

The investment has also helped to develop a capability which has made it possible for Canada to take advantage of further opportunities to increase the GNP through additional products in the small gas turbine engine category, where Canada has developed a fairly unique prowess.

I hope the example of the PT6 will serve to illustrate that:

- (1) Effective exploitation of development projects is best undertaken by industry.
- (2) Government support to development can result in very beneficial effects on employment, our balance of payments, and our technological capabilities.

In closing, I should mention that we have a continuing program of applied research in collaboration with the Defence Research Board. This has been an effective program, results of which have been embodied in development projects such as the PT6.

Year	Government Support	Cumulative Gross Payroll			Current Total Sales	Current U.S. Sales	Current U.S. Sales %	Current U.S. Sales %
		Part	Other	Total				
1970	1.0	0.0	0.0	188.0	145.3	77.3	52.9	
1969	1.0	0.0	0.0	136.0	105.3	77.3	60.9	
1968	1.0	0.0	0.0	95.0	71.3	74.3	45.1	
1967	1.0	0.0	0.0	48.0	48.0	100.0	30.0	
1966	1.0	0.0	0.0	27.1	23.3	85.9	14.3	
1965	1.0	0.0	0.0	10.1	9.1	90.1	2.7	
1964	1.0	0.0	0.0	5.8	5.3	91.4	1.8	
1963	1.0	0.0	0.0	1.9	1.9	100.0	1.7	
1962	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1961	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1960	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1959	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1958	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1957	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1956	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1955	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1954	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1953	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1952	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1951	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
1950	1.0	0.0	0.0	0.0	0.0	0.0	0.0	

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While forecasts beyond 1970 exist, data beyond that point have not been used lest they detract from the validity of the figures. This table indicates that a relatively small investment on the part of the Government to enable the Company to proceed with a program in time to meet market requirements has fostered a contribution to our country's GNP and foreign exchange out of all proportion to the amount invested. By the end of 1970 a \$12.9 million investment of Government funds will have fostered \$13.6 million additional GNP with increasing annual increments (\$22.9 mn, \$31.8 mn and \$39.0 mn in 1968, 1969 and 1970), such that the addition to GNP in 1970 alone will be three times the cumulative gross Government investment.