

Agreement. In a recent survey of some 20,000 of them, 40 % expected the FTA would have a positive effect on their business, 7 % thought it would hurt them, 25 % thought it would have no impact, and 25 % said they would have to wait and see.

Another study presented by the Business College Entrepreneurship Conference in Calgary revealed small business operators are optimistic they will expand within the next five years. None of that, as the Post says, is to say the crack in the U.S. or any other foreign market or meeting foreign competition is easy. It's one thing to be optimistic and enthusiastic, it's another to have the means to fulfill those ambitions. That's why it is important that small businesses work out careful plans for expansion and line up the needed financing for it. That is basically the kind of message that we in the government have been getting from the business community, and we have endeavoured to tailor the programs we have in a way that does take advantage. We do have the FreeTrade Agreement in place and working and it's very much up to you to take advantage from the opportunities that it provides.

Question:

My name is Bob Mountfort. You discussed the question of settling subsidy disputes with the United States observing their programs of benefits to small businesses. I wondered if a) we in Canada could not adopt a similar policy and b) when Canadian companies will be entitled to bid in the American market under the small business program?

Answer:

One of the very difficult issues that we dealt with in the course of the negotiations was the small business set-asides, which were certainly considered to be a subsidy by Canada. As I said, that subsidy negotiation is not complete and that will be part of the ongoing negotiations. What we do have with the Agreement in terms of government procurement is an extension of what was provided for under the GATT, so that anything over \$25,000 U.S. in the United States is now open to competitive bidding by Canadians on the list of government agencies and departments that the two countries have exchanged. That does not cover the entire array of government procurement obviously. There are, in the defense area in particular, exceptions; but there are more opportunities for government procurement than there were previously in the United States as a result of the FTA.

Comment:

My name is Doreen Braverman. I was interested to learn that you have 22 trade offices in the United States. I think this is something that you are going to have to spell out very clearly because when you get in touch with these offices, it's nice to know just what they'll do for you, and so often when you write you don't get a response. My experience has been in trade offices around the world that you get a form letter saying thank you very much and then that's the end of it. So, if there are some specific things that can be done for particularly the small businesses, it would be nice to say, "This is what we can do for you and this is how you access it".

Answer:

Well, I guess I would make a couple of comments. One of the problems that we often have in our trade offices abroad is we get inquiries from people who are obviously not export-ready. And I think it's important that people prepare themselves well and that is a role in which the regional offices of the Department of Industry and Industrial Economic Expansion, and the International Trade Centres, one of which is right here in Vancouver, can be of assistance to you. I urge people who are interested in cracking that market to do two things. One, to get in touch with the International Trade Centre right here in Vancouver. Either through them or in conjunction with that, contact our trade offices in the United States.

We do have something called the WIN Export Computer Program that has a great many companies in Canada now on on-line computers into our U.S. offices that has proven to be a very valuable tool in matching suppliers and purchasers in the United States. Let me assure you that in the offices that we have there are experienced trade commissioners who know the market that's involved and I urge you to use those services. If you do have problems in any way shape or form, and you were suggesting that perhaps you had, I would urge you to contact immediately the International Trade Centre right here in Vancouver to deal with that and to sort that out. They are very much at your beck and call.