Peter Costello launches Great Australian Dream Project
August 2006, Parliament House, Canberra

The Federal Treasurer, Peter Costello, launched the IPA’s Great Australian Dream Project at Parliament House in Canberra in August. The Project examines how restrictive land use policies have reduced home affordability in Australia.

As the Treasurer said:

_The great Australian dream, which still beats in the breast of young Australian couples and families, is to own their own piece of the Australian land. It is a worthy aspiration, it is one that has made our country great... it is one dream that we should nurture._

Other speakers at the launch were the Chairman of the Great Australian Dream Project, Bob Day; the Executive Director of the IPA, John Roskam; and the Managing Director of the Housing Industry Association, Dr Ron Silberberg.

The first major research work of the Project was the publication of the book _The Tragedy of Planning: Killing the Great Australian Dream_, written by Alan Moran, the Director of the Deregulation Unit at the IPA. Since its publication _The Tragedy of Planning_ has been downloaded more than 35,000 times from the IPA Website.

_The Tragedy of Planning: Killing the Great Australian Dream_ is available at www.ipa.org.au, and a transcript of the launch proceedings and further information about the Great Australian Dream Project is available at www.greataustraliandream.net.au.

Antony Beevor in Australia to deliver 2007 CD Kemp Lecture
Thursday, 31 May 2007, Sofitel, Melbourne

Internationally renowned author Antony Beevor will deliver the 2007 CD Kemp Lecture in Melbourne on 31 May next year.

The title of the Lecture is _From Stalingrad to Baghdad: History and its Making._

Antony Beevor’s books include the award-winning _The Spanish Civil War, Stalingrad, Berlin: The Downfall, and Crete: The Battle and the Resistance_. _Stalingrad and Berlin_ have been translated into twenty-five languages and sold more than two million copies.

The 2007 CD Kemp Lecture is supported by Tenix Defence.

Latest IPA Review now available

From the latest edition of the _IPA Review:_

- **Own Goal: Capitalism 1, Class Warfare 0.** _How the Seven Up! series scored an own-goal_
- The Rosetta Stone of development economics. _Economic freedom and how much money you can make from it._
- The other flurry of media mergers. _The media is big business. And the online media is just as big._
- What will happen to the cod if the Murray River runs dry? _We have managed to regulate the Murray, but we have not yet reconciled with it._
- The passing of a legend. _Milton Friedman won’t soon be forgotten_.

The _IPA Review_ is available at www.ipa.org.au.
From the Executive Director

The IPA’s Great Australian Dream Project has already proved an outstanding success. Launched in Canberra by the Federal Treasurer, the Hon Peter Costello, the project has dominated media and public discussion of the housing affordability crisis. For the first time the national policy focus has turned to issues of the supply of land for housing, and home affordability.

Research by Dr Alan Moran, head of the IPA’s Deregulation Unit has been drawn upon by the Prime Minister, the Treasurer, and the retiring Governor of the Reserve Bank of Australia.

The Great Australian Dream Project is not simply about economics and regulation. Unaffordable housing has social consequences that impact on the entire community.

In recent months the IPA has hosted a number of important international speakers. The world-renowned commentator Mark Steyn delivered the CD Kemp Lecture in Melbourne, while the American-based demographer and planning expert Wendell Cox delivered the Clough Lecture in Perth. Both events were outstanding successes.

Mark Steyn spoke passionately about Does Western Civilisation Have A Future? and his visit attracted popstar-like media coverage around the country. Wendell Cox’s presentation in Perth coordinated as part of the Great Australian Dream Project focused on the detrimental outcomes produced when urban planners ignore the wishes of individuals and families.

While in Australia Wendell was able to address IPA audiences in other cities, and we extend our appreciation to Bob Day for making Wendell’s tour possible.

The IPA particularly thanks Ron Manners and the Mannkal Economic Education Foundation for their support for the Clough Lecture.

John Roskam
Executive Director

New Research Fellow—Richard Allsop

Richard Allsop is an expert in transport policy. He was Chief-of-Staff to the two Transport Ministers in the Kennett Government and has had a range of other roles in federal and state politics, as well as private sector experience.

Richard has a Masters in History from Monash University and is currently undertaking his PhD. He has also worked on the Nine Network’s election night coverage of federal and state elections since 1993.

Email: rallsop@ipa.org.au

New Public Affairs Manager at the IPA

Hugh Tobin began working with the IPA in July 2005. Hugh is the Public Affairs Manager at the IPA and was recently appointed as Associate Editor of the IPA Review.

Hugh has a degree in Media and Communications from the University of Melbourne and has recently completed a postgraduate diploma in Public Relations at the Royal Melbourne Institute of Technology. Hugh is also the editor of InTouch.

Email: htobin@ipa.org.au

New Media Officer at the IPA

Andrea Bruning recently completed a Masters of Communication at the Royal Melbourne Institute of Technology. Originally from America, Andrea has a B.A. in Public Communication and Spanish from the American University in Washington, D.C.

Andrea will be interning with the IPA until July next year.

Email: abruning@ipa.org.au

Just released: Australia since the 1980s

With economic reform being introduced to drive up Australia’s productivity once again, it is important to remember previous reforms that have led to increased prosperity. The reforms of the 1980s were an attempt to undo the unintentional damage of earlier government policies. Hampered by protective trade barriers, wage controlling measures and other restrictions, Australia’s productivity had failed to keep up with the growth experienced in other countries.
IPA News

IPA celebrates 50 years of Quadrant

In October, the IPA hosted a reception to celebrate the 50th anniversary of Quadrant magazine. The people of Melbourne and the IPA have always been intimately connected to Quadrant, and a crowd of one hundred well-wishers came to recognise the significance of Quadrant’s achievement.

The editor of Quadrant, Paddy McGuinness, visited Melbourne for the event, and he spoke at the celebrations together with Professor Ken Minogue of the London School of Economics and Chairman of the Quadrant Management Committee, Elizabeth Prior Jonson.

Alexander Downer at the IPA

In June, the IPA hosted lunch with the Minister for Foreign Affairs, the Hon Alexander Downer, and business and opinion leaders.

At the lunch the Minister presented an overview of Australia’s foreign policy and strategic interests.

He stressed the importance of the country’s relations with Indonesia, Japan, and China, and the essential role of Australia with its immediate neighbours in the Pacific.

Australian Ambassador to India, John McCarthy at the IPA

In November, the Australian Ambassador to India, John McCarthy, spoke at a roundtable discussion at the IPA.

John McCarthy is one of Australia’s most experienced diplomats having been Deputy Secretary of the Department of Foreign Affairs and Trade, and having had many senior postings including Ambassador to the United States, Indonesia, and Japan.

Mr McCarthy briefed guests on the political future of India and the opportunity for closer economic and cultural links between Australia and the world’s most populous democracy.

Hong Kong Financial Secretary visits the IPA

In May, Henry Tang, Financial Secretary of the Hong Kong Special Administrative Region (HKSAR) Government, met with the IPA. Tang is the third most senior official in the HKSAR Government after the Chief Executive and the Chief Secretary in ranking.

The Financial Secretary assists the Chief Executive in overseeing policy formulation and implementation in financial, monetary, economic, trade and employment matters. He is in charge of the Government Budget and exercises control over the Exchange Fund, with the assistance of the Monetary Authority.
Back to basics: Why Government funding of science is a waste of our money
Backgrounder by Professor Sinclair Davidson

The Commonwealth expects to spend 2.78 per cent of its budget on science and innovation in 2006-07. This constitutes nearly six billion dollars.

The government spends a substantial amount on public science and innovation. It is not clear that any substantial benefit is derived from that expenditure.

In many instances, effective government funding of science would require the government to have information or foresight that others do not, and cannot have. Therefore, the government should do less rather than more.

The politics of a tragedy: The Gretley mine disaster and the dangerous state of work safety laws in NSW
Occasional essay by Ken Phillips

The failure to prosecute either the Department of Minerals Resources or the company that employed three of the miners after the 1996 Gretley Mine disaster raises serious questions about the integrity of the occupational health and safety system in New South Wales and the use of the powers of criminal prosecution under the system.

The design of NSW OHS legislation is deeply flawed. It creates dangerous work cultures in NSW which are based on a presumption of guilt for some parties and minimal application of liability for others.

The tragedy of planning: Losing the great Australian dream
Book by Alan Moran

A house provides us with a place of rest, a place for our possessions, and a place to raise our families. Not only this, but a house is often the largest investment we make during our lifetime.

However housing is becoming unaffordable for more and more people. Governments across Australia have restricted the supply of land, increased charges on new properties and amplified the number and intensity of regulations, making the Great Australian Dream—to own a home—a rarer privilege for Australians.

For information about the IPA’s Great Australian Dream Project visit www.greataustraliandream.net.au.

Property rights in Western Australia: Time for a changed direction
Backgrounder by Louise Staley

The old adage that ‘your home is your castle’ is no longer true for many Western Australians. As community attitudes to heritage conservation and environmental management have changed, Government has imposed more and more controls on what can be done with privately owned property—in many cases without consultation with or compensation for long-term owners.

By adopting a ‘whole of government’ approach to the protection of property rights, all Western Australians can be protected from the power of Government to unilaterally act against property owners’ interests.
The electricity market in Australia
Problems along the way to a national electricity market
by Alan Moran

Supply and demand have been fairly well synchronised over the past six or seven years. The message is that the real dangers to the supply industry in both gas and electricity in Australia are those stemming not from too little government but from too much.

The industry has expanded and maintained low costs in the six years it has been operating. It is, however, fragile and government actions could seriously harm investor confidence and lead to ever increasing interventions to ensure investment keeps pace with demand.

Promoting freedom and community: Civil society organisations in Australia
Backgrounder by Ross Fox

Australian society is best served by a strong, diverse and vibrant civil society. Individual voluntary participation in civil society organisations, whether through giving or volunteering, increases individual and collective freedom.

The large direct and indirect resources provided by government through a combination of grants, tax concessions and exemptions to civil society organisations require accountability commensurate with the disbursement of government and public resources.

Opportunity squandered: How the States have wasted their reform bonus
Backgrounder by Mike Nahan

Since 2000, GST revenue distributed to the states has increased at an average annual rate of more than nine per cent—a huge and unexpected gain.

As a result, the states are awash with money at levels unanticipated by the architects of the new tax system.

But instead of continuing and initiating reform, state governments have systematically grown the number and entitlements of bureaucrats with no discernible improvement in services.

In defence of more freedom
Occasional essay by Tony Parkinson

Why should political freedoms extended to our own citizenry remain exclusively a Western construct? To argue the consent of the governed is not, or cannot be, a universal value is to say, in effect, that some humans might prefer to live in subjugation. There can be no proposition more objectionable, more defeatist.

In this Occasional Essay, Parkinson surveys the current condition of international relations and argues unambiguously In defence of more freedom.
Mark Steyn delivers CD Kemp Lecture August 2006 at the Park Hyatt Melbourne

In August, more than 320 people attended the IPA’s annual CD Kemp Lecture held at the Park Hyatt in Melbourne. Internationally renowned author and columnist Mark Steyn spoke on the topic Does Western Civilisation Have a Future? Steyn spoke about the impact of declining birth rates on Western societies.

Mark Steyn’s writings on politics, arts and culture can be read throughout much of the English-speaking world. For details of his Australian tour, visit www.steynonline.com.

To download the full text from the 2006 CD Kemp Lecture, visit: www.ipa.org.au.

The 2007 CD Kemp Lecture will be given by Antony Beevor, author of Stalingrad on May 2007 at the Sofitel Melbourne.

Professor Bob Carter speaks on climate change
Canberra, June 2006

Professor Bob Carter of James Cook University spent time in June speaking to Federal MPs about climate change.

Professor Carter has held academic staff positions at the University of Otago and James Cook University (Townsville), where he was Professor and Head of the School of Earth Sciences between 1981 and 1999. He has served as Chair of the Australian Marine Science & Technologies Grant Scheme, and as Chair of the Australian Research Council’s Geoscience Funding Panel.

Book launches: The Heart of James McAuley by Peter Coleman
Launched by Tony Abbott, Tony Staley and Peter Coleman

In August, Tony Abbott and Tony Staley helped launch The Heart of James McAuley by Peter Coleman, which examines the work of the famous poet, editor, critic, and political thinker.

In July, Professor James Franklin addressed an evening seminar at the IPA about religious values and Australian society.

James Franklin’s Catholic Values and Australian Realities and Peter Coleman’s The Heart of James McAuley are available through Connor Court Publishing www.connorcourt.com.au.
Great Australian Dream tour with Wendell Cox
Adelaide, Melbourne, Sydney, Brisbane, Perth, Darwin, Hobart, Canberra

Wendell Cox visited every Australian capital city during the Institute of Public Affairs’s Great Australian Dream tour. As a part of the tour, Wendell spoke at the IPA boardroom in Melbourne in August and also gave the Harold Clough Lecture at the Perth Convention Exhibition Centre in September.

Wendell Cox is principal of Demographia, an international public policy firm which specialises in urban policy, transport and demographics. Demographia is ‘pro-choice’ with respect to urban development.

For more details about the IPA’s Great Australian Dream Project, including slides from the presentations in each city, visit www.greataustraliandream.net.au.

Boardroom lunch with Peter McGauran MP

In August, the Federal Minister for Agriculture, Fisheries and Forestry spoke at a boardroom lunch attended by leaders from the Australian agricultural and rural sector.

During the lunch, hosted at the IPA offices in Melbourne, discussion covered many important issues including national water policy, government policy on genetically modified crops, research and innovation in the sector, and prospects for reform to agricultural protection.

Breakfast with Professor Martin Kramer
Australia, the West and the Reconstruction of the Middle-East

In June, Professor Martin Kramer spoke to an interested group at an IPA breakfast roundtable on the issue of Australia’s role in the Middle-East.

Professor Kramer is a Fellow at The Washington Institute for Near East Policy. He is an authority on Middle-East politics and contemporary Islam. His university appointments have included positions at Tel Aviv University, Cornell University, and Georgetown University. He is also a former editor of the Middle-East Quarterly.
The IPA is an active participant through the media in the national policy debate. A full text of all media articles and opinion pieces by IPA staff is available at www.ipa.org.au.

Some Recent Media

**IPA IN THE NEWS**

Chris Berg, Australian Financial Review, 12 October

Media-rule horse has bolted

Digital media are skirting the regulatory regime even as the government tinker with it, Chris Berg writes.

Communications Minister Helen Coonan’s attempts at policy reform have so far been complex as failures. Telstra’s offer to the node network was seduced by her requirement that Telstra build it and then give control over it to the regulator. And now what was already a timid media reform package has been watered down almost to the level of no-change.

Jennifer Marohasy, The Land, 3 August 2006

**Environment For Change**

By Jennifer Marohasy

Time for a fuel change

PETROL prices continue to climb and Federal Treasurer, Peter Costello, recently responded to rising community concerns by explaining it was not his fault because he had no control over international oil prices.

But there are alternatives to oil and some claim the Australian Government have in front of their computers at home. But Australia has a regulatory environment dramatically at odds with technological and cultural developments here and overseas.

What was the debate about? The “diversity” cry rings hollow – as the Internet, an infinite array of content and opinions is available to anybody who cares to look. Online media services, still in their infancy, can deliver more diverse content than can be consumed in a lifetime.

But political debate about media ownership always ends up with politicians pontificating about the relative merits of media content.

Genuine deregulation means that policymakers consider the impact on a marketplace where the range of media is not limited by government regulation.


**Comment**

**Full-fee places at university benefit all**

The debate about whether to allow students to pay for their place at university was reignited this week. On Monday it was revealed that some regional universities had unfilled vacancies, while other universities offering essentially the same course were charging students full fees. This provided the ammunition for critics of the Howard Government to attack on two fronts.

First, it was claimed that the taxpayer should not be forced to fund educational advancement.


**Truth hard to find in new IR**

The IR laws must balance business interests with worker protection, writes Ken Phillips.

Do the Howard Government’s new industrial relations laws let bosses screw workers? If they do, the Government should be tossed out at the next election.
In fact Victoria has masses of developable land — only half of 1 per cent of the state’s 27,000 square kilometres is urbanised.

But it is a water problem, except in so far as the government refuses to build more dams.

After all we live in a climate zone known as “Mediterranean” with a population density one-tenth of that of the Mediterranean area itself.

Following the recent publication of my book, The Property of Planning, the Treasurer, Prime Minister and

Alan Moran, Herald Sun, 9 September 2006


Richard Allsop, The Australian, 15 August 2006

Mike Nahan, The West Australian, 7 September 2006


www.ipa.org.au
Policy makers respond to the IPA’s Great Australian Dream Project

Retiring Reserve Bank Governor Ian Macfarlane reporting to House of Representatives Standing Committee on Economics, Finance and Public Administration in Canberra, 18 August 2006

‘The second question is a more interesting one—that is, why has the price of an entry-level new home gone up as much as it has? Why is it not like it was in 1951 when my parents moved to East Bentleigh, which was the fringe of Melbourne at that stage, and were able to buy a block of land very cheaply and put a house up on it very cheaply? Why is that not not the case? I think the answer to that one is what you are alluding to. I think it is pretty apparent now that reluctance to release new land plus the new approach whereby the purchaser has to pay for all the services up front—the sewerage, the roads, the footpaths and all that sort of stuff—has enormously increased the price of the new, entry level home. That is a supply-side issue, not a demand-side issue. I think there is a lot of evidence that, at the moment, those factors are becoming very important.’

Prime Minister John Howard addressing the State Council of the South Australian Division of the Liberal Party in Adelaide, 19 August 2006

‘But when you drill down a bit further you find some very interesting things, you find that over the last 20 years, according to a recent study released by the Treasurer, and the study was carried out by the IPA, the real cost of the housing and land package in this country has doubled. The real cost has doubled over the last 20 years. You find that although things like airfares, communication expenses, and many other things in real terms have declined over the last 20 years, the cost of buying a home has doubled. Now why is that so? It is overwhelmingly so because the cost of land has doubled over that period of time.’

IPA research leads the way on the growth of self-employment in Australia

The ground-breaking work of the IPA in charting the growth of self-employment in Australia has been recognised by a recent report from the Productivity Commission into The Role of Non-Traditional Work in the Australian Labour Market. As revealed in the IPA Review in March 2005 the number of people self-employed in Australia is now greater than the number of union members.

The report of the Productivity Commission is available at www.pc.gov.au.

Source: IPA

The growth of self-employment

Number of people

1,500,000

1,600,000

1,700,000

1,800,000

1,900,000

2,000,000

2,100,000

1998 2001 2004

Number of people

Number of self-employed

Trade union members

Some authors (Roskan 2005; O’Donnell 2005; ACTU 2005) regard the number of own account workers as a partial proxy for the number of self-employed contractors. Figure A1 shows that, from 1998 to 2005, the proportion of own account workers in the LFS has increased from 13.2 per cent to 25.4 per cent. ICA also claims that 28 per cent of the private sector workforce (equivalent to 2.2 million persons) were independent contractors in 2000.

From the Productivity Commission’s The Role of Non-Traditional Work in the Australian Labour Market.
IPA at Senate inquiry into media ownership

In September IPA Research Fellow Chris Berg gave evidence to the Senate Inquiry into media ownership reforms.

‘Technological and commercial innovation have provided Australians with a multitude of choice in the information and entertainment content we consume, the way we receive it and display it and our capacity to store it for future consumption. Any regulatory rationale based on assumed scarcity of media content or delivery mechanisms is no longer valid.’

The IPA has entered a series of submissions to government media inquires over the last year which are available at www.ipa.org.au.

Victorian Government inquiry looks to IPA research on food regulation

Analysis by Louise Staley, the head of the IPA’s Food and Environment Unit, is a focus of the Victorian Competition and Efficiency Commission’s inquiry into the regulation of food production and handling.

In her article How to destroy a country town in the December 2005 IPA Review, Louise Staley considered the impact of regulation on voluntary activity in the community, and this work has been drawn up by the VCEC.

The IPA has made a major submission to the inquiry which is available at www.ipa.org.au.

IPA and federalism at the Productivity Commission

John Roskam, the Executive Director of the IPA, joined senior government officials, academics, and business and community leaders at a two-day Productivity Commission Roundtable on the future of federalism.

The Roundtable focused on issues associated with the challenge of securing better policy outcomes from our federal system of government.

John Roskam addressed the Roundtable and his speech and the proceedings of the Roundtable are available at www.pc.gov.au.

Recent IPA submissions

Science Innovation and the role of Government Submission to the Productivity Commission Study into Science and Innovation

Broadcasting Services in Australia Submission to the inquiry into the Broadcasting Services Amendment Bill 2006

Nuclear Waste Management in Australia Submission to the Uranium Mining, Processing and Nuclear Energy Review

All IPA submissions are available at: www.ipa.org.au.
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For more information visit www.ipa.org.au or contact Georgina Hamilton on 03 9600 4744 or ghamilton@ipa.org.au