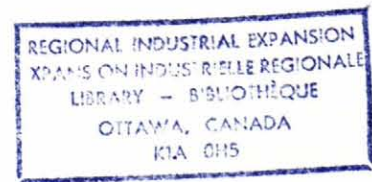
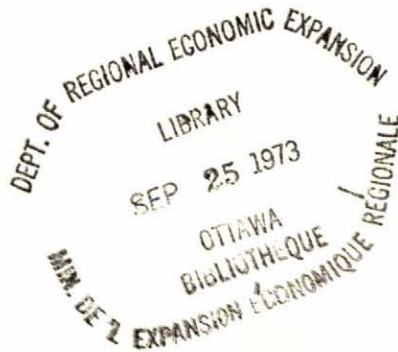




**Regional
Economic
Expansion**

**Expansion
Économique
Régionale**

REPORT ON REGIONAL DEVELOPMENT INCENTIVES



July, 1973

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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 JULY 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 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:

Location	Type of Project	
	Modernization or Expansion	New Plant or New Product Expansion
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.

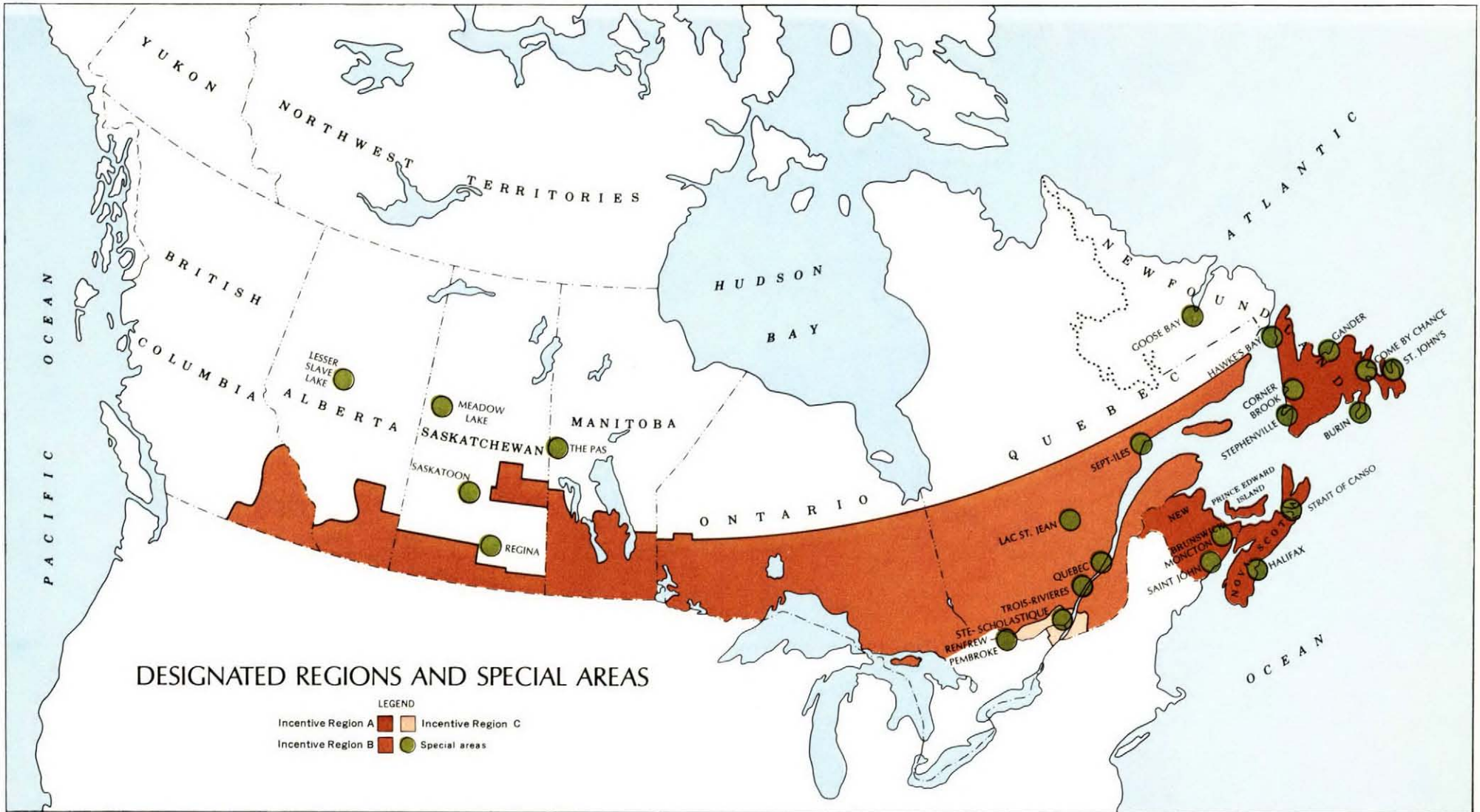
Industrial incentives available under the "Special Area" provisions of the Department of Regional Economic Expansion Act are not subject to the same statutory maxima. However, as a matter of administrative practice, standards applicable under the Regional Development Incentives Act are normally applied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

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.



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 July 1973.

Among other things, it shows:

- (1) that, during the month of July, 79 applications were received and 55 offers were made;
- (2) that, of the 8,207 applications received since the inception of the program, 4,576 were rejected or withdrawn and 3,222 resulted in offers;
- (3) that, after allowing for lapses, withdrawals and offers not accepted, the net total of accepted offers stood at 2,336; and
- (4) that, against obligations represented by the net total of 2,336 accepted offers, partial payments had been made in 1,088 cases and final payments in 143 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 \$1,865 million;
- ... expected direct new jobs numbering 97,161,
and
- ... incentive grants of \$376.3 million.

Incentive grants actually paid to date total \$115.0 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 July 1973.

Among other things, it shows that, during the month of July, five applications were received, and one offer was made.

TABLE 1

INCENTIVE GRANT APPLICATIONS

DISPOSITION OF APPLICATIONS AND
STATUS OF OFFERS - JULY 1973

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	79	698	8207
Applications Withdrawn	42	317	2585
Applications Rejected	41	263	1991
Offers Made	55	380	3222
<u>STATUS OF OFFERS MADE</u>			
Offers Made	55	380	3222
Offers Lapsed	2	14	159
Offers Declined	1	14	232
Offers Accepted	73	289	2667
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	73	289	2667
Accepted Offers Declined or Withdrawn	8	59	331
Net Offers Accepted	65	230	2336
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	65	230	2336
No Payment Made	-	-	1105
Partial Payment Made	33	220	1088
Final Payment Made	6	35	143

TABLE 2

LOAN GUARANTEE APPLICATIONS

DISPOSITION OF APPLICATIONS AND
STATUS OF OFFERS - JULY 1973

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	5	24	240
Applications Withdrawn	4	16	107
Applications Rejected	3	11	71
Offers Made	1	4	33
<u>STATUS OF OFFERS MADE</u>			
Offers Made	1	4	33
Offers Lapsed	-	1	3
Offers Declined	-	-	2
Offers Accepted	-	4	25
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	-	4	25
Accepted Offers Declined or Withdrawn	1	2	4
Net Offers Accepted	-1	2	21
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	-1	2	21
Guarantees in Operation	2	4	10

PART II - INCENTIVE GRANT ACTIVITY DURING THE MONTH

Part II consists of Table 3 which provides a complete alphabetic listing for the month of July 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 JULY 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. A. A. Beaulieu Ltd.	Edmundston, N.B.	Windows and Doors	E	\$ 36,331	5	30%	\$ 10,899
2. A. Bélanger Ltée	Montmagny, P.Q.	Washers, Dryers, Dish-Washers and Freezers	N.P.E.	\$1,530,000	126	20% and \$3,000 per eligible job (112)	\$ 642,000 <i>R</i>
3. A. Durand & Fils Inc.	St-Thomas, P.Q.	Food Cubes (Conglomerate Food for Animals)	N.P.E.	\$ 130,000	7	8% and \$1,000 per eligible job (3)	\$ 13,400
4. Acme Bedding & Felt Co. Ltd.	Winnipeg, Man.	Upholstered Furniture and Bedding	N	\$ 630,000	107	25%	\$ 157,500 <i>R</i>
5. Ada-Bec Systems Ltd.	Longueuil, P.Q.	Document Transportation Systems	N	\$ 395,000	44	10% and \$1,500 per eligible job (36)	\$ 93,500
6. Alberta Poultry Marketers Co-operative Limited	Lethbridge, Alta.	Poultry Products	E.M.	\$ 757,000	40	15%	\$ 113,550
7. Albion Sportswear Ltd.	Hull, P.Q.	Sport Clothes	N	\$ 391,712	47	10% and \$900 per eligible job (43)	\$ 77,871

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. Amos Tire Inc.	Amos, P.Q.	Retreading of Truck Tires	N	\$ 102,293	10	20%	\$ 20,459
9. Atlas Precision Works Co. Inc.	Longueuil, P.Q.	Metal Stampings	E.M.	\$ 130,000	10	10%	\$ 13,000
10. Automatic Electronic Systems	St-Laurent, P.Q.	Electronic Devices and Micro-computers	N	\$ 753,400	127	10% and \$1,000 per eligible job (127)	\$ 202,340
11. Axwood Ltd.	St-Leonard, P.Q.	Store Display Fixtures and Furniture	N	\$ 375,000	82	10%	\$ 37,500
12. Ayers Limited	Lachute, P.Q.	Papermaker's Felts	M	\$ 945,000	6	10%	\$ 94,500
13. Banner Educational Products Ltd.	Montreal, P.Q.	Plastic School Supplies	N	\$ 630,500	103	5% and \$600 per eligible job (103)	\$ 93,325
14. Beloit Sorel Walmsley Ltd.	St. Joseph de Sorel, P.Q.	Plastic Injection Molding Machines	N.P.E.	\$1,348,000	75	8% and \$2,000 per eligible job (75)	\$ 257,840

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. Sarto Bernier	Lambton, P.Q.	Specialty Lumber	N	\$ 90,000	10	20% and \$1,700 per eligible job (10)	\$ 35,000
16. Canadian Dyeing & Printing Co.	Longueuil, P.Q.	Fabric Dyeing, Printing and Finishing	N	\$ 106,000	9	10% and \$500 per eligible job (9)	\$ 15,100
17. Canadian Precision Stampings Ltd.	Ville St-Laurent, P.Q.	Precision Casting	N	\$ 105,000	9	10%	\$ 10,500
18. Carlan Plastics Co. Ltd.	Sherbrooke, P.Q.	Polyethylene Garbage Bags and Embossed Film	N	\$ 713,000	47	15% and \$2,000 per eligible job (47)	\$ 200,950 ⁰
19. Charles & Robert Blades Limited	Clark's Harbour, N.S.	Salt Fish	E	\$ 62,000	8	20%	\$ 12,400
20. Chaussures Santana Shoes Inc.	Sherbrooke, P.Q.	Girls and Womens Shoes	N	\$ 320,000	187	5% and \$500 per eligible job (187)	\$ 109,500
21. Mr. Noel Chauvin	St-Jovite, P.Q.	Low Pressure Laminates	N	\$ 148,300	15	10% and \$1,500 per eligible job (14)	\$ 35,830
22. Chippin Bros. Limited	Fredericton, N.B.	Meat Products	E	\$ 312,500	14	20%	\$ 62,500 ^R
23. Colibri Furniture Inc.	Saint-Jean, P.Q.	Teak-Wood Furniture	E	\$ 377,000	24	8%	\$ 30,160 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>
24. Columbia Electric Limited	St-Isidore, P.Q.	Residential and Commercial Lighting Fixtures	E	\$ 870,000	44	8%	\$ 69,600
25. Compo Shoe Machinery Corporation of Canada Ltd.	St-Leonard, P.Q.	Shoe Unit Soles and Uppers	a) E b) N.P.E.	a) \$ 587,400 b) \$ 271,300	a) 63 b) 58	a) 6% b) 6% and \$900 per eligible job (58)	a) \$ 35,244 b) 68,478
26. Custom Products of Altona Ltd.	Altona, Man.	Tractor Cabs	N	\$ 445,000	74	10% and \$1,250 per eligible job (68)	\$ 129,500 <i>Q</i>
27. Delisle Yogourt Ltée	Boucherville, P.Q.	Yogurt and Fresh Cheese	E	\$ 665,000	6	10%	\$ 66,500 <i>R</i>
28. Desjardins & Fils Limitée	Kedgwick, N.B.	Slats	N	\$ 56,000	20	30%	\$ 16,800 <i>O</i>
29. F. R. Rotter Lumber Co. Ltd.	Salmo, B.C.	Lumber	N	\$1,400,000	50	10% and \$1,750 per eligible job (40)	\$ 210,000
30. Fenêtres Thermiques G.L. Ltée	Bernières, P.Q.	Double Sealed Window Panels	N	\$ 144,500	28	12% and \$2,000 per eligible job (19)	\$ 55,340 <i>R</i>
31. Fonderie Dion Limitée	Ste-Thérèse, P.Q.	Pieces of Gray Cast Iron	N	\$ 435,000	73	8% and \$700 per eligible job (73)	\$ 85,900

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>
32. Franz Patella Inc.	Montreal, P.Q.	Custom-built Woodwork and Shelving System	a) E b) N.P.E.	a) \$ 93,430 b) \$ 143,300	a) 14 b) 16	a) 8% b) 8% and \$2,000 per eligible job (16)	a) \$ 7,474 b) \$ 43,464
33. Freeman Chemicals Limited	Cornwall, Ont.	Polymers	N	\$ 626,000	16	10% and \$2,000 per eligible job (16)	\$ 94,600
34. Globelite Batteries Canada Limited	Montreal, P.Q.	Lead Acid Industrial Batteries	N	\$ 615,000	56	10% and \$2,000 per eligible job (48)	\$ 157,500
35. Gordon W. Ross Ltd.	Lasalle, P.Q.	Commercial Printing	N.P.E.	\$ 61,905	6	10% and \$500 per eligible job (4)	\$ 8,190
36. H. H. Foote & Son Ltd.	Woodville, N.S.	Processing of Honey and Cider	E	\$ 46,000	2	30%	\$ 13,800
37. Herpak Inc.	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) \$ 6,960 b) \$ 14,332

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>
38. Hyde Park Clothes Limited	Trois-Rivières, P.Q.	Men's Suits	N	\$ 2,326,000	560	20% and \$550 per eligible job (560)	\$ 773,200 <i>D</i>
39. Impex Manufacturing Co. Ltd.	Montreal, P.Q.	Metal Castings, Plating and Lamp Parts	N	\$ 125,000	55	7% and \$300 per eligible job (48)	\$ 23,150 <i>D</i>
40. Imprimerie Bourguignon Limitée	St-Laurent, P.Q.	Printing Products	E	\$ 410,000	20	10%	\$ 41,000
41. Industrial Systems Limited	Dartmouth, N.S.	Package Sewage Plants	N	\$ 253,000	31	25% and \$1,700 per eligible job (31)	\$ 115,950 <i>D</i>
42. Interprovincial Equipment Victoriaville Inc.	Victoriaville, P.Q.	Machine Parts, Machine Shop Tools, Hydraulic Presses etc.	N	\$ 387,000	23	15% and \$1,500 per eligible job (23)	\$ 92,550
43. Italian Food Industries Inc.	Montreal, P.Q.	Italian Food Products	N	\$ 206,150	11	10% and \$1,300 per eligible job (11)	\$ 34,915 <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>
44. J. T. Cloutier (1970) Inc.	Ste-Agathe- des-Monts, P.Q.	Wood Flour	N	\$ 192,000	7	10% and \$1,500 per eligible job (7)	\$ 29,700
45. James Sloan Limited	Sackville, N.B.	Milk	E.M.	\$ 35,000	Nil	30%	\$ 10,500
46. K & K Tool Ltd.	St-Jean, P.Q.	Injection Moulds	E	\$ 91,000	7	10%	\$ 9,100
47. La Chemise Perfection Inc.	Courcelles, P.Q.	Shirts	E.M.	\$ 115,000	10	15%	\$ 17,250
48. Lacroix Machine Shop Inc.	Thurso, P.Q.	Trailer Boxes	E	\$ 42,000	5	10%	\$ 4,200
49. Laiterie Dolbeau Ltée	Dolbeau, P.Q.	Cheese and Cheese Power	E	\$ 324,300	11	20%	\$ 64,860
50. Les Agences P.P.R.L. Inc.	Rimouski, P.Q.	Doors, Windows, Cabinets, Shelves	N	\$ 64,581	16	10% and \$2,000 per eligible job (12)	\$ 30,458
51. Les Ateliers Pat Inc.	Montreal, P.Q.	Machinery for Non-Ferrous Products	N	\$ 148,000	22	10% and \$650 per eligible job (21)	\$ 28,450
52. Les Conserves Des Laurentides Ltée	Ste-Anne-des- Plaines, P.Q.	Jams and Pickles	E	\$ 47,000	10	8%	\$ 3,760

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>
53. Louis Pickard & Co. Inc.	Montreal, P.Q.	Structural Steel Frames	E.M.	\$ 180,000	37	10%	\$ 18,000
54. V. B. Marchant	Oxford, N.S.	Commercial Printing	E.M.	\$ 36,700	1	30%	\$ 11,010
55. Modern Iron Works Limited	Dartmouth, N.S.	Ornamental Iron Products	N	\$ 79,046	1	30%	\$ 23,714
56. Modultec Ltée	Ville-Marie, P.Q.	Modular Homes	N	\$ 333,000	46	10% and \$3,000 per eligible job (46)	\$ 171,300 <i>D</i>
57. Nadeau & Nadeau Limited	St. François de Madawaska, N.B.	Furniture	E	\$1,018,000	79	30%	\$ 305,400 <i>R</i>
58. O. Fortier Limitée	St-Michel, P.Q.	Meat Processing	N	\$ 262,000	34	7% and \$1,100 per eligible job (30)	\$ 51,340
59. P.E.I. Vegetable Growers' Co-operative Association Limited	Charlottetown, P.E.I.	Vegetable Processing	E	\$ 367,000	8	30%	\$ 110,100
60. Rahn Metals & Plastics Limited	North Bay, Ont.	Crusher Parts	N.P.E.	\$ 755,445	30	10% and \$2,500 per eligible job (30)	\$ 150,544
61. Renfrew Machinery Builders	Renfrew, Ont.	Machinery	N	\$1,388,000	56	20% and \$3,000 per eligible job (56)	\$ 445,600 <i>D</i>
62. Rugtech Inc.	St-Léonard, P.Q.	Rugs	N	\$ 158,950	21	5% and \$1,000 per eligible job (17)	\$ 24,947

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>
63. Clement Sendell	Cape Bald, N.B.	Fish	E	\$ 33,399	4	30%	\$ 10,020
64. Dr. S.R. Singhal	Fredericton, N.B.	Staples	N	\$ 92,000	19	20% and \$1,000 per eligible job (19)	\$ 37,400
65. Spruce Products Limited	Winnipeg, Man.	Lumber	N	\$ 407,000	25	20%	\$ 81,400 <i>h</i>
66. Standard Boilers Inc.	St-Bruno, P.Q.	Oil Fired Steel Boilers	N	\$ 525,000	44	5% and \$1,200 per eligible job (39)	\$ 73,050
67. Superior Precast Concrete Products Ltd.	St. John, N.B.	Precast Concrete Forms	E	\$ 92,190	9	30%	\$ 27,657
68. Symplex Heating System Canada Ltd.	Granby, P.Q.	Thermal Equipment	N	\$ 583,000	87	10% and \$1,500 per eligible job (59)	\$ 146,800 <i>D</i>
69. Tricot V.N. Ltée	Berthierville, P.Q.	Woollen Clothes	E	\$ 705,000	104	20%	\$ 141,000

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>
70. M. Lucien Turcotte	Matane, P.Q.	Pre-Fabricated Homes	N	\$ 127,000	35	15% and \$600 per eligible job (35)	\$ 40,050
71. Viscount Trailer Ltd.	Morris, Man.	Mobile Homes	N	\$ 278,000	60	15% and \$2,200 per eligible job (60)	\$ 173,700
72. Mr. Cornelis Wiskerke	Lethbridge, Alta.	Bottling of Soft Drinks	N	\$ 102,368	5	15% and \$1,000 per eligible job (5)	\$ 20,355
73. Wood World Limited	Chamberlains, Nfld.	Wooden Trusses	N.P.E.	\$ 84,750	11	30% and \$2,200 per eligible job (11)	\$ 49,625

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. Brunswick Glass Ltd. (May 1972)	Moncton, N.B.	Doubled-Sealed Insulated Glass Units and Flat-Laminated Glass	N	\$ 524,115	16	25% and \$4,100 per eligible job (14)	\$ 188,429
2. La Compagnie de Fenêtres Saguenay Inc. (May 1973)	Chicoutimi, P.Q.	Door and Window Frames	N	\$ 147,490	10	20%	\$ 29,498
3. Modern Plastics Co. Ltd. (Feb. 1973)	Saint-Hyacinthe, P.Q.	Plastic Products	E	\$ 360,000	30	10%	\$ 36,000
4. Olympic Pant & Sportswear Co. Ltd. (Mar. 1973)	Winnipeg, Man.	Men's & Boy's Pants & Outerwear	E	\$1,108,000	107	15%	\$ 166,200 <i>D</i>
5. Société Chimique Laurentide Inc. (July 1972)	Shawinigan Sud, P.Q.	Paint	E	\$ 250,000	10	15%	\$ 37,500
6. Société Coopérative Avicole Régionale (Sept. 1972)	St-Damase, P.Q.	Poultry Products	N.P.E.	\$ 429,157	71	10% and \$1,000 per eligible job (65)	\$ 107,915
7. Spices & Botanical Products Ltd. (Feb. 1973)	Ville St-Laurent P.Q.	Spices & Seasonings	E	\$ 143,478	9	10%	\$ 14,348

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 Incentive Grant</u>
8. Tebbe Polymer Limited (June 1973)	Cornwall, Ont.	Polyesters and Polyurethane Resins	N	\$ 490,700	16	10% and \$2,000 per eligible job (16)	\$ 81,070
9. W. H. Schwartz & Sons Limited (Dec. 1972)	Halifax, N.S.	Spices	E	\$ 368,000	11	25%	\$ 92,000

ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN

1. A. A. L. Métal Inc. (Oct. 1972)	St-Jérôme, <i>RF</i> P.Q.
2. Austin Sugar Refineries Ltd. (April 1972)	Cornwall, Ont.
3. Eastern Paper Box & Tube Co. Ltd. (Oct. 1972)	Drummondville, P.Q.
4. Jack Spratt Mfg. Inc. (Jan. 1972)	Windsor, P.Q.
5. Lucien Jutras Ltée (April 1972)	Montreal, P.Q.
6. Nutri-Feeds Ltd. (Nov. 1972)	Winnipeg, Man.
7. Oscar Bélanger Lumber Co. Ltd. (April 1972)	St-Arthur, N.B.
8. Valley Dry Kiln Limited (Nov. 1972)	Clair, N.B.

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>
9. Winfield Chemical Industries Ltd. (May 1971)	Woodstock, N.B.						

CORRECTIONS TO ITEMS
FROM PREVIOUS REPORTS

<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 or Incentive Grant</u>
<u>May 1973 Report, Offers Accepted Page 17</u> ✓							
44. Max Meilleur & Fils Limitee	Ferme-Neuve P.Q.	Lumber	N	\$195,000	15	20%	\$ 39,000
SHOULD HAVE READ:							
44. Max Meilleur & Fils Limitee	Ferme-Neuve P.Q.	Lumber	<u>M</u>	\$195,000	—	20%	\$ 39,000
<u>May 1973 Report, Offers Accepted Page 19</u> ✓							
62. United Maritime Fishermen Ltd.	Alder Point N.S.	Fish Processing and Reduction	a) M b) N.P.E.	a) \$574,000 b) \$201,000	a) 36 b) 14	a) 20% b) 5% And \$5,000 Per Eligible Job (14)	a) \$114,800 b) \$ 80,050
SHOULD HAVE READ:							
62. United Maritime Fishermen Ltd.	Alder Point N.S.	Fish Processing and Reduction	a) M b) N.P.E.	a) \$373,000 b) \$201,000	a) 36 b) 14	a) 20% a) 25% And \$5,000 Per Eligible Job (14)	a) \$ 74,600 b) <u>\$120,250</u>

CORRECTIONS TO ITEMS
FROM PREVIOUS REPORTS

<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>May 1973 Report, Accepted Offers Subsequently Revised Page 21</u>							
7. Farr Company Ltd. (Sept. 1972)	Laval P.Q.	Sound Control Equipment and Air Filters	E	\$1,400,000	67	7½%	\$105,000
SHOULD HAVE READ:							
7. Farr Company Ltd. (Sept. 1972)	Laval P.Q.	Sound Control Equipment and Air Filters	E	\$1,400,000	<u>113</u>	7½%	\$105,000
<u>June 1973 Report, Offers Accepted Page 14</u>							
19. Delta Clothing Inc.	Ste-Thérèse De Blainville, P.Q.	Clothes Sewing	E	\$ 100,000	46	10%	\$ 10,000
SHOULD HAVE READ:							
19. Delta Clothing Inc.	Ste-Thérèse De Blainville, P.Q.	Clothes Sewing	E	\$ 100,000	<u>54</u>	10%	\$ 10,000

PART III - LOAN GUARANTEE ACTIVITY DURING THE MONTH

No Loan Guarantees were accepted in July.
One offer previously accepted in March 1973 was subsequently declined in July 1973.

ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN

1. Brunswick Yacht & Realty Ltd. Saint John,
(March 1973) N.B.

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 certified date of commercial production when the incentive is based in part on the number of jobs created in the operation.

Application of Terms to Loan Guarantees

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

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

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

TERMS USED IN PART II

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

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

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

Type of Project --

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

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

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

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

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

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

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

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

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

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

proposed project.

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

TERMS USED IN PART III

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

Expected Capital Cost -- Total capital costs associated with fixed assets, as estimated by the Department on the basis of information supplied by the applicant. At the time the project becomes operational, this figure is amended, if necessary, to indicate actual investment.

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

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

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