



COVERSHEET

Minister	Hon Judith Collins KC	Portfolio	Science, Innovation and Technology
Title of Cabinet papers	The Science System Advisory Group and the University Advisory Group Driving Economic Growth through Science, Innovation and Technology Further Decisions to Drive Economic Growth through Science, Innovation and Technology	Date to be published	23 January 2025

List of documents that have been proactively released

Date	Title	Author
March 2024	The Science System Advisory Group and the University Advisory Group	Offices of the Minister for Science, Innovation and Technology, and of the Minister for Tertiary Education and Skills
20 March 2024	The Science System Advisory Group and the University Advisory Group ECO-24-MIN-0030 Minute	Cabinet Office
September 2024	Driving Economic Growth through Science Innovation and Technology	Office of the Minister for Science, Innovation and Technology
September 2024	Appendix Two FINAL SSAG Report	MBIE
31 October 2024	Driving Economic Growth through Science Innovation and Technology ECO-24-MIN-0242 Minute	Cabinet Office
November 2024	Further Decisions to Drive Economic Growth through Science, Innovation and Technology	Office of the Minister for Science, Innovation and Technology
5 November 2024	Further Decisions to Drive Economic Growth through Science, Innovation and Technology ECO-24-MIN-0302 Minute	Cabinet Office
16 December 2024	Further Decisions to Drive Economic Growth through Science, Innovation and Technology CAB-24-MIN-0504.02 Minute	Cabinet Office

Information redacted

YES / ~~NO~~ (please select)

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reason of confidentiality



Cabinet Economic Policy Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Further Decisions to Drive Economic Growth through Science, Innovation and Technology

Portfolio **Science, Innovation and Technology**

On 11 December 2024, the Cabinet Economic Policy Committee (ECO):

- 1 **noted** that in November 2024, ECO agreed to a first tranche of reforms as an initial response to the report of the Science System Advisory Group [ECO-24-MIN-0242];
- 2 **agreed** to the parameters for establishment of Public Research Organisations (PROs) outlined in paragraph 5 of the paper under ECO-24-SUB-0302, which the Minister of Science, Innovation and Technology (the Minister) will communicate to Crown Research Institute Boards;
- 3 **noted** that there will be differences in emphasis and scope of functions for individual PROs, particularly in the balance of stewardship science and science for economic growth and associated entrepreneurial activities;
- 4 **agreed in principle**, subject to more detailed policy work, that PROs will be constituted as Crown agents so that they can be directed to give effect to government policy, including to deliver to the priorities identified by the Prime Minister’s Science, Innovation and Technology Advisory Council;

Establishment of Invest New Zealand

- 5 **agreed** that Invest New Zealand (Invest NZ) be established with a mandate to act as a one-stop-shop for foreign direct investment into New Zealand, but that will exclude public infrastructure investment from its remit;
- 6 **agreed** that Invest NZ’s outcomes should be focussed on attracting:
 - 6.1 greater investment into truly innovative activities in both “traditional” sectors as well as sectors with high potential to raise productivity and drive economic growth;
 - 6.2 greater research and development (R&D) investment and innovative activity in New Zealand by multi-national companies;
 - 6.3 more skilled professionals to New Zealand who will help foster innovation, raise domestic capabilities and improve international connections;

- 7 **agreed in principle**, subject to final policy design decisions, to establish Invest NZ as an Autonomous Crown Entity, with accelerated legislation enabling the entity to come into force as soon as practicable;
- 8 **noted** that in order to be effective, officials recommend that Invest NZ's establishment costs be around \$10 million with ongoing operating costs of around \$60 million per annum, and that the Minister will work with the Ministers for Trade and Economic Development to finalise these costs and appropriations through the Budget 2025 process;
- 9 **noted** that the Minister will report back to Cabinet in early 2025 with proposals around Invest NZ's core functions, informed by the experiences of IDA Ireland;

Disestablishment of Callaghan Innovation

- 10 **noted** that responsibility and funding for providing technical assessments and business engagement for the Research and Development Tax Incentive will transfer from Callaghan Innovation to the Ministry of Business, Innovation and Employment (MBIE);
- 11 **noted** that administration of and funding for the following business innovation and R&D grants and programmes will transfer from Callaghan Innovation to MBIE:
- 11.1 Ārohia Innovation Trailblazer Grant;
 - 11.2 New to R&D Grant;
 - 11.3 Student Grants;
 - 11.4 Technology Incubator programme;
 - 11.5 Founder and Start-up Support Programme;
 - 11.6 Health Tech Activator;
- 12 **noted** that responsibility and funding for the Bioresource Processing Alliance, New Zealand Product Accelerator and the New Zealand Food Innovation Network will transfer to the most relevant public research organisation;
- 13 **noted** that responsibility for the Measurement Standards Laboratory will transfer to the most appropriate organisation;
- 14 **noted** that the Minister intends to progress an assessment of the science capabilities within the Research and Development Solutions Group of Callaghan Innovation to identify any high value capabilities that ought to be actively retained and transferred;
- 15 **agreed** that decisions regarding any transfer and cessation of Callaghan Innovation functions will be considered through Budget processes;
- 16 **noted** that the Minister is progressing work to explore commercial solutions to retain the Gracefield Innovation Quarter as a centre for science, innovation and technology;
- 17 **noted** that the intention is that all other programmes currently provided by Callaghan Innovation will cease as Callaghan Innovation is disestablished;

Intellectual Property Rules

- 18 **agreed** that the Minister progress work on developing a national intellectual property (IP) policy for research in Universities and PROs, in consultation with affected institutions and the Minister for Tertiary Education and Skills;
- 19 **agreed in principle**, subject to the work above, that the national IP policy for research in Universities will be based on the model used at Waterloo University in Canada, which vests ownership of IP with the researchers who create it;
- 20 **noted** that that consideration of how the above policy applies to the new public research organisations will be undertaken alongside decisions about their commercial orientation and funding model, but that the intention is for researchers to receive financial rewards from commercialising IP;
- 21 **noted** that the Minister will report back to Cabinet in the second quarter of 2025 on a proposed national IP policy and wider incentives for commercialisation in the science and innovation sector, including the operation of technology transfer offices in Universities and PROs.

Rachel Clarke
Committee Secretary

Present:

Hon David Seymour
Hon Nicola Willis (Chair)
Hon Shane Jones
Hon Simeon Brown
Hon Paul Goldsmith
Hon Louise Upston
Hon Judith Collins KC
Hon Todd McClay
Hon Tama Potaka
Hon Melissa Lee
Hon Penny Simmonds
Hon Chris Penk
Hon Nicola Grigg
Hon Andrew Bayly
Hon Andrew Hoggard
Hon Mark Patterson
Simon Court MP

Officials present from:

Office of the Prime Minister
Office of Hon Judith Collins KC
Officials Committee for ECO