



## **BACKGROUND**

### **Key Findings of the *2017 Canadian Clean Technology Industry Report***

#### **Selected Findings**

- Industry Return on Sales rose only slightly from negative 4 percent in 2011 to negative 2 percent in 2015.
- At 3.5 percent, the Return on Capital Employed (ROCE) for companies with commercialized projects, was lower than the average for all nonfinancial Canadian companies (4.4 percent), providing investors with negative incentives to invest in clean technology firms.
- Poor returns were translated into decreasing international competitiveness. Globally, Canada's market share of cleantech exports declined by 12 percent from 1.6 percent in 2008 to 1.4 percent in 2015.
- International competitiveness is affected by Canada's declining innovation performance. Globally, Canada's market share of patent applications declined by 19 percent from 1.6 percent in 2011 to 1.3 percent in 2015.
- Poor returns in clean technology made it difficult to access capital, with firms paying 38 percent more for working capital than the OECD average.
- Between 2014 and 2015 industry revenue grew from \$11.63 billion to \$13.27 billion.
- Direct employment sat at 55,200 people; 23 percent of employees in the industry are age 30 or younger.
- Jobs in clean technology firms paid 48 percent more than the Canadian average.
- 51 percent of revenues in 2015 came from sales outside Canada, and 18 percent of industry revenues came from non-U.S. markets.

#### **About the Report**

- The *2017 Canadian Clean Technology Industry Report* builds on seven years of research conducted at the firm level by Analytica Advisors. This year's edition is based on a national cohort of more than 800 companies.
- Specific business sectors covered by the report include Transportation, Energy Infrastructure/Smartgrid, Energy Efficiency/Green Buildings and Extractive Industries.

- To compile the report, between August and November of 2016 Analytica Advisors examined the confidential financial information and plans of 148 companies, including 18 public companies and 130 private companies as well as data extracts from public sources.
- Analytica Advisors monitors and reports on Canada's expanding clean technology sector. It is focused on strengthening the global and domestic success of the Canadian clean technology industry and innovation-based companies that are core to the industry.