

ling and repairs made on homes. Over 75 per cent of all do-it-yourself (DIY) sales were made through primary hardware/home centre channels.

The demand for hardware/DIY products closely follows the level of activity in the residential and non-residential construction industry and the home renovations market, with significant and growing sales to consumer DIY retail outlets.

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PACKAGING EQUIPMENT

Officer: P.-A. Rolland
Tel.: (613) 991-9475

The U.S. packaging machinery market has been growing by 3 per cent annually, but this growth does not reflect the many changes underway in this sector. In food packaging, the most important sub-sector, there is continued demand for more attractive packaging that lends itself to safe use in microwave ovens, and is environmentally-friendly. This is expected to lead to stricter regulation of packaging products. Further automation is likely in the face of rising labour costs.

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RECREATIONAL AND WORKING BOATS AND ACCESSORIES.

Officer: J.P. Petit
Tel.: (613) 991-9482

The U.S. pleasure boat market has annual shipments of more than US\$15 billion. Imports into the U.S. grew by about 25 per cent annually over the past six years, but fell by 25 per cent in 1989. In 1991 the federal government introduced a luxury tax on boats worth more than US\$100,000. This will likely soften sales in that high price range but will encourage sales of marine accessories, outboard engines and small boats. Canadian manufacturers are developing name recognition and a reputation for quality and innovation in the U.S. In spite of the slow economic recovery, high fuel prices, and changing consumer tastes, the U.S. will provide a strong market over the long term.

The work boat market has experienced a slow return from recession times hampered by high cost of capital, high interest rates, and a sluggish recovery. But maintenance and marine engi-

neering contracts, along with marine accessories and products hold good prospects for the short and medium term.

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PLASTICS.

Officer: R. McNally
Tel.: (613) 993-7486

Plastics make up the largest category of materials used in the U.S. today as the application of new technologies continues to displace metals, glass, paper, wood, and other materials. Improved qualities such as high temperature resistance, high height-to-weight ratios, and chemical/corrosive resistance have helped to increase this dominant position.

Packaging industries continue to be the largest consumers of plastic materials, followed by transportation, electronics, construction, medical equipment, and sporting goods. Leading suppliers to the U.S. were Canada and East Asia which were tied at 25.2 per cent, followed by Japan at 18.8 per cent.

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SEMI-PROCESSED AND PROCESSED FOOD AND BEVERAGES.

Officer: P.Egyed
Tel.: (613) 991-9483

The U.S. is by far the most important export market for Canadian agri-food products in terms of both the volume and range of products sold. In 1990, the total value of sales at both the retail and foodservice levels reached \$410 billion and was expected to grow to \$440 billion by the end of 1991. The U.S. is a buyers' market with a growing retail demand for nutritious, convenient, and attractively packaged products. Foodservice offers the best opportunities for manufacturers.

Particularly promising opportunities lie in high-quality convenience foods (ready-to-eat entrées, microwaveable products, finger foods), ethnic food, prepared and specialty foods, and food products that conform to the U.S. consumers' desire for wholesome, environmentally-friendly and gourmet-style eating. The U.S./Canadian market for processed, value-added food products is growing at three times the rate for raw commodities.