

Furthermore, Ministerial led missions should capitalize on the totality of influence that Canada can bring to bear on major international opportunities. For example, missions to markets where Canada is a significant aid donor or has served in a peace keeping capacity should trade on these influences.

Recommendation 13

Although the Committee feels that decisions on which trade fairs and other promotional activities, e.g., seminars, conferences, promotional publications, etc., to support should be made in consultation with industry, within this parameter, we recommend:

- i. Government support of trade fairs be limited to major international shows that attract international buyers and are supported by Canadian industry; and,*
- ii. Trade fair participation should be cost-recoverable for companies with annual sales of over \$10 million.*

In 1994-95, the Government of Canada will support approximately 500 trade fairs worldwide. This support lacks focus and coordination and consequently, does not maximize the use of the resources devoted to them. The government should concentrate these resources on fewer, larger shows, providing primarily infrastructure support, e.g., securing booth space in prominent areas. Greater federal-provincial coordination should also be achieved.

Financial assistance for companies with annual sales of less than \$10 million would be assessed on a sliding scale based upon the number of times they participate in a particular event i.e., 75% for first participation, 50% for second participation, and 0% beyond.

Increased cost recovery could yield up to \$4 million. These funds, combined with the \$5.2 million generated by imposing full cost recovery on firms with sales over \$10 million, would decrease budgetary requirements by about \$9.2 million, assuming that any cost recovered monies are returned to the program.

Similar to Recommendation 12, this policy should apply to all trade fairs, including those sponsored by departments other than DFAIT. We believe that provincial governments will also want to look at this measure.

Given that successful trade shows often have long waiting lists for companies wanting to participate, DFAIT should promote the use of Canada stands in these major international shows.