

President's Report Economic Society of Australia Western Australian Branch

For the year ended 30th June 2015

It is a pleasure to present my first President's annual report. I recap some of the highlights of the past year below.

Branch Activities for 2014-15

The 2014 Shann Memorial lecture was presented by Professor Kym Anderson at UWA on the evening of 25th of September. The function was, as always, convened jointly by the Economic Society and the University of Western Australia. This recognised Edward Shann's role in the foundation of the WA Branch of the Economic Society as well as his important contribution to economics in Australia. Professor Anderson shared his reflections on the impact of mining on Australia's agricultural competitiveness and, in doing so, presented historical illustrations of different types of mineral booms, such as the 'discovery driven' and labour intensive gold rush in eastern Australia during the 1850s and the more complex 'supply driven' boom in gold producing in Western Australia during the 1890s. He also used forward projections, derived from economic models that he had developed, to suggest future policy development for Australia (including an expression of support for a new free trade agreement with China).

Dr Mike Nahan, the State Treasurer, presented a talk to the Society at the Melbourne Hotel on the evening of 8th of October 2014. He spoke on the distribution of the GST and the difficulties that the application of the fiscal equalisation principle to intergovernmental financial relations for the WA budget. Dr Nahan made the case that the current distribution has efficiency consequences that penalise states that actively pursue growth strategies relative to states that do not.

The WA Branch of the Society also co-sponsored (with Curtin University as the major sponsor) a conference in memory of Professor Paul Miller, a much missed colleague, supervisor and mentor to many in WA. The event was held at the Esplanade on 11-12 November 2014 and, as those who attended know, it was a very successful event. The proceedings of that conference have just been published in a special issue of the *Australian Journal of Labour Economics* (volume 18, Number 1, 2015).

Mr Neville Power, CEO of Fortescue Metals Group, gave a lunch time presentation to members of the Economic Society and University of Queensland alumni at the BankWest Auditorium on 27 November 2014. This event was jointly convened by the Society and the University of Queensland. Mr Power acknowledged that the economic environment that FMG now faced was challenged by the fall in iron ore prices, but the theme of his presentation was

positive, highlighting FMG's organisational resilience and flexibility that will enabled it to manage such challenges.

The traditional end of year sundowner was held on the evening of Wednesday 10th December, at *The Melbourne Hotel*. Our special guest was Mr Timothy Marney, the Commissioner for Mental Health. Mr Marney is also a former Under Treasurer for the WA Government and he underlined a recurring theme in his Q & A presentation: economic analysis of resource allocation issues in the areas of mental health policy - and health policy more generally – is essential when addressing long term planning issues.

On the evening of 24 March 2015, Professor Philip Lewis addressed the Society at the University Club. He spoke on structural and technological change and skills demand in the Australian labour market. His finding revealed that the significant structural change in Australia's labour market that has occurred over the past four decades has resulted in a pronounced shedding of low skill workers and increased demand for skilled workers. Also, recessions and external shocks have had, according to Professor Lewis, a disproportionate adverse impacted on the lower skilled and increase the likelihood of lower skilled workers becoming unemployed.

The Outlook for 2015-16

The Economic Society convened a one day economics workshop on 22 July 2015, with Professor Stephen King (Economic Regulatory Authority of WA) and Mr Julian Tapp (Vimy Resource) as keynote presenters. The motivation for planning the event was to boost participation by WA economists – with all presenters having a professional connection with economics in WA – and to support the development of our young economics group, which is led so ably by Anusha Mahendran. In view of this, we were fortunate to have the following prominent young economists present at the workshop: Andrew Brennan, Elisa Birch, Ishita Chatterjee, Ingebjorg Kristoffersen, Christopher Shulha and Duc Vo.

Dr Phillip Lowe, the deputy Governor of the Reserve Bank of Australia, presented the 2015 Shann Memorial Lecture on 12 August.

As both the Economic Workshop and the 2015 Shann Memorial Lecture, fall within the 2015-16 year, I will comment more fully on these events at the next AGM. At this stage, let me just say that both events were very successful.

For the remainder of 2015, three events are being planned. A talk by Peter Kolf, a prominent energy economist and former energy regulator, tentatively set for early October. A quiz night (with economic emphasis on some of the quiz questions) is being organised by

Anusha Mahendran and the young economists. It will be held at the UWA Tavern on 28 October. Finally, there will be an end of year sundowner, probably early in early December.

Branch Membership

Total membership is currently 83.

The Australian Conference of Economists

Australian Conference of Economists (ACE), organised by the Queensland Branch, was held at Queensland University of Technology from the 7-11 July. The conference was not held in conjunction with Econometric Society of Australia Meeting (ESAM), but it was, nonetheless, still a clear success.

ACE 2016 will be held at Flinders University, South Australia, 4-8 July. I encourage members to consider attending.

Report on Central Council Matters

I attended the meetings of Central Council: on 14 November 2014 in Melbourne; on 27 March 2015 in Sydney and on 9 July 2015 during ACE in Brisbane. Among the developments:

1. The Central Council has introduced a “National Economic Panel” of very senior and distinguished ESA members who may become available to the media if particular issues arise in which they have some expertise. The WA members of the Panel are: Margaret Nowak, Harry Block and David Butler. Congratulations Margaret Harry and David!
2. In 2015, a second Peter Kenyon Scholarship was awarded, this time to Aubrey Poon (ANU PhD student, formerly an economics student and the University of Notre Dame Australia). Margaret Nowak and I participated on the selection sub-committee.
3. Eminent Speaker Series, 2016: In 2015, the WA Branch nominated Professor Mary Morgan, of the London School of Economics, to be the Society’s invitation to be our Eminent Speaker. The Central Council endorsed that nomination and invited Professor to visit Australia in 2016 as the Society’s Eminent Speaker for 2016. I am delighted to report that (i) Professor Morgan has accepted the invitation; and (ii) Perth will definitely be included on her Australian tour, which will be in April or May (dates to be confirmed). Her tour will draw on issues related to Professor Morgan’s award winning book, *The World in the Model* (Cambridge University Press, 2012), which considers modelling as a method of enquiry, the imagining and imaging of economic ideas (to consider the way that images emerge and are developed over time to give form, and greater clarity, to

economic thinking), model experiments, the uses of simulations and a range of other issues.

4. Anu Rammahan, of UWA, has been appointed survey editor for the *Economic Record*.
Congratulation Anu
5. Society awards for 2015
 - The Distinguished Fellow for 2015 is Professor Bruce Chapman AM
 - The Distinguished Fellow Public Policy for 2015 is Professor Jonathan Pincus.
 - The Honorary Fellow for 2015 is Professor Jeff Sheen

Prize Winners - 2014 Academic Year

Several student prizes have again been awarded by the branch and a number of prize winners are attending this evening.

The winners of the prizes awarded by the Economic Society of Australia (WA Branch) for the completed 2014 academic year are:

Student name	University	Prize	Value
Janice Jobling	ECU	1st year prize 2014	\$500
William Nelson	Notre Dame	1st year prize 2014	\$500
Leanne McDonnell	Murdoch	Joint 1st year prize 2014	\$125
Nicholas Copeland	Murdoch	Joint 1st year prize 2014	\$125
Joshua Martin	Murdoch	Hons Prize 2014	\$250
Duke Cole	UWA	Hons prize 2014	\$500
Trevor Marwick	Curtin	Best student in Economics 100 and Macroeconomics 200	\$250
Nebojsa Vlado Franich	Curtin	Hons prize 2014	\$250
Duke Cole	UWA	Best WA Hons thesis prize 2014	\$500

Branch Administration

I would like to thank my fellow Council members for volunteering their time and skills over the last year. Special thanks go to Vice President Maria Mangano, who has done a wonderful job over the past 4 years and is not re-nominating for the position. Many thanks also to our Treasurer Christopher Shulha, Secretary Jasmine Kaur, Young Economists WA Coordinator, Anusha Mahendran and Branch Administrator Karen Knight.

Council Members 2014/15

Michael McLure (President), University of Western Australia
Maria Mangano (Vice President), Curtin University
Chris Shulha (Treasurer), Doney Leahy Private Assets
Jasmine Kaur (Secretary), Murdoch University PhD Candidate
Harry Bloch
Philip Brown
David Butler
Ishita Chatterjee (resigned, 4 March 2015)
Michael Dockery
Margaret Giles
Peter Kolf
Inga Kristoffersen
Anusha Mahendran
Greg Moore
Abu Siddique
Rahul Salim
Malcolm Tull

Election of new Council for 2015/16

I now call for nominations for each post, followed by a general call for ordinary members of the new council.