

Outside financial support comes primarily from four sources: agencies and departments of the Federal Government, provincial government departments, industry and private foundations. The contributions from these sources, of course, vary widely from university to university, but for all Canadian institutions the approximate division of contributions to research at the present time is as follows:—

	<u>p.c.</u>
Federal Government departments.....	22
National Research Council.....	22
Defence Research Board.....	13
Provincial government departments.....	13
Universities.....	9
Industry.....	7
Other (including private foundations).....	14

#### Subsection 4.—Industrial Research

Industrial research in Canada is changing very rapidly. In the past, industry in general was largely unaware of the value of research to its own development and to that of the country, partly because many Canadian companies were subsidiaries of companies in Britain and the United States and partly because small companies found it impossible to finance their own research. The problem was accentuated by the vast size of the country, the absence of concentration of similar industries and the proximity to the relatively large research facilities of the United States.

However, the emergence of Canada as a highly industrialized society, its entrance into multitudinous fields of production, the rapid growth of many large nation-wide industries, the serving of a discriminating domestic market and the meeting of competition from abroad have had the effect of making Canadian manufacturing establishments research conscious and many of the larger ones now possess competent research organizations.

The latest DBS survey of expenditures on industrial research in Canada was conducted during the first half of 1960 and provided figures for the calendar year 1959 and estimates for the year 1960. These are summarized in the 1962 Year Book at pp. 346-350 and may be found in detail in DBS publication *Industrial Research-Development Expenditures in Canada, 1959* (Catalogue No. 13-516).

### Section 5.—Federal Government Expenditures on Scientific Activities

Two surveys of expenditure of the Federal Government on scientific activities have been carried out by the DBS. The first survey requested information based on final expenditure for the year ended Mar. 31, 1959 and for expected expenditure based on departmental estimates for the year ended Mar. 31, 1960; the second survey requested similar information for the years ended Mar. 31, 1961 and 1962.

For the purposes of these surveys, scientific activities include all activities in the natural sciences concerned with the creation of new knowledge, new applications of knowledge to useful purposes or the furtherance of both the creation of knowledge and new applications. Included in scientific activities are scientific-research development, capital expenditures for research plant and equipment, scientific data collection, scientific information, and scholarship and fellowship programs.

The year ended Mar. 31, 1960 was one of readjustment in government scientific research, following a major change in Canada's aircraft development program, and expenditure dropped from \$222,600,000 in the previous year to \$212,300,000, or by 4.6 p.c.