The following brief analysis of the Australian market is broken down into four categories widely recognized throughout the industry.

a) SPACE INDUSTRY

Only 5-20 percent of remote sensing activities in Australia are attributed to the space sector. The space industry is dominated by international aerospace companies and Australian involvement has been limited, the one notable exception being the Along Track Scanning Radiometer (ATSR) sensor development for ERS-1. The ASO is actively encouraging development of a competitive space industry to combat Australia's position as a substantial net importer of space hardware, software and services. Factors contributing to Australia's limited capability include a small domestic market, high venture capital costs and insufficient qualified personnel. Contrary to the previous statement, however, potential opportunities for Canadian collaboration exist in this area, specifically from research and development generated in Australia. Organizations such as the CSIRO, together with Australian companies possessing good engineering and design capabilities would be receptive to a Canadian commercial partner as the latter are viewed as being of more appropriate size than other, larger foreign firms.

b) AIRBORNE MANUFACTURING SEGMENT

Australia has achieved reasonable success in the design and production of scanners and sensors. Research and development by the CSIRO and the Defence Research Establishment in conjunction with companies such as Geoscan and BHP have resulted in marketable products. Once again, should a Canadian firm be interested in joint development activities there are opportunities to participate, as Australia continues to seek international collaboration. Estimated earnings in the airborne and space manufacturing sector for the near future in Australia are $A5-10 million.

c) GROUND RECEPTION FACILITIES

Australia has some expertise in the design and development of low cost data reception facilities. At the opposite end of the scale, one of the leading Canadian manufacturers of large receiving stations was the prime contractor in supplying the LANDSAT ground station system in Australia in 1979. A substantial upgrade was completed in 1988. Development of links between the ACRES (Australian Centre for Remote Sensing) reception facilities at Alice Springs and the Canberra processing facility and onto the end user for data transfer is cited as a potential opportunity, among other smaller contracts.

d) IMAGE PROCESSING AND ANALYSIS SYSTEMS

As indicated earlier in this report, Australia's economic dependence on natural resources, especially minerals, has led to a particularly strong capability in this area of remote sensing. A large number of commercial image processing systems and software packages have been developed by Australian companies; however, a few Canadian systems have also gained acceptance. This is an extremely competitive segment of the industry and applications-driven systems tailored to particular organisations are envisaged for the near future.