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Dear Lesley,

Thank you for the opportunity to comment on the Crown Research Institutes (CRIs) Draft Statements of Core Purpose. The following are generic comments from IRANZ. Individual member organisations will also be providing you with comment on specific concerns.

### **1. CRI Leadership Role**

There are inconsistencies across the Statements of Core Purpose around the CRI leadership role. Each Statement of Core Purpose has a 'Scope of Operation' which states "CRI X is the CRI responsible for...", and then goes on to define the particular areas where that CRI is expected to 'Lead' or 'Work With Others' to achieve particular outcomes. From the statements, it is not clear what the meaning and context of 'lead' is. There are at least two interpretations: "Of the CRIs, CRI X is responsible for..." versus "CRI X is to deliver an outcome in that field, and all Government funds for research in that area are to be channelled through that CRI."

These interpretations have vastly different implications for other research providers in the same field. The latter would significantly change the funding environment for other research providers. IRANZ is not supportive of a CRI leadership role that directs all government funds to the CRI 'leading' that field. The finalised Statements of Core Purpose should clarify this leadership role and its context.

### **2. Use of core funding for building collaborative relationships**

There are inconsistencies across the Statements of Core Purpose around the use of core funding for building collaborative relationships. The 'Operating Principles' of Landcare Research, GNS Science and NIWA have "develop collaborative relationships with other CRIs, universities and other research institutions (including internationally) using an agreed proportion of core purpose funding." GNS Science goes further to state "particularly those with responsibilities in the geological and nuclear sciences and form the best research teams by using a budgeted proportion of funding from government that support the GNS Science core purpose." Other Statements mention collaboration but nothing about the use of core purpose funding for this purpose.



Collaboration is critical to getting the best economic, social and environmental outcomes for New Zealand from investment of public funds in science, particularly when linked with a relative reduction in the contestable funding pool. If the funding systems are to be less contestable in favour of more core funding to CRIs, then it is essential that CRIs have clear consistent direction for collaboration behaviours and the use of core funding to support it.

### **3. CRI core capabilities versus New Zealand's research and technology capabilities**

There is a lack of transparency around the process that has identified CRI core capabilities compared to where other capability sits in the research sector.

A holistic view of New Zealand research expertise needs to be taken rather than considering the CRIs in isolation, as only then can account be taken of unintended consequences of proposed changes to CRIs on other parts of the science sector.

In addition, when only CRI core capabilities are considered, there are gaps in New Zealand's research capability. For example, there are gaps in infrastructure research that are the core capability of a number of IRANZ member organisations, not CRIs.

### **4. Future opportunities to engage with science sector changes**

IRANZ member organisations would appreciate the opportunity to engage in the next step of the implementation process. How well this new system works is very dependent on the implementation of the new science funding system.

Our concerns around this process include:

- The need to take account of capability elsewhere in the science sector when negotiating the level of core funding for CRIs.
- Will CRIs become the 'gatekeepers' for research funding in core areas? This creates a potential conflict of interest for CRIs, despite the best intentions of the government.
- Timing for decisions on system-wide long term funding. If decisions on CRI core funding are made without considering system-wide long term funding, other research providers risk being marginalised. This will occur when a large proportion of the funding in an investment area is long term funding.
- It is likely that CRI behaviour will take time to change to accommodate the new expectations. Unless there are sound transition funding arrangements, by the time the necessary relationships are formed, other research providers may not be operating. The CRI Taskforce Report clearly identifies that it is not in the national interest to put other research providers at risk as it would potentially decrease diversity and innovation. To that end, we suggest that a science sector 'ombudsmen' or process be considered with the new funding arrangements, so that if any concerns arise about behaviour in the sector, they can be identified and addressed in a timely manner.



## 5. Other Government research contracting review

In addition to the implementation of the CRI taskforce recommendations, we hear that there is a process reviewing Government agencies contracting of research. What is being reviewed and what is the process?

Thank you again for the opportunity to comment. Please find attached a table of the research capabilities of IRANZ member organisations for your information.

Yours sincerely,

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