

jobs. Twenty-three were from Quebec, representing an investment of almost \$57 million and 1,200 new jobs. There were 19 applications from Western Canada, representing an investment of over \$5.25 million and 325 new jobs.

INDUSTRIAL TECHNOLOGY PROGRAMME

The Programme for the Advancement of Industrial Technology (PAIT), launched by the Department of Industry in July, is designed to promote the growth of Canadian industry by the application of scientific and technological advances to the development of new products and processes. Costs are shared by the Government and the participating firms.

Almost 100 applications have been received to date, and nine projects, representing a total development effort of more than \$12 million have already been initiated under PAIT. Individual projects range from \$40,000 to several million.

The budget speech of 1965 revealed the Government's intention to continue providing a general incentive for scientific research and development after 1966, when the present tax provision expires. Like the current incentive, the proposed new one will be in addition to the normal deduction of all research and development expenditures for tax purposes. The new incentive will be administered by the Department of Industry.

DEFENCE EXPENDITURES

In addition to the PAIT programme, the Department of Industry continued to initiate projects under the terms of the Defence Development Programme. During the year, assistance to a value of about \$16 million was approved.

Expenditures to the end of the 1965-66 fiscal year (April 1, 1965, to March 31, 1966) will amount to \$25 million. Because of the programme's relation to defence exports, the bulk of expenditures have been made in the electronics and aircraft industries, for such programmes as the *AN/USD/501 Reconnaissance Drone*, *V/STOL* aircraft and advance communications and navigation equipment.

DESIGN PRACTICES

In co-operation with the National Design Council, the Department has undertaken a programme to assist in the development of a Canadian design capability, make the industrial and household consumer familiar with well-designed Canadian products and help manufacturers who may require advice and guidance on design matters. The National Design Branch of the Department is the administrative arm of the Council.

Canadian Design '67 was launched to further develop industrial design practices and help designers and manufacturers take full advantage of the business opportunities created by Expo '67 and the centennial celebrations. So far, more than 1,000 existing products from nearly 500 Canadian manufacturers have been submitted. There have been almost 650 new product designs submitted by about 400 manufacturers and designers.

During 1965, a Structural Steel Awards Programme was held in co-operation with the Canadian Institute

of Steel Construction to give recognition to the most noteworthy Canadian achievements in the creative use of structural steel for buildings and bridges. It was sponsored by the Department of Industry and the National Design Council.

ELECTRONICS RESEARCH

In the Department's Electrical and Electronics Branch, extensive studies are in progress to determine world trends in automation and the specific needs of Canadian industry that will result, both from the user and supplier point of view. Particular emphasis in this study is being placed on determining the future role of the computer. The impact of colour television in Canada has undergone considerable study in preparation for its expected appearance during the latter part of 1966.

AEROSPACE SYMPOSIUM

In June 1965, the Aircraft Branch of the Department of Industry organized an aerospace-industry symposium for the purpose of acquainting the industry with a newly-developed programme in management technique which has been adopted by the United States Department of Defence. A briefing was given by senior United States defence officials to assist Canadian firms wishing to participate in the Canada-U.S. defence production sharing arrangement. The symposium also served as a medium for reviewing trends in design and manufacturing technology for the aircraft of the future. Representatives of almost 80 companies in the Canadian aerospace complex were present for these sessions which were held in Toronto and Montreal.

In co-operation with the Air Industries Association of Canada, the Branch also organized a four-day manufacturing forum in October for the purpose of providing Canadian aerospace companies with the latest data on manufacturing and machine tools. The meetings were held in Los Angeles and Seattle, with the support of the Boeing Company and the Northrop Corporation.

The Branch was represented on the Air Industries Trade Mission to Latin America in November and the prospects for future aeronautical equipment sales by Canadian firms to that continent appear to be promising.

TEXTILE MISSIONS

Missions to Europe organized by the Apparel and Textiles Branch of the Department have made Canadian footwear industrialists aware of many of the new technological developments there.

Commenting on the work of the Department in 1965, Mr. Drury said: "We feel we have made significant progress in carrying out the Government's mandate to help Canadian industry help itself. However, we recognize that it is only a beginning and that a great deal more must be done.

"We live in an age where the vigorous application of science and new technology in industry has become the dominant force in economic and commercial advancement. Canada's future as an industrial nation lies in our ability to not only keep pace, but to become leaders in the development and practical application of the new technology."