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# AUSTRALIAN AGRICULTURAL ECONOMICS SOCIETY

## 32<sup>nd</sup> ANNUAL CONFERENCE

**La Trobe University  
February 8 - 11, 1988**

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# AUSTRALIAN AGRICULTURAL ECONOMICS SOCIETY 1988 ANNUAL CONFERENCE

La Trobe University  
8-11 February, 1988

## PROGRAMME

### MONDAY 8 FEBRUARY

- 1.00-5.50pm **PRE-CONFERENCE WORKSHOP**  
Undercroft Lecture Theatre, David Myers Building  
**"ISSUES IN RESOURCE ECONOMICS WITH PARTICULAR  
APPLICATION TO THE MURRAY - DARLING BASIN"**
- 4.30-7.00pm **OUTGOING COUNCIL MEETING**  
Vince Harkness Room, First Floor, Glenn College
- 5.30-10.00pm **REGISTRATION**  
Airport Lounge, First Floor, Glenn College
- 6.00-8.00pm **SOCIAL MIXER**  
Airport Lounge, First Floor, Glenn College

### TUESDAY 9 FEBRUARY

- 8.30-9.30pm **Late Registration**  
Airport Lounge, First Floor, Glenn College
- 9.00-10.25am **OPENING PLENARY PAPER**  
Agora Theatre  
**A. Schmitz**  
University of Saskatchewan and University of California, Berkeley  
**"EXPORT STRATEGIES IN INTERNATIONAL GRAIN MARKETS"**
- 10.25-10.45am **Tea and Coffee**
- 10.45-12.30pm **INVITED PAPERS (Two concurrent sessions)**
- (a) **Current Research on Market and Price Stabilisation**  
East Lecture Theatre (ELT) 1  
**B. Wright**  
University of California  
**"THE INCIDENCE OF MARKET STABILISING PRICE SUPPORT  
SCHEMES"**
- P. Simmons and J. Arthur**  
Australian Bureau of Agricultural and Resource Economics  
**"THE IMPORTANCE OF HIDDEN GAINS AND LOSSES:  
A CASE STUDY OF AUSTRALIAN WOOL"**

(b) *Privatisation in Agricultural Marketing*  
East Lecture Theatre (ELT) 2

R. Sandroy  
Ministry of Agriculture and Fisheries, New Zealand  
**"PRIVATISATION IN AGRICULTURAL MARKETING:  
THE NEW ZEALAND EXPERIENCE"**

K. Baxter  
NSW Egg Corporation  
**"PRIVATISATION IN AGRICULTURAL MARKETING:  
EGG MARKETING IN AUSTRALIA"**

12.30-2.00pm Lunch

2.00-3.55pm *SELECTED PAPERS* (Concurrent with contributed papers),  
Agora Cinema

R. Fraser  
University of Western Australia  
**"A METHOD OF EVALUATING SUPPLY RESPONSE TO  
PRICE UNDERWRITING"**

P. Lewis, N. Hall, C. Savage, A. Kingston  
Australian Bureau of Agricultural and Resource Economics  
**"TAXATION, COST OF CAPITAL AND INVESTMENT IN  
AUSTRALIAN AGRICULTURE"**

*CONTRIBUTED PAPERS A*

3.55-4.15pm Tea and Coffee

4.15-5.15pm *PRESIDENTIAL ADDRESS*  
Agora Theatre

7.00-7.30pm Pre-Dinner Drinks, Airport Lounge, Glenn College

7.30pm Conference Dinner, Dining Room, Glenn College

**WEDNESDAY 10 FEBRUARY**

8.30-10.25am *CONTRIBUTED PAPERS B*

10.25-10.45am Tea and Coffee

10.45-12.15pm **PLENARY PAPER**  
Agora Theatre

*The Wheat Industry - In Transition*

J. Mauldon  
Industries Assistance Commission  
J. McColl  
Royal Commission into Grain Storage, Handling and Transport

12.15-1.45pm Lunch

- 1.45-3.00pm **ANNUAL GENERAL MEETING**  
HUED Theatre
- 3.00-3.20pm Tea and Coffee
- 3.20-5.55pm **CONTRIBUTED PAPERS C**
- 6.00 - 11.30pm Social evening, Cruising Restaurant, Port Phillip Bay  
(Buses depart Glenn College: 6.00pm)

**THURSDAY 11 FEBRUARY**

- 8.30-10.25am **CONTRIBUTED PAPERS D**
- 10.25-10.45am Tea and Coffee
- 10.45-12.30pm **INVITED PAPERS (Two concurrent sessions)**
- (a) *Fishery Economics*, East Lecture Theatre (ELT)1, Education Building
- G. Waugh  
University of NSW  
**"CHANGING PERSPECTIVES IN FISHERY ECONOMICS"**
- R. Bain, J. Haynes, S. Pascoe, R. Trewin  
Australian Bureau of Agricultural and Resource Economics  
**"FISHERY ECONOMICS FROM THE ECONOMIC BUREAUCRATS PERSPECTIVE"**
- (b) *Teaching Swapmeet*, East Lecture Theatre (ELT)2, Education Building
- Opening Speakers: A. Chisholm, La Trobe University and R. Bain, Australian Bureau of Agricultural and Resource Economics
- 12.30-1.30pm Lunch
- 1.30-3.15pm **CLOSING PLENARY SESSION**  
Agora Cinema
- D. Zilberman  
University of California, Berkeley  
**"PESTICIDE ECONOMICS:  
POLICY CHOICES AND RESEARCH ISSUES"**
- 3.15pm *Conference Close*
- 3.25-3.50pm Tea and Coffee
- 4.00-6.00pm **INCOMING COUNCIL MEETING**  
Vince Harkness Room, First Floor, Glenn College

**Selected and Contributed Papers, Session A**  
**TUESDAY, FEBRUARY 6 - 1400 to 1555**

**AGORA Cinema - Selected Papers**  
*Chair - B. Fisher*

Fraser, R.W.

A Method for Evaluating Supply  
 Response to Price Underwriting

Lewis, P.E.T., Hall, N.H.,  
 Savage, C.R. and Kingston, A.G.

Taxation, Cost of Capital and  
 Investment in Australian  
 Agriculture

**HUED Theatre - Contributed Papers**  
*Chair - R. Dumsday*

Penman, P.F.

An Economic Evaluation of Soil  
 Conservation Programmes

Studen, J.A. and King, D.A.

Land Condition, Productivity,  
 and the Adoption of Soil  
 Conservation Measures

Penman, P.F.

Benefit Cost Analysis of Forest  
 Creek Project

**HUED 102 - Contributed Papers**  
*Chair - G. Ryland*

Etherington, D. and Foster, K.

The Resurgence of the Tea  
 Industry in China

Wan, G.H.

Factors Affecting the  
 Variability of China's Food  
 Grain Production

Zhou, Z.Y., Dillon, J.L. and  
 Wan, G.H.

Development of Township  
 Enterprises in China

**HUED 103 - Contributed Papers**  
*Chair - B. Hardaker*

Anaman, K.A. and Murphy, J.E.

The Influence of Phosphorus  
 Fertiliser and the Time of  
 Harvest on Production Risk for  
 Cassava

Delforce, J.C., Hardaker, J.B.  
 and Fleming, E.

Alternative Strategies for  
 Development in Tonga

Malaka, P. and  
 Thampattal, D.J.

Systems Modelling Approach to  
 Drought Management Strategies  
 in Zambia

**HUED 104 - Contributed Papers**  
*Chair - V. Wright*

Bell, K. and Sloane, R.

Quality/Quantity Trade-offs in  
 the Demand for Beef and Lamb:  
 A Cross-Sectional Time Series  
 Study

Havrila, I. and Gullkey, J.J.

Price Premia and Discounts for  
 'Characteristics' of the Product

**HUED 105 - Contributed Papers**  
*Chair - R. Bounds*

Williams, S.C. and  
 Longworth, J.W.

Factors Influencing Tuna Prices  
 in Japan and Implications for  
 the Development of the Coral  
 Sea Tuna Fishery

Davenport, S. and Datzell, I.

Effects of Concessional Sales  
 Tax Arrangements for Fruit  
 Juice Beverages

Mullen, J., Alston, J. and  
 Wohlgenant, M.

The Impact of Multi-Stage  
 Research on Australian  
 Woolgrowers

**Contributed Papers, Session B**  
**WEDNESDAY, 9 FEBRUARY - 0830 to 1025**

*HUED Theatre - Contributed Papers*  
*Chair - A. Chisholm*

Muegrave, W.F., Pigran, J.,  
 Burton, J.R. and Mulligan, H.

*Water Administrations after  
 Water 2000: Administrative  
 Responses to Security*

Young, R.

*Environmental Degradation in  
 the Murray Darling Basin - An  
 Evaluation of some Options*

Chewings, R.A. and Pascoe, S.

*Demand for Water in the  
 Murray Valley, New South  
 Wales: An Application of Linear  
 Programming*

*HUED 102 - Contributed Papers*  
*Chair - D. Vanzetti*

Moss, G. and Simmons, P.

*The Effect of US Farm Policy  
 on Australian Cotton Revenues*

Morison, J.B.

*Trends in Australia-Japan  
 Commodity Trade*

Lewis, P.E.T. and Meese, W.P.

*Prices and Employment in the  
 US Farm Sector*

*HUED 103 - Contributed Papers*  
*Chair - J. Quilley*

Dixon, J.

*Inorganic Fertiliser Inputs to  
 Himalayan Agriculture: Some  
 Issues in Pricing*

Whybrow, E. and  
 Longworth, J.W.

*Price Expectation Formation in  
 the Queensland Tomato Growing  
 Industry*

Hall, N. Fraser L. and  
 Purill, A.

*Supply Responses in Broadacre  
 Agriculture*

*HUED 106 - Contributed Papers*  
*Chair - K. Stoll*

O'Donnell, C.J.

*Assessing the Impact of Lamb  
 Price Stabilisation on Producer  
 Welfare*

Foster, M.

*Modelling the Australian Wool  
 Corporation's Costs and  
 Revenues under the Reserve  
 Price Scheme for Wool*

Nguyen, T. and Hogan, L.

*Policy Coordination and  
 Economic Growth*

*HUED 107 - Contributed Papers*  
*Chair - J. Johnston*

Croftin, L.R.

*Potential Improvements in the  
 Provision of Long Range  
 Weather Forecasts: Are There  
 Benefits for the Rural Sector?*

Brennan, D.

*Peak Load Investment Criteria  
 for the Grain Handling Industry*

Luskh, D., Poulter, D. and  
 Nayar, M.

*Determinants of Employment in  
 Australian Agriculture*

*HUED 108 - Contributed Papers*  
*Chair - J. Remeryt*

Martin, J.

*Integrated Pest Control in Rice:  
 Integrating Economics, Extension  
 and Policy*

Cramb, R.A. and Wills, I.R.

*Community-Based Land Tenure  
 and Government Land Policy in  
 Sarawak: A Study in  
 Institutional Dissonance*

Etherington, D.

*A Policy Perspective on  
 Coconut Processing on South  
 Pacific Islands*

## Contributed Papers, Session C

WEDNESDAY, 9 FEBRUARY - 1520 to 1725

### HUED Theatre - Contributed Papers

Chair - A. Uleyl

MacAuley, T.G., Thomas, W.C. and  
Musgrave, W.F.

Simultaneity in the  
Determination of Assistance to  
Agriculture

Vanzetti, D. and Kennedy, J.

Strategic Interaction in  
International Commodity  
Markets

Walker, A.

World Agricultural Trade  
Distortions - Measurement and  
Recent Trends

### HUED 102 - Contributed Papers

Chair - D. Cram

Wynen, E.

Toward a Comparison of  
Conventional and Chemical-Free  
Farming in Australia

Perman, P.F.

Waterponing in Western N.S.W.  
- An Evaluation

Pannell, D.

A Stochastic Model for Tactical  
Weed Control Decision Making

### HUED 103 - Contributed Papers

Chair - W. Malcolm

Tan, H. and Minnis, P.

Financial Deregulation and  
Rural Credit in the 1990's

Martin, W. and Savage, C.

Developments in Australian  
Agricultural Capital

Ahmed, A. and Kennedy, J.O.S.

The Impact of Subsidised Credit  
on Bangladeshi Farming  
Households

### HUED 106 - Contributed Papers

Chair - N. Hall

Wang, K.M., Hacker, R.E.,  
Linker, R.K. and  
Richmond, G.S.

Computer Modelling of  
Rangeland Regeneration in the  
Arid Zone of Western Australia

Vidler, P.

A Model of the Australian Raw  
Cotton Market

Wegener, M.K.

A Generic Crop Simulation  
Model for Agricultural Planning

### HUED 107 - Contributed Papers

Chair - R. Cramb

Etherington, D.

An Economic Analysis of a Plant  
Density Experiment for Tea in  
China

Mustafab, M. and Oulley, J.J.

Impact of Land Tenure on  
Farming Efficiency and Soil  
Conservation in the Upper  
Brantas River Basin Area, East  
Java, Indonesia

Sharma, K.C.

Human Nutrition and Income in  
Rural Semi-arid Tropical  
Andhra Pradesh, India

### HUED 108 - Contributed Papers

Chair - J. Oulgin

SriRameshnam, S.

Prospects for Managing  
Production Risk in New Zealand  
Agriculture

Bardley, P.

Local Utility Functions - A  
Tutorial

Pandey, S.

Risk Efficient Irrigation  
Strategies for Wheat



**Contributed Papers, Session D**  
**THURSDAY, 10 FEBRUARY - 0630 to 1025**

**HUED Theatre - Contributed Papers**  
**Chair - R. Jeffery**

**Tilbeck, R. and Arnold, R.**

**Analysing the Effects of Local Content Schemes under Imperfect Substitution: An Application to the Australian Tobacco Industry**

**Goddard, D.**

**Policy Issues Affecting Australian Industrial Wheat Processing**

**Wilson, C.J.**

**Policy Formulation in the Australian Dairy Industry**

**HUED 102 - Contributed Papers**  
**Chair - J. Cary**

**Melcock, B.**

**Fifty Years of Farm Management in Australia**

**Godwin, D., Parker, P., Simpson, I. and Burns, T.**

**Cereals for Grazing and Grain**

**Mattinson, B.**

**Selection Strategies in Commercial Merino Flocks**

**HUED 103 - Contributed Papers**  
**Chair - J. Kennedy**

**Pandey, S.**

**An Application of Systems Modelling for Technology Evaluation**

**MacAuley, T.G., Bealham, R.L. and Fisher, B.S.**

**Cubic Programming and the Solution of Spatial Trading Systems**

**Hansen, S.R. and Kruse, M.A.**

**Impact of Rotations and Cultivation Techniques on Farm Profitability - Model Specification**

**HUED 106 - Contributed Papers**  
**Chair - J. Mullin**

**Davidson, A.B. and MacAuley, T.G.**

**International Impacts of Wool Policy Changes**

**Simmons, P., Trondle, B. and Brewer, K.R.W.**

**The Future of Chinese Wool Production**

**Vastuin, C.**

**The Efficiency of Price Discovery at Wool Auctions**

**HUED 107 - Contributed Papers**  
**Chair - J. Brennan**

**Ch'eo, Y.S. and Gillingham, A.**

**Capital Input, Allocation Uncertainty and the Value of Technology - The Case of Phosphate Fertiliser**

**Kingswell, R.**

**Long-fallows in the Eastern Wheatbelt of Western Australia**

**Tisdell, C. and Alauddin, M.**

**Diversification and Stability Implications of New Crop Varieties: Theoretical and Empirical Analysis**

**HUED 108 - Contributed Papers**  
**Chair - I. Wills**

**Kallianpur, R. and Chakraborty, C.**

**Productivity and Technical Change in Rice Production - The Case of Tamil Nadu, India**

**Antony, G. and Kanzi, G.**

**Returns to PNG Agricultural Research: Hybrid Coconuts and Insect Pollination of Oilpalm**

**Cramb, R.**

**The Use and Productivity of Labour in Shifting Cultivation: An East Malaysian Case Study**