

Annual Report

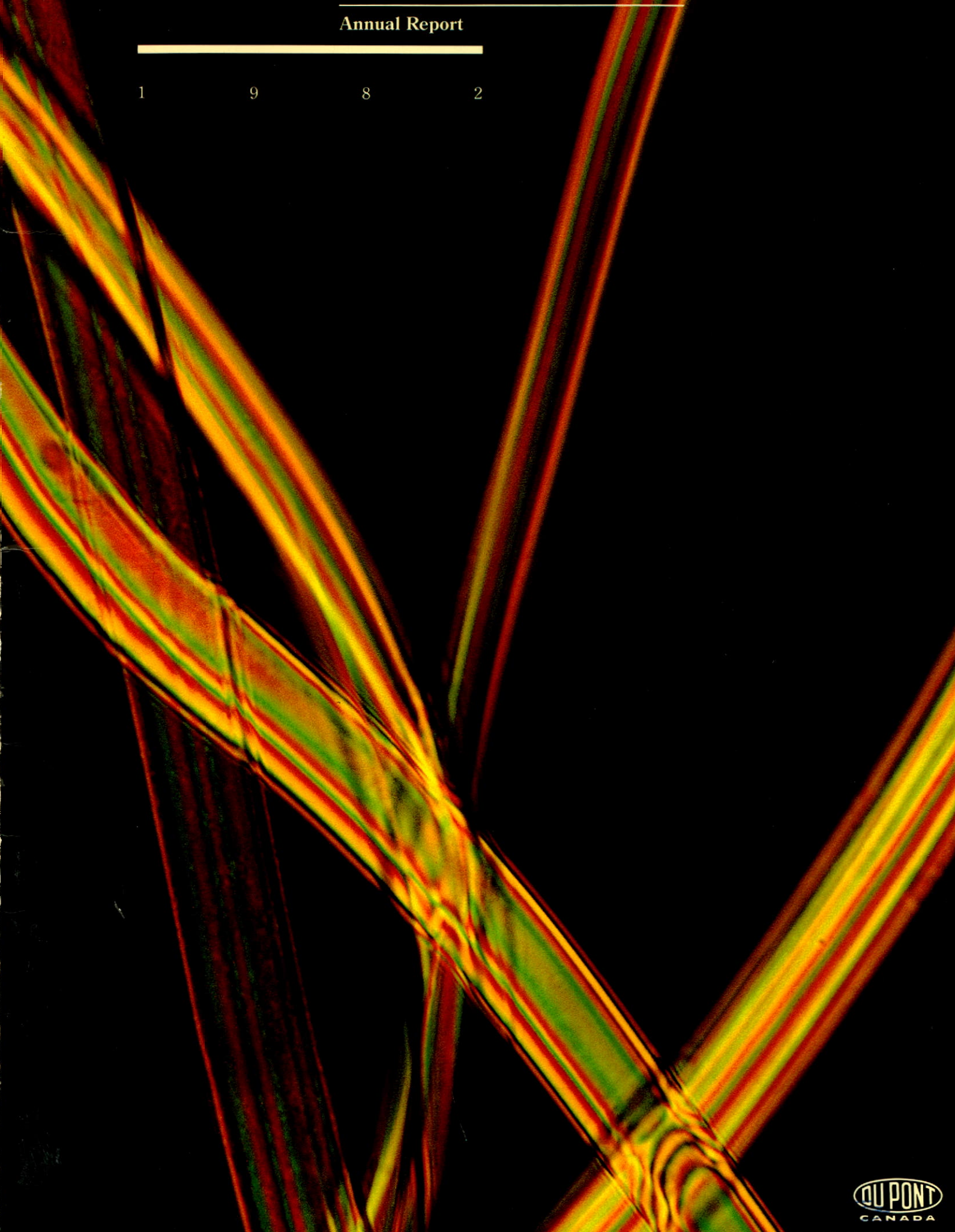


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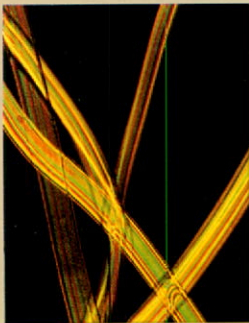
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*Cover:* This unusual photomicrograph of bulked continuous filament nylon yarn was taken by Bill Hicks at the Research Centre in Kingston. Scientists at the Centre played an important role in developing new production technology for the current \$16 million expansion of the BCF nylon carpet yarn plant at Kingston.



### Notice of Meeting

The 72nd Annual Meeting of Shareholders will be held at the Delta Meadowvale Inn, 6750 Mississauga Road, Mississauga, Ontario, on Tuesday, 1983 May 10 at 12:00 noon.

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

## Financial Highlights

		1982	1981	1980
<i>(Dollars in millions)</i>				
<b>Sales</b>		\$ 980	\$1 139	\$ 995
<b>Net (loss) income:</b>				
	before extraordinary item	(7)	34	43
	after extraordinary item	(13)	(5)	51
<b>Capital expenditures</b>		24	47	53
<b>Research and development expenditures</b>		12	10	7
<i>(percentage)</i>				
<b>Profitability:</b>	Net (loss) income before extraordinary item as a per cent of total revenue	— %	2.9%	4.3%
	Per cent return* on:			
	average total investment (before interest expense)	0.5	4.5	5.7
	average common shareholders' equity	—	11.5	16.9
<i>(Average for the year, with 1973 = 100)</i>				
<b>Indices:</b>	Company domestic selling price index of manufactured products	260	251	220
	Company raw material and energy cost index	438	428	350
<i>(Dollars)</i>				
<b>Results per common share:</b>	<b>(Loss) earnings</b>			
	—from operations*, by quarter			
	first	\$ (0.16)	\$ 1.86	\$ 1.60
	second	(0.09)	1.74	1.72
	third	(0.65)	0.90	0.89
	fourth	(0.06)	(0.27)	1.17
		(0.96)	4.23	5.38
	—from extraordinary item	(0.72)	(4.85)	1.01
	—total for the year	\$ (1.68)	\$ (0.62)	\$ 6.39
	<b>Dividends declared</b>	\$ 0.56	\$ 1.00	\$ 0.85
	<b>Shareholders' equity</b>	\$30.61	\$32.85	\$34.48

\*Before extraordinary item.

Du Pont Canada is one of Canada's major chemical companies. It has about 5 000 employees at six major manufacturing sites, at smaller manufacturing and distribution sites, and at offices across the country. Annual sales are approximately one billion dollars.

Its origins stem from an investment made in 1877 by Lammot du Pont in the Hamilton Powder Company, an explosives business in Hamilton, Ontario. Today E. I. du Pont de Nemours & Company owns 74.9 per cent of the common shares of Du Pont Canada. Management of the Company is Canadian, as are eleven of its thirteen Directors.

Employing advanced technology, Du Pont Canada produces industrial products. In most instances its raw materials are derived from petroleum. It upgrades these basic materials and sells them to other Canadian manufacturers for further processing. One of its principal products is polyethylene resin for plastics processors in North America and 62 countries overseas. These customers produce hundreds of products ranging from food packages to boat hulls. Another major product is nylon yarn and fibre for the carpet, apparel, textile and rubber industries. Others include spandex yarns for apparel makers; industrial and consumer packaging materials; automotive paints; commercial explosives; fluorocarbon products for manufacturers of insulation, and for refrigeration and air-conditioning systems; and chemicals used by the oil refining industry.

The Company also sells a wide range of products manufactured elsewhere by the

Du Pont organization. These include health care products and systems, agricultural and industrial chemicals, pharmaceuticals, printing products, electronic materials and scientific instruments.

Advanced technology is one of the Company's basic strengths. Some of its main businesses are founded on technology developed in Canada. Under an agreement with E.I. du Pont de Nemours & Company, a broad range of technology developed by either company is made available to the other.

To further exploit the markets for its businesses, more than 300 employees are involved in corporate development. Not only is research undertaken at the Research Centre in Kingston, Ontario, but these and other activities, such as technical development, product development, and market and business development, are carried on throughout the Company.

Strongly committed to export markets, Du Pont Canada has a network of sales agents in some 70 countries. Export sales in 1982 totalled \$180 million of which \$148 million were products manufactured by the Company.

A wholly-owned subsidiary, Du Pont of Canada Exploration Limited, operates Baker Mine, a small gold and silver producer in central British Columbia, and carries out mineral exploration across the country.

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Herb Lank, Honorary Director, right, and Ed Williams, in public relations until his retirement from DuPont Canada in 1973, are co-authors of a Company history scheduled for general release during 1983. In his roles as Chairman and President, Mr. Lank played a large part in many of the events described. The decision taken in 1954 to build the Research Centre (background) at Kingston had far-reaching effects on the Company's development.



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**Robert M. Aiken**  
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 & Company*

**David K. Barnes**  
*Executive Vice-President  
 and Director  
 E.I. du Pont de Nemours  
 & Company*

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

**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*

**Gerald J. Maier**  
*President and  
 Chief Executive Officer  
 Bow Valley Industries Ltd.*

**Franklin S. McCarthy**  
*Director and former  
 President and  
 Chief Executive Officer  
 Du Pont Canada Inc.*

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

**Pierre A. Nadeau**  
*Consultant*

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

**Elvie L. Smith**  
*President 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.*

**Board Committees**

*Committee on Audit*

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**R. M. Aiken**  
**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**  
**P. A. Nadeau**  
**E. L. Smith**

**Corporate Management**

*Policy Committee*

**J. E. Newall**  
*Chairman*  
**B. L. Turvolgyi**  
*Senior Vice-President*  
**Gordon R. Wittman**  
*Vice-President – Operations*

*Operations Committee*

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*Chairman*

**Ralph E. Delong**  
*Vice-President and  
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**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 Treasurers**

**Paul M. Costello**  
**Thomas S. Morse**

The sharp decline in demand from almost all of our customers had a substantial impact on the Company's operations and results throughout 1982. A loss of \$0.96 per share from operations was incurred compared with earnings of \$4.23 per share in 1981. Total sales revenue was down 14 per cent. Manufactured volume was down 19 per cent with shipments of locally manufactured products to domestic customers off 20 per cent. Export sales revenue declined 18 per cent and the strong dollar significantly reduced the profitability of exports.

Conditions in the Canadian petrochemical industry adversely affected the Company during 1982. As a result of agreements between the federal and provincial governments, the prices paid for feedstocks by our raw material suppliers continued to rise during 1982. In contrast, feedstock prices dropped sharply in the U.S.A. This allowed U.S. producers to reduce ethylene and derivative product prices and compete aggressively for an increased share of world markets. As one example, by year end our average selling price for polyethylene resins was down 16 per cent from the end of 1981 as we defended our market position in Canada and abroad.

We participated in industry efforts to convince the federal government to reduce the tax burden borne by petrochemical feedstocks and to develop an appropriate feedstock pricing policy for the short and longer term. It is apparent that the combined impact of the National Energy Policy and the federal/provincial energy agreements, worsened by the recession, has been devastating for the current profitability and for the future prospects of this industry which is so vital to Canada. Appropriate changes in policy are urgently needed to allow the industry to survive and to capture its potential.

Employees responded quickly and vigorously to the weak markets. Research and development activity was maintained at a high level and several new or modified prod-

ucts were introduced to capture new business. Increased efforts were undertaken to develop new export business, particularly in the U.S. market and in Asia. Despite the success of these initiatives the Company's facilities operated at low rates, averaging 65 per cent for the year as a whole.

To conserve cash, the investment in inventories and receivables as a percentage of sales was brought down to a record low level. The quarterly dividend on common shares was reduced. Capital spending was also reduced, however new commitments were made to strengthen several businesses.

Facilities are being installed to produce oriented nylon films using a novel process developed by our research scientists. A new manufacturing operation is being established on our site at Maitland to compound specialty engineering plastic resins. Also at Maitland, additional computer capacity is being installed to permit further computer control of the nylon intermediates process and achieve significant savings in energy use and increases in raw material yields. A manufacturing facility for a new range of copolymer and terpolymer specialty polyethylene resins is being installed at St. Clair River Works, based on technology developed at our Research Centre. The project to expand nylon filament carpet yarn capacity is continuing, however its completion will be delayed by six months to permit incorporation of new technology. This change will result in increased yields, improved quality and a significant increase in the additional capacity, at the same total capital cost. This new process technology was developed at Kingston based on earlier technical work undertaken in Du Pont (U.S.).

Expansions completed in recent years, combined with those currently underway, have ensured that ample capacity exists to meet the needs of our customers at home and in export markets. We expect intense competitive conditions to persist for the foreseeable future and programs to raise

productivity, to improve service, to improve existing products and to develop new ones will retain a high priority in the period ahead. Research and development expenditures were significantly increased in 1982 and will remain at a high level in 1983, as will technical activity on process and product development at the plants and at the Customer Technical Centre.

Employees throughout the Company achieved substantial savings by reducing discretionary expenses of all types. The operation of the new distribution centre in Scarborough reduced costs and allowed improved service to customers. Plans and priorities were reassessed in light of the low demand from customers and strenuous efforts were made to reduce overhead costs and to increase productivity. In total, these cost reductions were substantial and they have strengthened our competitive position.

Worldwide markets for cellulose film have been declining steadily for many years due to the growth of more modern and cost-effective packaging films. This caused our "Cellophane" cellulose film business to incur steadily increasing losses. As a result, the decision was taken to close the Shawinigan plant in 1982 July after more than fifty years of operation. The closure resulted in a net extraordinary charge of \$0.72 per share. A comprehensive program, including outplacement counselling and changes to the pension plan, was undertaken to assist the employees affected by the closure. As a result, more than 75 per cent either became eligible for immediate pensions or found new jobs.


At Shawinigan, several local groups expressed interest in establishing small businesses in our vacated plant. As a result, the Company donated the buildings, land and a significant amount of equipment, to the City of Shawinigan

Our safety performance improved in 1982. We had three on-the-job injuries involving the loss of one or more days' work compared with five such injuries in the previous

year. We also had fewer accidents in the restricted-work category. Although our safety performance has consistently ranked among the best on the continent, we have established new training programs to achieve further improvement.

There were several changes in the Board of Directors. After seven years of dedicated service on the Board, John A. Klacsmann resigned following his retirement as Vice-President—International, E.I. du Pont de Nemours & Company. Despite heavy responsibilities that required extensive travel to all parts of the globe, he maintained a perfect attendance record, having never missed a Board meeting. His wise counsel is missed. Four new members joined the Board: Robert M. Aiken, Wilmington, Delaware, Vice-President—International, E.I. du Pont de Nemours & Company; Arnold M. Ludwick, Montréal, Vice-President, Financial Analysis, The Seagram Company Ltd., and Deputy Chairman, Joseph E. Seagram & Sons Limited; Gerald J. Maier, Calgary, President and Chief Executive Officer, Bow Valley Industries Ltd.; and Elvie L. Smith, Montréal, President and Chief Executive Officer, Pratt & Whitney Canada Inc.

The recession imposed very difficult demands on our employees. Those demands were answered quickly and effectively, once again demonstrating that the talent, energy and commitment of our employees are equal to even the toughest of business conditions. Their accomplishments in 1982 have built a stronger Company. Those added strengths will be welcome and necessary assets in meeting the challenges of 1983.



*Chairman, President and  
Chief Executive Officer*

1983 March 08

Recently completed, Scarborough, Ontario, Distribution Centre is the latest link in an innovative system that has made possible important savings in the transportation and distribution of raw materials and finished products. Employees at the Centre control transport of packaged goods trans-shipped through the Centre, as well as bulk deliveries made directly to customers.





### Nylon

The weakness in most nylon markets started in the fall of 1981 and lasted through the summer of 1982. The impact of reduced consumer spending on apparel and home furnishings was worsened by substantial reductions in inventory held by retailers and all other levels in the distribution chain. As a result, production of these items was down far more sharply than consumer demand for much of 1982. In the fall, the pace of inventory reduction slowed and production started to recover.

In textile nylon, purchases by our hosiery yarn customers remained steady through the year. Our selling prices were depressed by competitive yarns from Europe which benefited from the shift of exchange rates in their favour. Demand for yarns for weaving was especially weak due to a combination of softer consumer demand, fashion changes and higher imports of outerwear. During the year, the mills developed and introduced a series of new nylon and nylon blend fabrics. They are designed to provide better value and performance characteristics to displace both imported fabrics and competitive products, like vinyl coated fabrics, in a number of applications including outerwear, luggage and sports equipment. Throughout the fall, demand for textile nylon from most markets improved steadily. During the course of the year, a new range of partially oriented yarns was introduced which will help us and our texturing customers improve productivity and reduce processing costs.

Demand for industrial nylon held up well into 1982, slowing by mid-year. The major markets are tires for trucks and off-the-road agricultural, forestry, mining and construction equipment, plus conveyor belting and other industrial uses. Slow demand in these

sectors was partially offset by higher export shipments, largely to Europe and Asia. A range of new high-tenacity mid-decitetex yarns was introduced during the year for use in rugged broadwoven fabrics for athletic equipment and in industrial thread. Our Canadian customers continue to carry out effective and innovative development programs to open up new markets in Canada and abroad.

We made significant progress in expanding markets for specialized fibres. "Kevlar" aramid fibre, for example, is a lightweight material with exceptional strength and heat resistance. It is produced by Du Pont in the United States. We worked closely with automotive parts manufacturers in the use of "Kevlar" as a replacement for asbestos in automotive brakes. During the year Canparts Automotive International Ltd., Cambridge, Ontario, became the first company in North America to market disc brake pads incorporating "Kevlar". Canadian Metallic Brake Ltd., Toronto, was the first manufacturer in this country to use "Kevlar" in their line of non-asbestos brake blocks for trucks. This fibre, first used in tires, is becoming well known in many other applications, including body armour and other protective clothing, aerospace products, canoes, kayaks, industrial belting and hoses, ropes, and asbestos replacement.

A technical program with Canadian Tire Corporation to develop a superior nylon/"Kevlar" reinforced all-season radial passenger tire has been commercially successful. These tires are setting new standards for high mileage and trouble-free durability, and more than 100 000 are now in service.



Another aramid fibre, "Nomex", has set new levels of performance in materials designed to protect people against heat and flames. Canadian manufacturers are using "Nomex" to make specialized clothing for municipal firefighters, welders, steelworkers, and crews trained by many industries to handle high-risk emergencies. Also, "Nomex" is used to make the lining of dual-walled tents for the use of soldiers in the far North.

The recession had its most severe impact on the carpet and home furnishings sectors. Demand for nylon from customers in this market was off by 45 per cent through the first half of 1982. A gradual recovery started in the fall and by the fourth quarter demand was appreciably higher than the average for the first nine months. A major objective during 1982 was to introduce new products and marketing programs designed to increase nylon's share of the market at the expense of other fibres, and to displace imports of nylon from U.S. based competitors. Good progress was achieved on both fronts in filament yarns and in staple fibre.

The new "Antron" Plus anti-soil carpet staple demonstrated superior bulk properties against competitive products. A new heavy-decutex staple, "Antron" XL, was introduced to aid customers in designing commercial carpets for extra heavy duty locations. A new high lustre filament yarn for residential carpets and a new yarn designed for low cost multi-colour applications, now served by competitive fibre, were introduced and both met with success. Our



An additional computer system being installed at Maitland Works, one of Canada's major chemical complexes, will contribute to new levels of efficiency in energy conservation and process control. From left: John Hoge, Ernie Townshend and Michel Labonté.

Ken Lamb, public relations, left, discusses Company history with Bill Schieck, laboratory services supervisor, Customer Technical Centre, who helped start up Kingston nylon plant in 1942. His father, Bob, retired with more than 44 years of Du Pont service.



marketing program was backed by heavy advertising and promotion. As a result of the success of these initiatives, we enter 1983 with a stronger position in this very important market to Du Pont.

As noted earlier, technical work carried out at our Research Centre has allowed us to improve the production process to be used in the \$16 million expansion underway for BCF filament yarn at Kingston. Increased capacity, improved quality and better yields from raw materials will result from this work. The new capacity will become available during 1984 and will allow us to serve the growing needs of our customers for the balance of the decade.

#### **"Lycra" Spandex Yarn**

Domestic shipments of "Lycra" spandex yarn, used primarily in apparel, declined. Market conditions in our large export business in Australia became highly competitive as well.

The outlook for this product is excellent since it performs a special role in providing better fitting and more comfortable apparel. Swimwear manufacturers were among the first to use stretch fabric containing "Lycra". Today the yarn is used in pantyhose, leotards, stockings, men's and women's slacks and sportswear. New circular knit fabrics for women's sportswear developed during 1981 provided significant new business in 1982. A range of woollen blend medium-weight fabrics with "Lycra" was introduced in 1982 with good prospects. The "Cooperall" stretch hockey suit was adopted by many amateur and professional teams and the concept is now being extended into motocross protective equipment. We are also developing industrial uses for "Lycra" in cooperation with manufacturers of furniture, automotive accessories and other products. Here, a

stretch fabric saves time in the manufacturing process or in later assembly operations.

The expansion completed at our Maitland plant in late 1981 was brought on stream during 1982. It gives us a broader range of products as well as improved quality and productivity. We now have enough capacity there to meet foreseeable demand from domestic and export customers.

#### **"Dacron" Polyester Yarn**

Late in 1981 we decided to stop producing polyester filament yarn at Coteau-du-Lac, Québec in 1982 February. This step was taken because of poor worldwide market prospects and following heavy losses in the two previous years.

In the intervening period we arranged for a smooth transition for our customers to other sources of supply. We will continue to offer specialty polyester yarns on a resale basis to the Canadian market.

Extensive outplacement counselling was provided to assist the employees who were affected by the plant closing and 80 per cent found new jobs. Our program received a positive reaction from the employees and from governments.



Mechanic Floyd Grant, Kingston, services a new type of computerized pantyhose knitting machine—a Lonati, model L-301. The Customer Technical Centre installed one of the first such high-speed, versatile machines in Canada.

### Explosives

This business has a strong commitment to Canada's resource industries. Volumes were down from last year reflecting depressed conditions in construction and in most mining sectors.

We are taking a leading role in developing computer-based systems that significantly improve the efficiency of large-scale blasts. Use of this technology by the mining industry increased substantially in 1982.

Further advances were made in developing safer water-gel products for all applications in which dynamite traditionally has been used. Major efforts were devoted to new products for use in oil exploration and pipeline trenching.

New coal mines in Western Canada are providing increasing markets for both packaged and bulk explosives. The Company supplied cartridged explosives for tunnel construction on the British Columbia Railway's extension into northeastern B.C. It also entered into a long-term bulk explosives agreement to supply a major mine being opened by Gregg River Resources in central Alberta.

### Finishes

The major markets for our performance finishes are car manufacturers and the automotive repair trade. Reflecting the extremely low level of consumer confidence during the year, these markets were depressed and our sales volume was lower than last year.

However, we did retain our market share in the original equipment sector and enhanced our leadership position in the highly com-

petitive refinish aftermarket by strengthening our distribution network in several parts of the country.

A smaller but growing part of this business is the manufacture and sale of specialty finishes for selected industrial markets. These include can-coatings and "Teflon" and "SilverStone" non-stick coatings. Sales volume for these products was maintained at a good level in view of the weakness in consumer spending throughout the year. We plan to broaden this part of our business by serving other well-defined markets, where our technical knowledge and experience will give us special advantages.

### Fluorocarbons

Sales declined mainly because of depressed conditions in appliance and automotive manufacturing and in housing construction.

The nature of this business has undergone substantial change in the past five years. Aerosol packaging, formerly the largest single use, now represents a small percentage of sales. Much of this loss, however, has been made up by developing new applications for fluorocarbons as industrial solvents and as blowing agents for foamed packaging and insulation. Growth in these areas is expected to continue.





Employees of Ajax Works have worked 12 years without a lost-time accident on the job. Discussing an operating procedure in the Works' newly-decorated resins area are operators Dan Knox, a member of the safety committee at the Works, and Hal Promm.

### Minerals

The Baker Mine and associated mill, a small-scale gold and silver producer in central British Columbia, operated throughout 1982.

Additional drilling was done on the lead-zinc property near Pine Point, N.W.T. and more work is scheduled in 1983.

Du Pont of Canada Exploration is active in mineral exploration in several provinces. Activity in 1983 will include drilling on five precious mineral properties in Ontario and one in British Columbia.

### Petroleum Chemicals

The significant drop in demand for gasoline resulted in lower sales of petroleum additives.

Sales in the immediate future will continue to be affected by the trend towards smaller cars, the increasing use of unleaded gasoline in new car models, as well as lower levels of business and personal travel.

Ultimately the viability of this business will depend on federal government regulations on use of lead in gasoline. Results of a socio-economic study being conducted by the government are expected in 1983.

Our position has not changed. Treating gasoline with lead is a means of conserving non-renewable energy resources. Since gasoline lead emissions are declining, and the technical means of controlling them are known, further restrictions on lead in gasoline are not justifiable on a cost/benefit basis.



The Company's advanced methods of obtaining and processing information about the interaction of explosives and rock formations permit designing of more efficient blasting patterns. Chris Preston, at work in the electronics laboratory, North Bay, is a technical specialist in the explosives division's technical and planning group.



### Resale Products

Sales of products made by Du Pont in the U.S.A. and marketed by us in Canada were slightly lower than in 1981. Notable exceptions to the general trend were our line of agricultural chemicals and our health care products.

An outstanding addition to our agricultural chemicals product line, "Glean" herbicide, was sold commercially for the first time in 1982. "Glean" is a highly active herbicide for use on wheat. It is effective against a wide range of weeds and is easy for farmers to use. Following extensive testing on the prairies, Canada became the first country to register the product for commercial sale. It is the only new herbicide given federal government registration in five years. We are confident that it will become the herbicide most widely used by Canadian cereal growers.

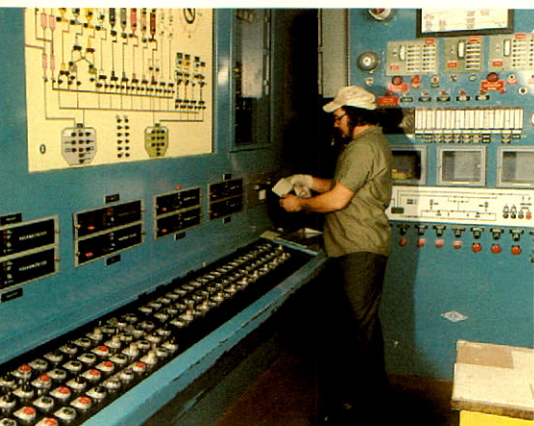
In the health care sector, we have made excellent progress in introducing new high technology equipment to medical laboratories in Canada. One example is the "aca" discrete clinical analyzer, an instrument that uses new methodology enabling hospitals to perform a large number of highly reliable tests on blood samples and other body fluids at a speed unachievable by traditional methods. In addition to selling the machines,

of which 86 are now in use in Canada, we also market the consumable chemical test packs used in operating the analyzer.

We introduced into Canada for the first time, late in 1982, the Isolator system. This incorporates technology allowing identification of bacterial infection in blood 12 to 24 hours faster than conventional methods. One Canadian hospital is currently using the system while three others are evaluating it.

By the end of 1982, we had completed arrangements for integrating Endo Canada Inc. into Du Pont Canada Inc. Starting in 1983, we will be marketing 17 lines of pharmaceuticals. Included are "Coumadin", a leading oral anti-coagulant; "Symmetrel", the only oral antiviral agent effective against influenza A; "Narcan", a narcotic antagonist, and "Percodan", "Percocet" and "Nubain" analgesics. With this product line and with new products resulting from the commitment of Du Pont to become a worldwide leader in the pharmaceutical industry, we expect to achieve rapid expansion of this new business.

In accordance with undertakings given to the Foreign Investment Review Agency, we have agreed to assume responsibility in 1983 for marketing in Canada the product line of New England Nuclear Corporation. NEN is a world leader in the manufacture of radioactive chemicals for health science research, and of radioactive pharmaceuticals. These products will strengthen even further our growth prospects in health care markets.



Du Pont Canada packaged explosives are manufactured at Nipissing Works, North Bay, and are of the modern, water-gel type. Operator Ray Pigeau directs production from the automated control room.

### Plastics

Some of our toughest competitors in the polyethylene resins business are based on the U.S. Gulf Coast. They benefited from sharply lower feedstock costs during 1982 and reduced resin prices worldwide to capture increased volume. By the fourth quarter our average selling price was driven down 16 per cent as we defended our position at home and in export markets. U.S. feedstock prices respond to supply and demand in the market place. In contrast, our suppliers in Canada absorbed a substantial increase in feedstock costs in 1982, as regulated by the federal government. The cost-price squeeze caused by the lack of flexibility in our Canadian system was the biggest single problem faced by our polyethylene resin business in 1982.

Du Pont Canada leadership in polyethylene goes back more than two decades and our research effort in Canada has kept us in the forefront of the industry worldwide. Over the last four years we have doubled our research spending. It has paid off handsomely, not only for Du Pont but for our customers as well. Designing plastic products of lighter gauge and thinner wall constructions, without weakening the strength of these products, is now commonplace in the Canadian plastic processing industry. Our pioneering of linear resins helped that happen.

Polyethylene continues to play a key role in our plans for growth. In 1982 we introduced "Sclairlink" cross-linkable resins for customers in the roto-moulding industry. Developed by our research scientists at Kingston, these resins improve the strength

and durability of roto-moulded products such as materials handling containers, tanks, drums and recreational and automotive products. Only one other producer in the world offers similar products for this application.

We also extended our range of high flow resins for the injection moulding of thin wall containers by the addition of several new products. One of these has made practical the adoption of thin wall containers by a major fast food franchise for take-out items. We are the world leader in the technology of high flow resins and this is now being recognized in major export markets, creating new opportunities for the sale of our products.

Our product range will be broadened further by a \$2.7 million project just begun at St. Clair River Works. To be in operation by early 1984, it will bring to the market a greater variety of polyethylene resins including octene copolymers. It will also permit the combining of monomers to produce terpolymers. Customers will benefit from their ability to manufacture products more economically because of the increased strength and toughness which these resins impart. This will extend our flexibility in tailor-making resins to meet customer needs.

Late in the year we started work on a new facility at our Maitland plant to produce specialty engineering plastic resins. Employing raw materials from our Kingston Works, the plant will be in production



late in 1983. We will concentrate initially on high-performance resins known as "Zytel" ST super tough nylon for producers of skate-blade supports, bicycle wheels and automotive and industrial parts. The compounding plant has sufficient capacity to meet foreseeable Canadian demand for various types of high performance plastics.

### **Polyethylene Pipe**

Shipments for the year declined slightly due to the depressed condition of the North American mining industry, which is the major user of "Sclairpipe" polyethylene pipe.

Marketing emphasis was successfully diverted to federal, municipal and provincial projects for this engineered large diameter polyethylene pipe. This activity was supplemented by increased sales of our pre-insulated pipe, particularly in export markets. The "Sclaircor" insulated piping system was developed over the past several years, and its use has now been widely adopted in Northern Canada and Alaska. The system eliminates the need for deep trenching in severe climate regions, reducing cost of installing water and sewer lines.

As part of the energy program, insulated pipe use is now being promoted in regions with less severe weather conditions, as well as in areas outside Canada and the U.S.

Potential for our polyethylene piping systems continues to grow in both domestic and export markets.

### **Woven Polyolefins**

Sales volume was lower than in 1981 due to the many end uses related to construction activity and mining. However, the growth

outlook for these woven plastic fabrics is good, particularly for those which are coated.

In 1982 we installed new coating facilities in the North Bay plant which allow us to produce fabrics up to 158 inches in width, the widest coated fabrics in North America. This development helped us to improve productivity and reduce costs. Since wider widths mean less fabrication, it has helped our converter customers operate more efficiently, and has gained us business in export markets.

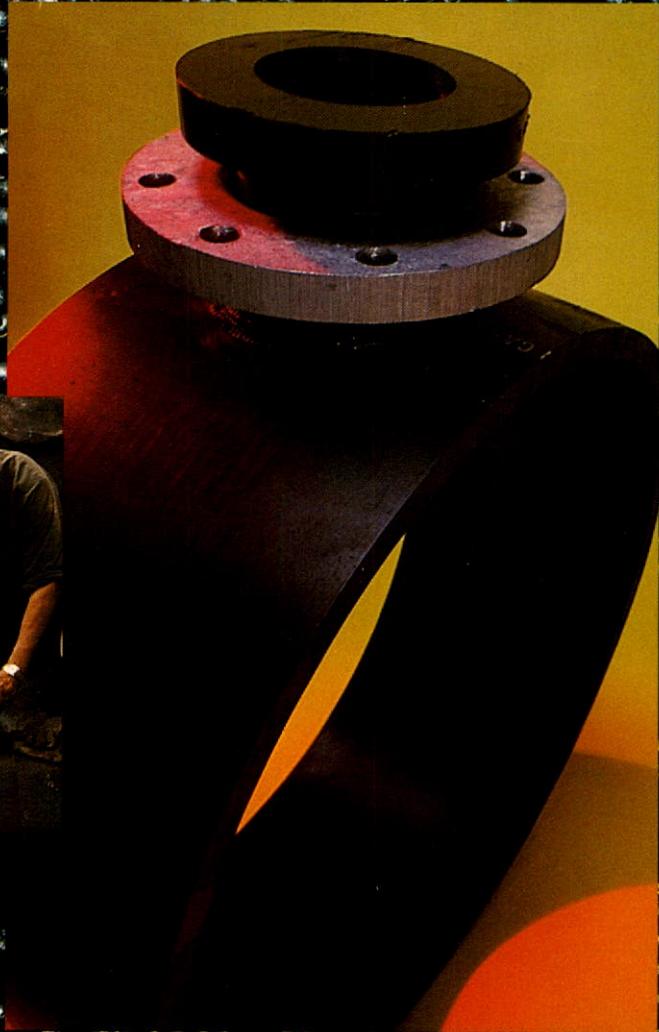
Protecting stored grain has become a major use for our coated fabrics. In Mexico they were used to cover 19 grain piles, each the size of a football field. Sections 30 feet wide and 180 feet long were produced in Mississauga, Ontario by Hinsperger Poly Industries Ltd. These were shipped to a contractor who fabricated the giant pile-covers on site.

Our heat-sealable fabric which "breathes" is gaining acceptance in shipping bags for seeds, feeds and other farm products. We introduced new flame-retardant fabrics for such uses as construction tarpaulins and tent floors. Heavyweight fabrics for intermediate bulk bags containing up to 1 000 kilograms of product were also developed during the year.

These new applications have partially offset reduced sales to asbestos bag converters and as a result we expect continued market growth for this product.

Engineered polyethylene piping systems developed by the Company are widely used for industrial and municipal applications. The system here is being installed at Nome, Alaska.

Black pellets of "Sclair" polyethylene resin are produced at St. Clair River Works to meet the specialized demands of the pipe manufacturer.



### Packaging

Our Company offers the widest range of films to the North American packaging industry. Packagers can select from four distinctly different films in "Sclairfilm" polyolefin film, "Dartek" nylon film, "Mylar" polyester film and "Cellophane" cellulose film.

Specialty "Sclairfilm" polyolefin film sales continued to increase in both Canada and the U.S. "Sclairfilm" has outstanding functional characteristics for critical packaging applications. It is made using a patented process developed by our research people at Kingston and is produced from resins manufactured in our St. Clair River plant.

A recently completed expansion has added 20 per cent to capacity at Whitby Works. This new capacity will be used to increase sales in selected segments of the U.S. market.



In 1982 October, Bruce MacGregor retired from the Company after more than thirty-three years' service. He directed our export marketing effort from 1976 until his retirement. During that time export sales revenue was increased fourfold and the number of countries where we sold our products increased from 50 to 70. Bruce believed in personal contact with customers. He travelled extensively, averaging 80 to 100 thousand kilometers per year, often visiting thirty or more countries.

"Dartek" nylon film has gained excellent acceptance as a superior packaging film. This encouraged us to make a strong commitment to further research and development for this product.

Late in the year we began a two million dollar project at our Whitby plant to expand the production of a new oriented "Dartek" nylon film. This expansion will be completed in the second half of 1983 and will allow us to serve the needs of the North American market. Oriented film is designed for applications where a thin, tough and cost effective film is required. This involves use in processed meat, coffee and other food packaging.

### Export

Competition in export markets intensified in 1982 as the economic slowdown spread worldwide. Excess capacities existed throughout the world and, as a result, prices for most products fell during the year. A major problem was the strength of the Canadian dollar against most foreign currencies. These factors, together with the withdrawal from "Cellophane" cellulose film and polyester product exports, caused export revenue from manufactured products to drop 19 per cent to \$148 million.

These sales were the second best ever and were more than triple the level of five years ago. These results came from increased service and effort. Members of the Export Division travelled over half a million kilometres during 1982, calling on agents and customers in most of the 70 countries sold into around the world. During the year, more than 75 new customers were added to our export accounts list.

Warehousing facilities were opened in the U.K. market to improve our service there and, based on the success of this operation, further warehousing operations are being studied to continue to support our growing share of the plastics markets worldwide. Total shipments involved more than 110 million kilograms of product and freight costs of some \$20 million. Close cooperation with the major shipping firms continues on packaging and freight improvements to allow us to remain competitive around the world.

Currently, pricing in the export markets appears to be stabilizing as many producers are closing unprofitable operations. There is also some movement upwards by other world currencies against the Canadian dollar. Given a continuation of the trends, the outlook is for modest improvements in export markets in the coming year.



### Sales and Earnings

Sales in 1982 of \$980 million were 86 per cent of 1981. The reduction was due mainly to lower shipments, both in the domestic and export markets, as a result of the worldwide recession. With manufacturing facilities operating at low levels through most of the year and severe competitive conditions limiting price increases, profit margins were seriously impaired.

The net loss on operations for 1982 amounted to \$7.4 million. In addition, an extraordinary charge of \$5.7 million for the closing of Shawinigan Works brought the total net loss for the year to \$13.1 million, equivalent to \$1.68 per common share.

In 1981, net earnings from operations were \$33.5 million and an extraordinary charge of \$38.2 million was absorbed to withdraw from the polyester filament business. The total net loss for 1981 was \$4.7 million, or \$0.62 per share.

A sharp drop in the shipment of Fibres products, particularly to the carpet industry, reduced their sales revenue by 28 per cent to \$275 million and the operating results to a loss of nine million dollars after an operating profit of \$17 million in 1981.

Shipments of Chemicals were down slightly as sales revenue fell six per cent to \$355 million, and operating profit was reduced to \$23 million from \$40 million in 1981.

Polyethylene resin shipments were at record levels but prices were off sharply. Revenue from other Plastics and Films products was down so that overall sales for this group of products, at \$350 million, was 92 per cent of 1981. The operating profit of \$18 million in 1981 declined to an operating loss of eight million dollars in 1982.

The Company's selling price index for goods manufactured and sold in Canada started 1982 on the rise, then moved downward to average an annual increase of under four per cent over 1981. Including exports, our price index for manufactured products for the year was about level with 1981, and at year end was down almost three per cent

from the end of 1981. Our raw material and energy cost index for 1982 was up more than two per cent from the previous year.

Selling, general and administrative expenses were limited to a seven per cent rise in 1982.

Interest expense was relatively unchanged at \$21.7 million. Average borrowings for the year were up about six per cent but short-term interest rates declined. The average annual borrowing rate remained at the 13 per cent level.

Dividends declared on common shares were \$0.25 in the first quarter, \$0.125 for the second and third quarters, and \$0.06 for the final quarter, for a total of \$0.56 for the year. This compared with \$1.00 in 1981.

### Financing and Working Capital

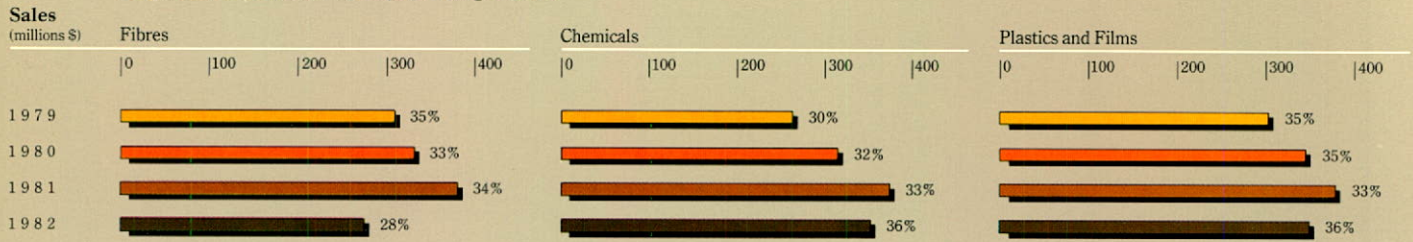
There was a net cash outflow of \$1.5 million in 1982, \$1.0 million less than in 1981. With the \$55.9 million cash generated from continuing operations we invested \$22.8 million in plants and properties, paid dividends of \$6.1 million and reduced debt by \$5.9 million. We also increased our investment in Petrosar Limited with the purchase of \$16.2 million of its Class B preference shares, and subscribed for an additional \$5.4 million of these shares to be issued on or before 1983 June 30.

The unexpended balance of authorized projects was \$36.8 million at year end, a relatively low level compared with recent years.

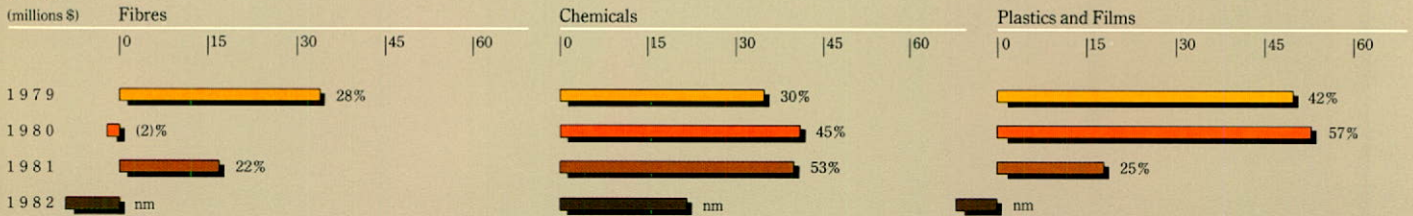
The ratio of total debt to total capital was 40.8 per cent at year end, relatively unchanged from the 40.1 per cent in 1981. The ratio of current assets to current liabilities was 1.76 compared with 1.87 a year earlier. Excluding inventories, the quick ratio moved slightly from 0.97 to 0.96 over the past year.

As part of its emphasis on exports the Company has developed a worldwide network of sales agents. Herbert Engel, centre, the Company's agent in Santiago, Chile, discusses marketing programs with Fred Susami, left, area manager—plastics and Mac Bredt, manager export division.

### Segmented Sales and Operating Profit



### Operating Profit



% = Percentage of Annual Totals

nm = Percentage not meaningful

### Capitalization



#### Capitalization Percentages

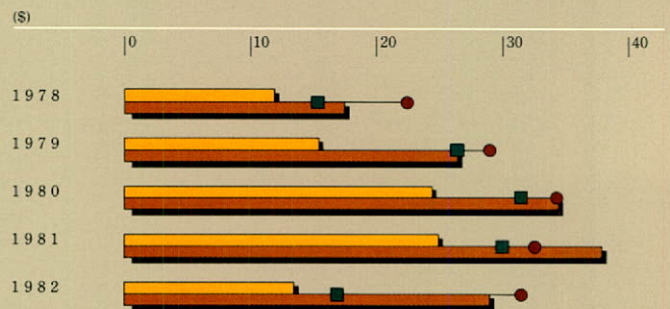
■ Shareholders' Equity ■ Long-term Debt ■ Short-term Debt

#### Total Capital

(millions \$)

Year	Shareholders' Equity (%)	Long-term Debt (%)	Short-term Debt (%)	Total Capital (millions \$)
1978	45%	32%	23%	\$393
1979	59%	32%	9%	394
1980	66%	30%	4%	414
1981	60%	33%	7%	439
1982	59%	34%	7%	411

### Common Stock Values



#### Toronto Stock Exchange

■ Low ■ High ■ Close

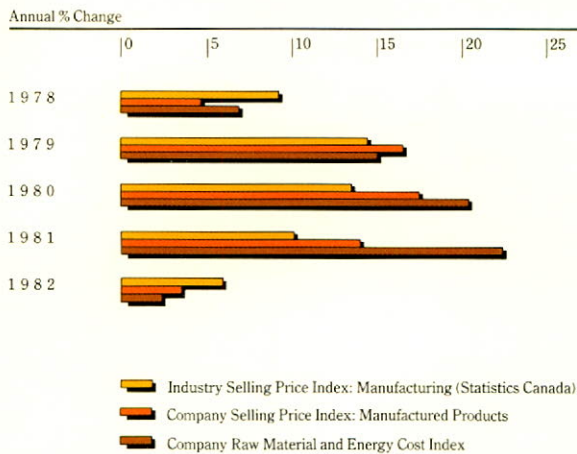
#### Company Books

● Book Value at Year End

Year	Low	High	Close	Book Value at Year End
1978	\$12.00	\$17.50	\$15.38	\$22.33
1979	15.50	26.50	26.50	28.94
1980	24.50	34.50	31.50	34.48
1981	25.00	38.00	30.00	32.85
1982	13.50	29.00	17.00	30.61



## Indices (domestic)



## Pension Plan

More than twelve hundred individuals were receiving Company pensions at the close of the year. An amount of \$259 918 000 was held in an irrevocable trust at year end to pay present and future pensions under the Company-financed plan. This amount exceeded the value of pensions earned to that date, as determined by an independent actuary.

## Changing Prices and Financial Results

Changing prices have a major impact on the real financial position of a company which is not disclosed in the traditional historic cost statements. Conventional financial statements measure profit as the excess of selling price over the original cost of the assets consumed. This method does not provide for the higher cost of replacing inventories and fixed assets. If the company is to maintain its operating capabilities, some portion of the profit reported on an historic cost basis must be retained for the higher cost of asset replacements. Since income taxes are based on historic earnings, that part of historic earnings needed for asset replacement is taxed. This excess taxation results in an erosion of corporate capital.

Late in 1982 December, The Canadian Institute of Chartered Accountants issued a new standard for supplemental reporting of the effects of changing prices to be effective with 1983 reporting. It is a complex subject and experimentation is encouraged. Du Pont supports this approach and will adopt it in 1983.

## Impact of Changing Prices on Cash Available from Continuing Operations for Distribution or Expansion

(Dollars in millions)	1982
Cash generated from continuing operations (see Consolidated Statement of Changes in Financial Position, page 25)	\$ 56
Less: Cash required to finance original cost of productive assets (historical cost depreciation)	33
Cash available for distribution or expansion based on historical cost	23
Deduct: Impact of Changing Prices	
Cash required to finance increased cost of maintaining operating capacity:	
Inventories*	\$ 1
Plant, machinery and equipment**	26
	27
Less: Additional cash which may be available from borrowings***	9
Impact of Changing Prices	18
Cash available from continuing operations for distribution or expansion after allowing for the impact of changing prices	\$ 5

\*The amount represents the difference between the historical cost and the estimated current cost of goods sold at the date of sale.

\*\*The amount represents the difference between the depreciation taken in the accounts and depreciation for the year determined after applying indices to arrive at current cost of the assets, using the business investment component of the Gross National Expenditure Implicit Price Index.

\*\*\*The adjustment represents the extent to which additional funds may be available from borrowing and is based on the ratio of equity to non-equity capital at the beginning of the accounting period on the assumption that this ratio would be maintained.

The Company believes that the most significant problem relates to the impact of changing prices on cash available for distribution or expansion. This is shown in the accompanying table which is drawn up in the format suggested by the Ontario Committee on Inflation Accounting and which is the format used by the Company for the past five years. It shows that approximately \$27 million would have been required in 1982 to offset rising costs of inventories and fixed assets and that, after adjustment for borrowings, five million dollars would be available for dividends and expansion.

# Consolidated Statement of Income

Year Ended 1982 December 31

	1982	1981
<i>(Dollars in thousands except per common share)</i>		
<b>Net Sales</b> (Note 1)	<b>\$980 000</b>	<b>\$1 139 149</b>
Other income	4 599	4 016
	<b>984 599</b>	<b>1 143 165</b>
Less:		
Costs and expenses before the following:	827 364	920 574
Depreciation and amortization	36 971	42 260
Selling, general and administrative expenses	101 258	94 682
Research and development expenses	11 946	10 105
Interest on debt initially incurred for terms in excess of one year	18 050	17 301
Interest on other indebtedness	3 628	3 970
	<b>999 217</b>	<b>1 088 892</b>
<b>(Loss) Earnings before Income Taxes and Extraordinary Item</b> (Note 1)	<b>(14 618)</b>	<b>54 273</b>
Less: Income Taxes (Note 2)	(7 192)	20 773
<b>Net (Loss) Income before Extraordinary Item</b>	<b>(7 426)</b>	<b>33 500</b>
<b>Extraordinary Item</b> (Note 1)	<b>(5 644)</b>	<b>(38 242)</b>
<b>Net (Loss) Income</b>	<b>\$ (13 070)</b>	<b>\$ (4 742)</b>
<b>(Loss) Earnings per Common Share</b>		
Before extraordinary item	\$ (0.96)	\$ 4.23
After extraordinary item	\$ (1.68)	\$ (0.62)

# Consolidated Statement of Changes in Financial Position

Year Ended 1982 December 31

<i>(Dollars in thousands)</i>	1982	1981
<b>Sources of Cash</b>		
From continuing operations—		
Net (loss) income	\$ (6 449)	\$ 51 310
Non-cash items in income statement	39 501	41 822
Net change in operating working capital	22 865	(38 887)
	55 917	54 245
From discontinued operations	(1 880)	(18 209)
From borrowings— Long-term	—	77 439
— Short-term	—	13 440
	54 037	126 915
<b>Uses of Cash</b>		
Invested in— Plants and properties	22 837	48 636
— Other assets and advances	20 675	20 050
Debt reduction— Long-term	3 528	52 622
— Short-term	2 396	—
Dividends	6 090	8 060
	55 526	129 368
<b>Cash flow during year</b>	(1 489)	(2 453)
Cash at beginning of year	5 504	7 957
Cash at end of year	\$ 4 015	\$ 5 504

In prior years a Consolidated Statement of Changes in Financial Position on a working capital basis has been presented. The 1981 data has been reclassified to conform with the cash flow basis now being used.

**Consolidated Balance Sheet**

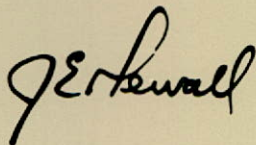
1982 December 31

<b>Assets</b>		
<i>(Dollars in thousands)</i>	1982	1981
<b>Current Assets</b>		
Cash	\$ 4 015	\$ 5 504
Accounts receivable:		
Customers and others	106 438	140 600
Affiliated companies	5 130	10 487
Income taxes recoverable (Note 2)	9 676	—
Inventories:		
Finished goods and work in process	79 977	108 378
Raw materials and supplies	33 981	41 318
Prepaid expenses (Note 1)	10 676	4 121
	<u>249 893</u>	<u>310 408</u>
<b>Plants and Properties</b> (Note 3)		
	560 086	637 550
Less: Accumulated depreciation and amortization	340 516	408 997
	<u>219 570</u>	<u>228 553</u>
<b>Other Assets</b>		
Petrosar Limited (Note 4)	72 110	50 510
Unamortized exploration and preproduction expenses	4 078	4 608
Goodwill, patents and processes	2 994	3 227
Unamortized portion of long-term debt expenses	2 915	3 288
Sundry (Note 5)	25 174	23 794
	<u>107 271</u>	<u>85 427</u>
	<u>\$576 734</u>	<u>\$624 388</u>

**Liabilities***(Dollars in thousands)*

	1982	1981	
<b>Current Liabilities</b>			
Bank and other short-term indebtedness	\$ 27 369	\$ 29 765	
Accounts payable and accrued liabilities:			
E.I. du Pont de Nemours & Company and affiliates	33 646	37 780	
Other	74 717	89 576	
Taxes payable	5 021	5 817	
Dividends payable	516	2 016	
Deferred revenue	857	970	
	<u>142 126</u>	<u>165 924</u>	
<b>Long-Term Debt</b> (Note 6)	<u>140 244</u>	<u>143 822</u>	
<b>Deferred Income Taxes</b>	<u>50 614</u>	<u>53 232</u>	
<b>Shareholders' Equity</b>			
Stated capital:			
Preferred—Class A Cumulative	46 500 shares	2 325	2 325
Common—Class A, Series I	7 886 298 shares	40 031	40 031
Retained earnings		201 394	219 054
		<u>243 750</u>	<u>261 410</u>
		<u>\$576 734</u>	<u>\$624 388</u>

Signed on behalf of the Board:



Directors

# Consolidated Statement of Retained Earnings

Year Ended 1982 December 31

<i>(Dollars in thousands)</i>	1982	1981
<b>Balance at Beginning of Year</b>	\$219 054	\$231 856
Deduct: Net Loss	13 070	4 742
	<u>205 984</u>	<u>227 114</u>
Less:		
Dividends declared on:		
Preferred stock (\$3.75 per share)	174	174
Common stock (\$0.56 per share in 1982, \$1.00 per share in 1981)	4 416	7 886
	<u>4 590</u>	<u>8 060</u>
<b>Balance at End of Year</b>	<u>\$201 394</u>	<u>\$219 054</u>

The Company is responsible for the financial information contained in this Annual Report. The consolidated financial statements, including the notes thereto, (pages 24-35) 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 below.

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 systems 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 the consolidated financial statements contained in this Annual Report.

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### Auditors' Report

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#### The Shareholders, Du Pont Canada Inc.

We have examined the consolidated balance sheet of Du Pont Canada Inc. as at 1982 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 1982 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.

*Touche Ross & Co.*

*Chartered Accountants  
Mississauga (Ontario) 1983 March 08*

### **Basis of Consolidation**

Du Pont Canada Inc. is incorporated under the laws of Canada and the consolidated financial statements, based on historic 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**

Net current assets 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 valued at the lower of average cost and net realizable value.

### **Plants and Properties and Related Depreciation and Amortization**

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 deprecia-

tion 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.

Amortization of assets under capital leases generally is treated in the same way as 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.



**Note 1—Extraordinary Item**

The Company stopped production of cellulose film at Shawinigan, Québec 1982 July 30 and the plant has been shut down. The estimated costs of shutdown, net of income taxes of \$4 456 000, are shown as an extraordinary item.

The Company ceased production of polyester at Coteau-du-Lac, Québec 1982 February 05 and the plant has been shut down. The charge against earnings in 1981 to fully depreciate the facilities and to provide for shutdown of the polyester operations amounted to \$38 242 000, net of income taxes of \$32 208 000. At 1982 December 31 expenditures in excess of the provision amounting to \$7 516 000 have been included in Prepaid expenses, it is expected that this amount will be recovered from the disposal of assets still on hand.

Net Sales and (Loss) Earnings before Income Taxes and Extraordinary Item include the following amounts related to these discontinued operations:

<i>(Dollars in thousands)</i>	1982	1981
Net Sales	\$42 628	\$94 717
Loss before Income Taxes and Extraordinary Item	\$ 1 748	\$32 811

Losses on discontinued operations subsequent to the shutdown decision are considered costs of shutdown and included in the extraordinary item.



Secretary Lynn Martland is located at Scarborough, Ontario. Products from all Company plants are efficiently distributed through Distribution Centres at Scarborough and Pointe Claire, Quebec.

**Note 2—Income Taxes**

The total provision for income taxes for 1982 results from the following:

Operating loss	\$( 7 192 000)
Extraordinary item	( 4 456 000)
	<u>\$(11 648 000)</u>

This provision gives rise to a recovery of \$9 676 000 of income taxes paid in 1981 and to a reduction in accumulated deferred income tax credits of \$1 972 000. The further reduction in deferred income taxes of \$646 000 results primarily from the reversal of 1981 investment tax credits referred to below.

Income tax benefits relating to the federal investment tax credit are included in income when realized. As a result of the recovery of 1981 income taxes paid, investment tax credits of \$1 372 000 claimed in 1981 have been reversed in the computation of the 1982 tax provision. At 1982 December 31, the Company and its subsidiaries had unclaimed investment tax credits with potential income tax benefits of approximately \$3 542 000 still not recorded in income.

**Note 3—Plants and Properties**

<i>(Dollars in thousands)</i>	1982	1981
Buildings and equipment and other facilities	\$526 223	\$580 396
Construction in progress	13 448	36 877
Assets under capital leases	119	5 970
Land	20 296	14 307
	<u>\$560 086</u>	<u>\$637 550</u>

At 1982 December 31, \$36 800 000 remained unexpended on authorized appropriations for capital expenditures.

**Note 4—Petrosar Limited**

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

Net income of Petrosar for the 1982 year was approximately \$21 000 000. After providing for dividends applicable to Class A preference shares which are held by a consortium of banks, the net loss attributable to the other shareholders was \$13 000 000. At 1982 December 31 total shareholders' equity, including \$300 000 000 of Class A preference shares, amounted to approximately \$565 000 000.

Under various agreements with certain shareholders of Petrosar and with its bankers, the Company has committed to provide Petrosar with funds to meet 21.6% of any deficiency for working capital or for dividends on or redemptions of the Class A redeemable preference shares. During the year the Company acquired Class B preference shares under this commitment at a cost of \$16 200 000 and subscribed for an additional \$5 400 000 of Class B preference shares to be issued on or before 1983 June 30.

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

<i>(Dollars in thousands)</i>	1982	1981
Common shares	<b>\$10 000</b>	\$10 000
Class B Preference shares	<b>27 000</b>	10 800
Class B Preference share subscription	<b>5 400</b>	—
Class C Preference shares	<b>29 710</b>	29 710
	<b>\$72 110</b>	\$50 510

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

Petrosar and its shareholders are negotiating with Petrosar's bankers to extend the term of Petrosar's \$100 000 000 loan. As a condition of the extension, the Company expects to guarantee 21.6% of this loan.

**Note 5—Sundry**

As a part of its employee relocation procedure, the Company makes loans to transferred employees to assist in the acquisition of a principal residence at their new location. Such loans are secured by mortgages and are repayable over ten years, or less if the employee retires or terminates. Included in Sundry is \$14 262 000 representing the non-current portion of such loans outstanding at 1982 December 31 (\$13 024 000 at 1981 December 31).

The non-current segment of the unamortized portion of special payments to the Pension Trust Fund is also included in Sundry (see Note 9). In 1982, the balance amounted to \$8 970 000 (\$9 711 000 in 1981).

**Note 6—Long-Term Debt**

<i>(Dollars in thousands)</i>	1982	1981
10% Mortgage due 1989 December 31	\$ 401	\$ 410
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	62 375	65 982
Capital Lease Obligations— various rates and terms	88	—
	<b>140 303</b>	143 831
Less: Amount due within one year	<b>59</b>	9
	<b>\$140 244</b>	\$143 822

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**Note 6—Long-Term Debt** (continued)

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

The 13½% 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 10½% 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 \$3 625 000 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.

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**Note 7—Minimum Lease Payments under Operating Leases**

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

<i>Years ending December 31</i>	<i>(Dollars in thousands)</i>
—1983	\$ 6 608
—1984	3 753
—1985	2 888
—1986	2 049
—1987	1 753
Remainder	5 421
	<hr/>
	\$22 472

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**Note 8—Related Party Transactions**

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In the normal course of business, the Company had transactions with the parent company and affiliates. In 1982, such purchases of goods and services for consumption and resale amounted to \$211 831 000 (1981—\$274 123 000). Sales to the same group of related companies totalled \$36 865 000 during 1982 (1981—\$49 192 000).

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**Note 9—Pension Liabilities**

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Pensions for former employees under the Company's non-contributory Pension Plan are based on length of service and average annual earnings in the employee's best consecutive thirty-six months. The costs of the Pension Plan are borne by the Company and payments are made directly to an irrevocable trust fund held by an independent trustee.

The formal actuarial evaluation of the Pension Plan made as at 1982 December 31 disclosed that the value of assets held by the independent trustee 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 1982 the charge against earnings covering current payments and amortization of special payments to the Pension Trust Fund amounted to \$19 005 000 (1981—\$17 949 000).



Don Engel, technical representative, Customer Technical Centre, Kingston, provides specialized service to Canada's injection moulding industry. Parts shown are made of "Sclair" polyethylene produced at St. Clair River Works.

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**Note 10—Segmented Information**


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<b>Industry Segments</b> <i>(Dollars in thousands)</i>	Fibres	Chemicals	Plastics and Films	Consolidated
<hr/>				
<b>1982</b>				
Sales to outside customers	\$275 054	\$355 011	\$349 935	\$ 980 000
Operating (loss) profit	\$ (8 917)	\$ 22 849	\$ (7 662)	\$ 6 270
Other income				4 599
General corporate expenses				(3 809)
Interest expense				(21 678)
Income taxes				7 192
Net (loss)—from operations				(7 426)
—extraordinary item				(5 644)
—total				\$ (13 070)
Identifiable Assets	\$175 549	\$114 441	\$211 844	\$ 501 834
Corporate Assets				74 900
Total Assets				\$ 576 734
Capital Expenditures	\$ 8 873	\$ 3 021	\$ 11 819	
Depreciation and Amortization	\$ 13 281	\$ 10 850	\$ 8 582	
<hr/>				
<b>1981</b>				
Sales to outside customers	\$383 374	\$376 173	\$379 602	\$1 139 149
Operating profit	\$ 16 812	\$ 39 616	\$ 18 447	\$ 74 875
Other income				4 016
General corporate expenses				(3 347)
Interest expense				(21 271)
Income taxes				(20 773)
Net income (loss)—from operations				33 500
—extraordinary item				(38 242)
—total				\$ (4 742)
Identifiable Assets	\$206 082	\$123 997	\$231 581	\$ 561 660
Corporate Assets				62 728
Total Assets				\$ 624 388
Capital Expenditures	\$ 12 060	\$ 5 877	\$ 17 757	
Depreciation and Amortization	\$ 20 688	\$ 9 977	\$ 8 582	

Export Sales amounted to \$179 709 000 in 1982 and \$218 326 000 in 1981.

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**Note 10—Segmented Information** (continued)

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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 the textile, home furnishings, tire and industrial markets. The Chemicals segment consists of the manufacture and marketing of fluorocarbons, petroleum chemicals, finishes, 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.

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**Note 11—Remuneration of Directors and Officers**

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During 1982, the remuneration of the fifteen directors, (including two past directors) aggregated \$160 000 and of the seventeen officers aggregated \$2 511 000. Three of these officers were also directors.



A Chemical Emergency Response Team at Maitland Works, part of a national program established by the chemical industry, responds to regional transportation incidents. Maitland team members Gil Laframboise, left, and John Montgomery remove volatile liquid from damaged drums following a transportation accident.

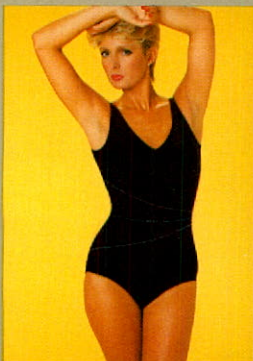
## Ten-year Comparison

<i>(Amounts in thousands of dollars except where otherwise noted)</i>	1982	1981	1980
<b>Operating Results</b>			
Results per common share			
Total earnings (loss)	\$(1.68)	\$(0.62)	\$6.39
Dividends	\$ 0.56	\$ 1.00	\$0.85
Sales and other income	984 599	1 143 165	996 364
Costs and expenses before the following:	940 568	1 025 361	869 374
Provision for depreciation and amortization	36 971	42 260	37 609
Interest on borrowed money	21 678	21 271	16 154
Taxes on income	(7 192)	20 773	30 612
Extraordinary item	5 644	38 242	(7 916)
Net income (loss)	(13 070)	(4 742)	50 531
Per cent return on:			
Average total investment*	—	0.7	6.6
Average common shareholders' equity	—	—	20.1
<b>Financial Position</b>			
Total current assets	249 893	310 408	284 998
Total current liabilities	142 126	165 924	163 078
Net working capital	107 767	144 484	121 920
Plants and properties at cost	560 086	637 550	603 154
Accumulated depreciation and amortization	340 516	408 997	324 499
Plants and properties—net	219 570	228 553	278 655
Other assets	107 271	85 427	70 991
Long-term debt	140 244	143 822	122 158
Deferred income taxes	50 614	53 232	75 196
Shareholders' equity	243 750	261 410	274 212
<b>General</b>			
Company average selling price index			
— domestic manufactured products (1973 = 100)	260	251	220
Capital expenditures	23 855	47 175	53 189
Average total investment**	969 232	1 005 979	896 524
Shareholders' equity per common share	\$30.61	\$32.85	\$34.48
Average number of employees	5 432	6 142	5 937
Average total investment per employee	178.4	163.8	151.0

\*Based on net income before interest expense

1979	1978	1977	1976	1975	1974	1973
\$7.37	\$1.22	\$0.93	\$(0.37)	\$0.15	\$2.54	\$2.09
\$0.75	—	—	\$ 0.20	\$0.50	\$1.00	\$0.95
879 619	662 617	537 552	458 832	410 810	369 025	307 954
731 686	591 983	477 290	422 786	377 678	312 606	260 059
31 429	30 471	27 794	23 471	19 862	17 726	16 766
19 949	22 398	19 421	16 551	10 217	4 658	2 160
38 295	7 995	5 573	(1 262)	423	14 797	12 352
—	—	—	—	1 295	(994)	—
58 260	9 770	7 474	(2 714)	1 335	20 232	16 617
8.5	3.0	2.6	1.0	1.3	4.9	4.4
29.1	5.6	4.4	—	0.7	12.4	11.0
241 699	190 679	161 544	133 624	139 024	124 837	91 768
138 019	160 439	127 871	105 917	97 418	84 123	57 951
103 680	30 240	33 673	27 707	41 606	40 714	33 817
553 727	531 020	527 898	521 023	458 592	375 610	333 293
293 530	265 070	243 496	227 057	208 155	191 758	183 511
260 197	265 950	284 402	293 966	250 437	183 852	149 782
71 806	61 247	51 240	34 784	20 191	12 844	11 235
125 204	125 000	154 517	154 517	104 517	29 517	10 000
79 920	54 049	46 006	40 448	41 759	39 153	28 266
230 559	178 388	168 792	161 492	165 958	168 740	156 568
187	161	153	148	141	126	100
23 339	10 674	16 679	65 793	87 542	53 177	42 948
818 645	759 796	714 239	657 197	546 238	465 738	402 816
\$28.94	\$22.33	\$21.11	\$20.18	\$20.75	\$21.10	\$19.56
5 560	5 408	5 473	5 713	5 734	5 746	5 538
147.2	140.4	130.5	115.0	95.3	81.1	72.7

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



**Fibres**

Manufactured:

- Nylon continuous filament yarns, staple, tow and bulked continuous filament (BCF) yarns*
- ANTRON nylon yarn for textiles
- ANTRON III
- ANTRON PLUS and
- ANTRON XL nylon fibres for carpets
- LYCRA spandex yarn
- HYTEN wrapped filament yarn
- ® FIBRELOFT staple

Resale:

- †NOMEX aramid paper, fibre
- †TEFLON fluorocarbon fibre
- †DACRON polyester staple and yarn
- †HOLLOFIL polyester staple
- †ORLON acrylic fibre, staple and tow
- †KEVLAR aramid fibre
- †CORDURA nylon yarn

**Trade Mark Identification**

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

**Plastics and Films**

Manufactured:

- ® SCLAIR polyethylene resins
- ® SCLAIRLINK cross-linkable polyethylene resins
- ZYTEL nylon resins
- ® SCLAIRFILM polyolefin film
- ® DARTEK nylon film
- ® FABRENE woven polyolefin material
- ® PERFIL fibrillated polyolefin tape
- ® ANCHOR-BAC carpet backing
- VEXAR plastic netting
- HEROX and
- TYNEX nylon monofilaments
- ® SCLAIRPIPE polyethylene pipe
- ALDYL polyethylene pipe
- ® DROP-LINE polyethylene pipe
- ® BRINELINE plastic pipe
- ® EBONAR plastic pipe
- ® MIRALINE plastic pipe
- ® SPARLINE plastic pipe
- ® SCLAIRCOR polyolefin piping systems
- ® SCLAIRLOC pipe couplings
- ® ALOUETTE SCB butt-fusion machine

- †KAPTON polyimide film
- †TEDLAR PVF film
- †TYPAR spunbonded polypropylene carpet backing
- Liquid packaging machines*
- DYMETROL nylon strapping
- STREN nylon fishing line
- †BUTACITE polyvinyl butyral resin sheeting for safety glass
- †VESPEL precision parts from polyimide resins
- †CROFON optical fibre

- †ELVAMIDE nylon resins
- †ELVANOL polyvinyl alcohol and
- †ELVAX vinyl resins

Nylon Monofilaments

- HEROX
- TYNEX and
- † VYLOR

Polyester Monofilament

- †OREL

Elastomers

- †HYTREL polyester elastomers
- †VAMAC ethylene acrylic elastomers
- †NORDEL hydrocarbon rubber Neoprene, †VITON and
- †HYPALON synthetic rubbers
- †ADIPRENE urethane rubber

Plastic materials for moulding and extrusion including:

- ALATHON polyolefin resins
- †DELTRIN acetal resins
- †LUCITE acrylic resins
- †MINLON engineering thermoplastic resins
- †RYNITE polyester resins
- †SURLYN ionomer resins
- †TEFLON and †TEFZEL fluorocarbon resins
- †ZYTEL GRZ glass reinforced nylon resins and
- †ZYTEL ST super tough nylon resins

Polymers for adhesives and coatings including:

- †ELVACE acetate/ethylene emulsions
- †ELVACITE acrylic resins
- †ELVALOY resin modifiers



A substantial part of the "Lycra" spandex yarn produced at Maitland Works is used in swimwear.

Production of oriented nylon packaging film, used for food products, is being greatly expanded at Whitby Works. Marketing group includes Ed Koster, account manager, left, and Gordon Prince, market planning manager.



## Chemicals and Other Products

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### Manufactured:

- FREON fluorocarbon refrigerants, aerosol propellants, industrial solvents and blowing agents
- DYTEL leak detectives  
*Petroleum Chemicals*  
*Antiknock compounds, other petroleum additives and di-basic esters*
- VALCLENE dry-cleaning fluid
- ALBONE hydrogen peroxide  
*Protective and decorative finishes for automotive and industrial uses including:*
- CENTARI acrylic enamel
- DEXLAR flexible acrylic enamel
- \*DULUX alkyd enamel
- IMRON polyurethane finish
- LUCITE acrylic lacquer
- SILVERSTONE non-stick finish
- TEFLON non-stick finish  
*Hydrochloric, nitric and adipic acids*  
  
*Commercial explosives including:*
- \*ENERGEX and \*ENERGEL  
*water gel seismic explosives*
- TOVEX water gels
- NILITE and • TOVITE blasting agents and
- \*COR-DET primers

### Resale:

- Ammonium nitrate prills and blasting accessories; dynamites*
- †DETAPRIME primers
- †DETASHEET flex explosives
- †FASLOC resin-anchored bolting systems
- †CYREL and
- †DYCRIL photopolymer printing plates and equipment
- †CROMALIN photopolymer film, toners, and equipment
- †CRONALITH graphic arts and engineering reproduction polyester photographic film and film base

- †CRONAR graphic arts and engineering reproduction photographic chemicals and equipment
- †CRONEX medical and industrial X-ray films, chemicals, screens, specialty films, accessories and equipment
- †DYLUX instant access photographic papers and films  
*Engineering reproduction film, papers, chemicals and equipment*
- †CROVEX,
- †CRONAFLEX and
- †CRONALAR  
*Data recording film, papers and chemicals*
- †RECRON microimaging film, chemicals and equipment
- †RISTON photopolymer film resists
- †VACREL solder mask photopolymer resist  
*BERG connectors, terminals and interconnection systems*
- †BIROX resistor compositions
- †FORMON solder and braze compositions

Analytical Instruments  
Clinical Systems Products,  
including:

- †aca discrete clinical analyzer and
- †PREP I sample processor  
*ISOLATOR system*  
*Chemicals and Pigments*
- †KROLOP pigments
- †TI-PURE titanium dioxide
- †ZEPEL rain and stain repelling fabric fluoridizer
- †ZELCON fabric conditioner
- †TEFLON carpet protector

### Spunbonded Fabrics

- †REEMAY polyester,
- †TYVEK olefin and
- †TYPAR polypropylene

### Spunlaced Fabric

- †SONTARA

### Industrial chemicals

- Halon 1301 fire extinguishing agent
- †ZEPHRON lubricating oil  
*Chemical intermediates*

### Weed Killers

- †AMMATE,
- †GLEAN,
- †HYVAR,
- †KARMEX,
- †KRENITE,
- †KROVAR,
- †LEXONE,
- †LOROX,
- †SINBAR,
- †TUPERSAN and
- †VELPAR

### Fungicides

- †BENLATE,
- †LIGNASAN,
- †MANZATE 200 and
- †TERSAN

### Insecticide

- †LANNATE

- \*VELVET BOND enamel primer-surfacer
- \*KWIK STIK putties
- \*KLENE SOL wax and grease remover  
*Programmed instruction courses*

### Pharmaceuticals including:

- COUMADIN oral anti-coagulant,
- SYMMETREL anti-viral agent,
- NARCAN narcotic antagonist,
- PERCODAN,
- PERCOCET and
- NUBAIN analgesics



Many types of "Vexar" plastic netting are produced at Whitby Works.

Plants

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

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

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

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

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

**Whitby Works**  
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

**Granisle, British Columbia**  
P.O. Box 479  
V0J 1W0  
(604) 697-2266

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

**Hinton, Alberta**  
169 Fairfax Drive  
T0E 1B0  
(403) 692-3967

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

**Kitsault, British Columbia**  
P.O. Box 40  
V0V 1J0  
(604) 831-2476

**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

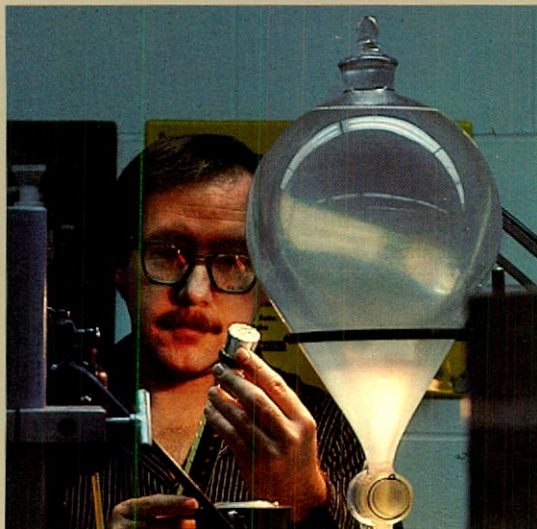
**Princeton, British Columbia**  
P.O. Box 35  
V0X 1W0  
(604) 295-6869

**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



Du Pont Canada's polyethylene resins are widely known for their superior resistance to environmental stress cracking. Technician Daryl Maher, Customer Technical Centre, performs controlled environmental test.



Tony Hampson, left, manager woven polyolefins division and Walter Eadie, manager—market development, discuss new applications for "Fabrene" fabric produced at North Bay.

## Sales Offices

### Ajax, Ontario

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

### Bedford, Nova Scotia

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

### Calgary, Alberta

Suite 300, Centre 70  
7015 MacLeod Trail South  
T2H 2K6  
(403) 259-4640

### Moncton, New Brunswick

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

### Montréal, Québec

555 Dorchester Blvd. West  
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

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

75 Venture Drive  
Scarborough, Ontario  
M1B 3E8  
(416) 284-5030

### Du Pont of Canada Exploration Limited

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

### Stock Listings

**Common Stock—**  
Valuation Day value \$20.25  
Montreal Stock Exchange  
Toronto Stock Exchange

**Preferred Stock—**  
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.  
P.O. Box 2200, Streetsville  
Mississauga, Ontario  
L5M 2H3



At the Customer Technical Centre Wally Schwenger, left, senior consultant moulding design and Bill Russell, technician, check monitoring tapes as part of a project to develop polyethylene resins with faster moulding cycles.

