

NEWSLETTER

Newsletter of the [Economic Society of Australia, Tasmanian Branch](#)^{INC}

MAJOR UPCOMING EVENTS

GILBIN LECTURE

Speaker: Professor Eric Hanushek
Paul and Jean Hanna Senior Fellow
Hoover Institute, Stanford University



Topic: Education
Date: **Wednesday 15 July 2009**
Time: **5:00pm**
Where: Centenary Lecture Theatre
Ground Floor, Centenary Building
University of Tasmania
Grosvenor Crescent
Sandy Bay
Cost: Free (Just your time)
RSVP: Sue Abel on 6226 2308 or
by email sue.abel@utas.edu.au
By Friday 10 July 2009

This year our Giblin Lecturer is to be Professor Eric Hanushek from Stanford University, who works on the area of economics of education. He is particularly interested in how the nature of education programs can lead to economic outcomes and how aspects such as class size, program quality and other inputs affect education output.

Professor Hanushek is a particularly distinguished guest for our lecture, we have been very fortunate in obtaining his visit. For more details on Eric Hanushek and his work see his home page <http://edpro.stanford.edu/hanushek>. You may also wish to hear him speak at http://www.econtalk.org/archives/2007/08/hanushek_on_edu_1.html.

ANNUAL GENERAL MEETING

Speaker: James Holloway
Deputy Head of Economic Analysis
Reserve Bank of Australia

Topic: *Current Economic Conditions.*

Date: **Wednesday 13 May 2009**

Time: **6:30pm**

Where:



Ground Floor, Murray Street Pier, Hobart
(back room)

Cost: \$45 – Economic Society members
\$55 – non Economic Society members

This includes the food and drinks with the meal

Payment may be made beforehand by cash, cheque, Visa, MasterCard or bank deposit (BSB 067 002, Account Number 1030 9361) OR by cash or cheque on the night.

RSVP ecosoctas@optusnet.com.au or
Stewart Sharples on 6233 9580
By 12 pm on Friday 8 May 2009

James Holloway is the Deputy Head of the Economic Analysis Department in the Economic Group of the Reserve Bank. Before that he was the Head of the Economic Activity & Forecasting Section at the Reserve Bank of Australia where he was responsible for monitoring, analysing and forecasting the Australian economy for the purposes of formulating appropriate monetary policy. He has also been the Head of the Overseas Economies Section.

Before joining the Bank in 2000, James worked at the Australian Treasury in the Domestic Economy Division and in the area of Commonwealth-State financial relations. He has been involved in economic forecasting for the past 13 years or so. He holds a Bachelors of Economics with First Class Honours and a Bachelors of Commerce from the University of Queensland and grew up in Bundaberg.

TASMANIAN BRANCH PRIZES

One of the main objects of the Tasmanian Branch is to encourage the teaching, study and application of economics. One way that the Tasmanian Branch fulfils this objective is to provide prizes to students of economics. The 2008 prize-winners, which can also be found on our website at www.ecosoc.org.au/tas/awards, are outlined below. We continued to sponsor two pre-tertiary cash prizes for economics and two cash prizes at the University of Tasmania in Quantitative Economic Analysis and the Jenny Milne Memorial Prize for best economics honours dissertation.

Prize Winners and Awards for 2008

Prize-winner	Award
Brad Griffiths	Jenny Milne Memorial Prize
Jet Holloway	BEA 240 Quantitative Analysis Prize
Madeleine Figg	Best Tasmanian TCE Prize
Lachlan Peattie	Hutchins School TCE Prize

In addition we awarded a book, *Freakonomics*, by Steven Levitt and Stephen Dubner with certificate inside the book, to the best student in pre-tertiary economics at each school in Tasmania that teaches it. Note that to date only Hutchin's School has replied to our request to claim their 2008 prize.

Committee News

The agendas and confirmed minutes of the branch committee meetings are available on the branches' website www.ecosoc.org.au/tas. We will attempt to post them in more regular fashion now that we have gained direct control over the content on the branch's website. The website home page has links to local and national employment opportunities and other ESA state websites with a similar format for easy navigation.

Membership March 2009

Full member with no journals	36
Full member with Economic Papers	5
Full member with both journals	14
Student/Conc with no journals	5
Student/Conc with both journals	6
Life Member	1
TOTAL	67

Committee Members

President	Dr Paul Blacklow School of Economics and Finance University of Tasmania Paul.Blacklow@utas.edu.au
Vice President	Mr Chris Lock Department of Treasury and Finance Chris.Lock@treasury.tas.gov.au
Treasurer	Mr Greg Philp Department of Treasury and Finance Greg.Philp@treasury.tas.gov.au
Secretary	Mr Stewart Sharples Department of Treasury and Finance Stewart.Sharples@treasury.tas.gov.au
Member	Ms Alison Watt Department of Treasury and Finance Alison.Watt@treasury.tas.gov.au
Member	Mr Ben Goodsir Department of Primary Industries and Water Ben.Goodsir@dpiw.tas.gov.au
Member	Mr Richard Dowling Tasmanian Chamber of Commerce and Industry Richard.Dowling@tcci.com.au
Member	Mr Peter Johnson peter_noel04@yahoo.com.au

PAST MAJOR EVENTS

13TH ANNUAL PUBLIC GIBLIN LECTURE

The 13th Giblin Lecture (2008) jointly hosted by the School of Economics and Finance and the Tasmanian Branch of the Economic Society, was held on Tuesday 28 October at 5.30pm. In anticipation of a larger audience (which eventuated) the venue was moved this year from the Business Building, to Centenary Lecture Theatre in the Centenary Building at the University of Tasmania.

The 13th public lecture was delivered by Professor Warwick McKibbin, Executive Director of the Centre of Applied Macroeconomic Analysis at the Australian National University. In addition to being a member of the Reserve Bank Board, Professor McKibbin has delivered several lectures and made many media appearances commenting on Climate Policy.



Picture: Dr Sarah Jennings (Head of the School of Economics & Finance, UTAS) Professor Warwick McKibbin (ANU, Giblin Lecturer) Professor Daryl Le Grew (Vice-Chancellor of UTAS) Dr Paul Blacklow (President of ESA-TAS)

The 2008 Giblin Lecture was titled *Climate Change Policy Post 2012*. Professor McKibbin provided evidence that prices had a large role to play in reducing CO₂ emissions and energy consumption and that carbon should be priced accordingly. He also explained that any scheme to do this would need to be flexible in order to take into account of the uncertainty of the emission targets required to halt environmental damage and the uncertainty that all countries will join. Rather than setting emission targets and letting the price of carbon fluctuate (creating more uncertainty) Professor McKibbin advocates that the price for carbon should be set for 5 years in order to meet the estimate of emissions targets required by a central bank of carbon and then adjusted based on new scientific evidence and the performance of the scheme in order to meet long term targets.

5TH TASMANIAN ECONOMIC FORUM

The 5th Tasmanian Economic Forum (TEF) was held on 1 December 2008. The theme “*Thriving Tasmanian Economy? A Purr or a roar*” was a great success with the largest turnout to date of around 100 people.

The highlight of the event was the debate “The Roaring Tiger Economy can only be realised with radical policy reform”. Both teams spoke passionately for their respective sides, particularly Mr Saul Eslake and Professor Sinclair Davidson. This was unsurprising as both had been publicly debating the issue prior to the TEF.

The event also saw speeches from Dr Stephen Beard and Prof Sinclair Davidson on planning reform and taxation reform respectively, while the Treasurer, the Hon Michael Aird, MLC, spoke about the extensive Tasmanian reform over the past decade. Mr Eslake also gave an overview of the global financial crisis.

The 2009 TEF will be held on Friday 4th December 2009. We look forward to seeing you there so please save the date in your diaries. If you have any suggested topics, please send them to your committee (see page with details of the current committee).

Prof. Jonathon West
Director
Australian Innovation
Research Centre



Prof. Mardi Dungey
University of
Tasmania



Mr Andrew Scobie
Chairman of the
Board of Directors
TCCI



Mr Norton Grey
CEO
Aqua
Distributors



Prof. Sinclair Davidson
Senior Fellow at
the Institute of
Public Affairs, Prof.
of Institutional
Economics RMIT



Mr Saul Eslake
Chief
Economist
ANZ Bank



Dr Stephen Beare
Principal
Economist & Head
of Modelling
Concept
Economics



Hon. Michael Aird
Tasmanian
Treasurer



PAST EVENTS AND PRESENTATIONS (SINCE OUR LAST NEWSLETTER)

We have generally held a function every month of the year (barring January) for the past two years.

Presentations are generally held at 5:15pm in the Murray Room, Treasury Building, Murray Street, Hobart. In the past, they have been held on Wednesdays, but after the AGM this year they will be typically held on a Tuesday each month.

Note that earlier this year we held our first function in Launceston. A special thanks to Ann Marsden for organising the event and to our speaker Chris Lock. The event was a success and we plan to hold more events in the north of the state in the future.

The committee would like to acknowledge and thank the Department of Treasury and Finance and its Secretary, Don Challen, for the use of the Murray Room for committee meetings and regular branch functions.

We especially thank our speakers for the effort and time they donate and their excellent presentations.

Date	Speaker	Topic
Wednesday October 29 2008 (Giblin Lecture)	Prof. Warwick McKibben See article in this newsletter	<i>Climate Change Policy Post 2012.</i>
Monday 1 December 2008 (4 th Tasmanian Economic Forum)	Various See article in this newsletter	<i>"Thriving Tasmanian Economy? A Purr or a roar"</i>
Wednesday 17 December 2008	NA (Nibbles & Drinks)	<i>Christmas</i>
Wednesday 18 February 2009	Mr Alexis Wadsley	<i>Project Finance and the Pulp Mill</i>
Wednesday 18 March 2009	Dr Liam Lenten	<i>Valuating Cricket Players in the IPL</i>
Wednesday 8 April (Launceston)	Mr Chris Lock	<i>Flood risk management – some economic issues: Invermay Case study</i>
Wednesday 29 April (Hobart)	Mr Chris Lock	<i>Flood risk management – some economic issues: Invermay Case study</i>
Wednesday 13 May (AGM)	Mr James Holloway	<i>Current Economic Conditions</i>

FUTURE EVENTS AND PRESENTATIONS

If you have a suggestion for a speaker or wish to volunteer to make a presentation, please contact a committee member (see Committee Members in the Newsletter for contact details).

Remember to keep an eye on our web page's events page www.ecosoc.org.au/tas/events for details of forthcoming events.

In June we shall have Mr Andrew Rayner, Assistant Director of the Economic Monitoring Unit at the Department of Treasury and Finance to present a review of Chapter 2 of the Budget Paper No 1, Treasury's main commentary on the Tasmanian economy.

The Giblin Lecture will be held in July (see front page of this newsletter for more details).

Later in the year, Dr Paul Blacklow from the School of Economics and Finance at UTAS (and currently our president) will make a presentation on "Economics, Happiness and Public Policy".

THE ESTABLISHMENT OF THE SOCIETY 1924

Copy of article published in *The Mercury*, Friday 5 December 1924 (reprinted with permission of *The Mercury*)

AN ECONOMIC SOCIETY

A meeting convened by Major L. F. Giblin and Mr. J. B. Brigden, B.A. (joint provisional secretaries), for the purpose of forming a branch of the Economic Society of Australia and New Zealand was held in the Chamber of Commerce room last night, where there was a numerous and representative attendance. Mr. G. H. Cunningham was elected to the chair.

The Chairman expressed gratification at the number present, and the hope that the movement that was about to be initiated would be successful, and the beginning of something which would be worth while in a branch of work which he knew was wanted, and which would be of benefit if it was undertaken in a proper way.

The secretary (Mr. J. B. Brigden) read communications from many sympathisers with the movement expressing regret at inability to be present, and signifying their intention of becoming members.

Professor D. B. Copland explained the aims and organisation which were embodied in the following constitution drawn up by a committee consisting of Messrs. Giblin, Wickens, Malcolm Fraser, Bennett, MacKay, Watson and himself, which had been authorised by Section G. of the Australian Association for the Advancement of Science to bring up a report upon an economic society. Professor Copland further explained that, whilst the council would exercise a co-ordinating authority and arrange for publications, the main work would be done by the branches. In preparing digests of information upon published material, legislation or administrative decisions, the branches would be performing a service of great value to the members. It was suggested that this work should be divided among the branches according to the special aptitude of the leading workers in each branch. To this end the provisional committee desired each branch to make suggestions upon the nature of the information for which it would be prepared to hold itself responsible. In organising a branch a wide representation should be sought. Teachers of economics, business men, and Government officials would probably furnish the majority of members, but it was desirable to enlist the support of all persons with a general and

non-professional interest in economic questions. These classes should, as far as possible, be represented upon the governing committee of the branch. Two types of publication had been suggested: (1) A regular news sheet giving the digests of information; and (2) an annual research volume. These publications were to be in charge of an editorial board subject only to the decision of the council on finance. It was thought that limited activities of this nature would be within the resources of the society during the early years. Funds would be derived from subscriptions of members and from donations from persons and bodies interested. As the scope of the work of the society would be limited by the finances available, branches were asked to enrol a large membership, and to make appeals for additional assistance. Members would receive all publications, including the research volume.

Criticism of these proposals and further suggestions would be welcomed by the organising committee. Apart from the formation of the branches, the question of a meeting of representatives of branches required consideration. Normally, the council would meet when the Australian Association for the Advancement of Science met. This would mean waiting till the Perth meeting of the A.A.A.S., in August, 1926. It was hoped, however, that an earlier meeting might be arranged.

The secretary moved -

That it is desirable that a branch of the Economic Society of Australia and New Zealand should be formed in Hobart.

He said the time seemed to be opportune for the taking of such a step, and many of them who had lately been struck with the necessity of thinking about some of our local questions were particularly interested in the formation of such a society in Hobart. The recent controversy over the municipal rating must have made many people feel that a good deal lay beneath what appeared on the surface, and that there was not enough provision for such thinking. If matters were discussed from time to time and sometimes prompted by the Chamber of Commerce, or by the Chamber of Manufactures, much that would be of usefulness might be evolved.

They could deal with local matters, and a wide sphere would lie in the collection of material upon Australasian problems. He expressed encouragement at and appreciation of that night's response, and appealed to members to take the society seriously, and help with such service as they were able to offer.

Major Giblin seconded, and the motion was agreed to.

Mr. J. Gibbs suggested that one thing that the society might well devote its attention to was a study of the industrial cycle.

Mr. Wilson Bailey hazarded that the society might be of benefit not only to business men, but even to legislators. Many a time a member of Parliament was called upon to give his vote upon a problem which in the nature of the case he had neither had the time nor the opportunity to study in all its bearings.

Professor Copland said that they all knew that in England economists on the narrow scale had been before the war, and were still consulted frequently by the Government. Whether the society as a society could be asked to give utterance to any policy upon any problem was a matter of doubt. He did not think it would be able to do so as a society, because the organisation would contain members of such diverse political and economic views, but it would stimulate economic study, and settle half of our problems economical in their incidence, and in that sense it would help the Government and Parliament generally to form opinion. The suggestion of Mr. Gibbs was a valuable one. Anything that would bring the economist and the business man together was to be welcomed. The economic man knew that he had a lot to learn from the business man, and if the feeling were reciprocated the society would flourish.

A committee of five, comprising the chairman, Major Giblin, Major Hutchinson, Mr. Gibbs, and the secretary was appointed to prepare draft rules to be submitted to the next meeting, which was fixed for December 11, and it was further resolved that that it be a recommendation to that meeting that subscription be £1 generally and 12s 6d for undergraduate members.

UPCOMING EVENTS



Australian Conference of Economists
Adelaide September 2009

September 28-30

ACE09 will be held at the University of Adelaide, 28-30 September 2009. The Conference is being organised by the South Australian Branch of the Economic Society of Australia, with Jonathan Pincus chairing the program sub-committee.

As well as invited plenary and keynote papers from outstanding economists, and refereed contributed papers, the conference will feature a special session on the state of the world economy, with panellists including Rob Shimer (Chicago) and Lee Ohanian (UCLA). Orley Ashenfelter (Princeton) has provisionally accepted to give an invited address. The 2009 Fisher Lecture will be delivered by Brian Copeland (UBC). Conference participants will be able to participate in laboratory-based experiments. And there will be the Australian launch of a major World Bank project on distortions in agricultural markets.

Blocks of time will be made available for sessions in specialist areas within economics (eg, econometrics, labour, macro, health, theory, trade, transport, economic history), and will be integrated into the overall timetable. Offer to organise sessions in your specialty! Your group can have a mini-conference within ACE09, but open to all registrants. The organisers of ACE09 may be able to assist with the fares and other costs.

For more information see www.ace09.org.au

School of Economics and Finance Seminar Program

School of Economics and Finance Seminars are typically held on Fridays in room 104 at 11:00am-12pm during the University's semester 1 and 2 in the Commerce & Economics Building, UTas, French Street, Sandy Bay. For more details see http://www.utas.edu.au/ecofin/home/seminar_2009.htm or contact the School by phoning 6226 7672.



Presentations are made by the School's staff, postgraduate and honours students and international and national economists. Many of the presentations can be downloaded from the above website.

The remaining seminars for semester 1 are:

8 May – *Contested Theory and Selectivity: Are All Economic Facts Greatly Exaggerated?* - Hristos Doucouliagos (Deakin Uni) and T.D. Stanley (Hendrix College)

15 May – *TBA*, Professor Arye Hillman (Bar-Ilan University, Israel)

22 May – *TBA*, Dr Paul Wachtel (Stern NYU)

29 May – *TBA*, Mr Alexis Wadsley (UTAS)

The Australian Innovation Research Centre (AIRC)

Researches key issues in innovation performance and economic development. If you are planning to attend, please call 6226 7389 by COB on the



Friday before to ensure seating is available. Seminars are held at the AIRC boardroom, Level 5, Galleria, 33 Salamanca Place at 11am.



For more details see <http://www.airc.net.au/people.php>

Forthcoming seminars are:

8 May – *Small Business in 2009 - Competition Regulation and The Global Downturn*, Dr Michael Schaper (ACCC)

22 May – *TBA*, Mark Sayer (Skills Tasmania)

5 June – *TBA*, Ms Lyndal Thorburn (Innovation Dynamics)