

f) The Competition and Competitor Activity

The United States is the dominant supplier, with an estimated export market share of 50 per cent in 1978-79. That share will likely increase during the next few years, as will the competition from Japan and Germany. Australian manufacturers of process control equipment account for less than 10 per cent of sales. Their market share will likely be eroded during the next few years due to competition from multinational manufacturers who enjoy significant cost advantages from economies of scale in production.

New developments in the Australian market include a tendency for large contracts awarded by the Australian government to include a vast array of control instrumentation. The equipment can be produced by the same company elsewhere in the same country. That arrangement tends to favor those countries that possess a strong industrial capability in the subcontracted areas.

g) The Action Plan

Canadian programs to expose Australian opportunities to Canadian businessmen will help increase the market share for Canadian instrumentation products and systems. To reinforce Canadian credibility and maximize opportunities - bearing in mind that an advanced technology product combined with a reliable agent offering sound support service is as important in this market as price or credit terms - the following strategy has been arranged:

- i) An instrumentation mission visited the Australian International Engineering Exhibition (AIEE) in Melbourne in July 1981. The visit exposed Canadian exporters to both foreign and domestic competitors' wares and provided an opportunity to discuss agency arrangements. Visits to project sites to discuss opportunities for Canadian instrumentation were included;
- ii) Additional relevant industry and trade shows in Australia will be identified for the use of Canadian firms that may wish to participate;
- iii) Minimismissions to investigate prospects with on-spot visits to Australia end-users will be organized. Possibilities in specific sectors (such as power generation, oil and gas extraction and chemical projects) will be investigated;