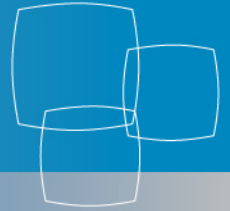




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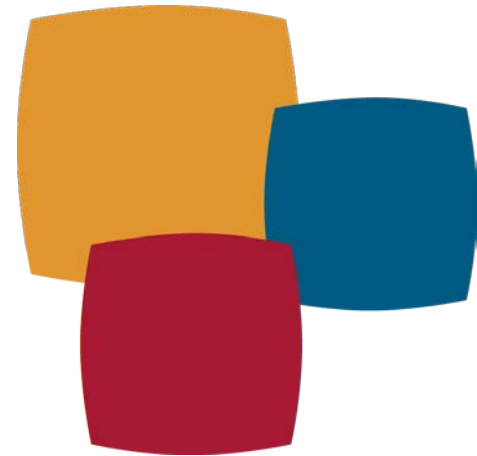


# Policy setting and firm-level focus

Annette Ryan

Workshop on Research Methods to Study Productivity Determinants  
Within Firms and the Role of Policy

November 1, 2012





- Economic Policy Context for Industry Canada
- Motivation for Productivity Research Network
- Industry Canada Research Base
- Data Resources
- Next Steps





- Canada's prosperity reflects complex issues related to the interaction of business incentives and strategies, technology, market conditions and structure and government policy – in domestic and international markets.
- Industry Canada (IC) develops and maintains a core capacity in microeconomic expertise, conducting rigorous and relevant research in order to:
  - Surface key issues and developments in the evolution of the Canadian economy
  - Anchor policy development on evidenced-based research and sound economic principles





## Industry Canada

**Strategic Policy Sector**

**Spectrum, Information Technologies and Telecommunications**

**Science and Innovation Sector**

**Small Business and Marketplace Services**

**Industry Sector**

**Office of Consumer Affairs**

## Agencies, Councils, and Crown Corporations

**Competition Bureau of Canada**

**Canadian Intellectual Property Office**

**Standards Council of Canada**

**Office of the Superintendent of Bankruptcy Canada**

**Statistics Canada**

**National Research Council**

**Granting Councils: NSERC, SSHRC**

**Canadian Foundation for Innovation**

**Business Development Bank of Canada**

**Canadian Space Agency**

**Canadian Tourism Commission**

## Legislation

**Department of Industry Act**

**Investment Canada Act**

**Telecommunications Act**

**Canada Corporations Act**

**Bankruptcy and Insolvency Act**

**Competition Act**

**Copyright Act**

**Patent Act**

**Personal Information Protection and Electronic Documents Act**

**Canada Small Business Financing Act**

**Agreement on Internal Trade Implementation Act**





- **Improve interactions among researchers working on related, complex fields**
- **Widen the community of researchers**
- **Generate new insights into the dynamics of the Canadian economy and the implications for policy**
- **Communicate results to wider policy audiences**
- **Adopt more robust policy measures and improve standards of living for Canadians**





- **Productivity**
  - Benchmarking across industries; countries; by firm size; by type of investment; entry, exit and reallocation effects; trade interactions and dynamics; ownership
  - Productivity dispersion; business strategies and management
- **Innovation**
  - R&D, commercialization, spillovers
  - Effectiveness of instruments and framework policies
- **Investment**
  - Trends in M&E, ICT adoption, returns to skills
  - Financing by firm size, venture capital, FDI
- **Competition**
  - Market size, concentration, clusters, entry and exit, specific industry analysis (e.g. telecommunications)





- **Exploiting existing firm level data at Statistics Canada**
  - Administrative: Business Register; Research and Development in Canadian Industry; General Index of Financial Information; Longitudinal Employment Analysis Program; Patents; Import-export; Investment flows
  - Surveys: Annual Survey of Manufactures; Advanced Technology; Electronic Commerce and Technology; Innovation; Commercialization; Innovation and Business Strategy; Intellectual property; Workplace Employment
- **And non-governmental firm level data**
  - Thomson Venture Capital Report (Thomson VC)
- **Working with Statistics Canada to identify and address data needs for research readiness**
  - Building data inventories
  - Project to build longitudinal firm level data set for the business sector
  - Project to build firm level investment and capital stocks
  - Exploring possibilities for wider use of administrative data





- **SIBS (2009) assessed the drivers and barriers for business innovation in Canada from the perspective of business themselves**
  - Sample of 6,233 enterprises in Canada.
  - Target population: enterprises with 20+ employees and \$250K+ of revenues.
  - Extensive industry coverage: 67 unique industries; covers manufacturing, services, natural resources, construction, and utilities.
- **The report, based on the SIBS results, covers five main themes**
  - Why is innovation important for enterprises in Canada?
  - How do enterprises in Canada position themselves in the marketplace? Through business strategy, enterprise structure and marketplace environment?
  - How do enterprises in Canada conduct international commerce?
  - How do enterprises in Canada compete in the marketplace?
  - How do enterprises in Canada innovate and adopt new technologies?



**A second wave of the SIBS is planned for Spring 2013**





- Continue Industry Canada in-house research program
- Advance new data and data architecture
- Develop thought pieces on different aspects of firm behaviour and Industry Canada policy tools
- Consult and collaborate with external researchers on specific projects
- Support the development of research networks and the community of researchers





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