

The Federal Government has stated its intention to ensure that the industrial benefits from the overall Space Program are equitably distributed across Canada. Particular emphasis has been placed on the distribution of benefits to eastern Quebec and Atlantic Canada. The government's proposed distribution of new Space Program expenditures over the five-year period is as follows:

Atlantic Canada	10%
Quebec	35%
Ontario	35%
Prairies	10%
British Columbia	10% ²⁸

At the present time, Canada's space industry is concentrated in Ontario and Quebec with significant, but smaller, centres of activity in the Prairies, particularly Saskatchewan, and in British Columbia. There is little space activity in Atlantic Canada at this time. The Committee received the following testimony from the Department of Regional Industrial Expansion (DRIE) on the outlook for Atlantic Canada:

...we believe it will be very difficult. We do believe it is reasonable to expect that we will achieve some development of industrial activity in the Atlantic provinces as part of the next five-year space plan. I do not want to leave committee members with the impression that Atlantic Canada is a wasteland of technology and technological capability. This simply is not true. There are small emerging companies in various places in Atlantic Canada; Fredericton Process Technologies and a number in Halifax could possibly take advantage of some of the activity associated with the Canadian space plans. We believe some progress can be made. I must say frankly, though, that our evaluation of 10% is a very ambitious target during the period of time we are talking about here.²⁹

The question of regional development is a sensitive and difficult issue in Canada, particularly for high-technology industries which will increasingly form the foundation for continued economic prosperity in the decades ahead. The Committee is sensitive to the needs of such areas as Atlantic Canada whose citizens wish to participate in the benefits of advanced technology industries.

We question, however, if it is practical, at least over the short term, to attempt to distribute the limited resources of Canada's Space Program to areas lacking the appropriate industrial infrastructure to participate efficiently. Where the real benefits of the Space Program can be shared regionally without compromising the overall thrust of the Program's activities, the Committee sees no difficulty whatever.

In this context, both the RADARSAT and MSAT programs will confer substantial benefits on Canada's regions. Both programs, the first a Federal Government initiative and the latter a government-supported Telesat Canada enterprise, have substantial value for the fisheries and natural-resource industries, for example. Another alternative might be to encourage the construction of earth stations or other space-activity support facilities in those regions lacking the industrial infrastructure to participate directly in the manufacture of space hardware.

⁽²⁸⁾ Ministry of State for Science and Technology, Issue No. 15, March 2, 1987, p. 15A:13.

⁽²⁹⁾ Department of Regional Industrial Expansion, Issue No. 19, March 18, 1987, p. 19:13.