

- vi) lack of national standards in the Kingdom, which results in some regions, i.e. Qassim, adopting European three-phase power and gas-cooled, switch-gear, that are not manufactured in Canada;
- vii) distance from the market and difficulties in direct shipping.

On the advantage side, Canada produces to American standards. In the eastern region, this is particularly important and rules out much of the competition from Europe. In addition, there is usually a decided preference for Western goods and equipment. Western consultants are also more highly regarded, simply because in the minds of many Saudis, something Western, particularly American, represents the pinnacle of sophistication, quality and engineering excellence.

f) Competition

There is still competition from the U.S., Europe and the Far East. With the decision in some regions to adopt European standards, there has, as a direct result, been a market increase in European content. For reasons already well-elaborated in some regions, U.S.-produced equipment is favoured, since only U.S. standards are acceptable. This is particularly true in the Eastern Province, where the influence of ARAMCO is all-pervasive. The other major players to arrive on the scene are contractors and suppliers from the Far East, whose labour rates, ability to produce whatever is required, and to supply large numbers of trained technical personnel able and apparently willing to work in the Kingdom, even under the most difficult conditions, gives them decided advantages over Canadian manufacturing.

g) Action Plan

- i) Priority will be given to obtaining information on specific electrical contract opportunities. To this end, an electrical trade mission will be organized to Saudi Arabia and other surrounding countries to gather information and establish appropriate contacts.
- ii) A special three-month study will be undertaken by a company in the electrical field to examine export opportunities.