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£1,100m (€1,396.7m) INVESTED BY GOVERNMENT IN SCIENCE AND TECHNOLOGY – FORFÁS REPORT

A report on state expenditure on science and technology for 2000 is published today (Tuesday, 4 December) by Forfás, the national policy advisory board for enterprise, trade, science, technology and innovation.

Launching the report, Mr John Travers, Chief Executive of Forfás, said the 'Science and Technology Budget' provides details of expenditure by nine Government Departments and 33 separate agencies. It represents the most detailed and comprehensive picture of spending on S&T available in Ireland and shows trends in S&T spending going back over ten years. The report is an essential policy document for S&T policy analysis.

The report shows that:

- Total Government allocations to science and technology¹ (S&T) activities in 2000 were £1,100 million (€1,396.7m), an increase of £187.4 million (€237.9m) or 20.5% over the 1999 level ;
- The exchequer component of this total spend amounted to £827.3 million (€1,050.5m), 75% of the total and represents a £189.9 million (€241.1m) increase on the 1999 level;
- The contribution of the EU's Community Support Framework to public sector science and technology decreased slightly to £106.7 million (€135.5m) in 2000 from £111.5 million (€141.6m) in 1999;
- The balance of the £1,100 million (€1,396.7m) allocation represents non-exchequer monies – mainly fees earned by state agencies for the performance of S&T activities – and amounted to £166.4 million (€211.3m) in 2000, a slight increase from the 1999 level of £164m (€208m);
- For the first time this year's 'State Expenditure on Science and Technology' includes a separate volume on Research and Development. Total public funding of research and development in the economy increased from £147.7m (€187.5m) in 1999 to an allocation of £232.9m (€295.7m) in 2000, an increase of almost 58%. The major increases in allocations relate to additional allocations by the Department of Education and Science via the Higher Education Authority (£31m, €39.4m) for research in the third level institutions and to the new Technology Foresight Fund (£25m, €31.7m) introduced by the Department of Enterprise, Trade and Employment to establish Ireland as a leading research player in Biotechnology and Information and Communications Technologies (ICT), as well as extra funding by the Department of Enterprise, Trade and Employment via Enterprise Ireland (£14m, €17.8m) for R&D grants to industry.

The Technology Foresight Fund is part of a £1.95 billion (€2.5b) initiative that the Irish Government has earmarked for Research, Technology and Innovation (RTI) activities in the National Development Plan 2000-2006. Science Foundation Ireland has been set up to manage, allocate, disburse and evaluate the Technology Foresight Fund. Science Foundation Ireland has already named the ten Principal Investigators who will head up teams carrying out leading-edge international research. The Investigators have been appointed following a world-wide competition. The successful

candidates have been judged by international peer review as being outstanding scientists in biotechnology and information and communications technologies. They have signed contracts with SFI worth £56m (€71m) in total, to recruit and lead teams carrying out ambitious and far-reaching programmes of research in Irish institutions.

The contribution of the EU's Community Support Framework to public sector science and technology continues to be a significant and important source of funding, however, in 2000 the EU contribution to Science and Technology decreased to £106.7m (€135.5m) from £111.5m (€141.6m) in 1999.

Importance of Research and Development (R&D)

Mr Travers noted that, for most other countries, the emphasis in reporting on public sector science and technology is on research and development activities only. Research and development is seen as important because of its central role in promoting innovation in the economy and in generating new ideas and know-how which are vital for the knowledge-based society of tomorrow.

Mr Travers welcomed the launch of the £560m (€711m) Technology Foresight Fund. The Fund will be used to establish Ireland as a location for world class research excellence in niche areas within information and communication technologies and biotechnology. This Government initiative, together with equally significant investments in third level research included in the National Development Plan by the Department of Education and Science, is having a major impact on the Irish public research system.

These additional allocations are to be welcomed, according to Mr. Travers, particularly the increased support for strategic research in the third level sector, an area where Ireland has long experienced significant under-investment compared to other developed countries.

Another welcome trend is the decreasing reliance, in percentage terms, on EU structural funds to support R&D in Ireland. Almost all of the increased allocations in 2000 are from Exchequer sources, with the result that Exchequer funds account for 68% of total allocations this year compared with 62% in 1999. In real terms, exchequer funding has increased by £106m (€135m) or 203% since 1990.

Despite these significant increases in recent years the level of public funding of R&D in Ireland is still below that of our competitors, both inside and outside the EU. Mr Travers stressed the importance of public investment in R&D, both to provide a supporting research infrastructure for high-technology industry in Ireland and as a mechanism for making available to government departments and agencies the information and know-how to help them achieve their strategic objectives. Without an adequate research base to analyse the major social, economic and environmental issues of the day it will prove very difficult to identify the most appropriate public policy responses, he said.

¹Scientific and Technological activities can be defined as all systematic activities which are closely concerned with the generation, advancement, dissemination, and application of scientific and technical knowledge in all fields of science and technology, that is the natural sciences, engineering and technology, the medical and the agricultural sciences, as well as the social sciences and humanities

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