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IMPORT ANALYSIS

Market Research Support

PACKAGED EXPLOSIVES AND ACCESSORIES

JANUARY TO DECEMBER 1986

Pub. No.: 88002-PM April 1988



Government
of Canada

Regional Industrial
Expansion

Gouvernement
du Canada

Expansion industrielle
régionale

Canada

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PACKAGED EXPLOSIVES AND ACCESSORIES

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EXPLANATORY NOTES

Method

The data shown in this analysis is extracted from Revenue Canada Customs documents. These documents provide a description of the products, names of importers, exporters, quantities, dollar values, unit prices, countries of origin, provinces of entry, tariff applications and rates of exchange.

The information presented in this report is more detailed than that generally available from Statistics Canada or other publications. Data which might reveal information about individual importers is aggregated.

Valuation

Dollar values shown in this report are based on selling price F.O.B. plant, in Canadian dollars. This selling price represents the value paid by the importer, excluding all freight, packing and insurance costs when specified. All trade discounts, when applicable, are also deducted from the selling price.

Rounding

Figures may not add due to rounding.

REFERENCE SOURCES

Department of Regional Industrial Expansion
Statistics Canada
Revenue Canada

FOR MORE INFORMATION PLEASE CONTACT:

Market Information and Analysis Division
Market Development Branch
Department of Regional Industrial Expansion
235 Queen Street
Ottawa, Ontario
K1A 0H5
Tel: (613) 954-4970

OR

Petroleum & Industrial Chemicals
Division
Chemicals and Investments Directorate
Department of Regional Industrial
Expansion
235 Queen Street
Ottawa, Ontario
K1A 0H5
Tel: (613) 954-3072

OR

The nearest DRIE Regional Office.
These offices are listed on the last
page of this publication.

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IMPORT ANALYSIS

PACKAGED EXPLOSIVES AND ACCESSORIES

I. INTRODUCTION AND SCOPE

This Import Analysis is one of a series prepared in order to assist businesses and other organizations in their market research of specific products. The detailed import information provided in these reports supports studies by organizations seeking to expand existing production lines, change individual product characteristics or engage in new manufacturing investment in Canada. The coverage of an import analysis is developed in close consultation with the client, and is tailored to meet those specific requirements. It is important to emphasize that this report does not attempt any assessment as to the feasibility of competing in a particular market.

This analysis of imports of packaged explosives and accessories is based on a detailed examination of Revenue Canada Customs import documents for the period January to December 1986. The following Canadian International Trade Classification (C.I.T.C.) import commodity codes were analysed:

- 415-69-19 Propellant powders, not elsewhere specified
- 415-69-61 Nitroglycerin/prepared explosive/
- 415-69-69 Prepared explosives, not elsewhere specified (other than powders)
- 415-69-79 Blasting agents, not elsewhere specified

II. ANALYSIS OF IMPORTS

Imports of packaged explosives and accessories as shown in this report during the period January to December, 1986, were valued at \$6.8 million.

Blasting explosives accounted for \$4.3 million or 63 per cent of the total value of imports. These were divided into three categories; types A, B and E. Type A imports were valued at nearly 4 times higher than the other two combined. Detonating accessories including cord, detonators (electric and non-electric), non-electric detonator assemblies and fuzes were valued at \$911 000 or 13 per cent of the total value.

For all three types of blasting explosives, prices ranged from a low of \$.15 per pound, to a high of \$2.14 per pound, with an average of \$.52 per pound.

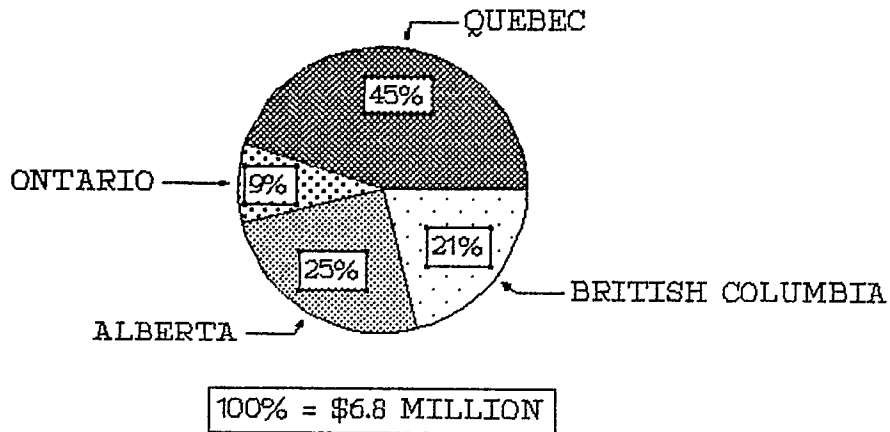
All imports originated in the United States. Additional information on types and price ranges is included in Appendices A and B.

SUMMARY OF IMPORTS - PACKAGED EXPLOSIVES AND ACCESSORIES
JANUARY TO DECEMBER 1986

	<u>Value</u> (\$000)	<u>Percentage of</u> <u>Total Value</u> (%)
Boosters	251	3.7
Detonating Accessories:		
Cord	207	3.0
Other	<u>704</u>	<u>10.4</u>
Total-Detonating Accessories	911	13.4
Blasting Explosives:		
Type A	3 373	50.0
Type B	539	8.0
Type E	<u>359</u>	<u>5.3</u>
Total-Blasting Explosives	4 271	63.3
Powder	789	11.7
Not Known	<u>532</u>	<u>7.9</u>
TOTAL	6 754	100.0

Québec was the major province to which imports of packaged explosives and accessories were consigned, accounting for \$3.0 million or 45 per cent of the total dollar value. Alberta followed with \$1.7 million or 25 per cent. For further details refer to Appendix C.

PROVINCE OF CONSIGNEE



There were 21 known consignees/importers of packaged explosives and accessories during 1986. The principal 10 consignees/importers accounted for \$6.6 million or 97 per cent of the total dollar value of imports.

All consignees/importers are listed in alphabetical order in Appendix D.

IMPORTS OF PACKAGED EXPLOSIVES AND ACCESSORIES
IMPORT MARKET CONCENTRATION
JANUARY TO DECEMBER 1986

<u>Principal Consignees/Importers</u>	<u>Cumulative Value (\$000)</u>	<u>Cumulative % of Total Value (%)</u>
3	4 190	62
6	5 832	86
10	6 558	97
All Consignees/ Importers (21)	6 754	100

III. CANADIAN PRODUCTION

Packaged explosives and accessories are presently manufactured in Canada. However, Statistics Canada does not provide separate data on these shipments. They are included in a category described as prepared explosives and blasting agents. The total shipment values for 1985, the latest available figures, amounted to \$175 million.

IV. MARKET SUMMARY

It is expected that the level of imports of packaged explosives and accessories will increase when, under the Canada-U.S. Free Trade Agreement, the Canadian tariffs on propellants (10 per cent) and prepared explosives (12.5 per cent) would be eliminated.

While there has been a general feeling that imports have been increasing and have depressed the whole domestic market price structure, the actual level of imports was not known with any certainty. The four classifications that include packaged explosives and accessories showed total imports of \$13.1 million in 1986. This analysis identifies \$6.8 million of the \$13.1 million total as being packaged explosives and accessories.

It is not possible to estimate the percentage share of the domestic market captured by imports. Export statistics are not available and the only figures published for shipments are for "prepared explosives and blasting agents" (\$175 million in 1985) which include more than packaged explosives and accessories.

IMPORTS OF PACKAGED EXPLOSIVES AND ACCESSORIES
BY PRODUCT DESCRIPTION, TYPE AND U.N. NUMBER
JANUARY TO DECEMBER 1986

<u>Product Description</u>	<u>U.N. Number(**)</u>	<u>II(**)</u>	<u>III(**)</u>	<u>Quantity</u>			<u>Value (\$000)</u>	<u>% of Total Value</u>
				<u>Lbs. (000)</u>	<u>Kilograms (000)</u>	<u>Number (000)</u>		
Boosters	0042	1.1D	ZZ	-	-	197	251	3.7
Detonating Accessories:								
Cord, Detonating	0065	1.1D	ZZ	-	-	-	207	3.1
Detonators:								
Electric	0360	1.1B	ZZ)					
Non-electric	0030	1.1B	ZZ)					
Assemblies:)*	-	-	277	704	10.4
Non-electric	0029	1.1B	ZZ)					
Fuzes	0367	-	-)					
Blasting Explosives:								
Type A	0081	1.1D	ZZ	4 112	1 865	-	3 373	50.0
Type B	0082	1.1D	ZZ)					
	0331	1.5D	ZZ)*	1 795	814	-	539	8.0
Type E	0241	1.1D	ZZ	421	191	-	276	4.1
Type E	0332	1.5D	ZZ	280	127	-	83	1.2
Powder:								
Black	0027	1.1D	ZZ)					
Smokeless	0160	1.1C	-)*	171	78	-	789	11.7
Smokeless	0161	1.3C	ZZ)					
Not Known	-	-	-	-	-	-	532	7.9
GRAND TOTAL							6 754	100.0

** U.N. Number (or product identification number (Pin))
 II Classification code (Hazard division and compatibility group)
 III Quantity - Distance Category
 * Aggregated in order to preserve confidentiality of Canadian importers.

IMPORTS OF PACKAGED EXPLOSIVES AND ACCESSORIES
BY TYPE AND UNIT PRICE
JANUARY TO DECEMBER 1986

<u>Type</u>	<u>U.N. Number(A)</u>	<u>QUANTITY</u>			<u>Value (\$000)</u>	<u>UNIT PRICE</u>		<u>Average Unit Price (\$)</u>
		<u>Lbs. (000)</u>	<u>Kilograms (000)</u>	<u>Number (000)</u>		<u>Low (\$)</u>	<u>High (\$)</u>	
Boosters	0042	-	-	197	251	.19	28.02	1.27
Detonating Accessories:								
Cord, Detonating	0065	-	-	-	207	-	-	-
Detonators:								
Electric	0360)							
Non-Electric	0030)							
Assemblies: Non-Electric	0029)							
Fuzes	0367)							
Explosives, Blasting:								
Type A	0081	4 112	1 865	-	3 373	.41/1b	2.14/1b	.82/1b
Type B	0082) 0331)*	1 795	814	-	539	.15/1b	.63/1b	.30/1b
Type E	0241 0332	421 280	191 127	- -	276 83	.27/1b .15/1b	1.22/1b .75/1b	.66/1b .30/1b
Powder:								
Black Smokeless	0027) 0160)*	171	78	-	789	2.72/1b	7.84/1b	4.61/1b
Smokeless	0161)							
Not Known		-	-	-	532	-	-	-
GRAND TOTAL					6 754			

(A) U.N. Number or Product Identification Number (Pin)

* Aggregated in order to preserve confidentiality of Canadian importers.

IMPORTS OF PACKAGED EXPLOSIVES AND ACCESSORIES - BY PROVINCE OF CONSIGNEE
JANUARY TO DECEMBER 1986

	<u>Value</u> <u>(\$000)</u>	<u>% of Total</u> <u>Value</u>
Québec	3 036	45
Alberta	1 668	25
British Columbia	1 417	21
Ontario	<u>631</u>	<u>9</u>
	6 754	100

CANADIAN IMPORTERS

Consignees/importers of packaged explosives and accessories during the period January to December 1986, as indicated in this report, are listed below in alphabetical order. Where the importer is not the same as the consignee, (i.e. the recipient of the goods shipped), the name of the consignee rather than that of the importer is listed. The importer or consignee is not necessarily the end-user of the product.

NOTE: This list includes all importers except individuals.

<u>Name</u>	<u>Address</u>
Ace Explosives Limited	Rockyfort, Alta.
Boyes Explosives Limited	Fenwick, Ont.
C.I.L. Incorporated	McMaster, Qué.
CXA Limited	Brownsburg, Qué.
Canadian Arsenals Limited	Ville de la Gardeur, Qué.
Canadian Perforators Limited	Red Deer, Alta.
	Calgary, Alta.
Canadian Powder Company Limited	Comox, B.C.
Canex Explosives Incorporated	Mercies, Qué.
	St-Jean, Qué.
	Ormstown, Qué.
City of Windsor Police Department	Windsor, Ont.
Continental Explosives Limited	Richmond, B.C.
Domtar Construction Materials Limited	Caledonia, Ont.
Dupont Canada Incorporated	North Bay, Ont.
Explosives Limited	Edmonton, Alta.
	Calgary, Alta.
Expro Chemical Products Incorporated	Valleyfield, Qué.
IVI Incorporated	Cte Portneuf, Qué.
Ireco of Canada Incorporated	Pointe Claire, Qué.
Irwin Industries Canada Limited	Fort Erie, Ont.
Limpact Industries Limited	Cobourg, Ont.
Nordex Explosives Limited	Kirkland Lake, Ont.
Prime Explosives Limited	Calgary, Alta.
Titanium Film Productions Incorporated	Montréal, Qué.

FOREIGN EXPORTERS TO CANADA

There were a total of 22 exporters to Canada of packaged explosives and accessories during 1986. The nine largest are listed below in descending order of dollar value. These exporters accounted for \$6.4 millions or 94 per cent of the value of imports analysed.

<u>Name</u>	<u>Address</u>		<u>Value of Imports</u> (\$000)
Ireco Incorporated	Salt Lake City, UT	United States	3 465
Hercules Trading Corporation	Wilmington, DA Radford, VI	United States) United States)	777
Southwestern Explosives E.I. Dupont De Nemours & Company Incorporated Finishes & Fabricated Products Department	Puyallup, WA Wilmington, DA	United States)))*) United States))	863
Roundup Powder Company Thermex Energy Corporation	Miles City, MA Columbus, KA	United States) United States)*	656
Austin Powder Company	Roseburg, OR McArthur, OH	United States) United States)	236
Oriard Powder Company Independent Explosives Company of Pennsylvania	Deer Park, WA Scranton, PN	United States))*) United States)	359

* Aggregated in order to preserve confidentiality of Canadian importers.

CANADIAN SUPPLIERS

The following lists are taken from two sources: a) the Business Opportunities Sourcing System (BOSS), a computerized data bank established by the federal Department of Regional Industrial Expansion (DRIE) and b) the Canadian Trade Index, published by the Canadian Manufacturers' Association (CMA). These lists may not include all suppliers of the products in question, as companies must themselves register in BOSS or the Canadian Trade Index. In both cases, information of Canadian products supplied is as given by the companies.

BOSS

Canadian companies are arranged in alphabetical order within the following Canadian International Trade Classification (C.I.T.C.) commodity codes.

465-69-19 Propellant Powders, Not Elsewhere Specified

<u>Name</u>	<u>Address</u>
* C.I.L. Limited Nordex Explosives Limited	North York, Ont. Kirkland Lake, Ont.

415-69-61 Nitroglycerin/Prepared Explosive

* C.I.L. Limited	North York, Ont.
------------------	------------------

415-69-69 Prepared Explosives, Not Elsewhere Specified,
(Other than Powders)

* C.I.L. Limited	North York, Ont.
Explosives Limited	Calgary, Alta.
Ireco Canada II Incorporated	Pointe-Claire, Qué.
Les Explosifs Canex Explosives Incorporated	Brossard, Qué.
Nordex Explosives Limited	Kirkland Lake, Ont.

* Company engaged in export trade

Any enquiries and/or comments regarding the BOSS list should be directed to:

Business Opportunities Sourcing System (ABOS)
Department of Regional Industrial Expansion
235 Queen Street
Ottawa, Ontario K1A 0H5
Tel: (613) 954-5031 - Telex: 053-4123

CANADIAN TRADE INDEX

Canadian companies are arranged in alphabetical order.

Explosives

<u>Name</u>	<u>Address</u>
* C.I.L. Inc. Canadian Arsenals Limited	North York, Ont. Montréal, Qué.
* Du Pont Canada Inc.	Mississauga, Ont.
* Expro Chemical Products Inc.	Valleyfield, Qué.
* Meagher's Blasting Mats	Belleville, Ont.

* Indicates firms engaged in export trade

Any enquiries and/or comments regarding the Canadian Trade Index list should be directed to:

The Canadian Manufacturers' Association
One Yonge Street
Toronto, Ontario M5E 1J9
Tel: (416) 363-7261 - Telex: 065-24693

CANADIAN AND FOREIGN TARIFFS

Packaged explosives and accessories included in this analysis were dutiable under the following most commonly applied tariff items.

Tariff Item	Description		Tariff Treatment				
			British Preferential Tariff %	Most Favoured Nation Tariff %	General Tariff %	General Preferential Tariff %	U.K. and Ireland %
93601-1	Propellent powders	1986	5	10	20	5	10
		1987	5	10	20	5	10
93601-2	Black powder for use in the manufacture of safety fuse	1986	Free	Free	20	Free	Free
		1987	Free	Free	20	Free	Free
93602-1	Prepared explosives other than propellent powders	1986	7.5	12.5	25	7.5	12.5
		1987	7.5	12.5	25	7.5	12.5

Tariff Arrangements and Foreign Countries of Export:

Exporting country which qualifies for the Most Favoured Nation tariff treatment:
United States

Enquiries concerning tariffs should be directed to the nearest Customs and Excise office or to:

TARIFF PROGRAMS
REVENUE CANADA
CUSTOMS AND EXCISE
OTTAWA, ONTARIO
K1A 0L5
TEL: (613) 954-6908

Foreign Countries

Enquiries concerning tariffs and other government trade regulations in foreign countries should be directed to:

INFO EXPORT
EXTERNAL AFFAIRS
OTTAWA, ONTARIO
K1A 0G2
TEL: (613) 993-6435 OR 1-800-267-8376

DRIE REGIONAL OFFICES

Newfoundland

P.O. Box 8950
Parsons Building
90 O'Leary Avenue
St. John's, Newfoundland
A1B 3R9
Tel: (709) 772-4884

Prince Edward Island

P.O. Box 1115
Confederation Court Mall
134 Kent Street, Suite 400
Charlottetown, Prince Edward Island
C1A 7M8
Tel: (902) 566-7400

Nova Scotia

P.O. Box 940, Station M
1496 Lower Water Street
Halifax, Nova Scotia
B3J 2V9
Tel: (902) 426-2018

New Brunswick

P.O. Box 1210
Assumption Place
770 Main Street
Moncton, New Brunswick
E1C 8P9
Tel: (506) 857-6400

Québec

P.O. Box 247
Tour de la Bourse
800, Place Victoria, Suite 3800
Montréal, Québec
H4Z 1E8
Tel: (514) 283-8185

Ontario

4th Floor
Dominion Public Building
1 Front Street West
Toronto, Ontario
M5J 1A4
Tel: (416) 973-5000

Manitoba

P.O. Box 981
330 Portage Avenue
Room 608
Winnipeg, Manitoba
R3C 2V2
Tel: (204) 983-4090

Saskatchewan

Canada Building
6th Floor, 105-21st Street East
Saskatoon, Saskatchewan
S7K 0B3
Tel: (306) 975-4400

Alberta

Cornerpoint Building
10179 - 105th Street, Suite 505
Edmonton, Alberta
T5J 3S3
Tel: (403) 420-2944

British Columbia

P.O. Box 49178
Bentall Postal Station
Bentall Tower IV
1101 - 1055 Dunsmuir Street
Vancouver, British Columbia
V7X 1K8
Tel: (604) 666-0434

Yukon

Suite 301
108 Lambert Street
Whitehorse, Yukon
Y1A 1Z2
Tel: (403) 668-4655

Northwest Territories

P.O. Bag 6100
Precambrian Building
Yellowknife, Northwest Territories
X1A 1C0
Tel: (403) 920-8571

