

This program has also been used to fund collaboration with foreign partners even when their base of operations is outside of Canada if the collaboration will generate net benefits for Canada.⁷⁸

The Japan Science and Technology Fund, which is managed by EAITC, was established in 1989 to promote bilateral "mutually beneficial collaboration with Japan" in science and technology. One of the program goals is to promote collaboration in research, standards setting and similar initiatives to facilitate exports to Japan. Therefore, the program is only open to Canadian firms. Estimated funding for this program was set at \$25.1 million for the first five years.

Provincial programs to support cooperative links also exist. Quebec's Programme d'Actions structurantes was created in 1984 to forge links between universities and industries, and the Fonds de Développement technologique, established at \$300 million for the 1989-94 period, supports the formation of large consortia. Ontario's Centres of Excellence program was established in 1986. In the same year, Ontario created the Ontario Technology Fund, which committed \$1 billion to the formation of consortia between 1986 and 1996. In July 1992, the fund was renamed Technology Ontario with a new commitment of \$81 million per year.

The Defence Industries Productivity Program assists aerospace and defence industries through R&D funding, capital assistance, the establishment of operations and feasibility studies. Assistance is limited to firms with Canadian manufacturing operations, but the program does not discriminate on the basis of ownership. More than 50% of funding goes to Canadian subsidiaries of foreign firms. In addition, foreign firms are not excluded from sub-contracting. This program has rarely been used to fund consortia or alliances of firms, but in such cases eligibility for funding is determined on a case by case basis depending on various criteria such as the strength of the proposal itself, the sector strategy and whether or not the foreign partner is contributing its own funding and expertise.

As a concluding remark to this section, it is important to note that there appears to be a general lack of demand by Canadian firms for changing the rules of the game for access to publicly sponsored consortia in other countries at this particular point in time. Dr. Niosi's research has led him to conclude that Canadian companies are a lot more connected with international technology networks than we might at first have surmised. Many of these alliances, formed on a private basis, have not required the active assistance of the federal government's S&T counsellors or

⁷⁸ Discussion with NRC officials.