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## Private sector 'must invest' in R&D

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Private companies must join the Government in increasing investment in research and technology if knowledge-based industries are to transform New Zealand's economy over the next decade, says the Prime Minister's chief science adviser.

Sir Peter Gluckman, speaking yesterday at a medical technology conference in Auckland, said private sector spending on research and technology was "dismally low".

"We're the only advanced country in which the Government spend [on research, science and technology] is actually higher than the private spend," he said.

Gluckman said the New Zealand Government spent 0.5 to 0.7 per cent of GDP on research and technology, while the private sector invested around 0.4 per cent "at best".

Conversely, he said, the private sectors of other advanced nations contributed as much as 2 per cent – out of a total spend of up to 3 per cent of GDP – on research and technology.

New Zealand had "paid the price" for failing to invest in knowledge-based sectors, he said. "I think the deepest question for Government is – why is that the case?"

However, there had been a "remarkable change" in New Zealand's attitude towards science, although it was unfortunate the change had come 20 years too late, he said.

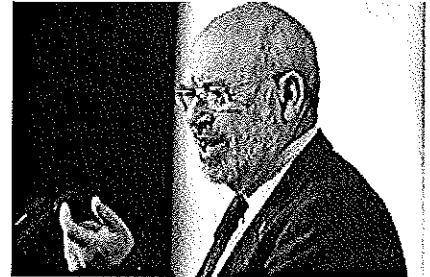
"For many decades we've seen investment in research and science essentially as a cost, in the same category as we would a museum, or a ballet ... rather than recognising it as a fundamental investment in the infrastructure of our future."

Gluckman said that Cabinet would be considering the report of the Crown Research Institute Taskforce. "[The Crown Institute Taskforce] can be seen as the first substantial step in the progressive enhancement of public scientists, which is so important in the first stages of research."

Gluckman said New Zealand's emerging medical technology sector, projected to become a billion industry within the next five years, was one of the most promising aspects of New Zealand's economy.

"I think [medical technology] is the most likely to succeed domain we have – I truly believe that," he said.

Medical Technology Association of New Zealand chief executive Faye Sumner said: "Despite the global financial meltdown, this sector has remained resilient."



Sir Peter Gluckman says private companies need to invest in research and technology.  
Photo / Brett Phibbs