**Transcript**

***Dr Ruth Williams – Economics – it’s not just about finance!***

I’m in the School of Economics at the Bendigo campus. I am an economist and you tend to think economists work in Global Financial Crisis or those usual topics that you see in the media. But there’s lots of economists are needed for those sorts of topics of course but economists work on other topics. I tend to be one of the ones who works on other topics. And I’d like to talk about three topics that I work on. One is to do with water, a second to do with cancer and the third with suicide. With respect to water, the local water authority, Coliban Water, approached me to assist with some work with a student who graduated from La Trobe and was doing some vacation work on just some conventional demand modelling. So we undertook that exercise jointly. But in the process we both became aware that there is an aspect of the price of water which no data are available which is the time price of water. Now, in modern day economies we don’t, there’s no time price of water. We don’t cart water. Water is as easy as, access as easy as turning on a tap. But, in fact, for some products there’s a time price, like electricity or telephone. We all know what it’s like to spend time on the phone addressing access issues there. But, the time price of water we save is because of the engineering advances that have been achieved through time that have made access to water very easy and so our work undertook some conceptual, there was a side to our work that was conceptual in terms of this phenomenon of the time price of water. So that’s water. With respect to cancer, I’m working with some mathematicians on that and it started with the Cancer Council’s advertising that by the age of 80 one in two people will be diagnosed with cancer and we puzzled and said “Oh, how did they work that out?” You know, mathematicians are a bit like that and the economist was hanging around at the time. And so we’ve gone into some specific ways of measuring cancer incidence, age specific cancer incidence. Now, there’s some existing literature on that but we’ve taken it a step further. But what economists are inclined to do with that sort of measurement is say well, that’s all very well. If that measure is used to inform government decision making on where money should be spent in which regions on prevention or treatment then the assumptions underlining the measure need to be very explicit and how the measurement is done actually matters. So, there’s all sorts of concepts and measurement, correct measurement going on there. The third topic with respect to suicide might seem very puzzling that economists would be concerned with suicide. But, as I look at it, and I’ve got two projects going there. One on regional disparities in suicide; different regions having higher or lower rates and the other to do with measuring the welfare loss due to suicide. But we’re living at a time where we’re concerned with sustainability. And that’s quite all right, environmental sustainability, whatever. But my colleague and I, my colleague is at the University of Queensland, are concerned with social sustainability. We say there’s something going on if we have increased longevity, so not only are we more prosperous but we’re living longer, but there are some who don’t have full length of life, but some who take their own lives and this is a puzzling outcome of how we live. And so we think we must measure this. And so with regional disparities we’re interested in the trend through time and whether it’s the disparities are converging or diverging because that’s important to know so that’s a measurement. And then, the second project on the new welfare measures is about how to measure GDP better and actually reduce GDP by the welfare loss due to phenomena such as suicide. So to bring it all back together again, they’re three quite different projects and different for an economist perhaps but they’re all about conceiving of these phenomena and the concepts that are relevant and then the measurements that give useful measurement that ultimately inform public policy and that’s what binds the work together.

The outcome that we wish to achieve from all these projects is informing public policy. So, in part that’s government policy. Really when you think about all the topics they’re about how we live, about all of us, so economics is a decision science. It’s about how people make decisions and the decisions they make to improve wellbeing and so hopefully it’s it’s just even wider than government.