

NZESG at QUT in Australia

The 25th Meeting of the New Zealand Econometric Study Group (NZESG) was held on 19 and 20 February 2015. The meeting was held in Brisbane, Australia, hosted by the National Centre for Econometric Research (www.ncer.edu.au) and the School of Economics and Finance, Queensland University of Technology. The meeting broke new ground for NZESG as its first meeting in Australia, an initiative designed to strengthen the growing links between Australian and New Zealand econometricians. The composition of the organizing committee was Professor Peter Phillips, Professor Stan Hurn, Dr. Yin Liao and Dr. Min Zhu.

There was a very positive response to the NZESG in Australia initiative, resulting in well over 50 registered attendees, making this a much bigger workshop than recent years. Consequently, there was a very full program with 32 papers presented in 8 sessions over the two days. The workshop retained its unique features of having a single stream and providing a formal discussant for every paper.

The omens for the two-day workshop were not good in the couple of days prior to the start. First came the news that the founder of the NZESG, Professor Peter Phillips, had suffered an injury that prevented him from attending the workshop for the first time in about two decades. It then became apparent that Tropical Cyclone Marcia was likely to hit the central Queensland coast as a category five (most severe) system sometime during the meeting. Although likely to be spared the full force of Marcia's fury, the tropical low travelling in her wake was expected to hammer Brisbane with torrential rain. Figure 1 shows a snapshot of the situation early on Saturday morning taken by the Brisbane weather radar station at Marburg.



Figure 1: Rain in Brisbane as seen from the Marburg Radar

A huge thank you needs to be said to the team of professional staff at QUT, Angela Fletcher, Diane McDonald and Michelle Smith. Not only did they ensure everything worked smoothly in the run-up to the workshop, but they also had to work tirelessly behind the scenes during the sessions to try and find dry and safe locations for tea breaks and lunch. Given the inclement weather, the original locations were unavailable and new slots had to be organized on a session-by-session basis.

The only organizational glitch was a catastrophic failure of the Audio Visual system on Friday morning right before the start of the first session in the room intended for the workshop. The event moved seamlessly to an adjacent room and disaster was avoided. The transition caused a half hour delay in the program that was easily accommodated through the scheduled lunch break and the program finished on time at 5:30pm.

As has been the case in previous years, emphasis was placed on encouraging and supporting the achievements of emerging researchers through the RBNZ-NZESG Student Award. The Award is based on research presented at the meeting and the quality of the presentation, including discussion. This year's Awards Committee consisted of Prof Stan Hurn (QUT), Prof Alfred Haug (University of Otago), Prof Mardi Dungey (UTas) and Prof Gael Martin (Monash).

The quality of the presentations and content was high with a varying range of interesting topic areas making the judges job a very difficult one. In a very close competition, Michelle Lewis from the RBNZ was judged winner of the NZESG Research Award for 2015, generously sponsored by the Reserve Bank of New Zealand. Michelle's paper showed that augmenting a traditional macroeconomic VAR with financial variables derived from the term structure of interest rates could enhance forecasting performance of macro variables. Ayesha Scott (QUT), Yen Tran (UQ) and Huanjun Zhu (Monash) also gave excellent papers that deserve honourable mention.

The meeting was an enjoyable and productive two day affair. Highlights included Adrian Pagan (University of Sydney) providing a great discussion of a paper by Jiti Gao (Monash), using the slides prepared by Peter Phillips who was unable to attend because of an injury that prevented air travel; a fired up Rami Tabri (University of Sydney) telling Jin Seo Cho (an NZESG stalwart from Yonsei Univeristy in Korea) that he had read his paper with "fine tooth comb" while brandishing a huge manuscript of comments above his head; and a wonderful conference dinner at Moda Restaurant.

It was a pleasure for the NCER and the School of Economics and Finance at QUT to host the successful NZESG conference series for the first time in Australia. We look forward to further NZESG meetings on both sides of the Tasman Sea. The 26th meeting of the NZESG is planned for February 2016.