About three quarters of the payments made by the Federal Government on scientific activities are for the conduct of research and development. Although the Government continues to perform most of this research within its own establishments, its support of outside research is increasing; in 1961-62 intramural expenditures accounted for 80 p.c. of the total but by 1964-65 this percentage will have fallen to about 69. The proportion performed by Canadian industry, which was 11 p.c. in 1961-62, will have increased to 20 p.c. by 1964-65, and that performed in Canadian universities will have increased from 7 p.c. to 10 p.c. in the same comparison.

8.—Federal Government Expenditures on the Conduct of Research and Development, Years Ended Mar. 31, 1962-65

(Millions of dollars)

Performing Organization	1961-621	1962-63	1963-641	1964-65 ¹
Reporting department or agency	154.5 20.8	148.9 20.2	159.8 36.8	167.1 48.1
Profit organizations. Educational institutions and individuals at such institutions	14.0	16.9	19.0	24.4
Others (incl. non-profit organizations, other governments and foreign recipients)	3.4	2.9	4.0	3.4
Totals, Expenditures	192.7	188.9	219.6	243.0

¹ Estimated.

As shown in Table 9, the proportion of government funds allotted to the support of research and development in the physical sciences increased over the period 1962-63 to 1964-65 from about 70 p.c. to 74 p.c., and engineering continued to receive more than 55 p.c. of these funds. Within the life sciences, more than one half of the research and development expenditures continue to support the agricultural sciences. Table 9 also classifies research and development expenditures by area of investigation. It is noteworthy that expenditures in the field of space travel and communications increased from 0.9 p.c. of the total in 1962-63 to 3 p.c. in 1964-65. In the latter year, approximately 16 p.c. of the research and development expenditures will be allotted to nuclear science research and 35 p.c. to military research.

9.—Federal Government Expenditures on the Conduct of Research and Development, by Scientific Field and Area of Investigation, Years Ended Mar. 31, 1963 and 1965 (Millions of dollars)

(Millions of dollars)

Scientific Field	1962-63	1964-65¹	Scientific Field and Area of Investigation	1962-63	1964-65
Scientific Field			Scientific Field—concl.		
Physical Sciences	132.7	179.1	Life Sciences	56.2	63.9
Engineering	73.8	105.3	Agricultural sciences	30.9	33.1
Aeronautical	11.5	20.6	Biological sciences	14.4	17.7
Chemical	2.5	3.1	Medical sciences	10.9	13.1
Civil	2.4	2.4			
Electrical and electronic	19.2	28.2			
Mechanical		17.8	Totals, All Scientific Fields	188.9	243.0
Other		33.2			
Astronomy	1.5	1.8			
Chemistry	11.9	15.2			
Geology and other earth sciences	7.6	9.0			
Metallurgy	3.1	3.6	Area of Investigation		
Meteorology	1.5	2.0	-		
Oceanography	3.6	3.9	Nuclear science	31.5	38.6
Physics, nuclear	7.0	10.0	Space travel and communications	1.7	7.3
Physics, non-nuclear	18.7	22.2	Military science	60.2	84.9
Other	4.0	6.1	Other projects	95.5	112.2

¹ Estimated.