

(d) corporation and private income taxes generated by successful programs. In this regard the Association would draw attention to the views of Professor V.W. Bladen in his appearance before the Senate Committee.

(e) The investments prior to payoff on aeronautical products are very large but the business and therefore the employment resulting from a successful product is large and enduring; for example a successful airplane or airplane engine stays in production for 10 to 20 years while a successful avionics product has a production life of 5 to 15 years. The very large early investments and the long payoff make increased direct assistance in the launching phase essential.

4. SUMMARY

To summarize, the aerospace industry is currently a pace setting industry in terms of successful exploitation of innovative technology. Its export record is outstanding and the R & D capability in the industry exists, it does not have to be created, it is today an effective, mobilized technical force. The industry is product oriented and is capable of immediate expansion. Existing government assistance programs have been effective but to accelerate growth and to continue to compete successfully in export markets, which it must do to stay viable, the aerospace industry must have increased direct R & D assistance from government.