

challenge is not only to educate the young but also to renew the skills of those now in the work force.

And how are you going to keep your employees abreast of new developments in the industry?

Employee training has become a key feature in the ability of companies to compete. But Canadian industry spends less than half as much on training its employees as American industry does. Our businesses spend one-fifth as much as Japan; one-eighth as much as Germany.

Availability of skilled production labour, experienced technologists and engineers still remains a concern for the Canadian aerospace industry.

In the past, the industry recruited experienced technical staff almost entirely from Europe. Most of these technical staff are approaching retirement and must be replaced.

To some extent your industry lacks the infrastructure required to train newly graduated technicians and engineers to replace soon-to-retire technical staff. There are signs that this problem is being addressed by your industry, particularly in Quebec.

What can you do to help encourage more young Canadians to pursue the technical and engineering studies that are vital for your future?

How can the many small- and medium-sized businesses in your industry do more to train their employees on the job?

These are just a few of the many questions that Canada must answer in our effort to promote continuous learning in this country.

### **Science and Technology**

The second major area in which Canada can improve its competitiveness is in science and technology (S&T).

No one here needs to be told how S&T will drive the competitiveness of Canadian industry in years ahead.

And you are well aware that our S&T challenge is two-fold. First, how can we increase the amount of research and development performed in Canada? And equally important, how can the diffusion of new technology be improved?