Trellis-Work	N	\$ 824,000	23	20% and \$3,500 per eligible job (23)	\$ 245,300

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>
24. Elast-O-Flex Inc.	Ste-Hénédine, P.Q.	Caterpillar treads for Snowmobiles	N	\$ 227,200	25	10% and \$2,500 per eligible job (25)	\$ 85,220
25. Electro-Knit Fabrics (Canada) Ltd.	Mount-Royal, P.Q.	Knitted Goods, Dyeing of Yarns and Piece Dyeing and Finishing of Fabrics	N	\$2,530,000	296	10% and \$1,500 per eligible job (125)	\$ 440,500
26. Enseignes Raymond Inc.	Vanier, P.Q.	Plastic Moulding	N.P.E.	\$ 38,736	3	15%	\$ 5,810
27. Eurocan Plastics Inc.	Trois-Rivières, P.Q.	Ultra-High Molecular Weight Polyethylene Products	N	\$ 333,000	47	20% and \$1,000 per eligible job (47)	\$ 113,600
28. Foam-Form (Manitoba) Limited	Selkirk, Man.	Polystyrene Building Forms	N	\$ 200,000	10	15% and \$2,100 per eligible job (9)	\$ 48,900—
29. Fonderie Magog Ltée	Magog, P.Q.	a) Gray and Ductile Cast Iron	a) E.M.	a) \$1,037,880	a) 28	a) 20%	a) \$ 207,576
		b) Stainless Steel and Allied Cast Iron	b) N.P.E.	b) \$ 147,120	b) 13	b) 25% and \$5,000 per eligible job (13)	b) \$ 101,780

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>
30. G.C. Knitting Inc.	La Providence, P.Q.	Athletic Sweaters	N	\$ 368,000	73	10% and \$650 per eligible job (64)	\$ 78,400
31. Galt Equipment Limited	Candiac, P.Q.	Refrigeration Equipment	N.P.E.	\$ 106,000	29	8% and \$800 per eligible job (23)	\$ 26,880
32. Grenache Inc.	St-Damien, P.Q.	Frozen Beverages and Juices	E.M.	\$ 350,000	15	10%	\$ 35,000 <i>0</i>
33. H.N. Biron & Fils Inc.	Nicolet, P.Q.	Socks	E.M.	\$ 196,000	16	15%	\$ 29,400
34. Ideal Builders Hardware Corporation	Lasalle, P.Q.	Casters and Plating on Steel and Zinc Parts	N	\$ 630,000	30	7% and \$1,500 per eligible job (28)	\$ 86,100
35. Impressions Créatives 4 Limitée	Montreal, P.Q.	Printing	E	\$ 74,000	4	10%	\$ 7,400
36. Industries Maibec Inc.	St-Pamphile, P.Q.	Cedar Shingles	E	\$ 130,000	20	15%	\$ 19,500
37. J.W. Hiscock Sons Limited	Brigus, Nfld.	Fish Processing	E	\$ 95,000	16	30%	\$ 28,500-
38. Jace Tapes Incorporated	St-Hyacinthe, P.Q.	Zippers	E	\$ 389,000	19	8%	\$ 31,120
39. Jarvis Clark Company Limited	North Bay, Ont.	Mining Machinery	E	\$ 929,000	80	15%	\$ 139,350 -

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>
40. Jay-Dee Products Ltd.	Winnipeg, Man.	Cresting and Embroidery of Yarn Goods	E	\$ 75,680	33	20% and \$700 per eligible job (14)	\$ 24,930
41. Jimmy's Sportswear Inc.	Montreal, P.Q.	Ladies' Clothing	E.M.	\$ 37,050	18	10%	\$ 3,705
42. L. D'Amour Inc.	Montreal Nord, P.Q.	Metal Boxes for Fluorescent Lighting and Metal Shelves	E	\$ 148,000	17	10%	\$ 14,800
43. Cie de Bois Gérard Côté Inc.	Ville St-Georges, P.Q.	Lumber	N	\$1,627,050	67	15% and \$2,500 per eligible job (67)	\$ 411,558
44. Laiterie Etchemin Inc.	Lac Etchemin, P.Q.	Cheese	N	\$ 117,176	8	15% and \$2,000 per eligible job (8)	\$ 33,576
45. Lakeburn Lumber Limited	East Dieppe, N.B.	Lumber	E.M.	\$ 73,691	1	30%	\$ 22,107 -
46. Aldège Landry	Dupuis Corner, N.B.	Wooden Boxes	N	\$ 31,200	3	30%	\$ 9,360 -
47. Langley Fruit Packers Limited	Montague, P.E.I.	Frozen Vegetables	E	\$ 70,000	17	20%	\$ 14,000 -
48. L'Annonciation Furniture Ltd.	L'Annonciation, P.Q.	Bedroom Wooden Furniture	E.M.	\$ 131,000	11	15%	\$ 19,650

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. Le Fumoir Co. Ltd.	Crysler, Ont.	Meat Products	N	\$ 95,600	8	10% and \$2,000 per eligible job (8)	\$ 25,560--
50. Leisure Cedar Homes Construction Inc.	Laval, P.Q.	Pre-Cut Cedar Houses	N	\$ 135,000	34	5% and \$500 per eligible job (26)	\$ 19,750
51. Les Chantiers de Chibougamau Ltée	Chibougamau, P.Q.	Lumber	E	\$ 363,846	10	15%	\$ 54,576
52. Les Installations Electriques Joslyn Ltée	Anjou, P.Q.	Electrical Equipment and Components	N	\$ 590,000	100	10% and \$800 per eligible job (75)	\$ 119,000
53. Les Lainages Victor Ltée	St-Victor, P.Q.	Woollen Blankets and Material	E	\$ 740,000	25	15%	\$ 111,000
54. Les Manufacturiers Warwick Ltée	Woburn, P.Q.	Lumber	N	\$ 166,606	15	10% and \$1,000 per eligible job (15)	\$ 31,660
55. Lullaby Products Incorporated	Ville d'Anjou, P.Q.	Pads, Mattresses and Juvenile Furniture	N	\$ 512,000	16	10%	\$ 51,200
56. MacDonald & Fils Cie Ltée	Ville d'Anjou, P.Q.	Filtration and Purification Machines	N	\$ 41,400	6	10%	\$ 4,140

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>
57. Maritime Steel and Foundries Ltd.	New Glasgow, N.S.	Steel Products	E.M.	\$ 576,000	16	20%	\$ 115,200-
58. Maurice Lamoureux Limitée	St-Isidore de Prescott, Ont.	Egg Candling	N	\$ 367,557	13	10%	\$ 36,756-
59. Maxine Footwear Company Inc.	Montreal, P.Q.	Ladies' Shoes	N	\$ 221,000	114	5% and \$300 per eligible job (100)	\$ 41,050 <u>0</u>
60. Mercury Wire & Nail Co. Ltd.	St-Hyacinthe, P.Q.	Nails and Clear and Tempered Wire	E	\$ 75,000	7	10%	\$ 7,500
61. Montrose Worsted Mills Inc.	Granby, P.Q.	Woven Worsted Fabrics	E	\$ 800,000	19	20%	\$ 160,000
62. Moulding Products Limited	Montreal, P.Q.	Plastic Mouldings	N.P.E.	\$ 166,500	15	8% and \$1,800 per eligible job (15)	\$ 40,320 <u>0</u>
63. N.B. Furniture Mfg. Co. Ltd.	Edmundston, N.B.	Wooden Household Furniture and Components	N	\$1,084,665	105	20% and \$2,500 per eligible job (105)	\$ 479,433- <u>0</u>
64. Omer Roy & Fils Inc.	St-Donat, P.Q.	Picnic Tables and Pieces of Furniture	N	\$ 235,000	44	10% and \$1,200 per eligible job (40)	\$ 71,500 <u>0</u>

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>
65. Mr. R.B. Osmond	Gambo, Nfld.	Dressed Lumber	E.M.	\$ 157,000	6	30%	\$ 47,100—
66. P.A. Gendron Inc.	Ste-Rosalie, P.Q.	Concrete Pipes	M	\$ 142,000	10	10%	\$ 14,200
67. P.E. Boucher Limitée	Ville St-Pascal, P.Q.	Leather Goods	a) E b) N.P.E.	a) \$ 241,000 b) \$ 185,000	a) Nil b) 55	a) 10% b) 10% and \$2,235 per eligible job (55)	a) \$ 24,100 b) \$ 141,425
68. Pentagon Chemicals Limited	Candiac, P.Q.	Aerosols and Chemical Specialties	E	\$ 180,000	8	8%	\$ 14,400
69. Peerless Paper Products Company	St-Laurent, P.Q.	a) Corrugated Containers b) Paper Products	a) E b) N.P.E.	a) \$ 123,000 b) \$ 50,000	a) 18 b) 6	a) 5% b) 5% and \$1,000 per eligible job (6)	a) \$ 6,150 b) \$ 8,500 —
70. Phono-Sonic Radio Corporation	St-Lambert, P.Q.	Stereo and Radio Cabinets	N	\$ 555,000	79	6% and \$1,000 per eligible job (75)	\$ 108,300
71. Pioneer Cabinets Limited	Rivers, Man.	Kitchen Cabinets	N	\$ 440,000	90	15% and \$2,000 per eligible job (86)	\$ 238,000 — 0
72. Placements M.G.B. Inc.	Valleyfield, P.Q.	Fiberglass Cruising Boats	N	\$ 102,750	17	5% and \$1,500 per eligible job (16)	\$ 29,137 — 0

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>
73. Pneus VSP Inc.	St-Léonard, P.Q.	Retreading of tires	N	\$ 145,000	11	10% and \$1,000 per eligible job (9)	\$ 23,500
74. Process Tank & Equipment Mfg. Ltd.	Notre-Dame du Bon Conseil, P.Q.	Reinforced Fiberglass Tanks	N	\$ 302,000	41	10% and \$1,000 per eligible job (41)	\$ 71,200
75. Quebec Tools & Machine Works Ltd., Plate Works Ltd.	St-Laurent, P.Q.	Machinery Pieces	E	\$ 435,000	13	10%	\$ 43,500
76. R.F.I. Industries Inc.	Montreal, P.Q.	a) Gift Wrap b) Ink	a) E b) N.P.E.	a) \$ 112,500 b) \$ 128,000	a) 34 b) 9	a) 10% b) 10% and \$500 per eligible job (9)	a) \$ 11,250 b) \$ 17,300
77. R.S. Associates Ltd.	St-Laurent, P.Q.	Teak and Walnut Furniture and Upholstery	E	\$ 545,750	65	10%	\$ 54,575
78. Mr. Mario Sangiorgi	St-Bruno, P.Q.	Electronic Motors and Attachments for Sewing Machines	N	\$ 600,000	126	10% and \$500 per eligible job (109)	\$ 114,500
79. Sawler Gardens Limited	Berwick, N.S.	Processing of Vegetables	E	\$ 57,000	4	30%	\$ 17,100

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>
80. Septus Sutures Ltd.	St-Laurent, P.Q.	Surgical Sutures and Allied Products	N	\$ 85,750	12	10% and \$1,000 per eligible job (11)	\$ 19,575
81. Stadacona Lumber Division of Gillespie Holdings Ltd.	Winnipeg, Man.	Wooden Boxes, Pallets and Tri-wall Containers	a) E.M. b) N.P.E.	a) \$ 77,000 b) \$ 12,000	a) 6 b) 6	a) 19% b) 19% and \$2,200 per eligible job (6)	a) \$ 14,630 b) \$ 15,480
82. Standard Paper Box Ltd.	Montreal, P.Q.	Corrugated and Folding Cartons	E	\$1,483,000	69	10%	\$ 148,300
83. St-Hubert Ornamental Inc.	Rivières-des-Prairies, P.Q.	Ornamental Products	N	\$ 120,000	18	8% and \$1,400 per eligible job (12)	\$ 26,400
84. Strait Printing and Publishing Company Limited	Port Hawkesbury, N.S.	Commercial Printing	E	\$ 50,000	3	30%	\$ 15,000
85. Structural Foam Products Ltd.	Kirkland Lake, Ont.	Preserved Wood	N	\$ 155,012	9	15% and \$2,000 per eligible job (9)	\$ 41,252
86. Tebbe Polymer Limited	Cornwall, Ont.	Polyesters and Polyurethane Resins	N	\$ 676,300	18	10% and \$2,000 per eligible job (18)	\$ 103,630

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>
87. Techno-Colour Co. Ltd.	Montreal, P.Q.	Colourful Packaging (Cardboard)	N.P.E.	\$ 45,000	5	10%	\$ 4,500
88. Théo Ayotte & Fils Inc.	Amos, P.Q.	Lumber	E.M.	\$ 435,033	35	15%	\$ 65,254
89. Thor Foundry Limited	Winnipeg, Man.	Grey Iron and Aluminum Castings	E.M.	\$ 170,000	15	15%	\$ 25,500-
90. Torpedo Ltée	Lac Megantic, P.Q.	a) Snowshoes b) Table and Chair Sets	a) E b) N.P.E.	a) \$ 67,000 b) \$ 70,000	a) 51 b) 10	a) 20% b) 20% and \$1,750 per eligible job (10)	a) \$ 13,400 b) \$ 31,500
91. Transel Inc.	St-Paul, L'Ermite, P.Q.	Electric Connectors and Connections	N	\$ 140,000	19	10% and \$800 per eligible job (16)	\$ 26,800
92. Valley Fabrication Inc.	St-Timothée, P.Q.	R.O.P.S. Cabins	N.P.E.	\$ 189,200	34	8% and \$1,000 per eligible job (30)	\$ 45,136
93. Veracon Inc.	Sherbrooke, P.Q.	Contact Lenses	E.M.	\$ 290,290	23	15%	\$ 43,543
94. Victoriaville Specialties Co. Ltd.	Victoriaville, P.Q.	Plastic Pieces for the Furniture Industry	N	\$ 767,335	79	15% and \$2,000 per eligible job (79)	\$ 273,100

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ACCEPTED OFFERS

<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>
95. Wear-Well Garments Limited	Stellarton, N.S.	Hospital and Industrial Uniforms	N	\$ 124,000	6	30%	\$ 37,200
96. Western Feed Mills Ltd.	Regina, Sask.	Animal Feed Pellets	N	\$ 358,700	18	15% and \$3,000 per eligible job (12)	\$ 71,805
97. Western Steel Span Buildings Ltd.	Winnipeg, Man.	Steel Prefabricated Buildings	N	\$ 274,000	10	25%	\$ 68,500 <i>R</i>

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. C.M. McLean Limited (Nov. 1972)	New Annan, P.E.I.	Processing of Fruit and Vegetables	N	\$2,581,000	159	20% and \$5,000 per eligible job (159)	\$1,311,200
2. Canon Plastics Limited (Extruded Plastic Products Ltd) (Aug. 1972)	St-Jacques-de- Montcalm, P.Q.	Polyvinyl Chloride Pipe Fittings	N.P.E.	\$ 668,500	26	8% and \$1,500 per eligible job (26)	\$ 92,480
3. Compagnie de Papier Rolland Limitée (April 1973)	St-Jerome, P.Q.	Pigmented "Offset" Paper	M	\$2,070,000	74	10%	\$ 207,000
4. Grande Anse Beverages (Jan. 1973)	Grande Anse, N.B.	Bottling Facility	E.M.	\$ 77,500	2	30%	\$ 23,250
5. Holiday Luggage Mfg. Co. Inc. (Sept. 1972)	St-Léonard, P.Q.	Molded, Soft, Semi-Soft Luggage	N	\$1,148,800	142	10% and \$1,500 per eligible job (115)	\$ 287,380
6. Interprovincial Steel and Pipe Corporation Ltd. (Nov. 1972)	Regina, Sask.	Steel	E	\$1,752,700	196	18%	\$ 315,486
7. Les Plastiques Bou- chell Inc. (Jan. 1973)	St. Anselme, P.Q.	Plastic Articles	N	\$ 199,500	52	15% and \$1,000 per eligible job (52)	\$ 81,925
8. P. Bolduc & Fils Inc. (May 1972)	Val-Alain, P.Q.	Panels for Prefab Houses	M	\$ 48,000	Nil	15%	\$ 7,200

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>
9. Regent Chocolates Limited (March 1973)	St-Hyacinthe, P.Q.	Specialty Chocolate	E	\$1,000,000	50	10%	\$ 100,000
10. Roland Boulanger & Cie Ltée (July 1972)	Warwick, P.Q.	Metal Doors	N.P.E.	\$ 118,512	13	15%	\$ 17,776
11. Trans World Record Corp. (March 1973)	St-Laurent, P.Q.	Records and Tapes	N	\$ 299,000	37	10% and \$1,000 per eligible job (29)	\$ 58,900

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>
1. Atlas Steel Company (June 1972)	Tracy, P.Q.						
2. Ben Hokum and Son (Quebec) Ltd. (May 1973)	Clarendon, P.Q.						
3. Cegelec Industrie Inc. (Sept. 1972)	Laprairie, P.Q.						
4. M. Gonzague Couture (May 1971)	Stratford Centre, P.Q.						
5. Emjay Plastics Ltd. (Sept. 1970)	Moose Jaw, Sask.						
6. Fiberfab Canada (1971) Ltd. (Sept. 1972)	Gimli, Man.						
7. Interfish Limited (July 1971)	Stephenville, Nfld.						
8. L. Melanson Concrete Products Ltd. (Feb. 1972)	St-Anselme, N.B.						
9. Lorette Mechanical Manufacturing (April 1970)	Lorette, Man.						
10. Olivax Electronic Manufacturing (Mar. 1972)	Granby, P.Q.						
11. P.R. Auto Camp Ltée (Aug. 1972)	Terrebonne, 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>
12. Pierfab Inc. (Aug. 1972)	Terrebonne, P.Q.						
13. Sanilit Limited (Feb. 1972)	Alexandria, Ont.						
14. Sklar Manufacturing Limited (Dec. 1971)	Mattawa, Ont.						
15. Trans Canada Enviro- Systems Limited (Marlex Enviro-Systems and Resources Limited) (Dec. 1971)	Grand Forks, B.C.						
16. Woodstock Wood Industries (Dec. 1972)	Woodstock, N.B.						

PART III - LOAN GUARANTEE ACTIVITY DURING THE MONTH

Part III consists of Table 4 which provides a complete alphabetic listing for the month of June 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 JUNE 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. Arcom Systems Manufacturing Ltd.	Slave Lake, Alta.	Modular Wood Buildings	\$ 842,465	192	\$ 500,000	\$ 125,000
2. Continental Breweries Limited	Coteau Station, P.Q.	Brewery and Bottling Plant	\$4,685,000	230	\$3,200,000	\$ 800,000

OFFERS ACCEPTED AND SUBSEQUENTLY REVISED

Nil

OFFERS ACCEPTED AND SUBSEQUENTLY DECLINED; OR WITHDRAWN

Nil

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 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 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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