Electrical and Energy Equipment

A) Electrical Equipment

Exports: $1.8 billion

Overview:

- Canada is a world leader in electrical generation and long-distance electric power transmission.
- The two largest exporting sub-sectors are power generation equipment and transmission and distribution equipment.
- High growth is expected in sub-sectors relating to energy management and power systems for developing countries.
- Canada is highly competitive in custom products for niche markets.
- Expanding electrification programs in developing countries are creating significant export markets.
- New markets are opening up in Eastern Europe.

Product Strengths:

- Hydro generators, turbines, large transformers, circuit breakers, large motors, Supervisory Control and Data Acquisition (SCADA), energy management systems, and CANDU nuclear power plants.

Priority Markets:

- The U.S., Korea and Romania.

Key Strategic Priorities:

- *form export consortia with large foreign firms (especially Japanese) to better penetrate the Asian market;*
- *continue to encourage a "Team Canada" approach to bidding on large power projects, such as Canadian Power Systems Export Promotion (CAPSEP);*
- *continue to work toward harmonization of electrical standards, especially with the U.S.;*
- *improve access to Korean, Japanese and U.S. procurement markets;*
- *assist in market identification, intelligence and international exposure through participation in missions, fairs, conferences and technology transfer activities.*

Contact: Electrical and Energy Equipment
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B) Oil and Gas Field Equipment

Exports: $250 million

Overview:

- Most Canadian oil and gas equipment manufacturers are small, specializing in high-quality machinery and parts used in exploration, drilling and servicing of oil and gas wells, and in the production and processing of oil and gas.
- The industry's outlook is linked to oil and gas markets, which are highly cyclical.
- Wage rates, material costs and overhead costs in the Canadian industry are higher than those in the U.S. Economies of scale are also lacking.
- With a depressed domestic market, Canadian companies are actively seeking export markets in order to survive.

Product Strengths:

- Geophysical equipment, drilling rigs, and ancillary tools, pumping, cementing, and well-fracturing units, dehydrators, separators, and other field processing components.

Priority Markets:

- South Asia, South America, Africa and the Middle East.

Key Strategic Priorities:

- *develop trade through market intelligence, participation in missions, trade fairs and international conferences in Asia, Latin America, Africa, the Middle East, Eastern Europe and the CIS;*
- *continue investment prospecting activities and work to establish strategic alliances with European firms, in particular French, British, Norwegian, Italian and German firms.*

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