that they have the right product at the right price for the right market and pursue aggressive and sustained marketing activities to expand existing and develop new export markets. Provincial governments have also increasingly become involved in export market development activities, largely with programmes complementary to federal initiatives.

Both federal and provincial programmes are essentially aimed at facilitating the entry into international markets of small and medium-sized companies. Large companies usually have the necessary infrastructure and sales force to penetrate foreign markets. Smaller companies, however, often lack the resources and expertise, especially for the initial assessment of potential markets and for developing customer relations. Experience has demonstrated that once a company gets the export habit, it keeps it, and federal and provincial government assistance at the initial stage proves to be an investment that pays dividends to all Canadians. What is needed, therefore, is a mix of policies and programmes which encourages the development of an aggressive and self-reliant economy to which exporting is second nature.

Government export promotion programmes should also aim primarily at developing new markets or introducing new products and companies to world markets. According to the European Management Forum, Canada has one of the worst records in the OECD in expanding exports to new markets. The EMF gives a range of reasons including attitude, experience, and expertise. A further factor relates to the constraints (and advantages) imposed by Canada's corporate structure, dominated as it is by a large number of foreign-controlled MNEs. The suspicion is that Canada lacks a sufficiently diversified and venturesome exporting community. Export promotion programmes should thus in part build export awareness and expertise and in part support exporting activities. They cannot substitute for a private sector alert to opportunities around the world, eager to respond to enquiries, willing to visit the market regularly, tailor its goods to markets, and most importantly, with an attractive and competitive product for sale.

In 1980, following the exhaustive enquiry into the federal government's market development policies and programmes by the Hatch Committee, the government reviewed its programmes and adopted an export development strategy. This strategy includes such elements as detailed marketing strategies for priority countries; focussing federal export programmes on growth markets and competitive sectors to maximize the use of available resources; according greater weight to economic and commercial affairs in Canadian government services abroad; increasing emphasis on matching Canadian supply capabilities with foreign market opportunities; and expansion of EDC financing facilities, including the introduction of a three-year, $900 million "crédit mixte" facility to match international competition.

There remains, however, significant work to be done, including strengthening Canada's market intelligence capacity and facilitating the dissemination of information to Canadian firms through further computerization; encouraging a greater utilization of the international networks of Canadian commercial banks; increasing commercial returns to Canadian firms under multilateral and bilateral foreign aid programmes; facilitating co-ordinated bidding capabilities by Canadian manufacturing and engineering firms; adapting to requirements for counter-trade and other