In the medium term, it will bring the European sector more competitive not only on its market, where they already have a technology adapted to their needs, but also on the international market. They will compete with anyone in the world including their biggest competitor: the USA, for third market countries such as: USSR, China, Indonesia, Pakistan, India, etc.

As an example of this, we can mention the French oil and gas equipment sector that is selling for 500 millions in its interior market and 7 billions in third countries. We can see that the European sector is, in general, already well aware of the third market and is putting a lot of efforts in order to get larger share of this huge market.

- Other reasons why they are orienting their efforts on third countries are:

  1- The very slow growth of their market. We already have noticed that the European market is a mature one and that we should not expect a major increase even if we look at the long term (see graph 8 for world reserves).

  2- The new events happening in Eastern Europe. With the falling of the barriers between Western and Eastern Europe, Western European companies are well positioned to gain a share of this potential market.

- **What will be the impact of these modifications in the Community on the Canadian sector?**

We already have shown that the trading between these two entities is very low. So, we can say that the direct impact will be quite minimal. Even though the European firms will be more competitive, it is unlikely that they would try to import in Canada since the transport costs are so high. One of the direct effect in the long run would be that Euro-