

integration, streamlining and co-ordination of federal and provincial programs and services. We are putting into place better ways to share market intelligence data and to work together to improve the export readiness of companies.

Access to export financing, particularly for smaller firms, is another area where we have invested considerable efforts. Through greater collaboration between the private banks and the Export Development Corporation [EDC], new programs have been developed to provide small and medium-sized companies with access to more credit, on a short-term and medium-term risk sharing basis. The banks are also involved in a program being launched next month to provide bankers with more training in international trade.

Although the banks have made some progress in meeting the needs of exporters, particularly through the joint programs we have put together with them and EDC, they must take a more active role in export financing for small and medium-sized companies and we must see results.

We want to place more focus on small and medium-sized firms, to diversify our commercial relations beyond traditional markets, to build partnerships with the private sector, and to improve co-ordination with the provinces. Our challenge is to transform Canada from a trading nation to a real nation of traders. In doing so, we must ensure that smaller firms are full participants in this process.

Accordingly, we are responding to some of the recommendations of the private sector, as well as to the fiscal reality facing the government, by putting into place a number of important changes to our international business development programs that will make them both more efficient and more cost-effective. The changes, to be effective April 1, include the following:

- First, assistance under the Industry-Initiated part of the Program for Export Market Development [PEMD] will be focussed on companies with annual sales of less than \$10 million and/or less than 100 employees for a manufacturing firm, and less than 50 employees for a services firm.
- Second, the Capital Project Bidding component of PEMD will be focussed on small businesses defined by the same criteria.
- Third, recovered PEMD funds will flow back into the program. New customers will directly benefit from the success of previous PEMD users.