

DEFENCE, SECURITY & AEROSPACE



Defence, Security and Aerospace is the fifth-largest subsector in Kanata North by employment. The subsector typically provides specialized products and systems. However, those in Kanata are large by the standards of the global market, with well-known Canadian and international multinational companies represented in this subsector. It has a significant proportion of foreign-owned firms, representing 68% of total sector revenues.

EXPORT RATIO

The export ratio of this subsector is conservatively estimated at 50%. With the federal government, located in Ottawa, as a primary customer, the true export ratio is likely much higher. However, the estimate of 50% is more truly representative of the economic impact as these sales dollars stay in the region.

PRODUCTIVITY

Productivity by sales-per-employee is \$410,000 based on \$569.8 million total revenues to the sector with 1,391 workers. This is larger than average reflecting the number of comparatively larger firms in this sector.

EMPLOYMENT

Wages and salaries are equivalent to 50% of revenues in 2018. There is a high proportion of software and research and development, which is not capital intensive. About 80% of the jobs are at the professional level.

LOCAL/REGIONAL SPENDING

EBITDA is at about 20% and cost of materials (and other expenses) at 30%. The majority of the purchased inputs come from outside Canada.

2018

2015

Change since 2015

REVENUES

\$569 MILLION

\$566 MILLION

+8%

REVENUE/EMPLOYEE

\$409,609

\$397,517

+12%

OF EMPLOYEES

1,391

1,425

-2%

OF FIRMS

23

23

SAME

EXPORT RATIO

50%