

Resources Development (HRD) funding schemes and policies that favour growth in demand for training services. In France, for example, a 1972 law requires companies with more than 10 employees to spend at least 1.5 percent of payroll on specified training activities; organisations with fewer than 10 employees are required to spend only 0.15 percent of payroll. Companies that fail to invest the minimum required pay a special training tax or surcharge. This legislation helped increase investment in employee training by organisations with more than 10 employees from 1.35 percent of payroll in 1972 to 3.2 percent by 1993. This level has remained constant despite a Europe wide economic slump. In total, over 130 billion francs (worth about \$36 billion) were invested in labour force training programs by both the state and employers in 1995.

There has been significant investment in Europe to support the development and application of flexible and distance learning technologies, including NMLM. The 1996 Industry Canada report on NMLM mentioned above reports that the European market size for NMLM alone was estimated at \$1.2 billion in 1994 and is expected to grow modestly but constantly through to the year 2000. Canada is well positioned to enter the European marketplace. Unique among non European countries, Canada has established a working relationship with the EU under the framework of the EU-Canada Forum on Distance Education.

In the former Soviet Union and in central and eastern Europe, HRD is an important component in promoting a stable transition to democracy and market-based economies. These markets are paying particular attention to infrastructure development and generic skills training. Training is required in using software, writing letters and documents in English and operating computerised cash registers. Previously, Russian businesses had not made the link between customer satisfaction and profit. Now, "smile training" and telephone etiquette are in big demand. Companies need to understand basic marketplace economics including cost management and the laws of supply and demand. Other key development areas include teamwork, systems thinking, planning and organising skills, and training in western management skills. Partnerships with western European firms can be an advantage in approaching these markets.

The Asia Pacific market as a whole offers significant business potential to training suppliers. Asia's changing economies are taxing their countries' educational, training and human resources infrastructures to the limit. To meet the demands of their