

The Rt Hon Gordon Brown MP

Chancellor of the Exchequer



The future of the British economy depends on the future of British science. In today's competitive global economy, the nations that will thrive will be those that attract and retain the highest-skilled people and the most innovative companies. And I believe that at this moment of opportunity with the world economy starting to grow again, Britain's great traditions of scientific inventiveness make us well equipped to be one of the great success stories of the global age. It is important therefore to make the right long term decisions to invest in science and skills.

We are not only faced with the challenge from America, Japan and the Euro area, but with the rise of India and China as technological powers. Already China has 750,000 researchers, China and India each have around 2 million graduates a year, and research and development spending in Singapore is growing at 15 per cent a year. So Britain cannot afford not to invest. Indeed a government that fails to invest in science and skills is a government failing to equip Britain for the new economy.

So alongside the Budget we published a consultation document inviting views on the Government's aspirations for science and innovation over the next 10 years:

- World class excellence from our best centres of science and technology, driven by competition for funding and talent;
- A dynamic research base that meets the needs of both public and private funders and is managed effectively to achieve financial sustainability;
- Greater collaboration between universities and business to provide a sharper focus for research and an

impetus to innovation and productivity growth;

- Better application of leading edge technologies in business and the public sector;
- Development, from investing in the education supply, of the science and technology skills that our businesses and public services will need over the next decade, underpinned by excellent teaching in schools to engage the next generation of workers in the knowledge economy;
- And a society that is confident about the use of science and technology.

We are delighted that over 200 organisations have contributed to our consultation, including: universities; science, research and knowledge transfer organisations; businesses; non governmental organisations; charities; and Regional Development Agencies. And they have come to us with one consistent message – that in today's world investment in science is not only desirable – it is a necessity.

While it would be easier to take the short term route – and fail to continue to make the necessary investments for the future – we propose to take the longer term view, to choose science and technology above many other spending priorities.

So the Secretaries of State for Industry and Education and I have now published, alongside the spending review, a ten year framework for building British leadership in science and innovation to prepare Britain for the challenges of the global economy.

This framework sets out a new and stretching long term target to increase UK investment in private and public sector research and development from 1.9 per

cent of national income – amongst the lowest of our competitors – to 2.5 per cent in ten years' time – among the best of our competitors.

To support this ambition – building on the significant increases in science investment in the last two spending reviews – total government funding for science will rise from £3.9 billion this year to £5 billion by 2008 in this spending review: one billion extra for science by 2008 – a 5.8 per cent average annual real terms rise. And we are delighted that as a result of our investment, the Wellcome Trust has announced a partnership with the UK Government to invest in UK research – committing to invest at least £1.5 billion over five years.

With this funding increase – the largest sustained increase in science spending for a generation – we will continue to make good past under-investment in Britain's scientists, engineers and technologists and the infrastructure that supports them. And we will do more to turn our excellent science base to greater economic advantage, building on the culture change under way in our universities, promoting far more widespread collaboration between businesses and the science base, and promoting innovation in companies directly.

Our long term target is ambitious and will only be achieved with continued commitment and investment from all research funders. So the challenge I am putting to the scientific community, business and charities today is to work with us over the next decade to make Britain the best and most attractive location in the world for science and innovation.