

H. PRIORITY SECTOR IDENTIFICATION & SECTOR MARKETING PLANS

An analysis of the characteristics of the Australian market and Canadian trade patterns has identified a number of sectors in which significant growth can be expected over the next few years. That information, combined with inputs by the commercial divisions of Canada's three posts in Australia, the Industry Sector Branches and the International Trade Bureaux, has identified sectors in which the potential for growth of Canadian exports is significant. Together, those inputs allow determination of a group of sectors for which the trade prospects are great and the payoff to Canada could be high.

Functionally, the sectors are:

- oil and gas equipment, including pipeline
- heavy electrical equipment
- telecommunications
- forest industries equipment
- auto parts
- instrumentation and industrial process controls
- agricultural equipment
- ocean industries

These sectors by no means represent the only areas of opportunity for Canadian exporters to Australia. Many of Canada's traditional exports to that country will continue to grow without government involvement. As well, some promising sectors are not priority sectors per se, either because of an existing strong Australian capability or a relative weakness in Canadian expertise. Promotional or exploratory initiatives are being considered by government in such sectors nonetheless, because there is potential for lucrative exports in specialized areas. For example, it has been estimated that more than 70 per cent of the machinery and equipment requirements of Australia's rapidly expanding mineral industries is available locally. However, there are certain areas not well covered by the Australian industry which could be sourced from Canada.

An analysis of the priority sectors follows.