

product was a factor in the importer's decision to source outside the United States. Less frequently reported reasons were price and quality.

The survey of U.S. associations connected with the metalworking machinery and machine tool industry indicated that the Canadian industry is considered to be competitive with the U.S. industry with relationships between the two being very positive. In the event of a Free Trade Agreement, the associations believe that both industries will benefit, as Canadian exports into the U.S. market should increase and vice versa for U.S. exports.

Some market requirements have been identified during this study. Sources of supply are being sought for metal cutting and forming machines, machine parts, spindles, bellows (Numerical Control Items), slitters, coil-handling equipment, shafts, finishing and polishing equipment and milling deburring equipment. Information on companies desiring these goods is found in Appendix 1. Also, a list of those companies which are generally interested in knowing more about Canadian sources of supply of metalworking machinery and machine tools has been compiled in Appendix 2.

The Department of External Affairs recommends that Canadian firms should consult the Canadian Trade Commissioner located closest to each company being considered for contact prior to doing so in order to obtain advice, assistance and further company information. Canadian government contacts in Canada and the United States are provided in Appendix 10.