

- o regional development aspects of the Investment Tax Credit, because credits over 7 percent were available only within specific regions;
- o the Program for Export Market Development, because it provided interest-free loans for exporters;
- o the Forest Industry Renewable Energy Program, for grants made available only to forest industry firms;
- o Regional Development Incentives Program grants and loan guarantees provided by the Department of Regional Economic Expansion (DREE) to create stable employment opportunities in underprivileged regions, because the benefits were limited to companies in specific regions; and
- o the Community-Based Industrial Adjustment Program, created to alleviate distress in cabinet-designated communities caused by large-scale permanent industry dislocation.

Federal-provincial Agriculture and Rural Development Agreements (ARDA) and DREE's General Development Agreements with the provinces also were found to confer subsidies, because their assistance was limited to companies in specific, generally rural, economically depressed regions within a province. Several provincial programs were deemed to provide subsidies, including Alberta's Stumpage Payment Deferral; British Columbia's Low-Interest Loan Assistance (LILA) and Stumpage Payment Deferral; Ontario's Stumpage Pricing for Non-Integrated Licensees and Stumpage Payment Deferral; and Quebec's Stumpage Pricing on Timber Limits, its Aide à la Promotion des Exportations, Société de Récupération, d'Exploitation et de Développement Forestiers du Québec (REXFOR), and its FRI Tax Abatement and SDI Export Expansion programs.

Particularly interesting was the ITA's handling of REXFOR, a Quebec crown corporation that owns sawmills and pulp and paper mills, manages