

THE RESOURCES BOOM: UNDERSTANDING NATIONAL AND REGIONAL IMPLICATIONS



PUBLIC CONFERENCE
23 FEBRUARY 2011

Exploring the impact of the resources boom in a globalised world and the challenges that it presents for policy.

Yet again Australia is experiencing a resources boom, perhaps the biggest ever. But the world has changed greatly since the last boom in 1979-82. Mining is now a global and highly capital-intensive industry, with many of the resources needed sourced through migration and trade, and the profits widely distributed. The Australian economy is also very different: manufacturing has declined and the focus is heavily on services.



How will Australia as a whole benefit from this boom, given the open nature of the industry and of the economy? Will it generate a two-speed economy, and how will it impact on the non-resource states? Will resources become scarce and inflation rise, so that monetary policy needs to be tightened? Will it undermine other industries, leaving the economy exposed and uncompetitive when it has run its course? Will all social groups benefit, or just a few?



This conference will examine the impact of the current resources boom, and the policy challenges it raises, in the economic context of the 21st Century. There will be a strong focus on the boom's impact on different states and regions within Australia, including an examination of the impact on Melbourne's development and planning framework.

KEYNOTE SPEAKERS



Mr Glenn Stevens has been Governor of the Reserve Bank of Australia since 18 September 2006. He is also Chairman of the Reserve Bank Board and Chairman of the Payments System Board, Council of Financial Regulators and Financial Markets Foundation for Children.



Professor Bob Gregory is Professorial Fellow at Victoria University and Professor Emeritus at The Australian National University (ANU). He is a pre-eminent Australian economist. He was Head of the Economics Program at the ANU for more than two decades and a member of the board of the Reserve Bank of Australia.



Dr David Gruen is Executive Director, Macroeconomic Group, Australian Treasury. He joined the Treasury in 2003. Previously, he was Head of the Economic Research Department at the Reserve Bank of Australia from 1998 to 2002.

SPEAKERS

Professor Peter Sheehan, Director, Centre for Strategic Economic Studies (CSES), Victoria University

Dr David Johnson, Director, Macroeconomics, Forecasting and Fiscal Strategy, Economic and Financial Policy Division, Department of Treasury and Finance (Victoria)

Professor John Phillimore, Executive Director, John Curtin Institute of Public Policy, Curtin University

Dr Bruce Rasmussen, Deputy Director, CSES, Victoria University

Ms Kathleen Hurley, Research Fellow, CSES, Victoria University

DISCUSSANTS

Professor John Freebairn, Ritchie Chair, The University of Melbourne

Mr Michael Stutchbury, Economics Editor, *The Australian*

The Honourable Mr Ralph Willis, Chair, LeadWest

Associate Professor Robin Goodman, Director, Australian Housing and Urban Research Institute (AHURI), RMIT University

Mr Tim Harcourt, Chief Economist, Austrade

Presentation files will be available online after the conference at www.vu.edu.au/cses

CHAIRS



Mr George Pappas

Chancellor of Victoria University and Chair, Committee for Melbourne



Professor Peter Dawkins

Vice Chancellor and President of Victoria University



The Honourable Mr Lindsay Tanner

Vice Chancellor's Fellow at Victoria University and Special Advisor to Lazard

CONFERENCE PROGRAM

8:15 am REGISTRATION

8:45 am WELCOME **Professor Beverley Jackling**, Acting Executive Dean, Faculty of Business and Law, Victoria University

INTRODUCTION **Professor Peter Dawkins**, Vice Chancellor, Victoria University

9:00 am KEYNOTE ADDRESS **Mr Glenn Stevens**, Governor, Reserve Bank of Australia

9:45 am UNDERSTANDING THE RESOURCES BOOM Chair: **Professor Peter Dawkins**

Rethinking the Economics of a Resources Boom

Professor Bob Gregory, Victoria University and The Australian National University

The Impact: An Initial Empirical Analysis

Professor Peter Sheehan, Victoria University

11:00 am MORNING TEA

11:15 am POLICY CHALLENGES FROM THE RESOURCES BOOM Chair: **Professor Peter Dawkins**

The Resources Boom and Structural Change in the Australian Economy

Dr David Gruen, Executive Director, Macroeconomic Group, Australian Treasury

12:00 pm POLICY FORUM Chair: **The Honourable Mr Lindsay Tanner**, Victoria University

DISCUSSANTS

Professor John Freebairn, The University of Melbourne

Mr Michael Stutchbury, *The Australian*

Mr Tim Harcourt, Austrade

1:00 pm LUNCH

2:00 pm THE IMPACT ON THE STATES Chair: **Mr George Pappas**, Chancellor, Victoria University

Setting the Scene

Professors Bob Gregory and **Peter Sheehan**

Victoria in a Resources Boom

Dr David Johnson, Department of Treasury and Finance Victoria

The View from Western Australia

Professor John Phillimore, Curtin University

3:45 pm AFTERNOON TEA

4:00 pm MELBOURNE'S DEVELOPMENT IN A RESOURCES ECONOMY Chair: **Mr George Pappas**

Global and National Influences on the Pattern of Melbourne's Development

Dr Bruce Rasmussen, Victoria University

Ms Kathleen Hurley, Victoria University

DISCUSSANTS

The Honourable Mr Ralph Willis, LeadWest

Associate Professor Robin Goodman, RMIT University

5:30 pm CLOSE