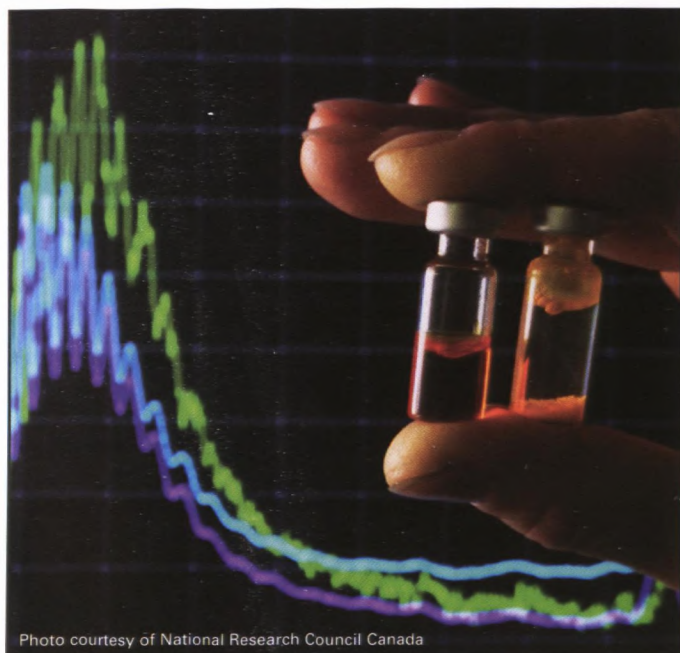


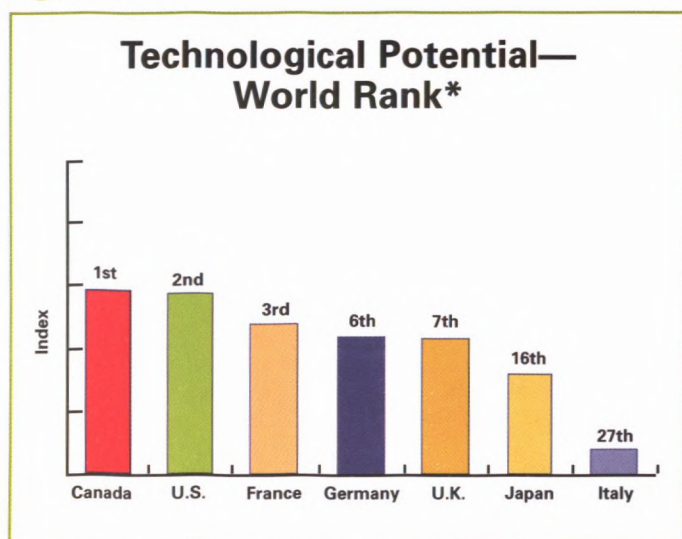


Why Canada's S&T environment is attracting international attention

Canada has a first-class technological infrastructure. The Global Competitiveness Report 2000 ranked Canada first among 38 countries. The report based this ranking on such characteristics as the quality of scientific research institutions and widespread per capita availability of technological infrastructure, including computing power and access to direct-dial international telecom services (Figure 1).

Canada offers the most generous research and development tax credit programs in the world. Individuals, corporations and partnerships can qualify for 100% tax deduction on scientific research and experimental development expenditures and capital expenses. When an investor combines federal and provincial tax credits, every dollar invested in industrial research costs the investor between 34 and 50 cents (depending on the province where the investment is made).

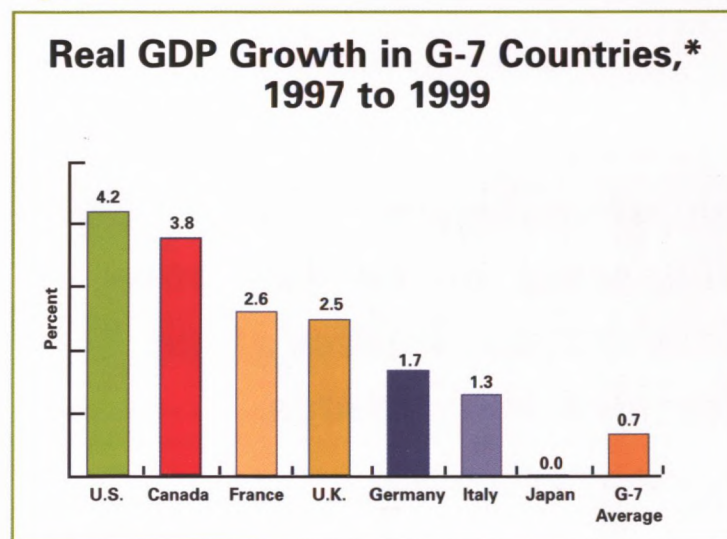
Figure 1



*Standing among 38 countries; index based on several information technology and human capital characteristics, including the availability of direct-dial international service, number of fax machines per capita, computing power in the country per capita, enrollment in tertiary schools, quality of scientific research institutions and power generation capacity.

Source: Global Competitiveness Report 2000

Figure 2



*Average of year-to-year percentage changes in real GDP

Source: OECD, Main Economic Indicators, April 2000