



Summary: Evolving Strategy for Canada's Capital Region – A National Defence Innovation Hub Serving Our Country, Forces and Allies

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Purpose

This document is a blueprint for action, a five-year (2025–2030) living strategy to position Canada's Capital Region as the nation's premier Defence Innovation Hub. It charts the priorities, investments, and partnerships required to mobilize Ottawa–Gatineau's full strength as a region where industry, academia, government, investors, and researchers already work together to solve some of Canada's most complex challenges.

Built on a foundation of unique strengths, expertise, and infrastructure that cannot be replicated anywhere else in the country, our G7 capital can deliver disproportionate national and economic impact for the residents of Ottawa-Gatineau, our Forces and Allies, the Government of Canada and all Canadians. It will take disproportionate investment to achieve it.

This strategy provides a clear roadmap for how we will act together and strive to unlock \$3 billion in public and private investment for the region over the next five years. Every dollar invested is projected to generate two to three times in total economic output and attract up to double in private and allied capital. The result: more homegrown innovation, commercialization, sovereign capabilities, high-value jobs, investment, and global market growth across defence and dual-use sectors.

Informed by more than 265 stakeholder consultations and community engagements held across Ottawa–Gatineau between May and October 2025, and shaped by targeted research, international case studies, and global best practices, this strategy represents a new era of collaboration, shared vision and purpose. It reflects the collective ambition of leaders across every sector to advance our Forces, strengthen sovereignty, and power Canada's competitiveness in an increasingly complex global landscape.

This work builds on:

- The extensive initiatives already underway across our ecosystem; and
- The unprecedented collaboration demonstrated through our unified regional pre-budget submission and our joint response to DRDC's Defence Innovation Secure Hub (DISH) RFI, both proof of what is possible when we move forward as one.

This is an evergreen strategy: adaptive, agile, and continually evolving. Early wins already in hand include:



- A growing pipeline of homegrown defence, aerospace, security, and dual-use startups and scaleups generating revenue, attracting customers, and creating jobs;
- Global companies landing, expanding, and investing in Canada's Capital Region, deepening our local expertise and global reach;
- The continued evolution of programs, partnerships, and specialized infrastructure at Area X.O, including a new standing offer with the Government of Canada that enables targeted sole-source procurement opportunities;
- New academic-industry collaborations driving defence research, innovation, and training across post-secondary institutions;
- The launch of Canada's first Defence Investor Network, established by ONE9 and The Icebreaker, engaging Invest Ottawa.

Together, we are building an enduring foundation for Canada's security, innovation, and shared prosperity, ensuring that Ottawa–Gatineau leads with purpose, delivers with impact, strengthens our economy, and helps protect our nation.

Ottawa-Gatineau can achieve this impact, but it will take ambition, collaboration, and investment at scale to get there. This blueprint marks a first collective step: an evergreen action plan we will continually refine and strengthen with, and for, our community.

With deep appreciation, we gratefully acknowledge the invaluable leadership, collaboration, and contributions of our:

- Civic partners: the City of Ottawa and Ville de Gatineau
- Homegrown innovators, founders, entrepreneurs, startups, scaleups, SMEs, and anchors who advance sovereign capabilities and IP every day
- Multinationals and soft-landed firms that continue to expand and invest in our region
- Post-secondary institutions including Algonquin College, Carleton University, Cégep Héritage College, Collège La Cité, College Universel, the University of Ottawa, Université du Québec en Outaouais, and Willis College that drive the research, innovation, and talent powering our economy
- Federal and allied partners including DND, DRDC, RCMP, ISED, Transport Canada, Global Affairs, and FedDev Ontario
- Investors including ONE9, BDC, EDC, Calian Ventures, Capital Angel Network, Celtic House, Mistral Ventures, and Wesley Clover; and
- Economic development partners and champions including the Ottawa Board of Trade, Kanata North Business Association, and Ottawa Tourism.



To every founder, researcher, student, veteran, policymaker, diplomat, investor, and community builder who contributed: thank you for co-creating this collective blueprint for action and impact.

Why Now?

Across the world, the strategic landscape is shifting. Geopolitical tension, hybrid warfare, cyber threats, and fragile supply chains are redefining what sovereignty and security mean. Democracies and allies are mobilizing around defence innovation, resilience, and sovereign capability with a premium on dual-use technologies in AI, autonomy, quantum, cyber, and secure communications.

Canada's Capital Region must answer this moment. It represents a once-in-a-generation opportunity and a profound responsibility.

Under Prime Minister Carney's leadership, Canada is striving to become the strongest economy in the G7, committing 2% of GDP to defence investment this year and 5% by 2035 to maintain its standing within the NATO Alliance and strengthen national sovereignty.

For Ottawa–Gatineau, this is a defining economic moment. As federal budget reductions threaten up to 24 percent of public-sector operating jobs — with more than 25,000 already lost — our region stands at a crossroads. This strategy turns challenge into opportunity: to ignite private-sector innovation, attract investment, and create the high-value jobs of the future across defence, aerospace, security, and dual-use technologies. Together, these industries will strengthen our economy, revitalize our downtown core, and position Canada's Capital Region as a model of national renewal and resilience.

This defining moment for Ottawa–Gatineau is set against a rapidly evolving global and national landscape marked by:

- **Geopolitical and Economic Shifts:** Global instability, tariffs and trade war, economic uncertainty, defence realignment, and technology races are redefining security priorities. Canada's allies are scaling sovereign industrial capacity and dual-use innovation, and Canada must do the same.
- **AI and Technology Transformation:** Artificial intelligence, quantum computing, semiconductors, and autonomy are driving global competitiveness. Ottawa–Gatineau can lead in responsible, mission-ready innovation that strengthens both national security and economic resilience while creating high-quality future-proof jobs.
- **Allied Partnerships:** With deepening NATO DIANA integration, growing transatlantic collaborations, and expanding ties with allied nations, Canada's Capital Region is emerging as a preferred North American landing point for defence and aerospace talent, companies and investment.
- **A Flywheel for Export and Global Competitiveness:** Ottawa–Gatineau is poised to help Canada meet its goal of doubling non-U.S. exports by 2035 and generating more than \$300 billion in new



global trade. Worldwide demand for next-generation defence and dual-use technologies, such as drones, robotics, AI, and secure communications, is projected to exceed US \$350 billion by 2030, creating enormous potential for Ottawa-Gatineau innovators and firms. With over 330 defence, aerospace, and security firms, 130 embassies, and 25 NATO attachés, the Capital Region is uniquely positioned to expand Canada's defence and dual-use exports to NATO, EU, Indo-Pacific, and Commonwealth markets. By advancing trade diversification, sovereign supply chains, and commercialization of homegrown technologies, Ottawa-Gatineau can strengthen alliances, reduce reliance on U.S. procurement, and drive prosperity.

Why Canada's Capital Region

Ottawa-Gatineau is founded on a concentration of assets, expertise, and infrastructure that cannot be replicated anywhere else in the country. Canada's Capital Region is home to:

- 330+ defence and security firms and more than 10,000 skilled employees, embedded within Canada's largest technology park.
- 1,800+ technology companies employing 96,000 tech workers, the highest concentration of tech talent in North America, 12% ahead of Silicon Valley.
- Headquarters for DND, DRDC, RCMP, CSIS, and CSE, with 65+ federal labs, 130 embassies, and 25+ NATO attachés.
- Canada's only cluster of four NATO DIANA Test Centres including Area X.O, an ITB-certified R&D complex founded and operated by Invest Ottawa, and three NRC labs.
- Deep strengths in AI, quantum, cyber, drones, robotics, semiconductors, autonomous systems, and secure communications, the foundation of next-generation defence and dual-use innovation.
- Supported by eight post-secondary institutions and 168,000+ students, including 28,000 in STEM disciplines.
- Tens of thousands of military veterans, Canada's largest and most experienced defence talent pool, creating a unique foundation for scaling innovation, attracting investment, and accelerating the growth of companies

Canada's Capital Region is where national defence strategy meets commercial innovation and where Canada's prosperity, security, and sovereignty come together.

Economic Impact

Initial modelling by the Invest Ottawa Data Team, using Statistics Canada multipliers and regional intelligence, estimates that:

- A \$1 billion investment could generate \$420–\$470 million in local GDP, support 5,800–6,000 high-value jobs regionally and create 8,500+ jobs nationally.



- A \$3 billion investment could yield \$1.3–\$1.4 billion in GDP, create 17,000–18,000 regional jobs, and 25,000+ jobs across Canada, tripling economic and sovereign returns.
- Every federal dollar invested returns \$0.30–\$0.35 in direct tax revenue, generating up to \$450 million for a \$3B program over five years.
- Every \$1 invested could generate 2–3× in total economic output and attract up to 2× in private and allied capital, accelerating innovation-led growth.
- This is not just an economic impact, it is a nation-building opportunity that diversifies Ottawa–Gatineau's economy, strengthens Canada's sovereign industrial base, and positions our Capital Region as a global hub for secure innovation and inclusive prosperity.

Economic Impact Methodology and Assumptions: The model incorporates regional market intelligence, a 70% Ottawa capture factor, and three investment scenarios (Innovation-Led, Balanced, and Infrastructure-Led). Assumptions include steady macroeconomic conditions, continued federal and allied procurement, and stable access to skilled labour. A minor tariff adjustment (~0.4%) and a venture capital crowd-in estimate of 0.3×–1.0× were also applied.

These results provide initial order-of-magnitude guidance, capturing direct, indirect, and induced impacts but excluding longer-term effects such as new venture creation, export growth, and compounding ecosystem benefits.

Strategy

This strategy positions Ottawa–Gatineau as a national and global centre for mission-ready technologies that protect sovereignty, power the economy, and strengthen alliances — comparable to leading innovation capitals such as Washington, London, and Tel Aviv. It is built on three strategic pillars:

- Building, Serving, and Protecting a Sovereign Canada
- Fueling Innovation and Capabilities
- Powering Our Future Economy and Prosperity

The strategy mobilizes the region's full ecosystem, government, academia, investors, and industry, to accelerate innovation, infrastructure, and workforce development that safeguard Canada's future.



Goals and Preliminary Actions

Building, Serving, and Protecting a Sovereign Canada	
1. Expand Ottawa–Gatineau Defence Leadership and Deals	<ul style="list-style-type: none"> • Strengthen defence leadership, acquisition, and deal flow to secure new federal and NATO-aligned defence contracts. • Facilitate deeper multi-sector collaboration across the ecosystem to accelerate R&D, innovation, and real-world technology adoption.
2. Leverage Technology Strengths to Modernize and Support Our Forces	<ul style="list-style-type: none"> • Help firms secure R&D mandates and subcontracts within national recapitalization programs. • Establish Canada’s Capital Region as the national centre for AI-enabled defence modernization. • Develop advanced mission systems integration capabilities and strengthen the health, wellness, and resilience of Canada’s Forces through local innovation and global anchors.
Fueling Innovation and Capabilities	
3. Enable and Accelerate Multidisciplinary Defence Innovation	<ul style="list-style-type: none"> • Position Ottawa–Gatineau as Canada’s Defence Innovation Hub across AI, quantum, robotics, aerospace, and dual-use tech. • Drive new research funding for universities, hospitals, and economic development agents. • Establish a Defence Aviation & Propulsion Centre of Excellence at YOW to support uncrewed systems testing and Canada’s gateway to the Arctic.
4. Build Sovereign and Secure Infrastructure, Labs, and Capabilities	<ul style="list-style-type: none"> • Expand secure testing and demonstration infrastructure through Area X.O and NRC DIANA sites. • Develop a sovereign compound semiconductor facility to anchor secure supply chains and strengthen national independence. • Modernize and integrate labs and facilities across Ottawa–Gatineau into an interconnected, secure innovation network.
Powering Our Future Economy and Prosperity	
5. Build a Robust Pipeline of Domestic Firms with Sovereign IP	<ul style="list-style-type: none"> • Expand venture development services to accelerate founder growth and leverage defence infrastructure. • Scale IP development and protection through ElevateIP, IPON, and IP Assist. • Help firms maximize access to federal support programs such as BDC, EDC, NRC-IRAP, and FedDev Ontario.



6. Optimize Commercialization Pilots and Procurement Reform	<ul style="list-style-type: none"> • Position Ottawa as Canada's catalyst for procurement reform through collaborative co-development pilots. • Use Area X.O for multi-party demonstrations of mission-ready technologies. • Implement a regional Industrial and Technological Benefits (ITB) strategy and leverage Ottawa Board of Trade advocacy to accelerate adoption of Canadian innovations.
7. Facilitate High-Value Industrial Partnerships and FDI	<ul style="list-style-type: none"> • Position Ottawa as the Canadian hub for allied industrial collaboration. • Attract sustained FDI through Invest Ottawa's Global Expansion team. • Broker co-investment, joint ventures, and tech transfer between homegrown firms and global primes.
8. Grow and Attract Defence Capital	<ul style="list-style-type: none"> • Fully leverage ONE9, Canada's only defence VC platform, and the emerging Defence Investor Network. • Promote syndicated investments with BDC, Calian Ventures, Capital Angel Network, Celtic House, Mistral Ventures, and Wesley Clover. • Establish Defence & Dual-Use Commercialization Grants and pursue the Defence, Security, and Resilience Bank HQ for Ottawa.
9. Help Firms Access and Succeed in Global Markets	<ul style="list-style-type: none"> • Double Ottawa–Gatineau's defence exports by 2035. • Help companies secure NATO and allied certifications with partners. • Leverage The Icebreaker and NATO DIANA to elevate Ottawa's global visibility.
10. Develop Workforce Capacity and Inclusive Talent Pipelines	<ul style="list-style-type: none"> • Create coordinated pathways linking education, training, and employment. • Retrain public-sector talent into defence and dual-use careers. • Expand inclusive pathways for women, Indigenous Peoples, newcomers, and Veterans.

Specific target outcomes for each strategic goal will be developed by the task force once the detailed and granular actions are finalized. These targets will provide measurable benchmarks to track progress and impact, ensuring accountability and alignment with the overall Ottawa–Gatineau Defence Hub Strategy objectives.

Building on Proven Global Models

Ottawa–Gatineau's strategy draws on global exemplars that demonstrate the power of sustained coordination, investment, and public–private collaboration:



- **Washington–Virginia Corridor (U.S.):** Integrates federal leadership, venture capital (In-Q-Tel), and deep industry partnerships, a model mirrored through Ottawa's forthcoming Defence Hub Task Force.
- **Adelaide, Australia:** Shows how mid-sized cities can transform into global defence leaders through long-term strategy, infrastructure, and workforce planning.
- **Toulouse, France:** Demonstrates how integrated clusters and R&D investment can anchor national aerospace and dual-use leadership.
- **Tel Aviv–Haifa, Israel:** Proves how rapid innovation cycles connecting startups, veterans, and end-users accelerate commercialization, lessons Ottawa can apply to strengthen agility and scale.

Implementation and Next Steps

Implementation has already started. Within 60 days, the Ottawa–Gatineau Defence Innovation Hub Task Force will be established to prioritize and guide delivery. Progress will be measured and published with KPIs. Early actions include:

- Sharing the strategy broadly and inviting feedback from the community
- Advancing targeted federal proposals post-Budget 2025, and pursuing new public and private investment for
- Expanding programs, services, infrastructure, pilot procurements and commercialization projects through Area X.O
- Evolving research, innovation and talent development with Ottawa-Gatineau post-secondary institutions
- Continuing to advance the compound semiconductor facility pursuit with MP Jenna Sudds, KNBA, Invest Ottawa, and all associated industry partners
- Launching a national and global marketing campaign showcasing Ottawa–Gatineau's leadership, and a full third-party economic impact assessment to establish a full baseline for measurement.

Evergreen, Adaptive and Impact-Driven: This strategy is designed as an evergreen framework that will evolve as conditions change. It is adaptive, agile, and responsive to shifts in defence priorities, market dynamics, and technological opportunities. Its governance model enables continuous iteration, learning, and course correction, ensuring that Ottawa–Gatineau remains future-ready, competitive, and globally relevant.

No One Can Do This Like Us

This is our defining moment, to be bold, ambitious, and all in, together. Because we are more than a region. We are a community that shows what's possible when collaboration meets conviction, when vision meets courage, and when purpose meets action. Together, we will seize this moment to deliver



lasting impact for our region, our country, our Forces, and our world. We will strengthen sovereignty, build a resilient and diversified economy, and advance innovation that protects and empowers.

The time is now and there is no one, anywhere, who can do this like us.

For additional information, please contact Sonya Shorey, President and CEO of Invest Ottawa, Bayview Yards and Area X.O at sshorey@investottawa.ca