

Commission Response to Review of the New Zealand Productivity Commission's Research Function: 2020-22, by Robert Buckle

1. This document is a response from the Director of Economics & Research and the Commissioners to the review of the Commission's research function provided by Prof Robert A Buckle.
2. Prof Buckle was asked to "Undertake an independent expert evaluation of the Commission's economics and research function. This includes evaluating a 'package' of research work undertaken by the Commission during the period 1 July 2020 to 30 June 2022. Where appropriate and useful the evaluation will also cover the effectiveness with which research is used to influence policymaking and enhance the Commission's reputation."
3. The Commission accepts the findings included in the review report and will take actions to implement the recommendations.

Recommendation	Planned Action on Recommendation	Responsible	Timing
Recommendation (i): Continue to fine-tune the workplan in consultation with stakeholders, so that it makes clearer the themes the ERT will focus on in the medium-term, in addition to the type of research work required to support PC Inquiries.	Agree. Prior to planning for the next financial year, we will identify priority themes that guide our work programme	Director Economics and Research, in consultation with the Commissioners	March 2022
Recommendation (ii): Establish closer links with more university researchers that have the research skills to complement those of ERT staff and either collaborate with ERT staff, or undertake research consistent with ERT priorities	Agree. Over the next year, the team will make contact with each of the universities, with the aim of identifying areas of potential collaboration and benefit	Director Economics and Research	2022-3
Recommendation (iii): Continue to look for suitable students emerging from university PhD programmes in order to maintain a pipe-line of young researchers	Agree. We shall be employing our second PhD student this year. Better linkages with the universities will increase our ability to do this in the future and also identify benefit from collaboration on the research conducted as part of PhDs themselves	Director Economics and Research	Ongoing
Recommendation (iv): Continue exploiting the potential of the Data Lab and skills within ERT to train other public sector researchers and PhD graduates in the use of the IDI	Agree. We will ensure that we do not get overwhelmed by this, but current levels of support appear to be sustainable, particularly when this is in areas of mutual interest	Director Economics and Research	Ongoing
Recommendation (v): Work with the Commission's Board to ensure resourcing is maintained to enable pursuit of the agreed workplan and to ensure a suitable balance of the use of ERT staff time on important productivity topics beyond the immediate requirements of Commission Inquiries	Agree. As the review notes, the restoration of the real value of the Commission's funding from government and the clear backing of the Board has enabled the team to be adequately resourced. Make statement of long-term commitment to resourcing this important part of the Commission's work in Annual Report.	Director Economics and Research, in consultation with the Commissioners	October 2022