

# The Daily

Statistics Canada

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## Releases

### Industrial research and development characteristics, 2014 (intentions)

#### Spending intentions on industrial research and development, 2014

##### Industrial research and development spending will slow in 2014

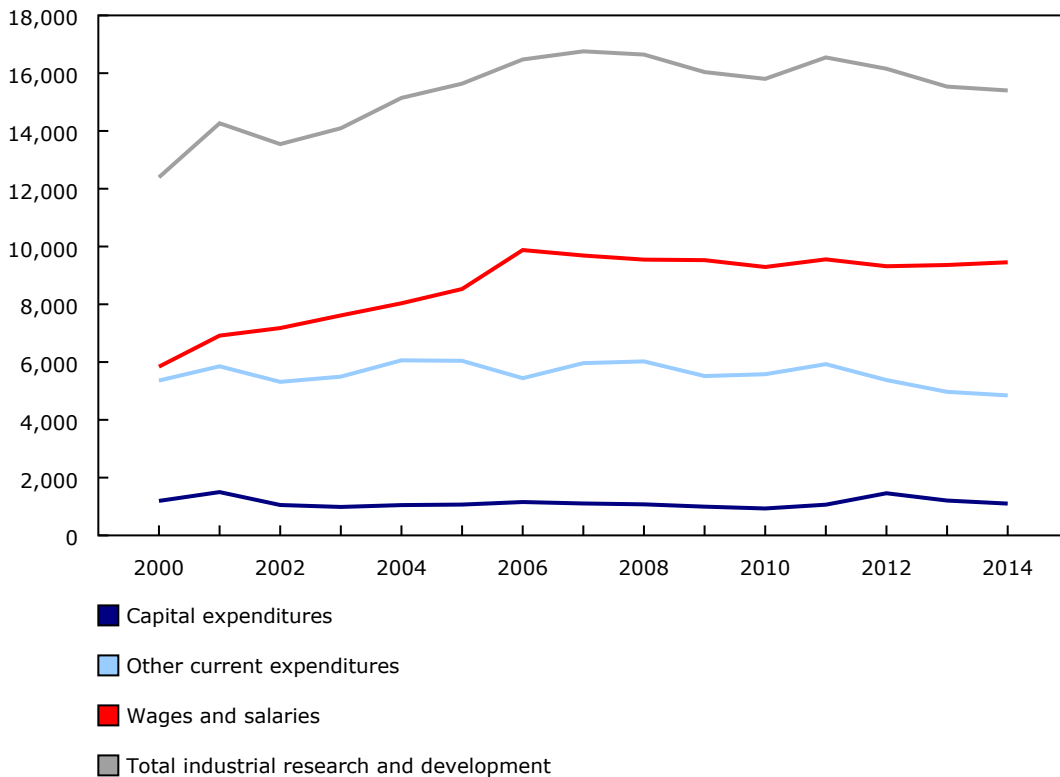
Business enterprises in Canada anticipate spending \$15.4 billion to perform research and development (R&D) activities in 2014, down 0.9% from 2013 intentions. Recovery from the 2008 economic downturn continues to be slow and business enterprises did not anticipate increasing R&D spending levels for 2014.

Industrial R&D spending is composed of two main categories, current and capital R&D spending. In 2014, current R&D spending is expected to total \$14.3 billion, representing 93% of total industrial R&D spending. Wages and salaries will account for \$9.5 billion. The remaining \$4.8 billion will be directed to other current costs, such as the purchase of non-capital materials, contracts for on-site consultants and products required to support R&D activities.

Spending on capital R&D, such as machinery, equipment, land and buildings, is anticipated to be \$1.1 billion in 2014 and to account for 7% of total industrial R&D spending. This proportion has hovered around 7% since 2002, after decreasing from 11% in 2001.

**Chart 1**  
Industrial research and development expenditures by type, 2000 to 2014

millions of current dollars



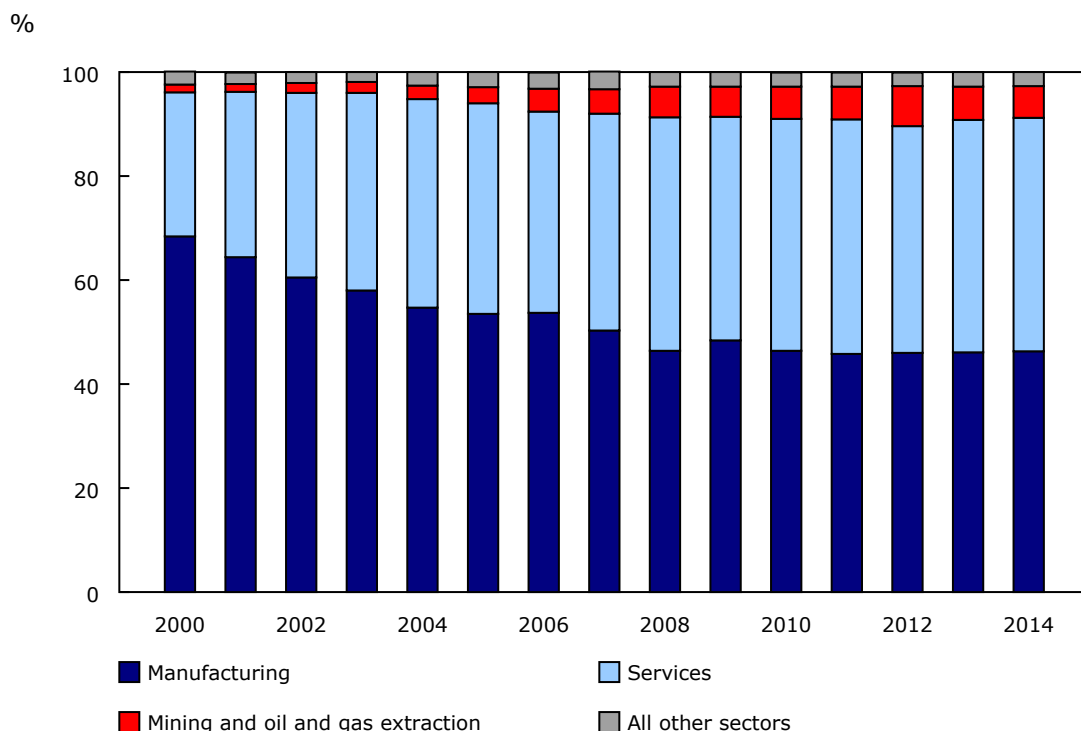
Industrial R&D spending is highly concentrated among businesses in Canada, with 100 business enterprises expected to perform one-half of total R&D spending in 2014.

Similarly, six industry groups will account for over half (54%) of industrial R&D spending in 2014, with two of the six industries in the manufacturing sector and four in the services industries. These six key industry groups have been leading industrial R&D performance since 2008.

Aerospace products and parts manufacturing (\$1.4 billion) and communications equipment manufacturing (\$1.3 billion) will lead manufacturing R&D spending. The sector's overall total is expected to reach \$7.1 billion in 2014, down 0.4% from 2013. As a result, the share of total industrial R&D spending by manufacturers will continue the downward trend it started in 2001.

In services industries, scientific research and development services (\$1.9 billion); computer systems design and related services (\$1.3 billion); wholesale trade (\$1.2 billion); and information and cultural industries (\$1.2 billion) will lead R&D spending. R&D spending in services industries is expected to reach \$6.9 billion in 2014, down 0.5% from 2013. The share of R&D spending by service industries has generally been expanding since 2001.

**Chart 2**  
**Share of industrial research and development by sector, 2000 to 2014**



## Characteristics of industrial research and development spending, 2012

### Industrial R&D spending concentrated in Ontario and Quebec

Nationally, industrial R&D spending was \$16.2 billion in 2012. Industrial R&D spending in Ontario decreased 4.0% from 2011 to \$7.3 billion. Quebec spending declined 3.6% from the previous year to \$4.6 billion. Together, the two provinces continued to account for about three-quarters of industrial R&D spending performed in 2012. Ontario experienced declines in R&D spending across most sectors. The decline in Quebec occurred mainly in services.

Industrial R&D rose 7.8% to \$2.0 billion in Alberta in 2012. The increase was entirely attributable to the mining, oil and gas extraction industry, where R&D spending rose by \$234 million.

British Columbia experienced lower industrial R&D spending in 2012, down 4.4% from the previous year to \$1.6 billion. Spending on R&D in the services declined, offsetting a moderate rise in the province's manufacturing sector.

In Manitoba, industrial R&D spending increased 9.7% in 2012 to \$215 million, mainly as a result of higher spending in the manufacturing sector. Meanwhile, R&D spending in Saskatchewan fell 2.6% from 2011 to \$188 million in 2012, as current R&D spending, including spending on wages, salaries and R&D support, edged down.

Newfoundland and Labrador (\$95 million) and Nova Scotia (\$81 million) continued to spend the most on R&D among the Atlantic provinces. Industrial R&D spending in New Brunswick declined 29.6% to \$69 million between 2011 and 2012, mostly as a result of declines in R&D spending in services industries. Spending on industrial R&D in Prince Edward Island was up, reaching \$24 million in 2012.

### **Industrial R&D spending mainly focused on engineering and technology**

R&D spending in engineering and technology totalled \$12.7 billion in 2012, accounting for 79% of all industrial R&D performed in 2012. Natural and formal sciences, and medical and health sciences followed, each representing 10% of total spending. Agricultural sciences accounted for the remaining 2%.

Within engineering and technology, three fields of science or technology represented more than half (52%) of industrial R&D spending: electrical engineering, electronic engineering and information technology (\$3.6 billion); software engineering (\$2.6 billion); and mechanical engineering (\$2.3 billion).

R&D spending in medical and health sciences reached \$1.6 billion in 2012, with four industries accounting for 91% of such R&D spending: scientific research and development services (\$522 million), wholesale trade (\$493 million), pharmaceuticals and medicine manufacturing (\$360 million) and health care and social assistance (\$66 million).

In 2012, natural and formal sciences industrial R&D spending totalled \$1.5 billion. Within this major field of science, R&D spending was led by computer and information sciences (\$673 million), earth and related environmental sciences (\$280 million) and chemical sciences (\$269 million).

In 2012, \$745 million was spent on environmental engineering and \$280 million on earth and related environmental sciences. The mining, oil and gas extraction sector performed 77% (\$577 million) of spending in environmental engineering R&D, as well as 64% (\$178 million) of spending in R&D in earth and related environmental sciences.

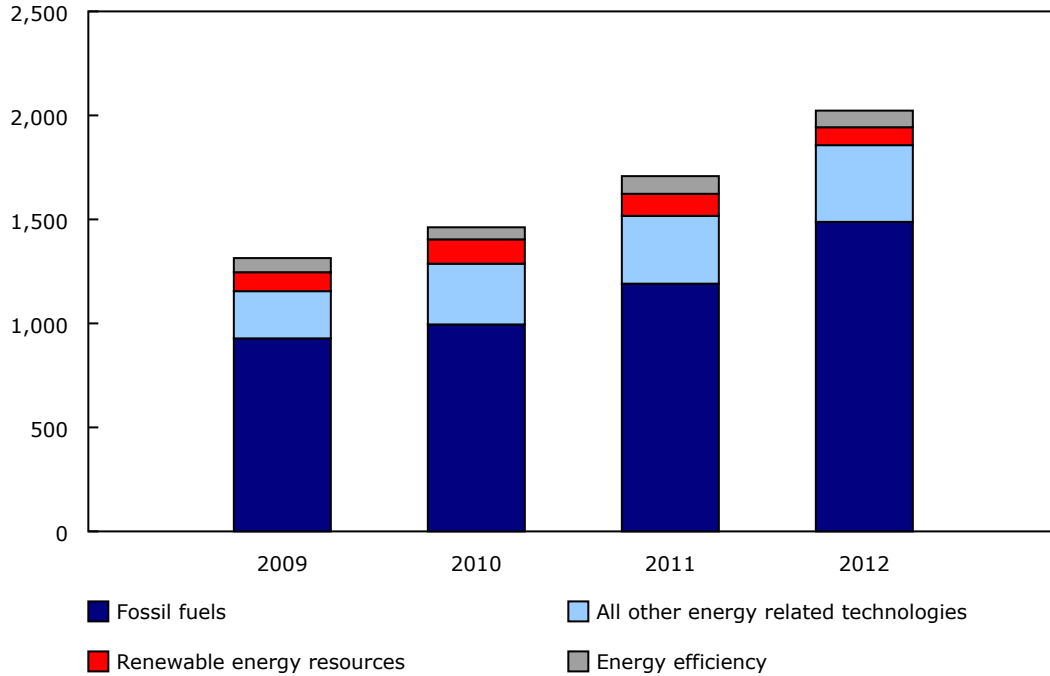
### **Energy-related R&D grew rapidly**

Energy-related R&D rose 18.4% from 2011 to \$2.0 billion in 2012, mostly as a result of increases in R&D expenses related to fossil fuel technologies. R&D spending on fossil fuel technologies was concentrated in oil sands and heavy crude oil technologies, up 53.6% to \$886 million, and in crude oil and natural gas technologies, almost unchanged at \$554 million.

In contrast, R&D spending for energy efficiency technologies fell 5.9% to \$80 million and spending for renewable energy resources technologies fell 18.9% to \$86 million between 2011 and 2012.

**Chart 3**  
**Energy-related industrial research and development spending by area of technology, 2009 to 2012**

millions of current dollars



**Industrial R&D funded predominantly by performing firms**

Businesses in Canada continued to finance most of their R&D activities through business operations, with internal corporate funds covering \$13.8 billion (or 85%) of all industrial R&D spending in 2012. Funds from foreign sources followed at \$1.7 billion.

Funds from government sources increased 6.4% from 2011 to \$644 million in 2012, as an increase in provincial funding more than offset a decline in federal funding.

**Industrial R&D personnel declined**

The number of industrial R&D personnel continued to decline, falling 9.2% from 2011 to 132,156 full-time equivalents in 2012.

**Note to readers**

These data are subject to revision.

Data for 2012 on employment in research and development (R&D) activities, sources of funds for R&D, industrial R&D spending by province, extramural R&D payments and technology payments and receipts are now available.

Spending intentions for 2013 and 2014 are indications of the direction of R&D investments. Revised R&D expenditures for 2010 to 2013 are now available.

Also available are 2012 data from the Energy Research and Development Expenditures by Area of Technology survey.

**Table 1**  
**Total intramural research and development expenditures, selected industries**

	2000	2005	2010	2011	2012	2013	2014
	millions of dollars						
<b>Total</b>	<b>12,395</b>	<b>15,638</b>	<b>15,803</b>	<b>16,545</b>	<b>16,153</b>	<b>15,535</b>	<b>15,401</b>
Manufacturing	8,474	8,367	7,334	7,577	7,434	7,159	7,131
Communications equipment manufacturing	x	1,405	1,078	1,475	1,483	1,387	1,343
Aerospace products and parts manufacturing	883	860	1,228	1,308	1,455	1,393	1,421
Other manufacturing industries	x	6,102	5,028	4,794	4,496	4,379	4,367
Services	3,430	6,339	7,056	7,470	7,049	6,951	6,914
Wholesale trade	775	816	1,291	1,371	1,334	1,209	1,198
Information and cultural industries	303	1,431	1,235	1,118	1,122	1,139	1,168
Computer systems design and related services	785	1,152	1,344	1,518	1,281	1,276	1,256
Scientific research and development services	394	1,230	1,837	2,014	1,881	1,875	1,859
All other services	1,173	1,710	1,349	1,449	1,431	1,452	1,433
All other sectors	491	932	1,413	1,498	1,669	1,426	1,356

x suppressed to meet the confidentiality requirements of the Statistics Act

**Available in CANSIM: tables 358-0024, 358-0140, 358-0161 and 358-0205 to 358-0214.**

Table 358-0024: Industrial research and development (R&D) expenditures and personnel, Canada.

Table 358-0161: Industrial R&D expenditures and personnel, provinces and territories.

Table 358-0140: Industrial R&D expenditures and personnel, by field of science or technology.

Table 358-0206: Business enterprise extramural payments for R&D, by location of recipient.

Tables 358-0205, 358-0207 to 358-0211: Business enterprise intramural R&D expenditures, selected characteristics.

Table 358-0212: Business enterprise expenditures and payments for intellectual property and other technology assistance.

Table 358-0213: Business enterprise foreign receipts and payments for technological services.

Table 358-0214: Industrial energy R&D expenditures.

**Definitions, data sources and methods: survey numbers 4201 and 4205.**

The publication *Industrial Research and Development: Intentions, 2014* (88-202-X), is now available from the *Browse by key resource* module of our website under *Publications*.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

To enquire about the concepts, methods or data quality of this release, contact Charlene Lonmo (613-951-6617; [charlene.lonmo@statcan.gc.ca](mailto:charlene.lonmo@statcan.gc.ca)) or Louise Earl (613-951-2880; [louise.earl@statcan.gc.ca](mailto:louise.earl@statcan.gc.ca)), Investment, Science and Technology Division.

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## Travel between Canada and other countries, June 2014

Canadian residents took 2.9 million overnight trips abroad in June, up 0.9% from May and the highest level since record keeping began in 1972.

While overnight travel to overseas countries decreased 0.2% in June, overnight travel by Canadian residents to the United States rose 1.4% compared with May. This was almost entirely due to a 2.7% increase in overnight car travel. Overnight plane trips from Canada to the United States decreased 0.4% over the same period.

Same-day car travel from Canada to the United States was up 2.2% from May as Canadian residents took 2.6 million trips.

Travel to Canada by US residents rose 0.5% compared with May to 1.7 million trips. While overall overnight travel decreased 0.5%, overnight car trips by US residents reached 578,000 in June, up 1.6% from the previous month. Same-day car travel also increased 2.6% to 606,000 trips.

Residents of overseas countries made 430,000 trips to Canada in June (+0.3%), the highest number since record keeping began in 1972.

In June, 8 of the top 12 overseas markets recorded increases in travel to Canada compared with May. The largest percentage increase was in travel by residents of India (+5.5%), followed by a 3.2% increase in travel by residents of the United Kingdom. Australian residents took 26,000 trips to Canada (+2.4%), the highest monthly figure ever from that country.

### **Note to readers**

Monthly data are seasonally adjusted. For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).



**Table 1**  
**Travel between Canada and other countries – Seasonally adjusted**

	June 2013 <sup>r</sup>	May 2014 <sup>r</sup>	June 2014 <sup>P</sup>	May to June 2014
	thousands			% change <sup>1</sup>
<b>Canadian trips abroad<sup>2</sup></b>	<b>5,558</b>	<b>5,415</b>	<b>5,505</b>	<b>1.7</b>
To the United States	4,768	4,531	4,623	2.0
To other countries	790	884	882	-0.2
Same-day car trips to the United States	2,753	2,545	2,602	2.2
Total trips, one or more nights	2,764	2,833	2,860	0.9
United States <sup>3</sup>	1,974	1,950	1,978	1.4
Car	1,192	1,152	1,182	2.7
Plane	675	694	692	-0.4
Other modes of transportation	108	104	104	0.1
Other countries <sup>4</sup>	790	884	882	-0.2
<b>Travel to Canada<sup>2</sup></b>	<b>2,084</b>	<b>2,146</b>	<b>2,156</b>	<b>0.5</b>
From the United States	1,695	1,718	1,726	0.5
From other countries	389	429	430	0.3
Same-day car trips from the United States	599	591	606	2.6
Total trips, one or more nights	1,373	1,432	1,432	-0.0
United States <sup>3</sup>	996	1,025	1,020	-0.5
Car	571	569	578	1.6
Plane	316	346	345	-0.3
Other modes of transportation	109	110	98	-11.5
Other countries <sup>4</sup>	377	407	412	1.0
<b>Travel to Canada: Top overseas markets, by country of origin<sup>5</sup></b>				
United Kingdom	55	56	58	3.2
France	38	40	41	2.6
China	31	39	38	-3.9
Germany	26	27	27	0.1
Australia	23	25	26	2.4
Japan	19	23	22	-1.1
India	13	14	15	5.5
Mexico	13	15	15	0.8
South Korea	13	15	15	-5.0
Hong Kong	12	12	12	2.3
Italy	8	11	10	-8.7
Switzerland	9	9	10	2.3

<sup>r</sup> revised

<sup>P</sup> preliminary

1. Percentage change is based on unrounded data.

2. Totals exceed the sum of "same-day car trips" and "total trips, one or more nights" because they include all of the same-day trips.

3. Data for the United States include counts of cars and buses, and data for planes, trains, boats and other methods of transportation.

4. Figures for other countries exclude same-day entries by land only via the United States.

5. Includes same-day and overnight trips.

**Available in CANSIM: tables 427-0001 to 427-0006.**

**Definitions, data sources and methods: survey number 5005.**

The June 2014 issue of *International Travel, Advance Information*, Vol. 30, no. 6 (66-001-P), is now available from the *Browse by key resource* module of our website under *Publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).

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## Job vacancies in brief, three-month average ending in May 2014

In May, there were 5.8 unemployed people for every job vacancy, down from 6.3 a year earlier, mostly a result of fewer unemployed people. There were 240,000 job vacancies among Canadian businesses, relatively unchanged from May 2013.

The national job vacancy rate was 1.6% in May, little changed from 12 months earlier.

### **Note to readers**

*Monthly data are based on three-month moving averages. For example, data for the current month are based on an average of the data from the current month and the previous two months.*

*Data on job vacancies are not seasonally adjusted and should only be compared on a year-over-year basis. Given this is a new data series, trends are not yet available; therefore, data should be interpreted with caution.*

*With each release, data for the current reference month are subject to revision. Data for the previous month have been revised. Users are encouraged to request and use the most up-to-date data for each month.*

*The differences between estimates presented in the text are statistically significant at the 68% confidence level.*

**Available in CANSIM: tables 284-0001 and 284-0003.**

**Definitions, data sources and methods: survey number 5202.**

The job vacancies release for June will be on September 16.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).

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## Monthly Survey of Large Retailers, June 2014

Data from the Monthly Survey of Large Retailers are now available for June.

**Available in CANSIM: table 080-0009.**

**Definitions, data sources and methods: survey number 5027.**

A [data table](#) is also available from the *Browse by key resource* module of our website under *Summary tables*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).

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## New products and studies

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### New products

**International Travel: Advance Information**, June 2014, Vol. 30, no. 6  
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