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**Task Force on Tax Assistance for the Resource Regions
and the New Economy
Day of Meetings in Baie-Comeau and Sept-Îles**

Québec, September 28, 2007 - The Task Force on Tax Assistance for the Resource Regions and the New Economy continued its tour of the regions, holding meetings on the Côte-Nord. Private meetings and public hearings were held in the morning in Baie-Comeau and in the afternoon in Sept-Îles.

Baie-Comeau

The Task Force met with representatives of seven companies from the region. The companies described the substantial difficulties they must overcome to remain competitive, given the region's remoteness and the characteristics of the local labour force. They face very high training and transportation costs compared to those of competitors in central and metropolitan regions. Some companies must also absorb significant supply costs, since the raw materials used are not available locally.

The tax benefits for the resource regions are crucial for partially overcoming these handicaps. Suggestions were made, aimed at continuing assistance for the resource regions by adapting it based on the economic vitality of communities, their remoteness and other objective variables.

At the public hearings, representatives of the CRE de la Côte-Nord and the CLD de Manicouagan, accompanied by the mayor of Baie-Comeau, emphasized the challenges facing the region, challenges that are exacerbated by the crisis in the forest industry. Organizations asked that the tax assistance be maintained, possibly with adjustments based on adapted indicators, that the Vallée de l'aluminium concept be expanded to the Côte-Nord and that the assistance be extended beyond 2009.

Sept-Îles

In Sept-Îles, the Task Force began by meeting in private with four companies that receive tax assistance. The entrepreneurs stressed the importance of the assistance they receive and the need to maintain it, insisting on the cost of transportation and the challenge of succession.

During the public hearings, the Task Force received regional organizations focusing on economic development, including the chambers of commerce and the CLDs of Sept-Îles and Port-Cartier, as well as the MNA for Duplessis. After noting the economic history of the region and its contribution to wealth creation in Québec and the occupation of the territory, the organizations underscored the problems relating to distance and the need for targeted tools and positive signals to secure development and allow room for succession. The MNA made a strong case for the continuation of the tax measures.

The Task Force will resume its meetings on October 5 in Montréal. The full recording of the public hearings is available at: www.gtaf.gouv.qc.ca

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