

machinery and equipment advisory board advises the minister of industry, trade and commerce on the eligibility of machinery for remission of duty. The board examines all tariff remission applications in respect of machinery and equipment or production tooling for the manufacture of original equipment, automotive parts and accessories. Final authority for granting remission lies with the Governor-in-Council.

Machinery producers may also apply for remission of duty on production parts and components which they cannot get in Canada. This is intended to stimulate Canadian machinery manufacturers to specialize their production and enable them to compete more effectively.

Industrial design

17.2.4

Design Canada, the administrative arm of the National Design Council and the branch of the department responsible for design in industry, manages a number of programs aimed at improving the products of Canadian secondary industry. Design Canada activities include co-funded programs of design assistance to industry; a design advisory service; design internship with industry; scholarships; design education advisory service and materials; product design case studies; audio-visual presentations and exhibits; and awards for design in industry.

Defence industry productivity

17.2.5

A program designed to enhance the technological competence of the Canadian defence industry in its export activities provides financial assistance to industrial firms for selected projects. Emphasis is placed on defence technology having civil export sales potential. Assistance may cover development of products for export purposes; acquisition of modern machine tools and other manufacturing equipment to meet exacting military standards; and assistance with pre-production expenses to establish manufacturing sources in Canada for export markets. Manufacturing equipment projects to be helped are selected on the basis that the machinery acquired will greatly increase productivity.

Shipbuilding industry assistance

17.2.6

A shipbuilding industry assistance program provides assistance to shipyards building or converting ships for domestic or export customers. Introduced in March 1975, this program supersedes the former ship construction subsidy regulations for domestic owners and shipbuilding temporary assistance program for export orders. Assistance is in two forms. An outright subsidy was introduced initially at 14% but revised to 20% of the approved cost of the eligible ship. An improvement grant of 3% is conditional upon the shipyard investing this and a matching amount for improved performance. The program encourages the use of Canadian materials, components and equipment when they are available at competitive prices.

Export market development

17.2.7

An export market development program is designed to help increase exports of Canadian goods and services. Canadian companies may obtain repayable contributions toward defraying approved expenses which would otherwise inhibit their attempts to earn a share of markets.

Section A, incentives for participation in capital projects abroad, is applicable anywhere outside Canada. The term capital projects is intended to describe facilities, systems and other projects requiring the provision of skilled services, engineering products and other capital goods. Section B, market identification and marketing adjustment, emphasizes manufactured goods but it can be more widely applied; it is applicable anywhere outside Canada and continental US. Section C, participation in trade fairs abroad, is not restricted as to markets, products or services; it is applicable anywhere outside Canada but participants in Canadian national stands at the same fair abroad are not eligible. Section D, incoming foreign buyers, also has no restrictions on markets, products or services; buyers from anywhere outside Canada and the continental US may be invited by a company to examine products and production in Canada or an agreed third location.