

WEDNESDAY 30 JUNE 2010

 8.00-9.00 **Registration**

 9.00-10.30 **Opening** (by *Mary Hedges*) & **Keynote 1** – Wolfgang Kasper (for more information see the NZAE website http://www.nzae.org.nz/conferences/2010/keynote_speakers.html); *Chaired by Bernard Robertson (Room OGGB3)*

 10.30-11.00 **Morning Tea**

 11.00-12.30 **Concurrent Session 1**

<i>Health & Welfare (Room 223)</i>	<i>Economics Education (Room 215)</i>	<i>Demographics (Decima Glenn Room)</i>	<i>Economics of Developing Countries 1 (Room 219)</i>	<i>Measuring the Impacts of Tax Policy (Case Room 4)</i>	<i>LEANZ Session (Case Room 1)</i>
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 12.30-1.30 **Lunch – 1pm LEANZ AGM**

 1.30-3.00 **Concurrent Session 2**

<i>Business Strategy & Skills in NZ Firms (Room 215)</i>	<i>CGE Modelling (Room 219)</i>	<i>Labour Economics 1 (Room 223)</i>	<i>International Finance (Case Room 4)</i>	<i>Joint LEANZ & NZEA Session: Effects of Law & Regulation (Case Room 1)</i>	<i>Diversity & 'Economic Assimilation' of Immigrants (Decima Glenn Room)</i>
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 3.00-4.00 **Poster Session & Afternoon Tea**

 4.00-5.30 **Keynote 2** – David Hensher (for more information see the NZAE website http://www.nzae.org.nz/conferences/2010/keynote_speakers.html); *Chaired by Arthur Grimes (Room OGGB3)*

LEANZ Session (Decima Glenn Room)

 5.30-6.30 **Complimentary Drinks & Social Hour**
THURSDAY 1 JULY 2010

 8.30-10.00 **Keynote 3** – Peter Kennedy (for more information see the NZAE website http://www.nzae.org.nz/conferences/2010/keynote_speakers.html); *Chaired by Mary Hedges (Room OGGB3)*

 10.00-10.30 **Morning Tea**

 10.30-12.00 **Concurrent Session 3**

<i>Economic History (Room 215)</i>	<i>Competition Policy (Case Room 1)</i>	<i>Open Economy Macroeconomics (Decima Glenn Room)</i>	<i>Microeconomic Theory (Room 219)</i>	<i>Fiscal Policy & Productivity (Case Room 4)</i>	<i>Econometrics & Forecasting (Room 223)</i>
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 12.00-1.00 **Lunch**

 1.00-2.00 **NZAE AGM** (Room OGGB3)

 2.00-3.30 **Concurrent Session 4**

<i>Spatial Economics 1 (Decima Glenn Room)</i>	<i>Social Capital (Room 215)</i>	<i>Law & Crime (Room 223)</i>	<i>Welfare & Environmental Economics (Case Room 4)</i>	<i>Industrial Organisation (Case Room 1)</i>	<i>Economic Consultants Roundtable (Room 219)</i>
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 3.30-4.00 **Afternoon Tea**

 4.00-5.30 **Concurrent Session 5**

<i>Electricity Markets (OGGB3)</i>	<i>Economics of Developing Countries 2 (Room 215)</i>	<i>Finance & Housing (Room 223)</i>	<i>Tax & Fiscal Solvency (Case Room 4)</i>	<i>Economic Data (Decima Glenn Room)</i>	<i>Internationalisation of NZ (Room 219)</i>
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 6.30 onwards **Dinner at The Hyatt**

FRIDAY 2 JULY 2010

9.00-10.30 **Keynote 4** – Les Oxley ~~Jeanne Schreeder~~ (for more information see the NZAE website http://www.nzae.org.nz/conferences/2010/keynote_speakers.html); Chaired by Bill Kaye-Blake (Room OGGB3)

10.30-11.00 **Morning Tea**

11.00-12.30 **Concurrent Session 6**

Trade (Case Room 1)

*Spatial Economics 2
(Decima Glenn Room)*

*Sports Economics (Room
215)*

*Environmental Economics
(Room 219)*

*Monetary Economics (Case
Room 4)*

*Labour Economics 2 (Room
223)*

12.30-1.30 **Lunch & Conference Close**

Session Detail

NB. Presenter(s) of papers are denoted by bold text

Concurrent Session 1 – Wednesday 30 June 11.00-12.30

Health & Welfare, Chaired by Seamus Hogan, University of Canterbury

- Unemployment Rate & Divorce – **Susmita Roy**; *University of Canterbury*
- Home Heating and Asthma in New Zealand – **Rachel S Webb**; *University of Canterbury*
- The Demand for “Good Health”: Going Beyond the Human Capital Model – **Jaikishan Desai**; *Victoria University of Wellington*

Economics Education, Chaired by Peter Kennedy, Simon Fraser University

- The Impact of Question Format in Principles of Economics Classes: Evidence from New Zealand – **Stephen Hickson**; *University of Canterbury*
- Ambiguity, the Certainty Illusion, and Gigerenzer's Natural Frequency Approach to Reasoning with Inverse Probabilities – **John Fountain & Philip Gunby**; *University of Canterbury*

Demographics, Chaired by Les Oxley, University of Canterbury

- The Economic and Social Outcomes of Children of Migrants in New Zealand – **Julie Woolf**; *Statistics New Zealand*
- Squeezed In and Squeezed Out: The Effects of Population Ageing on the Demand for Housing – **Andrew Coleman**; *Motu Economic and Public Policy Research*
- Volatility in the Employment Series of the Household Labour Force Survey – **Lourdes Vivo**; *Statistics New Zealand*

Economics of Developing Countries 1, Chaired by Chris Hajzler, University of Otago

- How Does Central Authority Assign Provincial Leaders? Evidence from China – **Mingqin Wu**; *The University of Hong Kong*
- Does Household Credit to the Poor Benefit their Child's Schooling? A Case Study of Peri-Urban Areas of Ho Chi Minh City, Vietnam – **Tinh Doan, John Gibson & Mark Holmes**; *University of Waikato*
- Income Smoothing and Welfare Gains Across Pacific Island Countries: The Role of Remittances and Financial Aid and Savings – **Faruk Balli & Hatice Ozer-Balli**; *Massey University*

Measuring the Impacts of Tax Policy, Chaired by Norman Gemmell, Treasury

- Measuring the Responsiveness of New Zealand Income Taxpayers to Changes in Income Tax Policy: Some Preliminary Evidence – **John Creedy**; *University of Melbourne*, **Iris Claus**; *Inland Revenue*, **Norman Gemmell**, **Angela Mellish & Josh Teng**; *Treasury*
- US Taxpayer Reporting Responses and the Tax Reform Act of 1986 – **James Alm**, *Georgia State University*
- Measuring the Impacts of Tax Reform: Some Evidence for New Zealand – **Michelle Harding**, **Norman Gemmell & Angela Mellish**; *Treasury*

LEANZ Session

- Commentary & discussion of Wolfgang Kasper's presentation
- New Zealand Housing Markets: Just a Bit-Player in the A-League? – **Arthur Grimes**, *Motu Economic & Public Policy Research*, **Mark Holmes**; *University of Waikato* & **Nicholas Tarrant**; *University of Otago*

Concurrent Session 2 – Wednesday 30 June 1.30-3.00

Business Strategy & Skills in New Zealand, *Chaired by Tim Maloney, Auckland University of Technology*

- A Good Worker is Hard to Find: The Determinants of Skills Shortages in New Zealand Firms – *Geoff Mason; National Institute of Economic and Social Research, Penny Mok; Ministry of Economic Development, Peter Nunns; Formerly of Ministry of Economic Development, Philip Stevens; Ministry of Economic Development & Jason Timmins; Department of Labour*
- Business Strategies and Employment Decisions: Interviews with New Zealand Firms – **William Kaye-Blake**; *AERU, Lincoln University, Bette Flagler; Flicka Ltd & Rachel Campbell; AERU, Lincoln University*
- The Training's A-Comin' In: An Analysis of Training Decisions Using Microdata – *Geoff Mason; National Institute of Economic and Social Research, Penny Mok; Ministry of Economic Development, Peter Nunns; Formerly of Ministry of Economic Development, Philip Stevens; Ministry of Economic Development & Jason Timmins; Department of Labour*

CGE Modelling, *Chaired by Anita King, Energy Efficiency and Conservation Authority*

- The Economic Impacts of Retaining Tariffs in NZ: A Dynamic CGE Analysis – **John Ballingall**; *NZIER, James Giesecke; Monash University & James Zuccollo; NZIER*
- A CGE Analysis for Climate Change Negotiations: The Impact of Assigned Amount Units – **Chris Schilling**; *NZIER*
- Discussion Session on CGE Modelling Society led by **Anita King**; *Energy Efficiency and Conservation Authority*

Labour Economics 1, *Chaired by Bill Rosenberg, New Zealand Council of Trade Unions*

- Firm Size Class Methodology in the Linked Employer-Employee Data (LEED): Initial Analysis of the Impact on Different Firm Size Class Methodologies on Quarterly and Net Gross Flow Statistics – **Karin Henshaw**; *Statistics NZ*
- Labour Market Flows in New Zealand: Some Questions and Some Answers – **Brian Silverstone**; *University of Waikato & Will Bell; Statistics New Zealand*
- Employment by Skills in New Zealand and Migrant's Share in its Recent Growth: Trans-Tasman and Wider Comparisons – **Richard Manning & Ram SriRamaratnam**; *Department of Labour*

International Finance, *Chaired by Dan Farhat, University of Otago*

- The Term Structure of Interest Rates, the Expectations Hypothesis and International Financial Integration: Evidence from Asian Economies – **Mark J Holmes**; *Waikato University, Jesus Otero; Universidad del Rosario & Theodore Panagiotidis; University of Macedonia*
- Do Sovereign Credit Ratings Affect the Composition and Maturity of Sovereign Borrowing? – **Kuntal Kumar Das**; *University of Canterbury*
- A Time Series Approach to the Feldstein-Horioka Puzzle with Panel Data from the OECD Countries – **Saten Kumar**; *Auckland University of Technology & B Bhaskara Rao; University of Western Sydney*

Effects of Law & Regulation

- The Indirect Impacts of Smoking Bans in Gaming Venues – **Joe Hirschberg & Jenny Lye**; *University of Melbourne*
- Evaluating the Impact of the 2002 Amendments to the Health and Safety in Employment Act (1992) – **Philip Gunby**; *University of Canterbury & Michael Wilkinson; Victoria University*
- Regulation – It's Not all about Economics – **Aaron Lloyd**; *Minter Ellison Rudd Watts*

Diversity and 'Economic Assimilation' of Immigrants, Chaired by Jacques Poot, Waikato University

- Immigrant and Native Saving Behaviour in Australia – **Asadul Islam**, *Jaai Parasnis & Dietrich Fausten; Monash University*
- The Importance of Heterogeneity when Examining Immigrant Education-occupation Mismatch: Evidence from New Zealand – **Jacques Poot**; *University of Waikato & Steve Stillman; Motu Economic and Public Policy Research*
- Diversity and 'Economic Assimilation' of Immigrant Workers: Evidence from Cities in USA – **Nazmun N Ratna & Ian MacDonald**; *Lincoln University*

LEANZ Session – Wednesday 30 June 4.00-5.30

Land and Money

- The Securitization of Mortgages in the United States: A Market of Mass Destruction – **David Gray Carlson**; *Benjamin N. Cardozo School of Law*
- Why the Shadow of the Law is Important for Economists – **Stuart Birks**; *Massey University*

Concurrent Session 3 – Thursday 1 July 10.30-12.00

Economic History, *Chaired by Stephen Knowles, University of Otago*

- Stature and Living Standards in New Zealand: An Alternative View and Some Initial Results – *Kris Inwood; University of Guelph, Les Oxley; University of Canterbury & Evan Roberts; Victoria University Wellington*
- Uncovering Uncovered Interest Parity During the Classical Gold Standard Era, 1888-1905 – *Andrew Coleman; Motu Economic and Public Policy Research*

Competition Policy, *Chaired by Kris Iyer, Ministry of Economic Development*

- Competition Policy and Credit Card Interchange Fees in New Zealand – *Stephen Gale & Ben Gerritsen; Castalia*
- Credit Constraints and Firm Dynamics – *Jorge Alonso; Arizona State University, El-hadj Bah; University of Auckland & Lei Fang; The Federal Reserve Bank of Atlanta*

Open Economy Macroeconomics, *Chaired by Mark Holmes, Waikato University*

- Capital Accumulation, Non-traded Goods and International Macroeconomic Dynamics with Heterogeneous Firms – *Daniel Farhat; University of Otago*
- Does Exchange Rate Volatility Depress Trade Flows in a Small Open Economy? Evidence from New Zealand – *Junnan Zhao; The City University of New York, Graduate Center*

Microeconomic Theory, *Chaired by Ying Zhou, Auckland University of Technology*

- Sharing a Risky Cake – *David Baqaee; The Reserve Bank of New Zealand & Richard Watt; University of Canterbury*
- Simultaneous Auctions at Separate Markets – Long-yu Chiou (National Taiwan University), Wei-tong Juang (Institute of Economics, Academia Sinica) & *Kuo-chih Yuan; National Taiwan University*
- Allocative Downside Risk Aversion – *Richard Watt; University of Canterbury & Francisco Vazquez; Universidad Autonoma de Madrid*

Fiscal Policy & Productivity, *Chaired by Norman Gemmill, Treasury*

- Uncovering Industry Drivers of New Zealand's Aggregate Productivity Growth – *Adam Tipper, Nicholas Warmke, Lizette van Heerden, & Toby Hunter; Statistics New Zealand*
- Taking on the West Island – How Does our Productivity Performance Stack Up? – *Brendan Mai; Statistics New Zealand, Geoff Lewis, John Janssen & Simon McLoughlin; Treasury*
- The Devil is in the Details: Demonstrating the Impact of Measurement Choices on Inputs to Government Sector Productivity – *Jodi York; Statistics New Zealand*

Econometrics & Forecasting, *Chaired by Dorian Owen, University of Otago*

- Partially Polynomial Estimation in Regression Discontinuity – *Ping Yu; University of Auckland*
- The PCSE Estimator is Good, Just Not as Good as You Think – *W Robert Reed & Rachel Webb; University of Canterbury*
- Evaluating density forecasts: Model combination strategies versus the RBNZ – *Chris McDonald; RBNZ & Leif Anders Thorsrud; Norges Bank*

Concurrent Session 4 – Thursday 1 July 2.00-3.30

Spatial Economics 1, Chaired by Stephanié Rossouw, Auckland University of Technology

- The Accessibility to Microcredit by Rural Households: A Case of China – **Judy Xia Li**, *Christopher Gan & Baiding Hu; Lincoln University*
- Getting People Out of Unemployment: A Spatial Perspective Across Auckland – *Don J Webber & Gail Pacheco; Auckland University of Technology*
- Residential Location Choice in Auckland – *Andrew Coleman; Motu Economic and Public Policy Research & David C Máre; Motu Economic and Public Policy Research and University of Waikato*

Law & Crime, Chaired by Stuart Birks, Massey University

- A Spatial Econometric Analysis of Selected Impacts of Liquor Outlet Density in Manukau City – *William Cochrane, Michael P Cameron, Kellie McNeill, Pania Melbourne, Sandy Morrison & Neville Robertson; University of Waikato*
- The Effects of Weather on Crime – **James Horrocks & Andrea Kutinova Menclova; University of Canterbury**
- The Impact of Natural Disasters on Violent Crime – **Susmita Roy; University of Canterbury**

Welfare & Environmental Economics, Chaired by Dan Marsh, University of Waikato

- Evidence Based Evaluation of Welfare Reform – **Susan St John & M Claire Dale; University of Auckland**
- The Determinants of Subjective Wellbeing in New Zealand: An Empirical Look at New Zealand's Social Welfare Function - **Denise Brown, Julie Woolf & Conal Smith; Statistics New Zealand**
- A Decade of Public Perceptions of the New Zealand Environment: A Focus on Water and its Management – *Kenneth Hughey, Ross Cullen & Geoffery Kerr; Lincoln University*

Industrial Organisation, Chaired by Philip Stevens, Ministry of Economic Development

- Gaming Energy: Thermal Generation with Transmission and Emission Constraints – *Javier Contreras; University of Castilla, Jacek B Krawczyk; Victoria University of Wellington & James Zuccollo; NZIER*
- Entry and Location Choice with Network Formation – **Keizo Mizuno; Kwansai Gakuin University & Yasunori Okumura; Han-Nan University**
- Access to Capital Markets for Small New Zealand Exporters: Is there a Market Failure? – *Alex Sundakov & Ben Gerritsen; Castalia*

Social Capital, Chaired by Caroline Saunders, AERU

- Are Survey Measures of Trust Correlated with Experimental Trust? Empirical Evidence from Cameroon – *Alvin Etang, David Fielding & Stephen Knowles; University of Otago*
- Housing and Social Capital in New Zealand – **Matthew Roskrug; University of Waikato, Arthur Grimes; Motu Economic & Public Policy Trust, Philip McCann; University of Groningen & Jacques Poot; University of Waikato**

Economic Consultants Roundtable, Chaired by Bill Kaye-Blake, AERU

- The roundtable is an opportunity for economists engaged in consultancy to discuss their specific issues and how the NZAE can support them. Possible topics include working with the Government procurement system and the role of consultancy reports in public policy debates.

Concurrent Session 5 – Thursday 1 July 4.00-5.30

Electricity Markets, Chaired by Stephen Poletti, University of Auckland

- Critique of Wolak's Evaluation of the NZ Electricity Market: The Incentive to Exercise Market Power with Vertical Integration and Transmission Loss – *Peter Jackson & Seamus Hogan; University of Canterbury*
- Swapping Generators' Assets: Market Salvation or Wishful Thinking? – *Anthony Downward, David Young & Golbon Zakeri; University of Auckland*
- Does Wholesale Market Power Extend to Fixed-Price Forward Prices in Electricity Markets? – *Seamus Hogan; University of Canterbury*

Economics of Developing Countries 2, Chaired by Andrew Coleman, Motu Economic and Public Policy Research

- The Impacts of Temporary Emigration of Lower-Skilled Females on Sending Households in Indonesia – *Peck-Leong Tan; University of Waikato and Universiti Teknologi MARA & John Gibson; University of Waikato*
- Estimating Household Economies of Scale for the Poor in Malaysia – *Penny Thai-Yoong Mok; Ministry of Economic Development*
- Resource-based FDI and Expropriation in Developing Economies – *Christopher Hajzler; University of Otago*

Finance & Housing, Chaired by Arthur Grimes, Motu Economic and Public Policy Research

- Chinese Overseas M&A Performance and the Go Global Policy – *Lulu Gu; Zhongnan University of Economics and Law & W Robert Reed; University of Canterbury*
- Forecasting House Price Inflation: A Model Combination Approach – *Sarah Drought & Chris McDonald; Reserve Bank of New Zealand*

Tax & Fiscal Solvency, Chaired by Howard Fancy, Motu Economic and Public Policy Research

- Modelling New Zealand's Long-term Fiscal Position – *Matthew Bell, Gary Blick, Oscar Parkyn, Paul Rodway & Polly Vowles; New Zealand Treasury*
- GST Collection from the New Zealand Property Sector – *Iris Claus; Centre for Applied Macroeconomic Analysis, Australian National University, and Policy Advice Division, Inland Revenue & Geoff Leggett; Inland Revenue*

Economic Data, Chaired by Jude Hughes, Statistics New Zealand

- Exogenous vs Endogenous Rates of Return: The User Cost of Capital in Statistics NZ's Multi-Factor Productivity Measures – *Nairn MacGibbon; Statistics New Zealand*
- Testing the Infrequent Purchase Model: Using Direct Measurement of Hidden Consumption from Food Stocks – *John Gibson; University of Waikato & Bonggeum Kim; Seoul National University*
- Job Vacancy Monitoring in New Zealand and Jobs Online – *Victoria Wall & Anne Fale; Department of Labour*

Internationalisation of New Zealand, Chaired by Gus Charteris, Ministry of Foreign Affairs & Trade

- Foreign and Domestic Ownership: Evidence of Productivity Spillovers from New Zealand Firm Level Longitudinal Data – *Kris Iyer, Philip Stevens; Ministry of Economic Development & Kam Ki Tang; The University of Queensland*
- New Zealand Commercial Service Exporters: First Evidence from the Prototype Longitudinal Business Database – *Menaka Saravanaperumal & Gus Charteris; Ministry of Foreign Affairs and Trade*
- Are Non-Exporters Locked Out of Foreign Markets because of Low Productivity: Evidence from New Zealand Agriculture and Forestry – *Kris Iyer, Philip Stevens; Ministry of Economic Development & Darran Austin; Ministry of Agriculture and Forestry*

Concurrent Session 6 – Friday 2 July 11.00-12.30

Trade, Chaired by John Ballingall, NZIER

- New Zealand-India Trade Relations and Trade Potential: Recent Experience and Future Opportunities – **Sayeeda Bano**; *University of Waikato & Nawal K Paswan; Jawaharlal Nehru University*
- Transport Infrastructure, Firm Location and Exporting – *Richard Fabling; Reserve Bank of New Zealand, Motu Economic and Public Policy Research, Arthur Grimes; Motu Economic and Public Policy Research, University of Waikato & Lynda Sanderson; Reserve Bank of New Zealand, University of Waikato*
- The Early Effects of Preferential Trade Agreements (PTAs) on Intra-Regional Trade within ASEAN+6 Members – *Gail Pacheco, Rahul Sen & Sadhana Srivastava; AUT Business School*

Spatial Economics 2, Chaired by Gail Pacheco, Auckland University of Technology

- Anticipatory Effects of Rail Upgrades: Auckland's Western Line – **Arthur Grimes & Chris Young**; *Motu Economic & Public Policy Research*
- Sub-national Economic Vulnerability: A Spatial Perspective – **Stephanié Rossouw & Don J Webber**; *Auckland University of Technology*
- The Spatial Impact of Local Infrastructural Investment in New Zealand – **William Cochrane**; *University of Waikato, Arthur Grimes; Motu Economic & Public Policy Trust, Philip McCann; University of Groningen & Jacques Poot; University of Waikato*

Sports Economics, Chaired by Kuntal Das, University of Canterbury

- How Good is the Duckworth/Lewis Adjustment in One Day International Cricket? – **Scott Brooker & Seamus Hogan**; *University of Canterbury*
- Measuring Competitive Balance in Sports with Draws: Further Comments – **P Dorian Owen**; *University of Otago*

Environmental Economics, Chaired by Frank Scrimgeour, University of Waikato

- Emission Intensity in New Zealand Manufacturing and the Short-Run Impacts of Emissions Pricing – *Matthew Bartleet, Kris Iyer & Elisabeth Numan-Parsons; Ministry of Economic Development*
- Evaluation of Conservation Biological Control Innovation in Winegrowing – **Ross Cullen, Sharon Forbes, Rachel Grout & Clive Smallman**; *Lincoln University*
- Water Resource Management in New Zealand: Jobs or Algal Blooms? – **Dan Marsh**; *University of Waikato*

Monetary Economics, Chaired by Chris McDonald, Reserve Bank of New Zealand

- Evaluating McCallum Rule as Policy Guideline for China – **Shuzhang Sun, Christopher Gan & Baiding Hu**; *Lincoln University*
- Imperfectly-Credible Disinflation of Small Inflation – *Lynne Evans; Newcastle University & Anamaria Nicolae; Durham University*
- A Bayesian Dynamic Factor Model of New Zealand's Core Inflation – **Michael Kirker**; *Reserve Bank of New Zealand*

Labour Economics 2, Chaired by Brian Silverstone, Waikato University

- Does Workplace-based Industry Training Improve Participants' Employment and Earnings Prospects? – **Sarah Crichton**; *Department of Labour & Statistics New Zealand*
- Pareto-Improving Firing Costs? – **Bilgehan Karabay**; *University of Auckland & John McLaren; University of Virginia*