



COVERSHEET

Minister	Hon Dr Megan Woods	Portfolio	Research, Science and Innovation
Title of Cabinet paper	Future Pathways for the Research, Science and Innovation System; and Future Pathways for the Research, Science and Innovation System: Release of discussion document	Date to be published	28 October 2021

List of documents that have been proactively released

Date	Title	Author
May 2021	Future Pathways for the Research, Science and Innovation System	Office of the Minister of Research, Science and Innovation
19 May 2021	Future Pathways for the Research, Science and Innovation System DEV-21-MIN-0099 Minute	Cabinet Office
September 2021	Future Pathways for the Research, Science and Innovation System: Release of discussion document	Office of the Minister of Research, Science and Innovation
29 September 2021	Future Pathways for the Research, Science and Innovation System: Release of discussion document DEV-21-MIN-0193 Minute	Cabinet office

Information redacted

NO

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.

[In Confidence]

Office of the Minister of Research, Science and Innovation

Cabinet Economic Development Committee

Future pathways for the Research, Science and Innovation System: Release of Discussion Document

Proposal

- 1 I am seeking Cabinet's agreement to release a discussion document (the Green Paper) which will seek submissions from the public on the direction of the Future Pathways programme (Future Pathways).

Relation to government priorities

- 2 Future Pathways proposes to reform our research, science and innovation (RSI) system to tackle New Zealand's long-term challenges and opportunities. It would increase the RSI system's ability to support the delivery of government priorities in all areas to build an inclusive, sustainable and productive future.

Background

- 3 Research, science and innovation (RSI) is critical to New Zealand's future wellbeing and economic success. We cannot address present and future challenges and opportunities, such as climate change, pandemic resilience, and New Zealand's overall wellbeing with today's knowledge. It is vital that the systems that support our researchers and scientists are functioning well.
- 4 Recent reviews into the public research system have shown that reform is necessary to achieve this. The current system was designed nearly thirty years ago with the establishment of the Crown Research Institutes. It is now characterised by a significant amount of fragmentation and unproductive competition and is not well configured to meet national challenges and opportunities.
- 5 I therefore proposed to the Cabinet Economic Development Committee (DEV) on 19 May 2021 that we establish the Future Pathways programme to investigate options to build a modern, fit for purpose, and future focused research system that is connected, adaptive and resilient [DEV-21-MIN-0099]. Future Pathways would be a large-scale work programme with a focus on:
 - 5.1 Giving the system priorities that focus what we do and ensure that complex challenges, such as climate change, have a clear locus of activity and dedicated resourcing
 - 5.2 Reshaping the funding system to be able to give effect to those priorities, as well as building our capability needs now and into the future
 - 5.3 Shaping our institutions so that they are able to give effect to those priorities and are adaptable in a fast changing world.

- 6 DEV agreed to my proposal to develop a discussion document (the Green Paper) to seek public submissions on the direction of the Future Pathways programme. I am now seeking agreement to release the finalised Green Paper.

The Green Paper

- 7 The attached Green Paper seeks to start a wide ranging and deliberative conversation about the future of New Zealand's research system. The Paper does not pre-commit government to any new initiatives or solutions. Instead, it presents a range of pressing issues and opportunities for the research system and suggests model solutions to stimulate discussion.

- 8 I am seeking to achieve two things from consultation on the Green Paper. Firstly, I wish to gather a broad range of ideas and views to gain greater understanding of the issues and opportunities facing the RSI system. Secondly, I wish to test some of the ideas that have been developed to respond to these issues and take advantage of new opportunities.

Scope

- 9 The Green Paper is focused on the design of the 'public' research system, those parts funded mainly or owned by Government.
- 10 It considers changes to aspects of funding administered as part of the RSI portfolio, and changes to institutions within that portfolio, principally the CRIs and Callaghan Innovation. It also considers the research that takes place in other public institutions, such as Universities, Te Pūkenga, and Wānanga, and publicly funded research that takes place in independent research organisations and other independent entities.
- 11 It does not consider changes to business facing RSI programmes, such as the R&D Tax Incentive, or funding from Vote: Tertiary Education, such as the Performance Based Research Fund. However, I am interested in feedback on the relationships between those funding streams and the proposals suggested in the Green Paper. At this stage of the Future Pathways programme, I am keen to gather a broad range of feedback on all aspects of the RSI system.

Focus

- 12 The Green Paper is divided into the following six chapters, which are the main areas in which government could take action to improve our research system:
- 12.1 **National Research Priorities** discusses the role that whole-of-system priorities could play in focusing research activities and concentrating resources towards meaningfully achieving national goals.
 - 12.2 **Te Tiriti, mātauranga Māori, and supporting Māori aspirations** discusses how the research system can respond to Te Tiriti obligations and opportunities. It explores pathways to a modern research system that is Te Tiriti led and gives life to Māori research aspirations and mātauranga Māori.
 - 12.3 **Funding** discusses potential ways to reshape the RSI funding system for the future. It covers how funding can be used to give effect to national priorities,

reduce unproductive competition, and ensure our institutions can respond to emerging opportunities.

- 12.4 **Research Institutions** focuses on how we design and shape our public research institutions (particularly the Crown Research Institutes and Callaghan Innovation) to enable them to give effect to national priorities, encourage greater connectivity, and be adaptable in a fast changing world.
- 12.5 **RSI Workforce** discusses how the research system can better support the development and retention of the RSI workforce. It seeks feedback on funding mechanisms that explicitly support workforce development, and how workforce considerations could be included in the design of the Research Priorities.
- 12.6 **Research Infrastructure** discusses funding, governance and ownership arrangements for national research infrastructure. It seeks feedback on how we should support sustainable, efficient and enabling investment in research infrastructure.

Proposed Process

- 13 I propose to announce the release of the Green Paper and the beginning of the Future Pathways programme in October.
- 14 The release of the 2021 Research, Science and Innovation System Performance Report will be aligned with the consultation. This biannual report provides indicators, data and analysis of the RSI system's recent performance and will provide some supporting evidence for the areas of discussion in the Green Paper.
- 15 I intend to open the Green Paper for consultation between October 2021 and February 2022. The extended consultation period reflects the wide-ranging nature of the programme, which collectively could represent the most significant reform of our public research system since the creation of the CRIs in the early 1990s. In the spirit of encouraging open deliberation and debate, I propose to also consider publishing feedback or submissions prior to the conclusion of the consultation period.
- 16 Officials have developed a comprehensive engagement plan to ensure a successful consultation process. I will meet with a range of key stakeholders to discuss the Future Pathways programme, its objectives, and the potential impact on their organisations. Officials will also host a variety of public consultation sessions to ensure wide engagement and respond to any early questions or issues.
- 17 I will consider submissions on the Green Paper with relevant Ministers and discuss high level directions for the programme in Q1 2022. I expect to take these decisions to Cabinet for agreement by mid-2022.

Financial Implications

- 18 There are no immediate financial implications arising from the recommendations in this paper.

- 19 However, the Green Paper restates this Government's commitment to increasing national research and development expenditure to 2 per cent of GDP by 2027. Significant and sustained increases to R&D investment are likely to be required over the next five years to achieve this objective.

Legislative Implications

- 20 There are no legislative implications. However, the consultation may result in policy recommendations being made to Cabinet which would require amendments to legislation.

Regulatory Impact Statement

- 21 A Regulatory Impact Analysis is not required.

Climate Implications of Policy Assessment

- 22 This proposal will likely contribute indirectly to emissions reductions through supporting New Zealand's transition to a low carbon, productive and inclusive economy.

Population Implications

- 23 Officials are working with key government agencies, including Te Puni Kōkiri and Te Arawhiti, to ensure that application of Te Tiriti and mātauranga Māori considerations align across RSI and interconnected systems. Officials are looking to integrate Future Pathways with the all-of-government Te Pae Tawhiti Wai262 work programme that is underway. This will enable officials to streamline engagements with Māori, align cross-system outcomes and further build cohesiveness across key priority mātauranga Māori-related mahi.
- 24 The Green Paper seeks to open a discussion about improving equity, diversity and inclusion within the research workforce.

Human Rights

- 25 There are no implications under the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993.

Consultation

- 26 The Ministry of Business, Innovation and Employment prepared this Cabinet paper.
- 27 The Ministry for the Environment, Ministry for Primary Industries, Department of Conservation, Ministry of Education, Ministry of Health, the Treasury, National Emergency Management Agency, Department of Prime Minister and Cabinet, Ministry of Social Development, Ministry of Transport, Ministry of Pacific Peoples, Te Puni Kōkiri, Te Arawhiti and the Tertiary Education Commission, were consulted on the development of the Green Paper. The Ministry for Women and the Ministry of Defence have been informed.

Communications

- 28 I intend to announce the release of the discussion document in October. The discussion document will then be made publicly available on the MBIE website.

Proactive Release

- 29 MBIE will publish this Cabinet paper on its website when the Green Paper is publicly released.

Recommendations

The Minister of Research, Science and Innovation recommends that the Committee:

1. **Note** that the Cabinet Economic Development Committee agreed to the development of a discussion document (the Green Paper) to introduce the Future Pathways programme on 19 May 2021;
2. **Note** that the Future Pathways programme seeks to develop options to build a modern, fit for purpose, and future focused research system that is connected, adaptive and resilient;
3. **Note** that the attached Green Paper is the first stage of this programme, does not pre-commit to any new initiatives or solutions, and seeks to start a wide ranging and deliberative conversation about the future of New Zealand's research system;
4. **Agree** to the release of the Green Paper for public consultation, subject to any minor or technical amendments that may be required;
5. **Note** that the Green Paper would be released in October 2021;
6. **Note** that the consultation period will run from October 2021 to February 2022;
7. **Invite** the Minister of Research, Science and Innovation to report back to Cabinet by mid-2022 with the outcomes of consultation and any proposed policy changes.

Authorised for lodgement

Hon Dr Megan Woods

Minister of Research, Science and Innovation