

(This note has been revised and corrected due to an error in the table that appears secondly "Establishments and F.T.E. staff dedicated to R&D ...")

HIGH TECHNOLOGY SCOREBOARD 2018

The high technology sector grouped together 4900 companies and employed 93,500 people in the Basque Country in 2018

This sector spent 70.5% of total internal expenditure on R&D and represented 44.4% of companies that carried out R&D

In 2018, the high and medium-high technology sector generated 8.8% of the total gross value added of the Basque economy, according to EUSTAT data. This sector, which covers all activities with a sound technological base and a fast renewal of knowledge, generated 93,458 jobs, 8.6% of the total. The number of companies carrying out these activities was 4,881. They had a turnover of 21,336.8 million euros.

Main magnitudes of the high technology sector, by territorial scope and activity sector 2018

	Enterprises (1)	Occupied (2)	Turnover (3)	Gross value added at factor cost (3)
HIGH AND MEDIUM-HIGH TECHNOLOGY SECTOR	4.881	93.458	21.336.764	6.777.987
Province				
Araba/Álava	685	16.918	6.271.989	1.170.261
Bizkaia	2.567	35.710	6.758.152	2.709.922
Gipuzkoa	1.760	40.830	8.306.623	2.897.804
High and medium-high technology manufacturing industry	1.540	65.635	18.103.927	4.725.928
High technology	174	10.106	2.430.374	727.450
Medium-high technology	1.366	55.529	15.673.553	3.998.478
High-tech or state-of-the-art services (p)	3.341	27.823	3.232.837	2.052.059

(1) The territorial sum of the number of companies may not match the total.

The companies have been counted in each historical territory that have activity, but only once in the total of the Basque Country.

(2) Jobs

(3) Thousands of euros

Source: Eustat. High technology scoreboard

Compared with the previous tax year, there were increases in both the number of companies (92 more) and the number of employed people (3,748 more), generating an average of 19.1 employed people per company dedicated to this activity in 2018, higher than the average registered in 2017 (18.7). Moreover, turnover increased by 5.1% and value added by 4.0%.

In 2018 this sector spent 70.5% of total internal expenditure on R&D and represented 44.4% of companies that carried out R&D

12.8% of companies in the high technology sector (hereinafter HTS) carried out R&D activities, a percentage that is far higher than that for the total for all sectors (1.0%). Furthermore, this sector, representing just 3.2% of total companies, accounted for 44.4% of those undertaking R&D in the commercial sector and, with 761.3 million euros, carried out 70.5% of the total expenditure on internal R&D in the commercial sector.

With regards to people working in R&D in this sector, it should be pointed out that in 2018 there were 9,484 people employed in "full-time equivalent positions", 69.3% of personnel dedicated to R&D in the commercial sector, or 49.2% if the comparison is made with

personnel who are dedicated to these activities across all sectors. There were 3,027 women, representing 31.9%. Of the aforementioned total personnel, 6,186 belonged to the category of researchers; 1,966 (31.8%) were women, 118 more than in 2017.

Establishment and F.T.E. staff dedicated to R&D within the high technology sector in the Basque Country by province and economic activity according to occupation and sex. 2018

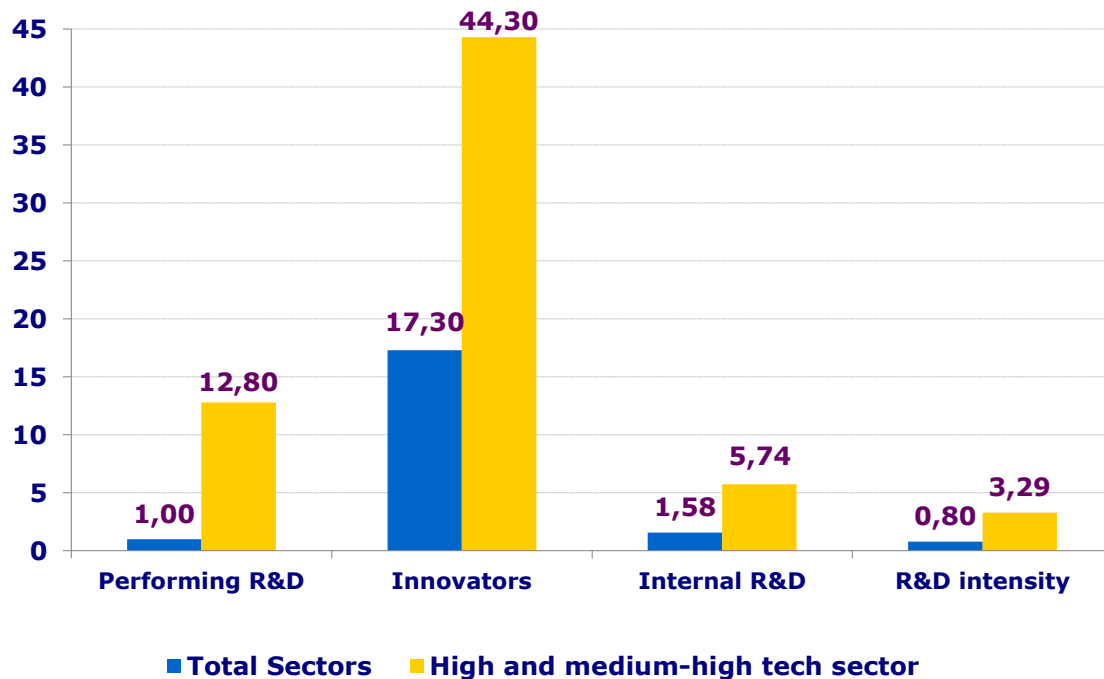
	Number or establishment	Personnel			Researchers		
		Total	Women	Women %	Total	Women	Women %
TOTAL R&D	1.474	19.274	6.924	35,9	13.165	4.664	35,4
Business Sector R&D	1.409	13.678	4.108	30,0	8.752	2.624	30,0
High and medium-high technology R&D sector	625	9.484	3.027	31,9	6.186	1.966	31,8
Province							
Araba/Álava	87	913	308	33,8	588	192	32,7
Bizkaia	282	5.180	1.546	29,8	3.336	1.006	30,2
Gipuzkoa	256	3.391	1.173	34,6	2.262	768	33,9
High and medium-high technology manufacturing industry	321	3.544	811	22,9	1.981	469	23,7
High technology	59	876	256	29,2	588	173	29,5
Medium-high technology	262	2.668	554	20,8	1.394	296	21,2
High-tech or state-of-the-art service (p)	304	5.939	2.217	37,3	4.205	1.497	35,6

F.T.E: Equivalent to full time

Source: Eustat. High technology scoreboard

Regarding innovation, as with R&D, there were significant differences between the total for all sectors and for the high and medium-high technology sector. In 2018, 44.3% of establishments in the sector were innovators compared to 17.3% of the total for all sectors. For establishments with 10 or more employees these percentages reached 62.8% in the former case and 30.1% in the latter.

R&D and innovation in companies in the high technology sector and in all sectors of the Basque Country (%). 2018



Source: Eustat. High technology scoreboard

High and medium-high technology establishments contributed a total of 1,382 million euros to innovation activities in 2018, 48.9% of total expenditure. Of this expenditure, 1,292 million corresponded to establishments with 10 or more employees, which was 54.4% of the total expenditure by companies of that size on this activity.

This sector allocated a greater proportion of resources towards R&D+i and e-commerce than the average for all sectors as a whole

It was also clear that the high and medium-high technology sector allocated a greater proportion of resources towards R&D+i than the other sectors, observing the “innovation” and “internal R&D” intensity ratios, i.e. the amounts that this sector spends compared to the turnover figure. Specifically, *innovation intensity* in this sector was 5.74% compared to 1.58% for all economic sectors as a whole. In the case of internal R&D, the ratio was 3.29% for the sector and 0.80% for all the economic sectors.

Intensity of internal innovation and R&D innovation in the High Technology sector, by territorial scope, activity sector and employment strata (%). 2018

	Total		10 or more employees	
	Innovation intensity (1)	Internal R&D intensity (2)	Innovation intensity (1)	Internal R&D intensity (2)
TOTAL SECTOR	1,58	0,80	2,06	1,16
High and medium-high technology sector	5,74	3,29	5,77	3,36
Province				
Araba/Álava	3,56	1,16	3,62	1,21
Bizkaia	7,29	4,00	7,53	4,17
Gipuzkoa	5,73	3,99	5,61	4,03
High and medium-high technology manufacturing industry	3,73	1,60	3,83	1,64
High technology	8,86	3,16	8,91	3,22
Medium-high technology	2,83	1,33	2,92	1,36
High-tech or state-of-the-art services (p)	14,03	10,22	15,16	11,67

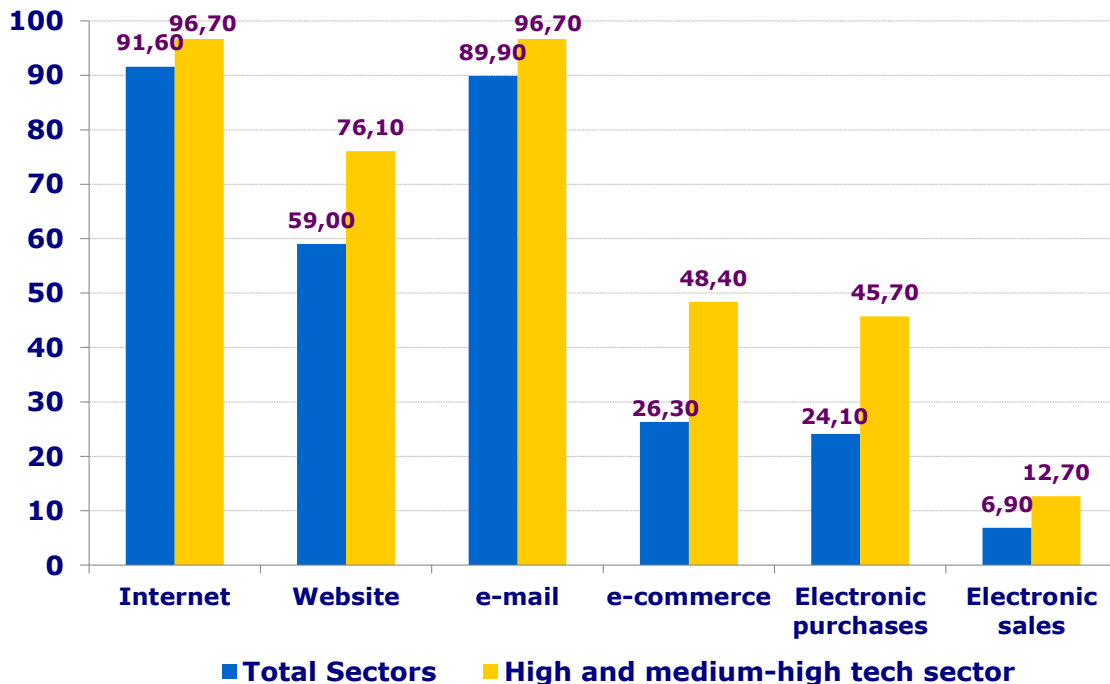
(1) Innovation Intensity: (Spending on innovation/turnover)*100

(2) Internal R&D intensity: (Spending on internal R&D/turnover)*100

Source: Eustat. High technology scoreboard

The use of Information & Communications Technology (ICT) is extremely commonplace amongst the companies in this sector and e-commerce is more developed than in the total of all the sectors. In 2018, 45.7% of establishments in this sector made electronic purchases, compared to 24.1% of those in all sectors as a whole. This year, 12.7% of sales in the technological sector were electronic, whilst in the case of all sectors as a whole, this figure was 6.9%. Hence, what we define as “e-commerce” is offered by 48.4% of establishments belonging to the high or medium-high technology sector, as opposed to 26.3% of all establishments as a whole.

Use of ICT technologies in Basque Country (%). 2018



Source: Eustat. High technology scoreboard

On the other hand, the impact of this sector on the foreign trade of goods was not particularly significant. Whilst exports accounted for 854.2 million euros out of a total of 25,788.3 million, imports stood at 696.3 million out of the 20,485.1 million of total imports. These figures represented 3.3% and 3.4%, respectively, out of total exports and imports.

Standing out among the most common products traded in terms of exports were: *Machinery and Mechanical Equipment* (41.9%), *Manufacture of Aircraft and Spacecraft* (16.9%) and *Electronic material, Radio, TV, and Communications Equipment* (15.1%). Of particular note in imports were *Electronic Material, Radio, TV and Communications Equipment* (29.4%), *Manufacture of Aircraft and Spacecraft* (21.2%) and *Scientific Instruments* (17.8%).

Turnover of the HTS has increased by 21.9% since 2010

From a wider perspective, since 2010 turnover in this sector is over 16,800 million euros, having exceeded 20,000 euros in 2017 and reaching its record in 2018 with 21,337 million, which represented an increase of 3,825 million euros in respect of 2010, up 21.9%.

For the same period the total number of employees in HTS companies increased by 1,944, having been below 90,000 since 2011, however during the last year of this analysis, the total figure has reached 93,458 employees, 2.1% above that registered in 2010.

Main magnitudes of the high technology sector. 2010-2018

	Number of businesses	Number of employed (jobs)	Turnover (1)	Gross value added at factor cost (1)
2018	4.881	93.458	21.336.764	6.777.987
2017	4.789	89.710	20.306.692	6.516.869
2016	4.852	87.727	19.198.452	6.251.960
2015	4.787	85.100	17.696.422	5.989.997
2014	4.745	84.419	16.872.644	5.746.375
2013	4.718	86.571	17.085.535	5.806.417
2012	4.646	87.746	17.847.872	6.134.652
2011	4.742	89.726	18.748.825	6.373.258
2010	4.830	91.514	17.511.934	6.106.721

(1) Thousands of euros

Source: Eustat. High technology scoreboard

In turn, during the last 9 years the number of High and Medium-High technology companies has remained above the threshold of 4,600, with percentages out of the total of Basque companies standing around 3%, going from 2.9% in 2010 to 3.2% in 2018. As can be seen, there is a slight percentage increase that translates into 51 more HTS companies than in 2010.

Finally, gross value added has risen by 671 million in respect of 2010, since when it has remained above 5,700 million and reached another record in 2018 with 6,778 million euros (11% more than in 2010).

Methodological note:

The sectors that belong to the high technology sector are those that, given their degree of complexity, require a continuous effort of research and a sound technological base. The activities included in this sector, according to the CNAE 2009, are listed on the [Eustat website](#). [Methodology file: The high technology statistics sector](#)

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