

financial assistance offered on realistic and flexible terms for R. & D. work is of paramount importance. In the commercialization phase, tax incentives and easy access to venture capital are imperative. Most countries that have become leaders in the world's technological progress provide many such INCENTIVE PROGRAMS which have succeeded in attracting creative minds and invention industries from all over the world, to the benefit of their respective economies.

3) Canada enjoys an undisputed advantage and attraction for continued growth in its resource-based primary industry. Our enormous natural resources, both already known and as yet undiscovered, and a gradually expanding home market, constitute a great economic potential for investment and reinvestment of money earned for many generations to come. Large though our primary industry is, however, it is growing less fast than secondary industry, and has progressively declined to 10% of Gross Domestic Product (G.D.P.) in 1967.

4) Canada's secondary manufacturing industry, on the other hand - now accounting for about 25.1% of G.D.P. (1967) - is now highly vulnerable due to diminishing trade barriers (Kennedy Round) and inadequate technological progress; it is recognized that international trade is increasingly stimulated by technical superiority and to a lesser degree by a contest of prices.

5) Unfortunately, Canada does not yet provide adequate R. & D. and realistically oriented incentive programs. Creative minds from outside are not being widely attracted, the drain on our best brains has not been arrested, and increasing foreign ownership has not been checked. While the first two are contributing factors