**AIRTO’s innovation leaders urge Government to sustain investment to drive economic growth**

*Posted November 23, 2015*

**AIRTO’s letter to the Chancellor of the Exchequer, the Business Secretary and the Science & Universities Minister**

AIRTO, the Association for Innovation, Research and Technology Organisations, has recently written to the Chancellor of the Exchequer, the Business Secretary and the Science Minister. In the letter members of the AIRTO Board (which includes leaders of some of the UK's major Innovation, Research and Technology sector organisations) urging Government to explore all opportunities to accelerate growth and productivity in the UK economy, through leveraging science and innovation. Ahead of the forthcoming publication of the Government’s Comprehensive Spending Review, the letter offers a tangible delivery route for the Productivity Plan and urges:

• Continued support for leveraging disruptive innovation and for exploiting underpinning investment in science and technology

• Sustained investment in human and physical capital underpinning the UK's network of innovation assets

• Increased efforts to drive innovation into the public sector

• Marshalling of measures in the Productivity Plan into a roadmap for improving the economy

[Read the letter in full here](http://www.airto.co.uk/wp-content/uploads/2015/11/AIRTO-Letter-November-2015.pdf)

**Note to Editors**

The UK’s thriving Innovation, Research and Technology (IRT) sector, of which AIRTO represents approximately 80%, continues to punch well above its weight in the national economy, as shown by an independent study commissioned by AIRTO and carried out by Oxford Economics in 2014. The IRT sector:

* has tripled in size to £6.9Bn per annum since 2006
* consumes just 0.3% of Government spend
* displays productivity 45% higher than the national average
* generates a contribution of >£32bn to UK GDP (>2.3% of the total) and >£13Bn to UK tax revenue
* supports 140,100 jobs - equivalent total employment of Milton Keynes
* directly employs >57,000 highly skilled people, equal to total academic staff of the Russell Group, and considerably more than Germany’s Fraunhofers

The sustained growth of the IRT sector has the potential to significantly enhance UK productivity. Research suggests that every £1 spent in this area in recent years has generated, on average, £7 for the wider economy and that, more broadly, every £1 of public spending on R&D adds £4 to the value of market sector output.

[**Find out more from the Oxford Economics report**](http://www.airto.co.uk/wp-content/uploads/2015/08/airto_oxford_economics_2014.pdf)

Any future enhancement to the level of public resource directed to the IRT sector - such as Research Council funding - will therefore boost sector activity and catalyse significant returns for the wider UK economy. It would also contribute to increased international competitiveness of UK research and industry, improved ability to attract and train our desperately needed highly-skilled workforce, and, ultimately, improved quality of life.

**For further information please contact:**

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