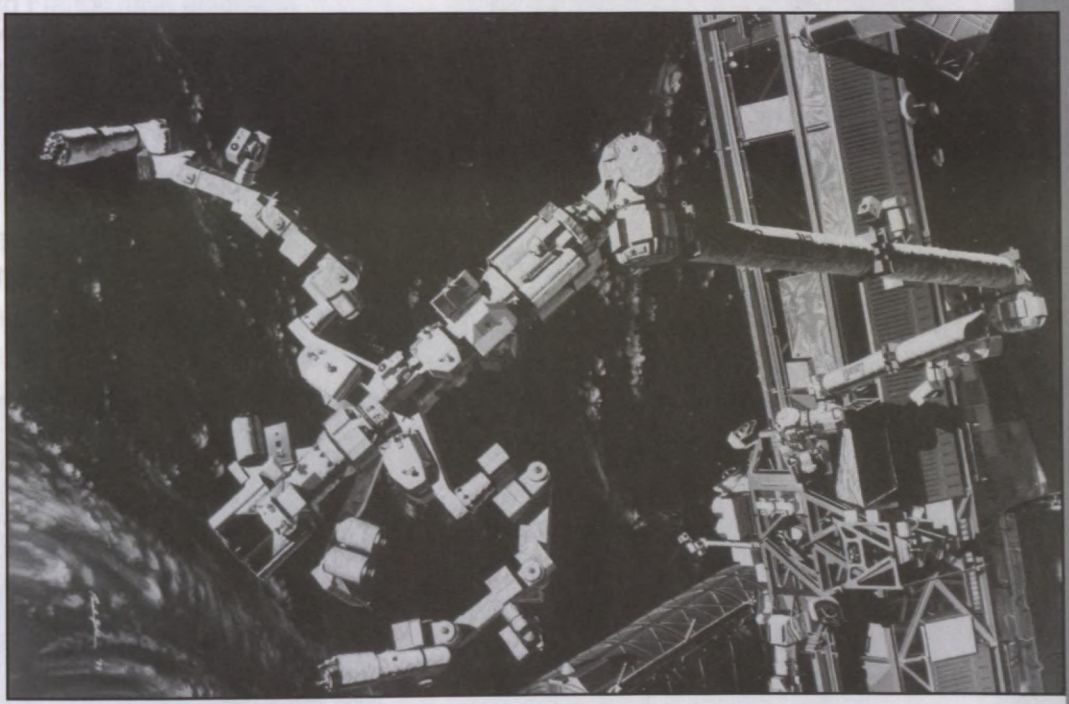
7. Space, Science and Technology

France is the fourth-largest OECD investor in scientific and technological research and is a world leader in a number of key sectors of prime interest to Canada, among them telecommunications, medical research, biotechnology, agriculture and space. Given that Canada spends, proportionally, substantially less on national R&D efforts than our major trading partners, and that 65% of Canada's technology needs are met from abroad, access by Canadian companies to leading-edge foreign technologies is essential to carve out and maintain market share.

A. Opportunities

Huge public investments have been made in France to establish and maintain what is today the most comprehensive public research structure in Europe, while the private sector contributes relatively less R&D than in the United States or Japan. Since 1981, French spending on R&D, both public and private, has climbed from just under 2% of GDP to 2.38% (1994), confirming France as the fourth-largest OECD spender on research and tying it with Germany for third spot among the G-7. In October 1996 French ministers announced new strategic directions for public research, creating incentives for innovation and investment and responding to public needs. They identified information technologies and health-related research as future economic drivers and put priority on seven areas for R&D: information technologies, transport, food, chemistry, innovation, medicine and the environment. As the French government strives to meet the Maastricht criteria for European monetary union, the overall civil research



Canadarm in space. Photo courtesy of Spar Aerospace.