Our economy is often eight to ten years behind other nations in the race to adopt new technologies. This lag in innovation reduces the quality, quantity and variety of goods we can produce. The higher production costs involved limited our markets. Thus, our reluctance to innovate results in higher levels of unemployment and a reduced balance of trade (Appendix B). Research and development intensive firms enjoy higher than average growth in output, employment and productivity (Appendix D). A recent study by F. Longo, Industrial R&D and Productivity, indicates that R&D investments offer a rate of return on average 10-15% higher than capital expenditures.

There is some public concern over the potential negative impacts of technological advancement. As a nation, we should be determined to maximize the benefits while at the same time minimizing any negative effects. In addition to its broader mandate, MOSST also addresses the social impacts of technological change in collaboration with other Ministries.

This paper is intended to provide a starting-point for discussions among Federal, Provincial and Territorial Ministers responsible for science.