

*Goods and Services***Opportunities Evolve for Exporters to Australia**

Australia is Canada's sixth-largest market in Asia-Pacific, with exports totalling \$725 million in 1992.

In addition to processed and semi-processed goods, forest products, chemicals, and agro-fish and fertilizer products, there are other sectors that contribute substantively to current export flows. These include: aerospace equipment and systems, automotive parts, telecommunications equipment, electrical/electronic components, industrial machinery, and engines.

Australia offers a wide range of opportunities for increased trade in goods and services, such as:

**Environmental technologies:** major sectoral investments by public and private-sector buyers are expected to result in a market for environmental equipment and services in Australia of over A\$2-\$3 billion per year by 2000.

Environmental awareness is now so pronounced that the investment will be spread over a number of areas, with the lion's share being spent in waste water treatment (industrial and sewage), waste management and disposal (including hazardous substances), air pollution monitoring and control, and in-site remediation.

As an example, clean-up of existing industrial facilities is an urgent challenge for the governments of New South Wales, Victoria and Queensland in particular. Companies are now expected to provide for site remediation in any proposals for future developments and to address rectification of existing contaminated sites. Total clean-up costs across the country have been estimated at over A\$2 billion per state spread over the next 10 to 20 years.

A growing number of Australian firms are specializing in distribu-

tion and/or production of environmental equipment and services leading to opportunities for Canadian suppliers. It is recognized that expertise in the provision of specialised services in design, construction and management of specific projects is more highly developed overseas, and that Canada is a leader in many areas.

Joint venture and/or technology transfer agreements with Australian partners can provide immediate sales prospects within Australia; they may also lead to third-country market opportunities in Southeast Asia and other neighbouring markets. These markets (excluding Japan) are estimated in excess of A\$25 billion per year for environmental products and services.

**Transportation systems and services:** major upgrading and expansion of Australia's railway network is expected to be a federal and state priority for the balance of the 1990s. New investments of over A\$450 million are planned for 1993-95, with a further five-year program estimated to exceed A\$5 billion.

Emphasis is being placed on upgrading and standardization of existing rail "corridors" between major urban centres, including Melbourne-Sydney, Sydney-Brisbane and Melbourne-Adelaide. Upgrading of Queensland and Western Australian lines, in particular those serving bulk mineral and agricultural commodity shippers, are also planned. New port and handling facilities, the introduction of light rail in the Sydney area and expansion of the Darwin-Alice Springs link in the centre of Australia are also in early planning stages.

Canada is no stranger to the Australian rail market. Recent success includes the sale of diesel locomotives, as well as engineering and

managerial expertise to the National Railway Corporation (NCR). Canada is seen as a world-class supplier of many of the inputs to be required under the rail expansion program. Opportunities will continue in the areas of rolling stock procurement, track and signalling hardware, electronic control equipment, computer programming and services, line and central communications equipment and systems.

Significant prospects exist in Australia for Canadian-built aircraft and aviation products, and complementary opportunities occur for R and D partnerships, aircraft repair and in joint marketing in third countries in Asia. In the defence sector, a current High Commission survey identified over 100 potential market opportunities.

**Telecom systems and services:** annual spending on telecommunications equipment in Australia is estimated to exceed A\$10 billion per year. It is expected to increase by over 5 per cent per year between now and 1995. Key areas of growth will be software and related services as the two national carriers TELSTRA (formerly Telecom Australia) and Optus vie to improve economies and customer service prior to the entry of a third carrier to the market in 1997. Full network competition, further expansion of cellular and mobile services, as well as the introduction of ever more sophisticated "intelligent switching" products for data transmission, should provide ample market possibilities for Canadian software and service suppliers.

Broadcasting, in particular the introduction of Pay TV to Australia, will represent another substantive opportunity for well-positioned Canadian suppliers. National Pay TV

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