

1983 ANNUAL REPORT

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Cover:

Du Pont Canada upgrades basic chemicals into more valuable materials for use by other manufacturers. As a result, few people would recognize the finished goods leaving Du Pont plants. But consumer products made by the Company's customers are everywhere, playing a thousand roles in the day-to-day lives of Canadians.

Ammonia	C-I-L	Sarnia
Carbon tetrachloride	Cornwall Chemicals Dow Chemical	Cornwall Sarnia
Caustic soda	Dow Chemical	Sarnia
Cyclohexane	Gulf Canada	Montréal
Ethyl chloride	Ethyl Canada	Sarnia
Hydrofluoric acid	Allied Chemical	Amherstburg
Hydrogen	Nitrochem	Maitland
Lead	Noranda Mines	Bathurst, N.B.
Nitric acid	Nitrochem	Maitland
Electricity	Ontario Hydro	Ontario
Fuel Oil	Universal Terminals	Toronto
Natural Gas	Northern & Central	Alberta

Aluminum	Canbro	Valleyfield, Qué.
Ammonia	C-I-L	Sarnia
Ammonium nitrate	C-I-L Cominco Esso Chemical	Alberta
	Nitrochem	Maitland
Monomethylamine	Chinook Chemicals Du Pont (U.S.)	Sarnia U.S.A.
Polyethylene	Du Pont Canada	Sarnia
Polypropylene	Hercules Canada Shell Canada	Montréal Sarnia
Sodium nitrate	Olin Chemicals	U.S.A.
Electricity	North Bay Hydro	North Bay
Natural Gas	Northern & Central	Alberta

Additives	Ciba-Geigy Cyanamid Ethyl (U.S.) Gulf (U.S.)	U.S.A.
Comonomers	Shell (U.S.) Polysar	U.S.A. Sarnia
Cyclohexane	Gulf Canada	Montréal
Ethylene	Esso Chemical Petrosar	Sarnia
Nitrogen	Union Carbide Canada	Sarnia
Polyethylene	Union Carbide Canada	Sarnia
Electricity	Ontario Hydro	Ontario
Natural Gas	Union Gas	Alberta

Polyethylene	Du Pont Canada Union Carbide Canada	Sarnia
Nylon resin	Du Pont Canada	Kingston

MAITLAND

Adipic acid
† "Freon"
fluorocarbons
Gasoline and
fuel additives

† "Lybra" spandex
fibre

† "Zytel" ST
super tough
nylon resin

CHEMICALS FIBRES PLASTICS AND FILMS

Refrigeration
Metal and
electronic cleaning
Blowing agents
Aerosol propellants
Oil refiners

Fabric weavers
and knitters

Automobile
Sporting goods

Appliances and
freezers
Air conditioners
Insulation
Heat pumps
Consumer and
industrial packaging
Gasoline and fuels

Ladies' and Men's
apparel: hosiery,
swimwear and
outerwear
Foundation garments
Sporting goods
Automotive parts

Automotive parts
Tool handles
Skate-blade
supports
Bicycle wheels
Ski rack clips

NIPISSING AND EXPLOSIVES FIELD SITES

Commercial explosives,
blasting agents and primers

**"Fabrene" woven
polyolefin material
**"Arbrene" lumber wrap

CHEMICALS PLASTICS AND FILMS

Construction: roads,
tunnels, quarrying
and pipelines
Logging
Mining
Seismic industry

Asbestos mining
Lumber
Carpet industry
Construction
Agriculture
Recreational

**"Energex" and **"Energel"
water-gel seismic explosives
† "Tovex" water-gels
† "Nilite" and † "Tovite"
blasting agents and
**"Cor-del" primers

Industrial bags
Lumber wrap
Carpet backing
Tarpaulins
Feed and grain bags
Pool covers

ST. CLAIR RIVER

**"Sclair" polyethylene resins
**"Sclairlink" crosslinkable
polyethylene resins
**"Sclair-Tak" stretch-cling
polyethylene resins

PLASTICS AND FILMS

Flexible packaging
Rigid packaging
Telecommunications
Engineered pipe

Bags and overwrappings
Liquid packaging
Bottles, crates and pails
Thin-walled containers
Wire and cable
Chemical and septic tanks
Pipe for irrigation, mines and
municipalities, gas mains and
channel buoys

WHITBY

**"Dartek" nylon film
**"Sclairfilm" polyolefin film
† "Vexar" plastic netting

PLASTICS AND FILMS

Food packaging
Liquid packaging
Printing and converting
Paper products packaging

Milk and other liquid
pouches
Meat and cheese
packages
Overwrapped paper
products
Food packaging film
Produce bags
Safety and snow fencing

• Trade Mark of E.I. du Pont de Nemours & Company

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NOTICE OF MEETING

The 73rd Annual Meeting of Shareholders will be held in the Territories Room of the Royal York Hotel, 100 Front Street West, Toronto, Ontario, on Friday, 1984 May 04, at 12:00 noon.

Nous serons heureux de vous envoyer, sur demande, l'édition française de ce rapport.



Major suppliers of raw materials and energy

Solvents	Esso Chemical	Sarnia	Adipic acid	Du Pont Canada	Maitland
	Shell Canada				
	Sunchem	Gulf Canada			
Chemicals, pigments and resins	Eastman Chemical	U.S.A.	Electricity	Ontario Hydro	Ontario
	Union Carbide		Fuel Oil	Weaver-Liquifuels	Toronto
	BASF	Cornwall	Natural Gas	Northern & Central	Alberta
	Iroquois Chemicals		Bayer	U.S.A. & Germany	
	Hoechst	Switzerland			
	Ciba-Geigy		U.S.A.		
	Cyanamid	Sarnia			
Dow Chemical	U.S.A.				
Du Pont (U.S.)	U.S.A.				

Upgrading site

AJAX

KINGSTON

Finished goods produced

High performance coatings

Nylon yarns, staple and tow
Nylon bulked continuous filament (BCF) yarns
†"Antron" III yarn
†"Antron" PLUS and
†"Antron" XL fibres

†"Zytel" nylon resins

Marketing Group

CHEMICALS

FIBRES

PLASTICS AND FILMS

Markets served

Automotive industry, and
refinish after-market
(car repainting)
Domestic cookware
Off-highway equipment and
railway diesel locomotives

Carpet industry
Fabric weavers and knitters
Textile spinners and
throwsters
Tire industry
Industrial textile industry

Automotive and
electronic industries
Construction

End-uses and end-products

†"Centari" acrylic enamels
**"Dulux" alkyd enamels
†"Imron" polyurethane finishes
†"Lucite" acrylic lacquers for
automotive industrial end-uses
†"Teflon" and †"SilverStone" release
coatings for cookware, bakeware and
industrial applications

Carpets and home
furnishings
Tires, conveyor belts,
rope and cordage,
sewing threads
Ladies' and Men's
apparel: hosiery,
sweaters, swimwear,
outerwear and lingerie
Woven industrial fabrics,
webs and slings
Luggage, athletic
equipment and
recreational products

Automotive gears
Cable ties
Coated building
wires

Trade Mark Identification

*Trade Mark of Du Pont Canada Inc.

†Trade Mark of E.I. du Pont de Nemours & Company under which Du Pont Canada Inc. is a Registered User.



PROFILE

Du Pont Canada is one of Canada's leading chemical companies. Gross investment and annual sales each total about one billion dollars.

Employing complex technology, the Company upgrades basic chemicals into more valuable products for use by customers primarily in the manufacturing and resource sectors.

The Company has about 5 000 employees. Operations fall into three broad groups - Fibres, Plastics and Films, and Chemicals. Major customers for Fibres include producers of carpets, tires, and fabrics for apparel,

industrial and home furnishings applications. The biggest market for our Plastics and Films Group is packaging, especially for the food industry and a wide variety of industrial uses. Gasoline additives, refrigerants, automotive paints, and explosives for the resource sector, illustrate the diverse markets served by the Chemicals Group. Agriculture, health care and the electronics industry are also important markets. Thousands of consumer goods are ultimately made from Company products.

A key to Du Pont's long history of growth is a strong commitment to research and development. New or im-

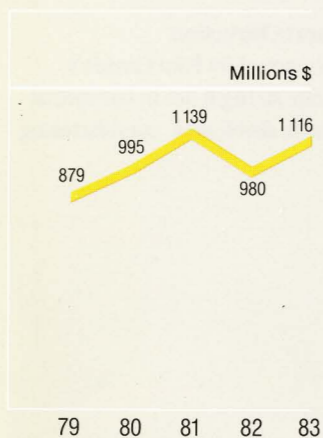
proved products introduced in 1982 and 1983 accounted for almost 10 per cent of 1983 revenues. Product innovation has helped establish the Company's products in some 65 foreign markets. Exports in 1983 totalled \$179 million, including \$149 million in Company-manufactured products.

E.I. du Pont de Nemours & Company owns 74.9 per cent of the common shares. Management of the Company is Canadian as are 10 of its 12 directors.

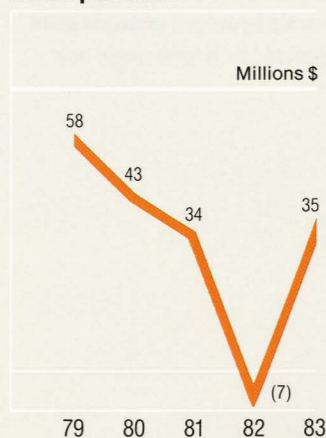
FINANCIAL HIGHLIGHTS

	1983	1982	% Change
Operating results <i>(dollars in millions)</i>			
Sales	\$1 116	\$ 980	14
Net Income (loss)			
– from operations	35	(7)	
– total	35	(13)	
Financial position <i>(dollars in millions)</i>			
Working capital	\$ 156	\$ 108	44
Shareholders' equity	275	244	13
Total assets	621	577	8
Data per common share			
Earnings (loss)			
– from operations	\$ 4.44	\$(0.96)	
– total	4.44	(1.68)	
Dividends declared	0.42	0.56	(25)
Value at year end			
– Company books	34.64	30.61	13
– Market (T.S.E.)	35.75	17.00	110
Key ratios			
Net income on sales	3.2%	—%	
Return on common equity	13.8%	—%	
Current ratio	2.0	1.8	11
Debt to total capital	33%	41%	

Sales



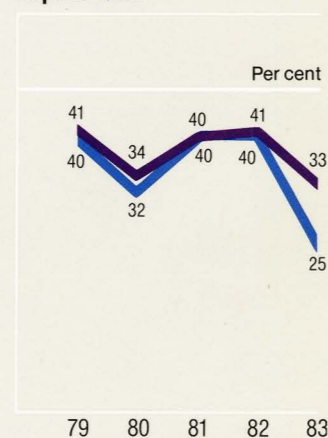
Net income (loss) from operations



Total net income (loss) per common share



Debt to total capital ratio



■ Conventional basis
■ Assuming cash and short-term investments were applied against outstanding debt

The substantial turnaround in earnings – \$4.44 a common share, compared with a loss on operations of \$0.96 in 1982 – was a many-sided achievement. Much better demand from most customers played the key role. Products serving the automotive, housing, consumer durable and semi-durable markets enjoyed excellent increases in volume. Domestic sales volume was increased by 16 per cent and export by five per cent. All products except polyethylene pipe contributed to the increase. Newly developed products helped us increase our share of key markets largely at the expense of foreign competition.

Employee success in reducing costs and expenses, raising output, conserving energy and improving productivity made a substantial contribution to the improved performance. Only an outstanding effort by employees throughout the Company could have produced these results.

The financial position of the Company was strengthened during the year. Short-term debt was eliminated and at year end cash and short-term investments totalled \$47 million. The debt to capital ratio was improved from 41 per cent at year end 1982 to 33 per cent this year. Excellent management of inventories and receivables contributed to these gains.

A number of other steps were taken during the year to strengthen the Company. The objectives and broad strategic direction of the Corporation were newly defined. The decision was taken to phase out minerals exploration activities in order to concentrate on areas where our corporate strengths give us a competitive advantage. Increased resources were assigned to development studies. Research and technical activities were maintained at good levels, and continued to be highly productive in improving processes and developing new or modified products to serve customers' requirements better.

New technology developed by our research scientists is being installed at our St. Clair River polyethylene plant. It will reduce costs and increase yields. In addition, facilities have just been completed there to produce a new range of copolymer and terpolymer specialty polyethylene resins. Production of oriented nylon films started late in the year at Whitby using a novel process invented by our scientists. New facilities for the production of specialty nylon engineering resins went into operation at Maitland in the fourth quarter. The decision to build a world-scale hydrogen peroxide plant represented our largest single new

commitment. The plant will be in operation at Maitland in 1986. It will serve customers in Canada and the U.S.

At Kingston, new facilities will expand production of a range of exceptionally strong specialty yarns for industrial markets in Canada and the U.S. A substantial increase in nylon carpet yarn capacity is nearing completion. Arrangements were put in place for the manufacture in the U.S. of our engineered large diameter polyethylene pipe. This will allow us to be more competitive in the U.S. market.

To improve service to our customers in Western Canada, a new distribution facility in Calgary will soon go into operation. At Ajax, a new training facility is being installed to familiarize customers with developments in paint technology and application techniques. A new product development laboratory is also being constructed. Each business team in the Company is devoting increased efforts to improving customer service through higher quality, better service, and new or improved products. Good progress was achieved in those areas in 1983. Increasing our commitment to customers is a key management priority again in 1984.

Corporate Direction

The essence of Du Pont Canada's corporate strength lies in our special abilities in developing, manufacturing

and marketing technology-intensive products for industrial use.

Our objective is to achieve superior results in all aspects of our business. To meet that objective we have four broad thrusts:

- To exploit the full potential of our Canadian-developed technologies, primarily in our plastics and films products. This involves substantial research and technical efforts to improve processes and to broaden these product lines. It also requires increased marketing efforts to penetrate specialty niches in Canada and in export markets, especially the U.S.
- To search for Canadian manufacturing opportunities for products made elsewhere in the Du Pont organization. The hydrogen peroxide investment is a good example.
- To aggressively prosecute existing businesses based on Du Pont technology developed elsewhere but often modified by our scientists to better service Canadian needs. The substantial expansion of nylon carpet yarn capacity is an example.
- To market effectively in this country products produced elsewhere by the Du Pont organization. By giving us a window into dozens of business areas, this aids our search for new opportunities.

Competing Effectively

The challenge facing each of our businesses is to compete effectively in Canada's open market and in export markets. This requires world competitive costs. It also requires new equipment, products and services. Continuing large commitments are therefore needed for process, product and market development and to modernize production facilities.

These challenges were addressed effectively by our people in 1983 and are continuing priorities for 1984.

Safety

We regret to report that an employee at our Nipissing Site was killed in a highway accident while en route to a meeting in Toronto. Three employees had lost-time accidents. We achieved a good improvement in our overall on-the-job safety performance. Although our safety record continues to rank among the best in North America, we are committed to further improve our performance.

Dividends

At their September meeting, Directors increased the quarterly dividend to 15 cents per common share, from the six cents per share paid in the previous three quarters. Dividends declared for the year were 42 cents per share compared with 56 cents in 1982. Directors review dividends frequently to ensure that shareholders participate in the improving performance of the Company.

Directors

Pierre A. Nadeau, Montréal, left the Board on becoming Chairman of Tioxide Canada Inc. Robert M. Aiken, Wilmington, Delaware retired from the Board on being appointed to a new position with E.I. du Pont de Nemours & Company. Their wise counsel will be missed. Carl De Martino, Group Vice-President - International, E.I. du Pont de Nemours & Company, was appointed to the Board on 1983 July 12.

Outlook

The outlook at the beginning of 1984 is for continued gradual improvement in our profit margins and in our customers' markets, particularly those in the resource sectors. These lagged behind the recovery in consumer markets. Our customers, however, are being very cautious in their planning because of uncertainty over the duration of the economic recovery.

The overvalued Canadian dollar is hurting us in foreign markets. It is also affecting us by making it easier for foreign producers to penetrate the North American market. Demand in most export markets, however, is improving.

A serious uncertainty at present is the plight of our suppliers of petrochemicals, including Petrosar Limited in which we have a minority interest. The petrochemical industry has faced major problems over the past

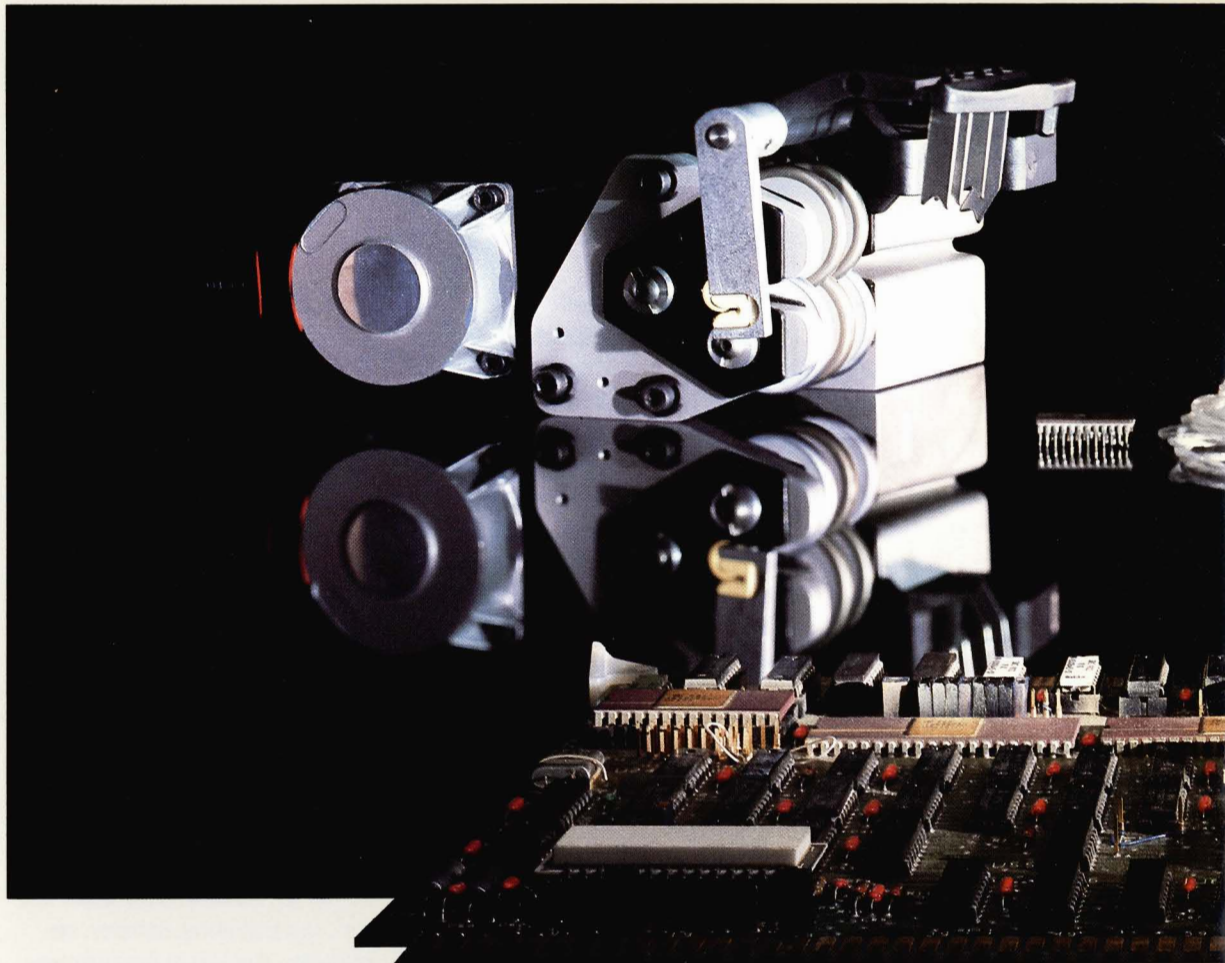
two years because of soft markets world-wide and domestic feedstock prices, which have become uncompetitive internationally.

During the past year we participated fully in industry-wide efforts to develop and recommend more appropriate government policies. If these recommendations are accepted they will re-establish this key industry and enable it to make a substantial contribution to Canada's growth.

The worst recession in fifty years brought substantial challenges for our people. They met those challenges exceptionally well. Consequently our results in 1983 were among the best in our industry in North America. This success is one measure of the excellence and commitment of our people.

If the economic recovery is sustained, we expect to show good gains in revenue and earnings in 1984.





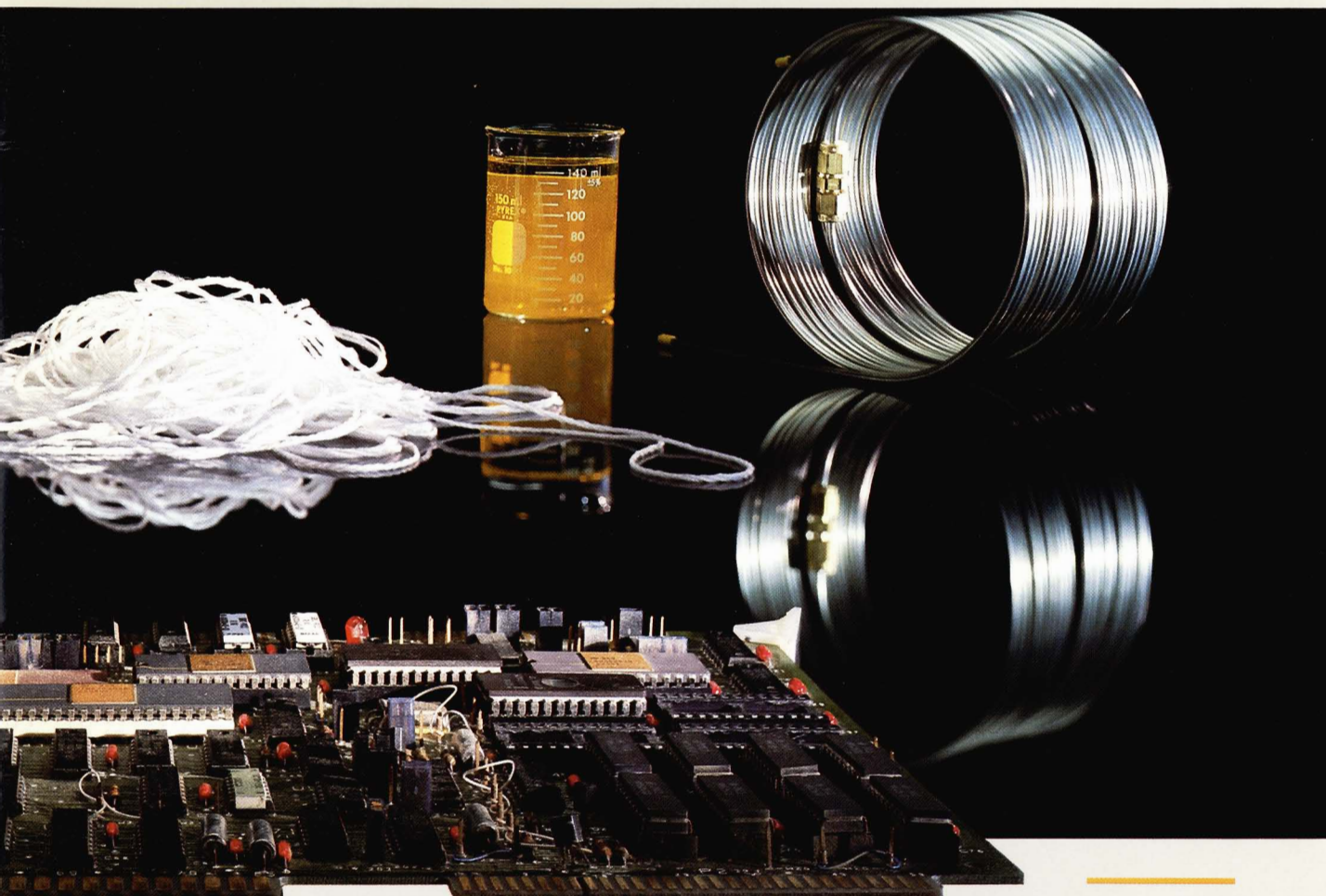
Fibres Group

Segmented financial data

(Dollars in millions)

	1983	1982	1981	1980	1979
Sales	\$350	\$275	\$383	\$332	\$310
% of total Company	31	28	34	33	35
Operating profit (loss)	\$ 38	\$ (9)	\$ 17	\$ (2)	\$ 34
% of total Company	55	nm	22	nm	28
% Return on sales	10.9	—	4.4	—	11.0

nm = not meaningful



The Fibres Group produces nylon yarns and fibres, and "Lycra" spandex yarns. In addition, a broad range of specialty yarns and fibres are imported from Du Pont (U.S.) for resale. The major markets for these products are producers of carpets, tires, and fabrics for apparel, home furnishings and industrial applications. Europe is an important export market for nylon industrial yarns and Australia for "Lycra".

Nylon is produced at the Kingston plant from hexamethylene diamine and adipic acid manufactured at Maitland. The size and the integrated nature of the operations make Du Pont Canada one of the world's leading producers. The "Lycra" plant is located at Maitland.

Review of 1983 Summary

The recovery in consumer spending led to a dramatic increase in shipments to the carpet and apparel industries. By the end of the first quarter, nylon facilities serving these markets were operating near capacity.

Shipments to the domestic tire and industrial markets remained depressed until well into the year, as these industries were slower to recover from the recession. Export shipments held up well, but profit margins were squeezed by the strong dollar.

The Fibres business enjoyed extra volume in 1983, as customers through the manufacturing and distribution chain restored inventories to more normal levels. As a result, volume is expected to be lower in 1984.

The Fibres business is subject to intense international competition. The

success of the Company has come from its ability to meet high standards in all aspects of this business. In part, this is accomplished through developing and employing pace-setting technology. A significant Canadian technical effort supplements and modifies for special Canadian needs technology imported from Du Pont (U.S.).

Improvements in manufacturing at Kingston have brought excellent gains in productivity. At Maitland, new technology and computerization of facilities have improved the efficiency of many processes. Costs of both energy and raw materials per unit of production have been reduced significantly. For example, per unit energy consumption has been improved about 44 per cent since 1972.

Technology is exchanged between the Company and E.I. du Pont de Nemours & Company. This helps Du Pont Canada maintain international standards in many product areas. Important developments made in Canada in fibres technology are employed worldwide by the Du Pont organization.



Easy care is an important quality in carpets. Shown here is a Saxony carpet made of "Antron" Plus nylon yarn from Kingston. A feature of this premium residential carpet fibre is that soil and stain resistance has been built in.

Nylon Home Furnishings Yarns and Fibres

In the carpet and other home furnishings business, sales of yarn and fibre rebounded vigorously from the depressed levels of 1982. Demand for carpets benefited from lower interest rates, increased housing sales and improved consumer confidence. The "sales tax holiday" in Ontario and the federal government's revision of the Registered Home Ownership Plan to permit withdrawals for the purchase of carpets and other home furnishings, supported final demand. Inventories were very low throughout the manufacturing and distribution chain in late 1982, and sales improved as all levels rebuilt their stocks.

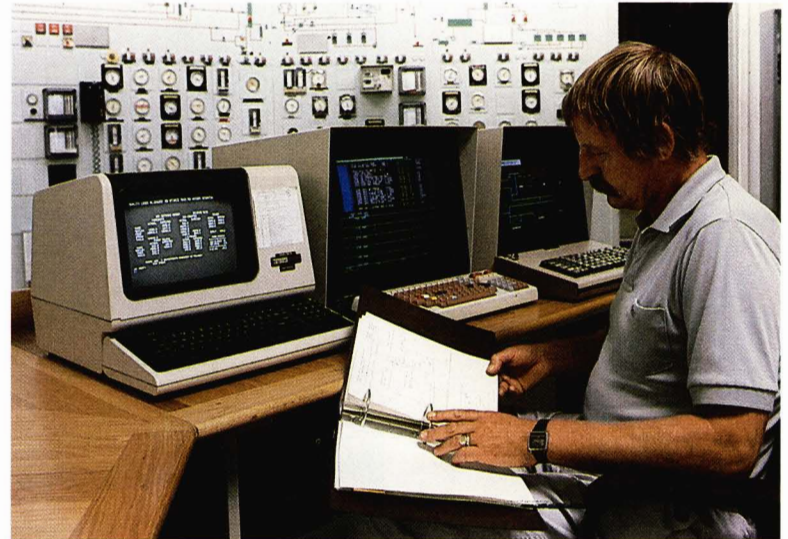
Canadian carpet manufacturers are efficient and their technology is as modern as any in the world. Carpet fashion changes rapidly and the manufacturers are up to date in their styles and product range. The Company assists the carpet mills to meet fashion requirements by providing marketing and technical assistance, and by introducing new yarns. In 1983, 10 new bulked continuous filament (BCF) and staple fibre products were introduced. These include "Antron" XL, a product for carpets for use in heavy traffic areas, usually in public buildings, where unusual durability and cleanability are required. "Antron" "extra body" was introduced to provide significantly improved value in residential carpets. Products were introduced to

provide improved styling versatility or to provide the industry with yarns offering better economy. A number of new products will be introduced in 1984, and a strong program to meet the changing needs of the market will be continued.

In the past few years, solid shade carpet of the cut pile type has become a leading style in Canadian homes and now accounts for about 50 per cent of purchases. As a result of improved yarns introduced by the Company, and new technology developed by the mills, manufacturers can combine the economic advantages of a filament yarn with the colour uniformity previously obtainable only with higher cost yarns. For the consumer, this



Bruce Robinson and other scientists at the Research Centre, Kingston, employed laser technology to produce this highly accurate speed measuring instrument. This device provides new information on fibre spinning processes and is an important tool for product and process development programs.



A new computer system at Mailland Site has resulted in many benefits, including higher yields of finished products, more efficient use of energy and lower hydrogen consumption. Operator is Jan deVries.

means excellent value in a wide variety of high quality solid shade styles.

Important advances in technology were implemented in conjunction with the \$16 million addition to the BCF yarn facility at Kingston. The expansion will enable the Company to meet customers' requirements for the remainder of the 1980's.

Nylon Textile Yarns

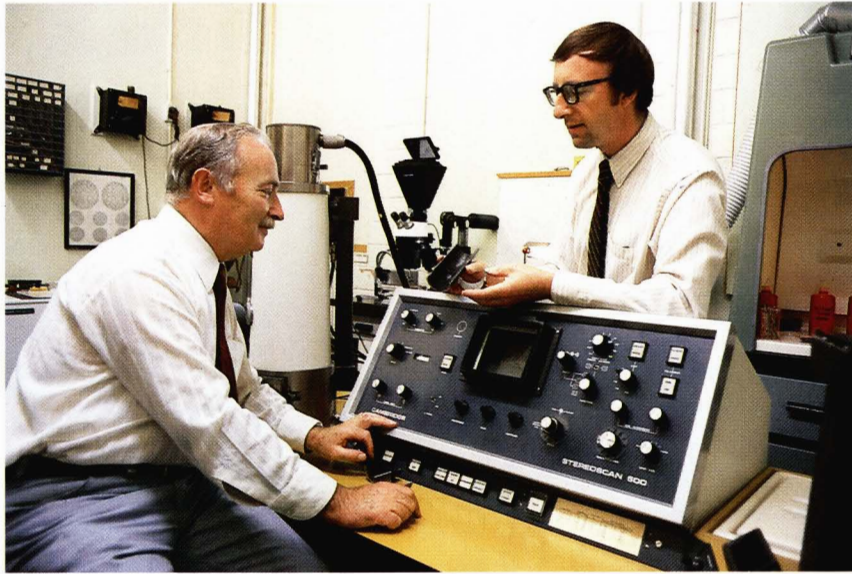
Sales volume was satisfactory but the strong Canadian dollar brought intense competition from European yarns and resulted in very low margins. Garment imports from low wage producers (Korea, Taiwan, Hong Kong, Republic of China) were so heavy that by August, the total for 1982 already had been exceeded.

The Textile and Clothing Board carried out a study on the economic impact of free trade in textiles and clothing between Canada and the United States. The Company made a submission to the Board, as well as supporting a brief presented by the Canadian Textiles Institute. In its submission, the Company welcomed the initiative of the Board and suggested that a duty remission plan be considered as an alternative to complete free trade.

As part of a continuing drive to improve productivity, Kingston Site has completed a large scale equipment conversion. All two-stage processes for spinning and drawtwisting yarn have

been replaced by facilities that combine both operations. In addition, the program to produce partially oriented yarns for texturing customers was completed. This reduces processing costs for both the Company and its customers.

A potentially important development is a research program at Kingston aimed at reducing the cost and improving the quality of yarns for ladies' hosiery. This investment in the development of totally new technology is indicative of the Company's long-term commitment to the hosiery industry.



George Hudson, left, and Art Pearse developed a faster, more economical method for cleaning process vessels in Maitland Site's adiponitrile area.

Nylon Industrial Yarns

Industrial yarns are used primarily in the manufacture of tires for trucks and off-the-road vehicles for construction, mining and forestry.

These industries were slower than other customer industries to recover from the recession, and as a result domestic sales were depressed. However, a number of aggressive programs brought sales close to plant capacity.

The Company worked closely with Canadian manufacturers to win new markets in export, both for tire fabric and for fabricated products. Du Pont yarns were used as the reinforcing material in large diameter water hose contracted for by the U.S. armed forces and produced in Canada. Export of Canadian yarn to many countries was substantially increased through the Du Pont International organization.

In the domestic market, the Company was successful in winning a substantial share of the conveyor belt reinforcing market from competitive materials. The all-season radial passenger tire, introduced in 1982 by Canadian Tire Corporation, made further gains.

Du Pont Canada's technical team developed a family of unique high-strength yarns for industrial thread and other applications. It has won wide acceptance throughout North America and production facilities for these yarns will be expanded in 1984.

"Lycra" Spandex Yarns

"Lycra", the world's leading spandex yarn, is finding increasingly broad application. When used in conjunction with other yarns, it imparts to fabrics stretch and recovery giving the consumer improved fit and comfort. The new applications generally require

finer yarn, and the recently completed addition at Maitland has been engineered to meet these requirements.

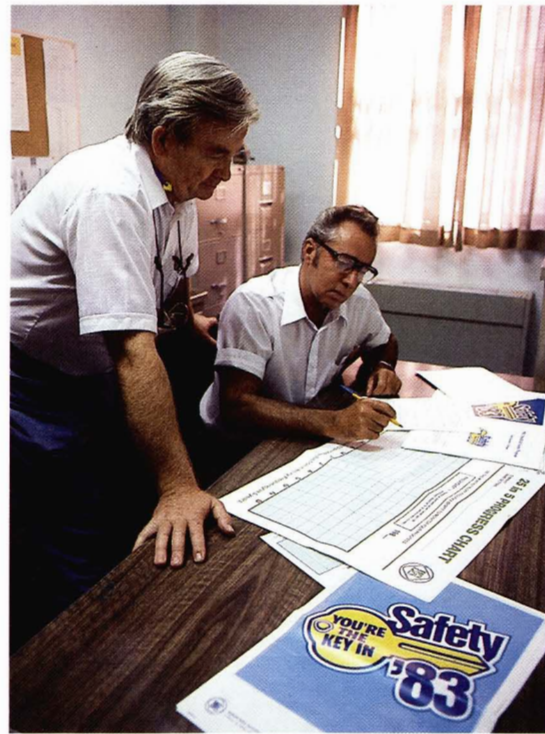
New warp knit nylon fabrics incorporating "Lycra" are finding applications in specialized garments for hockey players, motorcycle competitors, and participants in other strenuous sports. Similar fabrics are being adapted to industrial applications, including the production of automobile seat covers.

Circular knit fabrics of cotton and "Lycra" have become well established in "fitness" type garments, such as those worn by dance exercisers.

New types of sheer pantyhose incorporating very fine yarns of "Lycra" have been introduced and are receiving enthusiastic response from the consumer.



Canadian swimwear manufacturers are major users of fabric containing "Lycra" spandex yarn produced at Maitland. "Lycra" provides the elastic quality to improve styling and comfort. These garments are made of "Antron" nylon/"Lycra" fabric.



Safety has a high priority throughout the Company. Garth Scott, left, and Vern McAvany, Kingston, are planning an Ontario-wide competition for lift-truck operators.

Specialty Fibres

These products are made by Du Pont in the United States and marketed by the Company in Canada. Although they do not represent a significant percentage of Company sales, they have good potential for growth.

New applications were developed for "Kevlar" aramid fibre, a lightweight material with great strength and heat resistance. Its use in aircraft construction results in parts that are 20 per cent lighter than those made from traditional materials.

A co-operative program with a boat manufacturer will lead to production of a prototype search and rescue vessel for the Canadian Coast Guard. Plastic resin strengthened by "Kevlar" will be used in constructing many parts of the 67-foot craft. Design for this pro-

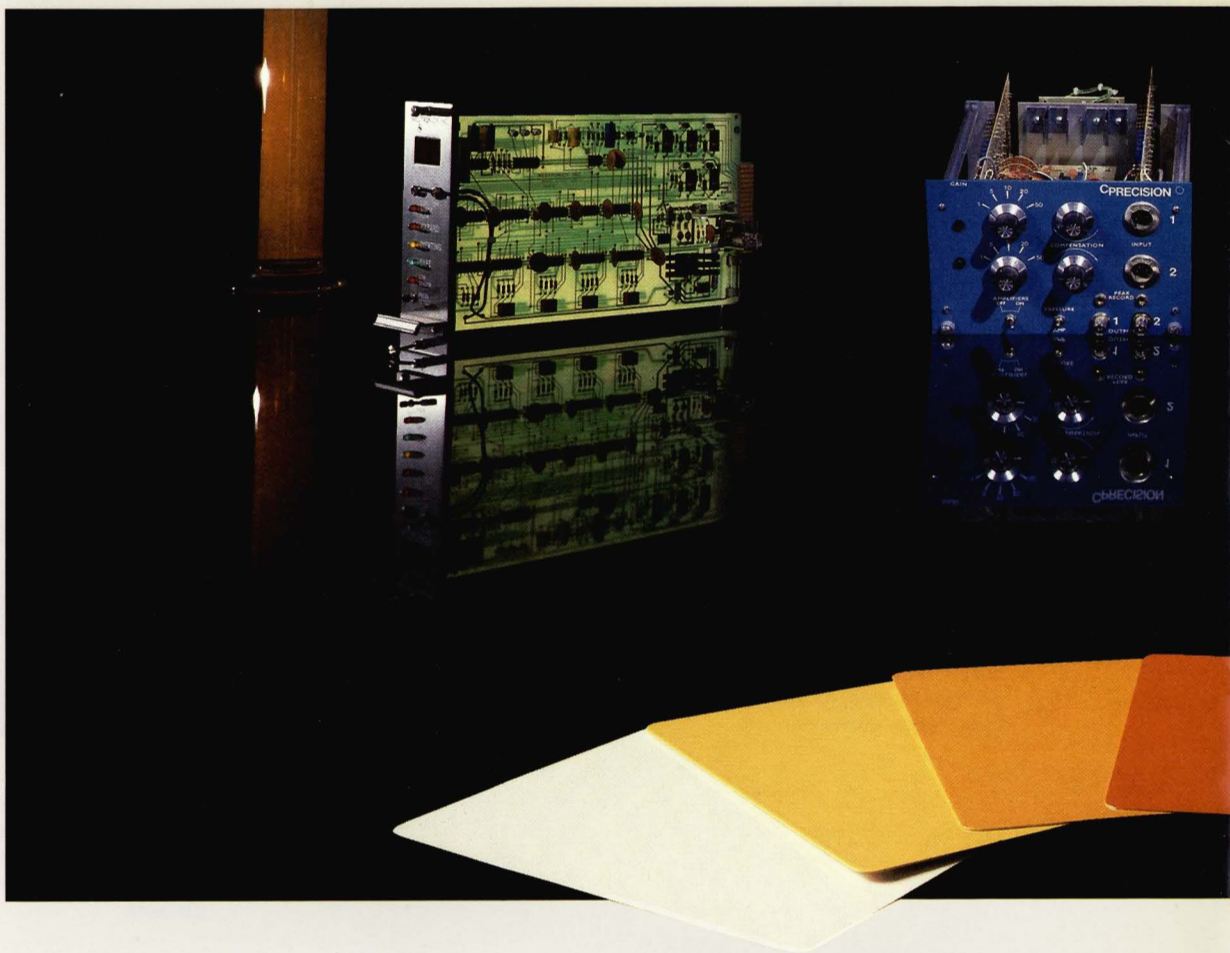
TOTYPE complies with the construction standards of the American Bureau of Shipping, which opens the way for general use of "Kevlar" in military and commercial craft. The lighter vessel will offer advantages in speed, durability and fuel consumption.

"Kevlar" is gaining increasing acceptance in the communications industry as a component in fibre optics applications. The glass fibres that transmit light pulses are extremely delicate, and require reinforcement and support. "Kevlar" yarn, a strong, non-conductive material, is ideal for this use.

A Du Pont customer, Canparts Automotive International Ltd. of Cambridge, Ontario, has been cited by the federal government for winning export markets for new types of automotive brake systems. The systems incorporate "Kevlar" for disc pads.

Demand for "Nomex" aramid fibre for protective apparel continues to grow. Fabrics of "Nomex" were first used in firemen's turnout coats. Protective clothing of a similar type is now worn by many industrial workers and bed linen of "Nomex" is being introduced in hospitals to provide patients with additional protection against burns.

A non-woven fabric, "Tyvek" spunbonded olefin, has been widely adopted for home construction. The fabric is wrapped around the building before the exterior wall is applied, with the result that air infiltration is reduced and energy efficiency improved.



Chemicals Group

Segmented financial data

<i>(Dollars in millions)</i>	1983	1982	1981	1980	1979
Sales	\$380	\$355	\$376	\$317	\$265
% of total Company	34	36	33	32	30
Operating profit	\$ 20	\$ 23	\$ 40	\$ 41	\$ 35
% of total Company	28	nm	53	45	30
% Return on sales	5.1	6.4	10.5	12.9	13.4

nm = not meaningful



In developing chemical technology the Du Pont organization draws on more than 180 years of experience.

The Chemicals Group comprises a diverse portfolio of businesses which include: explosives, finishes, fluorocarbons, petroleum chemicals, hydrogen peroxide, agricultural chemicals, health care products, industrial chemicals and miscellaneous resale products.

Review of 1983

Summary

Results from the different segments of the Chemicals Group varied, primarily because the economic recovery was very uneven.

Products used in consumer-oriented goods in most cases showed the strongest performance. For example, fluorocarbons, used as a blowing agent in foam for furniture and automobile seats,

and in automobile air-conditioning units, showed solid growth. Finishes for automobile applications also were strong. Weakness in the mining industry hurt sales of explosives.

Explosives

Faced with depressed conditions in the mining industry, Du Pont took measures to reduce costs and improve efficiency, aiming to offset weak demand.

Du Pont Canada is an international leader in applying computer technology to blasting operations. During the past several years the Company, in cooperation with mine operators, has successfully pioneered the technique in surface mining. In recent months, similar success has been achieved with underground mines. This technology is an important advance since it helps mining companies reduce total

operating costs by improving the effectiveness of explosives used.

The Company is the leader in developing water-gel explosives for oil and gas exploration. "Energel", a water-gel product designed for seismic detonations involving a single explosives cartridge, was introduced in 1983. The product complements our multi-cartridge "Enerdex", which was first manufactured several years ago, and has gained wide acceptance in the market because of its adaptability to varying field requirements.

One of the key long-term factors in the explosives market is the development of large coal deposits in Western Canada. During the year the Company signed long-term contracts with two large operations, Cardinal River Coals Ltd. and Luscar Sterco Ltd., both in



Du Pont's unique colour control technology enables Ajax Site to faithfully reproduce thousands of shades. Adolf Holy, Ajax, is a specialist in computerized colour technology.

Alberta. These are surface mines that employ bulk explosives, products pumped into boreholes from specially designed tank trucks. Plants to manufacture the bulk explosives were installed at both mine sites.

One of Canada's largest gold operations, Detour Lake Mine, north of Cochrane, Ontario started production during the year. The Company has won a three-year contract to supply explosives to the mine. A bulk explosives facility will be installed there early in 1984.

Finishes

Sales to customers in both auto manufacturing and in the repair segment reached record levels.

To improve service to customers, the technical laboratory at Ajax Site will be enlarged during 1984. An instructional area is being established at Ajax so that developments in paint technology and application techniques can be offered more quickly and effectively to customers in the refinish trade. New warehouse facilities were installed in 1983 to improve service.

As well, significant changes were made in the marketing organization to improve service to refinish customers, including increases in the number of field technical specialists. The Company serves a large percentage of the estimated 8 000 refinish shops in this country.

New products are being developed to meet needs related to the increasing use of plastic parts by automotive and other manufacturers. The Company recently introduced "Dexlar" acrylic enamels, which can withstand flexing without developing cracks. These enamels are becoming increasingly important in serving automotive manufacturers and the parts industry.

Demand for non-stick finishes, "SilverStone" and "Teflon", employed mainly by cookware manufacturers, was depressed for much of the year. Increased consumer spending, however, helped improve sales towards the end of 1983. The Company is increasing marketing activity to further strengthen its position as the leading supplier of non-stick finishes to Canadian manufacturers.



High performance solvent is needed to clean circuit boards used in the manufacture of sophisticated equipment at Northern Telecom, Brampton, Ont. Shown in front of modern vapour degreasing machines are Doug Stobmann, right, marketing representative for "Freon" TMS solvent, and Al Hyslop, process engineer at the plant. "Freon" is produced at Maitland, Ont.

Petroleum Chemicals

The market for these products, used in the production of motor gasoline, shrank because of falling gasoline production and a continuing trend to cars using non-leaded fuel. Export sales, however, helped maintain business at a satisfactory level.

In December, the Federal Minister of the Environment announced his Ministry's intention to regulate a reduction of the lead content in gasoline.

Current allowable levels of 0.77 grams per litre will be reduced to 0.29 grams per litre by the beginning of 1987. This will sharply reduce the amount of tetraethyl lead (TEL) used in Canada, and puts in question the future viability of the TEL plant at

Maitland. Until detailed regulations have been issued, however, the full impact of the government decision cannot be determined.

The government also announced that a committee would be established to study the effect of lead on health. The Company welcomes this step and has offered its cooperation. No comprehensive studies have been done to determine whether lead compounds in gasoline constitute a health hazard in Canada.

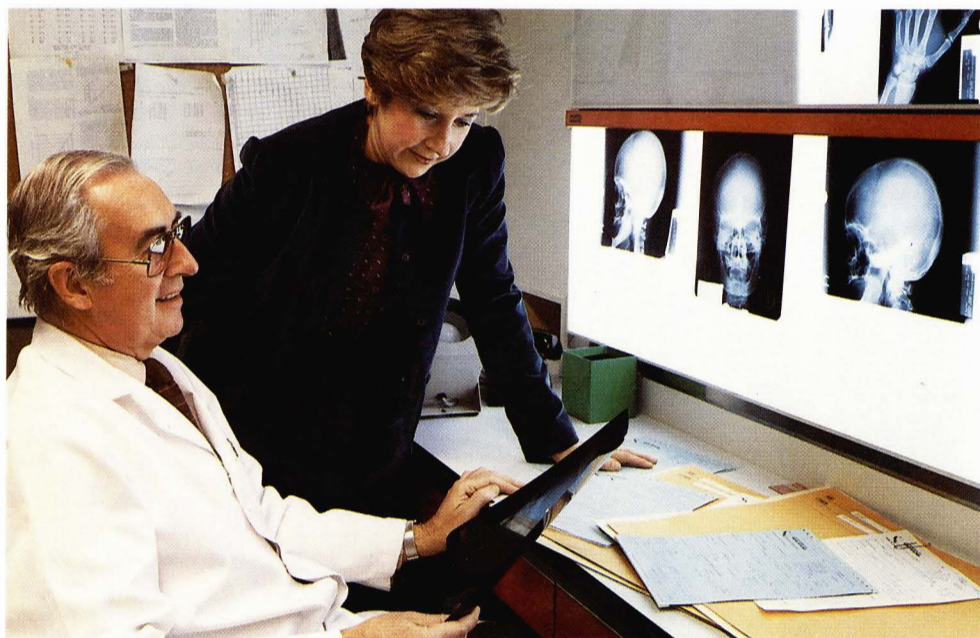
However, it is known that levels of lead in the air in Canada are far lower than in other countries where studies have been done, and that present levels easily comply with stringent safety standards set in the United States, Europe and elsewhere.

Fluorocarbons

In addition to the stronger demand arising from the recovery of the automobile and furniture industries, demand also improved in the packaging segment. Fluorocarbons are used as blowing agents to produce foam products such as egg cartons, meat trays and sheet material to protect furniture and other goods during shipment.

In the refrigeration market, demand was at a good level but the strength of the Canadian dollar made our market very attractive to European exporters and weakened prices to the refrigerant wholesalers.

The outlook for fluorocarbons is favourable because of their great utility



Improvements in technology are discussed by Dr. Jean-Claude Bergeron, chief radiologist, Pierre Boucher Hospital, Longueuil, Québec, and marketing representative Huguette Lavertu. The x-rays were taken using Du Pont's new rare earth combination screens which reduce radiation exposure to the patient by 50 per cent.

in manufacturing and construction. Insulation materials which use fluorocarbon as a blowing agent are the most efficient means of preventing heat loss, providing maximum insulation for a given thickness. This makes these materials especially valuable for conserving energy in house construction and renovation. The use of these materials in manufacturing refrigerators and freezers allows these appliances to be more compact, and reduces production costs.

Hydrogen Peroxide

The new world-scale hydrogen peroxide plant at Maitland, due for completion in 1986, will service both Canadian and American customers in the pulp and paper, textile and other industries.

The fast growing markets for hydrogen peroxide, particularly in the

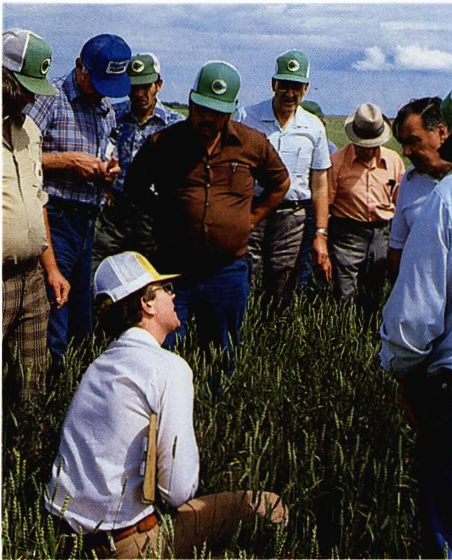
pulp and paper segment, represent an excellent growth opportunity for the Company. The advantages of this product as a bleaching agent are enhanced by its safety in use and its environmental appeal because of the benign nature of its decomposition products. The Company has more than 20 years' experience marketing the product and has full support of the Du Pont organization in the United States, a world leader in the business for more than 50 years.

Maitland has many advantages as the project site. Well located to serve customers in Canada and the United States, it also benefits from Canadian gas and electricity rates. Integrating the new facilities with our existing site will also provide savings. Employees at Maitland have long experience in complex chemical manufacturing processes.

Resale Products

The Company is responsible for Canadian sales of many products manufactured by Du Pont in the United States. These include agricultural and industrial chemicals, health care products, including pharmaceuticals, and specialized products for the printing, electronics and other industries. Sales of these products as a group were higher than in 1982, reflecting improving conditions for many customers.

There was continued emphasis on agricultural chemicals, which benefit from strong Du Pont research programs. Further gains were made in sales of "Glean" weed killer. This recently developed product offers substantial advantages to cereal growers in Western Canada, in terms of crop protection and ease and speed of application.



The Company is increasing its marketing staff in Western Canada to meet the expanding demand for Du Pont's crop-protection products. Development representative Brian Toole is discussing the new herbicide, "Glean", with farmers in Manitoba.

As a result of extensive field work the previous season, a large number of growers in Western Canada applied •"Benlate" fungicide to their canola fields with excellent results.

Late in the year registration was obtained for the insecticide, •"Vydate", for use on potatoes and recently-planted apple trees. •"Velpar" weed killer was also registered for use on low-bush blueberries in Eastern Canada. Three Du Pont product registrations in three years is a further indication of the Company's increased commitment to Canada's agricultural sector.

Extensive Du Pont research is also devoted to the health care field.

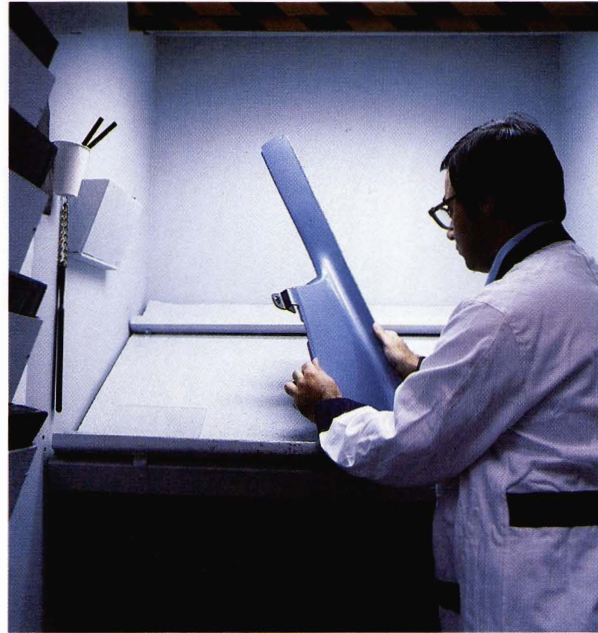
Following integration of Endo Canada Inc. into the Company at the end of 1982, pharmaceuticals were

marketed under the Du Pont Canada name for the first time. This affirmation of Du Pont's commitment to the pharmaceutical business met with an encouraging response from the medical community.

New developments will increase the usefulness of the •"aca" clinical analyzer, which is already well established in Canadian hospitals. This high technology instrument makes possible fast and efficient testing of blood and other body fluids. During the year, a space-saving bench top model was introduced which has already been installed in more than a dozen hospitals.

Four new test-packs for use with the "aca" unit were made available to users in 1983. The analyzer has also been adopted for monitoring drug dosages in hospitals. This will help the medical staff to determine optimum drug treatment.

Special paints for flexible plastic automotive parts are produced at the Ajax Site. Phil Hoag, Ajax laboratory, examines a part finished with "Dexlar" flexible acrylic enamel.



A new product line of radioactive pharmaceuticals and chemicals for health science research has been added in Canada. Produced in the U.S. by New England Nuclear Corporation, a Du Pont (U.S.) subsidiary, these products formerly were marketed in this country by NEN Canada, which has been incorporated into Du Pont Canada.

A third area with major growth potential among resale businesses is the marketing of products to the electronics industry. These products include precious metal and glass dispersions for the production of hybrid circuitry and •"Riston" photopolymer resist films for printed circuit board manufacturers. Sales of these products and Berg electronics connectors and inter-connection systems for the data processing, telecommunications,

instrumentation and consumer electronics industries rose sharply in 1983. New business gained for Berg connectors was particularly gratifying and applications still under development are expected to result in further substantial growth.

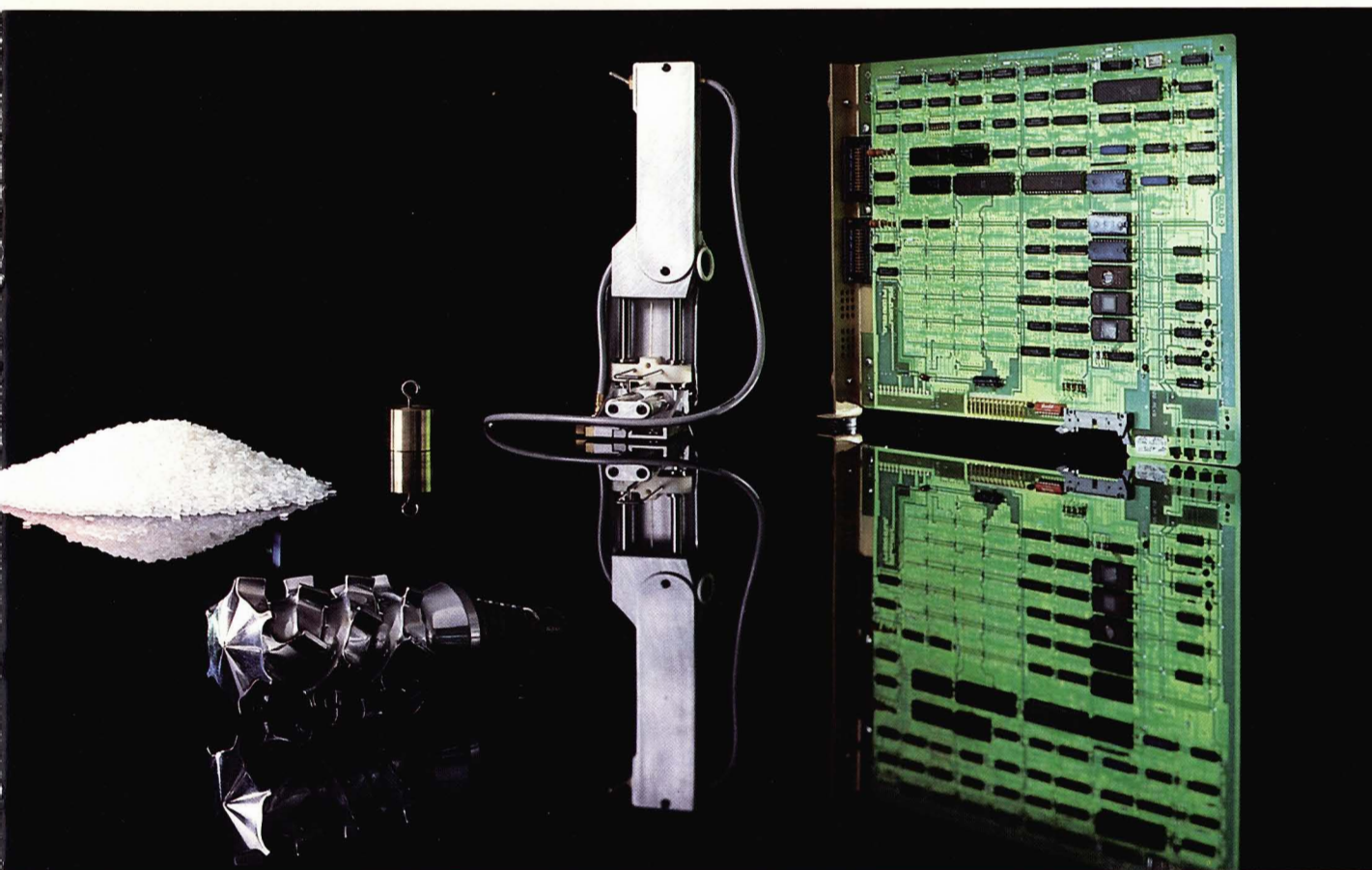


Plastics and Films Group

Segmented financial data

<i>(Dollars in millions)</i>	1983	1982	1981	1980	1979
Sales	\$387	\$350	\$380	\$347	\$304
% of total Company	35	36	33	35	35
Operating profit (loss)	\$ 11	\$ (8)	\$ 18	\$ 53	\$ 50
% of total Company	17	nm	25	57	42
% Return on sales	3.0	—	4.9	15.1	16.5

nm = not meaningful



Unique technology developed by Du Pont Canada for polyethylene resins and related products has helped to win international markets.

Major products produced by the Plastics and Films Group are linear polyethylene resins, nylon engineering resins, specialty polyethylene and nylon films, woven polyolefin fabrics, and polyethylene pipe. A wide range of complementary products is also marketed, many of which are produced by Du Pont (U.S.) and resold by the Company.

The most important markets are consumer and industrial packaging. Manufacturing facilities are located in Ontario at Corunna (near Sarnia), Whitby, North Bay, Maitland and Huntsville and in Edmonton, Alberta. Twenty-three per cent of the Group's revenue in 1983 was derived from exports to 62 countries.

Review of 1983

Summary

The year started slowly but, as it progressed, demand strengthened for all products except pipe. Sales of specialty packaging films benefited from improved consumer spending as did "Sclair" polyethylene resins serving the packaging market. The recovery in the housing and automotive industries increased sales of "Sclair" resins and resulted in strong demand for engineering resins. Newly introduced products made a significant impact in each product area.

Export markets remained highly competitive throughout the year but demand and margins improved steadily despite the adverse effect of the strong Canadian dollar. The overall outlook for 1984 is for continuing gradual improvement in volume and margins.

Plastics

The strength of the automotive and sporting goods markets contributed greatly to increased resins profitability. Domestic demand for polyethylene resin also improved for blow-moulding, extruded articles and film. Prices stabilized and then increased gradually through the year as a result. Improvement in export markets and prices followed, but more slowly.

Cost reductions were effected at the plant in Corunna, Ontario. As an example, newly developed systems were introduced which significantly reduced unit energy consumption.

Marketing costs were reduced. A reorganization improved service to and understanding of key markets and customers. A \$2.7 million investment at the plant has broadened the



Paul Marriott is a packaging research scientist at Kingston. Here he uses an advanced instrument for measuring the ability of materials to resist transmission of oxygen.

range of resin types, and has further improved Du Pont Canada's ability to make resins to a customer's specific needs. A new resin, "Sclair-Tak", was introduced for use in industrial packaging. Film made from this resin is used in pallet loading to secure and protect packages.

In order to capitalize on the potential for polyethylene, it is essential to sell competitively in world markets. This requires purchase of raw materials or feedstocks at internationally competitive prices. Severe problems encountered by the Canadian petrochemical industry led the federal government to appoint a Petrochemical Industry Task Force which included a Company representative. It made recommendations which would improve this industry's competitiveness. The industry awaits government action on the recommendations.

In September, the Company announced its decision to suspend studies aimed at building a polyethylene resins plant near Edmonton. The decision not to proceed at this time with a second world-scale resin plant in no way lessens the Company's commitment to develop and improve this business.

A new plant at Maitland, Ontario, has started producing high performance resins based on nylon polymer. The first of a series of products that will be produced there is "Zytel" ST super tough nylon resins. High performance resins such as this - designed for products subjected to unusual stress - will open up new opportunities in diverse applications.

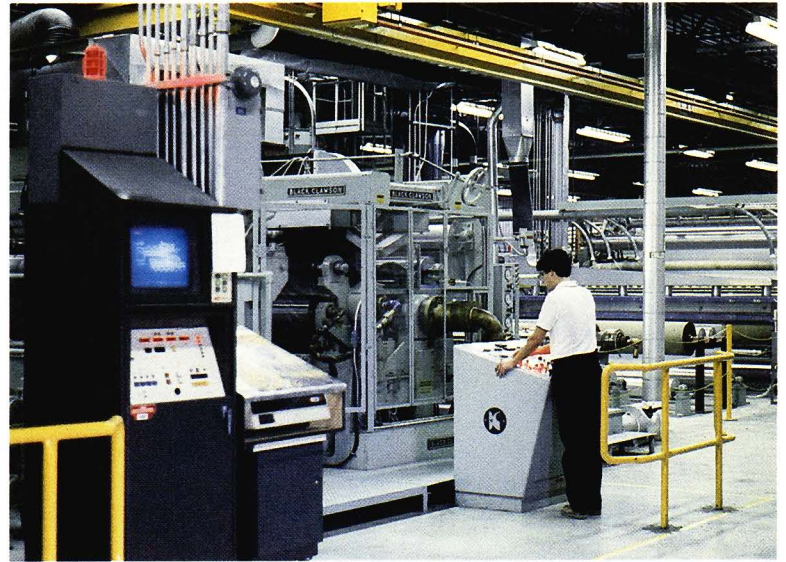
Employees at this Maitland facility are introducing an innovative type of work organization that broadens the scope of each person's area of responsibility. The objective is to utilize the

full range of each person's abilities to increase personal satisfaction and effectiveness. This action is expected to be very effective in increasing productivity.

Polyethylene Pipe

Activity in mining and heavy construction industries was down in 1983 in both Canada and the U.S. As a result, demand for engineered large diameter polyethylene pipe was low, new prospects failed to open up and prices fell sharply due to excess available capacity. Shortly, "Sclairpipe" polyethylene pipe in large diameters will be produced in a plant in Tulsa, Oklahoma, in cooperation with Du Pont in the United States and Wiik and Hoeglund. With this facility, the Company plans to expand its marketing effort in the large U.S. market where it has participated to a limited extent for many years. It is the third plant - others are

Du Pont Canada has developed many new uses for plastic netting. Dave Langille inspects "Vexar" snow fencing being produced at Whitby.



This unit at the Company's North Bay plant is unique in North America – it coats woven polyolefin fabric up to 160 inches in width. The giant coater is used in the production of "Arbrene", the Company's new high performance lumber wrap. Michel Lebrun is at the controls.

in Huntsville and Edmonton – to be covered by an agreement with Wiik and Hoeglund (Canada) Ltd. under which they are responsible for manufacturing pipe for the Company.

The use of gas pipe in Canada increased due to Saskatchewan's program to extend its natural gas distribution system. This program is scheduled to continue for seven years. The Company supplied more than 60 per cent of the total domestic demand for gas pipe during the year.

The product line was broadened by the introduction of a thin-walled casing of polyethylene. This product improved the Company's competitive position in marketing "Sclaircor" polyolefin insulated piping systems. The casing is also sold to producers of insulated pipe made of materials other than polyethylene.

In another program to extend pipe applications for Canadian products, the Company is conducting a joint study with Du Pont in the United States to determine how a new family of resins can improve the quality of pipe used in a variety of applications.

The Company is also working closely with the Canadian Coast Guard to develop an improved type of navigational aid made of polyethylene. This is a newly designed illuminated buoy for use throughout the year, even under the most difficult ice conditions. This application could develop into a substantial market opportunity.

Woven Polyolefin Fabric

The character of this business has changed substantially in recent years. Initially, asbestos bags constituted the main market for "Fabrene" woven polyolefin material. More recently, many additional uses have been devel-

oped and special products introduced. In 1983, the Company introduced "Arbrene", a fabric specifically designed for lumber wrap and covers which delivers improved protection for kiln dried lumber in all types of weather conditions. This quality combined with the strength and tear resistance of "Fabrene" sets a new standard of product excellence in this application. Demand for the new product was exceptional as home construction accelerated across North America.

There was also an increase in the use of "Fabrene" for swimming pool covers. The Company's major distributor in the United States has expanded his business by opening a new plant in New Jersey. This is based on a specialty product which has improved weathering characteristics of the fabric.

Sales have also been improved by the installation of equipment that enables the North Bay plant to produce the widest coated polyethylene fabric in North America. This results in less fabrication by customers and more efficient production.

Both industrial and carpet backing sales volume increased throughout the year. Exports to the United States were strong and domestic shipments gained steadily as the year progressed.

Packaging Films

Packaging materials have become increasingly diversified and sophisticated. The Company has specialized in the development of premium polyethylene and nylon films which are manufactured at Whitby, Ontario and sold throughout Canada, the United States, Europe and Australia. "Vexar" plastic netting which is used in pack-



A new facility at the Mailland Site will produce many types of engineering plastics. Employees who started up the plant included (l-r) Don Van Bridger, Nick Marshall, Bill Byker.

aging a variety of products, as well as in fencing, is also manufactured in this plant.

A large volume of "Scclairfilm" polyethylene film is marketed with a liquid packaging system that forms a pouch and fills it with milk or other free-flowing liquids. Recent developments include pouch packaging of high viscosity liquids or foods such as pie-fillings. Following broad acceptance in Canada, a major marketing program was initiated to penetrate the large U.S. market. This system has exceptional long-term growth potential because of favourable material costs and convenience compared with paper and glass containers, or cans.

"Scclairfilm" is also used in high quality laminated structures and paper overwrap because of its heat-sealing properties and its exceptional clarity.

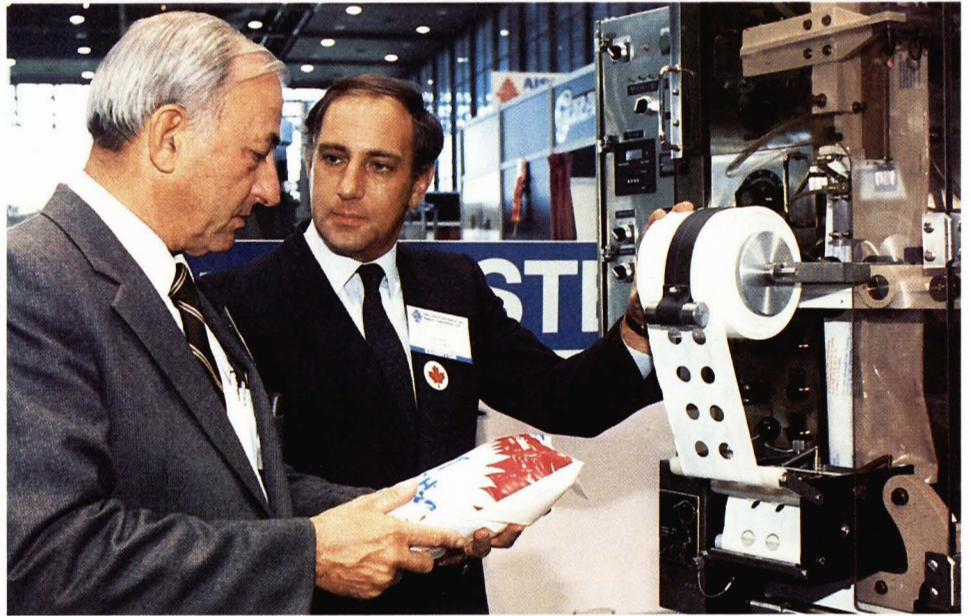
The Company just recently introduced an aseptic pouch system which keeps food fresh for extended periods. Milk, for example, can be kept fresh for several months without refrigeration.

The "Dartek" nylon film product range has been expanded significantly over the last two years and now comprises plain, coated and oriented films. A new facility to produce oriented film employing a production process developed by research scientists at Kingston, commenced operation late in the year. Nylon films offer an excellent long-term growth opportunity and the Company now has an important position as a manufacturer.

These products are sold internationally for diversified food and industrial applications, and often are used in conjunction with aluminum and other films.

The Company also sells "Mylar" polyester film, a premium food packaging material manufactured by Du Pont in the United States. Products packaged in this material include processed meat, cheese, and snack and confectionery goods. Packaging materials incorporating the metallized form of "Mylar" made further gains during 1983.

The world's largest plastics trade show is held every four years at Dusseldorf. Jim Walsb, left, and Fred Susami, of the export group met Du Pont Canada customers from dozens of countries.



The Company's liquid packaging system, widely used in Canada, was introduced to the United States market in 1983. C. V. Thomas, left, and Ron Braun of the marketing organization check out a demonstration unit at the Food and Dairy show in Chicago.

Summary

Sales to export markets were little changed from 1982 at \$179 million. Average selling prices, however, were considerably lower because of the strength of the Canadian dollar. The most serious problem is the threat posed to the Company's competitive position by the large swings in currency values over such a large portion of the world market.

Demand was soft in most markets until after mid-year when it started to improve. By contrast, the earlier recovery in the United States made that market attractive. In 1983, the Company marketed about one third of its exports to the United States – the highest portion in recent years.

Outlook

The Company's general export strategy is to find and serve specialized market niches where its products bring unique value to customers. For example, the Company has been able to build strong customer preference for its specialty films and resins.

Sales effort in support of the export business is being increased. Du Pont Canada has excellent products, an experienced sales group and a very effective network of sales agents. In addition, the international Du Pont organization continues to be a good source of export opportunities. For example, the new hydrogen peroxide plant will export a large percentage of its production into the Du Pont (U.S.) marketing network.

These strengths, which have enabled the Company to more than double its export sales of five years ago, will

continue to serve the Corporation well in 1984. The outlook for 1984 is for improved demand for Company products in most markets and for improving margins.

Sales of fibres, principally "Lycra" spandex yarns and nylon tire yarns, were increased. For the first time, exports included the new fine decitex "Lycra" yarns being produced at the recently expanded plant at Maitland. These elastic yarns provided improved comfort in pantyhose and other garments.

"Sclairlink" crosslinkable polyethylene resins, first produced in 1982 at the plant near Sarnia, broadened the product range for the roto-moulding industry. Du Pont Canada is recognized throughout the world for the quality of its roto-moulding resins. Ninety per cent of its production of these resins is marketed to plastic

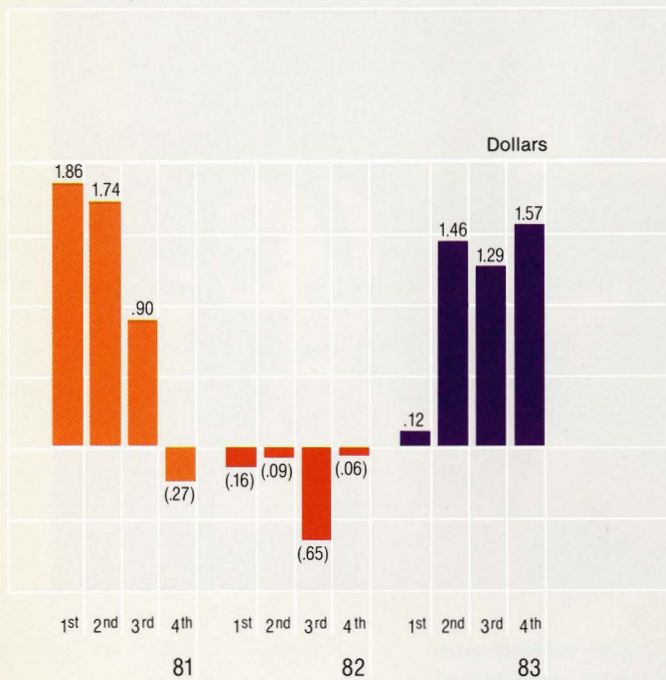
processors in international markets.

With the opening of a large polyethylene resins plant by Du Pont in the United States, the Company will further enhance the variety of resins available to overseas customers. High density resins from the U.S. plant will be marketed through the Company's network of sales agents in many countries.

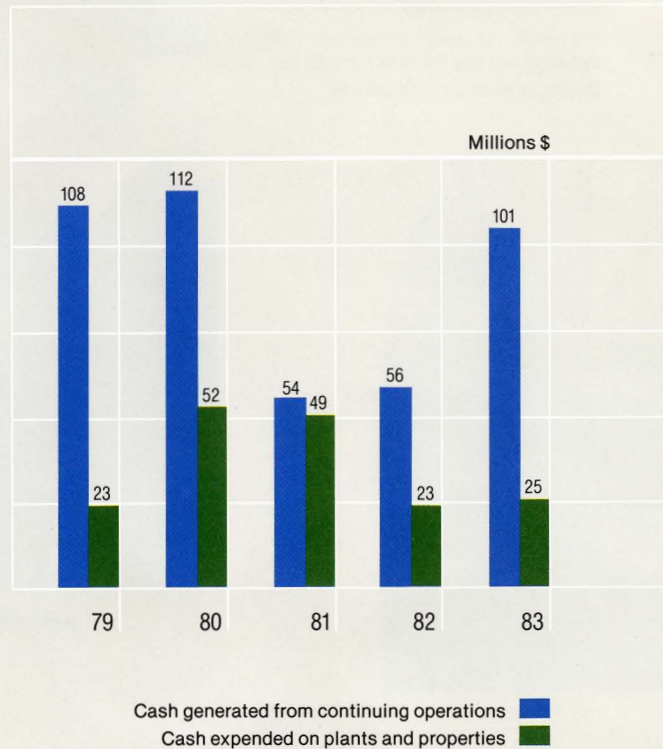
Oriented nylon packaging film from the new facility at Whitby was introduced late in the year in the United States and Europe. This new product met with immediate success.

To improve service to European customers, warehouse facilities were opened in Rotterdam. The previous year, a similar service was established in the United Kingdom.

Quarterly earnings (loss) from operations per common share



Cash generated from continuing operations and expended on plants and properties



Sales Revenue

Sales revenue for 1983 was \$1.1 billion, up 14 per cent from 1982.

Higher volume for most products was the reason for the increase, more than offsetting slightly lower prices, mainly for exports. Shipments to domestic markets were up 16 per cent. Export volume was increased five per cent.

Segmented Sales and Operating Profit

Fibres Group sales were increased by 27 per cent to \$350 million. Sharply higher shipments of nylon carpet yarn and staple to the carpet industry and textile nylon yarn to fabric producers led the way. Domestic demand for industrial yarns was weak for much of the year. Operating profit was \$38 million compared with a loss of nine million dollars in 1982.

Chemicals Group sales were increased by seven per cent to \$380 million. Shipments of automotive

finishes, fluorocarbons, "Glean" herbicide and titanium dioxide pigments showed the best gains. Operating profit was \$20 million, down 14 per cent due to the end of production at Baker Mine and depreciation of its assets.

Plastics and Films Group sales were up 10 per cent to \$387 million. All products except large diameter pipe contributed to the increase. Profit margins on most products improved steadily throughout the year due to lower costs and a gradual recovery in prices. Operating profit was \$11 million compared with a loss of eight million dollars in 1982.

Costs and Expenses

Increased productivity and successful efforts to reduce costs and expenses combined with higher volumes and lower raw material prices to improve profit margins.

Selling, general and administrative expenses were held at the 1982 level, and were 9.0 per cent of sales, compared with 10.3 per cent a year earlier.

Research and development expenses were \$12 million in 1983.

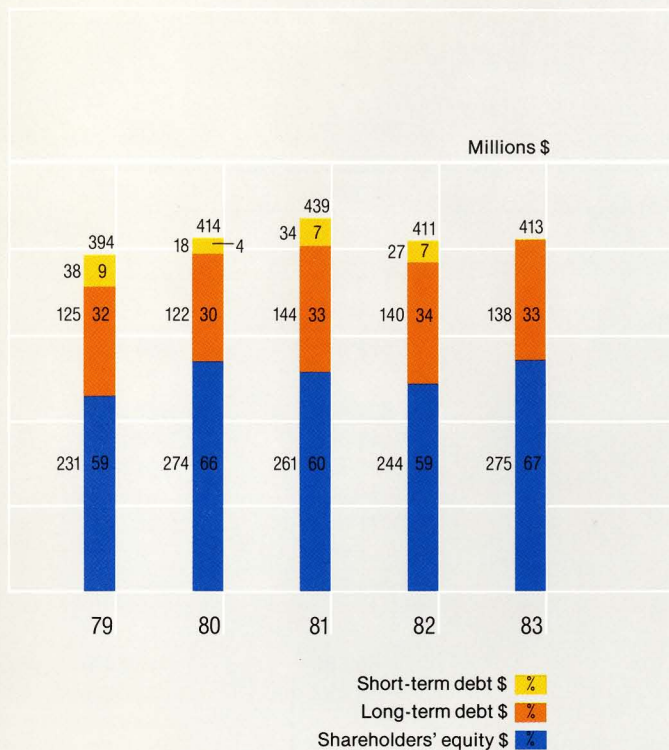
The reduction in debt and decrease in short-term borrowing rates reduced the Company's interest expense by \$2.7 million. Interest coverage, that is income available for servicing debt, improved to 3.7 times the required level.

Earnings

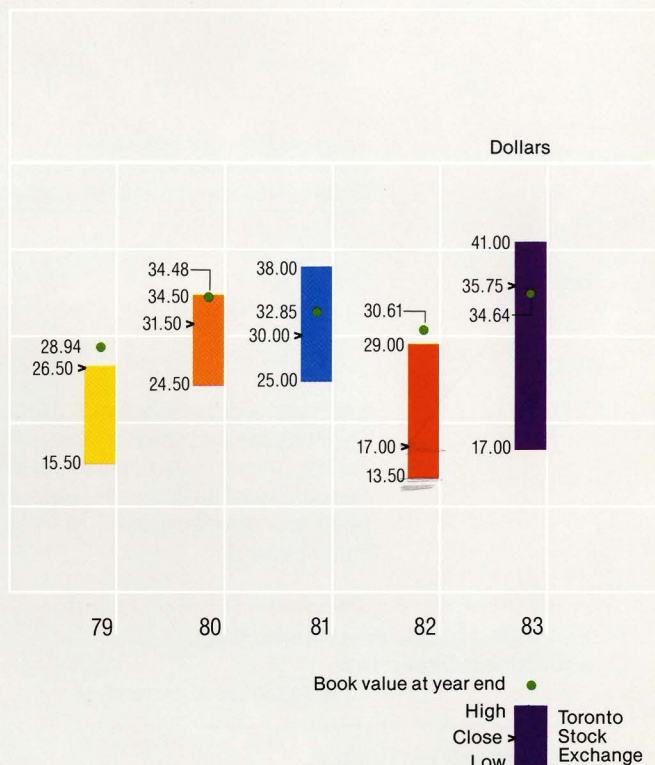
Net income from operations for 1983 was \$35.2 million (\$4.44 per common share) compared with a loss of \$7.4 million (\$0.96 per share) in 1982. An extraordinary charge of \$5.7 million incurred in 1982, for the closing of the Shawinigan Works, brought the total loss for that year to \$13.1 million (\$1.68 per share).

This significant improvement resulted from steps taken to improve market

Capital structure



Common stock values



positions, to reduce costs and increase productivity. Lower interest expenses were offset by higher depreciation charges.

A significant drop in the Company's income tax rate, from 49.2 to 31.8 per cent, resulting from the use of investment tax credits for the past three years, contributed to the increase in after-tax income.

Cash Flow

Cash generated from continuing operations was \$101 million, up \$45 million from 1982, due to higher volume of business, higher profits and skillful management of working capital. At year end, cash on hand plus funds invested in marketable securities amounted to \$47 million.

Cash disbursements on plants and properties were \$24.7 million, up \$1.9 million from the previous year. Capital outlays were concentrated on

projects designed to increase yields, improve quality or reduce costs. Several million dollars were spent increasing BCF nylon yarn capacity at Kingston Site.

In 1983, \$5.4 million was paid to Petrosar Limited for their Class B preference shares subscribed for late in 1982, under existing agreements.

The Company is required to retire \$3.0 million of its 10 1/2 per cent sinking fund debentures each year. This obligation was met by purchasing the bonds at prevailing market prices which were lower than the applicable redemption prices.

Dividends

Quarterly dividends were increased from six cents to 15 cents per common share during 1983, reflecting the improvement in earnings. The total

dividend declared in 1983 was 42 cents per share compared with 56 cents in 1982.

Balance Sheet

Total assets increased by \$44 million to \$621 million during 1983, mainly as a result of the significant improvement in earnings. Despite a 14 per cent increase in sales, inventory levels were down two per cent from the previous year's level. As a percentage of sales, the investment in receivables plus inventories reached a new low.

The ratio of current assets to current liabilities was a satisfactory 2.0 compared with 1.8 a year earlier. Debt as a percentage of total capital was improved from 41 per cent at year end 1982 to 33 per cent, primarily as a result of both lower short-term debt and an increase in shareholders' equity.

Pension Plan

At year end, over 1 300 individuals were receiving Company pensions. At that time, an independent trustee held \$287.6 million in the pension trust fund to pay current and future pensions under the Company-financed plan. This amount exceeded the value of pensions earned to 1983 December 31, as determined by an independent actuary.

CONSOLIDATED STATEMENT OF INCOME

YEARS ENDED DECEMBER 31

(Dollars in thousands except per common share)

	1983	1982
Net Sales	\$1 116 444	\$980 000
Other income	4 247	4 599
	1 120 691	984 599
Less:		
Costs and expenses before the following:	895 883	827 364
Depreciation and amortization	41 445	36 971
Selling, general and administrative expenses	100 457	101 258
Research and development expenses	12 261	11 946
Interest on long-term debt	17 615	18 050
Other interest	1 395	3 628
	1 069 056	999 217
Earnings (Loss) before Income Taxes and Extraordinary Item	51 635	(14 618)
Less: Income Taxes (Note 1)	16 422	(7 192)
Net Income (Loss) before Extraordinary Item	35 213	(7 426)
Extraordinary Item (Note 2)	—	(5 644)
Net Income (Loss)	\$ 35 213	\$(13 070)
Earnings (Loss) per Common Share		
Before extraordinary item	\$4.44	\$(0.96)
After extraordinary item	\$4.44	\$(1.68)

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

YEARS ENDED DECEMBER 31	1983	1982
<i>(Dollars in thousands)</i>		
Sources of Cash Funds		
From continuing operations –		
Net income (loss)	\$ 35 213	\$ (6 449)
Non-cash items in income statement	43 874	39 501
Net change in working capital	22 321	22 865
	101 408	55 917
From discontinued operations	6 290	(1 880)
	107 698	54 037
Uses of Cash Funds		
Invested in – Plants and properties	24 717	22 837
– Other assets and advances	7 892	20 675
Long-term debt reduction	2 407	3 528
Dividends	2 777	6 090
	37 793	53 130
Increase in net cash funds		
Net cash funds at beginning of year	69 905	907
	(23 354)	(24 261)
Net cash funds at end of year		
	\$ 46 551	\$(23 354)

Net cash funds represent cash and short-term investments less bank and other short-term indebtedness. The 1982 data has been reclassified to conform to this definition.

CONSOLIDATED BALANCE SHEET

AT DECEMBER 31

ASSETS	<i>(Dollars in thousands)</i>	1983	1982
<hr/>			
Current Assets			
Cash and short-term investments		\$ 46 551	\$ 4 015
Accounts receivable:			
Customers and others		126 162	106 438
Affiliated companies		8 072	5 130
Income taxes recoverable		2 734	9 676
Inventories:			
Finished goods and work in process		77 497	79 977
Raw materials and supplies		34 442	33 981
Prepaid expenses and other		13 234	10 676
		308 692	249 893
<hr/>			
Plants and Properties (Note 3)		207 660	219 570
<hr/>			
Other Assets			
Petrosar Limited (Note 4)		72 110	72 110
Unamortized exploration and preproduction expenses		3 093	4 078
Goodwill, patents and processes		3 153	2 994
Unamortized portion of long-term debt expenses		2 558	2 915
Sundry (Note 5)		23 766	25 174
		104 680	107 271
		\$621 032	\$576 734

LIABILITIES	<i>(Dollars in thousands)</i>	1983	1982
Current Liabilities			
Bank and other short-term indebtedness		\$ —	\$ 27 369
Accounts payable and accrued liabilities:			
E.I. du Pont de Nemours & Company and affiliates		50 981	33 646
Other		82 742	75 574
Taxes payable		18 097	5 021
Dividends payable		1 226	516
		153 046	142 126
Long-Term Debt (Note 6)			
		137 797	140 244
Deferred Income Taxes			
		54 713	50 614
Shareholders' Equity			
Stated capital:			
Preferred – Class A cumulative	46 500 shares	2 325	2 325
Common – Class A, Series 1	7 886 298 shares	40 031	40 031
Retained earnings		233 120	201 394
		275 476	243 750
		\$621 032	\$576 734

Signed on behalf of the Board:

Donald S. Macdonald

Gerkeval

Directors

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

YEARS ENDED DECEMBER 31	1983	1982
<i>(Dollars in thousands)</i>		
Balance at Beginning of Year	\$201 394	\$219 054
Add (Deduct): Net Income (Loss)	35 213	(13 070)
	236 607	205 984
Less:		
Dividends declared on:		
Preferred stock (\$3.75 per share)	174	174
Common stock (\$0.42 per share in 1983, \$0.56 per share in 1982)	3 313	4 416
	3 487	4 590
Balance at End of Year	\$233 120	\$201 394

AUDITORS' REPORT

The Shareholders, Du Pont Canada Inc.

We have examined the consolidated balance sheet of Du Pont Canada Inc. as at 1983 December 31 and the consolidated statements of income, retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances. In our

opinion, these consolidated financial statements present fairly the financial position of the Company as at 1983 December 31 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Tanche Ross & Co.

Chartered Accountants
Mississauga (Ontario)

1984 March 02

The Company is responsible for the financial information contained in this Annual Report. The consolidated financial statements, including the notes thereto, (pages 24 to 33) have been prepared by the Company in accordance with generally accepted accounting principles and necessarily include some amounts that are based on management's best estimates and judgment. The statements are considered by management to present fairly the Company's financial position and results of operations. The financial information throughout this Report is consistent with that in the financial statements. These financial statements have been audited by Touche Ross & Co., Chartered Accountants, whose report is included on page 28.

The reliability of the financial information in this Report is assured on a reasonable basis by the Company's accounting records and related system of internal controls. The system is based on a business ethics policy which requires employees to maintain the highest ethical standards in the conduct of

Company business. The system includes formal policies and procedures to safeguard assets and provide reliable financial records; a process for careful selection and training of personnel; and an organization providing for appropriate delegation of authority and the segregation of duties. The Company has an internal audit division whose function includes the review and evaluation of the accounting records and related system of internal controls on an ongoing basis.

Financial reporting and the functioning of the accounting system and internal controls are under the general oversight of the Committee on Audit of the Board of Directors. Both the internal auditors and the independent auditors have direct access to the Committee on Audit and meet with them, with or without management being present, to discuss their findings.

The Board of Directors has reviewed and approved this Annual Report.

The Whitby, Ontario, plant is the only producer of nylon packaging film in the worldwide Du Pont organization. Ken Globe makes an adjustment on a manufacturing unit just completed at Whitby to serve international film markets.



Basis of Consolidation

Du Pont Canada Inc. is incorporated under the laws of Canada and the consolidated financial statements, based on historical cost, are prepared in accordance with accounting principles generally accepted in Canada and conform in all material respects with International Accounting Standards. Subsidiary companies are all wholly owned but only Du Pont of Canada Exploration Limited is active.

Translation of Foreign Currencies

Current assets and current liabilities in foreign currencies are translated into Canadian dollars at rates in effect at the end of each year. Other assets and liabilities and income and expense items are translated at the rates prevailing on transaction dates. Gains and losses on translation are included in income.

Inventories

Inventories are carried at the lower of average cost and net realizable value. Finished goods inventories are based on material and product-related conversion costs.

Plants and Properties and Related Depreciation

Plants and properties are carried at cost. Preproduction expenses related to manufacturing and interest on borrowed money incurred in connection with new facilities are charged to expense as incurred.

Depreciation is provided based on the average useful life of assets. For manufacturing facilities, the diminishing balance method is used and rates of 12% or 10% are applied to the net investment at each plant site, provided that amounts set

aside in the accounts are not less than 5% of the original cost. Thus the provision for depreciation is higher in the early life of the assets when the risk is greater. Depreciation on mining facilities is provided on a straight line basis over the estimated life of the mine. The relatively small investments in other properties are depreciated at various rates. Generally, depreciation is not charged on new assets until they become operative. When assets are retired, sold or otherwise disposed of, the gross book value and dismantling costs are charged to accumulated depreciation; any recovery is credited to accumulated depreciation.

Exploration and Preproduction Expenses - Mining

Exploration costs are deferred and amortized on the diminishing balance method at 50% per year. Preproduction expenses of a new mine are deferred and amortized over the estimated life of the project.

Goodwill, Patents and Processes

Goodwill was acquired prior to 1974 and is not amortized. Purchased patents and processes are amortized over their economic life.

Sale of Technology

Profits on the sale of technology are recognized when payments are received; a portion of each receipt is deferred to cover the expected future costs of completing the contract.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Income Taxes

	1983	1982
The Company's effective income tax rate is made up as follows:		
Combined basic Canadian federal and provincial income tax rate	49.2%	48.9%
Increase (decrease) in income tax rate resulting from:		
Federal income tax surcharge	0.8	1.5
Manufacturing and processing allowance	(5.6)	(6.3)
Inventory allowance	(2.7)	12.6
Investment tax credits	(9.2)	—
Other	(0.7)	(7.5)
Effective income tax rate	31.8%	49.2%

Income tax benefits relating to federal investment tax credits are included in income when realized and in 1983 include 5.5% relating to previous years. Other in 1982 comprises mainly adjustments relating to prior years' expense.

Note 2 - Discontinued Operations

In 1982 the Company stopped production of cellulose film at Shawinigan, Québec, and the plant was shut down. The estimated costs of shutdown, net of income taxes of \$4 456 000, were shown as an Extraordinary Item in 1982. Included in 1982 net sales were \$42 628 000 related to discontinued operations. The Loss before Income Taxes and Extraordinary Item in 1982 related to these sales was \$1 748 000.

Note 3 - Plants and Properties

<i>(Dollars in thousands)</i>	1983	1982
Buildings and equipment and other facilities	\$535 781	\$526 342
Construction in progress	24 536	13 448
Land	20 392	20 296
	580 709	560 086
Less: Accumulated depreciation and amortization	373 049	340 516
	\$207 660	\$219 570

Note 4 - Petrosar Limited

The Company has a 20% common share interest in Petrosar Limited, a world-scale petrochemical complex near Sarnia, Ontario. The other common shareholders are Polysar Limited, which, together with the Canada Development Corporation, holds a 60% interest, and Union Carbide Canada Limited which holds 20% interest. The Company's investment in Petrosar is carried at cost.

At year end, the Company's investment in Petrosar consisted of:

<i>(Dollars in thousands)</i>	1983	1982
Common Shares	\$10 000	\$10 000
Class B and C Preference Shares	62 110	56 710
	72 110	66 710
Class B Preference Shares Subscription	—	5 400
	\$72 110	\$72 110

Under various agreements with Petrosar's shareholders and with its bankers, the Company has committed to provide Petrosar with funds or guarantees on new debt incurred to meet 21.6% of its obligations for dividends on or redemptions of Class A redeemable preference shares held by a consortium of banks. At 1983 and 1982 December 31, Petrosar's Class A preference shares and term loan outstanding amounted to \$400 000 000. The Company's share of these obligations was \$86 400 000.

The Company is also committed under long-term contracts to purchase ethylene and other chemical products from Petrosar or to otherwise indemnify that company.

The Company's share of Petrosar's 1983 net loss amounted to \$6 200 000 (\$4 300 000 net income in 1982); after providing for dividends on Class A preference shares, the Company's share of the net loss attributable to common shareholders was approximately \$10 500 000 (\$2 500 000 in 1982) for the year, and \$20 600 000 on a cumulative basis at 1983 December 31 (\$10 100 000 in 1982).

NOTES (CONTINUED)

Note 5 - Sundry

<i>(Dollars in thousands)</i>	1983	1982
Non-current portion of:		
Employee relocation loans	\$13 953	\$14 262
Unamortized payments to Pension Trust Fund (Note 9)	8 229	8 970
Other	1 584	1 942
	\$23 766	\$25 174

The employee relocation loans are secured by mortgages and are repayable over 10 years, or less if the employee retires or terminates.

Note 6 - Long-Term Debt

<i>(Dollars in thousands)</i>	1983	1982
10% Mortgage		
due 1989 December 31	\$ 381	\$ 391
13-1/2% Debentures - U.S. \$65 000 000		
due 1991 February 15	77 439	77 439
10-1/2% Sinking Fund Debentures		
due 1995 May 01	59 977	62 375
Other	—	39
	\$137 797	\$140 244

The mortgage may be repaid in whole or in part without penalty after 1984.

The 13-1/2% debentures may be redeemed at any time in the event that Canadian withholding taxes become payable, or at the option of the Company after 1986 February 15.

Sinking fund provisions of the 10-1/2% debentures require the Company to make payments to the trustee sufficient to retire \$3 000 000 principal amount on May 01 in each year to 1994 inclusive. The Company has purchased \$3 023 000 of debentures on the open market in anticipation of future sinking fund payments and has applied the purchase to offset the current portion of long-term debt. Under certain conditions, the Company may redeem all or part of the outstanding debentures.

Note 7 - Minimum Lease Payments under Operating Leases

The Company's future minimum lease payments under operating leases are as follows:

<i>Years ending December 31</i>	<i>(Dollars in thousands)</i>
- 1984	\$ 7 546
- 1985	6 174
- 1986	3 521
- 1987	2 160
- 1988	1 199
Remainder	4 223
	\$24 823

Note 8 - Related Party Transactions

In the normal course of business, the Company has transactions with E.I. du Pont de Nemours & Company and its affiliates. In 1983, purchases of goods and services for consumption and resale from such related companies amounted to \$261 923 000 (1982 - \$211 831 000). Sales to the same group of related companies totalled \$56 452 000 during 1983 (1982 - \$36 865 000).

Note 9 - Pension Liabilities

The Company has a non-contributory pension plan covering all employees, the costs of which are borne entirely by the Company. Payments are made to an irrevocable trust fund held by an independent trustee.

Both the formal actuarial evaluation of the Pension Plan made as at 1982 December 31 and an interim evaluation at 1983 December 31 disclosed that the value of assets exceeded the actuarially determined value of both pensions earned to that date and the past service portion of the total pension liabilities calculated by projecting service and remuneration to future years when pensions are expected to begin.

In 1983 the charge against earnings covering current payments and amortization of special payments to the Pension Trust Fund amounted to \$15 790 000 (1982 - \$19 005 000).

Note 10 - Segmented Information

(Dollars in thousands)

1983

1982

Industry Segments

Sales

Fibres	\$ 349 984	\$275 054
Chemicals	379 838	355 011
Plastics and Films	386 622	349 935
Total Sales	\$1 116 444	\$980 000

Export Sales, included above

\$ 178 726	\$179 709
-------------------	-----------

Operating Profit (Loss)

Fibres	\$ 38 293	\$ (8 917)
Chemicals	19 560	22 849
Plastics and Films	11 423	(7 662)

69 276	6 270
---------------	-------

Other Corporate income, expenses and taxes

(34 063)	(13 696)
-----------------	----------

Net Income (Loss) from Operations

\$ 35 213	\$ (7 426)
------------------	------------

Assets*

Fibres	\$ 154 794	\$151 878
Chemicals	88 547	91 396
Plastics and Films	174 944	179 179
Corporate	202 747	154 281
	\$ 621 032	\$576 734

Capital Expenditures

Depreciation & Amortization

	1983	1982	1983	1982
Fibres	\$11 935	\$ 8 873	\$13 599	\$13 281
Chemicals	3 180	3 021	15 485	10 850
Plastics and Films	7 931	11 819	8 383	8 582

*1982 figures have been restated to conform to the 1983 method of allocating certain corporate assets.

The industry segments have been determined by the directors of the Company as recorded in the minutes of a Board meeting held 1980 February 29. The segments have been determined based on the Statistics Canada Industrial Classification Codes adjusted for marketing and operating conditions within the Company. The Fibres segment consists of the manufacture and marketing of synthetic fibres to textile, home furnishings, and tire and industrial markets. The Chemicals segment con-

sists of the manufacture and marketing of fluorocarbons, petroleum chemicals, finishes, pharmaceuticals, and explosives, the minerals venture, and the resale of a variety of chemical or related products purchased mainly from E.I. du Pont de Nemours & Company and Petrosar Limited. The Plastics and Films segment covers manufacture and marketing of polyethylene resins, woven polyolefins, polyethylene pipe, polyethylene and other packaging films.

Changing Prices and Financial Results

For a number of years, the Company has reported the impact of changing prices on cash available for distribution or expansion. In 1982 December, The Canadian Institute of Chartered Accountants issued recommendations for reporting on the effects of changing prices. Du Pont generally supports this approach and has changed the format to follow, for the most part, the new standard.

Changing prices have a major impact on the real financial position of a company which is not disclosed in the traditional historical cost statements. These statements measure profit as the excess of selling price over the original cost of the asset consumed. While this concept was acceptable when prices were relatively stable, it is inadequate during prolonged

periods of changing prices. Current cost accounting emphasizes the specific changes in prices associated with the use of fixed assets and the sale of inventories. This has led to the maintenance of operating capability concept of accounting, in which profit is not recognized until the current values of these assets have been measured and taken into account.

Since the CICA recommendations provide considerable flexibility in the use of subjective estimates and judgment, and encourage experimentation, current cost statements should be used with caution. The adjustments made in restating the Company's historical cost statements to a current cost basis are explained in the items following the financial results.

SUMMARY OF FINANCIAL RESULTS ADJUSTED FOR EFFECTS OF CHANGING PRICES

YEARS ENDED DECEMBER 31

Item	As reported in historical cost statements	Current Cost Basis	
	1983	1983	1982*
<i>(Dollars in thousands)</i>			
Consolidated Statement of Income:			
Sales and Other Income	\$1 120 691	\$1 120 691	\$1 041 607
Less:			
A Costs and expenses before the following:	895 883	892 385	875 670
B Depreciation and amortization	41 445	56 347	66 188
Selling, general and administrative expenses	100 457	100 457	107 121
Research and development expenses	12 261	12 261	12 638
Interest on borrowed money	19 010	19 010	22 933
	1 069 056	1 080 460	1 084 550
Earnings (loss) before income taxes	51 635	40 231	(42 943)
C Income taxes	16 422	16 422	(7 608)
Net income (loss) from operations	\$ 35 213	\$ 23 809	\$ (35 335)
D Assets and equity (end of period)			
Inventory	\$ 111 939	\$ 112 117	\$ 119 616
Plants and properties - net	\$ 207 660	\$ 315 271	\$ 356 091
Net assets (common shareholders' equity)	\$ 273 151	\$ 380 940	\$ 379 459
E Other supplementary information			
Change in current cost amounts of inventories and plants and properties		\$ (2 500)	\$ 36 253
Less: Effect of general inflation		19 526	43 484
Difference between change in current cost and the effect of general inflation		\$ (22 026)	\$ (7 231)

*1982 Current cost results restated in 1983 dollars

- A.** Costs and expenses reflect the current cost of the items sold rather than their average historical cost. Cost of products on a current cost basis are \$3 498 000 lower than on an historical cost basis due to a general drop in raw material prices, mainly for ethylene.
- B.** Fixed assets and depreciation values have been adjusted by applying appropriate indices to the historical cost of productive assets. Depreciation and amortization on a current cost basis is \$14 902 000 higher than the historical cost, in order to provide for replacement of fixed assets at current values.
- C.** Income taxes are not adjusted as tax legislation requires that taxes be calculated on historical cost results. The apparent tax rate on current cost earnings is 40.8% compared to a rate of 31.8% on historical cost earnings.
- D.** The common shareholders' equity on a current cost basis has been increased to reflect the higher current cost values of inventory and plants and properties. As a result, the book value of the Company's common stock is substantially higher when measured on a current cost basis (\$48.30) than when measured in historical dollars (\$34.64). Also, the debt to total capital ratio is substantially lower when measured in current cost dollars (26.5%) than when measured in historical dollars (33.4%).
- E.** For 1983, the current cost amount for inventories is down by \$3 827 000 while the current cost amount for plants and properties has increased \$1 327 000. For both years, the Company's internal rate of inflation as measured by current costs has been lower than the general rate of inflation based on the change in the average Consumer Price Index.



Marketing specialists play a key role in the Company's fast-changing plastics technology. Clockwise from left: Gord Sbantz, Tom Baltus, Gloria Pennycook, Eric Brunner.

FIVE-YEAR COMPARISON

(Amounts in thousands of dollars except where otherwise noted) **1983** 1982

Operating Results

Results per common share :		
Total earnings (loss)	\$4.44	\$(1.68)
Dividends	\$0.42	\$ 0.56
Sales and other income	1 120 691	984 599
Costs and expenses before the following:	1 008 601	940 568
Provision for depreciation and amortization	41 445	36 971
Interest on borrowed money	19 010	21 678
Taxes on income	16 422	(7 192)
Extraordinary item	—	5 644
Net income (loss)	35 213	(13 070)
Per cent return on:		
Average total investment*	4.8	—
Average common shareholders' equity	13.8	—

Financial Position

Total current assets	308 692	249 893
Total current liabilities	153 046	142 126
Net working capital	155 646	107 767
Plants and properties at cost	580 709	560 086
Accumulated depreciation and amortization	373 049	340 516
Plants and properties – net	207 660	219 570
Other assets	104 680	107 271
Long-term debt	137 797	140 244
Deferred income taxes	54 713	50 614
Shareholders' equity	275 476	243 750

General

Company average selling price index		
– domestic manufactured products (1979 = 100)	138	139
Capital expenditures	25 193	23 855
Average total investment**	949 154	969 232
Shareholders' equity per common share	\$34.64	\$30.61
Average number of employees	4 991	5 432
Average total investment per employee	190.2	178.4

*Based on net income before interest expense

**Total investment is based on total assets before deducting accumulated depreciation and amortization; the average is based on the investment of each calendar month.

	1981	1980	1979
	\$(0.62)	\$6.39	\$7.37
	\$ 1.00	\$0.85	\$0.75
	1 143 165	996 364	879 619
	1 025 361	869 374	731 686
	42 260	37 609	31 429
	21 271	16 154	19 949
	20 773	30 612	38 295
	38 242	(7 916)	—
	(4 742)	50 531	58 260
	0.7	6.6	8.5
	—	20.1	29.1
	310 408	284 998	241 699
	165 924	163 078	138 019
	144 484	121 920	103 680
	637 550	603 154	553 727
	408 997	324 499	293 530
	228 553	278 655	260 197
	85 427	70 991	71 806
	143 822	122 158	125 204
	53 232	75 196	79 920
	261 410	274 212	230 559
	134	117	100
	47 175	53 189	23 339
	1 005 979	896 524	818 645
	\$32.85	\$34.48	\$28.94
	6 142	5 937	5 560
	163.8	151.0	147.2



Application of statistics is important in maintaining efficient quality standards in many operations. Bob Sones, left, manager of the polyethylene plant, Corunna, Ont., and Norm Merkosky, quality control supervisor, review statistical programs.

BOARD OF DIRECTORS

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Executive Vice-President and Director
E.I. du Pont de Nemours & Company

A. Jean de Grandpré, O.C., Q.C.
Chairman, President and
Chief Executive Officer
Bell Canada Enterprises Inc.

Carl De Martino
Group Vice-President – International
E.I. du Pont de Nemours & Company

D. Carlton Jones
President
Carlton Resource Management Limited

Arnold M. Ludwick
Vice-President, Financial Analysis
The Seagram Company Ltd.
Deputy Chairman
Joseph E. Seagram & Sons Limited

Hon. Donald S. Macdonald, P.C.
Partner, McCarthy & McCarthy
Barristers & Solicitors
Currently, Chairman
Royal Commission on the Economic Union
and Development Prospects for Canada

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President and
Chief Executive Officer
Bow Valley Industries Ltd.

Franklin S. McCarthy
Former President and
Chief Executive Officer
Du Pont Canada Inc.

Donald S. McGiverin
President and
Chief Executive Officer
Hudson's Bay Company

J. Edward Newall
Chairman, President and
Chief Executive Officer
Du Pont Canada Inc.

Elvie L. Smith
Chairman and
Chief Executive Officer
Pratt & Whitney Canada Inc.

Bertalan L. Turvolgyi
Senior Vice-President
Du Pont Canada Inc.

HONORARY DIRECTOR

Herbert H. Lank
Former Director,
Chairman and President
Du Pont Canada Inc.



J. Edward Newall Gerald J. Maier



Donald S. McGiverin Elvie L. Smith

BOARD COMMITTEES

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Hon. D. S. Macdonald, P.C.
Chairman
C. De Martino
D. C. Jones
A. M. Ludwick
F. S. McCarthy

Human Resources Committee
A. J. de Grandpré, O.C., Q.C.
Chairman
D. K. Barnes
G. J. Maier
D. S. McGiverin
E. L. Smith



Bertalan L. Turvolgyi Hon. Donald S. Macdonald



Carl De Martino D. Carlton Jones Franklin S. McCarthy Arnold M. Ludwick



David K. Barnes Herbert H. Lank A. Jean de Grandpré

CORPORATE MANAGEMENT

Policy Committee

J. E. Newall

Chairman

B. L. Turvolgyi

Senior Vice-President

Gordon R. Wittman

Vice-President – Operations

Donald A. S. Ivison

On loan to

E.I. du Pont de Nemours & Company

Operations Committee

G. R. Wittman

Chairman

Ralph E. Delong

Vice-President and Comptroller

Robert C. Finlay

Vice-President – Plastics and Films Group

F. Gerald Fox

Vice-President, Secretary
and General Counsel

Finn Hovland

Vice-President – Manufacturing

Peter Pick

Vice-President and Treasurer

James M. Stewart

Vice-President – Corporate Development

James O. Torrens

Vice-President – Fibres Group

Patrick A. Turner

Vice-President – Chemicals Group

John A. Walsh

Vice-President – Les Opérations du Québec

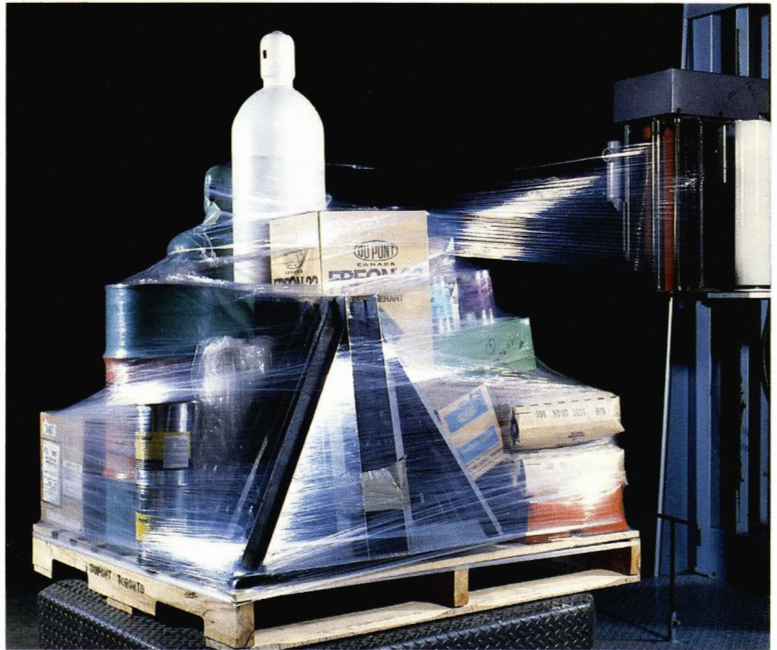
Colin C. Young

Vice-President – Employee and
Public Relations

Assistant Treasurer

Paul M. Costello

Among the new polyethylene resins developed in 1983 was "Sclair-Tak", which is used in the manufacture of stretch film for industrial packaging.



Plants

Ajax Site
408 Fairall Street
Ajax, Ontario
L1S 1R6
(416) 683-5500

Kingston Site
P.O. Box 2100
Kingston, Ontario
K7L 4Z6
(613) 544-6000

Maitland Site
P.O. Box 611
Maitland, Ontario
K0E 1P0
(613) 348-3611

Nipissing Site
P.O. Box 900
North Bay, Ontario
P1B 8K2
(705) 472-1300

St. Clair River Site
Corunna, Ontario
N0N 1G0
(519) 862-1445

Whitby Site
South Blair Street
P.O. Box 1480
Whitby, Ontario
L1N 5S6
(416) 668-5811

**Field Operations Sites
(Explosives)**

Asbestos, Québec
P.O. Box 26
J1T 3A0
(819) 879-2667

Bathurst, New Brunswick
R.R. No. 2, Box 480
E2A 3Y6
(506) 546-2015

Black Lake, Québec
P.O. Box 188
G0N 1A0
(418) 423-4724

Caledonia, Ontario
P.O. Box 99
N0A 1A0
(416) 768-5831

Edson, Alberta
5752 9th Avenue
T0E 0P0
(403) 723-4047

Havre Saint-Pierre, Québec
P.O. Box 938
G0G 1P0
(418) 538-2400

Hinton, Alberta
169 Fairfax Drive
T0E 1B0
(403) 692-3780

Hinton, Alberta
518 Mountain Street
T0E 1B0
(403) 692-3920

Houston, British Columbia
P.O. Box 1499
V0J 1Z0
(604) 845-7604

Leaf Rapids, Manitoba
P.O. Box 492
R0B 1W0
(204) 473-2415

New Liskeard, Ontario
R.R. No. 2, Site 1-53
P0J 1P0
(705) 569-3544

Princeton, British Columbia
P.O. Box 35
V0X 1W0
(604) 295-6869

Saskatoon, Saskatchewan
Rabbitt Lake Operation
419 Appleby Drive
S7L 6B8
(306) 633-2141

Sparwood, British Columbia
P.O. Box 40
V0B 1M0
(604) 425-2262

Sudbury, Ontario
18 Durham Street South
P3E 3M3
(705) 566-1110

Timmins, Ontario
16 Borden Avenue
P4N 4E7
(705) 267-1416

Sales Offices

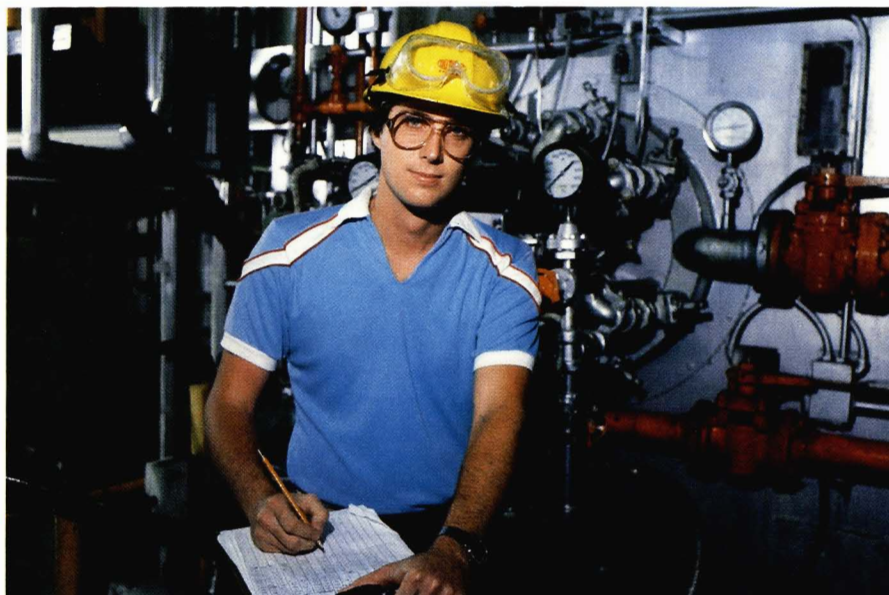
Ajax, Ontario
408 Fairall Street
L1S 1R6
(416) 683-5500

Bedford, Nova Scotia
Suite 401
1600 Bedford Highway
Sunnyside Place
B4A 1E8
(902) 835-5313

Calgary, Alberta
Suite 600
11012 MacLeod Trail South
T2J 6A5
(403) 278-8731

Moncton, New Brunswick
Suite 290
1077 St. George Blvd.
E1E 2E1
(506) 388-2060

Terry Durdon is energy conservation co-ordinator at the polyethylene plant, Corunna, Ont. For each unit of production the Company now uses 35 per cent less energy than it did in 1972.



Montréal Area

2453 46th Avenue
Lachine, Québec
H8T 3C9
(514) 636-4971

555 Dorchester Blvd. West
Montréal, Québec
H2Z 1B1
(514) 397-2700

Saskatoon, Saskatchewan

333 25th Street East
S7K 0L4
(306) 244-4511

Sudbury, Ontario
18 Durham Street South
P3E 3M3
(705) 674-0754

Toronto Area
115 Idema Road
Markham, Ontario
L3R 1A9
(416) 498-9380

Box 2200, Streetsville
Mississauga, Ontario
L5M 2H3
(416) 821-3300

P.O. Box 26
Toronto-Dominion Centre
Toronto, Ontario
M5K 1B6
(416) 362-5621

Vancouver, British Columbia

1550 Alberni Street
V6G 1A5
(604) 684-9264

Research Centre

P.O. Box 5000
Kingston, Ontario
K7L 5A5
(613) 544-6400

Customer Technical Centre

P.O. Box 3500
Kingston, Ontario
K7L 5A1
(613) 544-6000

Distribution Centres

4444 72nd Avenue S.E.
Calgary, Alberta
T2C 2C1
(403) 236-9077

6000 Trans Canada Highway
Pointe Claire, Québec
H9R 1B9
(514) 697-8840

75 Venture Drive
Scarborough, Ontario
M1B 3E8
(416) 284-4511

**Du Pont of Canada
Exploration Limited**

1550 Alberni Street
Vancouver, British Columbia
V6G 1A5
(604) 684-9264

Stock Listings

Common Stock – (DUP.A)
Valuation Day value \$20.25
Montreal Stock Exchange
Toronto Stock Exchange

Preferred Stock – (DUP.PR.B)
Valuation Day value \$52.00
Montreal Stock Exchange

**Stock Transfer Agent
and Registrar**

Montreal Trust Company
Montréal, Toronto, Calgary
and Vancouver

**Debenture Transfer Agent
and Registrar**

The Royal Trust Company, Montréal
Royal Trust Corporation of Canada
Toronto, Winnipeg, Calgary
and Vancouver

Auditors

Touche Ross & Co.
201 City Centre Drive
Suite 504, Mississauga, Ontario
L5B 2T4

Please address inquiries to:

The Vice-President, Secretary
and General Counsel
Du Pont Canada Inc.
Box 2200, Streetsville
Mississauga, Ontario
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