



Program impact report 2018

The sections highlighted in red indicate
what has changed in 2018

Summary

Program	Policy shift	Reform direction	Policy status	Grattan contribution
Australian Perspectives • prioritisation	All three priority issues identified in <i>Game Changers</i> further up the political agenda. Some Childcare Assistance reforms in place. Co tax cut abandoned, but ALP committed to increased investment allowance. Government has backed off increasing Pension age. Little movement on stamp duty/land tax swap.	↓	Government partly committed	Substantial influence
	Impact of childcare costs on female workforce participation a core part of Productivity Commission analysis and the government's Childcare Assistance Package.	—	Legislation in place	Substantial influence
• Retirement incomes	Better targeting of superannuation tax breaks implemented in 2016-17 Budget. ALP committed to further tightening super tax breaks, and removing franking credit refunds.	↑	Legislation in place	Substantial influence
	Renewed public conversation about the adequacy of retirement incomes. PC recommended review before raising the rate of compulsory superannuation contributions to 12 per cent, but ALP reaffirmed on election platform	↑	Public awareness	Dominant voice
	Competitive mechanism to reduce fees for default superannuation endorsed by Financial Services Inquiry, referred to Productivity Commission, which recommended "best in show" mechanism.	↑	Productivity Commission Review supported	Dominant voice
• Housing affordability	Widespread recognition of worsening housing affordability , especially falling home ownership. Growing recognition that current policy inadequate. Real danger that States will unwind apartment planning permissions	—	Public awareness	Substantial influence
	Some recognition of the need for property tax reform but little political appetite for wholesale changes.	—	Public awareness	Some influence
• Regional development	Regional analysis a significant influence on Productivity Commission thinking, but little change in official policy	—	Public awareness	Dominant voice

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Economic Growth	Protection for industries affected by structural change largely avoided in response to mining boom	–	Temptations largely resisted	Some influence
	• Shape of economy Company tax cuts abandoned in part because not sustainable with current budget. ALP committed to better designed investment allowance.	↑	Government abandoned tax cuts	Substantial influence
• Competition reform	Natural monopoly regulation under discussion, but PC supine on airports	–	Public awareness	Some influence
	Ease of consumer switching between providers under discussion	–	Public awareness	Some influence
• Market shaping	Peer-to-peer ride-sourcing legalised in all States . Legal frameworks for peer-to-peer labour hire platforms under discussion	↑	Policy in place	Some influence
	Acceleration of cloud computing to drive productivity for SMEs under discussion	–	Public awareness	Some influence
Budget Policy and Institutional Reform	Budget reform a commitment of both sides of politics. But public concern about budget pressures falling. Government sliding to surplus with strong fiscal drag and reasonable cost control. ALP policy would deliver better outcome than Government in short and long term (better than 2016 election)	–	Government partly committed	Substantial influence
	• Budgets Some budget repair through tightening superannuation tax concessions. In practice bracket creep the primary means of budget reform. ALP committed to substantial repair through winding back negative gearing/capital gain tax discount and franking credit refunds.	↑	Government & opposition committed	Substantial influence
• Inter-generational	Intergenerational equity a spreading theme in public discussions both around tax and welfare policy and housing policy.	–	Public awareness	Dominant voice
• Institutions	Integrity reforms have been proposed by the government, opposition and independents, with commitment from both sides of politics to a Commonwealth Integrity Commission. Influential groups picking up our proposals on lobbying, and political funding reforms	↑	Government partly committed	Substantial influence

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<ul style="list-style-type: none"> Energy Emissions reductions Electricity generation Electricity networks Electricity retail Gas 	<p>Design of carbon reduction policy under NEG used “third best” policy design proposed by Grattan, but abandoned by Cwth government, although States attempting to resurrect</p>	↓	Government becalmed; Labor and States supportive	Dominant voice
	<p>Support of low-emissions technology frozen by lack of general emissions reduction mechanism. ACT has adopted reverse auction mechanism as deployment mechanism rather than technology support. Vic, Qld and NSW Labor looking to follow.</p>	–	Becalmed except for ARENA.	Substantial influence
	<p>Electricity generation market reform a government priority, extended beyond affordability to include security of supply. Grattan an important external influence on Finkel Review and Commonwealth NEG, and provided direct senior level advice to NSW and Vic governments.</p>	↑	Review process ongoing; Labor supportive	Direct adviser to reviews
	<p>Wholesale electricity market gaming referred to AEMC review, but report unsupportive</p>	–	No movement post review	Dominant voice
	<p>Rate of regulated return for distribution networks tightened by AER</p>	–	Policy in place	Substantial influence
	<p>Electricity network tariffs reformed in AEMC determination, but no movement at retail level</p>	–	Policy partly in place	Substantial influence
	<p>Write down of electricity networks recommended by ACCC</p>	↑	In too hard basket, although on the states’ agenda	Dominant voice
	<p>Electricity retail pricing under review by both Federal and State governments</p>	–	New regulations and tariff limitations underway	Dominant voice
	<p>Gas reservation so far not adopted by Governments on east coast despite manufacturing industry pressure</p>	–	Policy remains in place	Substantial influence

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Health	<ul style="list-style-type: none"> Waste <p>Pharmaceutical Benefits pricing regime less vigorously supported by government than in the past, other mechanisms put in place to reduce excess costs, but still room to improve</p> <p>Public hospital efficiency activity based funding now confirmed as national approach.</p> <p>Reduction of unnecessary operations underway by private health insurers, and increasingly on government radar</p> <p>Vic and Qld adopted public reporting to improve safety of hospital care: trials of reformed accreditation underway</p> <p>Pathology costs remain high, but pathology MBS fees remain frozen</p>	↑	Policy partly in place; opposition considering extension	Dominant voice
		–	Policy in place	Substantial influence
		↑	Review in process	Substantial influence
		↑	Policy partly in place	Substantial influence
		↑	Policy partly in place	Dominant voice
	<ul style="list-style-type: none"> Access <p>Vaccination by pharmacists adopted or in trial in all states and territories; additional roles for nurses in Queensland and for allied health assistants in some Victorian local health districts</p> <p>End of life care policy adopted in Victoria, and under active consideration elsewhere</p> <p>Chronic disease management with increased role for Primary Health Networks under discussion</p> <p>Dental care scheme under consideration by Opposition</p>	↑	Policy largely in place	Substantial influence
		↑	Policy in place in some States	Substantial influence
		–	Under active consideration	Substantial influence
		↑	Issue put onto public agenda	Substantial influence
		<ul style="list-style-type: none"> Prevention <p>Hotspots analysis increasingly used by AIHW ACSQH, SA, and WA</p> <p>Sugary drink tax under discussion</p>	↑	Under active consideration
–	Under active consideration		Substantial influence	

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Higher Education	Government abolished demand driven system , but ALP has promised to restore	↓	Policy in wrong direction	Dominant voice
	• Funding			
	Government required all universities to provide activity-based costing of teaching and research activities	↑	Policy implemented	Substantial influence
	• HELP			
	Proposal to recover student debt from deceased estates considered by Government and supported by Productivity Commission but not pursued	–	Rejected for now	Dominant voice
	Legislation passed to require overseas debtors to repay HELP debt	–	Legislation in place	Substantial influence
	Legislation passed to Index HELP repayment thresholds to CPI	↑	Legislation in place	Substantial influence
	Legislation passed to lower initial threshold for repayment of HELP debt to \$46,000 and create gap of 6% between thresholds – but benefit undermined because of large gap between first two thresholds	–	Legislation in place but largely fruitless	Substantial influence
	Government considered loan fee for new HELP debt in 2017, but did not pursue, although it was heavily supported by OECD	–	Public discussion	Substantial influence
	• Teaching			
Universities have increased teaching-only academic jobs from 8% to 15% of non-casual academics between 2012 and 2018	↑	Practice in right direction, although not driven by policy	Some influence	
• Learning outcomes				
Government publishing more information to students on attrition risk , but not where they are likely to find it	↑	Policy partly in place	Substantial influence	
Higher Education Standards Panel and Government have suggested universities should make better use of census date and actively remind students of its implications, but no teeth to the policy	–	Discussed within government but no policy change	Dominant voice	

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School Education <ul style="list-style-type: none"> Measuring outcomes Global comparisons Teaching techniques Teacher management School management School systems School funding 	<p>Metrics of student learning progress now shown on MySchool website. Policy discussion increasingly focused on progress not attainment</p> <p>“Years of learning”, rather than NAPLAN points, being used to compare progress by increasing number of organisations, and being trialled by Sydney Catholic Education Office. Gonski and Finkel both measured low v high SES gap using years of learning</p> <p>More recognition of need for systematic reports on how student learning progress differs among states / sectors / schools, and between advantaged and disadvantaged students</p>	–	Policy in place	Dominant voice
	<p>Many education commentators (including Gonski 2.0 report) note Australia falling behind Asian country outcomes. Asian models influencing state government strategic thinking</p>	–	Public awareness	Dominant voice
	<p>Targeted teaching central to Gonski 2.0 report, included in Vic government policy, used by some school systems. ACARA/NSW released ‘national literacy and numeracy progressions’</p> <p>Victoria adopting strategy to increase student engagement, but not much movement elsewhere</p>	↑	Reviews underway	Dominant voice
	<p>Several States have committed to better teacher appraisal and feedback in schools, but far from international best practice</p> <p>Gonski 2.0 supported creating structured career paths for expert teachers with higher pay & explicit roles to improve teaching</p>	–	Governments committed	Dominant voice
	<p>Some schools making more explicit trade-offs about how best to use teacher time, and supported by Gonski 2.0</p>	–	Some gvts committed	Substantial influence
	<p>Federal ALP, Gonski 2.0 and NT ed strategy adopting approach of creating adaptive education systems that balance strong central support with local evidence of impact</p> <p>Gonski 2.0 recommended, and national school agreements in 2018 largely avoid prescriptive Commonwealth policy. ALP committed to federal evidence institute.</p>	–	Public awareness	Substantial influence
	<p>Class size reductions removed from political agenda and all parties now focused on improving teacher quality instead</p> <p>Over-funding to private schools reduced, funding indexation reduced to be in line with cost; States lifting contributions to gvt schools, NSRB in place, better SES model accepted; backsliding through “Choice and affordability fund” relatively small</p>	–	Gvts partly committed	Substantial influence
		–	Reviews underway	Substantial influence
		–	Some schools adopting	Substantial influence
		–	Public awareness	Substantial influence
		↑	Policy largely in place	Substantial influence
		–	Policy in place	Dominant voice
		↑	Policy in place	Dominant voice

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Transport and cities <ul style="list-style-type: none"> Transport infrastructure investment Transport funding Transport pricing City decision making Social connection in cities 	<p>Governments and oppositions now highlight failures of their rivals to conduct rigorous appraisal before committing to infrastructure projects. Commonwealth published a 10 year project pipeline, and business cases are timely more often. Infrastructure Australia Principles state that governments and oppositions should not announce preferred project before analysing alternative options; projects should be independently assessed, with all relevant information published</p> <p>Commonwealth Grants Commission now publishes whether Commonwealth funding for projects quarantined from GST distribution</p> <p>Departments now publicly accept that premature commitment is the primary reason for cost overruns. NSW ALP committed to involve community and business before committing to projects worth more than \$1m, but legislation not required, and parties routinely announce prematurely</p> <p>Infrastructure Australia Principles state that governments should conduct and publish post-completion reviews of all projects</p> <p>Cwth Dept of Finance pushing requirement to manage cost contingencies centrally</p> <p>Unfreezing discount rates widely discussed in public service and ministers' offices, and NSW Opposition committed to review</p>	<p>↑</p> <p>↑</p> <p>↑</p> <p>↑</p> <p>—</p> <p>↑</p> <p>—</p> <p>↑</p> <p>—</p> <p>—</p>	<p>Some Governments committed on paper</p> <p>Information more available</p> <p>NSW opposition partly committed</p> <p>More public acceptance</p> <p>Public service awareness</p> <p>NSW Opposition committed</p> <p>Issue no longer live</p> <p>More informed public debate</p> <p>Public service awareness</p> <p>Public service awareness</p>	<p>Substantial influence</p> <p>Substantial influence</p> <p>Substantial influence</p> <p>Substantial influence</p> <p>Substantial influence</p> <p>Dominant voice</p> <p>Substantial influence</p> <p>Some influence</p> <p>Substantial influence</p> <p>Substantial influence</p>