Tax Policy and Innovation: What does the Growing Importance of Knowledge-Based Capital Imply?

DG Dr. Michael LOSCH
Federal Ministry of Economy, Family and Youth, Austria

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R&D Intensity & Export

FACT:
R&D is an admission ticket to export
R&D-intensive companies export more
FACT: higher R&D-intensity in companies leads to higher employment dynamics

R&D-Intensity = R&D-Expenditure / Turnover

Employment Growth in % 2009-2011 per Year (median)

- < 2%: 2.0%
- 2% - 5%: 2.7%
- 5% - 15%: 4.2%
- > 15%: 4.4%

Source: WIFO 2012
Sources of R&D in Austria

Main Sources of R&D-Financing in Austria 1993 - 2012

FACT: Austria 2012: 2,8 % of GDP-R&D expenditure (60% private : 40% public)
Foreign Direct Investment is at 15,5% a major factor in Austria's R&D-Financing

Source: Statistik Austria, 2012
Increased governmental support

FACT:
Austria has heavily increased its support for business R&D lately—balanced by direct and indirect measures likewise.

Source: derived from OECD STI Outlook 2012