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Government decision on R&D tax incentives to deliver a wealth of benefits

MetService Chief Executive Peter Lennox has today welcomed the announcement that State-owned enterprises (SOEs) are eligible for the Government's Research and Development (R&D) tax incentives.

Through the work of Chief Financial Officer Keith Hilligan, MetService and other SOEs advocated that their inclusion would increase the level of high quality R&D currently being undertaken across the SOE portfolio.

"New Zealand will realise the benefits from the untapped potential of SOEs to invest further in R&D activity, enabling them to maximise their innovation and contribution to New Zealand, leading to an increase in human, social and physical capital," Peter says.

"As such, we are extremely pleased with this outcome. With enhanced R&D, SOEs will be better able to address the challenges the Government has identified as facing our country and ensure the intellectual property remains in state ownership."

MetService division MetOcean Solutions and its partners was recently awarded \$11.5 million from the Government's Endeavour Fund for the Moana Project, aimed at enhancing understanding of New Zealand's marine environment.

MetService is also partner in the Bodeker Scientific proposal for an Extreme Weather Event Real-time Attribution Machine awarded just under \$1m, and NIWA's proposal to develop a reliable ocean forecast tool for managing marine disasters in New Zealand.

"Research completed across MetService ultimately benefits the wider New Zealand community whether that is through our delivery of enhanced safety services or by building the nations meteorological and oceanographic expertise," says Peter.

"With the inclusion of tax incentives, a level playing field is maintained whereby SOEs can compete with other businesses eligible to claim incentives.

"MetService will be able to increase returns to our shareholder – the New Zealand Government, provide increased employment through the delivery of the research and ultimately, deliver better benefits for New Zealand."

ENDS

About MetService

MetService is New Zealand's National Meteorological Service. As a State-Owned Enterprise its core purpose is to protect the safety of life and property in New Zealand while operating as a commercial business. MetService recently emerged as one of the highest rated agencies in Colmar Brunton's annual survey of reputation in the public sector. <http://www.colmarbrunton.co.nz/opinion-does-our-public-sector-measure-up/>

Contact

Deborah Gray, Communications Manager: deborah.gray@metservice.com

Ph: 027 3700 777