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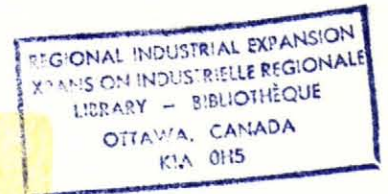


**Regional
Economic
Expansion**

**Expansion
Économique
Régionale**



REPORT ON REGIONAL DEVELOPMENT INCENTIVES



August, 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 AUGUST 1973

	<u>CONTENTS</u>	<u>PAGE</u>
	<u>INTRODUCTION</u>	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	Details of Offers Accepted; and of Offers Accepted and Subsequently Revised, Declined or Withdrawn.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	Details of Offers Accepted; and of Offers Accepted and Subsequently Revised, Declined or Withdrawn.	
PART IV	<u>DEFINITIONS</u>	25

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

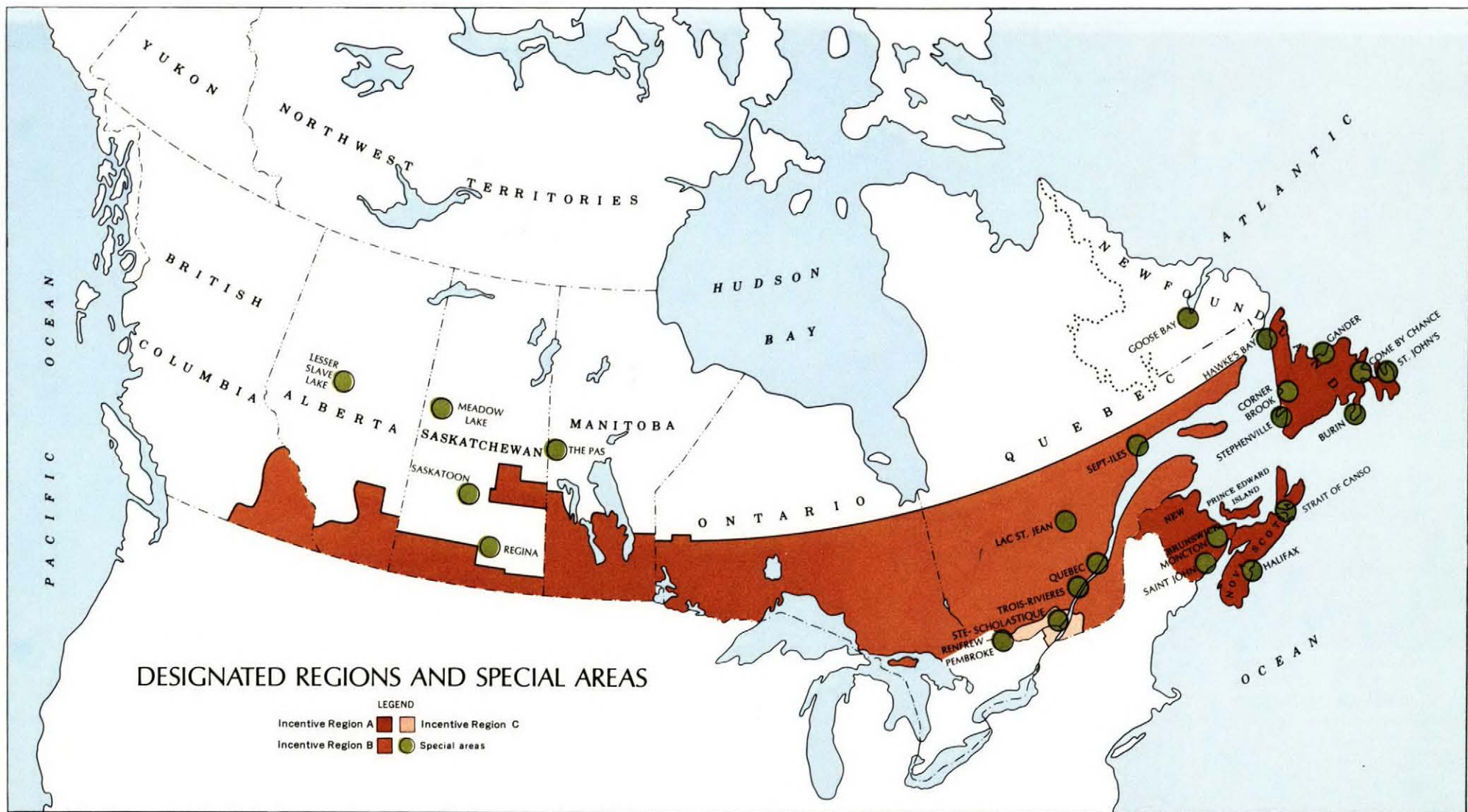
are normally applied where relevant.

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.

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.



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 August 1973.

Among other things, it shows:

- (1) that, during the month of August, 91 applications were received and 42 offers were made;
- (2) that, of the 8,298 applications received since the inception of the program, 4,628 were rejected or withdrawn and 3,264 resulted in offers;
- (3) that, after allowing for lapses, withdrawals and offers not accepted, the net total of accepted offers stood at 2,393 and
- (4) that, against obligations represented by the net total of 2,393 accepted offers, partial payments had been made in 1,118 cases and final payments in 155 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 \$1,887 million;

... expected direct new jobs numbering 98,716

and

... incentive grants of \$381.0 million.

Incentive grants actually paid to date total \$117.1 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 August, 1973.

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

TABLE 1

INCENTIVE GRANT APPLICATIONS

DISPOSITION OF APPLICATIONS AND
STATUS OF OFFERS - AUGUST 1973

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	91	789	8298
Applications Withdrawn	27	344	2609
Applications Rejected	30	293	2019
Offers Made	42	422	3264
<u>STATUS OF OFFERS MADE</u>			
Offers Made	42	422	3264
Offers Lapsed	5	19	163
Offers Declined	4	18	236
Offers Accepted	68	357	2736
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	68	357	2736
Accepted Offers Declined or Withdrawn	11	70	343
Net Offers Accepted	57	287	2393
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	57	287	2393
No Payment Made	-	-	1120
Partial Payment Made	42	262	1118
Final Payment Made	12	47	155

TABLE 2

LOAN GUARANTEE APPLICATIONS

DISPOSITION OF APPLICATIONS AND
STATUS OF OFFERS - AUGUST 1973

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	4	28	244
Applications Withdrawn	2	18	109
Applications Rejected	1	12	72
Offers Made	2	6	35
 <u>STATUS OF OFFERS MADE</u>			
Offers Made	2	6	35
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	-	2	4
Net Offers Accepted	-	2	21
 <u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	-	2	21
Guarantees in Operation	-	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 August 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 AUGUST 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. Abattoir du Nord Ltée	Laval, P.Q.	Slaughter House	E.M.	\$ 525,805	13	10%	\$ 52,580
2. Abattoir Gosselin Limitée	Ste-Germaine Station, P.Q.	Slaughter House	E.M.	\$ 162,200	12	20%	\$ 32,440
3. Alpha Stainless Steel Fabricators Inc.	Laval, P.Q.	Stainless Steel Machinery & Equipment	N	\$ 450,000	32	10% and \$1,600 per eligible job (22)	\$ 80,200
4. Armoires de Cuisine de Montréal Ltée	Laval, P.Q.	Kitchen Cupboards, etc.	N	\$ 550,000	129	10%	\$ 55,000
5. Arvee Cedar Mills	Salmo, B.C.	Cedar Shingles	N	\$ 485,000	114	10% and \$1,500 per eligible job (114)	\$ 219,500
6. Atco Lumber Limited	Fruitvale, B.C.	Veneer	N.P.E.	\$ 795,000	30	15% and \$2,500 per eligible job (30)	\$ 194,250
7. Atmec Metal Ltée/Ltd.	Templeton, P.Q.	Steel Components	N	\$ 152,810	26	10% and \$1,000 per eligible job (26)	\$ 41,281

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. Benco Component Industries Ltd.	Brandon, Man.	Wooden Building Parts	N	\$ 122,335	13	15% and \$2,000 per eligible job (12)	\$ 42,350
9. Blue Cove Packing Co. Ltd.	Blue Cove, N.B.	Marinated Fish	N	\$ 80,000	20	30%	\$ 24,000 <i>R</i>
10. Bonbons Belvedair Inc.	St-Pascal, P.Q.	Candy	E	\$ 201,653	24	15% and \$1,500 per eligible job (24)	\$ 66,248
11. Buttons & Ornaments Ltd.	Montreal, P.Q.	Upholstering Buttons & Closures	E	\$ 103,000	16	10%	\$ 10,300
12. Canadiana Pottery Limited	Ingleside, Ont.	Ceramic Artwork	N	\$ 423,350	27	10% and \$2,000 per eligible job (27)	\$ 96,335
13. Carapac Limitée	Caraquet, N.B.	Fish Processing	E	\$ 31,300	-	30%	\$ 9,390
14. Central Creameries Limited	Charlottetown, P.E.I.	Dairy Products Processing	N.P.E.	\$ 330,000	19	30%	\$ 99,000
15. Central Dynamics Ltd. & Comterm Ltd.	Pointe Claire, P.Q.	Electronic Equipment	N	\$ 296,600	135	10% and \$550 per eligible job (135)	\$ 103,910

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. Central Dynamics Ltd. & Comterm Ltd.	Pointe Claire, P.Q.	Electronic Communications Equipment	E	\$ 82,500	46	10%	\$ 8,250
17. Chandelles Tradition Ltée	Laval, P.Q.	Candles & Chandeliers	N	\$ 138,000	22	8% and \$800 per eligible job (18)	\$ 25,440
18. Chaussures Norbero Shoe Inc.	St-Emile, P.Q.	Men's Shoes and Boots	N	\$ 225,000	116	10% and \$500 per eligible job (112)	\$ 78,500
19. City Bakery (Northern) Limited	North Bay, Ont.	Bakery Products	E	\$ 367,232	38	20%	\$ 73,446
20. Columbia Brewing Company Ltd.	Creston, B.C.	Bottled Beer	E.M.	\$2,188,000	14	12%	\$ 262,560
21. Commonwealth Plywood Company Limited	Ste-Thérèse, P.Q.	Hardwood Plywood	N	\$ 300,000	45	5% and \$500 per eligible job (45)	\$ 37,500
22. Cornwallis Dairy Limited	Kentville, N.S.	Milk Processing	E.M.	\$ 75,730	2	20%	\$ 15,146
23. Dieppe Industries Limited	Dieppe, N.B.	Paper Bags, Ink	N	\$ 107,970	12	20% and \$1,000 per eligible job (12)	\$ 33,594
24. Dominion Textile Limited	Yarmouth, N.S.	Cotton Fabrics	E	\$3,240,000	-	20%	\$ 648,000
25. E.P.S.M. Inc.	Granby, P.Q.	Insulation	E.M.	\$ 120,000	13	12%	\$ 14,400

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>
26. Elvi Canada	St. Bruno, P.Q.	Scientific Instruments	N	\$ 809,300	67	10% and \$2,000 per eligible job (62)	\$ 204,930 <u>B</u>
27. Extrud'o Plast Co. Ltd.	Pointe Claire, P.Q.	Polyethylene Bags	N	\$ 89,000	9	8% and \$500 per eligible job (8)	\$ 11,120
28. Victor Gammal	Chateauguay, P.Q.	Monorails and Over-head Handling Equipment	N	\$ 113,000	13	10% and \$1,000 per eligible job (7)	\$ 18,300 <u>D</u>
29. Geoffroy et Frères Ltée	Danville, P.Q.	Wood	E	\$ 260,000	23	20%	\$ 52,000
30. Grenfell Handicrafts	St. Anthony, Nfld.	Handicrafts and Apparel	N.P.E.	\$ 90,500	21	35% and \$6,500 per eligible job (8)	\$ 83,675
31. Henderson Lumber Co. Ltd.	Souris, P.E.I.	Dry Lumber and Chips	N	\$ 621,226	33	25% and \$4,000 per eligible job (33)	\$ 287,306 <u>R</u>
32. A.R. Huttll	Fredericton, N.B.	Musical Instruments	N	\$ 835,000	66	15% and \$3,500 per eligible job (65)	\$ 352,750
33. Imprimerie Canada Inc.	Sillery, P.Q.	Printing	E	\$ 143,550	8	18%	\$ 25,839

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>
34. Instant Housing Industries Ltd.	Moncton, N.B.	Mobile Homes	N	\$1,139,000	117	10% and \$2,000 per eligible job (117)	\$ 347,900
35. Inwood Forest Products Limited	Upsala, Ont.	Lumber Products	N	\$ 222,700	9	20% and \$5,000 per eligible job (9)	\$ 89,540
36. Laboratoires Choisy Ltée	Louiseville, P.Q.	Sanitary Products	a) M b) N.P.E.	a) \$ 24,000 b) \$ 185,000	a) 20 b) 13	a) 15% b) 15% and \$2,000 per eligible job (13)	a) \$ 3,600 b) \$ 53,750
37. La Ganterie Canadienne Ltée	Ancienne-Lorette, P.Q.	Gloves and Mitts	N	\$ 323,000	17	18%	\$ 58,140
38. Leech Printing Limited	Brandon, Man.	Colour Off-Set Printing	E	\$ 95,000	10	15%	\$ 14,250
39. Lépine-Laurier Inc.	Montreal, P.Q.	Pre-Packed Meat	E	\$ 516,000	61	10% and \$800 per eligible job (57)	\$ 97,200
40. Les Canots Tremblay Ltée	St-Félicien, P.Q.	Wood Canoes	N	\$ 304,000	41	15% and \$1,500 per eligible job (41)	\$ 107,100
41. Les Cedres Rivière Bleue Inc.	Rivière-Bleue, P.Q.	Shingles	N	\$ 237,500	40	10% and \$1,200 per eligible job (40)	\$ 71,750

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>
42. Les Ceramiques de Magog Inc.	Magog, P.Q.	Ceramic Artwork	N	\$ 211,000	34	10% and \$2,300 per eligible job (34)	\$ 99,300
43. Les Industries Matagami Inc.	Matagami, P.Q.	Dump Truck Bodies	N	\$ 172,250	18	15% and \$1,000 per eligible job (18)	\$ 43,800
44. Les Patates Quebecoises Ltée	St-Romuald, P.Q.	Potato Chips	E	\$ 250,000	11	15%	\$ 37,500
45. Les Produits Lionel Inc.	Lennoxville, P.Q.	Camper Trailers, Trailers & Snowplows	a) E b) N.P.E.	a) \$ 66,659 b) \$ 487,575	a) 58 b) 110	a) 12% b) 12% and \$500 per eligible job (110)	a) \$ 7,999 b) \$ 113,509
46. Lorenzo Industries Inc.	Montreal, P.Q.	Counter Tops & Fixtures	N	\$ 78,250	15	8% and \$600 per eligible job (14)	\$ 14,660
47. McMillan Press Ltd.	Saint John, N.B.	Commercial Printing	E	\$ 103,200	2	20%	\$ 20,640
48. Merit Clothing Co. Ltd.	St. Leonard, P.Q.	Men's Suits & Jackets	N	\$1,308,000	132	10% and \$1,000 per eligible job (124)	\$ 254,800
49. North American Food Equipment Mfg. Ltd.	Chomedey, Laval, P.Q.	Restaurant Equipment	N	\$ 178,000	15	8%	\$ 14,240

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>
50. Ook Pak Ltée	St-Léonard, P.Q.	Packaging Automotive Supplies	N	\$ 103,800	26	5% and \$600 per eligible job (21)	\$ 17,790
51. Ottawa Valley Pure Spring Beverages Ltd.	Pembroke, Ont.	Soft Drink Bottling	E	\$ 75,700	2	20%	\$ 15,140 <i>R</i>
52. P. & J. Martin Ltée	St-Aubert, P.Q.	Planed Timber	N.P.E.	\$ 103,000	19	15% and \$1,800 per eligible job (11)	\$ 35,250 <i>D</i>
53. Protexplo Inc.	Montreal, P.Q.	Equipment Manufacturing	N	\$ 99,500	33	8% and \$500 per eligible job (30)	\$ 22,960
54. Renovation Donco Inc.	Sherbrooke, P.Q.	Wooden Doors & Metal Frames	N	\$ 171,111	28	10% and \$1,200 per eligible job (23)	\$ 44,711
55. S. & W. Garment Mfg. Inc.	Joliette, P.Q.	Men's Jackets	N	\$ 344,100	149	7% and \$300 per eligible job (149)	\$ 68,787
56. Savoie Frères Inc.	Manseau, P.Q.	Wood Processing	E	\$ 88,000	14	20%	\$ 17,600 <i>D</i>
57. Sitraco Inc.	St-Joseph de Beauce, P.Q.	Kitchen Cupboards	N	\$ 140,000	30	10% and \$500 per eligible job (30)	\$ 29,000

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. Snoc Limited	St-Joseph, P.Q.	Lighting Equipment	a) E.M. b) N.P.E.	a) \$ 283,886 b) \$ 141,252	a) 41 b) 20	a) 8% b) 8% and \$1,000 per eligible job (20)	a) \$ 22,711 b) \$ 31,299
59. Southern Alberta Snack Foods Ltd.	Taber, Alta.	Potato Chips & Cornmeal Products	N	\$ 187,750	25	15% and \$2,000 per eligible job (14)	\$ 56,163
60. St-Robert Metal Scrap	St-Robert, P.Q.	Metal Pressing	N	\$ 82,500	21	10% and \$1,000 per eligible job (4)	\$ 12,250
61. Swan Valley Sawmills Ltd.	Swan Hills, Alta.	Lumber	N	\$ 324,000	26	10% and \$2,500 per eligible job (26)	\$ 97,400
62. Technical Products (Cornwall) Limited	Cornwall, Ont.	Pressure Sensitive Tapes	N.P.E.	\$ 280,000	10	8%	\$ 22,400
63. Tissage Joseph Khouzam et Fils Inc.	Lavaltrie, P.Q.	Polyester Fabrics	N	\$ 204,000	12	10% and \$2,000 per eligible job (9)	\$ 38,400
64. Treffle Goulet & Fils Ltée	St-Joseph de Beauce, P.Q.	Doors and Windows	E	\$ 136,192	10	20%	\$ 27,238
65. Tubes Solac Ltée	St-Jérôme, P.Q.	Tubing for Furniture	E	\$ 104,850	16	10%	\$ 10,485

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>
66. Vogue Plastics Limited	St. Laurent, P.Q.	Misc. Plastic Products	a) E	a) \$ 49,000	a) 6	a) 8%	a) \$ 3,920
			b) N.P.E.	b) \$ 51,000	b) 4	b) 8% and \$1,500 per eligible job (4)	b) \$ 10,080
67. Waterville Woodcraft Inc.	Waterville, P.Q.	Small Boats Steak & Bread Boards	N	\$ 71,048	4	20% and \$1,500 per eligible job (4)	\$ 20,210
68. Whissell Inc.	Lachute, P.Q.	Cement Blocks	E.M.	\$ 201,920	49	10%	\$ 20,192

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. Ambridge-Thompson Ltd. (Nov. 1971)	Hull, P.Q.	Clothing, Sportswear & Uniforms	N	\$ 68,240	48	10% and \$200 per eligible job (48)	\$ 16,424
2. Artel Inc. (Nov. 1972)	Terrebonne, P.Q.	Fried & Frozen Food	N	\$ 243,000	7	10%	\$ 24,300
3. Baby Bear Shoe Co. Ltd. (Jan. 1973)	St-Georges-de- Beauce, P.Q.	Shoes	E.M.	\$ 95,000	30	15%	\$ 14,250
4. Canada Bay Lumber Ltd. (Oct. 1972)	Roddickton, Nfld.	Lumber	N	\$ 410,000	57	20% and \$2,500 per eligible job (57)	\$ 224,500
5. Elite Interiors Ltd. (Aug. 1972)	Montreal, P.Q.	Furniture	E.M.	\$ 103,614	29	10%	\$ 10,361
6. Equinox Industries Ltd. (Equinox Marine Limited) (Apr. 1973)	Winnipeg, Man.	Fibreglass Boats	N	\$ 365,000	29	5% and \$2,000 per eligible job (29)	\$ 76,250
7. Forex Inc. (Dec. 1972)	Val d'or, P.Q.	Wood Planing and Drying	N	\$2,840,000	121	15% and \$2,000 per eligible job (121)	\$ 668,000
8. National Sea Products Limited (July 1971)	St. John's, Nfld.	Fish Processing	N	\$4,614,569	300	15% and \$5,000 per eligible job (300)	\$2,192,185
9. Olympic Pant and Sportswear Co. Ltd. (July 1973)	Winnipeg, Man.	Men's & Boy's Pants and Outerwear	E	\$1,108,000	107	15%	\$ 166,200

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>
10. Scierie Morin Inc. (Jan. 1973)-	Chemin des Passes Dangereuses, P.Q.	Lumber	E	\$ 671,205	20	20%	\$ 134,241

ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN

1. Alberta Seed Processors Brooks,
Limited (Oct. 1972) Alta.
2. Andrew Man Printing
& Publishing Ltd.
(Dec. 1971) St-Blaise,
P.Q.
3. Halliday & Turton
(Jan. 1973)- St. John's,
Nfld.
4. Ide (Canada) Limited
(May 1973)- Laval,
P.Q.
5. Julien Carighan Inc.
(Jan. 1972) Cap-de-la-
Madeleine,
P.Q.
6. Nordic Woodwork
Limited (Nov. 1972) Slave Lake,
Alta.
7. Northumberland
Manufacturing Limited
(Jan. 1971) Tatamagouche,
N.S.
8. Security Products Ltd.
(Jan. 1973)- Robichaud,
N.B.
9. Three L Enterprises
Ltd. (Apr. 1973)- Selkirk,
Man.

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>
10. Universal Wire & Cable Co. Ltd. (May 1973)-	Montreal, P.Q.						
11. Valley Textile Agencies Corp. Ltd. (Oct. 1972)	Montreal, P.Q.						

PART III - LOAN GUARANTEE ACTIVITY DURING THE MONTH

No Loan Guarantee Offers were accepted in August 1973.

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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