Figure 10: COMPARATIVE R&D EXPENDITURES

	Gross Expenditure on R&D as a Percentage of Gross Domestic Product		Industrial R&D as a Percentage of Domestic Product of Industry	
	1971	1982	1971	1981
United States	2.52	2.70	2.0	2.0
Germany	2.20	2.58	1.7	2.2
Japan	1.90	2.47	1.2	1.6
United Kingdom	2.20	2.46	1.8	2.0
Sweden	1.46	2.23	1.4	2.3
France	1.91	2.06	1.3	1.5
Netherlands	2.07	1.88	1.5	1.3
Canada	*1.37*	*1.39*	*0.7*	*0.8*
Italy	0.75	1.08	0.6	0.7

Source: Statistics Canada, "Resources for R and D in Canada", Catalogue No. 88-203

Our Performance in Education

With technology driving change in the structure of the world economy, perhaps a country's most crucial assets are its scientific and technological infrastructure and the scientific literacy of its people — notably the ability to use electronic devices in daily work. It is a new basis of comparative advantage. International educational measurements are especially hard to come by because of the limited availability of comparable international criteria and because of differences among provincial systems of education. However, there are indications that Canada is not doing as well as it might in key areas. It is uncertain whether Canada is producing the number of scientists and engineers required to develop and sustain an advanced industrial structure. (See Figure 11.)

The indicators of Canada's competitiveness are worrying. We are lagging in productivity growth, our manufacturing market shares have slipped and we are not doing as well on research and on technological development as we need to. While Canada is a comparatively wealthy country there is growing evidence that other countries are either catching-up with or surpassing us on world markets, affecting our ability to maintain a strong international position essential to job creation and our continued well-being.

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