

Australian content requirements make joint-venture or licensing agreements the accepted way of doing business, if market volume or long-term supply objectives are to be realized.

Since Telecom Australia occupies a monopoly position in Australian telecommunications services, its procurement policies have had a significant influence on the volume and nature of Australia's imports of communications equipment. As was noted earlier, however, that situation may be altered somewhat as a result of the Australian government's inquiry into Telecom's operations. Private sector consortia in Australia have already indicated their readiness to provide many of the services that, until now, have been the exclusive preserve of Telecom. The establishment of an interim body to make interconnection standards decisions while the inquiry is in progress might also offer some tangible opportunities for Canadian manufacturers.

f) The Competition and Competitor Activity

Australia counts among its telecommunications equipment manufacturers the subsidiaries of such internationally recognized companies as Philips, Standard Telephone and Cables, Plessey, Siemens and L.M. Ericsson, as well as a homegrown firm of some standing (Amalgamated Wireless of Australia). Because of Telecom Australia's apparent preference for established companies and the Australian government's policies on preference for Australian goods, it seems advisable for serious Canadian manufacturers to consider joint-venture or licensing arrangements as a means of breaking into this Australian market.

Regarding the DOMSAT, the competition on the spacecraft is expected to come from Ford Aerospace, Satcom International and, perhaps, Thomson-CSF. The competition on the capital city earth stations could come from Hughes (together with Amalgamated Wireless of Australia), Nippon Electric Company, Thomson-CSF, General Telephone and Electrics, and Standard Telephone and Cables. The bids to the Department of Transport are thought to have come from Hughes (again with Amalgamated Wireless), Nippon Electric, Thomson-CSF, and Standard Telephone and Cables, as well as from the Canadian companies mentioned previously. For the Telecom portion of DOMSAT, Ericsson with Amalgamated Wireless, Nippon Electrics and Thomson-CSF may compete against the Canadians. On direct-to-home broadcast terminals, it appears that Japanese companies such as Nippon Electric, Fujitsu, and Sanyo will emerge as the major competitors.