As with world product mandates, joint ventures will be rare, at least in relation to the major trading currents that require only a general effort to buy and sell. Complicated formula are more advantageous but also require more time, something the high technology market does not have.

Financing transfers - Government's role

11. Government controls several conglomerates or large corporations in various fields: at the federal level, Petro-Canada, CN, AECL, Air Canada among many others; and at the provincial level, Hydro-Quebec, Ontario Hydro, and Saskatchewan Potash, for example. More important, however, it can be instrumental in the formation of new corporations -- MITEL being only one such example -- by offering the necessary assistance for survival, including procurement, subsidies and protection. Furthermore, in major sectors, notably defence and space, the state is the only body with the capacity to shoulder and carry the financial burden as a last resort. Government also possesses the means of favouring consortia by providing them with a good legislative framework (federal legislation expressly exempts export companies from anti-trust suits) and, more positively, by encouraging the injection of venture capital through its tax policies, as through certain agencies such as the CCC, the FBDB or the EDC. Business circles maintain there is a very large quantity of floating capital in Canada seeking investment in promising ventures. Why, then, does investment always go to the United States?

12. The other source of domestic capital besides government and banks is found in pension and retirement funds and other public financial institutions. In addition to the Federal Business Development Bank (under the aegis of DRIE), there are provincial corporations (SODEQ, IDEA/Ontario), private venture capital corporations (grouped in the ACVCC), bank subsidiaries, insurance and investment corporations such as ROYNAT and large stock brokers (Wood Gundy, Pitfield, etc.). However, the apparent historical attitude of our banking system - fiduciary (financial) monetary conservatism - is possibly even more marked in these institutions which, first and foremost, must preserve and stenghten their financial capacity for the future, given the social and