

URBAN TRANSIT AND RAIL EQUIPMENT

The Indian Railway system is the world's second largest system under single management. There are over 300 companies, mostly private, which manufacture a range of railway equipment and components. Indian Railway imports only certain components for its diesel and electric locomotives, sophisticated signalling and telecom equipment, and certain components either not manufactured or in short supply in India.

Another aspect to India's transportation infrastructure is its highway network which measures 33,689 km. Given its pressing need to improve and expand its highways and concurrent budgetary restrictions, the Government of India has amended the National Highways Act to allow for privately operated toll roads. The Indian Government is looking to the private sector to undertake the construction and operation of badly needed bridges and express ways.

Market Opportunities

The increased emphasis which Indian Railways has placed on gauge conversion will provide a good opportunity for future sales of Canadian rails. Canadian companies could also participate in Indian Railway's plans to upgrade stock, install modern communications systems and advanced-signalling and interlocking systems, improve multi modal traffic with large scale containerization, and develop associated rail, road and port infrastructures.

There are opportunities for Canadian companies in the planning, construction, operation and maintenance of the Indian

highway network, and in industrial co-operation for road maintenance and ancillary equipment. Most projects have been financed by the World Bank, and the Asian Development Bank although the Government of India is beginning to give this sector more funding.

Supplier Capability

The Canadian urban transit and rail sector is comprised of a small number of major assemblers and approximately 250 component suppliers. In 1994, the industry shipped approximately Cdn \$2.2 billion worth of goods, accounting for 1.0 percent of Canadian end-product exports in 1994.