



Ukraine's Ambassador to Canada and his staff in Ottawa:

(left to right) Andriy Veselowsky -- Minister-Counsellor; Yaroslav Asman -- First Secretary (Consular Section); Ambassador Levko Lukianenko; Boris Biliashivsky -- First Secretary (Culture, Information, Public Affairs); Olexander Shandruk -- First Secretary (Trade, Science and Technology).

insufficient impetus to those sectors of the economy that form the essence of its export potential. Also, because of a lack of adequate support for the growth of its R&D, especially its basic research, Canada has over the past many years, mortgaged its future. While the R&D process is an uncertain one in terms of potential, if Canada wants to maintain a prominent place among the foremost world countries, it must increase expenditures for science and technology (which, however, it may not be in a position to do).

Ukraine, on the other hand, has a vast and powerful scientific and technological potential, which in many sectors is of world class and is limited only by a lack of investment capital. Investments are needed for the creation of new enterprises and the support of competitive ones, and for the development of new products and services (first of all, for civil applications). This includes such areas as high technology, cybernetics and those disciplines which supported the military-industrial complex of Ukraine.

The military-industrial complex numbers approximately 700 enterprises with more than 1.2 million employees. These enterprises develop and produce strategic missile complexes, carrier missiles and space craft, aircraft, tanks, early warning systems for anti-missile defence and control of the outer space, radars, the wide spectrum of military vessels etc. The 1990 output of these enterprises exceeded 28.5 billion rubles.

With the proclamation of the state independence of Ukraine there appear real conditions for radical changes in the field of defence, for an intensification and expansion of the conversion of the military production in the majority of the defence enterprises.

The main directions for carrying out of the conversion is the utilization of the scientific-technological and industrial potential. Its aim is a radical re-equipment of all the national economy, of radical changes in the structure of the output. As a first priority, this includes the securing of Ukraine's social needs -- increasing the output of consumer goods, improving medical equipment, technological equipment for the

production of baby food, the mechanization in agriculture and the agro-industrial complex.

There is no doubt, therefore, that the objective of attaining radical increases in the quality of production of national enterprises is a priority for both our countries. Additional mutual benefits can be gained if we both take advantage of the scientific-technological potential of the military-industrial complex of Ukraine. This can be done through various cooperative programs and initiatives, such as, for instance, Canadian investment in the conversion and growth of the scientific-technological industry in Ukraine. It can take such actions as the development of a framework, or mutual agreements, within which our joint enterprises can operate. The results of such activity can provide an expansion of the competitive production capabilities of companies in both countries.

The program for conversion of Ukraine's military-industrial complex, which was recently ratified by our government, encompasses more than 500 separate initiatives and foresees broad coordination of mutually-agreed terms for foreign investors.

One of the little known facts for foreign businessmen -- which the most farsighted and dynamic already recognize -- is that today in Ukraine it is possible to negotiate extremely fair contracts with partners. It's possible to acquire ownership of patents and other intellectual products of the highest quality. Undoubtedly, this right to own, or control, licences for such products is the best guarantee for businessmen, and will enable their goods to remain competitive.

(2) It is essential for both countries to diversify external economic links

The need for Canada to move in such a direction is becoming clear among many experts, such as *Denis Stairs*, or *Duncan Cameron*, who believe that