



URBAN & REGIONAL
MACRO-ECONOMICS
ENVIRONMENT
PRODUCTIVITY
EMPLOYMENT
POPULATION
INNOVATION
WELLBEING

**MOTU ECONOMIC & PUBLIC POLICY RESEARCH TRUST
MOTU RESEARCH & EDUCATION FOUNDATION**

ANNUAL REPORT 2023–2024

Motu

OUR GOALS:

- » Producing high-quality research
- » Promoting reasoned debate
- » Disseminating topical economic and public policy research.

THANK YOU

TO OUR PATRONS

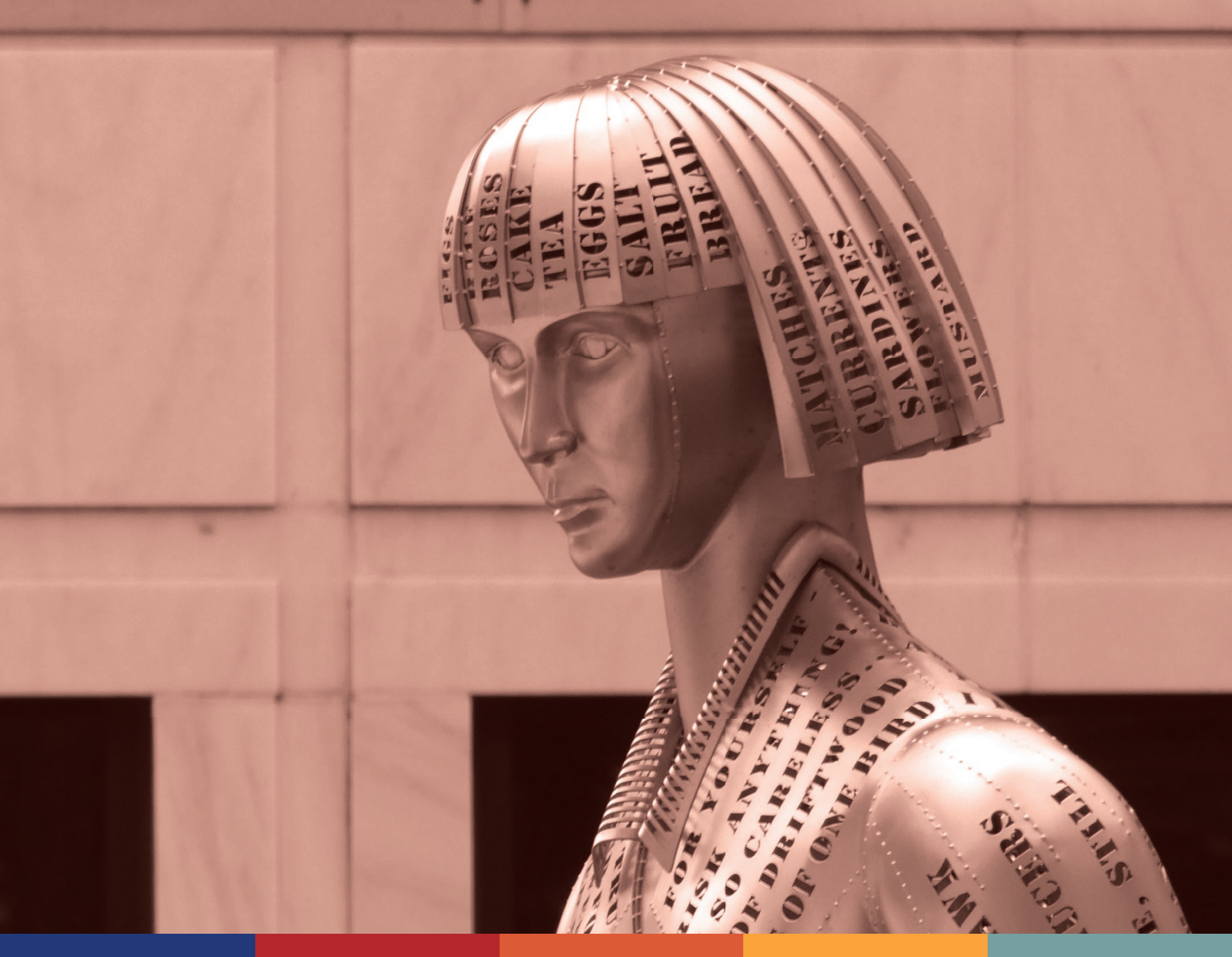


TO OUR PUBLIC POLICY SEMINAR PROGRAMME SUPPORTERS



Motu





CONTENTS

Our Goals	2
Patrons and Programme Supporters	
Motu Economic and Public Policy Research Trust	3
Chairperson's Report	5
Director's Report	6
About Motu	7
Motu Economic and Public Policy Research Trust	7
Motu Research and Education Foundation	7
Our Work	8
Quality Research	8
Building Capability	9
Freely Disseminating Research	11
Patrons and Donors	
Motu Research and Education Foundation	13
Financial Statements	14
Group Statement of Service Performance	14
Statement of Financial Performance	19
Statement of Movements in Equity	20
Statement of Financial Position	21
Statement of Cash Flow	22
Note to Financial Statements	23
Auditors Report	24



CHAIRPERSON'S REPORT



As we look forward to celebrating Motu Research’s 24th anniversary, it is a good time to reflect on the increasing need for excellent, unbiased and independent research. I take this opportunity to thank my fellow Motu Research Board Trustees for their service and abiding recognition of this need – and the importance of the taonga we serve.

Motu Research continues to offer its distinctive blend of economic and public policy research, capacity building of younger researchers and free dissemination of knowledge. The work is of exceptional quality and addresses issues of real importance to New Zealanders.

A very special thank you to all Motu research and support staff who are a world class, passionate, dedicated and talented team.

This year, we were pleased to welcome Senior Fellow Stuart Donovan and Fellow Tadhg Ryan-Charleton. Stuart brings a wealth of expertise in spatial, urban, and transport economics; multi-modal transport planning; and land use policy. Tadhg’s area of expertise is organisational performance, with a specific interest in inter-organisational partnerships, how they can be evaluated and improved, and how they contribute to performance in the private and public sectors.

Motu Research’s work is well supported by the Motu Research and Education Foundation. My fellow Trustees join me in thanking the Foundation for its excellent efforts. I acknowledge the generous support of patrons – ANZ, ASB, Inland Revenue Department, NZ Superannuation Fund, Ministry of Transport, Ministry of Business, Innovation and Employment and Te Waihangā NZ Infrastructure Commission.

The Motu Research Public Policy Seminars have again been well attended and we are grateful to the Treasury, Stats NZ, and the Energy Efficiency and Conservation Authority whose support enabled us to deliver three excellent seminars this year.

Finally, our thanks to those who commission work from Motu Research and also those who allow our researchers access to the information they need. You sustain this important organisation whose work benefits us all.

Nāku iti noa, nā

Jo Wills
Chair, Motu Economic and Public Policy Research Trust
October 2024



DIRECTOR'S REPORT

As Motu Research's Executive Director, I am proud to lead a world-class team of researchers who are committed to advancing knowledge and providing evidence-based solutions to some of Aotearoa New Zealand's most pressing economic and public policy challenges.

Our team of experts work to inform policy decisions, create a deeper understanding of complex issues, shed light on the forces shaping our economy, and ultimately improve the lives of New Zealanders – through rigorous and impactful research.

In this Annual Report, you will get a taste of the collaborative efforts of our esteemed researchers and the valuable partnerships we have forged with government and non-government organisations, academia and the private sector. Together, we seek to foster a robust research ecosystem to drive positive change in Aotearoa.

Our work continues to be highly influential, informing government policy development. For example, this year, our Policy Fellow Catherine Leining and others spoke at various events to encourage use of their Just Transitions Guide, designed to help communities in Aotearoa tackle major changes and challenges.

Over the last year Motu has published 12 working papers and Motu Notes and worked on a range of essential projects with far-reaching impacts:

- » Thomas Benison and Julia Talbot-Jones collected data on residential water use from local councils across Aotearoa, to see the impact of metering and pricing on consumption. Their preliminary analysis suggests metering and pricing incentivises water conservation in Aotearoa.
- » Trinh Le and Euan Richardson looked at expenditure patterns of retiree households. They found that, compared to pre-retirement people, retirees are more likely to report having sufficient income to meet daily needs and express greater satisfaction with their lives.

- » Caroline Fyfe, Dave Maré and Phoebe Taptiklis analysed the impacts of the New Zealand Government's COVID-19 Wage Subsidy Scheme on both firm and worker level economic outcomes. They also evaluated the value for money of the subsidy, concluding that, overall, the COVID-19 wage subsidy represented value for money.

Dissemination of research is always a strong focus for Motu. We ran three Public Policy Seminars in partnership with the Treasury, Energy Efficiency & Conservation Authority and Stats NZ. Each seminar included a panel of experts to help broaden the discussion and support agency enquiry.

In keeping with our mission to increase economic research capability, our dedicated team are proud to support the development and learning of younger researchers and government employees. We have trained employees in several government agencies and put our Research Analysts on various training courses.

We were delighted to award James Hancock of the University of Auckland the Sir Frank Holmes prize for top Economics undergraduate student in Aotearoa. Thank you to our generous supporters and Foundation Patrons for helping us to continue developing this research capability.

Sincerely,

John McDermott
Executive Director
October 2024



ABOUT MOTU

Motu Research is an independent economics and policy research institute. We help public policy decision-makers in Aotearoa New Zealand grapple with complex social, environmental and economic issues.

Our freely available world-class research and well-informed, reasoned debate help decision-makers make informed decisions.

We are independent and never advocate for ideologies or political positions. Our unbiased, high-quality research is highly sought after.

Motu Research is the top-ranked economics research institute in Aotearoa New Zealand (according to Research Papers in Economics (RePEc), which ranks all economists and economic research organisations in the world based on the quantity and quality of their research publications).

Motu Research is split into two separate organisations:

MOTU ECONOMIC AND PUBLIC POLICY RESEARCH TRUST

This is a charitable trust that runs our research programmes. The Trust's purpose is to do quality economic research, education and dissemination of research for the benefit of Aotearoa New Zealand.

MOTU RESEARCH AND EDUCATION FOUNDATION

This is a charitable trust set up to manage our non-contract capability-building function. The funding is endowments and donations from public and private institutions, NGOs and interested individuals.

The Motu Research and Education Foundation was established in 2006, with the aim of building capability of economic research and public decision-making. We build capability in the public sector by funding and promoting research into public policy issues affecting Aotearoa New Zealand, without advocating an ideological or political position.

Specifically, we provide:

- » funding for internships
- » funding for Māori scholarships
- » funding for visiting academics to present in Aotearoa New Zealand
- » seed funding to explore new areas of economic and policy research.

OUR WORK

Since Motu was founded, our objectives have remained the same. As a charitable trust, we were established to promote well-informed and reasoned debate on public policy issues relevant to New Zealand decision making.

To this end, we are committed to three broad goals:

QUALITY RESEARCH | CAPACITY BUILDING | RESEARCH DISSEMINATION.

We elaborate on these goals below.

QUALITY RESEARCH

Motu's success is built on our high-quality research. Our distinctive contribution to the Aotearoa New Zealand public policy environment comes from an emphasis on sound empirical analysis, supported by expertise in and knowledge of economic theory and institutional design. We choose research areas that build on the interests and expertise of our researchers.

PUBLICATIONS

Our two-publication series, the Motu Working Paper series and Motu Notes, are both available for free from our website, www.motu.nz. Motu Working Papers are technical papers, intended for working economists and other experts. Motu also maintains an online archive of our public datasets.

MOTU WORKING PAPERS AND NOTES published between 1 July 2023 to 30 June 2024 (12 in total).

Sin, Isabelle, Shannon Minehan, Janet Fanslow, and Alayne Mikahere-Hall. (2024). Who can leave a partner who uses violence? (Motu Working Paper). Motu Economic and Public Policy Research.

Maré, David C, Richard Fabling, and Dean R Hyslop. (2023). Job displacement and local employment density. (Motu Working Paper). Motu Economic and Public Policy Research.

Benison, Thomas and Julia Talbot-Jones. (2023). Urban water security: Assessing the impacts of metering and pricing in Aotearoa New Zealand. (Motu Working Paper). Motu Economic and Public Policy Research.

Hyslop, Dean, Trinh Le, David C. Maré, Lynn Riggs, and Nic Watson. (2023). Domestic transport charges: Estimation of transport-related elasticities. (Motu Working Paper). Motu Economic and Public Policy Research.

Benison, Thomas, Trinh Le, and Arthur Grimes. (2023). Working for fun? The impact of employment in the arts sector on wellbeing. (Motu Working Paper). Motu Economic and Public Policy Research.

Grimes, Arthur, Conal Smith, Kimberley O'Sullivan, Philippa Howden-Chapman, Lydia Le Gros and Rachel Kowalchuk Dohig. (2023). Micro-geography and public housing tenant wellbeing. (Motu Working Paper). Motu Economic and Public Policy Research.

Le, Trinh and Euan Richardson. (2023). Expenditure patterns of New Zealand retiree households. (Motu Working Paper). Motu Economic and Public Policy Research.

Fyfe, Caroline, Phoebe Taptiklis, Dominic White, and Niven Winchester. (2023). Review of emissions data and modelling systems (Phase 1) Report. (Motu Working Paper). Motu Economic and Public Policy Research.

Fyfe, Caroline, David C Maré, and Phoebe Taptiklis. (2023). COVID-19 Wage Subsidy: Outcome evaluation - Value for money. (Motu Working Paper). Motu Economic and Public Policy Research.

Hyslop, Dean R, David C Maré, and Shannon Minehan. (2023). COVID-19 Wage Subsidy: Outcome evaluation. (Motu Working Paper). Motu Economic and Public Policy Research.

Leining, Catherine, Troy Baisden and Hannah Kotula. (2023). Insights from Motu's Just Transitions Dialogue. (Motu Note). Motu Economic and Public Policy Research.

Pueyo, Ana and Catherine Leining. (2023). Just transition processes: From theory to practice. (Motu Note). Motu Economic and Public Policy Research.

JOURNAL PUBLICATIONS BY OUR RESEARCHERS published between 1 July 2023 to 30 June 2024 (five in total).

David Rea and Dean Hyslop. (2023). The difference-in-difference control trial: a case study. *Observational Studies*, volume 9, (issue 4), 49-72. (<https://muse.jhu.edu/pub/56/article/906626>).

Xinwei Dong, Dean Hyslop and Daiji Kawaguchi. (2023). Skills, Productivity and Wages: Direct evidence from a Temporary Help Agency. *Journal of Labor Economics*, forthcoming (manuscript September 2023).

Voerman-Tam D, Grimes A, Watson N. (2023). The economics of free speech: Subjective wellbeing and empowerment of marginalized citizens. *Journal of Economic Behavior and Organization*, volume 212, 260-274. <https://doi.org/10.1016/j.jebo.2023.05.047>.

Xinwei Dong, Dean Hyslop and Daiji Kawaguchi. (2024). Skills, Productivity and Wages: Direct evidence from a Temporary Help Agency. *Journal of Labor Economics*, volume 42, No. S1, S133-S181.

Ryan-Charleton, T. and Galavan, R. J. (2024). Multimarket contact between partners and strategic alliance survival. *Strategic Management Journal*, volume 45, issue 10, 1988-2017. <https://onlinelibrary.wiley.com/doi/10.1002/smj.3607>.

OTHER MOTU PUBLICATIONS. published between 1 July 2023 to 30 June 2024 (one in total).

Leining, Catherine et al. (2023). A guide to just transitions for communities in Aotearoa New Zealand. Motu Economic and Public Policy Research.

HONOURS AND AWARDS WON BY OUR RESEARCHERS:

The quality of our research is regularly recognised by honours and awards.

In 2023-2024, our researchers won the following awards:

- » Professor Dennis Wesselbaum (Motu Affiliate) won the NZ Institute of Economic Research Early Career Economics Leader Award.
- » Stuart Donovan won the Jan Whitwell Prize from the NZ Association of Economists.
- » Stuart Donovan won the Stats NZ Prize from the NZ Association of Economists for a paper he co-authored with others.

BUILDING CAPABILITY IN ECONOMIC AND PUBLIC POLICY RESEARCH

Our researchers teach university courses and supervise thesis students. We offer junior research roles and we provide opportunities for Motu researchers to further their training.

We also make data more available, host international academic visitors, and run conferences, dialogue groups and workshops.

TEACHING BY OUR RESEARCH FELLOWS

Motu's Senior Fellows build research capability through their work with universities and other organisations. This includes research collaboration, teaching and supervising thesis students.

- » Arthur Grimes taught the Economics and Policy course in VUW's Master of Public Policy degree. Arthur also taught a graduate course on Public Policy and the Economics of Wellbeing.
- » Niven Winchester taught undergraduate courses in microeconomics and behavioural economics, and a graduate course in international trade theory and policy, all at the Auckland University of Technology.
- » Stuart Donovan coordinated various urban economics short courses.

INTERSHIPS

Motu offers paid summer internships, provided by our funding from our patrons.

This internship programme is designed to apply and extend students' empirical skills and help their development as researchers. Its underlying aim is to build research capability, improving the skills of young researchers and the quality of research in Aotearoa. Motu interns work on research projects led by one of the Senior Fellows and are encouraged to think critically about public policy and research issues. Internships build students' skills, as well as providing our researchers with useful research assistance.

Ultimately, we hope our interns will be better equipped to consider a career in research or public policy analysis. Over 50 young researchers have 'graduated' from this programme since 2000.

We hosted no interns over the summer of 2023-2024. Funding was instead used to build internal research capabilities across all levels of the organisation this year, rather than focusing only on interns.

RESEARCH ANALYSTS

As part of Motu Research's commitment to building economic research capacity in Aotearoa New Zealand, we employ a few outstanding early-career economists as Research Analysts (RA's). These are usually recent graduates in economics, statistics, or a related field who have completed an Honours or Masters' degree.

Motu Research Analysts get hands-on experience of economic and public policy research, building their analytical and research skills and authoring papers alongside Senior Fellows. Motu provides the Research Analysts with training and mentoring on current research topics and programmes.

We usually have a strong cohort of about four bright, early-career economists working on a wide variety of topics.

In the 2023-2024 period, we employed three Research Analysts - Hannah Kotula, Euan Richardson and Thomas Benison.

OPPORTUNITIES FOR MOTU RESEARCHERS TO FURTHER THEIR TRAINING

We encourage and provide a work environment where our researchers support each other with their research by peer reviewing each other's work.

We also have a weekly internal seminar series scheduled for our researchers. The seminars feature both internal and external speakers presenting recent research or topics that benefit their research.

SCHOLARSHIPS

Motu Research currently provides:

- » the Motu Doctoral Scholarship
- » the Āheitanga Thesis Scholarship
- » the Sir Frank Holmes Prize.

MOTU DOCTORAL SCHOLARSHIP

The Motu Doctoral Scholarship can be awarded to Motu Research Analysts who have been employed by Motu for at least twelve months and who leave to do a highly rated PhD course. The scholarship is \$2,000.

The objectives are to:

- » recognise the recipient's outstanding contribution while employed at Motu
- » encourage the recipient to gain the qualifications needed to become an independent researcher, and thus continue to build New Zealand's research capacity.

Motu Research did not award a Motu Doctoral Scholarship in 2023-2024 because no Motu Research Analysts left Motu to do a PhD in this financial year.

ĀHEITANGA THESIS SCHOLARSHIP

Every year, Motu Research offers a one-year \$10,000 scholarship pool to enhance research capacity in Aotearoa's Māori community. It is offered to university students of Māori descent who are working on (or are planning to work on) an Honours, Masters or PhD thesis.

Through our Āheitanga Thesis scholarship, we hope to help enhance research capacity in Aotearoa's Māori community and help students of Māori descent research topics relevant to public policy development.

We did not award the scholarship in 2023-24 because no applicants met the scholarship criteria.

SIR FRANK HOLMES PRIZE

The Motu Research and Education Foundation offers a cash prize of \$3,500 for the top Economics undergraduate student in Aotearoa, who is also moving on to Honours or Masters level studies in Economics, including econometrics. The Sir Frank Holmes Prize is awarded every year in October.

The purpose of this prize is to encourage top quantitative economics students to further their studies in econometrics at graduate level. The prize is not open for applications and is decided through nominations by university lecturers.

Motu Research awarded the prize to James Hancock, University of Auckland in 2023.



Left to right - Our 2023 Sir Frank Holmes Prize winner, James Hancock (University of Auckland) with John McDermott (Motu Executive Director).



FREELY DISSEMINATING RESEARCH

Motu is committed to freely disseminating our research findings. Our communications are designed to build trust in our research, independence, and charitable status. We also provide communicative tools for others' research relevant to public policy in Aotearoa New Zealand.

Our primary audiences are the New Zealand public policy service, economic and public policy researchers, private sector organisations, Māori organisations and non-profit organisations. Some of our information is tailored for the wider public.

STAKEHOLDER DIALOGUES

Motu Research uses an innovative stakeholder dialogue process for investigating challenging topics that are the subject of polarising public debate.

A Motu Dialogue is not a decision-making body, but a group with a wide range of perspectives that can provide a basis for more constructive and informed public discussion on challenging issues. It is composed of up to 20 individuals who work together over an agreed amount of time to frame challenges within the sector and create ideas on how to move forward.

The group meets in person (with some participation by videoconference) for either half or full-day meetings. The group aims to develop a shared understanding of the issues and current knowledge about them, identify creative ideas to address them, develop mutual trust among participants, and develop potential effective, efficient and fair solutions to the identified challenge or pose well-formulated research questions. It does not aim to create consensus among participants, though consensus on some issues is often reached.

We held two dialogues between 1 July 2023 and 30 June 2024:

- » Under the International Climate Cooperation Dialogue, we held two half-day meetings online in August 2023. This involved roughly 24 cross-sector participants from around New Zealand. Catherine Leining co-led this with Sasha Maher, with additional support from Ellen Hume, Hannah Kotula, Euan Richardson, Thomas Benison and Shannon Minehan.
- » Under the Dialogue on Just Transitions in Labour Markets, we held three half-day meetings online over May through June 2024. (Note we ran the fourth and final half-day meeting online in July 2024.) This involved roughly 12 international participants who are distinguished academics or just transition practitioners. This was a collaboration between Motu and Environmental Defense Fund. On Motu's end, this was co-led by Catherine Leining and Euan Richardson, and on EDF's end this was co-led by Luis Fernández Intriago and Suzi Kerr. We had additional support from Hannah Kotula.

In each case, attendees were a mixture of government, business, NGOs and researchers. We typically had 20 to 40 participants in each meeting. All the dialogue meetings were virtual (via Zoom), anchored from Wellington.

PUBLIC POLICY SEMINARS

One of Motu Research's missions is to help stimulate informed debate around Aotearoa's most urgent social, economic and policy issues. One way we do this is through our public policy seminar series.

Our seminars are an opportunity for expert input and stakeholder conversation on urgent social, economic and policy issues. We invite prominent economists and thought leaders - both international and domestic - to present their findings and engage with a panel of qualified experts. The seminars help to educate stakeholders and kick-start collective thinking in some dynamic policy areas.

We ran three Public Policy Seminars between 1 July 2023 and 30 June 2024:

- » Productivity in a changing world
- » Introducing 'A guide to just transitions for communities in Aotearoa NZ'
- » Role of hydrogen in low-carbon energy transition.

NEWSLETTERS AND EMAIL NOTIFICATIONS ABOUT RESEARCH

We send out Motu newsletters three to four times a year, rounding up our recent research published, news about our scholarships, Public Policy Seminar news and more.

Between 1 July 2023 and 30 June 2024, we did not send out any newsletters as we did not have staff capacity to create newsletters.

We also send out emails whenever we publish working papers, Motu Notes and annual reports (and we send invitations to our Public Policy Seminars and annual birthday party) to subscribers who have signed up for these notifications.

Between 1 July 2023 and 30 June 2024, we sent out 22 of these email notifications.

MOTU RESEARCH WEBSITE

Free dissemination of our research is important to us. Our website is our main vehicle to achieve this.

MENTIONS OF MOTU RESEARCHERS IN THE MEDIA

Between 1 July 2023 and 30 June 2024, 40 articles mentioned Motu researchers.

SOCIAL MEDIA

We make several posts a week on our two social media channels. Posts include information about new research of ours, our upcoming Public Policy Seminars and when we have been mentioned in the media.



PATRONS AND DONORS - MOTU RESEARCH AND EDUCATION FOUNDATION

Our activities are funded through generous support from patrons, and other donations. Our patrons are the backbone of the Motu Research and Education Foundation. Their commitment provides an ongoing level of financial support that makes the Foundation's work possible.

The Foundation had six patrons in 2023-2024:





MOTU ECONOMIC AND PUBLIC POLICY RESEARCH TRUST

Group Statement of Service Performance

for the year ended 30 June 2024

ABOUT MOTU - WHY WE EXIST

Motu Research is an independent economics and policy research institute. We help public policy decision-makers in Aotearoa New Zealand grapple with complex social, environmental and economic issues.

Our freely available world-class research and well-informed, reasoned debate help decision-makers make informed decisions.

We are independent and never advocate for ideologies or political positions. Our unbiased, high-quality research is highly sought after.

Motu Research is the top-ranked economics research institute in Aotearoa New Zealand (according to Research Papers in Economics (RePEc), which ranks all economists and economic research organisations in the world based on the quantity and quality of their research publications).

We are committed to three broad goals: quality research, capacity building in economic research and research dissemination.

Motu Research is split into two separate organisations:

MOTU ECONOMIC AND PUBLIC POLICY RESEARCH TRUST

This is a charitable trust that runs our research programmes. Our research programmes are funded by grants from various organisations, including government departments, NGOs and private companies.

The trust's purpose is to do quality economic research, education and dissemination of research for the benefit of Aotearoa New Zealand.

MOTU RESEARCH AND EDUCATION FOUNDATION

This is a charitable trust set up to manage our non-contract capability-building function. The funding is endowments and donations from public and private institutions, NGOs and interested individuals.

The Motu Research and Education Foundation was established in 2006, with the aim of building capability of economic research and public decision-making. We build capability in the public sector by funding and promoting research into public policy issues affecting Aotearoa New Zealand, without advocating an ideological or political position.

Specifically, we provide:

- funding for internships
- funding for Māori scholarships
- funding for visiting academics to present in Aotearoa New Zealand
- seed funding to explore new areas of economic and policy research.

The Motu Foundation is not an operational entity. It does not carry out research, so in pursuing these objectives, the Foundation co-operates with a range of people and organisations, particularly Motu Research. The Motu Foundation is governed by a Board of Trustees, which consists of some of Aotearoa New Zealand's most distinguished professionals and academics.

Under our Trust Deed, the Foundation can meet the following purpose within Aotearoa New Zealand: Commission, carry out, and facilitate empirical and theoretical research into public policy issues of importance and relevance to Aotearoa New Zealand. In all cases, research supported by the Foundation must meet international academic standards and be suitable for publication in reputable academic journals.



OUR RELATIONSHIP WITH OUR SPONSORS AND PATRONS

Motu's work is only possible with generous support from our patrons who help fund our capacity building in research and public policy (internships, training Research Analysts and scholarships). More details are in the 'Building Research and Public Policy Capability' section below.

We also have Public Policy Seminar supporters. Their support allowed us to deliver a comprehensive Public Policy Seminar programme.

OUR VISION, PURPOSE AND OBJECTIVES

Since Motu was founded, our objectives have remained the same. As a charitable trust, we were established to promote well informed and reasoned debate on public policy issues relevant to New Zealand decision making.

To this end, we are committed to three broad goals: quality research, capacity building, and research dissemination. We elaborate on these goals below.

QUALITY RESEARCH

Motu's success is built on our high-quality research. Our distinctive contribution to the Aotearoa New Zealand public policy environment comes from an emphasis on sound empirical analysis, supported by expertise in and knowledge of economic theory and institutional design. We choose research areas that build on the interests and expertise of our researchers.

Motu's Senior Fellows all have PhDs (mostly from top international universities) and extensive public policy experience – and work together as a cooperative. Each Fellow and Senior Fellow identifies valuable research questions they can potentially answer, then find funding to support their research and the running of Motu Research. They work individually or collaborate with researchers inside or outside Motu Research. They sometimes use junior Motu researchers as Research Analysts. Senior Fellows also sometimes teach in universities.

How we achieved this goal

PUBLICATIONS

Our two-publication series, the Motu Working Paper series and Motu Notes, are both available for free from our website, www.motu.nz. Motu Working Papers are technical papers, intended for working economists and other experts.

Motu also maintains an online archive of our public datasets.

- Motu Working Papers and Notes (published between 1 July 2023 to 30 June 2024 - 12 in total)
- Motu Working Papers and Notes (published between 1 July 2022 to 30 June 2023 - 16 in total)
- Journal publications by our researchers (published between 1 July 2023 to 30 June 2024 - 5 in total)
- Journal publications by our researchers (published between 1 July 2022 to 30 June 2023 - 19 in total).

HONOURS AND AWARDS WON BY OUR RESEARCHERS:

The quality of our research is regularly recognised by honours and awards. See more information about honours and awards received by our staff at www.motu.nz/about-us/staff-honours-awards.

BUILDING CAPABILITY IN ECONOMIC AND PUBLIC POLICY RESEARCH

How we achieved this goal

Our researchers teach university courses and supervise thesis students. We offer junior research roles and we provide opportunities for Motu researchers to further their training.

We also make data more available, host international academic visitors, and run conferences, dialogue groups and workshops.



TEACHING BY OUR RESEARCH FELLOWS

Motu's Senior Fellows build research capability through their work with universities and other organisations. This includes research collaboration, teaching and supervising thesis students.

INTERNSHIPS

Motu offers paid summer internships, provided by our funding from our patrons.

This internship programme is designed to apply and extend students' empirical skills and help their development as researchers. Its underlying aim is to build research capability, improving the skills of young researchers and the quality of research in Aotearoa. Motu interns work on research projects led by one of the Senior Fellows and are encouraged to think critically about public policy and research issues. Internships build students' skills, as well as providing our researchers with useful research assistance.

Ultimately, we hope our interns will be better equipped to consider a career in research or public policy analysis. More than 50 young researchers have 'graduated' from this programme since 2000.

We hosted no interns over the summer of 2023/2024. Funding was instead used to build internal research capabilities across all levels of the organisation this year, rather than focus only on interns.

We hosted three interns over the summer of 2022/2023.

SCHOLARSHIPS

Motu Research currently provides:

- the Motu Doctoral Scholarship
- the Āheitanga Thesis Scholarship
- the Sir Frank Holmes Prize

MOTU DOCTORAL SCHOLARSHIP

The Motu Doctoral Scholarship can be awarded to Motu Research Analysts who have been employed by Motu for at least twelve months and who leave to do a highly rated PhD course. The scholarship is \$2,000. The objectives are to:

- recognise the recipient's outstanding contribution while employed at Motu
- encourage the recipient to gain the qualifications needed to become an independent researcher, and thus continue to build New Zealand's research capacity.

Motu Research did not award the Motu Doctoral Scholarship in 2023/2024.

Shakke Noy and Livvy Mitchell won the Motu Doctoral Scholarship in 2022/2023.

ĀHEITANGA THESIS SCHOLARSHIP

Every year, Motu Research offers a one-year \$10,000 scholarship pool to enhance research capacity in Aotearoa's Māori community. It is offered to university students of Māori descent who are working on (or are planning to work on) an Honours, Masters or PhD thesis.

Through our Āheitanga Thesis scholarship, we hope to help enhance research capacity in Aotearoa's Māori community and help students of Māori descent research topics relevant to public policy development.

We did not award the scholarship in 2023/24 because no applicants met the scholarship criteria.

Mākere Hurst won the 2022 scholarship. Her PhD is in Public Policy through the School of Government at Te Herenga Waka (Victoria University of Wellington). Mākere's PhD topic is: assessing Māori wellbeing and the relationship between Māori and natural resources, including land, on modern wellbeing outcomes.



SIR FRANK HOLMES PRIZE

The Motu Research and Education Foundation offers a cash prize of \$3,500 for the top economics undergraduate student in Aotearoa, who is also moving on to honours or masters level studies in economics, including econometrics. The Sir Frank Holmes Prize is funded by the Hugo Group and is awarded every year in October. It is only available by nomination by university heads of department.

The purpose of this prize is to encourage top quantitative economics students to further their studies in econometrics at graduate level. The prize is not open for applications and is decided through nominations by university lecturers.

Motu Research awarded the prize to James Hancock, University of Auckland in 2023.

Motu Research awarded the prize to Jessie Zhang, University of Auckland, in 2022.

RESEARCH ANALYSTS

As part of Motu Research's commitment to building economic research capacity in Aotearoa New Zealand, we employ a few outstanding early-career economists as research analysts (RA's). These are usually recent graduates in economics, statistics, or a related field who have completed an Honours or Masters' degree.

Motu research analysts get hands-on experience of economic and public policy research, building their analytical and research skills and authoring papers alongside senior fellows. Motu provides the research analysts with training and mentoring on current research topics and programs.

We usually have a strong cohort of about four bright, early-career economists working on a wide variety of topics.

Many research analysts that Motu has employed have gone on to complete economics PhDs from top international graduate schools, and many more are currently studying towards their doctorates. These Motu alumni are supported by a scholarship from Motu.

Other former research analysts and interns have moved into Government work and taken up senior roles at the World Bank, Treasury, the Interim Climate Change Commission, Oranga Tamariki, and other government departments.

In the 2023-2024 period, we employed three research analysts.

In the 2022-2023 period, we employed five research analysts.

OPPORTUNITIES FOR MOTU RESEARCHERS TO FURTHER THEIR TRAINING

We encourage and provide a work environment where our researchers support each with their research by peer reviewing each other's work.

We also have a weekly internal seminar series scheduled for our researchers. The seminars have both internal and external speakers presenting recent research, or topics that benefit their research.

FREELY DISSEMINATING RESEARCH

Motu is committed to freely disseminating our research findings. Our communications are designed to build trust in our research, independence, and charitable status. We also provide communicative tools for others' research relevant to public policy in Aotearoa New Zealand.

Our primary audiences are the New Zealand public policy service, economic and public policy researchers, private sector organisations, Māori organisations and non-profit organisations. Some of our information is tailored for the wider public.

How we achieved this goal

STAKEHOLDER DIALOGUES

Motu Research uses an innovative stakeholder dialogue process for investigating challenging topics that are the subject of polarising public debate.



A Motu Dialogue is not a decision-making body, but a group with a wide range of perspectives that can provide a basis for more constructive and informed public discussion on challenging issues. It is composed of up to 20 individuals who work together over an agreed amount of time, to frame challenges within the sector, and create ideas on how to move forward.

The group meets in person (with some participation by video-conference) for either half or full-day meetings. The group aims to develop a shared understanding of the issues and current knowledge about them, identify creative ideas to address them, develop mutual trust among participants and develop potential effective, efficient and fair solutions to the identified challenge or pose well-formulated research questions. It does not aim to create consensus among participants though consensus on some issues is often reached.

We held two dialogues between 1 July 2023 to 30 June 2024.

We held seven dialogues between 1 July 2022 to 30 June 2023.

In each case, attendees were a mixture of government, business, NGOs and researchers. We typically had 20 to 40 participants in each meeting. All of the dialogue meetings were virtual (via Zoom), anchored from Wellington.

PUBLIC POLICY SEMINARS

One of Motu Research's missions is to help stimulate informed debate around Aotearoa's most urgent social, economic and policy issues. One way we do this is through our public policy seminar series.

Our seminars are an opportunity for expert input and stakeholder conversation on urgent social, economic and policy issues. We invite prominent economists and thought leaders – both international and domestic – to present their findings and engage with a panel of qualified experts. The seminars help to educate stakeholders and kick-start collective thinking in some dynamic policy areas.

We ran three seminars between 1 July 2023 to 30 June 2024.

We ran two seminars between 1 July 2022 to 30 June 2023.

NEWSLETTERS AND EMAIL NOTIFICATIONS ABOUT RESEARCH

We send out Motu newsletters three to four times a year, rounding up our recent research published, news about our scholarships, Public Policy Seminar news and more.

Between 1 July 2023-30 June 2024, we sent out 0 newsletters.

Between 1 July 2022-30 June 2023, we sent out 3 newsletters.

We also send out emails whenever we publish working papers, Motu notes and annual reports (and we send invitations to our Public Policy Seminars and annual birthday party) – to subscribers who have signed up for these notifications.

Between 1 July 2023-30 June 2024, we sent out 22 of these email notifications.

Between 1 July 2022-30 June 2023, we sent out 24 of these email notifications.

MOTU RESEARCH WEBSITE

Free dissemination of our research is important to us. Our website is our main vehicle to achieve this.

MENTIONS OF MOTU RESEARCHERS IN THE MEDIA

Between 1 July 2023-30 June 2024 40 articles

Between 1 July 2022-30 June 2023 23 articles

SOCIAL MEDIA

We post several posts a week on our two social media channels. Posts include information about new research of ours, our upcoming public policy seminars and when we have been mentioned in the media.



MOTU ECONOMIC AND PUBLIC POLICY RESEARCH TRUST

Summary Group Statement of Financial Performance

for the year ended 30 June 2024

	2024	2023
	\$	\$
INCOME		
Research Grants	1,887,164	2,511,594
Interest Received	110,075	74,532
Patron Income and Donations	100,000	75,500
Other Income	43,315	86,307
Total Income	2,140,554	2,747,933
LESS EXPENSES		
Personnel	1,635,719	1,787,082
Research Project Costs	223,545	660,566
Other Operating Expenses	361,991	365,818
Total Operating Expenses	2,221,255	2,813,466
SURPLUS/(DEFICIT)	(80,701)	(65,533)
OTHER EXPENSES		
Senior Fellow Research Accounts	21,891	25,005
TOTAL EXPENSES	2,243,146	2,838,471
NET SURPLUS/(DEFICIT)	(102,592)	(90,538)

This Statement has been prepared on the basis as described on page 23



MOTU ECONOMIC AND PUBLIC POLICY RESEARCH TRUST

Summary Group Statement of Movements in Equity

for the year ended 30 June 2024

	2024	2023
	\$	\$
Net Surplus/(Deficit) for the year	(102,592)	(90,538)
Total recognised revenues & expenses	(102,592)	(90,538)
Opening Equity	1,841,283	1,931,821
Closing Equity	1,738,691	1,841,283
SENIOR FELLOW RESEARCH RESERVE		
Opening Senior Fellow Research Reserve	204,113	252,337
Transfers from/(to) Accumulated Funds	(7,018)	(23,219)
Expenses funded by Reserve	(21,891)	(25,005)
Closing Senior Fellow Research Reserve	175,204	204,113
ACCUMULATED FUNDS		
Opening Accumulated Funds	1,637,170	1,679,484
Net Surplus/(Deficit) for the year	(102,592)	(90,538)
Net Transfers (to)/from Senior Fellow Research Reserve	28,909	48,224
Closing Accumulated Funds	1,563,487	1,637,170

This Statement has been prepared on the basis as described on page 23



MOTU ECONOMIC AND PUBLIC POLICY RESEARCH TRUST

Summary Group Statement of Financial Position

as at 30 June 2024

	2024	2023
	\$	\$
CURRENT ASSETS		
Cash and bank	531,822	358,258
Investments	1,508,924	1,741,370
Accounts Receivable	229,120	501,557
Work in Progress	227,255	245,896
Total Current Assets	2,497,121	2,847,081
CURRENT LIABILITIES		
Accounts Payable and accrued expenses	474,903	446,421
Income Received in Advance	346,617	634,195
Total Current Liabilities	821,520	1,080,616
WORKING CAPITAL	1,675,601	1,766,465
NON-CURRENT ASSETS		
Plant, Property & Equipment	63,090	74,818
Total Non-Current Assets	63,090	74,818
NET ASSETS	1,738,691	1,841,283
Represented by;		
Accumulated Funds	1,563,487	1,637,170
Senior Fellow Research Reserve	175,204	204,113
EQUITY	1,738,691	1,841,283

This Statement has been prepared on the basis as described on page 23

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MOTU ECONOMIC AND PUBLIC POLICY RESEARCH TRUST

Summary Group Statement of Cash Flow

for the Year Ended 30 June 2024

	2024	2023
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Research Grants	1,974,295	2,278,911
Patron Income and Donations	140,000	80,249
Other Income	49,647	20,952
	2,163,942	2,380,112
Payments		
Personnel	1,654,721	1,859,838
Research Project Costs	316,625	1,135,987
Premises Rental Costs	128,156	109,000
Audit Fees	25,200	18,963
Senior Fellow Research Account Expenses	22,493	18,619
Other Operating Expenses	162,520	201,891
	2,309,715	3,344,298
Net GST (Paid)/Received	11,069	(34,237)
Net Cash Flows from Operating Activities	(134,704)	(998,423)
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Interest Received	108,050	67,521
Withdrawal of Term Deposits	916,711	1,602,659
	1,024,761	1,670,180
Payments		
Investment in Term Deposits	684,264	924,576
Purchase of Fixed Assets	32,229	16,396
	716,493	940,972
Net Cash Flows from Investing Activities	308,268	729,208
Net Increase/(Decrease) in Cash and Cash Equivalents	173,564	(269,215)
Cash and Cash Equivalents at 1 July	358,258	627,473
Cash and Cash Equivalents at 30 June	531,822	358,258

This Statement has been prepared on the basis as described on page 23



MOTU ECONOMIC AND PUBLIC POLICY RESEARCH TRUST

Note to the Summary Group Financial Statements

for the Year Ended 30 June 2024

The summary financial statements for Motu Economic and Public Policy Research Trust for the year ended 30 June 2024 on pages 14 to 22 have been extracted from the full financial reports. The full financial reports were adopted by the Board of Trustees on 17 October 2024. The full financial statements were prepared in accordance with New Zealand generally accepted accounting practice ("NZ GAAP"). For the purposes of complying with NZ GAAP, the Trust is a public benefit entity and is eligible to apply Tier 2 Not-For-Profit Public Benefit Entity International Public Sector Accounting Standards on the basis that it does not have public accountability and it is not defined as large. These summary financial statements comply with PBE standards as they relate to summary financial statements.

The summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial reports. A copy of the full financial reports can be obtained by email to: finance@motu.org.nz.

The auditor KPMG Wellington has examined the summary financial statements for consistency with the audited full financial statements. An unmodified audit opinion has been issued. These summary financial statements have been approved for issue by the Board of Trustees.

Jo Wills
Chairperson
17 October 2024

Motu
economic & public policy research



Independent Auditor's Report

To the trustees of Motu Economic and Public Policy Research Trust

Report on the summary consolidated financial report

Opinion

In our opinion, the accompanying summary consolidated financial report of Motu Economic and Public Policy Research Trust and Foundation (the 'Group') on pages 14 to 23:

- i. have been correctly derived from the audited consolidated financial report for the year ended 30 June 2024; and
- ii. Are a fair summary of the consolidated financial report in accordance with Public Benefit Entity Financial Reporting Standard 43 ('PBE FRS 43') Summary Financial Statements (**PBE FRS 43 Summary Financial Statements**).

The accompanying summary consolidated financial report comprises:

- the summary consolidated statement of financial position as at 30 June 2024;
- the summary consolidated statements of financial performance, movements in equity and cash flows for the year then ended;
- Notes, including a summary of significant accounting policies and other explanatory information; and
- the summary consolidated statement of service performance and entity information on pages 14 to 18.

Basis for opinion

We conducted our audit in accordance with International Standard on Auditing (New Zealand) 810 (Revised) Engagements to Report on Summary Financial Statements (**ISA (NZ) 810 (Revised)**).

We are independent of the Group in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Summary consolidated financial report

The summary consolidated financial report does not contain all the disclosures required for a full consolidated financial report under PBE FRS 43 Summary Financial Statements. Reading the summary consolidated financial report and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial report of Motu Economic and Public Policy Trust and Foundation and the auditor's report thereon. The summary

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consolidated financial report and the audited consolidated financial report do not reflect the effects of events that occurred subsequent to the date of our audit report on the consolidated financial report.



Use of this independent auditor's report

This independent auditor's report is made solely to the trustees. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the trustees for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Trustees for the summary consolidated financial report

The Trustees, on behalf of the Group, are responsible for:

- the preparation and fair presentation of the summary consolidated financial report in accordance with PBE FRS 43 Summary Financial Statements; and
 - implementing necessary internal control to enable the preparation of a summary consolidated financial report that is correctly derived from the audited consolidated financial report.
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Auditor's responsibilities for the summary consolidated financial report

Our responsibility is to express an opinion on whether the summary consolidated financial report is a fair summary of the audited consolidated financial report based on our procedures, which were conducted in accordance with ISA (NZ) 810 (Revised).

We expressed an unmodified audit opinion on the consolidated financial report in our audit report dated 17 October 2024.

For and on behalf of:



KPMG

Wellington

17 October 2024



Motu

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