

the product of "branch-plant" relationships between American and Canadian corporations, with the result that, generally speaking, extensive research and development in Canada has been curtailed. The heavy impact of United States technological activity has tended to inhibit any substantial domestic effort within Canada and to drain scientifically-oriented Canadians away from this country. Individuals, companies and educational institutions all seem to draw most of their scientific and technological sustenance from the United States.

The Europeans are becoming increasingly conscious of the disparity between their own somewhat disjointed efforts in this field and those of the United States, and have been giving more emphasis to co-operative endeavours to meet the American challenge. Although some of these efforts are only in their early stages, they do offer opportunities for Canada to diversify its contacts and activities in the whole field. Traditionally, Canada's closest links in this field have been with Britain, but recent years have seen a notable expansion of contacts and exchanges with other countries, mostly in Western Europe but also to some extent in Eastern Europe. Many of these contacts result from individual initiative, either professional or commercial, but the bulk of them result from inter-governmental activity.

The Government will be examining ways of strengthening such relationships, for example:

- There could be, for purposes of Arctic research and development, a circumpolar arrangement including the interested European countries, of which the Nordic countries and the Soviet Union (which has been showing interest in establishing technological relations with Canada) are obvious leading candidates.
- The United States, which has publicly recognized the importance of employing science and technology as major elements in the conduct of foreign policy, has invited a number of advanced countries to participate in the post-Apollo space programme. Canada is interested in such participation, along with a number of European countries, and some form of partnership or consortium for this purpose might yield worthwhile benefits for both Canada and Europe.

Other areas of particular Canadian competence, such as atomic energy, communications technology, earth sciences, metallurgy and oceanography, might provide additional possibilities for fruitful co-operation between Canada and Europe.