

SCIENCE AND TECHNOLOGY ASSISTANCE IN REMOTE AND NORTHERN COMMUNITIES

Despite remarkable advances in communication technology, small innovative firms in remote regions of the country still face a high degree of difficulty in obtaining skilled labour, information on new technology, material inputs, and capital. In Canada's northern territories these problems are exacerbated by severe climatic conditions and a lack of appropriate testing facilities.

- 27. The Committee recommends that, to assist entrepreneurs in remote and northern communities, the federal government encourage the development of scientific and technical skills within the local labour force, and that it strengthen and broaden the IRAP network, especially in the North.**
- 28. The Committee recommends that the federal government provide greater opportunity for residents of northern communities to participate actively and to contribute their knowledge in the formulation of national science policy and in the elaboration of any guidelines regarding the adoption of technologies in the North.**
- 29. The Committee believes that the technologies developed by northern entrepreneurs require greater federal support during the commercialization process. The Committee recommends that the government assist the northern business community in developing export markets for their technology. Special attention should be paid to the newly developing opportunities in Siberia.**

REGULATORY OBSTACLES TO INNOVATION

The regulatory system can be a serious impediment to the commercialization of inventions. While some regulation is necessary, for example for health and safety reasons, the process of obtaining regulatory approval should not in itself cause the demise of a new product.

- 30. The Committee recommends that the government re-examine the process for application of industrial and government-imposed regulatory standards to ensure that their application does not pose an unwarranted barrier to the timely marketing of new products.**

VENTURE CAPITAL AND INTEREST RATES

Many firms find it difficult to obtain venture capital to develop and market innovations. Witnesses expressed concern that the apparent lack of venture capital for