

Spending on research and development, 2012 (intentions)

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Gross domestic expenditures on research and development (R&D) are anticipated to amount to \$30.0 billion in 2012, up 0.3% from 2011.

The 2012 R&D intentions show a gradual recovery from the most recent economic downturn. While total R&D spending intentions are below the \$30.8 billion peak in 2008, they are 28% higher than the \$23.5 billion spent in 2002.

In 2012, business enterprises expect to spend \$15.5 billion on R&D, up 0.9% from the previous year but 6.9% below the pre-recession peak. This anticipated expenditure accounts for 52% of total spending on R&D, down from 58% a decade earlier, illustrating this sector's reduced presence in R&D activities.

The higher education sector's R&D spending intentions are \$11.5 billion, maintaining its position as the second largest R&D performing sector. Since 2002, R&D expenditures in this sector have increased almost 55%.

The federal government, the third largest performing sector, anticipates R&D spending at \$2.5 billion, down 7.3% from 2011. This decline represents a return to more normal levels, as a result of the conclusion of federal stimulus spending. From 2002 to 2012, federal R&D expenditures on R&D increased 13.0%.

The remaining R&D performing sectors (provincial governments, provincial research organizations and private non-profit organizations) are expected to spend \$547 million. This combined group's R&D expenditures are anticipated to increase 7.5% from 2011 and 58.6% from 2002.

For R&D funding, the business enterprise sector is expected to fund \$14.1 billion in 2012, followed by the federal government sector at \$5.8 billion and the higher education sector at \$5.4 billion. The business enterprise sector and the higher education sector anticipate increases of 1.0% over 2011 R&D funding levels while the federal government sector anticipates a 3.1% decline. In comparison, provincial governments and provincial research organizations expect their R&D funding to increase by 2.8% to \$1.7 billion in 2012.

Funding for R&D also includes the foreign sector, which is anticipated to provide \$2.0 billion, up 1.8% from 2011.

Canada's gross domestic expenditures on research and development as a percentage of its gross domestic product for 2011 was 1.74. In 2010, Canada ranked fifth among the G8 countries with a ratio of 1.85.

Note to readers

Data on gross domestic spending for research and development (R&D) are performance-based. Intramural R&D expenditures are spent within organizations performing the R&D. The organizations can fund their own R&D or undertake R&D on behalf of other organizations. The R&D performing organizations indicate both the amount spent on intramural R&D as well as the source of funds by financing sector for this spending. These source of funds data become the funding sectors' measure of R&D financing.



Table 1
Research and development spending intentions

	2002	2011	2012	2011 to 2012
	millions of dollars			% change
Total, performing sector	23,536	29,950	30,043	0.3
Business enterprises	13,545	15,358	15,493	0.9
Higher education	7,455	11,414	11,528	1.0
Federal government	2,190	2,669	2,475	-7.3
Provincial government and provincial research organizations	282	365	401	9.9
Private non-profit	63	144	146	1.4
Total, funding sector	23,536	29,950	30,043	0.3
Business enterprises	12,117	13,932	14,067	1.0
Federal government	4,251	6,022	5,838	-3.1
Higher education	3,462	5,351	5,404	1.0
Foreign	1,925	1,926	1,960	1.8
Provincial government and provincial research organizations	1,153	1,652	1,698	2.8
Private non-profit	628	1,066	1,077	1.0

Note(s): Components may not add to totals because of rounding. Performing and funding sectors are ranked separately from highest to lowest expenditures.

Available without charge in CANSIM: table 358-0001.

Definitions, data sources and methods: survey numbers 4201, 4204, 4208, 4209, 4210, 4212 and 5109.

The publication *Gross Domestic Expenditures on Research and Development in Canada (GERD) and the Provinces*, national estimates for 2002 to 2012 and provincial estimates for 2006 to 2010, Vol. 5, no. 1 (88-221-X, free), is now available from the *Key resource* module of our website, under *Publications*.

For more information, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca).

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