

free and are made for a period of six years. The Industry and Commerce Development Act authorizes the Department to: make grants to local governments or civic groups for the construction of major tourist facilities or for the promotion of major events and attractions; undertake, either for its own use or on a shared-cost basis with business enterprises, feasibility studies and research to identify new business opportunities; provide, either through department representatives or outside consultants, counselling and advice on all forms of business problems; and make financial assistance available to a community-based group to continue the operation of a business threatened by closure which would seriously disrupt the community in which it is located.

The province also provides financial assistance to business enterprises through the Saskatchewan Economic Development Corporation (SEDCO), a Crown corporation. SEDCO was originally established in 1963 to provide loans for the establishment or expansion of manufacturing enterprises. Since August 1972, its terms of reference have been significantly broadened to permit the provision of financial assistance to virtually all types of businesses. In addition to industrial enterprises, SEDCO loans may now be made to retail, wholesale and service businesses. SEDCO assistance can take many forms, the most common of which is a first mortgage loan over a medium term. Security for such loans consists of specific pledges of land, buildings and/or equipment, and the support of the individuals involved in the business is normally pledged as well. Repayment terms for such loans are designed to suit the income pattern of the enterprise, and may include such features as step-payments, seasonal payments or similar arrangements.

Loans can be granted for terms varying from a few months to 20 years and in amounts from a few thousand to many millions of dollars. The term is determined by the estimated life of security pledged and by the earnings of the business. Equipment-based loans would be for five to eight years, while building and equipment loans might be eight to 12 years, and real estate alone as security would warrant a loan of up to 20 years. Working capital loans would range from one month to two years.

In all cases, the Corporation expects that the owners of the borrowing company will have a reasonable equity contribution in the enterprise. In certain instances, the Corporation may consider taking an equity investment in its own right if required to maintain a reasonable balance between debt and equity. The Corporation also has industrial sites and buildings which it is prepared to make available to eligible enterprises. Lease, lease-purchase or outright sale of such properties can be considered and, in certain circumstances, the Corporation will consider constructing a facility for the subsequent sale or lease to a prospective client.

Alberta. The province assists industry through the facilities of the Alberta Opportunity Company (AOC), a Crown agency created to promote economic growth by stimulating the establishment of new businesses and aiding in the expansion of existing enterprises. In pursuing this objective AOC gives priority to Albertans and Alberta-owned enterprises, small businesses, centres of small population, job-creating projects, research and development projects, promotion of marketing and export potential, enhancement of tourist potential, provision of employment and business experience for Alberta students, encouragement of local development groups and promotion of pollution control projects.

In order to qualify for assistance, a business may be a proprietorship, partnership, co-operative, or corporate body, must be a business operating for gain or profit, must be located or to be located in Alberta, must provide assurance that any assistance provided will be utilized exclusively within Alberta, and must be of a type considered by the Company to be eligible within the terms of the Act and its Regulations. Eligible types of business include manufacturing, processing and assembly operations, service industries, commercial wholesale and retail trade, recreational facilities, tourist establishments, local development organizations, student business enterprises, and new industries of any kind which are unique and valuable additions to the province. The program is not designed to apply to finance companies, suppliers of residential accommodation other than tourist facilities, public utilities including power generation and distribution, resource-based industries such as mining, oil and gas production, logging, farming and ranching.

A number of considerations enter into the decision as to whether or not assistance will be granted: the contribution the project would make to the economy, the local community and the province as a whole; economic viability of the proposal considering capabilities of