# Canadian Agricultural Economics Society

(CAES)

# **Annual Meeting**

Sunday, July 27 - Wednesday, July 30, 2003

Montreal, Quebec

**Program** 

Draft 20 June 26, 2002

## **PROGRAM**

## Saturday, July 26

7:30 am – 6:00 pm	<b>Pre-Conference Tour</b> Agricultural Study Tour	Depart from Palis
8:00 am – 12:00 pm	Pre- Conference Workshop 511A " Spatial Analysis for Rural Sociology and Agricultural Economics"	
9:00 am – 4:00 pm	<b>Pre- Conference Workshop</b> "Team Learning: A Transform	<b>511C</b> mative Use of Small Groups"
4:00 am – 7:00 pm	REGISTRATION	Viger Foyer
Sunday, July 27		
7:00 am – 7:00 pm	REGISTRATION	Viger Foyer
1:00 pm - 4:00 pm	<b>CAES Executive Meeting</b>	512F
4:00 PM - 5:00 PM	AAEA Keynote Speaker Marion Nestley "Food Politic	517AB
5:00 pm - 7:00 pm	General Reception	710A
Monday, July 28		
7:00 am – 6:00 pm	REGISTRATION	Viger Foyer
9:00 am – 6:00 pm	Exhibits	517CD

Numbers in brackets behind the paper session is the AAEA-NSS-CAES program number

8:30 am - 10:00 am Selected Paper Session 1 (44) Room 513A

**Issues in Methods** 

Chair: Bruno Larue, Laval University

*Complexity in Choice Experiments: An Exploration of Status Quo Bias* - Amanda Moon, Peter C. Boxall and Wiktor Adamowicz University of Alberta.

Choice and Temporal Welfare Impacts: Incorporating History and Expectations into Discrete Choice Models - Joffre Swait, Wiktor Adamowicz and Martin van Bueren, University of Alberta

*Primal versus Dual estimation of Conditional Factor Demand* - Justin Strong, J. Stephen Clark and Emmanuel K. Yiridoe, Nova Scotia Agricultural College

*The Influence of Place Attachment on Recreation Demand: A Structural Equation Model* - Getu Hailu, Peter C. Boxall and Bonita L. McFarlane, University of Alberta

8:30 am - 10:00 am Selected Paper Session 2 (45) Room 513B

Issues in Livestock and Meat Markets Chair: Marco Morin, Statistics Canada

An Economic Evaluation of Hog Carcass Grading in the Ontario Swine Industry - Chris Vervaet and Glenn Fox, University of Guelph.

**Developing Economic Indexes for the Québec Hog/Pork Industry** - Lota D. Tamini and Jean-Philippe Gervais, Laval University

*Municipal Bylaws And Livestock Location* - Christine Eveland and Alfons Weersink, University of Guelph

*A Locational Analysis Of Cattle Feeding In Western Canada* - Danny G. Le Roy, Ken Perlich, ECONEX Consulting and Aaron Canart

8:30 am - 10:00 am Selected Paper Session 3 (46) Room 513C

Agribusiness

Chair: Cam Short, Agri-Food Canada

Agency Costs of Debt and Cost Inefficiency: The Case of Co-operative Agribusiness Firms in Canada - Getu Hailu, Scott R. Jeffrey, Ellen W. Goddard and Jim Unterschultz, University of Alberta Holstein-Jersey Differential 'Breed' Costs of Operations and Investment – Business Profit Model - Craig Martin and Elliott Currie, University of Guelph

*The Value of Real-Time Ultrasound (RTU) in Beef Marketing*, - Allan M. Walburger, University of Lethbridge; D.H. Crews, Jr., Agriculture and Agri-Food Canada

The Value of Apple Characteristics for Selected Wholesalers in Western Canada: An Hedonic Approach - Richard Carew and Elwin G. Smith, Agriculture and Agri-Food Canada

9:00 am - 10:00 am Plenary Session 517AB

AAEA Professional Address – Jon Brant "AAEA: Adapting to Meet Member Needs"

**10:00 am - 10:30 am** Nutrition Break

The Ramifications of Multilateral Environmental Agreements (MEAs) for the Agri-food Sector Organizer: William A. Kerr, University of Saskatchewan

The New International Environment – What are MEAs and How Do They Impact the Agri-food Sector -William A. Kerr, Van Vliet Professor, University of Saskatchewan

*Will the Kyoto Protocol be Good for the Environment?: Implications for Agriculture - James D. Gaisford, Department of Economics, University of Calgary and Rochelle Pancoast, TransAlta Utilities, Calgary* 

*The Cartagena Protocol on Biosafety: Institutionalizing Agricultural Trade Barriers?* - Grant E. Issac, Associate Professor of Biotechnology Management, College of Commerce and College of Biotechnology, University of Saskatchewan

*The Biodiversity Protocol – Opportunities or Constraints for Agricultural Systems in Canada -* Ken W. Belcher, Department of Agricultural Economics, University of Saskatchewan

Carbon sequestration in agriculture: The policy context

Moderator: Sabina Shaileh

Discussant: Richard Gray, University of Saskatchewan

#### **Presentations:**

Carbon sequestration in agriculture: The policy context - Linda Young, Montana State University Canadian agriculture and the development of a carbon trading and offset system - Paul Thomasassin, McGill University

Creating incentives for the adoption of sustainable agricultural practices in developing countries: The role of soil carbon sequestration - John Antle, Montana State University; Bocar Diagara, ISRA and MSU

10:30 am - 12:00 pm Selected Paper Session 4 (69) Room 513C

Macro Models of Consumer Behaviour Chair: John Cranfield, University of Guelph

Macro Models of Micro Behaviour - Timothy Beatty, University of British Columbia
Estimating China's Grain Consumption Demand Using Time-Varying Parameter Models -

Xiaozhan Liu, Terry Veeman and Michele Veeman, University of Alberta

'Food Scares' and Healthy Eating Awareness: Are These Two Factors Affecting Beef Demand in Canada? - Jose L. Lomeli and Ellen W. Goddard, University of Alberta.

Non-parametric Testing of Structural Change in Canadian in Canadian Meat Demand - Benjamin Shank and Ellen Goddard, University of Alberta.

10:30 am - 12:00 pm Selected Paper Session 5 (70) Room 513D

**Issues in Finance** 

Chair: Glenn Fox, University of Guelph

The Link Between Lump-Sum Farm Subsidies and Farm Output: A Real Option Approach -

James Vercammen, University of British Collumbia

The Implied Market Price of Risk - Sridar Komar and Calum Turvey, Rutgers University

An Innovative Risk Management Tool for Canadian Agriculture: - Joffre Hotz, Brian Radke and Jim Unterschultz, University of British Collumbia

*The Users of Lumber and the US-Canada Softwood Lumber Agreement: An Event Study* - Nisha Malhotra, University of Maryland; Sumeet Gulati, University of British Columbia

10:30 am - 12:00 pm Selected Paper Session 6 (71) Room 513E

**Economics and Management of Water** 

Chair: Lorie Srivastava, Parliament of Canada

Message in a bottle: water quality for sale - Diane Dupont, Steven Renzetti, and Jennifer Roik, Brock University

An Economic Analysis of Expanding Water Use in the Bow River Irrigation District
Klein, Kurt K., Danny G. Le Roy and Christine Bakke, University of Lethbridge
Water Reforms Strategy and Sustainability of Agricultural Development in Asia
(A case Study for Iran) Iran Verim Veshteh and MH. Heshiri M. University of Seeketeh

(A case Study for Iran) Iran - Karim Koshteh and MH, Haghiri M, University of Saskatchewan

12:15 pm - 1:30 pm Lunch Break

2:00 pm - 3:30 pm Selected Paper Session 7 (110) Room 511F

**Market Analysis** 

Chair: Murray Fulton, University of Saskatchewan

Analysis of the World Fair Trade Coffee Market - Hiroaki Kojima and Richard Barichello, University of British Columbia

*Is More Generic Advertising the Solution to the Challenges Facing the Canadian Beef Industry?* - Chris Panter & Ellen Goddard, University of Alberta

Agriculture Diversification Through Agrotourism: An Exploratory Study on The Producer's Decision Process - Isabelle Charron, Maurice Doyon and Laurent Bourdeau, Laval University

*Effects Of FDI For The Canadian Agri-Food Industry* - Jorge Mendez-Manzanilla and Ellen Goddard, University of Alberta.

2:00 pm - 3:30 pm Joint AAEA/CAES Paper Session 2 (89) Room 512F

The Role of Pricing Mechanisms in the New Agri-Food Market Place

**Moderator:** James G. Pritchett

*A Review of Pricing Mechanisms in Agriculture and Food* - Al Mussell George Morris Centre; Holly Mayer Agriculture and Agri-Food Canada; Larry Martin George Morris Centre

*Transfer Pricing in Contractual Relationships: The Case of the U.S. Swine Industry -* Brian Buhr, University of Minnisota

Transfer Pricing in a Strawberry Supply Chain - Rachael Goodhue, University of California, Davis

**Discussant:** Gary Fread, G.L. Fread & Associates Ltd.

2:00 pm - 3:30 pm Selected Paper Session 8 (107) Room 513C

Micro Models of Consumer Behaviour Chair: Vic Adamowicz, University of Alberta

Consumer Demand for Pesticide Free Production Food Products: A Probit Analysis - Erik Magnusson and J. A. L. Cranfield, University of Guelph

Risk Perception and Consumer Choice of Specialty Meat: A Distribution of Frequency Method - William Nganje and Simeon Kaitibie, North Dakota State University

Assessing Consumer Acceptance for Calcium-enriched Vegetables - Yanning Peng, Rachid El Hafid, Kevin Chen and Sarah Oliveira, Alberta Agriculture, Food and Rural Development and University of Alberta

2:00 pm - 3:30 pm Selected Paper Session 9 (108) Room 513D

**Issues in Consumer Choice and Valuation** 

Chair: Timothy Beatty, University of British Columbia

The Role of Information for Consumer Choices of Foods Containing Genetically Modified Ingredients - Anne-J. Huennemeyer, Michele Veeman, Vic Adamowicz and Wuyang Hu, University of Alberta. **Reference Point Effects and Consumer Choice of GM Food** - Wuyang Hu, Vic Adamowicz, Michele Veeman and Anne Huennemeyer, University of Alberta.

Relating Consumer Risk Tolerance to Willingness-to-pay for Food Safety: an Experimental Approach - Jennifer Brown, John Cranfield and Spencer Henson, University of Guelph

2:00 pm - 3:30 pm Selected Paper Session 10 (109) Room 513E

**Biotechnology and Innovation Chair:** Mike Trant, Statistics Canada

Agricultural Biotechnology, Farm Structure, And Socioeconomic Well-Being Of Rural

Communities - Bishnu P. Saha and Rakhal C. Sarker, University of Guelph

Let's Have A Round Of Applause For Innovations. But, Are Farmers Really Clapping? - Morteza

Haghiri and Alireza Simchi, University of Regina

Agricultural Biotechnological Letters Of Marque - Daniel A. Dierker and Peter W. B. Phillips,

University of Saskatchewan

3:30 pm - 4:00 pm Nutrition Break

4:00 pm - 5:30 pm CAES PRESIDENTIAL AND FELLOWS ADDRESSES 516B

**Chair: Mike Trant** 

#### **CAES Presidential Address**

# Information, Incentives and Institutions in the Agrifood Sector Jill Hobbs, University of Saskatchewan

CAES President Jill Hobbs will examine the factors driving changes in the agrifood sector with respect to food safety, quality assurance and the implications for vertical coordination. Information asymmetry provides the underlying theme of the paper. The analysis draws on transaction cost economics to provide insights into the role of incentive mechanisms and institutions for the delivery of credible quality signals to consumers.

#### **CAES Fellow's Address**

## Research in the Canadian Food Marketing Supply Chain System - Post 1986 Murray Hawkins, University of Alberta (Retired)

The presentation will be based on marketing research in the post 1986 period. Most of the research in the CJAE has involved marketing boards and producer marketing efforts. It is hypothesized that conventional economics and econometric models lead to biased conclusions due to a failure to consider the total vertical horizontal industry configuration. It is also argued that the lack of balance in research efforts is due to a lack of industry data, cooperation and research financing

9:00 pm - 11:00 pm Canadian University Reunions

Tuesday, July 29

7:00 am – 6:00 pm **REGISTRATION** 

8:30 am - 10:00 am Selected Paper Session 11 (174) Room 513A

**Issues in Genetically Modified Organisms Chair:** Denis Chartrand, Statistics Canada

Cost Implications of Alternative GM Tolerance Levels: Non-Genetically Modified Wheat in Western Canada - Izzy Huygen, Mel Lerohl, and Michele Veeman University of Alberta

*Labeling and International Competition in Markets for GM Products* - Luc Veyssiere and Konstantinos Giannakas, University of Nebraska-Lincoln

*The Economics of Strategic Investment in in Identity Preservation Systems for non-GM Crops* - Pascal L. Ghazalian, University of Saskatchewan; James Vercammen, University of British Columbia

Agroterrorism, Hysteresis, Trade and Economics

Organizer: Calum Turvey, Rutgers University

*Agroterrorism, Hysteresis and Economics* - Calum Turvey, Edouard Mafoua, Brian Schilling, and Benjamin Onyango, Rutgers University

*Agroterrorism and Trade* - Karen Huff, Karl Meilke, University of Guelph; Calum Turvey, Rutgers University; John Cranfield, University of Guelph

*Terrorism and the Grain Handling System in Canada and the U.S.* – (Tentatively) By Bill Wilson, North Dakota State University; James Nolan, University of Saskatchewan; William Nganje, North Dakota State University

#### **Discussants**

Katherine Baylis, University of British Columbia Jean-Philippe Gervais, Laval University

8:30 am - 10:00 am Selected Paper Session 12 (176) Room 513C

Farm Management and Land Values Chair: Al Musell, George Morris Centre

Will A Carbon Credit Market Influence Farm Management Practices? - Stanley Joseph and Alfons Weersink, University of Guelph

Factors which Affect Adoption of the Nova Scotia Environmental Farm Plan Program - Dominic O. A. Atari and Emmanuel K. Yiridoe, Nova Scotia Agricultural College

Agricultural and Non-agricultural Influences on Agricultural Land Values in Canada - Michael Devanney, Emmanuel K. Yiridoe and J. Stephen Clark, Nova Scotia Agricultural College

9:00 am – 6:00 pm Exhibits

9:00 am - 10:00 am Fellows' Panel on Issues in Biotechnology - Steve Buccola,

Sandra Batie, and Uma Lele

**10:00 am - 10:30 am** Nutrition Break

#### **Selected Paper Session 13 (200) Room 513C** 10:30 am - 12:00 pm

**Analysis of Trade Disputes** 

Chair: Michele Veeman, University of Alberta

An Economic Analysis Of The Effects Of The World Trade Organization Dairy Dispute Settlement On The Ontario Dairy Industry - Heather Kuntz and Rakhal Sarker, University of Guelph Estimating Export Response in Canadian Provinces to the US-Canada Softwood Lumber Agreement -Sumeet Gulati, University of British Columbia; Nisha Malhotra, University of Maryland This Little Piggy Went to Market with a Passport: The Impacts of US Country of Origin Labeling on the Canadian Pork Sector - Javed Igbal, Renee Kim, and James Rude, University of Manitoba. European Union (EU) Banana Dispute: Jurisdictional Crossover and Implications for the Sustainability of the Banana Industry and Rural Communities in the Windward Islands (WI) -Anthony Thomas and Rakhal Sarker, University of Guelph

#### 10:30 pm – 12:00 pm **Selected Paper Session 14 (202) Room 513E**

**Impact of Free Trade & Trade Barriers** 

Chair: Sumeet Gulati

Impact of the World Trade on the Canadian Poultry Market - Xiaochao Qian, Ellen Goddard and Kevin Chen, University of Alberta.

Impact of a Canadian Free Trade Agreement for Refined Sugar - H. Bruce Huff, Huff and Associates and Vernon O. Roningen

On the Equivalence of Trade Barriers and Domestic Support in the Processing Tomato *Industry* - Brad Rickard California Polytechnic State University at San Luis Obispo; Daniel A. Sumner, University of California, Davis

Optimal trade barriers with costly natural resource management - Nancy Bergeron, Université Laval

#### 10:30 pm - 12:00 pm **Selected Paper Session 15 (201) Room 513D**

**Issues in Trade** 

Chair: James Rude, University of Manitoba

Effects of Regional Trade Agreements on Trade in Agrifood Products: Some New Results - Sampath Jayasinghe and Rakhal Sarker, University of Guelph

Explaining Dairy Quota Values in Québec Under the Individual Export Milk Program - Catherine Brodeur, Jean-Philippe Gervais and Maurice Doyon, Laval University

The Trade Effects of Export Credit Guarantees: A Partial Equilibrium Approach - Paul Rienstra-Munischa, Calum G. Turvey, Rutgers University and Karl Meilke, University of Guelph

Lunch - Extension Lunchon - Larry Martin - "Commonalities and 12:15 pm - 1:30 pm Confilcts Canadian and US Agriculture" **Lunch - CAES Department Chairs with Statistics Canada** 

and Agriculture and Agri-Food Canada

2:00 pm - 3:30 pm Joint AAEA/CAES Paper Session 3 (220) Room 510D

Pricing-to-Market Issues in Agricultural Trade Organizer: Jean-Philippe Gervais, Laval University

Import competition, Production Differentiation, and Market Power: Evidence from the Canadian Domestic Wine Market - Richard Carew Pacific Agri-Food Research Centre and Stephen Devadoss University of Idaho

Integrating Marginal Cost into Pricing-to-Market Models for U.S. Agricultural Products - Michael Reed, and Sayed Saghaian University of Kentucky

Investigating Pricing to Market Behaviour of Canadian Pork Exporters Using Threshold Autoregressive Techniques - Bruno Larue and Jean-Philippe Gervais, Laval University

Issues and Priorities for Water Use and Supply in the Semi-arid Ecosystem

Organizer: Kurt Klein, University of Lethbridge

*Irrigation Management Research Needs in an Era of Changing Water Use Priorities* - Ray, Suppala, University of Nebraska.

*Challenges for Water Researchers in Western Canada With Policy Uncertainty* - Kurt Klein and Lorraine Nicol, University of Lethbridge

**Coping With Natural and Institutional Drought** - Marshall Frasier and Eric Schuck, Colorado State University

*WISE - A Multi-Disciplinary Water Research Institute in Southern Alberta -* Elwin Smith, Agriculture and Agrifood Canada, and Kurt Klein, University of Lethbridge

2:00 pm - 3:30 pm Selected Paper Session 16 (226) Room 513C

**Issues in Regulation and Concentration** 

Chair: Jim Vercammen, University of British Columbia

*Pesticide Regulation and Pesticide Prices* - David Freshwater, University Of Kentucky and Cameron Short, Agriculture and Agri-Food Canada

*Market Concentration and Its Impact in Canadian Food Processing Industry* - Julie Chan and Richard R. Barichello, University of British Columbia

**Spatial competition and regulation:** A study of the grain handling and transportation system - James Nolan and Jason Skotheim, University of Saskatchewan

The Real Coase Theorem - Glenn Fox, University of Guelph

2:00 pm - 3:30 pm Selected Paper Session 17 (227) Room 513D

**Issues in Production Economics** 

Chair: Terry Veeman, University of Alberta

Assessing the Contribution of Genetic Enhancements and Fertilizer Application Regimes on Canola Yield and Production Risk in Manitoba - Elwin G. Smith and Richard Carew, Agriculture and Agri-Food Canada

*Economic Implications of Crop Rotation for Potato Production in Manitoba* - Mohammad Khakbazan, Hemal Kularatne, Ramona Mohr, Karl Volkmar, and Dale Tomasiewicz, Agriculture and Agri-Food Canada

Comparison of Farm Size Dynamics of the New England and Maritime Dairy Industries- Amy Burgoyne, J. Stephen Clark and Diane Dunlop, Nova Scotia Agricultural College

2:00 pm - 3:30 pm

**Selected Paper Session 18 (228)** 

Room 513E

Forestry Economics Chair: Peter Boxall

*Managing Forest Carbon Stocks under Risk of Fire Disturbance* - Jason Politylo and Grant Hauer, University of Alberta

Agent Based Modeling of Spatial and Temporal Economic Activity in Forested Landscapes - Scott Heckbert, Vic Adamowicz, Peter Boxall and Desmond Ng, University of Alberta

An Empirical Analysis Of The Economic Effects Of Forest Fires In Ontario - Collins Ayoo and Glenn Fox, University of Guelph

Environmental Regulation and Incentives to Comply – reviewing forest practices enforcement strategies in British Columbia - Glenn Farenholtz, University of British Columbia

3:30 pm - 4:00 pm Nutrition Break

4:00 pm - 5:30 pm CAES Annual Business Meeting 520AB

7:00 pm - 10: pm CAES Banquet and Awards Ceremony 520AB

Wednesday, July 30

8:30 am - 9:00 pm CAES New Executive Meeting

9:00 am - 10:00 am Whaugh Lecture

Dennis Aigner "Beyond Compliance: Sustainable Business Practices and

the Bottom Line"

10:00 am - 10:30 am Nutrition Break

Changing Dimensions Of Canadian And US Agriculture: Farm Income, Farm Structure,

Typology, and Farmland Markets
Organizer: Ken Erickson/Mike Trant

Changes in the Composition and Distribution of Farm and Non-farm income: Implications for Farm Sector Well-Being - Paul Murray, Statistics Canada, Robert Dubman, USDA-ERS, Brian Biggs, Statistics Canada, Kenneth Erickson, USDA-ERS; Penni Korb, USDA-ERS

Farm Structure and Farm Typology - Debbie Niekamp, Agriculture and Agri-Food Canada, David Culver, Agriculture and Agri-Food Canada, Robert Hoppe, USDA-ERS, David Banker, USDA-ERS Policy Changes and Canadian and U.S. Farmland Markets: Preserving Farmers' Wealth - Andrew Schmitz, Eminent Scholar and Professor, University of Florida, Hartley Furtan, Professor, University of Saskatchewan

10:30 am - 12:00 pm Selected Paper Session 19 (303) Room 513C

Food Safety and Intellectual Property Rights Chair: Jill Hobbs, University of Saskatchewan

Assessing Economic Incentives for Firms to Adopt Food Safety Controls: The Case of the Ontario Meat Processing Industry -Udith Krishantha Jayasinghe-Mudalige and Spencer Henson, University of Guelph

Food Safety and Quality in the Canadian Food Processing Sector - Deepananda Herath and Zuhair Hassan, University of Guelph

**Strengthening of Intellectual Property Rights in Mexico**: A Case Study of Maize Breeding - Andréanne Léger, Humboldt University of Berlin

*The Pricing of Public IPRs and Private Rent Dissipation in Research Activities* - Richard Gray and Stavroula Malla, University of Saskatchewan

#### **CAES Executive Committee 2002-2003**

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**Past-President** Murray Fulton. University of Saskatchewan

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**Contributed Papers** 

**Coordinator:** John Cranfield, University of Guelph