

The 12 month expected sales are estimates and, like business influenced reports, may err on the generous side.

58. Interview with CEA President Jim Taylor, 27 September 1991. An encouraging sign is the proposal to launch a joint federal-provincial initiative in export education to increase the supply of "export ready" firms and, by implication, reduce the workload at post. We would argue, however, that this needs to be tied into program eligibility criteria to become an effective filter.

59. Levels of service can sometimes extend to ridiculous extent. Until recently, Canadian business visitors were often met at the airport in Bangkok by the Embassy rather than taking a taxi to downtown hotels. If tourists can manage their way through airports, surely export-ready business visitors can. Exception should be made for business visitors travelling with samples to certain countries where Embassy assistance can be invaluable in clearing customs.

60. While *The Export Edge: Advice from Successful Companies* (EAITC October 1990) notes that PEMD was praised by Canada Export Award winners, it underlines the point that it is fundamentally management commitment, translated into financial and personnel resources, that is central to success in exporting. Other literature — e.g., Seringhaus and Rosson, Chenier and Prince — implicitly draw the same conclusion.

61. At a recent ITAC session, one business participant suggested that he would happily accept the elimination of all government programs aimed at business in return for a simpler tax system more geared to rewarding success at home and abroad.

62. These tighter PEMD Industry-Initiated criteria make an encouraging start. They may not, however, go far enough and overly rely upon less 'flexible' administration by the International Trade Centres. For example, minimum contributions would appear to be too low to be effective deterrents to non-export ready companies as are minimum sales levels (\$250,000). Yet given that success and repayment ratios do not appear to be a function of company size, this minimal threshold may be justifiable. Direct links to export education programs may prove more effective. Companies not meeting these criteria could be accorded PEMD in exceptional circumstances to allow some flexibility.

63. Non-governmental members include: the Canadian Exporters Association, the Association of Consulting Engineers of Canada, the Canadian Manufacturers Association, CODE, and the Conference Board of Canada.

64. Discretionary programs are felt to be more efficient for targeted incentives. It is not clear that the R&D tax credits, among the most generous in the OECD, have increased significantly the amount of R&D carried out by the private sector in this country. Given similar credits among competitor countries, these credits may be necessary to maintain the existing R&D base