

fairs and missions, licensing arrangements and assistance in documentation, market research, and identification of export opportunities. The Division also offers technical assistance through the provision of industrial engineering assistance, production control, and other engineering services and is responsible for implementing the government's program of maximizing New Brunswick product content in public construction. The Resource Utilization Division is primarily concerned with the provision of a variety of marketing, technological and management services to natural resource-based industry in the province. For the next few years the Division's primary role will be somewhat limited to the problems of the wood-using and sawmill industries in the province although it is becoming involved initially on a project basis with mines, minerals, and other resources, particularly the peat moss industry.

The Investment Management Branch is concerned primarily with review and evaluation of industrial projects for which application has been made to the New Brunswick Industrial Finance Board for financial aid. This assistance may take the form of a guarantee for a bank loan or bond issue, a direct loan, and the follow-up services to firms to which the Industrial Finance Board has already been committed. The principal form of assistance is a bank loan guarantee primarily for expansion of existing industry unlike the approach of the New Brunswick Development Corporation which is concerned mainly with developing and locating new industry in the province. The Branch, however, is still active in receiving new industry which may prefer to deal directly with the province.

The Investment Analysis Division of this Branch assists firms in drafting development plans and in making application for financial assistance. It evaluates and makes recommendations on projects presented to the Industrial Finance Board and ensures that adequate safeguards are incorporated into agreements to provide provincial assistance. The Management Services Division is concerned primarily with identifying impending problem areas and taking action to protect provincial commitments in industrial projects. The Division provides for regular audit and inspection of firms receiving financial assistance, for management and consultative services to firms in order to overcome or avoid problems, and for trustee management in severe situations where provincial funds are seriously threatened. Both Divisions of this Branch attempt to ensure maximum utilization of federal and provincial development programs in order to facilitate the establishment and expansion of industry.

Quebec. In 1971, legislation dealing with financial aid to industry was combined under two Acts: Bill 20, the Quebec Industrial Development Assistance Act, which created the Quebec Industrial Development Corporation; and Bill 21, "an Act to promote industrial development through fiscal advantages". The Industrial Development Corporation replaces the former Quebec Industrial Credit Bureau which has been abolished.

The aim of these programs is to help transform Quebec's industrial structure through aid to new high-technology industries and to already existing industries which regroup their production facilities to improve their competitive position. Companies unable to obtain financial assistance elsewhere at reasonable rates are eligible for aid under these programs if it would contribute to the economic development of the province or any of its regions. The amount of assistance granted depends on the area, the kind of goods manufactured and the production techniques used.

The Industrial Development Corporation may grant financial assistance to a manufacturing establishment making a capital investment for construction; purchasing or expanding a plant or factory; investing in machinery, tools or equipment; purchasing licences or patents; or improving the financial organization of the business. Depending on the nature or needs of the company concerned the assistance may take various forms: loans at lower-than-market interest rates; assumption of part of the costs of a loan; exemption from repayment of part of the loans which the business has contracted with the Corporation in accordance with established criteria as to productivity and the number of new jobs created; purchase, by the Corporation, of buildings or machinery for resale or rental to a manufacturer; and purchase of shares of any manufacturing industry up to a maximum of 30% of the paid-up capital stock of the company.

Under the new legislation, the government may grant a reduction in income tax on corporation profits on any investment in Quebec by manufacturers provided the amount of the investment is at least \$150,000. Permissible investments are for building or expansion of plants or factories or for the purchase of new machinery, tools or equipment. In computing their