The Australian Economic Review

Volume 36, Number 2, June 2003

Melbourne Institute of Applied Economic and Social Research
The University of Melbourne

The Australian Economic Review

The Australian Economic Review is an applied economics journal with a strong policy orientation. The Review aims to publish high quality articles applying economic analysis to a wide range of macroeconomic and microeconomic topics relevant to both economic and social policy issues. It is of special interest to Australian academics, students, policy makers, and others interested in the Australian economy. It also deals with matters of international interest.

Contents

There are several regular sections of the Review: the ‘Contributed Articles’ section contains refereed articles; the ‘Policy Forum’ section deals with major issues of economic policy; ‘Data Surveys’ outlines the main features of databases available to researchers; and the ‘For the Student’ section contains articles written specially for students.

Submissions

The Review invites submissions of original articles for a number of its sections. For the Contributed Articles section the editors are interested in articles which fit in with the Review’s objectives outlined above. For Data Surveys the articles should describe the main features of available databases and their potential value to researchers in the fields of economics, finance, economic history, social policy and demography. The For the Student section contains articles pitched at a level appropriate for undergraduate students. Articles should be pedagogic in style and cover matters of interest to students of economics. There is no submission process for articles appearing in the Policy Forum section. Authors are invited to contribute by the guest editor.

Submissions for Contributed Articles are subject to peer review by a minimum of two external referees and one of the three editors. Submissions for Data Surveys and For the Student will normally be refereed by the editors. Submissions for Contributed Articles and For the Student should be directed to the editors. Potential contributors to Data Surveys should first contact Dr David Johnson, the Data Surveys editor, at the Melbourne Institute of Applied Economic and Social Research, The University of Melbourne. All Policy Forums are conducted by a guest editor who is selected by the joint editors. Primary responsibility for refereeing contributions to the Policy Forum rests with the guest editor. Frequently one of the editors will also participate in the refereeing process.

For further details regarding submissions visit www.blackwellpublishing.com/journals/aere.
Contributed Articles

Analysing the Performance of Firms Using a Decomposable Ideal Index Number to Link Profit, Prices and Productivity
John Salerian

Flattening the Effective Marginal Tax Rate Structure in Australia: Policy Simulations Using the Melbourne Institute Tax and Transfer Simulator
John Creedy, Guyonne Kalb and Hsein Kew

Protecting Employee Entitlements
Kevin Davis and Geoff Burrows

Unemployment Hysteresis in Australian States and Territories: Evidence from Panel Data Unit Root Tests
Russell Smyth

Policy Forum: Water Pricing and Availability
Geoff Edwards
John Freebairn
Alistair Watson
M. D. Young and J. C. McColl

Data Surveys: Demographic Data in Australia
Edith Gray, Peter McDonald and Ann Evans

For the Student: Lessons from Economies in Transition from Central Planning
Richard Pomfret
Australian Economic Review: Recent Articles

2001, Volume 34

4 The Impact of Children on the Lifetime Earnings of Australian Women: Evidence from the 1990s
Bruce Chapman, Yvonne Dunlop, Matthew Gray, Amy Liu and Deborah Mitchell
The Cost of Monopoly in Australian Manufacturing
Robert Dixon, Alan Gunther and Muhammad Mahmood
The Economic Benefits of Australian University Degrees: Bachelor and Research Higher Degrees
Frank P. Larkins
Moving from Unemployment to Permanent Employment: Could a Casual Job Accelerate the Transition?
Jenny Chalmers and Guyonne Kalb
Gambling Taxation: A Comment
David Paton, Donald S. Siegel and Leighton Vaughan Williams
Introduction to the Policy Forum
Stephen P. King
Fiscal Policy, Monetary Policy and the Exchange Rate
Peter J. Stemp
Exchange Rates and Income-Sensitive Capital Flows
Jim Perkins
Assessing the Adequacy of Measures of Australia’s Price Competitiveness and Structural Change
Don Harding
The Longitudinal Survey of Immigrants to Australia
Deborah Cobb-Clark
Cost Benefit Analysis in Theory and Practice
Geoffrey Kingston

2002, Volume 35

1 Editors’ Report 2001
Can Supply-Side Policies Reduce Unemployment?
Lessons from North America
Gary Burtless
Would a Decrease in Fertility Be a Threat to Living Standards in Australia?
Ross S. Guest and Ian M. McDonald
Optimal Commodity Taxes in Australia
Paul Blacklow and Ranjan Ray
A Data Envelopment Analysis of the Efficiency of Victorian TAFE Institutes
Malcolm Abbott and Chris Doucouliagos

The Determinants of Relative Wage Change in Australia
Elizabeth Webster and Yi-Ping Tseng
The OECD Review of Innovations in Labour Market Policies: The Australian Way
Peter Dawkins
The OECD Review of Australia’s Labour Market Policies
Peter Shergold
Gary Burtless
Population Ageing and the Role of Immigration
Glenn Withers

2 The Enlargement Challenge: Can Monetary Union Be Made to Work in an EU of 25 Members?
Barry Eichengreen
Assessing the Impact of Changes in Petroleum Prices on Inflation and Household Expenditures in Australia
Abbas Valadkhani and William F. Mitchell
The Growth of Jobless Households in Australia
Peter Dawkins, Paul Gregg and Rosanna Scutella
The Influence of Diversification and Market Structure on the R&D Intensity of Large Australian Firms
Mark Rogers
Childcare Policy: An Introduction and Overview
Mark Wooden
Childcare Policy to Promote Child Wellbeing
Sarah Wise, Judy Ungerer and Ann Sanson
Attitudes towards Childcare in Australia
M. D. R. Evans and Jonathan Kelley
Issues in Childcare Policy in Australia
Peter McDonald
Demand for Childcare Services and Labour Supply in Australian Families
Denise Doiron and Guyonne Kalb
Childcare and the ‘Care Gap’ in the United States and Australia
Robert Drago
Convergence: Do Poor Countries Tend to Catch Up with the Rich?
Yuan K. Chou

3 Equity and Australian Development: Lessons from the First Century
Ross Garnaut
Total Factor Productivity and Efficiency of Australian Airports
Malcolm Abbott and Su Wu
Surveying Mobile Populations: Lessons from Recent Longitudinal Surveys of Indigenous Australians
B. H. Hunter and D. E. Smith

The Effects of Inflation and the Business Cycle on Revisions of Macroeconomic Data
Christopher Bajada

Introduction to the Policy Forum on Commonwealth–State Funding Arrangements
David Johnson

Issues in Commonwealth–State Funding
Ross Garnaut and Vince FitzGerald

Comments on ‘Issues in Commonwealth–State Funding’ by Ross Garnaut and Vince FitzGerald
J. C. Bannon

Efficiency Effects of Inter-Government Financial Transfers in Australia
Peter B. Dixon, Mark R. Picton and Maureen T. Rimmer

Flypaper Unstuck: Comment on Dixon, Picton and Rimmer
Jonathan Pincus

The Commonwealth Grants Commission and Horizontal Fiscal Equalisation
Alan Morris

The Distributional Impact of Selected Commonwealth Outlays and Taxes and Alternative Commonwealth Grant Allocation Mechanisms
Ann Harding, Neil Warren, Gillian Beer, Ben Phillips and Kwabena Osei

The Distributional Impact of Selected Commonwealth Outlays and Taxes and Alternative Commonwealth Grant Allocation Mechanisms: Comment
Jim Hancock

The Household, Income and Labour Dynamics in Australia (HILDA) Survey: Wave 1
Mark Wooden, Simon Freidin and Nicole Watson

The Public Accounts and Fiscal Policy
Tony Makin

The Lifetime Distributional Impact of Government Health Outlays
Ann Harding, Richard Percival, Deborah Schofield and Agnes Walker

The GST and Vertical, Horizontal and Reranking Effects of Indirect Taxation in Australia
John Creedy

M. C. Gray and B. H. Hunter

Opportunities to Reform State Taxes
John Freebairn

Reviewing the Trade Practices Act: The Dawson Committee Inquiry
Stephen P. King

The Role of the ACCC in Australian Competition Policy
Ross Jones

A Critique of the Role, Powers and Activities of the ACCC: The Business View
Steven Kates

Possible Implications of the Dawson Inquiry for the ACCC
Rhonda L. Smith

European Economic and Monetary Integration and the Euro
Tom van Veen

2003, Volume 36

Editors’ Report 2002
Globalisation, Poverty and Inequality: Friends, Foes or Strangers?
Ken Henry and Terry O’Brien

A New Specification of Labour Supply in the MONASH Model with an Illustrative Application
Peter B. Dixon and Maureen T. Rimmer

Bundling in the Australian Telecommunications Industry
Franco Papandrea, Natalie Stoeckl and Anne Daly

Choice of School in Australia: Determinants and Consequences
Anh T. Le and Paul W. Miller

Is Superannuation Safe? The Background and the Issues
Jon D. Stanford

Inadequacies and Inconsistencies in Superannuation Fund Financial Disclosure: The Need for a Principles-Based Approach
Gerry Gallery and Natalie Gallery

Principal and Agent Problems in Superannuation Funds
Michael E. Drew and Jon D. Stanford

Is Superannuation Safe?
Tom Valentine

Regulation of Australian Superannuation
Hazel Bateman

Datastream
Peter M. Summers

The Effects of Wages on Aggregate Employment: A Brief Summary of Empirical Studies
Elizabeth Webster