

AGRICULTURAL TECHNOLOGY AND EQUIPMENT

This sector comprises manufacturers of tractors, implements and equipment designed for soil preparation, seeding, crop protection, harvesting, handling and storing, and primary processing of a wide range of agricultural crops.

Main Challenges

The main challenge is to expand Canada's position as a global leader in the development, production and marketing of tractors, hay and forage equipment and large-scale dry-land farming equipment.

Another challenge is to overcome non-tariff barriers, particularly with respect to the homologation of regulations in the European Union (EU) and the availability of globally competitive financial packages for exporting to developing markets.

Strategic Direction

The overall goal of the international strategy is to increase exports of farm machinery by 15 percent by 1999. To achieve this goal, government, with industry, will:

- work with the Coalition of Farm Machinery Associations in Canada to develop a matrix of all major product groups, listing individual Canadian manufacturers, and relate these groups to specific world markets for farm machinery (Department of Foreign Affairs and International Trade [DFAIT], Industry Canada [IC], associations);
- work through the National Sector Team for Agricultural Technology and Equipment (which includes the Coalition, IC, DFAIT, the provinces and companies) to develop a marketing approach for specific product groupings in foreign markets, addressing such issues as market access, tariffs, non-tariff barriers, financing and trade promotion (DFAIT, IC, provinces, associations);

- continue to pursue the United States as Canada's main market, particularly for companies new to international trade (DFAIT, IC);
- maintain the market development program for Canadian dry-land farming technology in Australia (DFAIT, IC, western provinces);
- continue market development for specialized cereal grain equipment in South America and South Africa (DFAIT, IC, associations);
- focus market development support to the entire northeast corridor of China on large-scale grain harvesting, storage and processing equipment (western provinces, western industry);
- encourage medium-sized to large Canadian companies that are experienced exporters to target the Commonwealth of Independent States (CIS) (especially Ukraine, Kazakhstan and Russia) and Central and Eastern Europe as prime development markets for Canadian dry-land farming technology (DFAIT, IC, industry);
- take advantage of the market opportunities for farm machinery in Mexico created by the North American Free Trade Agreement (NAFTA) through joint-venture marketing and manufacturing initiatives (DFAIT, IC);
- develop strategic alliances for investment and technology exchange and diffusion to exploit the opportunities presented by the changing market regime of the EU. Specific activities will focus on co-operation in productivity improvement and technology exchanges (IC, Sector Technology Centres);
- promote Canadian agricultural mechanization technology to foreign buyers at agricultural equipment trade shows (IC, International Trade Centres [ITCs], provinces);

- help associations and companies to overcome financing and marketing problems in new markets, particularly in developing countries (ITCs); and
- encourage manufacturers of special-crop equipment (such as potato equipment manufacturers in New Brunswick and Prince Edward Island, tobacco equipment manufacturers in Ontario, and orchard equipment manufacturers in British Columbia and Ontario) to increase marketing initiatives (individual visits, trade fairs and missions) to targeted regions and countries with sales growth potential (ITCs).

Contacts

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