

The indexed amounts shall be reduced to the nearest dollar where they contain a fraction of a dollar less than \$0.50; they shall be increased to the nearest dollar where they contain a fraction of a dollar equal to or greater than \$0.50.

The Régie du logement shall inform the public of the annual indexing calculated under this section. It shall do so through the *Gazette officielle du Québec* and, where the Board considers it appropriate, by any other means.

3. The costs provided for in section 1 are payable upon the filing of the proceeding, in cash, by certified cheque, by postal money order or by another instrument of payment providing the same guarantees, made out to the Minister of Finance.

4. Any person who proves that he receives financial support under a last resort assistance program provided for in the Act respecting income security (R.S.Q., c. S-3-1.1) shall be exempted from paying costs.

5. The Board shall reimburse the costs paid for filing where it grants:

(1) a motion for the correction of a decision;

(2) an application for revocation of a decision made under the second paragraph of section 89 of the Act respecting the Régie du logement (R.S.Q., c. R-8.1).

6. Costs of 3.8 % shall be exigible and shall be collected by the Board at the time of deposit, from the rents deposited at its office.

DIVISION II

COSTS EXIGIBLE FOR THE SERVICE OF CERTAIN PROCEEDINGS

7. Pursuant to section 79.1 of the Act respecting the Régie du logement (R.S.Q., c. R-8.1), the costs incurred by the applicant for the service of the proceeding introductive of suit to each party may be adjudged up to an amount of \$6.

In addition to the costs provided for in the first paragraph, where a special mode of service is authorized by the Board or where a new service is imposed, the costs incurred may be adjudged up to an amount of:

(1) \$20 for service by a bailiff, those costs being established in accordance with the Tariff of fees and transportation expenses of bailiffs (R.R.Q., 1981, c. H-4, r. 3);

(2) \$75 for service by public notice.

8. This Regulation replaces the Regulation respecting fees payable to the Régie du logement, made by Order in Council 630-82 dated 17 March 1982.

9. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

1404

Gouvernement du Québec

O.C. 530-97, 23 April 1997

An Act respecting the Société de développement du Québec
(R.S.Q., c. S-11.01)

Private Investment and Job Creation Promotion Fund

Regulation respecting the Private Investment and Job Creation Promotion Fund

WHEREAS under section 2 of the Act respecting the Société de développement industriel du Québec (R.S.Q., c. S 11.01), the object of the Corporation is to promote economic development in Québec;

WHEREAS under section 3 of the Act, the Corporation shall grant financial assistance under a program;

WHEREAS under section 5 of the Act, the Government may establish by regulation financial assistance programs for businesses, designed to promote economic development in Québec;

WHEREAS under section 47 of the Act, the Government may make regulations to establish criteria to determine which businesses may receive financial assistance, to determine the form of financial assistance and the conditions a business must fulfil to obtain financial assistance and to determine the cases in which duties or charges are exigible from a business that applies for financial assistance;

WHEREAS under section 12 of the Regulations Act (R.S.Q., c. R 18.1), a proposed regulation may be made without having been published as prescribed in section 8 of that Act, if the authority making it is of the opinion that the urgency of the situation requires it;

WHEREAS under section 13 of that Act, the reason justifying the absence of prior publication shall be published with the regulation;

WHEREAS under section 18 of that Act, a regulation may come into force within a period of time shorter than the fifteen day period provided for in section 17 of that Act, where the authority that has made it is of the opinion that the urgency of the situation requires it;

WHEREAS the Government is of the opinion that the urgency due to the following circumstances justifies the absence of prior publication of the Regulation and a shorter period for its coming into force after publication;

(1) until such time as the Regulation respecting the Private Investment and Job Creation Promotion Fund is adopted, the new measures announced in the Budget Speech of 25 March 1997 cannot be enforced;

(2) it is important that businesses be able to benefit as soon as possible from the implementation of the proposed measures;

WHEREAS it is expedient to make the Regulation respecting the Private Investment and Job Creation Promotion Fund;

IT IS ORDERED, therefore, upon the recommendation of the Minister of State for the Economy and Finance and Minister of Industry, Trade, Science and Technology:

THAT the Regulation respecting the Private Investment and Job Creation Promotion Fund, attached to this Order in Council, be made.

Michel Carpentier,
Clerk of the Conseil exécutif

Regulation respecting the Private Investment and Job Creation Promotion Fund

An Act respecting the Société de développement industriel du Québec
(R.S.Q., c. S-11.01, ss. 5 and 47)

DIVISION I OBJECTIVE

1. The objective underlying this Regulation is to encourage businesses to carry out investment projects and to promote new projects. It may be designated as the “Private Investment and Job Creation Promotion Fund.”

DIVISION II INTERPRETATION

2. Under this Program

(1) “investment” means expenditures for the purpose of obtaining goods and services required to start up a business, for the expansion, upgrading or modernization of production, or for the purposes of certification in respect of a standard;

(2) “lender” means a bank within the meaning of the Bank Act (S.C. 1991, c. 46), a savings and credit union governed by the Savings and Credit Unions Act (R.S.Q., c. C-4.1) or any other legal person legally empowered to grant commercial loans or guarantees;

(3) “net loss” means the balance owing to a lender, that is, the sum of the principal owing at the date the loan and the interest accrued are called in, less the net product from the realization of the securities;

(4) “economic spinoff” means the structuring effect on the economy and the increase in the output and sales of a business with respect to the added value of a project, the number of direct and indirect jobs that the project engenders and the attendant tax revenues;

(5) “eligible expenses” means expenses directly related to the investment project or related to the working capital needed to carry out the project, except for expenses that give a right to Québec refundable tax credits pertaining to expenses incurred for scientific research and experimental development;

(6) “amount” means the impact of financial assistance that is equivalent to:

(a) the amount of the interest charges assumed or assistance in respect of worker training;

(b) the amount accounted for by the government as a provision for losses in respect of a guarantee on a financial commitment, a loan, a refundable contribution, the capital stock or the shares acquired by the Corporation.

DIVISION III ELIGIBILITY FOR FINANCIAL ASSISTANCE

3. Financial assistance is granted to a business or for the benefit of a business where the business’s financial structure, quality of management, professional and technical staff, and production and marketing organization are such that they will enable the project to be profitable and render the business competitive.

4. Financial assistance must be necessary for carrying out the project in respect of which it is granted.

5. Financial assistance for a modernization project or the expansion of the production capacity of a unit must make possible an increase of at least 20 % of the fixed

assets. However, in the case of enterprises in the pulp and paper sector, the financial assistance must make possible an increase of at least 30 % in the fixed assets of the production unit.

Notwithstanding the first paragraph, the financial assistance may make possible an increase in fixed assets of a lesser proportion when it allows the realization of a project that engenders considerable economic spinoff.

6. The financial assistance must relate to an investment of more than \$25 000 000. However, in the mining sector, the financial assistance must relate to an investment of more than \$2 000 000.

7. The project in respect of which financial assistance is granted must begin at the latest three months after it has been authorized, in accordance with section 25.

8. The financial assistance granted pursuant to this Regulation shall be reduced by an amount equivalent to any other Québec government financial assistance awarded in respect of the same project.

9. The projects in respect of which financial assistance may be granted must relate to the activities listed in Schedule I.

DIVISION IV FORM AND AMOUNT OF THE FINANCIAL ASSISTANCE

10. Financial assistance shall be in the form of:

(1) a guarantee of reimbursement of at least 70 % of the net loss in relation to a loan, a line of credit, a letter of credit or any other form of financial commitment granted by a lender, a lessor or an equipment lessor to a business or for the benefit of a business;

(2) the assumption of interest charges on a loan equivalent to up to a maximum of 8 % of eligible expenses;

(3) a contribution to worker training equivalent to up to a maximum of 8 % of eligible expenses.

The foregoing financial assistance may be accumulated up to an amount equivalent to not more than 8 % of eligible expenses.

11. The financial assistance may, as a last resort to ensure the realization of a project that engenders considerable economic spinoff, and up to an amount of not more than 15 % of eligible expenses, consist in the combined amount of financial assistance stipulated in

section 10, or in a loan or a reimbursable contribution, or in the purchase by the Corporation of capital stock or the shares of a business.

12. Notwithstanding sections 10 and 11, the financial assistance granted in respect of the realization of a project in the mining sector may only consist in a guarantee of not more than 70 % of the net loss in respect of a loan, a line of credit, a letter of credit or any other financial commitment granted by a lender, a lessor or an equipment lessor to a business or for the benefit of a business.

13. The amount of the financial assistance may not exceed the amount required to realize the project.

14. A guaranteed financial commitment, a loan, a reimbursable contribution, or the acquisition of shares in an enterprise may not exceed 75 % of the eligible expenses.

DIVISION V TERMS AND CONDITIONS OF FINANCIAL ASSISTANCE

15. Any contract concluded under this Regulation shall contain a clause providing that the Civil Code of Québec is applicable to the contract.

16. The financial assistance granted by the Corporation must be authorized prior to October 1, 1998.

17. The maximum term for financial assistance granted by the Corporation is 10 years.

18. The period for carrying out a project in respect of which financial assistance is granted may not exceed three years from the date of the authorization granted in accordance with section 25.

19. The beginning of repayment of the principal of a financial commitment may be postponed until no later than two years after the project has been carried out.

20. The payments on the principal of a loan guaranteed or granted under this Regulation shall be fixed. They may be variable where the funds generated by the business are seasonal or subject to fluctuations.

21. Management fees of at least 0.5 % of the amount of the financial assistance granted by the Corporation, up to a maximum of \$250 000, are payable by the business.

22. Annual guarantee fees of at least 0.5 % of the guaranteed financial commitment are payable..

23. A premium may be required to offset risks.

24. The Corporation may refuse to grant financial assistance or may suspend assistance where a business no longer meets the conditions or criteria that made it eligible therefor or where it has failed to meet a contractual obligation. The Corporation may also sign any agreement or require any guarantee that it considers necessary where corrective measures are being taken in the case of a business having received financial assistance and experiencing financial difficulties or where the matter of a business having received financial assistance is in the process of being settled or, pursuant to an authorization granted under section 25, granted additional advantages.

DIVISION VI GRANTING OF FINANCIAL ASSISTANCE

25. Financial assistance, with the exception of the assistance stipulated in section 11, is granted by a decision:

(1) of the Minister of Industry, Trade, Science and Technology, without Government authorization, when the amount is less than \$10 000 000;

(2) of the Government when the amount is \$10 000 000 or more.

The financial assistance stipulated in section 11 is granted by the Government.

DIVISION VII THE LENDER'S CLAIM

26. The lender shall immediately send the Corporation a copy of any document calling in a guaranteed financial commitment.

27. After exhaustion of the remedies pertaining to the recovery of its accounts receivable and the realization of its securities, the lender shall establish its claim and shall serve it on the Corporation.

28. The lender shall include in its net loss any interest accrued during a maximum period of three months following the calling in of the loan or financial commitment. The lender may, with prior authorization from the Corporation, include interest accrued over a longer period, where such a measure would ensure the survival of a business or the realization of securities or guarantees. However, total accrued interest may not exceed 10 % of the balance on the loan or financial commitment at the time it is called in.

29. The lender's claim shall be paid by the Corporation within 60 days of its receipt, except where the Corporation may give a refusal, in which case the Corporation shall so inform the lender within the same period.

DIVISION VIII FINANCIAL PROVISION

30. The revenue generated by this Regulation shall be used to cover the attendant costs. Any surplus shall be paid to the Government.

DIVISION IX TRANSITIONAL AND FINAL

31. The Regulation respecting the programs of the Société de développement industriel du Québec, made by Order in Council 681-92 dated 6 May 1992, does not apply to this Regulation.

32. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*. However, no financial assistance may be granted after 1 October 1998. However, the Regulation will continue to have effect after that date in respect of financial assistance already granted.

SCHEDULE I (s. 9)

ACTIVITIES TO WHICH ASSISTANCE MUST PERTAIN

Pursuant to section 7 of this Regulation, the projects in respect of which financial assistance may be granted shall relate to the following activities:

- (1) manufacturing;
- (2) mining;
- (3) environmental restoration;
- (4) services related to computers, software and software packages or other high value-added services related to information technology;
- (5) the operation of a laboratory;
- (6) any activity pertaining to technological innovation and design and to exportation, except buyer credit;
- (7) central calling services;
- (8) the recycling of

- (a) rubber;
- (b) paper;
- (c) scrap metal;
- (d) mechanical or electrical automobile parts;
- (e) glass;
- (f) plastic;
- (g) bark, sawdust or wood shavings;

(9) the recovery, sorting and processing or treatment of waste or scrap, for the purpose of making a product or raw material used in manufacturing;

(10) transmission by pipeline;

(11) tourism, in respect of the following products, where priority is given to offering those products to pleasure tourists or conference tourists, customer groups composed of people who are travelling for the purposes of recreation, a vacation, a conference, a symposium or a seminar and are lodging for those purposes elsewhere than at their main residence:

(a) accommodation, where the project pertains to

i. the modernization of existing sleeping-accommodation units or;

ii. the addition of sleeping-accommodation units, within the scope of recreational and tourist projects requiring local sleeping accommodation;

(b) camping, where more than 40 % of the sites or a minimum of 150 sites, whichever is the lower, are made available exclusively to campers other than seasonal campers;

(c) cruise excursions on bodies of water within Québec, where animation and interpretation activities are provided;

(d) hunting and fishing, adventure and outdoor activities, recreational, artistic, craft and scientific activities that are offered as part of a package deal that includes accommodation;

(e) alpine skiing at a centre that is already developed and has a drop of at least 250 metres, is located in proximity to at least 100 commercial accommodation units or at least 50 % of whose customers come from outside Québec, where the project does not involve expansion of the skiable area or an increase in the centre's capacity;

(f) a cultural, natural, scientific, recreational or other attraction, offered to such tourists on a continuing and recurring basis for at least four months of the year;

(g) the investment required for a major tourist attraction that draws a significant number of tourists from outside Québec.

1403

Gouvernement du Québec

O.C. 534-97, 23 April 1997

Forest Act
(R.S.Q., c. F-4.1)

Reimbursement of real estate taxes

Regulation respecting the reimbursement of real estate taxes of certified forest producers

WHEREAS under section 122 of the Forest Act (R.S.Q., c. F-4.1), amended by section 11 of Chapter 14 of the Statutes of Québec of 1996, certified forest producers may obtain a reimbursement of real estate taxes;

WHEREAS under section 123 of the Forest Act (R.S.Q., c. F-4.1), amended by section 15 of Chapter 37 of the Statutes of Québec of 1995 and by section 12 of Chapter 14 of the Statutes of Québec of 1996, a certified forest producer who wishes to obtain that reimbursement shall be in possession of a report prepared by a forest engineer containing a statement of the eligible development work expenses representing an amount equal to or greater than the amount of real estate taxes that may be the subject of an application for reimbursement;

WHEREAS under section 172.1 of the Forest Act, introduced by section 19 of Chapter 14 of the Statutes of Québec of 1996, the Government may, by regulation,

(1) define "eligible development expenses" for the purposes of section 123 of the Act, and prescribe exclusions, ceilings and deductions;

(2) establish rules for the calculation and substantiation of eligible development expenses applicable to a calendar year where a producer is a natural person or, in other cases, to the fiscal year of a producer, and authorize the carrying forward of such expenses, even expenses incurred before the coming into force of the regulations;

(3) determine the form and content of the report of the forest engineer referred to in section 123 of that Act;