



in Canada. Car and truck manufacturers in the United States depend on Canadian-made parts. These are manufactured in Canada because Canadian companies deliver superior quality at competitive costs.

While the United States imports new vehicles from Canada, many overseas customers are interested in Canada as a source for replacement parts, accessories, and service and repair equipment. Canadian aftermarket sales and services were valued at \$14.4 billion in 1996. Canadian firms specialize in garage, repair and diagnostic equipment. Canada also has an extensive tool-and-die sector.

Canadian manufacturers are essential to the highly successful North American automotive industry. Canada's expertise is widely understood and employed in the United States. Many other countries, including Japan, also appreciate that the Canadian automotive industry is a place to buy and a place to invest. Japanese automaker Toyota recently opened a new assembly plant in Canada, bringing its production capacity to 240 000 units/year. Honda, another Japanese automaker, is also expanding its production facilities in Canada, and will have an equivalent capacity.

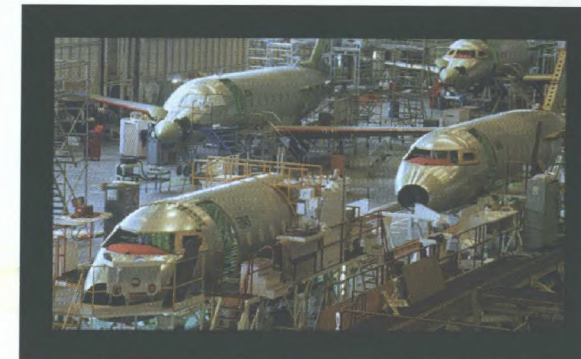
**AEROSPACE AND DEFENCE EQUIPMENT**

Around the world, Canada has earned a reputation for high-quality, innovative products and services in selected niche markets.

Television viewers everywhere have seen astronauts doing intricate manoeuvres outside their spacecraft with the famous Canadian-built robot arm, the *Canadarm*, built by Spar Aerospace Ltd. In the next few years, Canadian robotics initiatives such as the next generation Canadarm and the Special Purpose Dextrous Manipulator (SPDM) – nicknamed the "Canada Hand" – will be used to assemble and later maintain the International Space Station.

**CANADA'S AEROSPACE INDUSTRY RANKS FIFTH IN THE WORLD AMONG EXPORTERS OF AIRCRAFT AND AIRCRAFT COMPONENTS. WITH A GLOBAL REPUTATION FOR EXCELLENCE IN SERVICE, LEADING-EDGE TECHNOLOGY, AND THE HIGHEST QUALITY STANDARDS, THE AEROSPACE AND DEFENCE SECTORS HAVE GROWN TO AN ANNUAL \$11.5 BILLION INDUSTRY. OVER 70 PERCENT OF CANADA'S AEROSPACE PRODUCTION IS EXPORTED.**

Bombardier, the parent company of Canadair and de Havilland, is a major Canadian-controlled global aircraft manufacturer. It has the world's largest market share of deliveries and orders for 30-50 seat turboprops and jets. The company has achieved particular success with the 50-seat Canadair Regional Jet and the new, longer-range, enhanced version of the Challenger Business Jet, the Challenger 604. As well, a new high-speed 70-seat turboprop, the Dash 8 series 400 and a 70-seat version of the Canadair Regional Jet were launched in 1996 and 1997 respectively. The Global Express, a new long-range executive jet, is undergoing certification testing and will be available in 1997.



Bell Helicopter Textron, a Division of Textron Canada Ltd., is the first totally integrated helicopter manufacturing company in Canada and currently manufactures the 206B-III Jet Ranger, 206L-IV Long Ranger, 206L-IV(T) Twin Ranger and 407 light helicopters. Additional products are the 430 intermediate, and 212, 412EP, 412CF medium helicopters. In active development is the 427 twin-engine four-blade light helicopter. Situated in Mirabel, Quebec, this facility began operations in 1986, producing all Bell Helicopter Textron's commercial products for worldwide delivery. It enjoys and supplies a 60-percent market of world consumption of civil turbine-powered light to medium helicopters.

CAE Electronics Ltd. is the world leader in the design and production of commercial full flight simulators, and is a designer and manufacturer of military full flight simulators, power plant simulators, electronic control systems, and other computer-based systems for air-traffic management, space exploration, marine applications, and electric power generation and transmission.

Three Canadian firms build world-class commercial aircraft landing gear systems. They are Messier-Dowty Inc. (Ajax, Ontario and Mirabel, Quebec), Menasco Aerospace, Division of Coltec Aerospace Canada, Ltd. (Oakville, Ontario) and Héroux Inc. (Longueuil, Quebec). These three firms have captured over 50 percent of the world market for commercial sized landing gear (estimated at \$1.4 billion in 1996).

