



Cabinet Economic Growth and Infrastructure Committee

EGI Min (13) 5/5

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Minute of Decision

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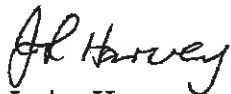
Innovation and Science Hubs in New Zealand and AgResearch Limited's Future Footprint Plans

Portfolio: Science and Innovation

On 20 March 2013, the Cabinet Economic Growth and Infrastructure Committee:

- 1 noted that internationally, science and innovation hubs have been found to have a wide range of economic benefits, such as:
 - 1.1 increased collaboration and knowledge uptake between public research organisations, tertiary education institutes, and businesses;
 - 1.2 providing attractive locations for skilled workers and foreign direct investment;
 - 1.3 economics of scale benefits;
- 2 noted that the government has recently received a number of proposals for science and innovation hubs, including:
 - 2.1 the Lincoln Hub proposal (referred to in paragraph 3 below);
 - 2.2 the Christchurch Innovation Precinct and the Christchurch Health Precinct;
 - 2.3 AgResearch's proposal (referred to in paragraph 4 below) for two innovation hubs at Grasslands (Massey, Manawatu) and Lincoln (as part of the Lincoln Hub proposal);
- 3 noted that in November 2012, the Minister of Science and Innovation and the then Minister for Primary Industries received a letter from Lincoln University, DairyNZ, AgResearch, Plant & Food Research, and Landcare Research to outline their proposal for an education-research-technology transfer hub at Lincoln (the Lincoln Hub), through building on the existing expertise of their organisations and strengthening their collaboration;
- 4 noted that AgResearch has submitted a business case, the Future Footprint, to shareholding Ministers which proposes to make significant investment in two innovation hubs at Grasslands (Massey, Manawatu) and Lincoln (Canterbury), while maintaining two regionally specific centres of expertise at the campuses in Ruakura (Hamilton) and Invermay (Otago);
- 5 noted that the Future Footprint proposal would require redeploying up to 282 staff, with the majority moving to Grasslands or Lincoln;

- 6 noted that AgResearch has requested approval from shareholding Ministers to invest \$31.5 million at Grasslands and \$65.0 million at Lincoln;
- 7 noted that the investment will be funded through the sale of surplus farm and campus assets and operating cash flows, and that no additional funding will be requested from the Crown;
- 8 noted that shareholding Ministers will write to AgResearch to give in principle approval to the Future Footprint business case so that detailed planning can begin;
- 9 noted that AgResearch will be expected to present the first detailed plan by 31 March 2013;
- 10 noted that announcements on the wider Lincoln Hub proposal will be made in March 2013;
- 11 noted that AgResearch intends to announce the Future Footprint in March 2013;
- 12 noted that the Future Footprint proposal is commercially sensitive, and should not be discussed publicly.


 Janine Harvey
 Committee Secretary

Reference: EGI (13) 39

Present:

Rt Hon John Key
 Hon Gerry Brownlee (Chair)
 Hon Steven Joyce
 Hon Anne Tolley
 Hon Nathan Guy
 Hon Chris Tremain
 Hon Simon Bridges
 Hon Nikki Kaye
 Hon Maurice Williamson
 Hon Michael Woodhouse
 Hon Dr Pita Sharples

Officials present from:

Office of the Prime Minister
 Officials Committee for EGI

Distribution:

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 Deborah Roche, MPI
 Secretary, EGI