



The impact of US export controls on the Canadian space industry

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Abstract

The International Traffic in Arms Regulations (ITAR) govern the export of defense-related technologies and services from the USA. In 1999 Canada's exemption to ITAR was suspended because of American objections over some Canadian companies retransferring US technology to third countries. This paper is a first attempt to quantify the impact of ITAR on the Canadian space industry. Thirty-two space-related companies were contacted and a total of nine responses were received, representative of around 60% of the Canadian space industry in terms of workforce and revenue. According to the results, the Canadian space industry has been relatively effective in meeting the challenges imposed by ITAR. However, these workarounds do not diminish its negative impacts, particularly with respect to cost and schedule. It is expected that ITAR will continue to affect the Canadian space industry, as no near-term relief from the current regulatory environment is on the horizon.

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