

DEFENCE, SECURITY AND AEROSPACE



As the third largest by total employment and fifth largest by revenues, the defence, security and aerospace subsector is represented by some of Canada's most well-known firms in the field. It typically provides specialized products and systems, but relatively large ones by the standards of the global market.

Companies in this subsector work in the following areas:

- Solutions: Infrastructure security, custom data security, software security research and development, custom software security, police security software, security management systems integration, encryption and email security
- Systems and subsystems: Defence electronics, sensor systems, military vehicles, surveillance systems, dynamic systems, electronic systems, authentication products, space systems, public safety systems
- Services: Network security, aircraft component overhaul, engineering support, safety evaluation, simulation

PRODUCTIVITY

Based on the research, the total revenues to the sector are \$566.5 million with 1,425 workers. The estimated productivity by sales per employee is \$398,000. This is higher than Kanata North's average, and therefore significantly higher than the Canadian average, reflecting the large size of the companies based here.

EMPLOYMENT

Wages and salaries are equivalent to approximately 60% of total revenues. This reflects the high proportion of software and R&D undertaken in the subsector in Kanata North, which is not capital-intensive. About 80% of the jobs are at the professional level, with 15% at the technical level.

LOCAL/REGIONAL SPENDING

EBITDA is approximately 25%, with 10% general and administrative costs while the cost of materials and other expenses is 5%. The purchased inputs usually come from outside Canada.

1,425

NUMBER OF WORKERS

\$566.5m

REVENUES

\$398k

**PRODUCTIVITY BASED
ON SALES-PER-EMPLOYEE**

60%

EXPORT RATIO

