

expansion of plants or factories or for the purchase of new machinery, tools or equipment. In computing their profits, approved companies may deduct up to 30%, 50% or 100% of their investment depending on the region in which the investment is made.

A manufacturing or processing plant selling and delivering part of its Quebec production outside the province may receive exemption from provincial sales tax on goods purchased for its use or consumption in the proportion that its out-of-province sales bears to its total sales for the year. Under the same program, a business may be exempt from provincial sales tax on gas or electricity used directly for processing. Moreover, the manufacturer is entitled to a partial reimbursement of sales tax paid on construction materials used in his industrial buildings.

A manufacturing firm may also receive total repayment of the tax paid on gasoline or diesel fuel if the fuel is used to operate machinery or as a raw material in the manufacture of certain products. Industrial machinery used in Quebec for manufacturing or processing is also exempt from provincial sales tax.

For a number of years the provincial government has sought to find easier access to export markets for Quebec producers. The International Services Branch of the Department of Trade and Industry has economic advisers attached to its delegations and offices abroad, provides financial and technical assistance to firms wishing to participate in industrial shows, organizes trade missions and provides information on export techniques and the various aspects of external trade. Amendments to the Quebec Industrial Development Act permit the Industrial Development Corporation to grant financial assistance to manufacturing or commercial operators exporting goods manufactured in Quebec, provided they meet the criteria set out in regulations under the act. The Industrial Research Institute makes information and technical assistance available to industry throughout the province.

17.3.6 Ontario

The Ontario Development Corporation (ODC), the Northern Ontario Development Corporation (NODC) and the Eastern Ontario Development Corporation (EODC) are Crown agencies established by the Ontario government to provide financial and advisory services to business in order to stimulate industrial growth, economic development and employment opportunities. They report to the Ontario legislature through the Minister of Industry and Tourism. Their activities are governed by boards of directors composed of representatives from the business and financial communities and organized labour.

Loan programs administered by the ODC, NODC and EODC include the Ontario Business Incentive Program which provides loans to encourage industrial and economic development in Ontario. Incentive loans are repayable, although initial repayment may be deferred. The loans may be interest free or at a rate lower than ODC's prevailing rate of interest.

Term loan programs include: small business loans to Canadian-owned companies in the province to expand their operations in manufacturing or services closely allied to manufacturing; venture capital loans to Canadian-owned companies to introduce new technology; pollution control equipment loans to companies which must install approved pollution control equipment and are unable to finance it from their own resources; tourist industry loans for tourist resort operators to upgrade existing facilities and to establish new accommodation; export support loans to finance the production and warehousing of goods for export against specific orders; and industrial mortgages and lease-backs to assist with the establishment or expansion of manufacturing facilities.

The ODC administers Northam Industrial Park in Cobourg and Huron Industrial Park in Centralia where it rents industrial space and housing. It also manages the sale and leasing of property in Sheridan Park near Toronto to companies engaged in industrial research and development.