

It is also clear that Canadian firms need to take advantage of their technical competence by working together in consortia and by undertaking paradigm shifts toward the "disciplined" entrepreneur culture. The implications here are that more Pan-Canadian and international alliances are needed so as to be part of the emerging design build and limited recourse marketplace. In order to be viewed as credible, Canadian firms will also need to demonstrate that they understand the complexities of structuring deals and can work with others in upgrading marketing intelligence (getting in on bids earlier) and providing innovative solutions.

It should be noted that some Canadian firms are already involved in alliances and that certain pools of capital have emerged to address privatisation opportunities. Yet, there is room for improvement particularly in light of the fact that Canada is apparently perceived by host governments as having its best chance of success by being a niche player.

The future role of government in this context would be to work out how it might encourage Canadian firms to appoint a "prime contractor" on major projects, giving due consideration to marketplace dynamics (i.e., without unduly slowing the bidding process with the end client or adversely affecting the flexibility of other Canadian firms to join competing alliances). Some independent process might be established to identify which Canadian firms would have the best shot at a particular project, and the strategic support that is provided would carry certain obligations. The government could also improve the interface between private sector firms and the many agencies and departments that these firms have to deal with in order to address the capital projects marketplace.

Furthermore, consideration should be given to providing specific support for international alliances particularly where there may be the potential for on-going relationships, or where Canadian firms can take advantage of opportunities to further hone their technological edge or improve their marketing "reach".

Canadian firms also lack access to pools of capital for specific activities such as market development or equity participation or adding in-house project financing capabilities or maintaining their technology leadership. A vigorous joint industry-government effort could make this happen somewhat sooner.