

## Enclosure.

## ENCOURAGEMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH.

*Establishment of New Department.*

THE Government have decided to establish a separate Department of Scientific and Industrial Research for Great Britain and Ireland under the Lord President of the Council, with the President of the Board of Education as Vice-President. They have also decided, subject to the consent of Parliament, to place a large sum of money at the disposal of the new Department to be used as a fund for the conduct of research for the benefit of the national industries on a co-operative basis.

The Board of Inland Revenue have decided, with the approval of the Chancellor of the Exchequer, that no objection shall be offered by their Surveyors of Taxes to the allowance, as a working-expense for income-tax purposes, of contributions by traders to industrial associations which may be formed for the sole purpose of scientific research for the benefit of the various trades; and the allowance would be equally applicable as regards traders' contributions specifically earmarked to the sole purposes of the research section of an adapted existing association.

In both cases the allowance would be subject to certain conditions—*e.g.*, the association or the research section to be under Government supervision, and the trader's contribution to be an out-and-out payment made from his trade profits and giving him no proprietary interest in the property of the association, &c.

In order to enable the Department to hold the new fund and any other money or property for research purposes, a Royal Charter (the official notification of which is reproduced below) has been granted to the official members of the Committee of the Privy Council for Scientific and Industrial Research, under the title of the "Imperial Trust for the Encouragement of Scientific and Industrial Research." The trust is empowered "to accept, hold, and dispose of money or other personal property in furtherance of the objects for which it has been established, including sums voted by Parliament to that end." The trust can take and hold land, and can "accept any trusts, whether subject to special conditions or not, in furtherance of the said objects."

A substantial gift has already been made to the trust by two members of the Institution of Mechanical Engineers for the conduct of a research in mechanical engineering to be approved by the Department, in the hope that this example will be followed by other members of the institution.

Mr. H. Frank Heath, C.B., has been appointed Permanent Secretary of the new Department, to whom all correspondence should be addressed until the 31st December next, at the offices of the Board of Education, Whitehall, London S.W. On and after the 1st January, 1917, all correspondence should be addressed to the Secretary, Department of Scientific and Industrial Research, Great George Street, Westminster, London S.W.

"Privy Council Office, 1st December, 1916.

"Notice is hereby given that a Royal Charter was passed under the Great Seal on the 23rd November creating, under the title of 'The Imperial Trust for the Encouragement of Scientific and Industrial Research,' the official members for the time being of the Committee of the Privy Council for Scientific and Industrial Research a body corporate for the purposes of the said Committee."

## No. 13.

New Zealand, No. 1009.

MY LORD,—

Downing Street, 30th December, 1916.

With reference to my predecessor's despatch, No. 770, of the 27th September, I have the honour to request Your Excellency to inform your Ministers that it has been decided to increase the rate charged for insurance against war risks on cargo under the Government war-risks insurance scheme to £2 2s. per cent. for a voyage, with effect from the 22nd December, 1916.

I have, &c.,

WALTER H. LONG.

Governor His Excellency the Right Hon. the Earl of Liverpool,  
G.C.M.G., M.V.O., &c.

## No. 14.

New Zealand, No. 1015.

MY LORD,—

Downing Street, 30th December, 1916.

With reference to my predecessor's despatch, No. 729, of the 13th September, I have the honour to transmit to Your Excellency, for the information of your Ministers, a copy of a notice which appeared in the *Board of*