

business council means -- of promoting international business, with a preference for a fee-for-service format that charges Canadian business directly, rather than providing a subsidized service through the business council from the federal government. It is looking to focus its promotion efforts on specific sectors rather than geographic regions, although it is uncertain whether this will overlap the export promotion efforts of various vertical associations in Canada. Indeed, organizations such as the Chamber, under pressure from their own membership to "send the right message to government," have made a conscientious effort to reduce their dependence on federal trade promotion dollars.

That being said, there always appears to be a temptation, when offered the prospect of new sources of funding in a competitive environment, for business associations to tout the public-private sector partnership dimensions of such arrangements. Much of this appears to be inevitable in a competitive trade association environment in Canada where associations such as the Chamber compete for scarce financing with horizontal organizations such as the CMA and CEA certainly, and for profile with associations such as BCNI.

So what has been the Chamber's approach to a new model of public-private sector cooperation. In March 1993, for example, the Chamber became the official Canadian private sector partner as Canada gained access to the European Union's BC-Net system that is designed to promote business alliances between small- and medium-sized enterprises (SMEs) in the EU member states and, since 1992, the SMEs of a select number of non-EU Member States. It should be noted that the Government of Canada through the Department of Industry is providing the initial funding for this project, an initiative that fits into the federal government's overall policy objective of recognizing that an export-led economic recovery can only occur if SMEs become more competitive and increasingly willing to engage in a variety of strategic alliances with foreign firms.

The foregoing case study makes a number of important points. First, by using the Chamber as the most broad-based representation of the Canadian business community it can be determined that, reflecting Canada's growing economic integration in North America, Canadian business has had significant interest in, and has therefore devoted considerable time and resources to, policy consultations on issues affecting intra-North American trade and investment, and has far less interest in international business development/policy in other markets which make up only 20 per cent of Canada's overall world trade.

Second, the nature of the Canadian economy, with its high foreign ownership, often makes it difficult for the Canadian government to actually know whose views it is receiving on what the government's market development or market access strategy should be, those of a Canadian company, or, the views of a subsidiary's head office. Situations in which the Canadian government has spent trade promotion dollars for programs in foreign countries in which employees of the head office of a Canadian subsidiary have participated instead of Canadian employees abound. This is a structural dilemma and thus will remain an ongoing concern.