industry through the greater use of research and the application of advanced technology. The department achieves these objectives mainly through the use of financial assistance programs. The total scientific expenditures of the department were estimated at $92.5 million for 1976-77, $91.4 million for natural sciences activities. Canadian industry was allocated 90% ($83.5 million) of the total.

The Industrial Research and Development Incentives Act (IRDIA), which has provided support for industrial R&D since 1966, was discontinued as of December 31, 1975. Since IRDIA grants were for past R&D, the department accepts applications for expenditures made by industry before the end of 1975. Total expenditures for this program reached $229.5 million as of March 1976. Payments for 1976-77 were estimated at $24.0 million.

The department administers the Program for the Advancement of Industrial Technology (PAIT) initiated in 1965. Its basic purpose is to improve the technological capacity and expand the innovation activity of Canadian industry by supporting development projects involving genuine technical advances with good prospects for commercial exploitation. The grants cover up to 50% of the cost of development and innovation; some non-capital pre-production costs were also covered. Expenditures in 1976-77 were estimated to be $24.9 million.

Projects initiated under the Defence Industry Productivity Program (DIP) have played a major role in helping industry to develop its skills on a specialized basis in fields of technology which have defence and civil applications and which Canada is favourably situated to exploit. Costs of a project are shared by the department and the Canadian firm concerned and, in some instances, by the governments of other NATO countries. Among projects assisted have been communications and aircraft navigation systems, gas turbine engines for aircraft, flight safety and simulation equipment, and information display facilities. Export of the products of these developments continue to increase, including significant orders for such diverse applications as commercial airlines, public communication networks and television distribution systems.

Industry, Trade and Commerce is assisting in the establishment and maintenance of industrial research institutes at universities. Institutes which have been supported under the program are located in Nova Scotia Technical College, École Polytechnique de Montréal, Ryerson Polytechnical Institute, and the universities of McGill, British Columbia, Quebec, Western Ontario, Alberta, Sherbrooke, Guelph, Dalhousie and Carleton.

9.2.9 Department of National Health and Welfare

The Department of National Health and Welfare provides substantial support for R&D and other activities in the health sciences. The Health Resources Fund was established in 1966 to assist in the construction of teaching and research facilities at universities, hospitals and other institutions engaged in health research and training. Through this program NHW provides capital grants covering up to 50% of the cost of approved projects.

The department provides funds for R&D in welfare related subjects, drug abuse, and fitness and sports participation, as well as R&D related to health needs, health planning and the utilization of health services and health care facilities. R&D projects are supported primarily in Canadian universities and non-profit institutions, and grants are provided to provincial governments through the department's Income Security and Social Assistance Program.

Departmental expenditures are detailed in Tables 9.3, 9.5, 9.8, 9.9 and 9.10.

9.2.10 Medical Research Council

The Medical Research Council (MRC) supports research and development in the health sciences (excluding public health) in Canadian universities and affiliated institutions. Research is supported primarily in the faculties of medicine, dentistry and pharmacy; however, projects in other areas which are relevant to health problems are considered. Research funds are distributed through three main