



PRIME MINISTER

*Pne Munster.*

*Agree this response?*

*Dr Nicholson, whose comments  
are tagged, endorses it.*

*JF  
3/78*

I attach, for your approval, a draft response to a Supplementary Report from the House of Lords Select Committee on Science and Technology. The Supplementary Report was sent to Kenneth Baker on 24 May and simultaneously published by the Select Committee; my Department has co-ordinated the Government's response.

#### BACKGROUND

2 The Select Committee issued a Report on Engineering R&D on 9 March 1983, to which the Government replied on 31 October 1983. The Committee expressed some dissatisfaction with the Government Response and invited DTI Ministers to give further oral evidence which Kenneth Baker did on 14 March 1984.

3 The Supplementary Report concentrates on four main areas of contention between the Select Committee and the

JH2AWS



Government.

- i) the need for a national "technological strategy";
- ii) the level of public funding for civil industrial R&D, which is below that of our competitors;
- iii) measures to stimulate private funding for R&D;
- iv) the need for greater selectivity in the university sector.

These points were dealt with in the oral evidence of 14 March 1984 and the response therefore reiterates what was said then.

4 My officials have discussed with the Clerk to the Select Committee what form of response might be appropriate. He has indicated that it could take the form of a letter from me to the Chairman, Lord Gregson. The Select Committee will decide whether to publish the response.

5 Copies of this minute, and the draft response, go to

JH2AWS



Nigel Lawson, Keith Joseph, Arthur Cockfield and to Sir  
Robert Armstrong.

NT

N T

9 August 1984

Department of Trade and Industry

JH2AWS



10 DOWNING STREET

Prime Minister:

Sorry to  
return this, but  
had you approved it?

D

- Please note <sup>31/6</sup>  
comment on para 9  
- otherwise  
yes  
no

~~Yes~~



DRAFT

Secretary of State for Trade and Industry

DEPARTMENT OF TRADE AND INDUSTRY  
1-19 VICTORIA STREET  
LONDON SW1H 0ET

Telephone (Direct dialling) 01-215) 5422

GTN 215) .....  
(Switchboard) 215 7877

August 1984

Lord Gregson  
House of Lords  
London SW1

#### GOVERNMENT RESPONSE TO THE SUPPLEMENTARY REPORT ON ENGINEERING R&D

Your Select Committee wrote to Kenneth Baker with a Supplementary Report commenting on the Government response to your Report on Engineering R&D. I am now writing in reply to the points that the Select Committee made.

2 Your Committee expresses some concern about whether the Government shares your view of the importance of manufacturing industry, and engineering, in the UK economy. We have no doubts on this matter. As Kenneth Baker said in oral evidence to you on 14 March 1984 we believe that manufacturing industry, and the engineering sector, will continue to make a major contribution to wealth creation in the UK. A sufficient R&D base is a vital part of that contribution.

3 A number of specific points were made in your supplementary report and I will deal with each of these in turn.

#### Selectivity and Strategy

4 The Committee favoured a national strategy for technology formed in partnership between the Government, the public purchasing agencies and manufacturing industries. The Committee is aware of, and has commended, what we have done in microelectronics, in space technology, aeronautics, biotechnology and the Alvey Programme. The Government considers it essential to consult industry widely over these and other policies. We do so through our Requirements Boards, ACARD, NEDC, a variety of specialised committees and the many contacts that Ministers and officials have with industry on a day to day basis. Where Government policies have a particular impact on the product strategy and market opportunities for companies our consultations are close, as they have been in the information technology field and over the liberalisation of telecommunications.

5 As one aspect to our forward thinking a group of senior officials from this and other Departments considers longer term

JH2AWR



issues. The purpose of such studies is to identify trends which will, over the next 10 to 20 years, be key influences on the manufacturing and commercial sectors of the economy. The group maintains close contact with strategic planning groups in industry, the universities and business schools as well as with the Research Councils, professional institutions and international bodies. We will continue to contribute towards the development of the next generation of key technologies, subject to the essential constraints on public expenditure, particularly through opportunities identified by the group, by ACARD, the Research Councils, and your Select Committee.

6 As for public purchasing, the Government's view is that it has an important role to play in fostering competitiveness and innovation in British industry. The policy launched four years ago ensures that public purchasers take account of wider market opportunities for their suppliers in their purchasing operations. The Government has promoted consultation between public purchasers and the relevant supplying industries about future needs. It has encouraged and assisted public bodies to pull through new products in emerging areas of technology and it has provided finance for development. There are continuing opportunities here but examples of what has been achieved so far include the "Office of the Future" programme (mentioned in the response to your first report) electric vehicles, fibre-optics, medical electronic equipment, and the military communications satellite Skynet IV, from a joint venture between GEC-Marconi and British Aerospace.

7 The purchasing bodies must, of course, be responsible for their own decisions because to detract from that would weaken financial discipline and divorce decisions from market forces. But it would be wrong to think that the individual agencies have been left to develop their product strategies without considerations of industrial objectives and the effects of their purchasing on the UK suppliers. A number of NEDO Economic Development Committees have brought together key public bodies and the UK suppliers to tackle areas of mutual interest.

#### Public Finance for Innovation

8 The Committee welcomed my Department's increase in the provision for R&D expenditure in civil industry but expressed concern on two issues. The first was the level of R&D support in civil industry compared, in the per capita terms, with that provided by our competitors. As Lord Kings Norton stated during the oral evidence the inconsistencies in the ways in which R&D figures are presented "illustrates the fact that international comparisons are extremely difficult to make." Examination of the pattern of R&D support in a wide variety of countries does not show any correlation between the level of Government support for industry's research and development and economic prosperity. We have demonstrated our belief in the role that Government can play



in the support of R&D by the increases that we have made in Government finance in recent years. For the longer term, however, we are convinced that industry would prefer a situation in which it was sufficiently profitable to finance much the greater part of its own innovation.

9 On the second point, concerning funding for defence R&D, it is true that it has increased in recent years. This funding is of course a public sector responsibility whereas civil R&D is paid for mainly by private industry. Two-thirds of all defence R&D is now, however, conducted in the private sector. There is significant civil spin-off and you will be aware of the initiatives that the Secretary of State for Defence is taking to increase this spin-off.

*is this correct?*

*I thought they were merged*

10 The subject of licensing-in technology was raised by the Committee. The Government fully recognises the need for British industry to make good use of the possibilities for buying-in appropriate technologies from overseas. We prefer that the Support for Innovation grants mentioned by the Committee should lead to some enhancement in the UK of the licenced technology, but this is not a hard and fast requirement. As with all applications for SFI support the individual projects are judged on their merits within broad and flexible guidelines.

11 The Committee suggested a role for the British Technology Group (BTG) in relation to licensing. One of the tasks of BTG, as announced by Cecil Parkinson on 30 September 1983, is to help industry and financiers identify technology of potential interest to them. This service is aimed particularly towards small and medium sized companies, and is carried out either by a new database or through active search. It is part of the BTG's main role of helping to translate into commercial products new research ideas, coming mainly, but not exclusively, from the UK public sector.

12 The BTG's Corporate Plan, recently submitted to Government, is now being considered.

#### Private Funds for Innovation

13 The Select Committee suggested that the Business Expansion Scheme (BES) should be extended to include investments by individuals in research and development companies which are either subsidiaries of, or associated with, listed companies. The BES is designed to encourage equity investment by outsiders in unquoted trading companies. It achieves this by providing income tax relief at very generous levels. Quoted companies are excluded from the Scheme because they have access to the stock market for new equity and so do not have the same difficulties. The BES is therefore targetted at the type of company most needing assistance. Because of the nature of the Scheme, various rules prevent subsidiaries of quoted companies from qualifying. It would not be right to change these, as there would be nothing to prevent new equity raised under



BES from flowing to other non-qualifying members of the same group. However, in its present form the BES is a possible vehicle for the type of R&D ventures suggested by the Select Committee. For instance an unquoted company would qualify under the scheme if it, say, undertook work on contract for a quoted company which had less than 51% shareholding in the unquoted company. Such a company could be set up by a consortium of quoted companies provided none individually had control.

14 The problems of financing innovation were discussed at the Prime Minister's Seminar on Science, Technology and Industry and this has been followed with a study by an ACARD group. ACARD will be reporting to the Prime Minister shortly and we shall give very careful consideration to the results of their study.

#### Education and Industry

15 Your final recommendation called for a greater measure of selectivity in the support of university research and you referred to the Secretary of State for Education and Science's call to the UGC for a strategy in higher education. A response from the UGC is expected in late summer 1984 and will be published.

16 The Research Councils are already selective, basing their selection on the merit of research proposals. This ensures that funding is concentrated in those university departments that have demonstrated their ability in any given field. But the system is not rigid and allows for changes as the staff and scientific interests of Departments change. Both the UGC and the Research Councils must have regard to the need to maintain a broad capability in university departments for education purposes. However, the need to ensure that the best value is obtained from the available resources leads to the sort of concentration that the Select Committee seeks.

17 I hope that you will find from this response that the Government shares the Committee's views on many issues. As Mr Baker said on 14 March there is little difference between the views of the Select Committee and the Government in the method of implementation of our policies. It is certainly the case that we share a common goal of seeking to maintain a strong British manufacturing industry. The Government greatly appreciates the time that the Committee has spent considering this important subject and has found the suggestions made valuable in helping to formulate future policies.

JH2AWR

NORMAN TEBBIT



Science & Tech. Com. PARLET, NORTA

NO AUG 1984



TO: SCIENCE & TECH. COM. PARLET, NORTA

NO AUG 1984

NO AUG 1984



10 DOWNING STREET

*From the Private Secretary*

10 September 1984

Draft Response to House of Lords Select Committee on  
Science and Technology

The Prime Minister has now considered your Secretary of State's minute of 9 August to which was attached a draft response to a Supplementary Report from the House of Lords Select Committee on Science and Technology.

The Prime Minister is generally content with the proposed response, subject to one reservation. This relates to the passage in paragraph 9 of the draft, about the civil spin-off from defence R&D. The Prime Minister considers that this passage may be over optimistic in describing the current extent of civil spin-off as "significant". She further believes that the reference to "initiatives" to increase spin-off may give rise to exaggerated expectations, in view of the apparently slow rate of progress to date (for example with the proposed city-led technology exploitation initiative).

*ef* The Prime Minister would therefore be grateful if your Secretary of State could consider redrafting the passage to make clear that the Government accepts the pressing need to increase the current level of civil spin-off. It might also go on to describe in a little more detail the action that is in hand.

I am sending copies of this letter to Margaret O'Mara (HM Treasury), Elizabeth Hodgkinson (Department of Education and Science), Alex Galloway (Chancellor of the Duchy of Lancaster's Office) and Richard Hatfield (Cabinet Office).

David Barclay

Andrew Lansley, Esq.,  
Department of Trade and Industry.

*to*

CCNO



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SWITCHBOARD 01-215 7877

PS/  
Secretary of State for Trade and Industry

11 September 1984

John Gieve Esq  
Private Secretary to the  
Chief Secretary  
HM Treasury  
Parliament Street,  
LONDON  
SW1P 3AG

*John*  
*11/9*

*Dear John,*

DRAFT GOVERNMENT RESPONSE TO THE HOUSE OF LORDS SELECT  
COMMITTEE ON SCIENCE AND TECHNOLOGY: SUPPLEMENTARY REPORT  
ON ENGINEERING R&D

Thank you for your letter of 3 September 1984 requesting  
an amendment be made to the above.

2 We are happy for the amendment to be made and, subject  
to any comments made by the Prime Minister, will ensure  
it is included in the final response when it is sent to Lord  
Gregson.

3 Copies of this letter go to the Private Secretaries to the  
Prime Minister, the Secretary of State for Education and Science,  
the Chancellor of the Duchy of Lancaster and the Secretary to the  
Cabinet.

*John*  
*Andrew D Lansley*

ANDREW D LANSLEY  
Private Secretary

Parliament Nov. 79



Select Committee on Science



Lot

10 DOWNING STREET

*From the Private Secretary*

DR. NICHOLSON  
CABINET OFFICE

The Prime Minister considered over the weekend the minute of 9 August from the Secretary of State for Trade and Industry about the Government's response to the Supplementary Report from the House of Lords Select Committee on Science and Technology. She was grateful for your comments on the draft response, contained in your minute of 30 August.

The Prime Minister has queried the reference in paragraph 9. of the draft response to a "significant civil spin-off" from defence R&D, and she also wonders whether the initiatives to increase the spin-off, to which the draft also refers, are really of much significance.

BF |

I should be grateful for your thoughts on these points, before I take them up formally with the Department of Trade and Industry.

David Barclay  
3 September 1984

ECU

PRIME MINISTER

CIVIL SPIN-OFF FROM DEFENCE R&D

Robin Nicholson shares your doubts about the passage in the draft Government response to the House of Lords Select Committee which refers to the civil spin-off from defence R&D (see attached note).

I suggest a response along the following lines:

- (i) You are grateful to the Secretary of State for his minute, and content with the proposed response, subject to one reservation.
- (ii) Your reservation relates to the passage in paragraph 9 of the draft on the civil spin-off from defence R&D. You think this may be over-optimistic in describing the current extent of civil spin-off as "significant"; and that the reference to "initiatives" to increase spin-off may give rise to exaggerated expectations, in view of the slow rate of progress to date (e.g. with the proposed technology exploitation unit).
- (iii) The passage should therefore be redrafted to make clear that the Government accepts the pressing need to increase the current level of civil spin-off. It should go on to describe in a little more detail the action that is in hand.

Agree?

Yes ms.

DUB

6 September 1984

MR DAVID BARCLAY, NO 10

DRAFT GOVERNMENT RESPONSE TO THE SUPPLEMENTARY REPORT FROM THE HOUSE OF LORDS SELECT COMMITTEE ON SCIENCE AND TECHNOLOGY ON ENGINEERING R&D

In your letter of 3 September, concerning the Government's response to the Supplementary Report from the Lords Select Committee on Science and Technology, you set out some additional questions raised by the Prime Minister.

2. On the question of civil spin-off from defence R&D, the phrase used in the draft Government response "there is significant civil spin-off" is somewhat dismissive of the Select Committee's fears and many would also view it as inaccurate. For example, the Advisory Council for Applied Research and Development (ACARD), in their comments on the Annual Review (Sir Robert Armstrong's minute to the Prime Minister of 23 July ) said that "in general, we do not think that spin-off from defence to non-defence industry in the UK is significant in national terms". They went on to say, (and I agree) that it should be encouraged, but recalled that Sir Ieuan Maddock's report on the subject to the NEDO Electronics EDC showed that many defence contractors have little incentive to exploit defence technology in civil markets, and are not equipped to do so."

3. The initiatives to increase civil spin-off, referred to in the Government response, are those which will enact the statement made by the Secretary of State for Defence, at the Prime Minister's seminar in September 1983 that new ways of exploiting ideas generated in defence R&D establishments would be explored. It is disappointing that a go-ahead for the city-led technology exploitation initiative has yet to be announced, a year after the original statement.

4. Bringing private sector investors into defence R&D establishments to seek out developments which could be exploited in private sector industry is, of course, welcome, but it only begins to scratch the surface of the problem. While so much defence research continues to be carried out in MOD establishments, and so much defence development is carried out in industry under contract and at no risk to the company, the low level of

spin-off must be expected to continue.

5. Frankly I believe that a significant improvement will only occur if defence procurement changes radically from the present system where Government pays first for the research, then for the development and finally for the equipment, to a more normal commercial arrangement where Government buys defence goods at a price which allows the manufacturer to carry out and pay for his own R&D. Only then does the manufacturer have a real incentive to do his R&D efficiently and exploit it to the limit in other defence and civil markets.

6. It was considerations such as these which led me to suggest to the Prime Minister in my comments on the Annual Review of Government R&D (my minute of 27 July) that it would be instructive to examine the consequences of reducing defence R&D expenditure to half its present level with simultaneous changes in the procurement system. You have indicated (your minute of 6 August to Sir Robert Armstrong) that the Prime Minister would wish this philosophy to be examined by the committee to be set up by Sir Robert Armstrong to examine the ACARD comments on defence R&D.

7. In these circumstances, there is little which is constructive to be said to the House of Lords Select Committee at the present time although many, with some justification, might view the present draft of the Government response as unduly complacent. Because of the actions in hand I would advise only a minor watering down of the offending passages.

RBN

ROBIN B NICHOLSON  
Chief Scientific Adviser



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W.0587

30 August 1984

PRIME MINISTER

GOVERNMENT RESPONSE TO THE SUPPLEMENTARY REPORT FROM THE HOUSE OF LORDS SELECT COMMITTEE ON SCIENCE AND TECHNOLOGY

I have seen the draft response to the Supplementary Report on Engineering R&D from the House of Lords Select Committee on Science and Technology; also the minute of 9 August from the Secretary of State for Trade and Industry seeking your approval for the content and form of the response.

2. My view is that this is a reasonably satisfactory reply to the Select Committee. It is appropriate to make it low key, as it would be inadvisable to make any points that differed in matters of substance from the original Government response. I am pleased to see that the letter, which constitutes the response, is being sent by the Secretary of State rather than by the Minister of State, since part of the problem has been convincing the Select Committee that Government gives engineering R&D and manufacturing industry the attention it deserves.

3. Having said this, I do have more private reservations about the implementation of the research programme of the Department of Trade and Industry. It is difficult to discern a strategy behind DTI's R&D programme - as the Advisory Council for Applied Research and Development (ACARD) pointed out in their comments on the 1984 Annual Review of Government-funded R&D. The Select Committee welcomed some recent DTI initiatives (eg the Alvey, microelectronics and biotechnology programmes) but, overall, there is a tendency for DTI to use its funds to support small, short-term, industrial R&D projects covering almost every type of technological advance - an opportunist flavour-of-the-month approach. The Select Committee's concern that longer-term projects of relevance to industry were losing out to this

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almost random approach must not be forgotten. But this is a subject that will be considered as part of the follow-up to this year's Annual Review of R&D, in the context of ACARD's concern that the UK is under-committed in basic and strategic research relevant to manufacturing industry.

4. I am copying this minute to Sir Robert Armstrong.

*PBN*

ROBIN B NICHOLSON  
Chief Scientific Adviser

Cabinet Office  
30 August 1984

- 2 -

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Post. : Enquiry into Science & Govt. 11/78

11 12 1 2 3 4 5 6 7 8 9 10 11 12

30 AUG 1984



Treasury Chambers, Parliament Street, SW1P 3AG

3 September 1984

M C McCarthy Esq  
Principal Private Secretary to  
Secretary of State for Trade & Industry  
Department of Trade and Industry  
1 Victoria Street  
LONDON  
SW1

DMB  
4/9

*Dear Collier*

GOVERNMENT RESPONSE TO THE SUPPLEMENTARY REPORT  
ON ENGINEERING R & D

Your Secretary of State copied to the Chief Secretary his minute to the Prime Minister of 9 August seeking approval for the above draft response.

2 The Chief Secretary has asked me to seek one drafting amendment. Paragraph 6, second sentence, is not at present an accurate description of the public procurement initiative. We suggest the addition of a final phase as follows:

" ... purchasing operations, subject to the requirement that this should provide the purchaser with improved value for money over the longer term."

3 Copies of this letter go to the Private Secretaries to the Prime Minister, the Secretary of State for Education and Science, the Chancellor of the Duchy of Lancaster and the Secretary to the Cabinet.

*Yours sincerely*

*John Gieve*

JOHN GIEVE



DEPARTMENT OF TRADE AND INDUSTRY  
1-19 VICTORIA STREET  
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PS/

Secretary of State for Trade and Industry

16 October 1984

David Barclay Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON  
SW1

*DWB  
17/10*

*Dear David,*

DRAFT GOVERNMENT RESPONSE TO THE HOUSE OF LORDS SELECT COMMITTEE  
ON SCIENCE AND TECHNOLOGY : SUPPLEMENTARY REPORT ON ENGINEERING  
R&D

Thank you for your letter of 10 September with the Prime  
Minister's comments on the draft response.

2 The response has been amended and now states that the  
Government fully endorses the need for positive steps to enhance  
the level of civil spin-off and states how MOD are intending to do  
this.

3 If I may confirm two other changes which have been made they  
are:

- (a) in paragraph 6 in response to an amendment received  
from the Treasury - you will have seen the  
correspondence between John Gieve and myself;
- (b) in paragraph 15 - the UGC response has now been  
published, so the paragraph has been amended to  
reflect this.

... 4 I now enclose a copy of the final response sent to Lord  
Gregson.

*Yours ever,  
Andrew Lansley*

ANDREW D LANSLEY  
Private Secretary

Encl

JH1BAB



DEPARTMENT OF TRADE AND INDUSTRY  
1-19 VICTORIA STREET  
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*From the Minister of State  
for Industry and Information Technology*

16 October 1984

Lord Gregson  
House of Lords  
London SW1

GOVERNMENT RESPONSE TO THE SUPPLEMENTARY REPORT ON ENGINEERING R&D

Your Select Committee wrote to Kenneth Baker with a Supplementary Report commenting on the Government response to your Report on Engineering R&D. Norman Tebbit would have wished to reply personally but I am now writing on his behalf.

2 Your Committee expresses some concern about whether the Government shares your view of the importance of manufacturing industry, and engineering, in the UK economy. We have no doubts on this matter. As Kenneth Baker said in oral evidence to you on 14 March 1984 we believe that manufacturing industry, and the engineering sector, will continue to make a major contribution to wealth creation in the UK. A sufficient R&D base is a vital part of that contribution.

3 A number of specific points were made in your supplementary report and I will deal with each of these in turn.

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6 As for public purchasing, the Government's view is that it has an important role to play in fostering competitiveness and innovation in British industry. The policy launched four years ago ensures that public purchasers take account of wider market opportunities for their suppliers in their purchasing operations, subject to the requirement that this should provide the purchaser with improved value for money over the longer term. The Government has promoted consultation between public purchasers and the relevant supplying industries about future needs. It has encouraged and assisted public bodies to pull through new products in emerging areas of technology and it has provided finance for development. There are continuing opportunities here but examples of what has been achieved so far include the "Office of the Future" programme (mentioned in the response to your first report) electric vehicles, fibre-optics, medical electronic equipment, and the military communications satellite Skynet IV, from a joint venture between GEC-Marconi and British Aerospace.

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industry's research and development and economic prosperity. We have demonstrated our belief in the role that Government can play in the support of R&D by the increases that we have made in Government finance in recent years. For the longer term, however, we are convinced that industry would prefer a situation in which it was sufficiently profitable to finance much the greater part of its own innovation.

9 On the second point, concerning funding for defence R&D, it is true that it has increased in recent years. This funding is of course a public sector responsibility whereas civil R&D is paid for mainly by private industry. Over two-thirds of all defence R&D is now, however, conducted in the private sector. The Government fully endorses the need for positive steps to enhance the level of significant civil spin-off. To this end, negotiations are in an advanced state between the Ministry of Defence and Lazard Brothers and a number of venture capital houses and banks on proposals to mobilise private capital and resources in a company to be called "Defence Technology Enterprises", for the identification of innovative technology in the work of the defence Research Establishments and its future development for the civil market. Discussions are also taking place with industry on arrangements to facilitate increased spin-off of industry-owned Intellectual Property arising from Defence-funded contracts.

10 The subject of licensing-in technology was raised by the Committee. The Government fully recognises the need for British industry to make good use of the possibilities for buying-in appropriate technologies from overseas. We prefer that the Support for Innovation grants mentioned by the Committee should lead to some enhancement in the UK of the licenced technology, but this is not a hard and fast requirement. As with all applications for SFI support the individual projects are judged on their merits within broad and flexible guidelines.

11 The Committee suggested a role for the British Technology Group (BTG) in relation to licensing. One of the tasks of BTG, as announced by Cecil Parkinson on 30 September 1983, is to help industry and financiers identify technology of potential interest to them. This service is aimed particularly towards small and medium sized companies, and is carried out either by a new database or through active search. It is part of the BTG's main role of helping to translate into commercial products new research ideas, coming mainly, but not exclusively, from the UK public sector.

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14 The problems of financing innovation were discussed at the Prime Minister's Seminar on Science, Technology and Industry and this has been followed with a study by an ACARD group. ACARD will be reporting to the Prime Minister shortly and we shall give very careful consideration to the results of their study.

#### Education and Industry

15 Your final recommendation called for a greater measure of selectivity in the support of university research and you referred to the Secretary of State for Education and Science's call to the UGC for a strategy in higher education. The UGC response has now been published and the Secretary of State for Education and Science is taking account of this and other advice in formulating his proposals for the development of higher education which he plans to publish in a Green Paper at the turn of the year.

16 The Research Councils are already selective, basing their selection on the merit of research proposals. This ensures that funding is concentrated in those university departments that have demonstrated their ability in any given field. But the system is not rigid and allows for changes as the staff and scientific interests of Departments change. Both the UGC and the Research Councils must have regard to the need to maintain a broad capability in university departments for education purposes. However, the need to ensure that the best value is obtained from the available resources leads to the sort of concentration that the Select Committee seeks.

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of the Select Committee and the Government in the method of implementation of our policies. It is certainly the case that we share a common goal of seeking to maintain a strong British manufacturing industry. The Government greatly appreciates the time that the Committee has spent considering this important subject and has found the suggestions made valuable in helping to formulate future policies.

A handwritten signature in cursive script, appearing to read 'Geoffrey Pattie', written in dark ink.

A second handwritten signature in cursive script, appearing to read 'Geoffrey Pattie', written in dark ink.

GEOFFREY PATTIE

Parliament : Select Com on Science & Techn; in H of C  
Lords  
Nov 1979.

17 OCT 1984

