

A further relaxation of Canadian content standards would not seem to be called for in terms of either potential net economic benefits or burden sharing, since Canada would indirectly end up financing a larger share of foreign content. However, Canadian exporters who provide goods and services with an important U.S. content would stand to benefit if we could get U.S. involvement in financing for the U.S. portion of the export. Since U.S. content is often a significant part of Canada's exports in manufactures, EDC on numerous occasions has sought participation by the U.S. EXIM Bank on a case-by-case basis, without success. However, this idea may be worth exploring further, particularly by holding out the possibility of access to Canadian financing for Canadian content in U.S. exports of manufactured goods.

(iii) Rates and Fee Structure

EDC's financing is competitive internationally and readily available to Canadian exporters. EDC terms for export financing are in line with the OECD Consensus Arrangement. EDC offers the full range of currency and rate options. Among other trading countries, the majority of official credits are offered at Consensus terms. Are EDC's exposure fees and insurance premiums in line with guarantee fees and insurance premiums charged by the competition? Is there any scope for reducing EDC's rates or fees, bearing in mind that it will be important to ensure that they remain generally competitive?

(iv) Streamline Canada Account Procedures

For Corporate Account business EDC can move fairly quickly. However, the range of considerations that apply to Canada Account business and the need for Cabinet decisions mean that considerably more time is required for processing these requests. It is for consideration whether the approval procedures for Canada Account business could be streamlined.

(v) Greater Access by Small and Medium-Sized Business

While EDC has done a fair amount to increase its business with small and medium-sized firms, the fact remains that a small number of large companies account for the bulk of EDC's financing. However, the delivery of large contracts often involves many sub-contractors, in some cases up to 200, which are usually from the ranks of small and medium-sized business. Moreover, most of EDC's insurance business is with this sector. Is there more that can be done to enhance EDC's marketing directed at small and medium-sized businesses?