



**Regional  
Economic  
Expansion**

**Expansion  
Économique  
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# **REPORT ON REGIONAL DEVELOPMENT INCENTIVES**

REGIONAL INDUSTRIAL EXPANSION  
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**September, 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 SEPTEMBER, 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:

| <u>Location</u>  | <u>Type of Project</u>            |   |
|--|-----------------------------------|---|
|  | <u>Modernization or Expansion</u> | <u>New Plant or New Product Expansion</u>                         |
| Region A<br>(Atlantic Provinces)   | 30% of eligible capital costs     | 35% of capital cost plus \$7,000 per eligible direct job created. |
| Region B<br>(Standard Designated Regions)  | 20% of eligible capital costs     | 25% of capital cost plus \$5,000 per eligible direct job created. |
| Region C *<br>(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

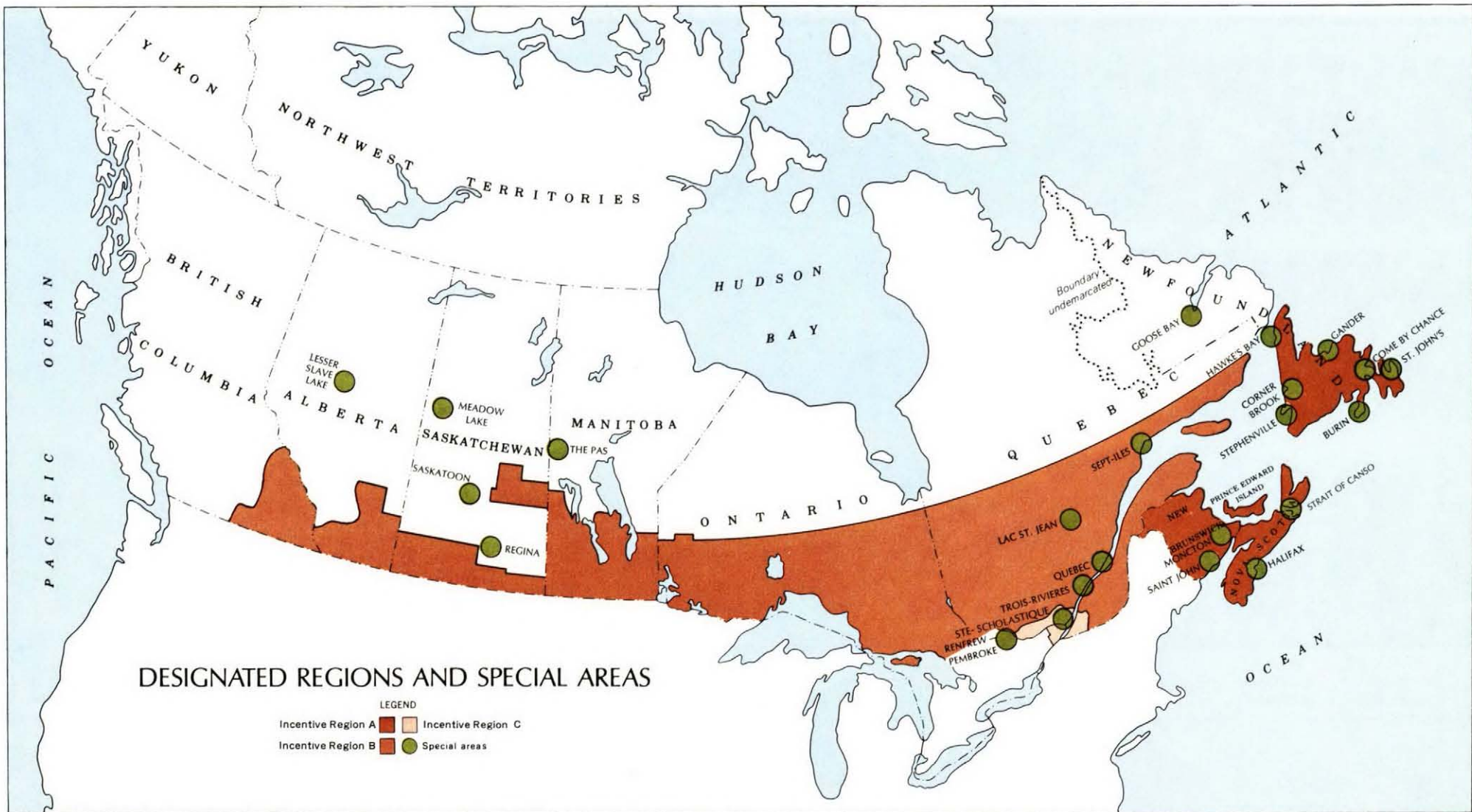
applicable under the Regional Development Incentives Act are normally applied where relevant.

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 support documentation contain a large amount of information that must be regarded as commercially confidential. It is for this reason that, as a matter of policy, the Department is unable to make public certain types of data. It is for the same reason that the Department does not reveal the fact that a particular application has been received unless and until it results in an accepted offer of incentive assistance. This policy is, of course, consistent with the aims and objectives of the program, which is designed to encourage investment in the designated regions and special areas of Canada.



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

PART I - SUMMARY STATISTICS

In this part of the report, there are two tables setting forth summary statistics on different aspects of the regional development incentives program.

Table 1, which relates to incentive grants, is concerned with the disposition of applications received and the status of offers made as of the end of September, 1973.

Among other things, it shows:

- (1) that, during the month of September, 93 applications were received and 42 offers were made;
- (2) that, of the 8,391 applications received since the inception of the program, 4,674 were rejected or withdrawn and 3,306 resulted in offers;
- (3) that, after allowing for lapses, withdrawals and offers not accepted, the net total of accepted offers stood at 2,449 and
- (4) that, against obligations represented by the net total of 2,449 accepted offers, partial payments had been made in 1,151 cases and final payments in 164 cases.

Estimates made at the time of offered incentives, and adjustments made as a result of subsequent changes in the projects concerned, produce the following totals pertaining to the current level of net accepted offers:

- ... eligible capital costs of \$1,946 million;
- ... expected direct new jobs numbering 100,668  
and
- ... incentive grants of \$392.6 million.

Incentive grants actually paid to date total \$119.6 million.

Table 2, which relates to loan guarantees, is concerned with the disposition of applications received and the status of offers made as of the end of September, 1973.

Among other things, it shows that, during the month of September, six applications were received, and three offers were made.

TABLE 1

INCENTIVE GRANT APPLICATIONS

DISPOSITION OF APPLICATIONS AND  
STATUS OF OFFERS - SEPTEMBER 1973

|  | <u>MONTH</u> | <u>CURRENT<br/>FISCAL YEAR</u> | <u>INCEPTION<br/>TO DATE</u> |
|--|--------------|--------------------------------|------------------------------|
| <u>STATUS OF APPLICATIONS</u>            |              |                                |                              |
| Applications Received                    | 93           | 882                            | 8391                         |
| Applications Withdrawn                   | 34           | 378                            | 2641                         |
| Applications Rejected                    | 15           | 308                            | 2033                         |
| Offers Made                              | 42           | 464                            | 3306                         |
| <u>STATUS OF OFFERS MADE</u>             |              |                                |                              |
| Offers Made                              | 42           | 464                            | 3306                         |
| Offers Lapsed                            | 3            | 22                             | 165                          |
| Offers Declined                          | 8            | 26                             | 244                          |
| Offers Accepted                          | 67           | 424                            | 2803                         |
| <u>STATUS OF OFFERS ACCEPTED</u>         |              |                                |                              |
| Offers Accepted                          | 67           | 424                            | 2803                         |
| Accepted Offers Declined<br>or Withdrawn | 12           | 82                             | 354                          |
| Net Offers Accepted                      | 55           | 342                            | 2449                         |
| <u>STATUS OF NET OFFERS ACCEPTED</u>     |              |                                |                              |
| Net Offers Accepted                      | 55           | 342                            | 2449                         |
| No Payment Made                          | -            | -                              | 1134                         |
| Partial Payment Made                     | 36           | 298                            | 1151                         |
| Final Payment Made                       | 6            | 53                             | 164                          |

TABLE 2  
LOAN GUARANTEE APPLICATIONS  
DISPOSITION OF APPLICATIONS AND  
STATUS OF OFFERS - SEPTEMBER 1973

|  | <u>MONTH</u> | <u>CURRENT<br/>FISCAL YEAR</u> | <u>INCEPTION<br/>TO DATE</u> |
|--|--------------|--------------------------------|------------------------------|
| <u>STATUS OF APPLICATIONS</u>            |              |                                |                              |
| Applications Received                    | 6            | 34                             | 250                          |
| Applications Withdrawn                   | 4            | 22                             | 113                          |
| Applications Rejected                    | 2            | 14                             | 74                           |
| Offers Made                              | 3            | 9                              | 38                           |
| <u>STATUS OF OFFERS MADE</u>             |              |                                |                              |
| Offers Made                              | 3            | 9                              | 38                           |
| Offers Lapsed                            | -            | 1                              | 3                            |
| Offers Declined                          | -            | -                              | 2                            |
| Offers Accepted                          | 3            | 7                              | 28                           |
| <u>STATUS OF OFFERS ACCEPTED</u>         |              |                                |                              |
| Offers Accepted                          | 3            | 7                              | 28                           |
| Accepted Offers Declined<br>or Withdrawn | -            | 2                              | 4                            |
| Net Offers Accepted                      | 3            | 5                              | 24                           |
| <u>STATUS OF NET OFFERS ACCEPTED</u>     |              |                                |                              |
| Net Offers Accepted                      | 3            | 5                              | 24                           |
| Guarantees in Operation                  | 2            | 6                              | 12                           |

PART II - INCENTIVE GRANT ACTIVITY DURING THE MONTH

Part II consists of Table 3 which provides a complete alphabetic listing for the month of September of:

- (1) offers accepted;
- (2) offers accepted and subsequently revised; and
- (3) offers accepted and subsequently declined; or withdrawn.

The month and year of the most recent report for offers accepted and subsequently revised, declined or withdrawn and indicated in brackets under the company name. Only the revised data are shown.

Abbreviations have been used to describe the details of "type of project". Although full descriptions are provided in Part IV of this report, the abbreviations used are:

- |        |   |                         |
|--------|---|-------------------------|
| N      | - | New Plant               |
| N.P.E. | - | New Product Expansion   |
| E      | - | Expansion               |
| M      | - | Modernization           |
| N.C.F. | - | New Commercial Facility |

TABLE 3

INCENTIVE GRANT ACTIVITY

DETAILS OF OFFERS ACCEPTED, AND OF OFFERS ACCEPTED  
AND SUBSEQUENTLY REVISED, DECLINED OR WITHDRAWN DURING SEPTEMBER 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. Faustin Cie Limitée        | Pointe-aux-Trembles, P.Q. | Ornamental Metal Products          | N                      | \$ 505,000                    | 145                             | 6% and \$600 per eligible job (114)   | \$ 98,700 <i>2</i>                         |
| 2. Ambassador Manufacturing Co.  | St-Lambert, P.Q.          | Doors                              | E.M.                   | \$ 468,000                    | 30                              | 10%                                   | \$ 46,800                                  |
| 3. Barrie Corporation            | Montreal, P.Q.            | Umbrellas, Ski Racks and Hammocks  | N                      | \$ 195,000                    | 25                              | 10%                                   | \$ 19,500 <i>1</i>                         |
| 4. Beattie Foods Inc.            | Hemmingford, P.Q.         | Apple Concentrate                  | N                      | \$ 477,000                    | 9                               | 10% and \$1,000 per eligible job (9)  | \$ 56,700                                  |
| 5. M. Jacques Brabant            | Brossard, P.Q.            | Moulded Counter Tops and Cupboards | N                      | \$ 357,000                    | 41                              | 10% and \$1,300 per eligible job (38) | \$ 85,100                                  |
| 6. Buckingham Mills Ltd.         | Springhill, N.S.          | Carpets                            | E                      | \$ 139,416                    | 32                              | 30%                                   | \$ 41,825                                  |
| 7. Canasphere Industries Limited | Moose Jaw, Sask.          | Glass Beads                        | N                      | \$ 337,000                    | 14                              | 20% and \$3,000 per eligible job (13) | \$ 106,400                                 |

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> |
|--|-----------------------|--|------------------------|-------------------------------|---------------------------------|---------------------------------------|--|
| 8. Cecutti's Bakery Limited                  | Sudbury, Ont.         | Bakery Products                        | E.M.                   | \$ 168,000                    | 4                               | 20%                                   | \$ 33,600                                  |
| 9. Charcuterie La Dijonnaise Enrg.           | Montréal-Nord, P.Q.   | Delicatessen                           | E                      | \$ 42,400                     | 5                               | 10%                                   | \$ 4,240                                   |
| 10. Commonwealth Plywood Co. Ltd.            | Ste. Therese, P.Q.    | Hardwood Plywood and Veneer            | N                      | \$4,234,000                   | 251                             | 5% and \$1,000 per eligible job (243) | \$ 454,700                                 |
| 11. Cookshire Woolen Mills Ltd.              | Cookshire, P.Q.       | Wool and Acrylic Fabrics               | E.M.                   | \$ 401,000                    | 30                              | 20%                                   | \$ 80,200                                  |
| 12. Delcraft Industries Inc.                 | St-Hubert, P.Q.       | Kitchen Cupboards and General Woodwork | N                      | \$ 106,500                    | 25                              | 10% and \$600 per eligible job (25)   | \$ 25,650                                  |
| 13. Ronald P. Delmas                         | Barry's Bay, Ont.     | Cedar Doors                            | N                      | \$ 169,388                    | 19                              | 10% and \$1,700 per eligible job (19) | \$ 49,239                                  |
| 14. Dominion Bridge Company Limited          | Selkirk, Man.         | Steel Products                         | M                      | \$28,500,000                  | -                               | 10%                                   | \$2,850,000                                |
| 15. Draco Limitée                            | Repentigny, P.Q.      | Window Blinds and Fixtures             | E                      | \$ 315,000                    | 30                              | 7%                                    | \$ 22,050                                  |
| 16. Duncalfe Furniture Manufacturing Limited | Saskatoon, Sask.      | Upholstered Furniture                  | N                      | \$ 127,000                    | 35                              | 10% and \$900 per eligible job (35)   | \$ 44,200                                  |

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> |
|--|---------------------------------|-------------------------------|------------------------|-------------------------------|---------------------------------|---------------------------------------|--|
| 17. Eastern Dairyfoods Co-operatives Limited                         | Antigonish, N.S.                | Milk Products                 | E                      | \$ 436,000                    | 11                              | 20%                                   | \$ 87,200 <u>R</u>                         |
| 18. Eaton Allen Corp.  | Montreal, P.Q.                  | Specialty Coated Paper        | N                      | \$ 71,000                     | 13                              | 8% and \$1,000 per eligible job (12)  | \$ 17,680 <u>D</u>                         |
| 19. Elite Picture Frames Inc.  | Montreal, P.Q.                  | Wood Mouldings                | N                      | \$ 75,500                     | 21                              | 7% and \$800 per eligible job (12)    | \$ 14,885 <u>D</u>                         |
| 20. Emilien L. Morin Ltée  | Alma, P.Q.                      | Dried and Planed Wood         | N                      | \$ 816,395                    | 18                              | 20% and \$2,500 per eligible job (18) | \$ 208,279                                 |
| 21. Entreprise Goulet Ltée   | La Tuque, P.Q.                  | Pre-Fab Homes                 | N                      | \$ 104,000                    | 17                              | 15% and \$1,500 per eligible job (16) | \$ 39,600 <u>D</u>                         |
| 22. Mr. I. Gillman   | Ville-d'Anjou, P.Q.             | Fabric Dyeing and Finishing   | N                      | \$ 925,000                    | 21                              | 5% and \$1,000 per eligible job (21)  | \$ 67,250                                  |
| 23. Boyd D. Gordon, Esq. Gordon Enterprises of Vermilion Bay Limited | Vermilion Bay, Ont.             | Aluminum Boats                | N                      | \$ 162,000                    | 19                              | 15% and \$2,500 per eligible job (18) | \$ 69,300                                  |
| 24. Guimont Lumber Inc.  | St-Juste, Comté Montmagny, P.Q. | Sawmill                       | E                      | \$ 400,000                    | 20                              | 10%                                   | \$ 40,000                                  |

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> |
|--|----------------------------|---------------------------------|------------------------|-------------------------------|---------------------------------|---------------------------------------|--|
| 25. Hafner Fabrics of Canada Ltd.                              | Granby, P.Q.               | Upholstery and other Fabrics    | E.M.                   | \$ 903,000                    | 18                              | 10%                                   | \$ 90,300                                  |
| 26. Hans Landes-Leder-Warenfabrik                              | Granby, P.Q.               | Leather Apparel and Aecessories | N                      | \$ 200,000                    | 60                              | 10% and \$900 per eligible job (60)   | \$ 74,000                                  |
| 27. Harvey Engineering and Manufacturing Corporation of Canada | Callander, Ont.            | Material Handling Equipment     | N                      | \$ 909,000                    | 43                              | 20% and \$2,000 per eligible job (41) | \$ 263,800                                 |
| 28. Howard-Bienvenu Inc.                                       | La Sarre, P.Q.             | Lumber                          | E                      | \$1,633,200                   | 63                              | 15%                                   | \$ 244,980                                 |
| 29. Industrial Paper Converters Ltd.                           | Montreal, P.Q.             | Converting of Paper Products    | E                      | \$ 357,500                    | 11                              | 10%                                   | \$ 35,750                                  |
| 30. Jean Marc Henri Inc.                                       | St-Roch-de-l'Achigan, P.Q. | Feed Pellet Processing          | N                      | \$ 100,800                    | 12                              | 7% and \$1,000 per eligible job (5)   | \$ 12,056                                  |
| 31. Kalor Inc.   | Montreal, P.Q.             | Electric Furnaces               | N                      | \$ 103,000                    | 35                              | 10% and \$500 per eligible job (27)   | \$ 23,800                                  |
| 32. Mr. Issie Kaplovitch                                       | Montreal, P.Q.             | Fabric Dyeing and Finishing     | N                      | \$1,178,000                   | 60                              | 10% and \$1,000 per eligible job (57) | \$ 174,800                                 |

OFFERS ACCEPTED

| <u>Company</u>                                   | <u>Plant Location</u>        | <u>Product and/or Process</u>                                   | <u>Type of Project</u> | <u>Expected Eligible Cost</u> | <u>Expected Direct New Jobs</u> | <u>Rate of Offer</u>                     | <u>Estimated Amount of Incentive Grant</u> |
|--|------------------------------|---|------------------------|-------------------------------|---------------------------------|--|--|
| 33. Kingfisher Automotive (Saskatchewan) Limited | Moose Jaw, Sask.             | Automotive Exhaust Pipes  | N                      | \$ 126,725                    | 13                              | 15% and \$2,000 per eligible job (8)     | \$ 35,009 <i>D</i>                         |
| 34. La Corporation Margo-Margo Corporation       | St. Laurent, P.Q.            | Printing Machinery  | E.M.                   | \$ 290,000                    | 11                              | 10%                                      | \$ 29,000 <i>B</i>                         |
| 35. Lécuyer & Fils Ltée                          | St-Rémi de Napierville, P.Q. | a) Connecting Chambers for Water Sewage Mains                   | a) E                   | a) \$ 102,000                 | a) 26                           | a) 10%                                   | a) \$ 10,200                               |
|  |                              | b) Connecting Chambers for Electrical Conduits, Lamp-post Bases | b) N.P.E.              | b) \$ 131,000                 | b) 18                           | b) 10% and \$1,000 per eligible job (18) | b) \$ 31,100                               |
| 36. Les Croustilles Yum Yum Inc.                 | Warwick, P.Q.                | Potato Chips  | E.M.                   | \$ 841,950                    | 20                              | 15%                                      | \$ 126,292 <i>D</i>                        |
| 37. Les Equipements Lussier Inc.                 | Ste-Madeleine, P.Q.          | Silos, Hay Dryers and Feeders                                   | N                      | \$ 90,150                     | 16                              | 10% and \$850 per eligible job (16)      | \$ 22,615 <i>D</i>                         |
| 38. Les Industries Granitone Ltée                | Stoneham, P.Q.               | Imitation Stone Panels  | E                      | \$ 56,000                     | 12                              | 15%                                      | \$ 8,400                                   |
| 39. Les Maisons Quebco Inc.                      | Val D'or, P.Q.               | Modular Homes   | N                      | \$ 740,000                    | 98                              | 10% and \$2,000 per eligible job (95)    | \$ 264,000                                 |

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> |
|--|-----------------------|---|------------------------|-------------------------------|---------------------------------|--|--|
| 40. Lorraine Industries                    | Lac Megantic,<br>P.Q. | Wood<br>Products  | N                      | \$ 359,800                    | 25                              | 15%<br>and \$2,500<br>per eligible<br>job (25) | \$ 116,470 <i>R</i>                        |
| 41. Lowe Dairy Ltd.                        | Lachute,<br>P.Q.      | Milk, Ice<br>Cream, Cheese<br>Products and<br>Plastic<br>Containers | E.M.                   | \$ 188,450                    | -                               | 10%  | \$ 18,845                                  |
| 42. M.F.M. Industries<br>Limited           | Moncton,<br>N.B.      | Truck Tanks<br>and Similar<br>Products                              | E                      | \$ 132,668                    | 6                               | 20%  | \$ 26,534 <i>D</i>                         |
| 43. M.F.M. Industries<br>Limited           | Moncton,<br>N.B.      | Large Tanks<br>and other<br>Metal<br>Products                       | E                      | \$ 227,700                    | 20                              | 20%  | \$ 45,540                                  |
| 44. M.F.M. Industries<br>Limited           | Moncton,<br>N.B.      | Steel<br>Shelves,<br>Cabinets<br>and<br>Fixtures                    | E                      | \$ 275,000                    | 21                              | 20%  | \$ 55,000 <i>B</i>                         |
| 45. Maritime Co-operative<br>Services Ltd. | Truro,<br>N.S.        | Animal<br>Feed<br>Pellets   | N                      | \$ 495,000                    | 14                              | 15%<br>and \$5,000<br>per eligible<br>job (3)  | \$ 89,250 <i>R</i>                         |
| 46. Ma-Tec Inc.                            | Laval,<br>P.Q.        | Wheels,<br>Rollers and<br>Conveyors                                 | N                      | \$ 264,000                    | 27                              | 5%<br>and \$1,500<br>per eligible<br>job (14)  | \$ 34,200 <i>O</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> |
|--|-----------------------|-------------------------------|------------------------|-------------------------------|---------------------------------|---------------------------------------|--|
| 47. Milwaukee Seasoning Laboratories (Canada) Ltd. | Winnipeg, Man.        | Seasonings and Spices         | E                      | \$ 100,000                    | 21                              | 20%                                   | \$ 20,000                                  |
| 48. Mountain Crest Farm Ltd.                       | Morristown, N.S.      | Packing Apples                | N                      | \$ 74,000                     | 2                               | 20% and \$5,000 per eligible job (2)  | \$ 24,800 <i>n</i>                         |
| 49. Nashwaaksis Wood Products Limited              | Nashwaaksis, N.B.     | Fence Posts and Rails         | N                      | \$ 212,500                    | 10                              | 25% and \$1,000 per eligible job (10) | \$ 63,125                                  |
| 50. National Safety Equipment (1968) Ltd.          | St-Stanislas, P.Q.    | Leather Gloves and Raincoats  | E                      | \$ 73,700                     | 30                              | 20%                                   | \$ 14,740                                  |
| 51. P.L. Casaubon Inc.                             | Ste-Elizabeth, P.Q.   | Cement Pipes and Couplings    | E.M.                   | \$ 125,000                    | 11                              | 10%                                   | \$ 12,500                                  |
| 52. Paul Sicotte & Fils Ltée                       | Ste-Thérèse, P.Q.     | Drilling Machines             | E                      | \$ 161,000                    | 12                              | 8%                                    | \$ 12,880                                  |
| 53. R.B. Stamping Inc.                             | St-Cyrille, P.Q.      | Trailer Couplers and Supports | E                      | \$ 115,000                    | 8                               | 20% and \$1,250 per eligible job (8)  | \$ 33,000                                  |
| 54. Raquettes Aigle Noir Inc.                      | Loretteville, P.Q.    | Snowshoes, Canoes and Boats   | N                      | \$ 106,000                    | 13                              | 25%                                   | \$ 26,500                                  |

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> |
|--|-----------------------|--|------------------------|-------------------------------|---------------------------------|---|--|
| 55. Rinella Printers Limited                                 | Winnipeg, Man.        | Printed Products                               | E                      | \$ 53,000                     | 3                               | 15%   | \$ 7,950                                   |
| 56. Roladex Industries Limitée                               | Longueuil, P.Q.       | Machine Parts Manufacturing                    | E                      | \$ 52,000                     | 10                              | 10%   | \$ 5,200                                   |
| 57. M.C. Roy   | St-Prospère, P.Q.     | Clothing                                       | N                      | \$ 95,000                     | 60                              | 20%<br>and \$300<br>per eligible<br>job (60)    | \$ 37,000                                  |
| 58. Salaison Levesque Inc.                                   | Boucherville, P.Q.    | Meat Processing                                | N                      | \$ 503,000                    | 33                              | 8%<br>and \$500<br>per eligible<br>job (30)     | \$ 55,240 <i>D</i>                         |
| 59. Samoco Inc.  | Sacré-Coeur, P.Q.     | Sawmill  | N                      | \$5,346,150                   | 169                             | 20%<br>and \$2,500<br>per eligible<br>job (169) | \$1,491,700 <i>R</i>                       |
| 60. Schola Inc. et la Manufacture Canadienne de Crayons Inc. | Marieville, P.Q.      | Pottery Ovens, Modelling Clay and Art Supplies | E                      | \$ 143,000                    | 20                              | 10%<br>and \$1,500<br>per eligible<br>job (15)  | \$ 36,800 <i>D</i>                         |
| 61. Scieries de l'Est Inc.                                   | Dixville, P.Q.        | Sawmill  | E.M.                   | \$ 60,100                     | -                               | 20%   | \$ 12,020 <i>R</i>                         |
| 62. Superior Custom Trailers Limited                         | Thunder Bay, Ont.     | Logging Trailers                               | N                      | \$ 134,875                    | 13                              | 10%<br>and \$3,000<br>per eligible<br>job (13)  | \$ 52,487                                  |

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. Tembec Forest Products Inc. | Temiscaming, P.Q.     | Chemical Cellulose Sulphite Wood Pulp | N                      | \$9,698,000                   | 398                             | 25% and \$5,000 per eligible job (398) | \$4,414,500 <i>R</i>                       |
| 64. Toitures Sept-Iles Inc.     | Sept-Iles, P.Q.       | Roof Trusses                          | N                      | \$ 59,730                     | 13                              | 15%                                    | \$ 8,960                                   |
| 65. Vic Bussièrès Inc.          | Amos, P.Q.            | Band-Saws, Anvils and Shims           | E                      | \$ 140,900                    | 8                               | 20%                                    | \$ 28,180                                  |
| 66. Westank Industries Ltd.     | Regina, Sask.         | Metal Tanks                           | N                      | \$1,685,000                   | 288                             | 15% and \$2,750 per eligible job (125) | \$ 596,500                                 |
| 67. Westron of Canada Ltd.      | Dorval, P.Q.          | Arc Tube                              | N                      | \$ 106,000                    | 17                              | 8% and \$500 per eligible job (17)     | \$ 16,980                                  |

ACCEPTED OFFERS SUBSEQUENTLY REVISED

| <u>Company</u>  | <u>Plant<br/>Location</u> | <u>Product<br/>and/or<br/>Process</u>                           | <u>Type<br/>of<br/>Project</u> | <u>Expected<br/>Eligible<br/>Cost</u> | <u>Expected<br/>Direct<br/>New<br/>Jobs</u> | <u>Rate<br/>of<br/>Offer</u> | <u>Estimated<br/>Amount of<br/>Incentive<br/>Grant</u> |
|---|---------------------------|---|--------------------------------|---------------------------------------|---|------------------------------|--|
| 1. Conroy of Canada Inc.<br>(Feb. 1973)   | Thetford Mines,<br>P.Q.   | Fibre<br>Glass<br>Parts for<br>Snowmobiles                      | N.P.E.                         | \$ 571,700                            | 55  | 20%                          | \$ 114,340   |
| 2. General Woods &<br>Veneers Ltd.<br>(Oct. 1971)                                   | Longueuil,<br>P.Q.        | Hardwood<br>Veneer  | E.M.                           | \$ 109,550                            | 14  | 10%                          | \$ 10,955  |
| 3. Penguin Knitting<br>Mills Inc. and Southern<br>Woolen Mills Inc.<br>(April 1972) | Montreal,<br>P.Q.         | Men's<br>Finer<br>Gauge<br>Sweaters<br>and<br>Knitted<br>Shirts | E.M.                           | \$ 130,000                            | 18  | 10%                          | \$ 13,000  |

INCENTIVE GRANT OFFER PREVIOUSLY WITHDRAWN  
BUT RE-ACTIVATED DURING SEPTEMBER 1973

| <u>Company</u>                   | <u>Plant<br/>Location</u> | <u>Product<br/>and/or<br/>Process</u> | <u>Type<br/>of<br/>Project</u> | <u>Expected<br/>Eligible<br/>Cost</u> | <u>Expected<br/>Direct<br/>New<br/>Jobs</u> | <u>Rate<br/>of<br/>Offer</u> | <u>Estimated<br/>Amount of<br/>Incentive<br/>Grant</u> |
|----------------------------------|---------------------------|---------------------------------------|--------------------------------|---------------------------------------|---|------------------------------|--|
| A.A.L. Métal Inc.<br>(July 1973) | St-Jérôme,<br>P.Q.        | Metal<br>Works                        | E                              | \$ 129,000                            | 5   | 10%                          | \$ 12,900  |

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. Acadia Gas Engines Limited<br>(Sept. 1971)      | Dartmouth,<br>N.S.    |                               |                        |                               |                                 |                      |  |
| 2. Container Corporation of Canada<br>(May 1973)   | Montreal,<br>P.Q.     |                               |                        |                               |                                 |                      |  |
| 3. Coopérative Monté-régienne<br>(April 1972)      | Rougemont,<br>P.Q.    |                               |                        |                               |                                 |                      |  |
| 4. Elast-O-Flex Inc.<br>(June 1973)                | Ste-Hénédine,<br>P.Q. |                               |                        |                               |                                 |                      |  |
| 5. Mr. M. Glesener<br>(Nov. 1972)                  | Winnipeg,<br>Man.     |                               |                        |                               |                                 |                      |  |
| 6. J.S. Tricots Inc.<br>(June 1972)                | Montréal,<br>P.Q.     |                               |                        |                               |                                 |                      |  |
| 7. King Krest Enterprises Ltd.<br>(Feb. 1973)      | Saskatoon,<br>Sask.   |                               |                        |                               |                                 |                      |  |
| 8. Multipak Ltd.<br>(Feb. 1972)                    | Montreal,<br>P.Q.     |                               |                        |                               |                                 |                      |  |
| 9. Reliure Vianney Bélanger Inc.<br>(Aug. 1972)    | Montréal,<br>P.Q.     |                               |                        |                               |                                 |                      |  |
| 10. SED Systems Ltd.<br>(Mar. 1973)                | Saskatoon,<br>Sask.   |                               |                        |                               |                                 |                      |  |
| 11. South East Forest Products Ltd.<br>(Nov. 1972) | Blumenort,<br>Man.    |                               |                        |                               |                                 |                      |  |
| 12. St. Anne Lumber Co. Ltd.<br>(Jan. 1973)        | Nackawic,<br>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 September of all offers accepted.

TABLE 4

LOAN GUARANTEE ACTIVITY

DETAILS OF OFFERS ACCEPTED, AND OF OFFERS ACCEPTED  
AND SUBSEQUENTLY DECLINED, WITHDRAWN OR REVISED DURING SEPTEMBER 1973

OFFERS ACCEPTED

| <u>Company</u>                        | <u>Location<br/>of Facility</u>                     | <u>Type of<br/>Operation</u> | <u>Expected<br/>Capital<br/>Cost</u> | <u>Expected<br/>Direct<br/>New Jobs</u> | <u>Loan<br/>Amount</u> | <u>Maximum<br/>Amount of<br/>Loan<br/>Guarantee</u> |
|---------------------------------------|---|------------------------------|--------------------------------------|---|------------------------|---|
| 1. Dry Kiln Services<br>Limited       | Pembroke,<br>Ont.                                   | Custom Dry<br>Kiln Facility  | \$ 743,000                           | 18                                      | \$ 75,000              | \$ 67,500   |
| 2. Hy-Hoe Corporation<br>Limited      | Arnprior,<br>Ont.                                   | Hydraulic<br>Backhoes        | \$1,039,000                          | 39                                      | \$ 400,000             | \$ 80,000   |
| 3. Ideal Brass and<br>Plating Company | Inkster<br>Industrial<br>Park,<br>Winnipeg,<br>Man. | Furniture                    | \$1,550,000                          | 26                                      | \$ 400,000             | \$ 360,000  |

PART IV - DEFINITIONS

TERMS USED IN PART I

Application -- A submission, in the approved form, by an applicant requesting a development incentive. Each application is restricted to a development on a single site, but one application may relate to a modernization, an expansion, a new product expansion or a complete new facility, or to some combination of these. An application covering a combined development is counted and reported as a single application, but each individual type of project is evaluated separately.

Received -- An application delivered to the Department. The date of receipt is the first control date, and is used for reporting and determining conditions of "prior commitment" as defined in the Regional Development Incentives Act and Regulations.

Withdrawn -- An application withdrawn, at the request of the applicant, after receipt but before or during evaluation.

Rejected -- An application turned down, under the provisions of the governing statute, because the project in question is considered ineligible, would proceed without incentive assistance or would not make a significant contribution to economic expansion and social adjustment within a designated region or special area.

Offer Made -- When an application has been evaluated and an estimate made of the grant or loan guarantee required to assure that the proposed project can be brought into commercial production, the applicant is offered an incentive, subject to specified conditions. The date of the offer establishes the second control date for reporting and management.

Lapsed -- When the applicant in receipt of an offer does not return a formal acceptance within ninety days, the offer is deemed to have lapsed and the applicant is so advised. The project can only be given further consideration if a new application is made.

Withdrawn -- When an incentive offer is withdrawn, prior to acceptance, because of new information justifying such action.

Declined -- When the applicant formally declines an offered incentive.

Offer Accepted -- An offer of incentive assistance is accepted when the applicant returns a signed copy of the offer within ninety days from the date of the offer. In accepting an offer, the applicant agrees to the latest date on which construction will begin.

Withdrawn -- When, prior to making payment, the Department determines 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.

INDUSTRY CANADA/INDUSTRIE CANADA



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