

- more than doubling budgets for the Advanced Technology Program and the Manufacturing Technology Centres programme for FY 1995;
- greater diffusion to the private sector of the intellectual property created by U.S. national laboratories;
- reform of competition law to "favour" further innovation and advanced technology; and
- attempts to reform the WTO and NAFTA to further protect U.S. technology interests.

### Technology Consortia

It is generally accepted that government expenditures on private industrial R&D have significant spill-over effects and give a considerable boost to domestic private R&D spending. The growing integration of government and university laboratories with private sector research in the form of technology consortia has also had a profound effect. European and U.S. rules of participation in government-supported R&D consortia reveal a number of restrictions and, in the latter case, the application of relatively arbitrary rules on access.

Canada has worked hard in Europe to gain access to the research activities of nationally and regionally sponsored R&D programs and signed in June 1995 a Canada-EU S&T Agreement. This Agreement will allow Canadian-based firms to participate in Community-funded projects as full partners and, more importantly, with full rights to intellectual property. The Agreement is reciprocal, giving EU institutions and companies the opportunity to participate in complementary Canadian R&D projects. In order to improve access to U.S. consortia with the potential for downstream commercial opportunities, Canada may have to organize its R&D efforts to provide additional access to Canadian R&D projects.

### R&D Subsidies

U.S. subsidies are less visible than Canadian ones and often take the form of civilian and defence procurement, low interest loans and loan guarantees and tax measures. New U.S. legislation in the area of technology coincides with aggressive R&D subsidies targeted at commercial technologies but limited to domestic producers. Moreover, U.S. subsidies undertaken after the demise of the Cold War are becoming