In all EC countries, national mergers are taking place at a fast pace, in addition to efforts to become established abroad and to create different types of transnational networks. In both professions, large British, American and to a lesser extent Dutch firms are at centre stage.

In public accounting, the clear winners are the "Big Six," which are experiencing phenomenal success in Europe and have integrated the largest national firms there. The "Big Six" may also play an increasingly important part in the legal profession because deregulation seems to be bringing down some of the barriers that separated the two professions; eventually, large "multidisciplinary" enterprises may be created.

b) Consequences for Canadian Companies

These developments offer new opportunities for Canadian firms because audit, legal and other consulting markets develop rapidly as a result of internationalization and related re-organizing. They also involve risks because large international competitors (American and British firms, the "Big Six") are becoming stronger; globalization will eventually reach Canada, opening all or part of its domestic market to international competition.

c) Possible Strategies

Canadian firms have all the assets required to meet these new challenges: size, work methods and mastery of English as a language of business, which relate them to British or American firms rather than firms in continental Europe, which appear more "small scale." However, they do suffer from two handicaps: the low degree of internationalization of Canadian enterprises (and particularly their current lack of response to Europe 1992) and a certain reluctance, until recently, to risk venturing into international territory.

Despite these handicaps, acquiring an international dimension is now at the heart of the strategies of large Canadian law and public accounting firms.

For business lawyers, this means a reinforced position (via mergers, acquisitions, associations, etc.) at the national level so as to have the means of growing internationally, developing foreign offices, either alone or with Canadian partners (or American partners in the future), and developing specialized niches. Faced with growing international competition, the leaders in the profession have realized the stakes are high.

In the accounting profession, the leaders in the various provinces essentially have two choices: integrate into the networks of the "Big Six" (which international developments seem to point to, particularly in Europe), or opt for a more decentralized strategy, which means having considerable regional representation along with a specific positioning in certain niches. The latter strategy is more adapted to a clientele comprised mainly of small- or medium-sized businesses.