

FITT is a major undertaking, patterned after the government-business training vehicles that have long been in operation in Germany and Japan.

As such, FITT has received federal and provincial government funding, along with the support of business associations, including the Canadian Chamber of Commerce, the Canadian Exporters' Association and the Canadian Manufacturers' Association.

This represents a degree of co-operation not before seen in Canadian export circles. It is a model that we as a government seek to expand by bringing in even more partners to work with smaller companies - in particular, banks and other financial institutions.

As much as it is essential that more Canadian companies engage in exports, the increased involvement of Canadian banks and other financial institutions is key to transforming Canada from a trading nation to a nation of traders.

It is with this in mind that, one year ago, I joined the Ministers of Finance and of Industry in a meeting with the presidents of the major banks and the Export Development Corporation - or EDC - Canada's official export credit agency. At that meeting, we discussed additional ways in which we can collectively further the capacity of Canadian companies to export - in particular small businesses.

The problems are well known. Small exporting businesses are faced with unique financial requirements and tough financial challenges. The most common difficulties are those of gaining access to capital for export-driven growth; getting full value for foreign receivables on operating lines of credit; and the limited availability of export financing to developing countries.

As a result of our meeting with EDC and the banking community, there are a variety of ways in which financing support to exporters is being improved.

EDC has recently formed a specialized business team dedicated to serving the export insurance and financing needs of small business. The new team's objectives concern easier access, simplified procedures and faster turnaround times.

As well, the Federal Business Development Bank (FBDB) is focussing more on the needs of small and medium-sized exporting firms. They are expanding their programs that are targeted at making available to exporters much needed start-up and operating capital.

In terms of cash-flow, the pre-shipment period of an export contract is often critical to a small business. To help ease this