

Federal Authority Advice Record: Designation Request under IAA
Response due by September 27, 2021
 Meltech Project – Industrial building - Montréal-Trudeau airport

Department/Agency	Innovation, Science, Economic Development Canada (ISED)/ Strategic Innovation Fund (SIF)
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1. Has your department or agency considered whether it has an interest in the Project; exercised a power, provided a financial assistance or performed a duty or function under any Act of Parliament in relation to the Project; or taken any course of action (including provision of financial assistance) that would allow the Project to proceed in whole or in part?

ISED has an interest in the project and is providing financial that could enable the project to proceed. In June 2021, ISED signed a contribution agreement with Meltech (a subsidiary of Medicom) towards the project. The Meltech project responds to COVID-19 priorities, and would produce inner filter material used in the manufacture of surgical, pediatric and N-95 type respiratory masks.

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2. Is it probable that your department or agency may be required to exercise a power, provide a financial assistance or perform a duty or function related to the Project to enable it to proceed? If yes, specify that power, duty or function and its legislative source.

ISED's SIF program has already signed a contribution agreement with Meltech that could enable the project to proceed. SIF was created through policy proposal that was approved by Cabinet. The Minister of Innovation, Science and Industry has the authority to provide grants and contributions under the Department of Industry Act.

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3. If your department or agency will exercise a power, provide a financial assistance or perform a duty or function under any Act of Parliament in relation to the Project, will it involve public and Indigenous consultation?

The Montreal Airport Authority (ADM) and ISED are conducting a federal lands assessment pursuant to s. 82 of the Impact Assessment Act of Canada, which includes a public posting and opportunities for public comments. Beyond this process, ISED has not conducted supplemental public or Indigenous consultation in relation to the Project.

4. Is your department or agency in possession of specialist or expert information or knowledge that may be relevant to any potential adverse effects within federal jurisdiction caused by the Project or adverse direct or incidental effects stemming from the Project? Specify as appropriate.

No.

5. Has your department or agency had previous contact or involvement with the proponent or other parties in relation to the Project?

Provide an overview of the information or advice exchanged.

See response to question 1 and 3.

6. From the perspective of the mandate and area(s) of expertise of your department or agency, does the Project have the potential to cause adverse effects within federal jurisdiction or adverse direct or incidental effects as described in section 2 of IAA? Could any of those effects be managed through legislative or regulatory mechanisms administered by your department or agency? If a licence, permit, authorization or approval may be issued, could it include conditions in relation to those effects? Specify as appropriate.

Economic Benefits

The Strategic Innovation Fund (SIF) supports large-scale, transformative and collaborative projects that help position Canada to prosper in the global knowledge-based economy. SIF projects promote the long-term competitiveness of Canadian industries, clean growth, and the advancement of Canada's strategic technological advantage.

The proposed Meltech project will result in regional economic benefits in the Greater Montréal area. In addition to the direct investment, job creation and spill over benefits to the local economy, the company will establish a research and development (R&D) lab and testing facility to improve this material and develop innovative material options for personal protective equipment (PPE).

This factory will fill an existing domestic manufacturing gap. By securing an end-to-end PPE supply chain, Canada will be more self-sufficient and reduce the risk of future supply chain interruptions. Once fully operational, the factory is expected to supply enough of this fabric to produce over half a billion surgical masks per year. Through this project, Meltech Innovation is expected to expand to support its global sites.

Management of Effects

ISED's SIF Contribution Agreement includes conditions related to Environmental obligations of Meltech Innovation such as conditions that ensure the company:

- *Will comply with all federal, provincial, territorial, municipal and other applicable laws, including those related to environmental protection and the successful implementation of and adherence to prescribed mitigation measures, monitoring and follow-up.*
 - *Provide access to the project site to ensure conditions of environmental approval have been met, and that any mitigation, monitoring or follow-up measure required has been carried out.*
 - *Suspend site preparation and construction activities should it be determined that an environmental assessment of the Project is required until it meets the requirements of the Impact Assessment Act of Canada.*
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7. Does your department or agency have a program or additional authority that may be relevant and could be considered as a potential solution to concerns expressed about the Project? In particular, the following issues have been raised by the requestor: The location of the project in an environmentally sensitive area; the presence of monarch butterfly breeding habitat on the site; the attractiveness of this site to wildlife; the refuge provided by this site for several species of insects, reptiles, fish, small and large mammals and birds at risk; the creation of a conservation area or national wildlife area in this sector by including this site; the need for and suitability of this site for the production of non-woven fabrics for personal protective masks; nesting and feeding sites for migratory birds; protection

of fish and fish habitat from the effects of drainage and pollution; potential impact of this project on the number of monarch butterflies migrating from Canada to California and Mexico; effects on aboriginal peoples and their rights.
If yes, please specify the program or authority.

No.

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8. Does your department or agency have information about the interests of Indigenous groups in the vicinity of the Project; the exercise of their rights protected by section 35 of the *Constitution Act, 1982*; and/or any consultation and accommodation undertaken, underway, or anticipated to address adverse impacts to the section 35 rights of the Indigenous groups?
If yes, please specify.

Yes. The department received a letter from the Mohawk Council of Kahnawà:ke, which was also sent to the Montreal Airport Authority.

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9. If your department has guidance material that would be helpful to the proponent or the Agency, please include these as attachments or hyperlinks in your response.

No.

ISED/ SIF

Name of departmental / agency responder

Marc-Andre Blais

Senior Investment Manager

Blais, MarcAndre <Original signed by>

Title of responder

October 7, 2021

Date