

30 YEARS OF BIG IDEAS

The Australia Institute

ANNUAL REPORT
2023-24

The Australia Institute

Research that matters.

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The Australia Institute recognises the ancestral connections and custodianship of Traditional Owners throughout Australia. We pay respect to Aboriginal and Torres Strait Islander cultures and to Elders past and present.

About The Australia Institute

In 2024, The Australia Institute is celebrating its 30th anniversary as Australia's leading independent think tank.

For 30 years, The Australia Institute's independent, non-partisan research has played a critical role in shaping Australian public policy for the better.

The Australia Institute has a track record of delivering research and initiatives that reshape debates, impact policy and achieve outcomes at the highest levels of government. While we are known for working across the political aisle to achieve change, we aren't shy about taking on powerful vested interests or tackling the structural causes of problems.

The Australia Institute is independently funded by donations from philanthropic trusts and individuals, as well as grants and commissioned research from business, unions, and non-government organisations. We do not accept donations or commissioned work from political parties.

We are confident that we deliver on the promise of our motto: research that matters.

Letter from the Chair

When Relaxed and Comfortable Doesn't Cut It.

Thirty years old. It is certainly an achievement to celebrate, but it is also a time to reflect on why we exist and why we must push on towards another 30 years.

Thirty years ago, Australia experienced the final years of the Hawke-Keating era. That period, from 1983 to 1996, was a time of significant economic and structural reform, new visions of who Australia was as a country, and how we relate to the rest of the world and our close neighbours, in particular.

That era ended in 1996 with the election of the Howard government. John Howard detected tiredness in the Australian people and took to the election a vision of being "relaxed and comfortable." The era of big-picture reform was over (at least rhetorically), and the time had come to slow the pace, accept the status quo, and maybe just tinker around the edges. Despite the fact that Howard's government did implement some big reforms (think GST and WorkChoices), the idea of government as managers rather than reformers took hold.

Since then, elections have largely been fought on a "small target strategy." The lessons of the 1993 "Fightback!" election were only reinforced in 2019 when Bill Shorten proposed a series of modest tax proposals and lost the election. Rightly or wrongly, accepted wisdom came to consider bold policy proposals as electoral liabilities.

In such an electoral climate, the inequality that arose from the neoliberal reforms of the 1980s became entrenched, and progressive change was considered near impossible. Conversely, as that inequality grew, progressive change became more necessary. "Relaxed and comfortable" was no longer an appropriate modus operandi. It was in such a climate that The Australia Institute came into being, grew, and thrived.

Over those 30 years, The Australia Institute has filled the gap left by an increasingly politicised public service and timid political class. The Institute has taken bold ideas, backed them with rigorous research, and promoted the results into the public square. In doing so, it has proven the accepted wisdom wrong. Progressive change is not only possible but usually popular.

In filling this gap, I consider The Australia Institute to have become an essential and vital component of Australia's democracy. Democracy works when there is a true contest of ideas, competing visions of our nation's future, and rigorously researched arguments for each case are put to the public in language they can understand.

In his letter on the following pages, our Executive Director, Dr Richard Denniss, highlights some recent ideas and research that, following the Institute's research, analysis, and promotion, have moved along the spectrum from impossible to inevitable. This has happened because of the quality of our research, innovative communications, and dogged promotion.

It has been an immense pleasure to serve The Australia Institute as a director for what is now one-third of its life and as Chair for over one-quarter of it. It has been a Board full of great insight and expertise and entirely committed to the vision of a fairer and more equitable Australia. I can't thank them enough for their service. Later this year, we will be farewelling Dr Elizabeth Cham, a long-serving Board member who has made an enormous contribution and has been an absolute pleasure to work with. I want to particularly thank her at this time.

Dr Richard Denniss has been tireless in his role, and his commitment to the Institute and the broader vision is exceptional. He is backed by an extraordinary team of staff to whom our whole country owes a debt of gratitude.

I also want to acknowledge our donors, large and small. You are the people who make the magic happen. Thank you for believing in us and that progressive change can happen; that we can be a better country.



Dr John McKinnon
Chair
The Australia Institute

Letter from the Executive Director

In 2024, The Australia Institute is celebrating its 30th anniversary as Australia's leading independent think tank.

I've always said that the role of think tanks is to make the radical seem reasonable, and there's no doubt The Australia Institute has played a pivotal role in shaping both the national conversation and national policy decisions over its 30-year history. We know we change minds, and we know we have shifted a lot of policy as well, and while such impact is not always easy to describe or measure, sometimes it's as clear as a bell.

In early 2024, the Federal Government redesigned the Stage 3 tax cuts to deliver an additional \$84 billion to low- and middle-income earners over the next ten years. This change was the culmination of five years of Australia Institute research and advocacy, including our 2023 report *Stage 3 Better: Fairer tax cuts for more Australians*. Our research led directly to a redistribution of taxes that put more money in the pockets of more Australians. This is why we do what we do.

But while the redesigned Stage 3 tax cuts are welcome, they won't do much help unemployed Australians who are living well below the poverty line. That's why this year I took The Australia Institute's research across the country in the *Unequal Australia* speaking tour, which debunked economic arguments that are regularly used to justify our ongoing failures to fix inequality. Unfortunately, the political will to act on this problem is still absent, but, as with improving the Stage 3 tax cuts, we know that it often takes a long time to drive a big change.

Skyrocketing prices for groceries, energy and fuel have been hallmarks of the cost-of-living crisis affecting so many Australian families this year. No less than six different inquiries into prices and price-gouging have been announced since the release of our influential research that exposed how excessive corporate profits, rather than wage growth, were the main drivers of the burst of inflation that followed the COVID lockdowns. We stood firm on this finding, despite significant criticism and even demands that we retract it, and we were vindicated when the OECD came to the same conclusion we did; profits were largely driving post-COVID inflation that is fuelling the cost-of-living crisis.

We've helped Australians sift through misleading econobabble and shifted the economic debate towards what matters: the wellbeing of everyday people. In July 2023, Treasurer Jim Chalmers launched *Measuring What Matters: Australia's first ever national wellbeing framework*, first announced at an Australia Institute event in Brisbane in 2020. As further evidence of how long change can take, the Institute first used the phrase "measuring what matters" to describe the need to collect a wider range of data than back in 2010. Jim Chalmers' broader focus on the economics of wellbeing is a step in the right direction—but there is still a long way to go to shift how

Australia considers the economy, and The Australia Institute will continue to keep the pressure for change up.

Australia is now less than a year from the next federal election, and our Democracy & Accountability Program has been busy highlighting the risk that the major parties may push through changes to electoral laws that boost public funding but make it harder for independents and minor parties to raise and spend money, effectively locking new entrants out of the political marketplace. And while we've been paying close attention to the political landscape at home, we have also been busy following AUKUS and the US election, decoding the implications of these international updates and how they'll affect (or won't affect) Australia's national security.

It was Australia Institute research back in 1994 that first found that Australia was at the time the largest per capita emitter of greenhouse gasses in the world. Likewise, it was our research that first estimated the enormous cost of fossil fuel subsidies in Australia (now \$14.5 billion per year) and that Australia was the third (now second) biggest exporter of fossil fuels in the world. Our research often holds a mirror up to help Australians see their country more clearly, and it also provides a lens through which other countries can see us more clearly. That's why we spend a lot of time talking to embassies here in Canberra and other representatives of governments from around the world. Climate change is indeed a global problem, and here at The Australia Institute we work hard to engage with those most at risk from our fossil fuel exports, particularly our Pacific neighbours.

This year, against the backdrop of the announcement of the Future Gas Strategy, a policy agenda that locks Australia in for new fossil fuels to 2050 "and beyond", our research showed that 56% of gas exported from Australia attracts zero royalty payments—effectively giving an Australian public resource to multinational gas corporations for free. While the Government tells Australians we need gas for our economic future, most of the gas, and the profits, are going offshore.

We are not afraid to ask our most influential allies to help spread our messages. Our Climate Integrity Summit 2024 hosted not one, but two, former heads of state from the Pacific: His Excellency Mr Anote Tong, former President of Kiribati, and Rt Hon Enele Sopoaga, former Prime Minister of Tuvalu, among its impressive lineup of speakers. During our 30th year, we have also hosted speaking tours from former Greek finance minister Yanis Varoufakis, and Nobel laureate Professor Joseph Stiglitz.

In the pages that follow, you will see not just how much research we have published, but how hard and creatively our whole team work to achieve our goal of changing not just minds, but policy.

Thank you to all our supporters who make our work possible. Thanks to you, Australia has a fairer tax system, a better sense of Australia's relationship with the US, and the social licence of greenwashing like offsets is slipping. Thanks to you, MPs, Senators, unions, NGOs and individuals have got good evidence and good ideas to help counter the flood of econobabble and climate denial that still takes up so much airtime in Australia.

I'm proud to lead what I think is the best think tank in the country, and I'm excited about what our team, combined with your support, will be able to deliver throughout the coming year.

Dr Richard Denniss
Executive Director
The Australia Institute



Dr Richard Denniss delivers opening remarks to a sold-out Australian Parliament House Theatre at the Climate Integrity Summit, March 2024

30 Years of Big Ideas



Over The Australia Institute's 30-year history we have won big and won often. Our combination of ambitious goals, bulletproof research, and simple, effective communication has changed minds and, consequently, the country.

"The Australia Institute faces a worthy challenge. It has a noble goal. May it never forget the neglected, the despised, the under-privileged, the disadvantaged. May it prove itself to be worthy of its name." Justice Michael Kirby, 1994, at the launch of The Australia Institute

Creative thinking and the courage to speak up for the neglected have defined The Australia Institute's work over its 30 years, and they are at the heart of our extraordinary impact — far exceeding our size and resources.

Our success has been underpinned by the key pillars of our strategy: research paired with advocacy, creativity, convening power, unlikely alliances, courage, and a willingness to repeat ourselves.

Research paired with advocacy

Research cannot change the country unless it is communicated effectively to the right people at the right time. There is perhaps no better example of The Australia Institute's unique blend of research and advocacy than our work leading to the blocking of the company tax cuts in 2018.

The Australia Institute's research demonstrated how the Turnbull Government's proposed \$35 billion in company

tax cuts would harm Australia's economy and society by cutting revenue that would otherwise be spent on health, education, infrastructure, the environment, and other social spending. We showed that there was no correlation between lower company tax rates, employment or economic growth, and that growth in foreign investment was strongest when Australia's company taxes were highest. Then, our team took the research to the crossbench, making the case against the company tax cuts.

The Institute's research and advocacy helped lead to the defeat of the company tax cuts in the Senate in 2018, delivering tens of billions of dollars to Australia's budget, making it available for government spending on infrastructure, schools, and hospitals well into the future. This was no small feat considering that Treasury, the Business Council of Australia, the Australian Chamber of Commerce and industry were all advocating for the tax cuts.

This dual focus on research and advocacy has been at the heart of our impact and influence over our 30 years.

Creativity

In June 1997, The Australia Institute's inaugural Executive Director, Clive Hamilton, saw a creative opportunity to use economics to put pressure on Australia to improve its climate policy. When Prime Minister John Howard met with British Prime Minister Tony Blair, he was confronted with uncomfortable questions about Australia's stance on climate change.

Cabinet papers released in 2023 reveal that prior to the meeting Blair was told:

- Take a firm line with Australia ... A recent statement by 131 Australian economists and an associated paper have lent support to our view that Australia has the scope for considerably more and cheaper [emissions] reductions than their official modelling claims.

The statement and the associated paper had been prepared by The Australia Institute. It was the first time that the Institute had set about to debunk economic modelling used to make excuses for government inaction, and this has remained core business at The Australia Institute ever since.

Convening power

The Australia Institute has been making the case for a national integrity commission since January 2017, when 49 prominent Australians signed our open letter calling on the Prime Minister to establish a federal anti-corruption watchdog.

In October of that year, a group of former judges established the National Integrity Committee under the auspices of The Australia Institute. Since then, the Committee created the blueprint for an effective corruption watchdog and then prosecuted the case for a national integrity commission through research, public education, and commentary. The Australia Institute's convening power allowed us to organise and amplify the voices of those who would be best positioned to barrack for change.

In January 2018, the Labor Opposition committed to legislating for a national integrity commission. In December that year the Coalition Government made the same commitment. After the Coalition Government failed to legislate a commission during its term, integrity became a major election issue and a supermajority advocating for a strong anti-corruption commission was elected to the Parliament. In October 2022, the Labor Government introduced legislation for a National Anti-Corruption Commission. It passed in November 2022 and commenced in July 2023.

Thanks in large part to The Australia Institute's convening power, Australia now has a national federal anti-corruption watchdog. The next step is to expand its powers so it can hold public hearings allowing it to expose corruption and give the public confidence in open justice.

Unlikely alliances

Building a large enough coalition to make a difference requires unlikely alliances. In 2014, the Abbott Government went to the Senate seeking to abolish the renewable energy support package legislated by the Gillard Government.

The Australia Institute's research underscored the importance of renewable energy, and the success of the Renewable Energy Target in particular. But the whole renewable energy support package would be abolished unless Clive Palmer (then a first-year crossbench MP and a mining magnate), and his colleagues in the Palmer United Party, could be convinced to save it.



Press conference at Australian Parliament House with all crossbench Senators and MPs, then Shadow Attorney General Mark Dreyfus, members of the National Integrity Committee, Australia Institute, Transparency International Australia and the Australian Federal Police Association all calling on the government to introduce a National integrity Commission, 2020

Ben Oquist, then The Australia Institute's Strategic Director, worked with Don Henry of the Australian Conservation Foundation to convince Clive Palmer to give a joint press conference with none other than Al Gore, the former Vice President of the United States, who had spent his career post-politics warning the world of the threat posed by global warming. At the press conference, Palmer announced that his party would block Prime Minister Tony Abbott's plan to destroy Australia's green energy investments.

The Australia Institute calculates that Palmer's decision, alongside Labor and the crossbench, to save the Renewable Energy Target, the Clean Energy Finance Corporation and the Australian Renewable Energy Agency, saved \$24 billion in clean energy projects, reduced emissions by at least 334 million tonnes, and saw over a million solar panel and solar hot water systems installed.

None of it would have happened unless The Australia Institute, Al Gore and Clive Palmer had been prepared to forge an unlikely alliance.

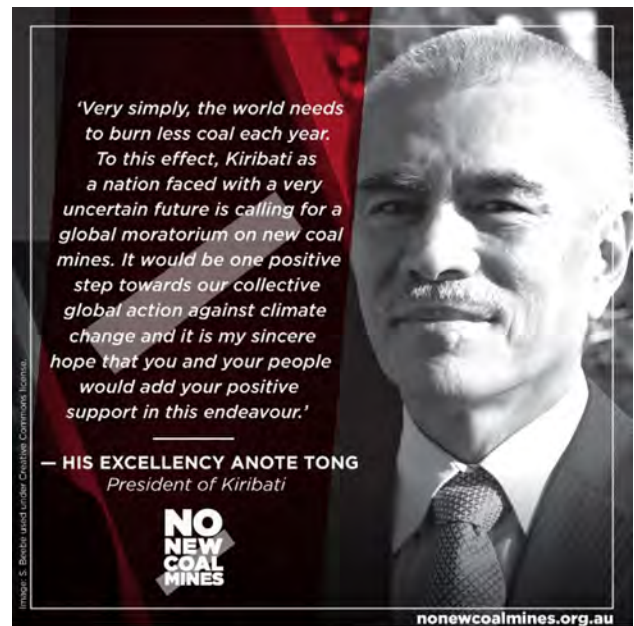
Courage

The Australia Institute isn't afraid to ruffle some big feathers. Take, for example, our work calling for no new gas and coal mines.

In 2015, ahead of the historic Paris UN Climate Conference of the Parties (COP), The Australia Institute launched its No New Coal Mines project. The Australia Institute was a lone voice in this radical call to action—even most environmental groups were not calling for an end to fossil fuel expansion. But our mission has always been to make the radical seem reasonable. While rhetoric around the important contribution of coal mining to Australian and global economies ran rampant, The Australia Institute led research that highlighted that gas and coal mining profits go mostly offshore, that mining is not a big employer, and that Australia's state and federal budgets provide billions of dollars in subsidies for these industries to keep them afloat.

In the Pacific, Kiribati's President, His Excellency Mr Anote Tong, with The Australia Institute's support, penned a letter to every single world leader asking for their support in negotiating for a global moratorium on all new coal mines and coal mine expansions. Before this, calling for no new coal mines was politically unfeasible. In the years following, The Australia Institute's research and advocacy, paired with the courageous outreach of Anote Tong, and against the backdrop of the Paris agreement to limit warming to 1.5°C, the dial has begun to shift.

Today, calling for no new gas and coal mining is foundational to the work of not just The Australia Institute, but the entire national climate and environment movement. Globally, the United Nations and the International Energy Agency have also taken up the call. The Australia Institute's courage to take on two powerful polluting industries has made the call for no new gas and coal politically safe—and a moral imperative.



An excerpt from the one of The Australia Institute's first No New Coal Mines booklets, featuring His Excellency Anote Tong, then President of Kiribati, 2015

Repetition works

On the evening of 8 May 2018, then Treasurer Scott Morrison announced a three-stage income tax cut agenda in the federal Budget. The Australia Institute's economists got straight to work. The next day, when Morrison appeared at the National Press Club to discuss the tax cuts, journalist David Crowe revealed that The Australia Institute had already modelled his tax cut agenda—less than 24 hours after it was announced. The Australia Institute calculated that the Stage 3 tax cuts would give 60% of the tax cut to the top 20% of income earners, the people who need it least, funnelling billions of dollars to the very highest earners—starting in 2024.

The Australia Institute's research proved Stage 3 of the tax cuts was unfair the day after it was proposed, but it took six years of repetition to make the Stage 3 tax cuts as politically toxic as they were economically unfair. The final piece came at The Australia Institute's Revenue Summit in October 2023, when Chief Economist Greg Jericho modelled four ways the Albanese Government could deliver better tax cuts by modifying the Stage 3 tax cuts.

Three months later, in January 2024, Prime Minister Anthony Albanese took a plan to change the Stage 3 tax cuts to Labor caucus. Australia Institute polling showed there was popular support for a fairer, more equitable Stage 3 even in the wealthiest electorates and our economic research showed that six times as many Australians would be better off as would be worse off under the changed Stage 3 tax cuts compared to the original Stage 3 tax cuts.

The Australia Institute had the audacity to believe that tax cuts, written into law, supported by both major parties, by big business and by many in the media, could be undone. In the six years since the announcement, The Australia Institute has repeated itself time and time again: the proposed Stage 3 tax cuts would only be good for the richest Australians, and poor Australians would see little or no benefit. We found creative ways to repackage this message—including a National

Press Club debate between The Australia Institute's Executive Director Dr Richard Denniss and independent MP Allegra Spender where Richard, again, highlighted the benefits of rejigging the Stage 3 tax cuts — but the message itself remained consistent under both a Coalition government, and the Labor government that followed it. In early 2024, the Albanese Government announced that it would restructure the Stage 3 tax cuts to deliver more tax cuts to more Australians. The changes passed Parliament, with even the Coalition supporting the change.

As a result of the restructuring of the Stage 3 tax cuts, over the next decade \$84 billion that was going to go to high income earners will be put into the wallets of low and middle earners instead. There is no doubt that The Australia Institute's repetition of research and our advocacy was what made the difference.

Why is changing stage 3 good?

Coalition's Stage 3	Labor's Stage 3
Highest income (\$200k+) Tax cut: \$9075	Highest income (\$200k+) Tax cut: \$4657
Middle income (\$80k) Tax cut: \$875	Middle income (\$80k) Tax cut: \$1807
Minimum wage (\$45k) Tax cut: \$0	Minimum wage (\$45k) Tax cut: \$932

The rich get richer while the poor get poorer.

Better for all taxpayers earning up to \$148,000, and preserves our progressive tax system.

Congratulations Labor on heeding the call for better, fairer tax cuts.

The Australia Institute
Research that matters.

Congratulating Labor on social media following the announcement of the restructured Stage 3 tax cuts

30th Anniversary Gala

The Australia Institute's 30th anniversary gala was held at Old Parliament House, with guest speaker Professor Joseph E. Stiglitz, Nobel Prize-winning economist, former chief economist of the World Bank and best-selling author.

The event was attended by some of the most influential minds in Australia, including politicians, parliamentarians, policy makers, advocates, philanthropists, and of course, many of our staff.

It was an inspiring evening, celebrating The Australia Institute's legacy, and looking ahead to future opportunities for impact.



Dr Richard Denniss and Professor Joseph E. Stiglitz discuss how big ideas can change the country at The Australia Institute's 30th Anniversary Gala



Professor Joseph E. Stiglitz at The Australia Institute's 30th Anniversary Gala, August 2024



Supporters, staff, and guests gather at The Australia Institute's 30th Anniversary Gala at Old Parliament House in Canberra, August 2024



Aunty Violet Sheridan, senior Ngunnawal Elder, welcomes guests to Ngunnawal Country, August 2024



Helen Haines MP, Independent Federal Member for Indi, shares her reflections on The Australia Institute's impact



Noah Schulz-Byard, The Australia Institute's Director of Strategic Partnerships, with Shane Rattenbury MLA, ACT Climate Change Minister



Osher Günsberg, television and radio presenter and journalist, with The Australia Institute's Deputy Director, Ebony Bennett



Ben Oquist, former Executive Director of The Australia Institute



Ms Alex Sloan AM, Deputy Chair of The Australia Institute's Board of Directors, addresses guests at The Australia Institute's 30th Anniversary Gala

Economics

The Institute's work reminds everyone, including the government, that governing is about choices—and this year, our economics program was involved in critical political and economic debates, many of which changed the nation for the better.

There has been perhaps no better example of the importance and impact of the Institute's work than our ongoing research and advocacy over six years against the Stage 3 tax cuts. From day one of the announcement of the tax cuts in the 2018 Budget, the Institute has led the campaign to reverse these unequal cuts. Indeed, in his first press conference after the 2018 budget, Scott Morrison ridiculed our research highlighting the inequality and cost of the Stage 3 cuts. Our research, however, always held up under scrutiny and culminated with our report in October 2023 that proposed alternate arrangements for the tax cuts to deliver a fairer benefit to low- and middle-income earners and, crucially, preserve the progressive nature of the income tax system.

Our Stage 3 Better paper, launched at our Revenue Summit just before Christmas 2023, reignited a debate over the tax cuts that many in the political and economic community thought was over. Within days of the paper's launch, the wide coverage across multiple media outlets had journalists, along with crossbench MPs and Senators, questioning why the government would continue with the Morrison government's tax arrangements given the choices we had presented that

showed fairer, better tax cuts were available at the same or less cost.

The Albanese Government's decision in January 2024 to change the Stage 3 tax cuts echoed many of our recommendations and saw a potential shift over the next 10 years of more than \$84 billion from the richest 20% to the other 80% of low- and middle-income Australians.

As the cost of living continued to be a major political and economic topic, our team was heavily involved with the Centre for Future Work publishing influential research showing that corporate profits—not wages—were driving post-COVID inflation. Our work on the lack of competition in the grocery sector was of vital importance in both the Senate's Select Committee on Supermarket Prices and the Allan Fels Inquiry into price gouging and unfair pricing practices. This led to the government commissioning Dr Craig Emmerson to conduct a review into, and a strengthening of, the food and grocery code of conduct. The Australia Institute continues to drive efforts to increase laws and regulations that prevent businesses from pushing up prices due to their market power.

Our research also highlighted the failures of the Reserve Bank to acknowledge the role of profit-led inflation, and to warn that further rate rises would damage the economy while having little effect in reducing inflation.



Former Greek finance minister Yanis Varoufakis addresses guests at the State Library of NSW, March 2024

A highlight of the year was the tour in March by former Greek finance minister Yanis Varoufakis, as a guest of the Institute, to talk about his new book, *Technofeudalism: What Killed Capitalism*. His tour gathered sellout crowds at the Adelaide Writers Festival and events in Melbourne and Sydney, while his appearance at the National Press Club drew attention to the need for Australia to properly tax our resources.

This latter message expanded on the point made by Dr Richard Denniss in his debate at the National Press Club in February with crossbench MP Allegra Spender, where he noted that the Australian Government collects more money each year from HECS than it does from the Petroleum Resource Rent Tax (PRRT). This key fact went viral and helped drive debate on the need to reform the PRRT and the way we tax our resources. It was attacked so vociferously by the fossil fuel industry that the ABC Fact Check team felt compelled to run its ruler over the claim. In the end it agreed with our research and concluded “Dr Denniss’s claim checks out.” We have also published research on the PRRT that countered claims by the fossil fuel sector that it pays an appropriate amount of tax, and appeared before the Senate committee on the changes to the PRRT.

In March, we also conducted a webinar with Professor Stephanie Kelton, a former advisor to US Senator Bernie Sanders, who was in Australia promoting a documentary on modern monetary theory. Both Professor Kelton and Yanis Varoufakis appeared on the same episode of Q+A, during which they echoed our research on taxation of fossil fuels and our work promoting the decarbonisation of our economy.

The Institute’s economics team also produced research highlighting the high cost and inequality of superannuation tax concessions, along with the inequity and distortions of the capital gains tax discount and negative gearing that have destroyed housing affordability over the past 25 years. Our submission to the Productivity Commission’s National Competition Policy Analysis demonstrated the failure of privatisation over the past 30 years to deliver better services. We have led the debate that Australia is a low-taxing nation and exposed the lie, often propounded by companies and conservatives, that Australia taxes personal income more than other nations.

Our submission to the Reserve Bank Reforms Bill and our ongoing advocacy has also helped drive pressure for the government to retain ultimate responsibility for monetary policy. Our research and advocacy are also a central part of the End Childhood Poverty campaign as we have highlighted the paucity of our unemployment benefits and the impact raising the rate would have on reducing poverty.

Parliamentary engagement

Our economists appeared before multiple Parliamentary and Senate committees:

- Help to Buy Bill 2023
- Treasury Laws Amendment (Reserve Bank Reforms) Bill 2023
- Treasury Laws Amendment (Tax Accountability and Fairness) Bill 2023
- Senate Select Committee on Supermarket Prices

Our experts also appeared before the ACTU Inquiry into Price Gouging and Unfair Pricing Practices

Revenue Summit 2023

In November 2023, the Revenue Summit was held at Parliament House. Key speakers included Dr Michael Keating AC, Emeritus Professor Bruce Chapman, the inventor of HECS Assistant Minister for Competition, Charities and Treasury and Assistant Minister for Employment, Dr Andrew Leigh MP and Greens Senator Barbara Pocock AM from the crossbench.

The summit energised the debate on the cost and inequity of the Stage 3 tax cuts, the cost of consultants in the public services, the lessons to be learned from the pandemic and the need for more revenue in a civilised society.

The year was both invigorating and challenging. We have shown that a commitment to fighting for just causes can yield success, as we saw with the Stage 3 changes, but many fights remain ongoing—to end poverty, to ensure the fossil fuel and corporate sector pays a fair share of tax, to promote the benefits of public services, and to highlight that while Australia can’t afford to do everything, governments choose what they want to prioritise.



Chief Economist Dr Greg Jericho addresses the Revenue Summit, October 2023

Climate & Energy

As the 2025 federal election draws closer and unprecedented climate disasters intensify globally, it is clear that we are not just facing a climate and biodiversity crisis in Australia; we are facing an integrity crisis.

In the Australian Government's inaugural Climate Change Statement to Parliament, the Minister for Climate Change and Energy, the Honourable Chris Bowen, said that failure to act on climate change would be an "unforgivable act of intergenerational negligence".

However, despite the speeches, media releases, and budget announcements promising vehicle efficiency, renewable energy, green hydrogen, green finance, and critical minerals by the Australian Government, there is only minimal policy or substance behind all the rhetoric.

In 2024, Australia's domestic emissions are still rising, rampant habitat destruction and land clearing continues, and commercial interests are appointed to independent agencies, while governments at all levels continue to subsidise and enable the expansion of the gas and coal industries.

Meanwhile, it is no accident that the rights of citizens to exercise their democratic right to hold government and industry accountable—to access public information, blow the whistle on wrongdoing, take legal action, and peacefully protest—are all being eroded.



Climate & Energy Program Director Polly Hemming holds a copy of the New York Times with an Australia Institute open letter signed by over 200 eminent experts and scientists, during UN Climate Week in New York, September 2023

Climate integrity underpins all the work of the Climate & Energy program, bringing together the key themes of the 2022 "greenslide" election: climate and integrity to ensure that Australia's climate policy serves the Australian people, not industry.

The success of our research in bringing national attention to state-sponsored greenwashing, junk carbon and biodiversity offsets, misleading economic modelling, bold disinformation campaigns by the fossil fuel industry, conflicts of interest in the public service and the commercial influence on policymaking is thanks to our independence and pursuit of truth.



His Excellency Anote Tong, former President of Kiribati, addresses the Climate Integrity Summit, March 2024

Achievements

Drawing international attention to Australia's fossil fuel agenda.

Our September 2023 advertisement in The New York Times, calling on the Australian Government to accelerate climate action, not climate annihilation, caught the attention of international leaders during the United Nations Climate Ambition Summit in New York. Foreign Affairs Minister Penny Wong was put on the spot by CNN outside the UN with a question about Australia's fossil fuels. We have also been proud to host Pacific and First Nations leaders calling for an end to Australia's fossil fuel expansion—including the former President of Kiribati, His Excellency Mr Anote Tong; the former Prime Minister of Tuvalu, Rt Hon Enele Sopoaga; Polly Cutmore; Aunty Rose McElu; and Tina Stege, the Climate Envoy for the Marshall Islands—to speak to Australians about the dangers of Australia's climate inaction.



The Australia Institute's gas research on a billboard in WA, August 2024

We are winning the fight against state-sponsored greenwashing.

The Climate & Energy program has been critical in exposing the Australian Government's state-sponsored greenwashing, including most notably the Climate Active carbon neutral certification scheme. Our research triggered a departmental review of the scheme and revealed that Australia's consumer watchdog, the ACCC, had never certified the Climate Active certification trademark, despite hundreds of organisations paying licence fees to use it. In 2024 The Australia Institute participated in the senate inquiry into greenwashing—announced by the Australian Greens after The Australia Institute's 2023 Climate Integrity Summit.

We took on the gas industry with one of the biggest public awareness campaigns in Australia Institute history.

Across the country, we're cutting through the lies from gas executives, exposing how they are ripping off ordinary Australians, causing climate change and raking in huge profits by exporting around 75% of Australia's gas at the expense of taxpayers.



The Australia Institute's gas mythbusting billboard drives past Woodside's WA offices, May 2024



The Australia Institute's gas research on a billboard on the Channel 9 building in WA, April 2024



Polly Hemming slams state-sponsored greenwashing at the Senate inquiry into greenwashing, April 2024



A full page ad in the Australian Financial Review calling for an increase to the PRRT, February 2024

Setting the agenda for Australia's climate policy

The Australia Institute's 2023 Climate Integrity Summit established the principles that must sit at the heart of policymaking to ensure it is robust, grounded in truth, and uncorrupted in all senses of the word. These principles set the stage for this year's summit.

The 2024 Climate Integrity Summit sold out in record time and was an overwhelming success, bringing together parliamentarians, international leaders and experts to set the bar for what climate policy solutions in Australia could and should look like.



Polly Cutmore, Gamilaraay/Wirri/Anaiwan Elder and Traditional Owner, addresses the Climate Integrity Summit, March 2024



Dr Richard Denniss, Executive Director of the Australia Institute, gives opening remarks at the Climate Integrity Summit, March 2024

Research



Rt Hon Enele Sopoaga, Senator Peter Whish-Wilson, Antonia Burke, Senator Dorinda Cox, HE Anote Tong, Mililma May, and Mark Ogge at a snap press conference at Australian Parliament House alongside the Climate Integrity Summit, March 2024

Fossil fuel fraud

The Australian Government's response to global gas demand declining and record-breaking temperatures around the world has been to release a Future Gas Strategy that plans to increase gas production to 2050 and beyond. This not only flies in the face of climate science; it also undermines any chance Australia has of kickstarting a green manufacturing industry. We are almost halfway through what the UN calls "the critical decade" for climate action, and Australia's fossil fuel production and subsidies are increasing. Our work to set the record straight on the misinformation and disinformation coming from government and industry is now more important than ever. Our core research agenda of explaining the gas industry's dodgy economic modelling, providing foreign policy analysis, and exposing the influence of the fossil fuel industry on our government and research institutions continues to be critical.

Climate integrity

Integrity in climate policy is a function of integrity in Australia's governance more broadly. The Australia Institute has consistently highlighted the importance of independent policymaking and independent appointments to Australia's climate agencies, exposing the influence of industry on the Commonwealth Scientific and Industrial Research Organisation (CSIRO), the Clean Energy Regulator, the Climate Change Authority and other government departments. This work has brought national scrutiny to these agencies and motivated the Government to seek legal advice over appointments, carry out a review of how consultants are engaged, and see that board members stand down from conflicting industry roles.

Taking on "Green Wall Street"

The Australia Institute's research was instrumental in taking down the Australian Government's economically and ecologically flawed Nature Repair Market. Privatisation and marketisation of our environment and climate will be disastrous—just as they have been for disability care, aged care, health care and education. With the Australian Government abandoning its promise to reform Australia's so-called environmental laws, and state and federal governments promoting the private sector as best placed to protect Australia's collapsing ecosystems, the work is not yet done. Not only does Australia have more than enough money to protect and repair our unique and vulnerable ecosystems, but there are also simple evidence-based policy solutions that we know will work.

Showing what works

Economics is simple: subsidise the things you want more of, tax the things you want less of. While the Australian government has made big announcements about green manufacturing and renewable energy, following the money shows where the government's priorities really lie. The government has committed \$20 billion for green manufacturing over ten years, but \$14.5 billion for fossil fuel subsidies in the 2023–24 Financial Year alone—despite the minimal contribution that the fossil fuel industry makes to Australia's economy. Our research has shown that the government is spending far more time attracting investment in gas and junk offsets than it is on genuine decarbonisation.

— AUSTRALIA INSTITUTE RESEARCH SHOWS —

FOSSIL FUEL SUBSIDIES
COST AUSTRALIAN GOVERNMENTS
\$14.5 BILLION
IN 2023-24

That's \$27,851 for every minute of every day, for a whole year.

The Australia Institute
Research that matters
— Climate & Energy

Other policy analysis and responses

We spearheaded an open letter to the NSW government calling for an end to native forest logging in NSW, signed by more than 100 political leaders, academics, environment and climate experts. Prominent signatories include former Liberal leader Dr John Hewson; former Greens leader Bob Brown; Professor Lesley Hughes, Councillor for the Climate Council and Lead Author in the IPCC's 4th and 5th Assessment Reports; former RBA Governor Bernie Fraser; businessman Geoff Cousins; and environmentalist Virginia Young.

This letter was released in tandem with Stephen Long's short film on the Great Koala National Park and a submission to the NSW Government's Koala strategy consultation.

These principles serve as foundational shared values, informing member organisations' diverse theories of change, strategies, and tactics. To help grow our collective impact, The Australia Institute provides members of the Coalition for Climate Ambition with exclusive webinars, research and policy briefings, and advocacy opportunities like signing on to open letters

Coalition for Climate Ambition

The Australia Institute established the Coalition for Climate Ambition in the second half of 2023 to help resource and build the capacity of mostly grassroots and volunteer-run organisations and provide them with the research and tools to make big impact. Over 50 organisations now make up the Coalition for Climate Ambition, all of which have publicly adopted the principles that to be aligned with the best-practice climate science, Australia must at a minimum:

- Ban all new fossil fuel development
- Cease all fossil fuel subsidies
- Preserve and restore Australia's ecosystems and stop all native forest logging
- Reject the idea that carbon credits can offset fossil fuel emissions



The Coalition for Climate Ambition gathers at The Australia Institute for a strategy day ahead of the Climate Integrity Summit, March 2024



International & Security Affairs

The International and Security Affairs program has continued to push for a substantial reset to the national foreign and security policy mindset. Our work continues to challenge the narrowness of Australia's foreign policy objectives, the laziness and lack of imagination entailed in a focus on war as the ultimate determinant of national security, and the consequences of Australia's inability to prioritise non-traditional but accelerating risks to national wellbeing, particularly climate change. We will continue our work to build a broader consensus on the importance of "joined together" economic and social policies as the key to national wellbeing and long-term security.

The past year has been dominated by the political contest in the US. The prospect of a second Trump presidency and the unpredictability of both the domestic and global consequences of a Trump electoral victory have preoccupied political leaders and commentators alike. Trump has managed to suck most of the oxygen out of the political conversation within the US, intensifying the divisions within the US polity and reinforcing the fault lines that generate those divisions. The political uncertainty at the domestic level within the US has impacted on its ability to deal with global issues: the continuing war in Ukraine and the 7 October 2023 Hamas attack on the Nova music festival in Israel and the massive Israeli response in Gaza.

It has also featured confused and confusing commentary on China by politicians and media commentators. Growing Chinese interest in and access to the Pacific, including Timor Leste and PNG, have heightened Australia's security concerns about what both major political parties like to call "our backyard". This is a major contributor to Australia's continuing preoccupation with AUKUS and the acquisition of nuclear-powered submarines.



In May 2024, Dr Emma Shortis visited Washington DC to conduct first-hand research into the many factors impacting on US politics and the presidential race, and to expand The Australia Institute's network in Washington.

During the second half of 2023 and the first half of 2024, Allan Behm researched and drafted a new study on the institutional and structural alignments between Australia and America. *The Odd Couple* analyses both the importance of the relationship to Australia and the US, and the particular need for Australia to recognise the nature of its own national power—and to exercise that power. As *The Odd Couple* demonstrates, Australia constrains its agency as a US partner, pursuing dependence and subservience for their own sakes rather than leveraging its considerable power to the advantage of both parties.



Allan Behm at the launch of his book, *The Odd Couple*, July 2024



Allan Behm speaks to ABC news

Democracy & Accountability

In 2023-24, The Australia Institute's Democracy & Accountability program has created evidence to combat speculative commentary on the impacts of electoral finance reform, and has created greater accountability in the political debate through our work to advocate for truth in political advertising laws. Our work to shift the dial on these policy issues has led to significant pressure, and victories.

Over the past decade, Australia's states and territories have experimented with major changes to electoral law, including generous public funding for political parties, strict limits on some political donations, and campaign spending caps that preserve incumbents' advantages over new entrants. No one had dissected and

analysed the effects of these changes in detail, leaving speculation to lead the political debate. But this year the Democracy & Accountability Program published seven reports, exposed the unfairness in the NSW and Victorian political finance systems, identified the \$3 million in incumbency advantages enjoyed by each federal MP, and identified nine principles for fair political finance reform that could secure transparency and diversity in political finance. The Australia Institute's policy analysis has created evidence to combat speculative commentary on the impacts of electoral finance reform and has created greater accountability in the political debate.

As well as our work calling for a level playing field in election campaign financing, The Australia Institute has also been leading national pressure for truth in political advertising laws.

The year 2023 was marked by the defeat of the Indigenous Voice to Parliament referendum, after the proposal was the subject of misinformation and misleading advertising. The Australia Institute had advocated for truth in political advertising laws to be in place for the referendum. The Australia Institute's exit polling established that Yes and No voters alike overwhelmingly supported truth in political advertising laws. A week after our exit polling was published, Special Minister of State Don Farrell reaffirmed his support for truth in political advertising laws modelled on South Australian laws.

Crossbenchers put political donations in the crosshairs of major reform push

A group of crossbench politicians is pushing for greater transparency in political donations ahead of the next federal election.



Crossbenchers at a press conference using Australia Institute research to call for greater transparency in electoral finance reform, March 2024



Robert Redlich, former anti-corruption commissioner, Bill Browne, The Australia Institute's Democracy & Accountability Program Director, Eloise Carr, The Australia Institute's Tasmania Director, discussing the Tasmanian Integrity Commission, June 2024

Achievements

Ahead of the 2022 election, The Australia Institute published its Democracy Agenda, proposing over 40 reforms for the Albanese Government and the 47th Parliament. Four of the democratic reform proposals have been implemented: a code of conduct for politicians, shorter sitting days to make Parliament a more hospitable workplace, a National Anti-Corruption Commission, and an end to political fundraisers in Parliament House. Another 14 reform ideas have been progressed in some way.

In response to the Tasmanian state election delivering a hung parliament, the Democracy & Accountability Program worked with The Australia Institute Tasmania to prepare a Democracy Agenda for the 51st Tasmanian Parliament, responding to the unique opportunity to drive reform in this political landscape. Our recommendation to create an Electoral Matters Committee has already been adopted.

Momentum is growing for truth in political advertising laws, with the Albanese Government planning to introduce laws modelled along those that have been in place in South Australia for almost 40 years. The proposal may find multi-party support, with the Greens and prominent crossbenchers playing a key role and even Opposition Leader Peter Dutton describing reform as “probably welcome”. The Australia Institute’s submission to the Victorian Electoral Matters Committee bore fruit, with multi-party support firming behind adopting the laws in that state as well.

Consulting firms were also put on notice with Australia Institute polling research finding strong support for banning firms that breach public trust from receiving government work. Our submissions have been relied upon by parliamentary inquiries into the consulting industry.

Research

Over the past year, the Democracy & Accountability Program has reset the debate on changes to electoral law. Our research and analysis have proven that superficially desirable changes to electoral law —donation caps, spending caps and public funding — actually have serious unintended consequences. In addition to research, such as our report *Securing Transparency and Diversity in Political Finance*, which describes reforms that actually would be effective in reducing corporate influence, we have engaged in advocacy for better electoral finance reform. We provided submissions to the NSW and Victorian parliaments, and in Tasmania we engaged with a private member’s bill that proposed major changes to political finance: cautioning parliamentarians while recognising the bill’s strengths such as donation transparency and spending caps that accommodate independent candidates.

Some of our ideas have been adopted by parliamentarians—our “mega-donor cap” proposal to limit millionaire and billionaire political donations appears in a private member’s bill launched by the crossbencher earlier this year.

In 2023–24, we observed a significant shift in the debate over electoral law reform, with journalists and commentators acknowledging the unintended consequences of some political finance reforms and the need for a level playing field for incumbents and challengers, instead of assuming that any change is positive.

The Australia Institute’s research is considered an authoritative voice on consultancy misconduct: the final Senate report into consulting firms mentions our research and analysis over 30 times.

The inquiry showed the Senate at its best, with Liberal chair Richard Colbeck, Labor’s Deborah O’Neill and Greens Senator Barbara Pocock working together to expose wrongdoing and hold highly paid consultants to account.

Our submission to the NSW Parliament’s inquiry into consulting firms was equally powerful, with Australia Institute evidence forming the foundation of inquiry case studies of consulting firm bad behaviour.

Engagement

The Democracy & Accountability Program and The Australia Institute Tasmania collaborated on two big events this year. In June, we brought former anti-corruption commissioner Robert Redlich to Tasmania, the state with arguably the weakest watchdog in the country. In his public statements and during a briefing for parliamentarians, Mr Redlich forcefully described the major reforms that are needed to make the Tasmanian Integrity Commission effective.

One month later, Tasmania’s Legislative Council passed a motion calling for “stronger investigative powers and resourcing for the Integrity Commission”, as well as changing the law to ensure the Integrity Commission can “effectively perform its statutory objectives”.

Knowing that the Albanese Government was planning major changes to electoral laws, the Democracy & Accountability Program coordinated an open letter calling for competition and transparency to safeguard fairness in Australian elections. The letter was signed by the Australian Democracy Network, Grata Fund, Greenpeace Australia Pacific, Uniting Church, Doctors for the Environment and several others. It urged the Parliament to address major gaps in Australia’s electoral laws.

This year, an update to our 2019 paper Canberra: Laboratory of Democracy showed that progressive but controversial policies developed in the ACT are popular across Australia. This inspired the Canberra Times to editorialise that Canberrans should expect more policy

ambition from candidates in the ACT election this October. If the role of a think tank is to make the radical seem reasonable, it helps to point to radical policies that have already been implemented successfully in other jurisdictions.

COMPETITION AND TRANSPARENCY NEEDED TO SAFEGUARD FAIRNESS IN AUSTRALIAN ELECTIONS

To the Parliament of Australia

Australia has a proud history of electoral innovation, including an independent electoral commission, the secret ballot (known worldwide as the “Australian ballot”), compulsory voting, preferential voting and a proportional, democratically-elected Senate.

But there are dangerous omissions in our electoral laws, which corporate lobby groups and bad actors have taken advantage of.

If this Parliament is serious about electoral reform, then we call on you to address major gaps in Australia’s electoral laws:

- 1 // Reform public funding for political parties and candidates so new parties and first-time candidates can compete on a level playing field.
- 2 // Disclose political donations to parties and candidates regularly throughout the year, and lower the donation disclosure threshold.
- 3 // Introduce truth in political advertising laws to prevent public money being spent on misleading advertisements.
- 4 // Require politicians to disclose every cash-for-access payment they receive from business and vested interests, such as tickets to exclusive dinners and fundraisers, so industry can no longer lobby elected representatives in secret.
- 5 // Enshrine the right of charities to advocate for political reform.

We urge all members of Parliament to work together to address the gaps in Australia’s electoral laws, while abiding by the Australia Institute’s nine principles for fair political reform: including giving voters a range of choices, providing a level playing field for all candidates and focusing on the clearest threats to democracy such as large corporate donors.

Logos of partner organizations: AUSTRALIAN DEMOCRACY NETWORK, The Australia Institute, CRATA FUND, GREENPEACE, Uniting Church in Australia, Doctors for the Environment Australia, CJU CLIMATE JUSTICE UNION, Think Forward, CAPaD - Awakening Democracy, HUMANE SOCIETY INTERNATIONAL, Vote Earth Now!, MEDICAL ASSOCIATION FOR PREVENTION OF WAR AUSTRALIA, and Institute for Future Generations.

australiainstitute.org.au

The Australia Institute’s open letter calling for greater competition and transparency in Australian elections

Circular Economy & Waste

Our Circular Waste and Economy Program is dedicated to clearing up the challenges that the nation's growing waste problem is creating for communities around Australia.

As countries around the world and bodies like the European Union move to ban the export and import of waste, the days of Australia being able to simply ship its waste offshore are numbered. Policy makers from successive governments have identified the creation of a circular economy as the panacea to Australia's waste problem. But what would it take to create truly circular economies that would allow Australia to domestically recycle and reuse its waste? How can consumption be reduced so that less waste is created in the first place?

Our research reports—on food, plastic and textile waste—have shown that:

- Australia has surpassed the US as the world's biggest consumer of textiles per capita, much of which is fast fashion that ends up in landfill;
- The rate at which Australia consumes plastic has doubled since the year 2000 and is expected to more than double again by 2050;
- Australians now consume 3.8 million tonnes of plastic each year, equivalent to 72 Sydney Harbour Bridges. By 2049-50, this is expected to rise to 9.7 million tonnes; and
- A total of 7.6 million tonnes of food goes to waste every year in Australia. This food is worth \$19 billion, and costs the average household between \$2,000 and \$2,500 per year.

Through our Circular Economy and Waste Program, The Australia Institute is identifying the policies that would help deal with this ever-growing pile of waste. This includes:

- A tax of \$1,300 per tonne of new plastic packaging. This could raise nearly \$1.5 billion each year, which would go a long way to developing the infrastructure necessary for reprocessing waste plastic;
- Banning the export of textiles waste and increasing taxes on fast fashion imports; and
- Reforming labelling and use-by standards for food (as recommended by the National Food Waste Strategy Feasibility Study), relaxing cosmetic standards at supermarkets, and introducing kerbside bins for compost.

While the potential of circular economies is still to be realised, our research reports have shown that the key to reducing waste is reducing overconsumption. To the degree that recycling waste into new products in a circular economy is possible, investment and subsidies are needed to create markets for the products of our waste.



Australia Institute research shows that Australia is the biggest per capita consumer of textiles in the world



Australia Institute research shows that a tax, similar to the EU's tax on plastic waste, could raise nearly \$1.5 billion per year

Centre for Future Work

The mission of the Centre for Future Work is to produce and disseminate timely, high-quality research on labour markets, employment trends, and workplace issues. We focus on topics such as job quality, fair compensation, and supporting good jobs in the face of technological change and energy transitions.

Industrial Relations Policy

In December 2023, the Federal government's second set of major labour reforms passed into legislation as the Closing Loopholes Act. The Centre for Future Work contributed to public dialogue around these reforms, providing advice on proposals and drawing on our significant body of research on collective bargaining, insecure work, and the care economy to influence the public and parliamentary debates.

The Centre also provided advice on the framing of a new "Right to Disconnect" from work. Our earlier research into, and advocacy for, a right to disconnect—along with our ongoing research on unpaid overtime—were influential in driving this change, with our work having a strong presence in media reports on the issues and reforms. The Centre's research on platform or "gig" work over a number of years, including a new report, *A Better Future for Self-Employment: How is it changing, and how can 'gig' work be regulated?* also had a major impact.

The Centre participated in parliamentary inquiries, consultations, and public debate on the government's proposals to regulate platform-based and other employee-like work. Centre staff also consulted with parliamentarians on the issue, and the Carmichael Centre's Laurie Carmichael Distinguished Fellow David Peetz was invited by stakeholders to the final reading of the bill in Parliament (in recognition of his and the Centre's contribution to its passage). In parliamentary debate on industrial relations reforms, the Minister for the NDIS cited our findings on platform-based care work.

The Centre for Future Work also contributed to the development of other positive legislative changes for better jobs and working lives. Through our published research and expert evidence, the Centre played a key role in shaping provisions for implementing new delegates' rights in the workplace. The Centre also continued its work promoting gender equality and better work and care arrangements. In 2023–24 this included joint advocacy and submissions with the Nordic Policy Centre, following liaison with other industry groups, arguing for the inclusion of superannuation in Paid

Parental Leave (PPL). We were pleased to see the government announce this reform in 2024.

Labour Market and Macroeconomic Analysis

The Centre prepared a detailed analysis of the labour market and macroeconomic implications of the May 2024 federal budget, highlighting both its positive measures and its shortcomings. That analysis was republished in a special issue of the *Journal of Australian Political Economy*. We have also engaged on numerous other macroeconomic topics, including debunking misleading claims regarding the purported slowdown in productivity growth and its implications for future wage trends. Our research highlights the importance of measuring productivity properly; a more balanced understanding of its determinants; and the necessity of proactive policies to ensure that the gains of productivity growth are distributed fairly (rather than assuming they will automatically "trickle down" to workers).

Understanding and Combatting Inflation

Our groundbreaking work in exposing the role of historically high profit margins in driving post-pandemic inflation has had a lasting impact on public debate over inflation. Our analysis of the role of corporate profit-taking informed our submission to the Price Gouging Inquiry conducted by Allan Fels, former Chair of the ACCC, on behalf of the ACTU. His final report cited our research extensively. Our submission to the Fels Inquiry drew on a comprehensive survey of international research on, and policy responses to, profit-led inflation published in September 2023.

Manufacturing Matters

In August 2023, the fourth National Manufacturing Summit was held at Canberra's Old Parliament House, co-hosted by the Centre and industry peak body Weld Australia. The Summit focused on the industrial and manufacturing opportunities associated with the transition to renewable energy. The Centre's research report, *Manufacturing the Energy Revolution: Australia's position in the global race for Sustainable Manufacturing*, provided the keystone content for the Summit. The event was attended by leaders and experts from state and federal governments, industry, trade unions, academic institutions, and civil society, and helped build national support for public policies to support sustainable manufacturing.

Education, Skills, and Employment

We have continued our research on the importance of public investment in education at all levels. The Case for Investing in Public Schools: The Economic and Social Benefits of Public Schooling in Australia, published in August 2023, highlighted the positive long-term individual and community benefits that would arise from fully funding public schools. While our findings and arguments resonated strongly in the community, the underfunding of public schools remains a concern.

Working in the Care Economy

Our ongoing research into the care economy has demonstrated the problems for service quality and workforce sustainability in aged care and the NDIS sectors arising from poor market regulation, insecure employment practices, and inadequate funding. Staff participated a range of policy consultations throughout the year. Two Centre for Future Work reports were used by stakeholders to advocate successfully for strengthened regulation and improved funding and support for low-paid care workers: Going Backwards: How NDIS workforce arrangements are undermining decent work and gender equality and professionalising the aged care workforce: The case for worker registration and a mandatory qualification.

Greg Jericho, Charlie Joyce, Fiona Macdonald, David Peetz and Jim Stanford

There was little public focus on potential industrial relations reform during the lead-up to the 2022 Federal election. The ALP advanced relatively incremental commitments on labour policy matters, including promises to act on gender inequity and job insecurity, introduce minimum standards for 'employee-like' workers such as gig workers, and ensure same pay for labour hire workers (Australian Labor Party 2022). These commitments were less specific and less far-reaching than the ambitious industrial relations platform the ALP took to the 2019 election – which the party entered well ahead in the polls, but then lost. Many party strategists concluded from that experience that the ALP should adopt a 'small target' approach in future elections; and this thinking was evident in the party's modest industrial relations platform (and on other key issues, such as tax policy).

Nevertheless, labour policy issues took on greater significance in the latter days of the campaign, as much by accident as design. An important debate occurred around the Fair Work Commission's annual minimum wage review (which would culminate a month after the election). With inflation accelerating to over 5% (and later peaking, by end-2022, at almost 8%), observers debated whether the minimum wage should keep up with surging prices. The Australian Council of Trade Unions (ACTU) argued it should: the central labour body asked for a 5.5% increase to keep pace with prices. When questioned about the ACTU's position, Anthony Albanese responded that people on 'minimum rates of pay can't afford to go backwards,' and that minimum wages 'absolutely' should be adjusted upward to match inflation (Jericho 2022; Karp 2022). This incited a flurry

Jericho, G., C. Joyce, F. Macdonald, D. Peetz, and J. Stanford (2024)
'Labour Policies'
Journal of Australian Political Economy
No. 92, pp. 35-56.

Australia Institute research published in the Journal of Australian Political Economy



Sharan Burrow AC speaks at the 2023 Laurie Carmichael Lecture, August 2023

Algorithms, Gigs, and the Future of Work

The Centre made a major submission to a parliamentary inquiry on the Digital Transformation of Work, and has continued to research the dangers associated with digital platform work, algorithmic management practices and digital surveillance, including privacy concerns related to health testing and other intrusive management practices, the use of digital technology to intensify work, and analysis of algorithmic management practices, with a focus on needed policy responses.

The Canberra Times

Workers being ripped off by 'time theft'

"We've got many workers, especially casuals in insecure jobs, **wanting more hours.**"

"At the same time, employers are more likely to demand long hours, including **large amounts of unpaid overtime,** from full-time workers."

- **Dr Fiona Macdonald**
Policy Director, Industrial and Social
Centre For Future Work

Go home on time day
22 NOVEMBER 2023
gohomeontimeday.org.au

The Australia Institute | Centre for Future Work
Research that matters.

We have also linked this theme of work to our annual Go Home on Time Day project. Through this project (now in its 15th year), we compile survey evidence regarding excess overtime performed (usually unpaid) by workers in Australia, showing that this constitutes a theft of time and lost wages, undermines quality of life, and contributes to weak consumer purchasing power and aggregate demand. Last year's Go Home on Time Day featured a focus on the right to disconnect, showing that Australians strongly support regulations to support workers' ability to unplug from omnipresent digital devices. One drawback of the work-from-home trend that has gathered momentum since the pandemic is the risk that workers will be expected to be available outside of normal working hours (thanks to ubiquitous technology). We will continue to use this project, and other research, to highlight the importance of work-life balance, and stronger rights for workers to put limits on the creep of work into the rest of their lives.

Carmichael Centre

The second Laurie Carmichael Lecture was delivered in August 2023 by Sharan Burrow, former Secretary of the International Confederation of Trade Unions and, prior to that, President of the Australian Council of Trade Unions. Ms Burrow spoke on the topic "Global Worker Solidarity for a Peaceful, Sustainable World". The lecture was well-attended and timely.



Centre for Future Work team from left to right: Charlie Joyce, Professor David Peetz, Dr Lisa Heap, Dr Jim Stanford, Dr Fiona Macdonald, Dr Greg Jericho

Tasmania

The Australia Institute continues to be at the forefront of public debate, integrity in politics and environmental policy reform in Tasmania.

The Institute's tireless advocacy contributed to the success of election campaigns on strengthening integrity in politics, and Tasmania saw the election of many new MPs to what is now Tasmania's largest ever crossbench and a restored 35-member House of Assembly.

Highlights of the last 12 months include triggering a review of salmon farming under national environmental law to protect the Tasmanian Wilderness World Heritage Area and the endangered Maugean skate; successfully amending Electoral Act changes to better protect charities; securing renewed commitment from the Government to strengthen the Tasmanian Integrity Commission, including in-principle support to significantly increase its funding; hosting a state-wide Ocean Summit; and designing a new marine law for Tasmania. Meanwhile, the first Tasmanian State of the Environment Report in 15 years is due to be completed by 30 August.

Institute triggers EPBC Act review of salmon farming to protect Maugean skate, the 'thylacine of the sea'

In late November 2023, Environment Minister Tanya Plibersek announced a Federal Government review of salmon farming in Macquarie Harbour, under the Environment Protection and Biodiversity Conservation Act 1999.

The Australia Institute Tasmania's work was based on new scientific evidence that shows the endangered Maugean skate is at risk of extinction due to excess nutrient pollution from salmon farming, and was critical to triggering the review. Approximately one-third of Macquarie Harbour lies within the Tasmanian



The endangered Maugean skate is under threat from salmon farming in the Macquarie Harbour

Wilderness World Heritage Area and the skate is recognised as one of its unique environmental values. There is no statutory timeframe for the review and while the skate is at imminent threat of extinction, almost nine months later, no decision has been made.

The Institute engaged with other organisations, including local, national and international conservation organisations, to bring this issue to the attention of UNESCO and the World Heritage Committee. Following Australia Institute advocacy, the World Heritage Committee has requested an explanation from the Australian Government about the impact of salmon farming in the World Heritage Area.

Electoral law reform: Political donations and truth in political advertising

Tasmania introduced weak political donations disclosure laws in late 2023, after Labor abandoned their commitment to strengthening the draft legislation. The Institute led engagement with civil society organisations to raise awareness of concerns about the legislation and succeeded in protecting charities more effectively from its negative consequences, while also harmonising Tasmania's laws with national legislation.

The Institute continues to work hard to improve the new donations law. We are optimistic that this can be achieved, and we recently participated in a Parliamentary Committee Inquiry into the legislation through both a written submission and a public hearing. We recommended amendments to level the playing field for political candidates, regulate third parties better, and introduce truth in political advertising laws, based on SA and ACT legislation.

An integrity watchdog with teeth

The Institute succeeded in ensuring that strengthening Tasmania's Integrity Commission (TIC) was a key election issue. While the government has committed to yet another review, it is now clearer than ever what the problems are.

The Hon. Robert Redlich AM KC, immediate former Commissioner of the Victorian Broad-based Anti-Corruption Commission (IBAC) and Supreme Court judge, visited Tasmania in June as a guest of the Institute. Robert participated in a public forum and roundtable discussion with MPs. He also gave a state-wide radio interview articulating his key concerns. Robert described the current level of funding the TIC receives as "disgraceful".



Eloise Carr, Director of The Australia Institute Tasmania, appears on ABC's 7.30 Report talking about the plight of the Maugean skate

He stressed the need for the TIC to be able to compel witnesses to give evidence and to investigate third parties. Holding public hearings and releasing findings are critical for the public to be able to hold the government to account.

Tasmania's Legislative Council recently passed a motion recognising the need for stronger investigative powers and a significant increase in funding for the Integrity Commission. This will require changes to the Integrity Commission Act 2009, so the Integrity Commission can perform its statutory objectives effectively.

Integrated Ocean Management

The Australia Institute Tasmania is continuing to help shape future marine management through our research and engagement both locally and nationally. We continue to contribute to the development of a national Sustainable Ocean Plan currently underway, which is part of Australia's commitments under the High Level Ocean Panel.

The Institute released a major policy piece at the 2023 Tasmanian Ocean Summit: *It's TIME: A proposal for a Tasmanian Integrated Marine Estate Act*. Our key recommendation is to establish an independent Marine Estate Authority, linked into existing government architecture and tasked with orchestrating a whole-of-government approach to management. The Authority would have responsibility for marine planning for healthy oceans, modelled on existing New South Wales and Victorian legislation.

The 2023 Tasmanian Ocean Summit hosted over 140 people from across Tasmania's coastal communities and various marine sectors. A key outcome was the call for urgent action by the Tasmanian Government to implement holistic, integrated management in Tasmania's coastal waters. Summit participants also took part in an exercise, facilitated by the CSIRO, to identify and prioritise shared objectives for the ocean.

Unfortunately, the first ever review of Tasmania's 30-year-old marine law has stalled under the new Tasmanian government. Tasmania needs to modernise its marine management to keep its oceans healthy; marine planning addresses conflict and climate change and takes account of all uses.

Postdoctoral Fellowship

Expert academics, real-world impact

The Postdoctoral Fellowship provides a unique opportunity for recently graduated PhD scholars to learn strategies that will form the basis of publicly engaged research careers. It enables early-career researchers to act on the implications of their research by engaging in public debates that most academics shy away from.

By working directly with new PhD graduates from diverse disciplinary backgrounds, The Australia Institute is deepening its existing expertise, extending its research base, and building a network of academics capable of having influence beyond the lecture theatre. Equipped with the skills they learn through this program, fellows are empowered to influence public policy processes and make a tangible difference to Australian society.

Aside from putting together the in-depth research papers that form the basis of our public policy advocacy, through their work with the Institute our Postdoctoral Fellows learn the communication, engagement, and campaign skills at the core of The Australia Institute's policy impact. Our 2023-24 Postdoctoral Fellow cohort has embodied these goals by learning to:

Write for broad audiences

Alongside evidence-based research reports, fellows have communicated policy issues through op-eds that explain the false promises of hydrogen or outline the need for a national body to oversee research misconduct; short explainers that quantify the amount of waste created around Christmas time; and briefs to policy makers.

Speak confidently in public forums

While impactful writing is a foundation of the program, the ability to discuss research findings in public forums is just as important. This year, our fellows have appeared at our Politics in the Pub events, on our podcast Follow the Money, and in numerous media interviews.

Engage with policy makers

During this first year of the program, our fellows have appeared before inquiries conducted by the Parliament. Dr Matthew Ryan, an economic and social historian with a PhD in political economy, discussed the findings of his research with the Senate Economics Legislation Committee as part of its inquiry into Offshore Petroleum and Greenhouse Gas Storage, while Dr Alexia Adhikari appeared before the Standing Committee on

Community Affairs, Legislation Committee Inquiry into the Paid Parental Leave Amendment.

Conduct public interest research

Our fellows go beyond the "ivory tower" of academia to apply their academic skills to research in the public interest. This year, postdoctoral fellow Dr Minh Ngoc Le used the data analysis skills she developed during her PhD in economics to determine how much the spread of Red Imported Fire Ants could cost Australians.

Get a head-start as public intellectuals

Our fellowship program is fostering the development of the next generation of scholars to speak as authoritative voices in the public debate. Aside from promoting opportunities for collaboration with universities and engaging in academic conferences, The Australia Institute launched Dr Benjamin Walter's book *The Future of Free Speech* in November last year. The book stemmed from his PhD research.

This program would not be possible without the generous support of the ACME Foundation.



2023-24 Postdoctoral Fellows from L to R: Dr Minh Ngoc Le, Dr Alexia Adhikari, Dr Matthew Ryan, Dr Kristen Scicluna, Dr Benjamin Walters

Anne Kantor Fellowship

The next generation of policy influencers

The Anne Kantor Fellowship and the Anne Kantor Young Woman Environmentalist Fellowship are unique because of the diversity and depth of hands-on training that fellows enjoy over their year at The Australia Institute.

This year's cohort has had a wide array of training sessions, ranging from understanding the federal budget to writing persuasive prose, and spent a day at Parliament House for briefings with staffers and parliamentarians. They have developed their communication skills through media training and by drafting research reports and opinion pieces.

Over the course of The Australia Institute's 30th anniversary celebrations this year, fellows have also helped organise tour events for His Excellency Mr Anote Tong, former President of Kiribati, Yanis Varoufakis, former Greek finance minister, Nobel-Prize winning economist Professor Joseph Stiglitz, and the Climate Integrity Summit.

In the first half of 2024, Olivia Chollet co-authored the report *Textile Waste in Australia* report, which synthesises data from NGOs, policies in Europe and analysis of local programs, and received extensive coverage in mainstream media.

Adam Gottschalk has contributed to three submissions to parliamentary and departmental inquiries and has

written short articles for the Institute's website on subjects including on the opportunity cost of fossil fuel expansion.

Vivien Clarke has researched the disconnect between restrictions on protesting and unregulated lobbying and learned how to analyse polling results.

Young Woman Environmentalist Fellow Yasmine Wright Gittins regularly creates social media tiles to disseminate research findings and used her skills in filming and editing to produce a video with Stephen Long documenting deforestation and its effects on koala habitats in NSW.

Madeleine Howle, placed at the Human Rights Law Centre, has been performing client work and contributed to the Centre's Climate and Environmental Whistleblowing Information Guide.

Corinne Fagueret, placed at the Edmund Rice Centre for Justice, has been developing the organisation's fundraising practices and drafting submissions to parliamentary inquiries.

Thanks to the generosity of this fellowship program, The Australia Institute continues to train a new generation in big-picture public policy and research with impact. Our alumni are now working for parliamentarians, the public service, the media and undertaking postgraduate research.



2023-24 Anne Kantor Fellows from L to R: Anne Kantor Fellowship Manager, Dr Alice Grundy, Yasmine Wright-Gittins, Olivia Chollet, Madeleine Howle, Vivien Clarke, Democracy & Accountability Program Director Bill Browne, Corinne Fagueret and her daughter, Pritika Kumar

Media & Digital Impact

The Australia Institute celebrated our 30th year by reaching more people than ever before.

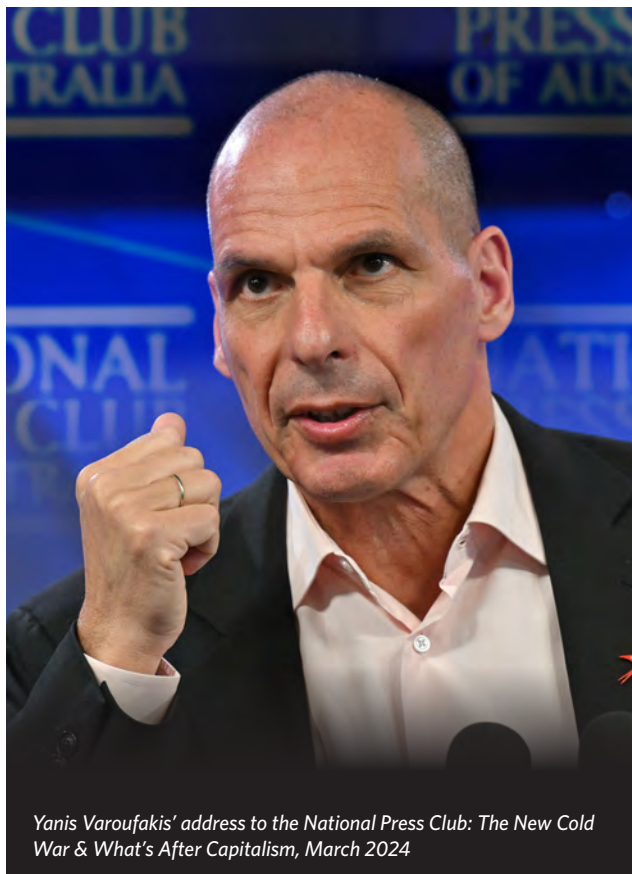
With timely and insightful interventions on key political issues, the Institute has become established as a go-to source of independent information and analysis delivered in accessible formats.

Along with pitching research and spokespeople to traditional media outlets for television, radio and written publications, The Australia Institute is active in promoting our research and ideas directly from our website and social media platforms. We regularly deliver written analysis pieces, videos, podcasts, and graphics, all freely available to the public.

Here is a snapshot of how our digital engagement strategy has delivered results that matter.

Impacting the Public Debate

Our work has increased public awareness and support for cracking down on greenwashing, the role of profits in driving inflation, and the small amount of tax the gas industry actually pays, to name a few.



Yanis Varoufakis' address to the National Press Club: The New Cold War & What's After Capitalism, March 2024

This year we were pleased to bring Yanis Varoufakis and Professor Joseph Stiglitz, two internationally renowned economists and thinkers, to Australia. Across television and radio appearances, essays and op-eds, and videos and graphics for social media, we amplified their message to new and key audiences.

On Instagram, five different videos of key points from Yanis Varoufakis' presentations at the National Press Club and at Australia Institute lectures amassed a total of more than half a million views. His address to the National Press Club, published on The Australia Institute's YouTube channel, has become our most-watched video ever on the platform, reaching over 330,000 people.

In February, Dr Richard Denniss also gave an address to the National Press Club, covering the Government's Stage 3 Tax Cuts and tax reform more broadly. Clips of his appearance were watched over three million times on Instagram alone, with one video reaching nearly two million views to become the most-viewed social media post in our history.

Using New Media to Reach New Audiences

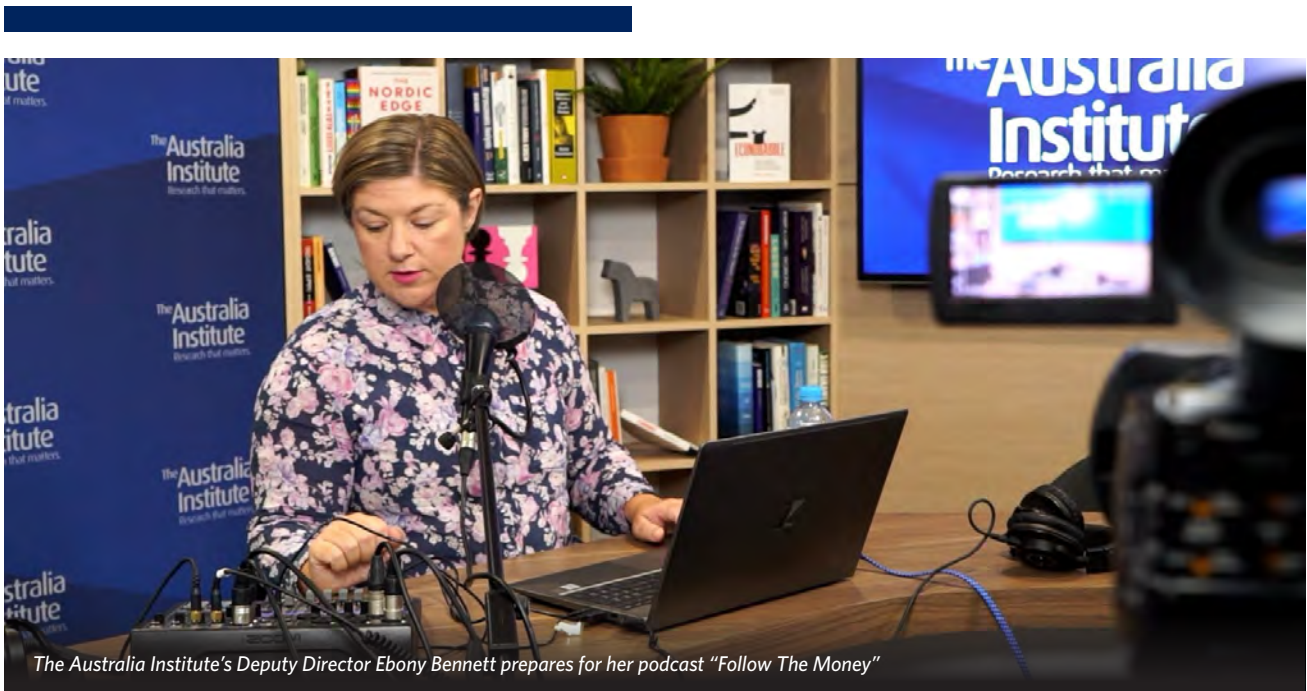
In a changing media landscape, the Institute has stayed at the forefront, and both strengthened and diversified the ways we communicate with our audiences.

Our in-house media production studio allows the team to produce high-quality video content regularly and rapidly. This timely, engaging analysis has proven to be popular with online audiences and we have seen strong growth in our audiences on video-dominated platforms. In the last financial year our Instagram following has nearly trebled to 49,418, our TikTok following has more than doubled to 31,022 (+105.1%) and our YouTube subscriber count increased by 49% to 20,357.

Creating bite-sized content that communicates hard-hitting facts has proven to be a winning formula, and we continue to find new ways to distribute it, reaching people wherever they access information.

Video Reports

In 2024, The Australia Institute published two new video reports investigating the NSW Government's delays in establishing the Great Koala National Park. The videos exposed the perverse incentive for the NSW government to continue logging until it can monetise the forests through carbon credits.



The Australia Institute's Deputy Director Ebony Bennett prepares for her podcast "Follow The Money"

Featuring the voices of concerned community members and confronting visuals of habitat destruction, the videos told a human-impact story that drew upon The Australia Institute's research on native forest logging.

The videos attracted a large viewership across social media platforms and garnered international news coverage. They had an estimated combined audience reach of 1.4 million people.

The accompanying petition calling for an end to native forest logging in NSW has attracted 3,218 signatures.

Podcasts

The Institute expanded its podcast stable during the financial year. The popular Follow the Money series, hosted by Deputy Director Ebony Bennett, continues to break down policy, politics, and economics each

week, and was downloaded over 275,000 times. In late November 2023, it was joined by Dollars & Sense, in which Chief Economist Dr Greg Jericho examines what is going on in the economy. It was downloaded 37,000 times in its first 31 episodes. In June 2024, the Institute published a trailer for our newest series After America. Hosted by Dr Emma Shortis, After America breaks down the 2024 US presidential election and what it means for Australia.

Newsletter

Our fortnightly newsletter Between The Lines reaches an average of 15,000 people each edition. It collates our latest research, explainers, graphs, podcasts, videos and events, accompanied by a behind-the-scenes wrap from Dr Richard Denniss or Ebony Bennett.



Stephen Long, Senior Fellow and Contributing Editor, bears witness to native forest logging in the proposed Great Koala National Park, in The Australia Institute's very first video report



Uncle Micklo Jarrett, Gumbaynggirr man, calls for greater protection of the Great Koala National Park

Webinars

This year, we launched two new webinar series: Australia’s Biggest Book Club featuring an author and their new book each month, and Unparliamentary, a fortnightly show featuring prominent journalists unpacking the latest in federal politics.

Beloved Australian author Thomas Keneally launched Australia’s Biggest Book Club, which has also featured David Marr, Chanel Contos, Bri Lee, Cameron Murray, Joelle Gergis and Lech Blaine.

This year we spoke to politicians including Wayne Swan, former Deputy Prime Minister, Bob Brown, former leader of the Australian Greens and Bridget Archer MP, Liberal Member for Bass. We were also joined by Jennifer Robinson, legal advisor to Julian Assange, renowned US economists Professor Stephanie Kelton and Associate Professor Isabella Weber, Craig Reucassel, Alan Kohler and many more leading authors, journalists, and international experts across various disciplines.



Chief Economist Dr Greg Jericho in conversation with Stephanie Kelton, Professor of Economics and Public Policy at Stony Brook University, as part of The Australia Institute’s popular webinar series

Social Media Stats

Years are financial years

	Total Reach 2024	Total Reach 2023	Real Growth (%)	Followers as of June 2024	Followers as of June 2023	Follower Growth (%)
Facebook	1,962,807	1,871,524	+4.9%	61,968	59,726	+3.8%
Twitter / X	19,768,246*	17,393,593	+13.7%	51,134	47,150	+8.4%
Instagram	4,451,752	1,571,183	+183.3%	49,418	15,214	+224.8%

	Total Views 2024	Total Views 2023	Real Growth (%)	Followers as of June 2024	Followers as of June 2023	Follower Growth (%)
YouTube	1,170,993	308,770	+279.2%	20,357	9,927	+49%
TikTok	2,722,178	2,822,978	-3.6%	31,022	19,977	+64%
LinkedIn	-	-	-	5,501	3,875	+42.0%
Threads	-	-	-	6,236	-	-
BlueSky	-	-	-	974	-	-

ALL PLATFORMS	Total Reach 2024: 30,075,976	Total Reach 2023: 23,968,048	Change 2023 to 2024: +25.5%
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*X gives stats for impressions, which represent every time a post or reply is seen by someone. These numbers are incomplete for June 2024.

Press Clip Mentions (aka Media Hits)

Unique mentions 2023-24: 6,874
Syndicated hits to different bands, frequencies and websites: 16,008
Total cumulative audience (the combined audience across all media items): 209,026,133
ASR Value (Advertising Space Rate): \$224,385,598

Website Engagement

Number of people using the website
 2024: 713,122
 2023: 407,302 **Change: +75.1%**

Number of webpages they viewed
 2024: 1,333,384
 2023: 846,766 **Change: +57.5%**

Thank You for Your Support



The Australia Institute team in our Canberra offices

Your generosity continues to be the driving force behind our impact.

For 30 years now, The Australia Institute has relied on the support of individuals and philanthropic trusts to fuel our independent research.

Your contributions have enabled us to tackle some of Australia's most pressing public policy challenges with objectivity and rigour. Every donation, regardless of size, plays a crucial role in making our research possible and advancing our mission.

In the 2023-24 financial year, we have seen encouraging growth in our donor base, including our crucial monthly donor support. These recurring tax-deductible contributions are vital for our long-term sustainability, allowing us to plan ahead and pursue more ambitious research goals.

Our supporters understand the power of ideas

By supporting The Australia Institute, you're investing in a fairer and more sustainable future for Australia.

Your backing allows us to:

- Conduct independent, high-quality research;
- Influence public debate and policy decisions;
- Advocate for evidence-based solutions to complex issues; and
- Make the impossible inevitable.

Looking ahead

As Australia faces ongoing challenges in areas such as climate change, economic inequality, and democratic integrity, your continued support is more crucial than ever. Together, we can drive positive change and shape a better Australia for all.

Thank you for being an essential part of our community and for believing in the power of independent research to create meaningful impact.

Corporate Governance

The Australia Institute recognises its responsibility to maintain corporate governance practices that are robust, accountable and of a standard that meets the expectations of our stakeholders. The Institute's board and its staff are committed to implementing high standards of corporate governance.

Our Corporate Governance Policy

The principles of good corporate governance comprise an effective, accountable, and ethical decision-making process focused on meeting the Institute's corporate objectives. These objectives are outlined in the various documents that have been developed to guide the work of the Institute and the operations of its staff.

The Constitution outlines the main corporate governance responsibilities and practices in place for the Institute and to which both the board collectively and directors individually are committed.

The role of the board is to govern the organisation rather than to manage its day-to-day activities. The board is committed to fulfilling its duties to the organisation, observing all relevant laws and regulations, and providing employees with a safe and rewarding place in which to work.

The Institute is committed to promoting ethical and responsible decision-making and procedures in relation to the research it carries out and the reports it publishes. Its activities are governed by the highest standards of reporting, based on exhaustively researched topics and constructive, unbiased conclusions.

Our Board of Directors

All non-executive Directors volunteer their time and receive no remuneration for serving on the Institute's board.

Research Committee

The Research Committee approves the Institute's research priorities and activities funded by the Research Fund.

Membership of the Research Committee is subject to the approval of the Australian Government and members are nominated on the basis of their proven ability to direct a research program, as evidenced by their academic qualifications and professional appointments.

Research committee members for 2023-24 were:

Professor Elizabeth Hill (Chair), Dr Richard Denniss, Emeritus Professor Alastair Greig, Professor Spencer Zifcak, Professor Hilary Bambrick, Dr Rebecca Pearse (commenced 22 August 2023) and Associate Professor Elise Klein OAM (commenced 2 February 2024).

Management

Executive Director Dr Richard Denniss, Chief Operating Officer Kathleen O'Sullivan, Deputy Director Ebony Bennett, Research Director Rod Campbell and Chief of Staff Anna Chang led the day-to-day operations of The Australia Institute throughout 2023-24.

Financial Report

The Australia Institute Limited

ABN 90 061 969 284

For the year ended 30 June 2024

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Director's Report

The Australia Institute Limited For the year ended 30 June 2024

Your directors present this report on The Australia Institute (the “Company”) for the financial year ended 30 June 2024.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Dr John McKinnon

Ms Alexandra Sloan AM

Professor Elizabeth Hill

Mr Charles Lanchester

Dr Elizabeth Cham

Mr Josh Bornstein

Professor Asmi Wood

Mr Ben Oquist

Ms Therese Cochrane (appointed 19 March 2024)

Mr Andrew Dettmer (resigned 8 March 2024)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of The Australia Institute Limited during the year was to conduct original research on a broad range of economic, social, transparency and environmental issues to inform public debate and secure policy outcomes that make Australia better. There have been no significant changes in the nature of this activity during the year.

Review of Operations

The surplus for the financial year amounted to \$667,491 (2023: \$2,026,744).

Events Subsequent to the End of the Reporting Period

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Information on Directors

Details of each of the directors at any time during or since the end of the financial year are set out below.

Name	Dr John McKinnon
Experience	Dr McKinnon is an experienced company Director with a history of working in the non-profit and finance sectors.
Special Responsibilities	Board Chair, Member of the Finance Committee

Name	Alexandra Sloan AM
Experience	Ms Sloan AM is a former journalist and Chair of the ACT Selection Committee of the Winston Churchill Memorial Trust.
Special Responsibilities	Deputy Chair

Name	Professor Elizabeth Hill
Experience	Professor Hill is a leading researcher on women, work and care.
Special Responsibilities	Chair of the Research Committee

Name	Charles Lanchester
Experience	Mr Lanchester is an experienced fund manager and director.
Special Responsibilities	Chair of the Finance Committee

Name	Dr Elizabeth Cham
Experience	Dr Cham is the former National Director of Philanthropy Australia and Chair of ANZTSR (Australian and New Zealand Third Sector Research Assoc).

Name	Josh Bornstein
Experience	Mr Bornstein is a leading employment and industrial relations lawyer.

Name	Professor Asmi Wood
Experience	Professor Wood is a professor of law at the Australian National University.

Name	Ben Oquist
Experience	Mr Oquist is an experienced political strategist and the former Executive Director of the Australia Institute.

Name	Therese Cochrane
Experience	Ms Cochrane is a lawyer with experience in the banking and finance sectors. Therese has served on numerous not-for-profit boards and is experienced in governance issues. Ms Cochrane joined the Board on 19 March 2024.

Name	Andrew Dettmer
Experience	Mr Dettmer is the former National President of the Australian Manufacturing Workers Union. Mr Dettmer resigned from the Board on 8 March 2024.

Meetings of Directors

During the financial year, three meetings of directors were held. Attendances by each director were as follows:

Directors' Meetings

	Number Eligible to Attend	Number Attended
Dr John McKinnon	3	3
Ms Alexandra Sloan AM	3	3
Professor Elizabeth Hill	3	2
Mr Charles Lanchester	3	2
Dr Elizabeth Cham	3	3
Mr Josh Bornstein	3	3
Professor Asmi Wood	3	3
Mr Ben Oquist	3	2
Mr Andrew Dettmer	2	1
Ms Therese Cochrane	0	0

Director Appointments and Resignations

Ms Therese Cochrane Appointed 19 March 2024
Mr Andrew Dettmer Resigned 8 March 2024

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 6 of the financial report.

This director's report is signed in accordance with a resolution of the Board of Directors.



John McKinnon (Chair)

Dated this 8th day of November 2024

AUDITOR'S INDEPENDENCE DECLARATION UNDER S60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE DIRECTORS OF THE AUSTRALIA INSTITUTE LIMITED

As lead auditor of The Australia Institute Limited, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Australian Charities and Not-For-Profits Commission Act 2012* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.



BellchambersBarrett



Jamie Glenn, CA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 8th day of November 2024

Directors' Declaration

The Australia Institute Limited For the year ended 30 June 2024

In accordance with a resolution of the directors of The Australia Institute Limited, the directors of The Australia Institute Limited declare that:

1. The financial statements and notes, as set out on pages 8 to 24, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure: and
 - b. give a true and fair view of the financial position of the Company as at 30 June 2024 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.



John McKinnon (Chair)

Dated this 8th day of November 2024

Statement of Profit or Loss and other Comprehensive Income

The Australia Institute Limited
For the year ended 30 June 2024

	NOTE	2024	2023
Income			
Revenue and Other Income	2	10,678,098	9,051,363
Total Income		10,678,098	9,051,363
Expenses			
Advertising and Marketing		1,341,925	546,388
Audit Fees	14	20,000	15,500
Commissioned Research		697,753	489,708
Depreciation and Amortisation	3	40,873	101,387
Employment Costs	3	5,654,567	4,085,771
Finance Costs	3	-	3,536
Insurance		78,107	62,545
Occupancy		218,392	71,865
Polling		104,684	92,006
Professional Fees		103,019	123,991
Travel and Accommodation		575,664	348,304
Consultants		467,860	564,887
Other		707,763	518,731
Total Expenses		10,010,607	7,024,619
Surplus for the year		667,491	2,026,744

The accompanying notes form part of these financial statements.

Statement of Financial Position

The Australia Institute Limited

As at 30 June 2024

	NOTE	30 JUNE 2024	30 JUNE 2023
Assets			
Current Assets			
Cash and Cash Equivalents	4	3,344,698	4,069,135
Trade and Other Receivables	5	113,475	71,888
Financial Assets	6	7,115,624	6,539,576
Other Assets	7	95,536	83,966
Total Current Assets		10,669,333	10,764,565
Non-Current Assets			
Property, Plant and Equipment	8	111,607	150,577
Total Non-Current Assets		111,607	150,577
Total Assets		10,780,940	10,915,142
Liabilities			
Current Liabilities			
Trade and Other Payables	9	621,162	630,982
Provisions	10	498,273	387,109
Other Current Liabilities	11	1,045,244	1,968,829
Total Current Liabilities		2,164,679	2,986,920
Non-Current Liabilities			
Provisions	10	61,057	40,509
Total Non-Current Liabilities		61,057	40,509
Total Liabilities		2,225,736	3,027,429
Net Assets		8,555,204	7,887,713
Equity			
Retained Earnings		8,555,204	7,887,713
Total Equity		8,555,204	7,887,713

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

The Australia Institute Limited
For the year ended 30 June 2024

	2024	2023
Equity		
Opening Balance	7,887,713	5,860,969
Increases		
Surplus for the Period	667,491	2,026,745
Total Increases	667,491	2,026,745
Closing Balance	8,555,204	7,887,713

The accompanying notes form part of these financial statements.

Statement of Cash Flows

The Australia Institute Limited
For the year ended 30 June 2024

	NOTE	2024	2023
Operating Activities			
Receipts from operations		9,605,474	8,613,922
Interest received		224,894	55,041
Unrealised gain/(losses) from investments		-	(9,165)
Payments to suppliers and employees		(10,249,101)	(7,008,540)
GST refunded		350,737	197,231
Net Cash Flows from Operating Activities		(67,996)	1,848,489
Investing Activities			
Purchase of plant and equipment		(6,361)	(17,917)
Net Cash Flows from Investing Activities		(6,361)	(17,917)
Financing Activities			
Proceeds from financial assets		5,049,920	250,000
Payment for financial assets		(5,700,000)	(700,000)
Payment of lease liabilities		-	(68,952)
Net Cash Flows from Financing Activities		(650,080)	(518,952)
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period		4,069,135	2,757,515
Net change in cash for period		(724,437)	1,311,620
Cash and cash equivalents at end of period	4	3,344,698	4,069,135

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

The Australia Institute Limited For the year ended 30 June 2024

1. Summary of Material Accounting Policies

Basis of Preparation

The Australia Institute Limited (the Company) applies Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB).

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 8 November 2024 by the directors of the Company.

Accounting Policies

a. Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Operating Grants, Donations and Bequests

When the Company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfied its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Company recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest Income

Interest income is recognised using the effective interest method.

Other Income

Other income is recognised on an accruals basis when the Company is entitled to it.

All revenue is stated net of the amount of goods and services tax.

b. Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

c. Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Depreciation

The depreciable amount of fixed assets purchased prior to 1 July 2019 are depreciated via the diminishing value method over the asset's useful life to the Company commencing from the time the asset is held ready for use.

All assets purchased from 1 July 2019, are depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is ready for use.

The depreciation rates used for these assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20%
Office fit-out	10%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

Classification and subsequent measurement

(i) Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates. Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; or
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Company initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; or
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

(ii) *Financial liabilities*

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is

- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over its life in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition. A financial liability cannot be reclassified.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset (i.e. has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Recognition of expected credit losses in financial statements

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Impairment*Purchased or originated credit-impaired approach*

For financial assets that are considered to be credit-impaired, the Company measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event); and
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

e. Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

f. Employee Benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and annual leave are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Company classifies employees' long service leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of six months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

h. Trade and Other Debtors

Trade and other debtors include amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flow included in receipts from customers or payments to suppliers.

j. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

k. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Judgements

(i) Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the agreement must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the agreement is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

Key Estimates

(i) Useful lives of property, plant and equipment

As described in Note 1(c), the Company estimates the useful lives of fixed assets to determine the appropriate depreciation rates to apply.

(ii) Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the entity expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows (despite an informal internal policy that requires annual leave to be used within 18 months), the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

l. Economic Dependence

The Company relies on donations for a significant proportion of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe that donations will not continue to support the Company.

m. Fair Value of Assets and Liabilities

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

“Fair value” is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability).

In the absence of such a market, market information is extracted from the most advantageous market available to the Company at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant’s ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the Company’s own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

n. New and Amended Accounting Standard Adopted by the Australia Institute

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

The Company adopted AASB 2021-2 which amends AASB 7, AASB 101, AASB 108 and AASB 134 to require disclosure of ‘material accounting policy information’ rather than ‘significant accounting policies’ in an entity’s financial statements. It also updates AASB Practice Statement 2 to provide guidance on the application of the concept of materiality to accounting policy disclosures. The adoption of the amendment did not have a material impact on the financial statements.

AASB 2021-6: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

AASB 2021-6 amends AASB 1049 and AASB 1060 to require disclosure of ‘material accounting policy information’ rather than ‘significant accounting policies’ in an entity’s financial statements. It also amends AASB 1054 to reflect the updated terminology used in AASB 101 as a result of AASB 2021-2. The adoption of the amendment did not have a material impact on the financial statements.

AASB 2022-7: Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

AASB 2022-7 makes editorial corrections to various Australian Accounting Standards and AASB Practice Statement 2. It also formally repeals the superseded and redundant Australian Accounting Standards set out in Schedules 1 and 2 of this standard. The adoption of the amendment did not have a material impact on the financial statements.

	NOTE	2024	2023
2. Revenue			
Commissioned Research		37,250	112,500
Donations		9,916,094	8,563,421
Interest Received		258,353	98,196
Unrealised Gain on Investments		(3,477)	58,110
Other Income		469,878	219,136
Total Revenue		10,678,098	9,051,363
		2024	2023

3. Surplus for the Year

Employee Benefits Expense		5,654,567	4,085,771
- Contribution to Defined Contribution Superannuation funds		545,708	385,012
Depreciation and Amortisation		40,873	101,387
Interest Expense on Lease Liabilities		-	3,536
		2024	2023

4. Cash and Cash Equivalents

Cash at Bank	16	3,344,698	4,069,135
		2024	2023

5. Trade and Other Receivables**Current**

Trade Receivables		71,749	25,630
Other Receivables		41,726	46,258
Total Current Trade and Other Receivables	16	113,475	71,888

Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items. There has been no provision for impairment of receivables during the years ended 30 June 2024 (2023: nil).

		2024	2023
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6. Financial Assets**Current**

UEthical - Term Deposits		-	2,499,920
Bank Australia - Term Deposits		550,000	3,100,000
ANZ - Term Deposits		5,500,000	-
Ethinvest - Investment		1,045,811	919,843
Bank Guarantee		19,813	19,813
Total Financial Assets	16	7,115,624	6,539,576

	NOTE	2024	2023
7. Other Assets			
Current			
Prepayments		92,238	83,966
Travel Card		3,298	-
Total Other Assets		95,536	83,966
		2024	2023
8. Property, Plant and Equipment			
Office Fit Out - at Cost		105,345	117,920
Less Accumulated Depreciation		(46,782)	(45,665)
Total Office Fit Out		58,563	72,255
Plant and Equipment - at Cost		204,051	219,573
Less Accumulated Depreciation		(151,007)	(141,251)
Total Plant and Equipment		53,044	78,322
Total Property, Plant and Equipment		111,607	150,577

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment \$	Office Fitout \$	Total \$
Balance at the beginning of the year	78,322	72,255	150,577
Additions	6,362	-	6,362
Disposals	(21,884)	(12,575)	(34,459)
Depreciation write back	20,678	9,322	30,000
Depreciation expense	(30,434)	(10,439)	(40,873)
Carrying amount at the end of the year	53,044	58,563	111,607

	NOTE	2024	2023
9. Trade and Other Payables			
Current			
Trade Payables		374,025	326,491
Other Payables		223,371	303,938
GST and PAYG payable		23,766	553
Total Trade and Other Payables		621,162	630,982
		2024	2023

Financial liabilities at amortised cost classified as trade and other payables

Trade and Other Payables		621,162	630,982
Less: GST and PAYG Payables		(23,766)	(553)
Financial Liabilities as Trade and Other Payables	16	597,396	630,429
		2024	2023

10. Provisions

Current			
Provision for Employee Benefits: Long Service Leave		179,230	117,287
Provision for Employee Benefits: Annual Leave		319,043	269,822
Non-Current			
Provision for Employee Benefits: Long Service Leave		61,057	40,509
Total Employee Provisions		559,330	427,618

Analysis of Total Provisions

	Annual Leave \$	Long Service Leave \$	Total \$
Opening balance 1 July 2023	269,819	157,799	427,618
Accrued Leave	412,240	111,509	523,479
Leave Taken	(363,016)	(29,021)	(392,037)
Balance at 30 June 2024	319,043	240,287	559,330

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual and long service leave.

The current portion for this provision includes the total amount accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Company does not expect the full amount of long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(f).

11. Other Current Liability

	2024	2023
Current		
Income in Advance	1,045,244	1,968,829

12. Contingent Liabilities

During the year ended 30 June 2024, the Company entered a litigation funding agreement. Under the agreement, the Company may be liable for an indemnification. As at the date of the report, there is possible obligation of \$25,000, but the likelihood of the contingency eventuating is uncertain at reporting date.

13. Key Management Personnel Compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company is considered key management personnel (KMP).

The totals of remuneration paid to KMP of the Company during the year are as follows:

	2024	2023
KMP Compensation		
KMP Compensation	1,131,617	1,184,184

14. Auditor's Remuneration

	2024	2023
Remuneration of the auditor:		
Auditing and reviewing the financial statements	17,500	13,950
Other	2,500	1,550
Total	20,000	15,500

15. Related Party Transactions

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

During the year ended 30 June 2024 the following related party transactions were identified (2023: \$2,047,580):

	2024
	\$
Donations received from entities where a Board member is a director	2,503,480
Payments to entities where a Board member is a director	165,000
	2,668,480

The payments to entities where a Board member is a director relate to payments to a consulting firm's work in communicating the findings of the Institute's research to external stakeholders.

16. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	NOTE	2024	2023
Financial Assets			
Cash and Cash Equivalents	4	3,344,698	4,069,135
Loans and Receivables	5	113,475	71,888
Investment in Term Deposits	6	7,115,624	6,519,763
Total Financial Assets		10,573,797	10,660,786
		2024	2023
Financial Liabilities			
Trade and Other Payables	9	598,396	630,429
Total Financial Liabilities		598,396	630,429

17. Fair Value Measurements

Net fair values of financial assets and financial liabilities are materially in line with carrying values.

18. Company Details

The Company is registered and domiciled in Australia. The registered office and principal place of business of the Company at 30 June 2024 is:

The Australia Institute Limited
Level 1, Endeavour House
1 Franklin Street
Griffith, ACT 2603

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE AUSTRALIA INSTITUTE LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of The Australia Institute Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of material accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act), including:

- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the ACNC Act and ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the registered entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the registered entity's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE AUSTRALIA INSTITUTE LIMITED

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



BellchambersBarrett



Jamie Glenn, CA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 8th day of November 2024