

**SECTOR: Industrial Machinery, Environmental Equipment and Related Equipment**

**SUB-SECTOR: ENVIRONMENTAL PRODUCTS/SERVICES Officer: D. Marsan**

**U.S. Market Opportunities:** The present dollar value of Canadian exports to the U.S. in the environmental sector is approximately \$C \$300 million and there is the potential to substantially raise this figure over the course of the next few years. Growth rates and expenditures in the sector are expected to double and even triple in the next 15 years. The commitment and amount of spending by firms, government and state are closely linked, as the process is largely legislatively driven. Estimates for the environmental products/services industry in the United States indicate a total market size currently in excess of US \$100 billion annually. By 1995, this figure is expected to increase to U.S. \$200 billion because the overall environmental market is growing at a rate of 20 to 30% annually.

**Canadian Capabilities:** The Canadian environmental industry is composed of 4000 firms delivering a full complement of environmental goods and services. About 100 environmental and engineering consulting firms are active internationally and have the potential to sell science-based, knowledge-intensive products such as geographic information systems and remote sensing.

Environmental firms tend to be small and specialized. About 480 firms are active in waste disposal in Canada from garbage truck systems, to waste compactors, to sludge and toxic waste disposal. Over 1680 firms specialize in water treatment, from controls, to pumps/valves/fittings, filters for various systems for conditioning and treatment, ground water drilling and equipment. Another 1400 firms manufacture products for air and noise abatement and control products. A further 440 companies supply equipment or supplies used in environmental prevention and restoration activities.

**STRATEGY:** - Canadian Environmental companies will be encouraged to develop their U.S. market prospects through the promotion of strategic alliances with local prime contractors and the development of contacts with the various U.S. government agencies.

- The trade development program will build on gains achieved over the past few years in water and wastewater treatment and solid waste and will attempt to increase awareness of the service industry in engineering and environmental consultants.
- Access to relevant information on regulation and approval process, will be specifically addressed.
- Promote U.S investment and strategic alliances in the sector in order to attract high technology-based firms to Canada.