



**Regional  
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Expansion**

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# **REPORT ON REGIONAL DEVELOPMENT INCENTIVES**

**January, 1974**

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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 JANUARY, 1974

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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 level of grant available under the Program is 20% of approved capital costs for a modernization or expansion and 25% of approved capital costs plus \$5,000 per eligible direct job created for a new plant or new product expansion.

In addition to the previously mentioned maxima, the Regional Development Incentives Act stipulates that grants shall not exceed \$30,000 per eligible direct job created or one-half of the capital to be employed in the project.

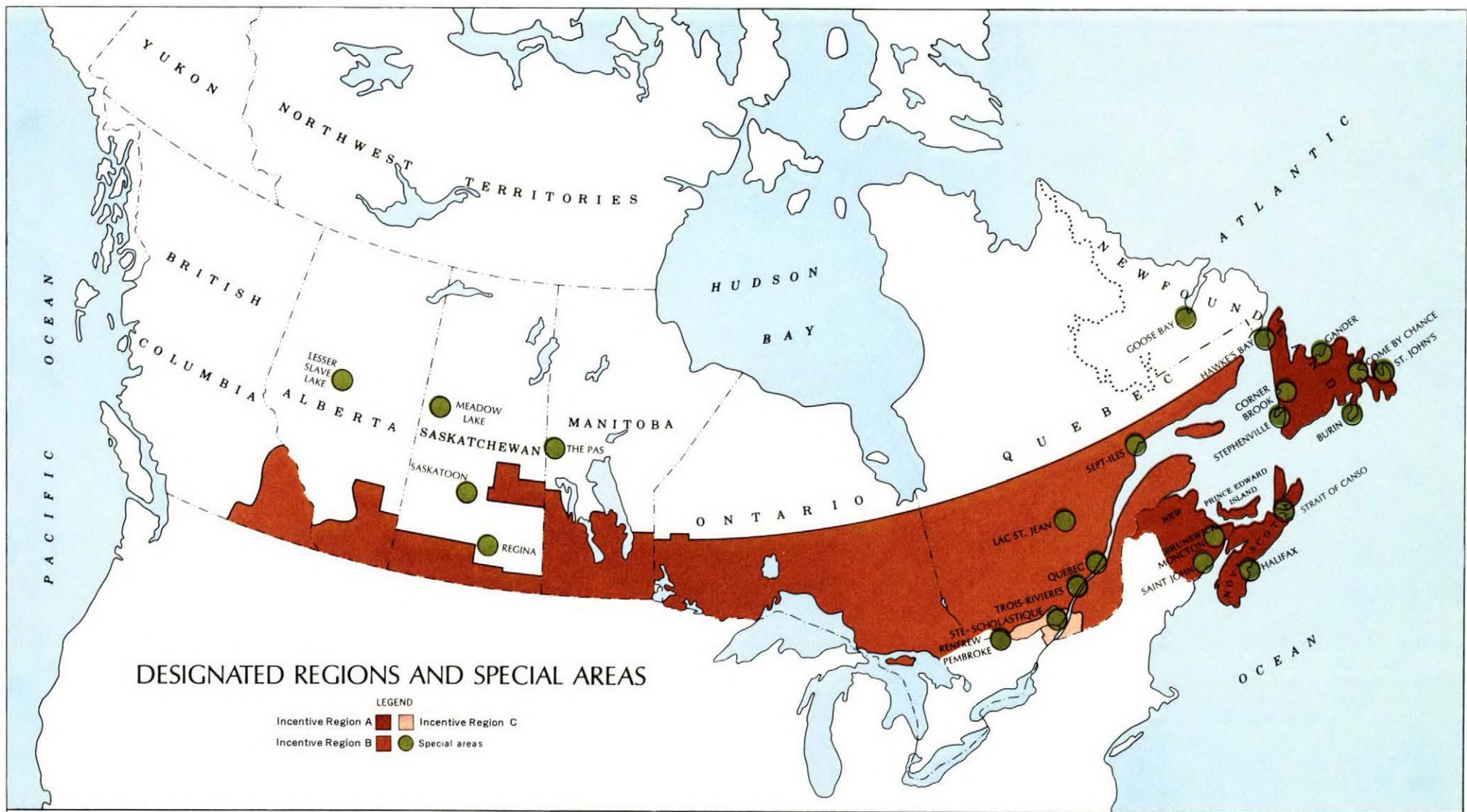
Industrial incentives available under the "Special Area" provision of the Department of Regional Economic Expansion Act are not subject to the same statutory maxima.

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 by a lender, plus the interest involved, or 72 per cent of the total capital costs.

Although administrative practice differs somewhat depending on whether incentive assistance is provided under the Regional Development Incentives Act or the Department of Regional Economic Expansion Act, standard terminology is used in this report. Under the Regional Development Incentives Act, for example, letters are used to offer incentive assistance. Under the Department of Regional Economic Expansion Act, proposed agreements are used for the same purpose. For the sake of simplicity, both actions are described in this report as "offers made". In the final section of the report, which is concerned with the definition of terms, attention is drawn to a number of other technical points of some significance.

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



DESIGNATED REGIONS AND SPECIAL AREAS

- LEGEND
- Incentive Region A
  - Incentive Region B
  - Incentive Region C
  - Special areas

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PART I - SUMMARY STATISTICS

In this part of the report, there are two tables setting forth summary statistics on different aspects of the regional development 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 January, 1974.

Among other things, it shows:

- (1) that, during the month of January, 120 applications were received, and 64 offers were made;
- (2) that, of the 8891 applications received since the inception of the program, 4,930 were rejected or withdrawn, and 3531 resulted in offers;
- (3) that, after allowing for lapses, withdrawals, and offers not accepted, the net total of accepted offers stood at 2,572, and
- (4) that, against obligations represented by the net total of 2,572 accepted offers, partial payments had been made in 1,288 cases, and final payments in 219 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 \$2,024.4 million

... expected direct new jobs numbering 104,188

and

... incentive grants of \$409.4 million.

Incentive grants actually paid to date total \$144.0 million.

Table 2, which relates to loan guarantees, is concerned with the disposition of applications received, and the status of offers made to the end of January, 1974.

Among other things, it shows that, during the month of January, two applications were received, and one offer made. Two offers were accepted, and one previously accepted offer was declined, bringing the total of net accepted offers to 25.

TABLE 1INCENTIVE GRANT APPLICATIONSDISPOSITION OF APPLICATIONS AND  
STATUS OF OFFERS - JANUARY 1974

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	120	1382	8891
Applications Withdrawn	38	557	2802
Applications Rejected	26	408	2128
Offers Made	64	689	3531
<u>STATUS OF OFFERS MADE</u>			
Offers Made	64	689	3531
Offers Lapsed	1	40	183
Offers Declined	2	38	254
Offers Accepted	63	629	3008
<u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	63	629	3008
Accepted Offers Declined or Withdrawn	26	164	436
Net Offers Accepted	37	465	2572
<u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	37	465	2572
No Payment Made	-	-	1065
Partial Payment Made	72	490	1288
Final Payment Made	19	108	219

TABLE 2LOAN GUARANTEE APPLICATIONSDISPOSITION OF APPLICATIONS AND  
STATUS OF OFFERS - JANUARY 1974

	<u>MONTH</u>	<u>CURRENT FISCAL YEAR</u>	<u>INCEPTION TO DATE</u>
<u>STATUS OF APPLICATIONS</u>			
Applications Received	2	41	256
Applications Withdrawn	4	32	123
Applications Rejected	-	15	75
Offers Made	1	12	41
 <u>STATUS OF OFFERS MADE</u>			
Offers Made	1	12	41
Offers Lapsed	-	2	5
Offers Declined	-	1	3
Offers Accepted	2	11	32
 <u>STATUS OF OFFERS ACCEPTED</u>			
Offers Accepted	2	11	32
Accepted Offers Declined or Withdrawn	1	5	7
Net Offers Accepted	1	6	25
 <u>STATUS OF NET OFFERS ACCEPTED</u>			
Net Offers Accepted	1	6	25
Guarantees in Operation	-	7	13

PART II - INCENTIVE GRANT ACTIVITY DURING THE MONTH

Part II consists of Table 3 which provides a complete alphabetic listing for the month of January 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 JANUARY 1974

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. Abitibi Paper Company Ltd.	White River, Ont.	Lumber	N	\$8,448,270	121	5% and \$5,000 per eligible job (121)	\$1,027,414 <u>R</u>
2. Acme Bedding & Felt Co. Ltd.	Winnipeg, Man.	Upholstered Furniture	E	\$ 65,750	75	20%	\$ 13,150 <u>D</u>
3. Alma Mecanic Inc.	Alma, P.Q.	Transport Trailers and Similar Products	N	\$ 728,000	54	20% and \$3,000 per eligible job (52)	\$ 301,600 <u>R</u>
4. Arfor Corporation Limitée	Drummondville, P.Q.	Moulded Counters and Laminated Cupboards	N	\$ 357,000	41	12% and \$1,500 per eligible job (38)	\$ 99,840
5. Association Coopérative Laitière du Saguenay-Lac St-Jean	Chambord, P.Q.	Milk Powder and Butter	N	\$2,743,000	37	12%	\$ 329,160 <u>D</u>

## OFFERS ACCEPTED

13.

<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>
6. Association Coopérative Laitière du Saguenay-Lac St-Jean	Normandin, P.Q.	Cheese	E.M.	\$ 134,000	24	12%	\$ 16,080
7. Azco Limited	Meductic, N.B.	Drum Cymbals	E	\$ 110,700	13	10%	\$ 11,070 <i>D</i>
8. Barmish Brothers Inc.	Coaticook, P.Q.	Men's Slacks	N	\$ 705,000	88	15% and \$1,500 per eligible job (88)	\$ 237,750
9. M. Gilles Bégin	Clair, N.B.	Hardwood Processing	N	\$ 184,295	6	20%	\$ 36,859
10. M. Raymond Bernard	Bécancour, P.Q.	Fiberglass Canoes and Fishing Boats	N	\$ 85,000	15	20% and \$1,000 per eligible job (15)	\$ 32,000
11. Boulangerie Arsenault	Chandler, P.Q.	Bakery	E.M.	\$ 70,000	3	20%	\$ 14,000
12. Boulangerie Leclerc Inc.	St-Flavien, P.Q.	Bakery	E	\$ 51,000	3	20%	\$ 10,200
13. Boulangerie Rayon Soleil Ltée	St-Bruno, Lac St-Jean, P.Q.	Frozen Bread Dough	N	\$ 109,000	14	15% and \$1,000 per eligible job (13)	\$ 29,350
14. Canada Veneers Limited	St. Leonard, N.B.	Plywood	N	\$6,069,500	190	10% and \$2,000 per eligible job (190)	\$ 986,950 <i>D</i>

OFFERS ACCEPTED

14.

<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. Canadian Tool & Die Works Ltd.	Winnipeg, Man.	Wheels and Hubs	E	\$ 291,400	45	20%	\$ 58,280
16. Cassidy's Beverages Limited	Chatham, N.B.	Soft Drinks	E	\$ 197,000	7	20%	\$ 39,400
17. Chantier Maritime de Gaspé Inc.	Gaspé, P.Q.	Construction of Fishing Vessels	E.M.	\$ 193,800	-	20%	\$ 38,760
18. Cochrane Enterprises Limited	Cochrane, Ont.	Lumber	N	\$5,221,000	143	20% and \$2,500 per eligible job (143)	\$1,401,700
19. Concrete Products Val d'Or Ltd.	Val d'Or, P.Q.	Cement Blocks	E.M.	\$ 185,907	3	12%	\$ 22,309
20. John R. Coome	Arnprior, Ont.	Prefabricated Concrete Products	N	\$ 171,000	23	25% and \$2,500 per eligible job (10)	\$ 67,750
21. Coopérative Agricole d'Alma	Alma, P.Q.	Milk Processing	E.M.	\$ 65,305	3	15%	\$ 9,796
22. Doral International Ltd.	Winnipeg, Man.	Toys and Games	N	\$ 511,000	115	10% and \$1,000 per eligible job (106)	\$ 157,100 <span style="float: right;">D</span>
23. Dufferin Feed Service Ltd.	Carman, Man.	Pelleted Animal Feed	E	\$ 125,915	3	20%	\$ 25,183

OFFERS ACCEPTED

15.

<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. Duval Bakeries Limited	Noelville, Ont.	Bakery Products	N	\$ 65,500	6	15% and \$1,800 per eligible job (5)	\$ 18,825
25. Eastland Industries Limited	Minto, N.B.	Cabinet Doors and Tops	E	\$ 178,222	15	20%	\$ 35,644
NA 26. Fibro Industries Ltd.	Regina, Sask.	Fabricated Metal Products	N	\$ 240,000	99	10% and \$1,000 per eligible job (94)	\$ 118,000
27. Fleming Pedlar Ltd.	Winnipeg, Man.	Commercial Refrigerators	N	\$ 175,500	18	15% and \$2,500 per eligible job (13)	\$ 58,825
28. Flemming-Gibson Industries Ltd.	Blackville, N.B.	Lumber	N	\$2,415,100	188	15% and \$2,100 per eligible job (188)	\$ 757,065 <i>R</i>
29. Flo-Form Industries Ltd.	Winnipeg, Man.	Wooden Cabinets and Counter Tops	N	\$ 268,480	15	20%	\$ 53,696
30. Goodman-Staniforth Division UOP Manufacturing Limited	Rutherglen, Ont.	Hardwood Veneers	N	\$2,249,200	81	10% and \$2,000 per eligible job (81)	\$ 386,920

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>
31. Gordon Young Limited	St. Boniface, Man.	Processing Inedible Meat and Feather Products	E	\$ 577,000	19	20%	\$ 115,400
32. Harricana Metal Inc.	Amos, P.Q.	Hooks and Various Sawmill Equipment	E	\$ 392,000	23	20%	\$ 78,400 <i>R</i>
33. Heywood-Wakefield of New Brunswick Limited	Woodstock, N.B.	Wooden Components and Furniture	E	\$1,383,000	58	20%	\$ 276,600 <i>R</i>
34. Hydrolex Systems Ltd.	Trois-Rivières, P.Q.	Hydraulic Control Instruments and Cylinders	N	\$ 137,000	9	15%	\$ 20,550
35. Industrial Marine Products Limited	Dartmouth, N.S.	Fishing Gear	N.P.E.	\$ 196,000	18	20% and \$2,000 per eligible job (18)	\$ 75,200 <i>R</i>
36. International Laboratories (1972) Ltd.	Winnipeg, Man.	Paint	E	\$ 510,000	10	15%	\$ 76,500 <i>Q</i>
37. La Firme Fibrass Ltée	St-Boniface, P.Q.	Roof Coatings and Plastic Cements	N	\$ 86,000	6	15% and \$2,250 per eligible job (5)	\$ 24,150

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. Laiterie Magog Dairy Inc.	Magog, P.Q.	Milk Processing	E.M.	\$ 45,000	4	15%	\$ 6,750
39. Les Bateaux Leclerc Enrg.	St-Jean Port-Joli, P.Q.	Manufacturing of Miniature Boats	N	\$ 107,350	21	25%	\$ 26,837
40. Les Entreprises Rodrigue Baillargeon Inc.	St-Anselme, P.Q.	Sectional Homes	E	\$ 158,540	15	20%	\$ 31,708
41. Les Industries Cansaco Ltée	Granby, P.Q.	Paper Bags, Extrusion of Retractable Film and Construction of Bagging Equipment	N	\$6,070,000	265	15% and \$3,000 per eligible job (255)	\$1,675,500
42. Les Industries Saulnier Inc.	St-Gabriel de Brandon, P.Q.	Wood Pallets; Iron and Steel Machining	N	\$ 130,000	34	5% and \$800 per eligible job (34)	\$ 33,700
43. Les Matériaux Blanchet Inc.	Amos, P.Q.	Lumber Processing	N	\$2,428,500	41	15%	\$ 364,275
44. Marius Ouellet Limitée	Disraeli, P.Q.	Home Furniture	E.M.	\$1,643,000	42	15%	\$ 246,450
45. Mastercraft Industries Ltd.	Moose Jaw, Sask.	Metal Doors and Windows	N	\$ 330,000	46	12% and \$1,600 per eligible job (44)	\$ 110,000

OFFERS ACCEPTED

18.

<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>
46. Meadow Lake Wood Industries Limited	Meadow Lake, Sask.	Doors and Windows	N	\$ 912,976	50	15% and \$4,000 per eligible job (50)	\$ 336,946 <u>R</u>
47. Neufeldt Industries Ltd.	Lethbridge, Alta.	Fabricated Metal Products	E	\$ 100,850	13	15%	\$ 15,128
48. Northeast Pine Products Ltd.	Glencoe, N.B.	Wooden Furniture	N	\$ 236,500	29	25% and \$3,000 per eligible job (29)	\$ 146,125
<u>NA</u> 49. P.E. Caron Enrg.	St-Jean Port-Joli, P.Q.	Manufacturing of Art on Wood Products	N	\$ 107,050	22	25%	\$ 26,762
50. Pincher Creek Abattoir	Pincher Creek, Alta.	Slaughtering and Processing of Meat Products	N	\$ 71,900	5	15% and \$1,500 per eligible job (5)	\$ 18,285
51. Porcupine Cubing Co-operative Limited	Porcupine Plain, Alta.	Alfalfa Cubes	N	\$ 562,700	8	15% and \$2,500 per eligible job (8)	\$ 104,405
52. Precision Homes & Components Limited	Sussex, N.B.	Housing Components	N	\$ 554,500	70	10% and \$2,000 per eligible job (70)	\$ 195,450 <u>O</u>

OFFERS ACCEPTED

19.

<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. Prince Edward Island Lending Authority Georgetown Shipyard Division	Georgetown, P.E.I.	Ships	E.M.	\$ 39,392	3	20%	\$ 7,878 <sup>R</sup>
54. Prince Edward Island Lending Authority Georgetown Shipyard Division	Georgetown, P.E.I.	Ships	E	\$ 66,324	-	20%	\$ 13,265
55. R.L. Crain Limited and R.L. Crain Investments Ltd.	Medicine Hat, Alta.	Business Forms	N	\$1,500,640	49	10% and \$2,000 per eligible job (49)	\$ 248,064
56. Rolph-Clark-Stone Eastern Limited	Halifax, N.S.	Folding Cartons	E	\$ 128,000	8	20%	\$ 25,600
57. Sodel Limitée	Drummondville, P.Q.	Special Welding Alloys	N	\$ 333,850	24	15% and \$5,000 per eligible job (9)	\$ 95,077
58. Spécialités B-Pro Inc.	Windsor, P.Q.	High Pressure Equipment, Boilers and Cisterns	N	\$ 254,000	48	20% and \$1,000 per eligible job (40)	\$ 90,800
59. Springhill Homes and Supplies Limited	Debert, N.S.	Modular Homes	N	\$1,197,000	91	10% and \$1,500 per eligible job (91)	\$ 256,200

OFFERS ACCEPTED

20.

<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>
60. Stevenson & MacEachern Limited	West Royalty, P.E.I.	Rebuilt Engines	E	\$ 46,000	3	20%	\$ 9,200
61. Tentes Mobiles (1972) Inc.	Thetford Mines, P.Q.	Tent Trailers, Carrying Trailers and Mobile Homes	N	\$2,598,000	550	5% and \$1,000 per eligible job (408)	\$ 537,900
62. Warren Concrete Products Ltd.	Rexton, N.B.	Concrete Blocks	N	\$ 151,000	7	20% and \$4,000 per eligible job (5)	\$ 50,200 <i>D</i>
63. (Vogue Corset Co. Ltd.) Vogue Brassiere Corporation	Waterloo, P.Q.	Corsets and Brassieres	E	\$ 359,000	69	20%	\$ 71,800

## ACCEPTED OFFERS SUBSEQUENTLY REVISED

21.

<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. Duchesne & Fils Ltée (June 1973)	Yamachiche, P.Q.	Metal Trellis Work	N	\$ 903,000	23	20% and \$3,500 per eligible job (23)	\$ 261,100
2. Easteel Industries Ltd. (J.C. Pratt Industries Ltd.) (March 1973)	St. John's, Nfld.	Metal Products	E.M.	\$ 901,750	36	20%	\$ 180,350
3. Extender Minerals of Canada Ltd. (April 1972)	Matachewan, Ont.	Processing Barite and Mica Fillers	N	\$ 222,748	14	25% and \$5,000 per eligible job (14)	\$ 125,687
4. General Scrap & Car Shredder Ltd. (May 1973)	Winnipeg, Man.	Shredded Metals	E.M.	\$ 205,057	5	12%	\$ 24,607
5. International Gears Ltd. (Sept. 1971)	Dorval, P.Q.	Bevel Gears, Internal Gears, Worms and Cams	N.P.E.	\$ 330,000	37	10% and \$1,000 per eligible job (36)	\$ 69,000
6. J.D. Irving Limited (May 1973)	Sussex, N.B.	Softwood Lumber	N	\$2,326,850	40	15% and \$3,000 per eligible job (40)	\$ 469,027
7. L.E. Shaw Limited (April 1972)	Lantz, N.S.	Bricks	E.M.	\$ 550,000	9	30%	\$ 165,000
8. Nova Enterprises Limited (Nov. 1972)	Brookside, N.S.	Rebuilt Trucks	E	\$ 88,751	12	30%	\$ 26,625

## ACCEPTED OFFERS SUBSEQUENTLY REVISED

22.

<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. Ottawa Valley Pure Spring Beverages Limited (Aug. 1973)	Pembroke, Ont.	Soft Drink Bottling Plant	E	\$ 108,700	2	20%	\$ 21,740
10. Quebec Iron & Titanium Corporation (Feb. 1972)	Tracy, P.Q.	Titanium Dioxide and Pig Iron	E.M.	\$3,251,000	-	7%	\$ 227,570
11. Rayo Forest Enterprises Limited (Mr. R.B. Osmond) (June 1973)	Gambo, Nfld.	Dressed Lumber	E.M.	\$ 225,550	6	30%	\$ 67,665
12. Tembec Forest Products Inc. (Sept. 1973)	Temiscaming, P.Q.	Chemical Cellulose Sulphite Wood Pulp	N	\$11,529,000	398	25% and \$5,000 per eligible job (398)	\$4,872,250
13. Transcan Custom Homes Limited (Feb. 1970)	Kenora, Ont.	Prefabricated Housing Units	N	\$1,099,600	37	25% and \$3,800 per eligible job (28)	\$ 381,300
14. Whittaker Textiles (Marysville) Ltd. (May 1973)	Marysville, P.Q.	Textile Fabrics	N	\$4,645,000	426	25% and \$3,800 per eligible job (417)	\$2,745,850

ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN

23.

<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. Arfor Corporation Ltée (Sept. 1973)	Drummondville, P.Q.						
2. Artistic Lamp Shade Mfg. Co. Ltd. (Feb. 1973)	St-Hubert, P.Q.						
3. Base International (Scientific) Ltd. (Mar. 1973)	Rivers, Man.						
4. Canadian Gear Box Inc. (May 1972)	Beloeil, P.Q.						
5. Continental Calypso Mfg. Co. Ltd. (Nov. 1971)	Montreal, P.Q.						
6. Créations Darnel Ltée (June 1972)	Montreal, P.Q.						
7. Diamond Productions Ltd. (Nov. 1972)	Montreal, P.Q.						
8. Excel Paper Limited (March 1972)	Montreal, P.Q.						
9. Factory Farm Foods (Oct. 1972)	Montreal, P.Q.						
10. Goodwear Knit Ltd. (May 1972)	Montreal, P.Q.						
11. Haro Industries Limited (Jan. 1973)	Chambly, P.Q.						

ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN

24.

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
12. Howard's Fudge & Candy Company Ltd. (Aug. 1971)	St-Anne de Bellevue, P.Q.						
13. J. Gradek Woodwork Co. Ltd. (April 1972)	St-Eustache, P.Q.						
14. John Vacchino Ltd. (Mar. 1972)	Montreal Nord, P.Q.						
15. Johncraft Limited (Oct. 1972)	Montreal, P.Q.						
16. Les Industries Saulnier Inc. (Oct. 1973)	Terrebonne, P.Q.						
17. Les Presses JMC Ltée (Sept. 1971)	Montreal, P.Q.						
18. MacDonald & Fils Cie Ltée (June 1973)	Ville d'Anjou, P.Q.						
19. Nosco Enterprises Ltd. (Oct. 1973)	Lunenburg, N.S.						
20. St-Robert Métal Scrap (Aug. 1973)	St-Robert, P.Q.						
21. Sani-T-Air (1968) Ltée (July 1972)	Laval, P.Q.						
22. Schola Inc. et la Manufacture (Sept. 1973)	Marieville, P.Q.						

ACCEPTED OFFERS SUBSEQUENTLY DECLINED OR WITHDRAWN

25.

<u>Company</u>	<u>Plant Location</u>	<u>Product and/or Process</u>	<u>Type of Project</u>	<u>Expected Eligible Cost</u>	<u>Expected Direct New Jobs</u>	<u>Rate of Offer</u>	<u>Estimated Amount of Incentive Grant</u>
23. Scierie du Galion Inc. (Jan. 1972)	Ste-Perpétue, P.Q.						
24. The Export Corporation of Canada Ltd. (June 1972)	Montreal, P.Q.						
25. The Export Corporation of Canada Ltd. (June 1972)	Montreal, P.Q.						
26. Valimo Ltd. (Oct. 1972)	Montreal, P.Q.						

PART III - LOAN GUARANTEE ACTIVITY DURING THE MONTH

Part III consists of Table 4, which provides a complete alphabetic listing for the month of January 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 4LOAN GUARANTEE ACTIVITY

DETAILS OF OFFERS ACCEPTED, AND OF OFFERS ACCEPTED  
AND SUBSEQUENTLY DECLINED, WITHDRAWN OR REVISED DURING JANUARY 1974

OFFERS ACCEPTED

<u>Company</u>	<u>Location of Facility</u>	<u>Type of Operation</u>	<u>Expected Capital Cost</u>	<u>Expected Direct New Jobs</u>	<u>Loan Amount</u>	<u>Maximum Amount of Loan Guarantee</u>
1. A.D.G.S. Inc.	Sherbrooke, Qué.	Hotel	\$2,778,000	50	\$2,100,000	\$300,000
2. Grantchester Developments Limited	Cornwall,	Hotel	\$1,825,600	70	\$1,280,000	\$280,000

OFFERS ACCEPTED AND SUBSEQUENTLY REVISED

NIL

OFFERS ACCEPTED AND SUBSEQUENTLY DECLINED OR WITHDRAWN

NIL

3. Saunders Howell Manufacturing Ltd. (April 73)	Carbonear, Nfld.					
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PART IV - DEFINITIONS

TERMS USED IN PART 1

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.

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

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

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

Withdrawn -- When, prior to making payment the Department determines the contractual commitments relating to a project were made before the application was filed, or that other legal requirements were not met, and takes action to withdraw the offer in question.

Declined -- When the applicant formally advises the Department that he does not intend to proceed with a project following his acceptance of an offer relating to it.

No Payment Made -- No payment can be made to an applicant until the facility is certified as being in "commercial production", a condition defined in the Regional Development Incentives Act and Regulations. This requires an on-site inspection and audit by an officer authorized to act on behalf of the Minister.

Partial Payment Made -- When commercial production of the facility has been certified and one or more payments have been made in relation to the offered incentive, but final payment has not been made.

Final Payment Made -- When the facility has been in commercial production for the prescribed period, a final inspection is made by the Department, and if all conditions specified in the accepted offer and in the governing Act and Regulations have been met a final payment is made. The final payment cannot be made until 24 months after the certified date of commercial production when the incentive is based only on approved capital costs; or until 36 months after the certified date of commercial production when the incentive is based in part on the number of jobs created in the operation.

Application of Terms to Loan Guarantees

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

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

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

TERMS USED IN PART II

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

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

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

Type of Project --

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

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

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

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

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

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

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

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

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

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

proposed project.

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

#### TERMS USED IN PART III

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

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

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

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

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