



THIRD CLASS
Bulk Rate

NSF Estimates 1976 R&D Spending at \$37.8 Billion

According to recent estimates prepared by the National Science Foundation, total funds for research and development in the United States are expected to reach \$37.8 billion in 1976—an increase of 8 percent over the 1975 level of \$35.0 billion. In terms of constant dollars, this represents a rise of 2 percent, the first constant-dollar growth in 3 years. The Federal Government is expected to spend \$19.9 billion on R&D programs in 1976, up 8 percent over 1975, with major increases in the areas of defense, space, and energy.

Overall R&D expenditures will comprise 2.2 percent of the gross national product (GNP) in 1976, down from 2.3 percent in 1975 and a 3.0-percent high in 1964. The steady decline can be attributed to the Federal share of R&D funding which has decreased as a percentage of the GNP during the past 12 years; by contrast, the non-Federal sector of R&D support has been a constant fraction of the GNP, remaining between 1.0 percent and 1.1 percent for the past 20 years.

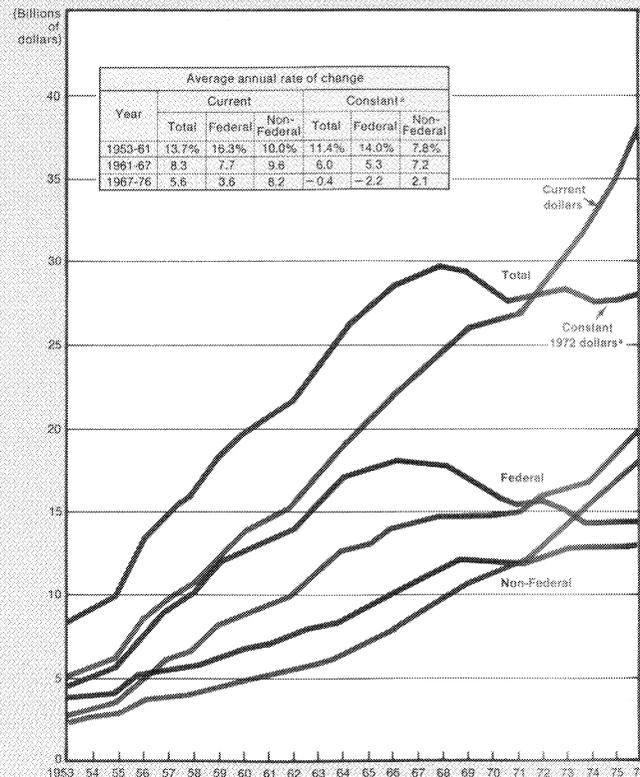
Slightly more than one-third of U.S. R&D spending is devoted to research. Total expenditures for basic research performance will reach \$4.6 billion in 1976, rising 5 percent over 1975. In constant dollars, there is an estimated 1-percent decrease between the 2 years. Funds for applied research activities are expected to reach \$8.8 billion in 1976, an increase of 8 percent over 1975. Development

expenditures are estimated at \$24.4 billion for 1976, an increase of 9 percent over a year ago.

Universities and colleges are the primary performers of the Nation's basic research, devoting 72 percent of their entire R&D outlays to this particular type of research. They are expected to conduct 53 percent of total basic research performance in 1976, and their associated Federally Funded Research and Development Centers will represent another 7 percent. The Federal Government and industrial sectors perform 16 percent and 17 percent, respectively, of basic research; and other nonprofit institutions, 6 percent.

Over 530,000 scientists and engineers were employed on a full-time-equivalent basis on R&D activities in 1975, 1 percent more than in 1974. During the past 2 decades the employment of R&D-performing scientists and engineers grew at an average annual rate of 4 percent, slightly faster than all professional and related workers, and 1.6 times the rate for all workers. R&D scientist and engineer employment declined, however, at an average annual rate of 1.3 percent from the 1969 peak to 1973. In the past 2 years, an average increase of less than 2 percent resulted in a rise of 9,000 personnel from the low point of 521,000 in 1973. The decline from 1969 to 1973, and the subsequent increase over the next 2 years, resulted primarily from changes in industrial employment.

R&D funding trends, 1953-76



^a Based on the GNP implicit price deflator.

SOURCE: National Science Foundation