

to the development of Canada's S&T capacity. Country reviews should, where possible be carried out in concert with the similar broader bilateral reviews planned by External Affairs, priority attention being directed at those nations with which Canada presently has bilateral umbrella S&T agreements.

Resources

15. The best conceived strategic plans will not produce optimum results unless sufficient resources are at hand to carry them through. The lack of reliable long-term resources has from the outset bedevilled Canada's government-to-government S&T relations and has all too often reduced the return from these activities. There are two main and interrelated reasons for this; uncertainties regarding mandates, and the question of funding.

16. Departmental mandates do not as yet recognize as valid the use of domestic S&T resources to meet non-departmental goals. In the absence of some central finances specifically earmarked to help support such international activities therefore, funding represents a diversion of resources from those domestic programs for which the funding has been provided.

Each nation with which Canada currently has a general bilateral S&T agreement has established a central funding arrangement of some kind with the object of supporting the initiation of international collaboration in S&T.

- Such a fund should now be introduced in Canada.

A Catalytic or Seed Fund

18. The key function of the proposed central fund is to catalyse international activity which would otherwise not happen or, by the application of some modest financing, to revitalize a flagging initiative. It aims at attracting other resources to an activity rather than itself providing the main means of support.

- Used strictly as a catalyst, a central seed fund of \$750,000 could realistically support the new strategic approach recommended. A sum of \$500,000 is recommended for fiscal 1982-83 to get needed activities immediately underway.