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**Task Force on Tax Assistance for the Resource Regions  
and the New Economy**

**The Task Force Travels to Saguenay**

Québec, September 27, 2007 – The Task Force on Tax Assistance for the Resource Regions and the New Economy was in Saguenay where it heard from some twenty companies and organizations, the regional caucus of Parti Québécois MNAs and the mayor of Saguenay.

**Private meetings**

During the morning, the Task Force met with nine companies from the region that receive government tax assistance. The companies emphasized the importance of the assistance they have received for the development of their activities. They stressed that it needed to be maintained, emphasizing the disadvantages they must overcome, in particular because of the region's remoteness compared with the major business centres and target markets. Only one company said it enjoyed a location advantage.

Many companies pointed out that the assistance they received enabled them to fund the growth of their activities and the investments necessary for their development. Companies prefer tax assistance calculated on the basis of payroll because it is flexible, simple and its risk level is limited.

**Public hearings**

During the public meetings, elected officials and organizations from the region were unanimous in asking that the tax assistance be maintained, emphasizing their support for the concept of the Vallée de l'aluminium, a concept consistent with the approach of niches of excellence.

These measures seem indispensable to support the creation of jobs for the sector SMEs and more generally by secondary and tertiary processing companies. The CRE du Saguenay–Lac-Saint-Jean, the Société de la Vallée de l'aluminium and the FTQ regional council stated explicitly that it was no longer possible to depend solely on large companies – and in particular on aluminum companies – for job creation.

Many participants suggested extending the Vallée de l'aluminium to the Côte-Nord region. The caucus of Parti Québécois MNAs and the mayor of Saguenay noted the history of the tax measures that have been implemented and their context. The MNAs insisted that the state must be consistent and persistent in the signals it sends to support the development of a critical mass and the national issue at stake for Québec in terms of occupation of the territory. The impact of the assistance measures for the new economy was raised by the Regroupement des entreprises en technologies de l'information et des communications.

The Task Force will continue its meetings on September 28 in Baie-Comeau and Sept-Îles. The full recording of the public hearings is available at: [www.gtaf.gouv.qc.ca](http://www.gtaf.gouv.qc.ca)

– 30 –

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