

The commitment of this government to export market development was confirmed in the budget of April 19. Allow me to name the measures relating specifically to it:

- The overseas employment exemption from taxation was liberalized to improve the international competitive position of Canadian companies. This measure, which will considerably reduce personnel costs, should encourage our consulting industry and others to work in the developing countries.
- The Program for Export Market Development (PEMD) was enhanced by increasing its funding by \$20 million over the next four years from its present annual budget of \$22 million. Through this program the government shares on a fifty-fifty basis with the private sector the cost of identifying and pursuing export market opportunities.
- The creation of a Special Recovery Export Financing Fund of \$180 million to enable to Export Development Corporation to finance certain projects that it might not otherwise be able to because of funding constraints. This in addition to new programs established by EDC to assist small and medium businesses.
- Tariff rates were lowered on some \$10 million in annual imports from developing countries, under the General Preferential Tariff. This is in keeping with our pursuit of an open and just international trading system in which trade is a two-way street.

I referred to the new programs of the EDC. Central to these is their "forfeiting program" which improves the cash flow of small firms by discounting promissory notes with private banks, and its mixed credit facility, which was established to provide export financing at very low lending rates to match offers by Canada's competitors. The first use of this facility enabled Bombardier Inc. to secure a large contract for the sale of \$100 million in subway cars to the transit authority of Mexico City. Not wanting to give away any secrets to our competitors, I will refrain from providing details on certain contracts in which such financing is now being offered. The papers will soon contain news about some fine projects that will be obtained through this program.

The Government actively seeks export market development. To achieve this, we work closely with the provincial governments. Federal trade officers abroad, in Ottawa and in the regions are prepared to assist you in identifying markets and potential buyers. The trade commissioner service, the Department of External Affairs' overseas arm for trade matters, has recently been expanded to