



Australian  
National  
University



TAX AND TRANSFER POLICY INSTITUTE  
ANNUAL REPORT  
FISCAL YEAR 2017-2018

Crawford School of  
Public Policy  
ANU College of  
Asia and the Pacific

# TAX AND TRANSFER POLICY INSTITUTE

## ANNUAL REPORT

1 July 2017 – 30 June 2018

### **Certification by the Director of Crawford School**

I hereby certify that the information provided to the Department of Treasury by ANU in:

- > the Tax and Transfer Policy Institute's Annual Report
- > the performance data and information
- > the financial tables

provides a true and fair view of the matters reported on therein.

I certify that the Commonwealth funding contributions were applied for the activities of the Tax and Transfer Policy Institute as specified in the Funding Agreement.



**Professor Helen Sullivan**  
Director, Crawford School of Public Policy

31 August 2018

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## HIGHLIGHTS FOR 2017-2018

**29**

Events

**39,780**

TTPI blog visits

**22**

Master and other courses

**22**

Working papers and policy briefs

**94**

Blog articles

**66**

Publications

**\$363,083**

Grant funding

**3,008**

Facebook reach

**113**

Articles and comments in national media

# FROM THE CHAIR



The imperative for broad-based tax reform mounts as those in Government/Opposition continue to offer ad hoc, piecemeal, changes to a system that is beginning to crack at the seams.

Both sides are offering limited personal tax relief, but none a genuine restructure of the personal tax system. Although claims are made, for example, that the changes being proposed “deal” with bracket creep, the response is only partial.

Similarly, the Opposition has committed to trim concessions such as negative gearing, and the payment of cash refunds due on franking credits accruing to low-income earners, but these proposals are more about politics than genuine reform.

Although both sides promise to do more to ensure multinationals pay a “fairer share” of tax, the issue isn’t being fully addressed, while the government now proposes to reduce the corporate tax rate to 25 per cent through the 2020s, it hasn’t made the case to win community or Senate support, while the Opposition is promising to just contain any rate reduction to companies with a turnover of up to \$10 million, advocating a two-tier corporate tax system. Again, neither side is offering broad-based corporate tax reform.

Neither side is prepared to address the fundamental challenge of further shifting the emphasis of tax from income to consumption, via increasing the base and/or increasing the rate of the GST, a strategy that would give them the financial capacity to genuinely reform both personal and corporate taxes, as well as make some improvements to the transfer system, including increasing the Newstart and Youth Allowances, which haven’t increased (in real terms) since 1994, and are now well below estimates of the poverty line.

Finally, neither side has been prepared to address any of the Federal/State challenges in tax reform, ranging from the ineffectiveness of overlapping revenue authorities, through the unnecessary transactions costs of State taxes such as stamp and insurance duties, to the potential national effectiveness of several State taxes, such as land and payroll taxes.

Unfortunately, with politics today very short-term, opportunistic, populist and, unfortunately, often very negative, it is hard to see the essential leadership, and bi-partisanship, that would see the system move towards genuine broad-based tax and transfer reform.

Nevertheless, TTPI is committed to increasing the intensity of our research and community engagements in support of genuine reform. We will continue to undertake research into the “big issues” essential to an effective tax reform agenda, as well as taking every opportunity to lead the public debate.

This year we will also seek to raise additional support from key stakeholders, both financially, and by way of key staff secondments.

**Professor John Hewson AM**  
Chair, Tax and Transfer Policy Institute

# FROM THE DIRECTOR



TTPI's mission to push for tax reform in Australia and to lift debate on the subject has never been more urgent. Tax policies not only feature as key policy proposals of the major political parties, but are hotly debated and contested. Yet current proposals amount to tinkering around the edges of a system that is broken. In the current political environment, a systematic overhaul of the tax system seems like a mirage fading in the distance.

Yet, it is urgently required. Australia's tax system is in quiet crisis, unremarked by the majority of citizens. It is ill adapted to an aging population, the changing global environment, and the evolving nature of work. The tax system is outdated and out of step with the rest of the world. The heavy reliance on direct taxation creates inefficiencies that are slowly eroding our ability to maintain our high standards of living.

As the tax system has become more complex over the last 20 years, it has also become more unfair. A wage worker on \$80,000 will pay about \$18,000 in tax, whereas a sole contractor on the same income, using a corporate structure and a family trust, could easily pay less than \$5,000. An elderly person with \$2 million dollars of stock will not receive the age pension, whereas one living in a \$2 million house will. The complex nature of the tax system and its bloated exemptions have created a system that is both expensive to run and patently unfair.

In its pursuit to improve the tax system and subsequent well-being of all Australians, TTPI has been actively engaged with both the academic and policy communities during the 2017-2018 financial year. In the academic sphere, the TTPI working paper series, Austaxpolicy.com blog, TTPI seminar series and the newly established TTPI Research Affiliate Program, brought together researchers on tax and transfer policy in Australia. They further contributed to ensuring that TTPI remains the go-to-place for academic research and commentary on tax and transfer policy in Australia.



In the policy sphere, TTPI used its academic knowledge and expertise to inform policymakers and policymaking through direct collaboration with the government at national and state/territory levels. For example, in collaboration with the Australian Taxation Office (ATO), TTPI evaluated tax policies using confidential administrative data. It also implemented a series of behavioural insights interventions to improve (and increase) tax collection. Additional collaborations are also underway with other public institutions like the Commonwealth Grants Commission and the ACT government on its reform of stamp duty. Our new tax facts and research briefs also help make academic research accessible to policy-makers.

The type of symbiotic relationships that TTPI has developed over time with different government authorities, like the ATO, alongside its unique governance structure, are what distinguish it from other policy institutions and strengthen its policy relevance. As the new director of TTPI, building upon the foundations created by my predecessor, I hope to broaden and strengthen these types of relationships through the 2018-2019 financial year and beyond.

**Professor Robert Breunig**  
**Professor Miranda Stewart**

Director, Tax and Transfer Policy Institute

# ABOUT THE TAX AND TRANSFER POLICY INSTITUTE

The Tax and Transfer Policy Institute (TTPI) was established in 2013 with a federal government endowment and is supported by the Crawford School of Public Policy, at The Australian National University.

TTPI carries out empirical analysis and evaluation of tax and transfer policy, law and administration for public benefit in Australia. The research of TTPI focuses on key themes of economic prosperity, social equity and system resilience. Responding to the need to adapt Australia's tax and transfer system to meet contemporary challenges, TTPI delivers policy-relevant research and seeks to inform public knowledge and debate on tax and transfers in Australia, the region and the world. TTPI aims to foster a richness and diversity in tax and transfer research in Australia and internationally for the short and long term, exploring issues and solutions to some of the critical tax and transfer policy challenges facing governments over the next few decades. TTPI does not exist to offer a single perspective on tax and transfer policy.

TTPI undertakes the following main activities:

- > **Research** – empirical and theoretical research and policy analysis aimed at enhancing the evidence base for tax and transfer policy
- > **Engagement** – with research and policy communities and the wider public
- > **Education** – research-led teaching.

## Aims, priorities and strategy

The priorities of TTPI for the 2018-2019 year are to:

- > build and consolidate our research capability and projects especially through engaging networks of researchers in Australia and internationally, to contribute new excellent research in key areas for tax and transfer policy development, analysis and evaluation.
- > expand our program of empirical research to take advantage of new data and modelling capabilities developed, including the ANU Centre for Social Research and Methods (CSR) distributional model, PolicyMod and the ATO longitudinal data panel, while continuing our existing trials and administrative data analysis.
- > engage in and influence public debate on Australia's tax and transfer system through upgrading our social media and blog platforms and policy products, in an era in which major tax reform is not forthcoming but system challenges are ongoing.
- > continue to build tax and transfer research and policy capacity across a range of disciplines through excellent graduate and executive education, workshops and secondments.

## Governance

TTPI operates as an Organisational Research Unit in the Crawford School of Public Policy, College of Asia and the Pacific at The Australian National University. TTPI is therefore subject to formal governance and financial accounting arrangements of the Crawford School. The Director of TTPI reports to the Crawford School Director, Professor Helen Sullivan, and through the Director, to Professor Michael Wesley, Dean of the College of Asia and the Pacific.

## Advisory Board

The Advisory Board of TTPI includes senior representatives from stakeholder government agencies. It is chaired by Professor John Hewson and met quarterly in 2017-2018. It is a key role of TTPI to carry out and communicate policy-relevant research that is of value to government. We are grateful for the advice and insight on research and policy direction, business strategy and engagement from members of the Board this year.

The members of the Advisory Board are:

- Chair, Professor John Hewson AO, ANU
- Director, Professor Miranda Stewart (to 31 December 2017); Professor Robert Breunig, ANU (January 2018 - ongoing)
- Ms Maryanne Mrakovcic, Deputy Secretary, Revenue Group, Treasury
- Ms Serena Wilson, Deputy Secretary, Social Policy, Department of Social Service (retired June 2018) Nathan Williamson to take over
- Mr Mike Lawson, Deputy Secretary, Department of Industry
- Mr Rob Heferen, Deputy Secretary, Department of Energy and Environment
- Mr Andrew Mills, Second Commissioner, Law Design, Australian Taxation Office
- Professor Bruce Chapman, ANU
- Professor Peter Whiteford, ANU
- Associate Professor Mathias Sinning, ANU
- Ms Jenny Wilkinson, Parliamentary Budget Office
- Dr David Gruen, Prime Minister and Cabinet
- Professor Helen Sullivan, Director Crawford School
- Ms Kristen Sobeck, ANU



## Finances

TTPI was established with an endowment from the Treasury and with contributions from the College of Asia and the Pacific, the HC Coombs Policy Forum, the Australian National Institute of Public Policy and Crawford School of Public Policy at The Australian National University. The establishment of TTPI implemented Recommendation 134 of the Review of Australia's Future Tax System (2009).

The annual Statement of Income and Expenditure for the period 1 July 2017 to 30 June 2018 is attached at the end of this Annual Report.

In addition to the endowment funding and investment income, in 2017-2018 TTPI raised about \$350,000 in external funding through Linkage and Discovery grants from the Australian Research Council, executive education and courses and commissioned research, as well as the Asia Pacific Innovation Program at the Australian National University, to fund specific activities or research projects.



*JG Crawford Building*

# PEOPLE

## Academic staff



### **John Hewson AM, Chair**

John Hewson is a Professional Fellow at TTPI and an economic and financial expert with experience in academia, business, government, media and the financial system. John was Shadow Finance Minister, Shadow Treasurer and Shadow

Minister for Industry and Commerce, then Leader of the Liberal Party and Federal Coalition in Opposition for four years. He has worked as an economist for the Australian Treasury, the Reserve Bank, the International Monetary Fund and as an advisor to two successive Federal Treasurers and the Prime Minister. Dr Hewson has been a Founding Executive Director of Macquarie Bank, Chairman ABN Amro Australia, and Chairman/Director of a host of public and private companies across a range of industries. He also writes and comments widely across all media.



### **Robert Breunig, Director**

Professor Robert Breunig is one of Australia's leading public policy economists. His research is motivated by important social policy issues and debates, and his work is characterised by careful empirical study and appropriate use

of statistical technique. Professor Breunig's research agenda has led to many partnerships with government organisations in Australia and overseas. He works regularly with the Australian Treasury, the Department of Employment, the Department of Industry, the Department of Communication and the Arts, the Productivity Commission, the Australian Bureau of Statistics as well as many other agencies. He has been a consultant to the private sector on marketing, mergers, bank competition and customer loyalty programs.



### **Mathias Sinning, Deputy Director**

Associate Professor Mathias Sinning is the Deputy Director of TTPI. He has previously held academic appointments at the ANU and the University of Queensland and has been a Visiting Fellow at Princeton University. Mathias is interested in the

empirical analysis of issues related to labor economics, public economics and policy evaluation. He has published articles in journals such as *Economic Inquiry*, *Health Economics*, *Journal of Banking and Finance*, and *Journal of Economic Behavior and Organization*. He is currently working on the projects "Understanding Dynamic Aspects of Economic Inequality" and "Applying Behavioral Insights to the Tax System in Australia" funded by the Australian Research Council.



### **Bruce Chapman AM**

Professor Bruce Chapman holds the Sir Roland Wilson Chair in Economics in the College of Business and Economics, ANU. Bruce has extensive experience in public policy, including the motivation and design of the Higher Education Contribution

Scheme (the first national income contingent loan scheme). Bruce was elected to the Academy of the Social Sciences of Australia in 1993, received an Order of Australia in 2003 for contributions to economic policy, and was named as the 2015 Distinguished Fellow of the Economic Society of Australia. In 2017 he received the Australian Financial Review's Higher Education Lifetime Achievement Award.



### **Miranda Stewart**

Twitter @AusTaxProf  
(2320 followers)

Professor Miranda Stewart researches on taxation, transfer and budget law and policy. She has 25 years' experience working at the leading edge of policy research, design

and development. Miranda holds a joint appointment with the ANU Crawford School of Public Policy and the University of Melbourne Law School. Her current research projects include gender inequality in the tax and transfer system, retirement income taxation, international tax reform and company tax. Miranda has previously worked at New York University School of Law, in major Australian law firms advising business on tax law, at the ATO and has consulted for the government.



### **Peter Whiteford**

Twitter @WhitefordPeter  
(3837 followers)

Professor Peter Whiteford is Director of the Social Policy Institute in the Crawford School of Public Policy. He has previously worked at the Social Policy Research Centre at the University

of New South Wales in Sydney, and at the OECD in Paris. Peter is an Associate Investigator with the ARC Centre of Excellence in Population Ageing Research (CEPAR), an Adjunct Professor with the Social Policy Research Centre at UNSW, and an Honorary Professor in the School of Social and Behavioural Sciences, Nanjing University, China.

## Research fellows



### David Ingles

Dr David Ingles is a Senior Research Fellow with TTPI. David has a PhD in public policy from ANU and specialises in public finance with particular emphasis on tax and social security. He has worked in various Commonwealth and State

Departments (QLD), including the Department of Social Security (later Department of Social Services), the Treasury and the Economic Planning Advisory Council. In the early 1980s he was an advisor to Ministers in the Hawke Government. He has worked part-time for the Australia Institute, specialising in tax and superannuation reform.



### Syed Hasan

Dr Syed Hasan is an empirical researcher at the School of Economics and Finance of Massey University in New Zealand. He received his PhD from ANU in 2014 and previously held appointments at the Planning Commission and

the Ministry of Finance in Bangladesh, and the ANU Crawford School of Public Policy. Syed is a member of the New Zealand Centre for Macroeconomics and a fellow of the Global Labor Organization (GLO). He is interested in studying issues related to public economics, labor economics and development economics, with a particular focus on household consumption. He is currently undertaking work related to the financial stress of Indigenous and agricultural households in Australia.



### Emily Millane

Emily Millane is a Research Fellow at TTPI. She studied arts and law at the University of Melbourne and is currently a PhD candidate at the Crawford School. She has previously worked as a corporate lawyer, a research fellow at the Per Capita think

tank and as a federal ministerial policy advisor. Emily's research looks at the conditions for systemic policy reform in the area of superannuation.



### Peter Varela

Dr Peter Varela is a Research Fellow at TTPI and is currently working on a research project examining the taxation of savings and wealth in Australia. Peter also works at the Centre for International Economics on a wide range of research topics

related to taxation and public policy. Peter holds a PhD in Economics from the ANU, and has been a visiting researcher at the Office of Tax Policy Research at the University of Michigan, and the Melbourne Institute of Applied Economic and Social Research.



### Xue (Sarah) Dong

Dr Xue Dong (Sarah) is a Research Fellow on the ATO-ANU Payment Thinking project, developing and running randomised controlled trials applying behavioural insights to tax payment, and is also a Fellow at the Indonesia Project of the Crawford

School. Sarah completed her PhD in applied economics from the University of Western Ontario in 2014. Her research interests are applied econometrics, labour economics, and development economics. Her current research projects focus on tax policy, economics of the informal sector, women's labor market choices and women's intra-household bargaining power.

## Research assistants

Maria Sandoval Guzman

Teck Chi Wong

Sai Gedipudi

### Interns

Cherry Zheng was the Austaxpolicy blog's first intern. She is studying the Bachelor of Philosophy (Asian Studies)/Diploma of Languages at the College of Asia and the Pacific. Cherry was an editorial intern from March - May 2018, helping to run the blog and developing a strategy for improving the blog's audience engagement.

### Senior research officer

Kristen Sobek is a Senior Research Officer at TTPI. Kristen studied economics and French at Smith College and has a Master's degree in Economics from the University of Geneva. Prior to joining TTPI, she worked as an economist at the International Labour Organization (ILO) from its headquarters in Geneva and country office in Argentina. She was also awarded a Fulbright Fellowship in 2007.

### Senior project officer

Diane Paul is a Senior Project Officer with TTPI. Diane has been employed with the ANU College of Asia and the Pacific since 2010, commencing her career with the College finance department, and then as the Executive Assistant to the College General Manager. Diane administers the Institute's activities and projects.

## Research secondees

Through TTPI's partnership with government departments, mid-level executives, selected secondees to spend time at TTPI under supervision of a senior academic, to carry out a research project designed in close collaboration with their sponsoring government agency. The program is open for applications from other government departments for 2018-19.

In 2016-17 the ATO secondee was Chris Leech, a Director of Tax Crime Reform. Chris finalised his research project at TTPI at the end of 2017, producing a substantial working paper reporting new imposition and payment of financial penalties for tax crime and proposing new measures to improve effectiveness and deterrence (TTPI WP 6/2018).



**Andrew Carter** is an Assistant Director in Tax Policy Research at the ATO. He has previously held tax and macroeconomic roles at the World Bank and the Department of Treasury. Andrew is currently a part-time PhD candidate at the Crawford School in Economics. His research is examining responses to the income tax and

superannuation systems. At TTPI, Andrew examined the degree to which specific superannuation incentives prolong labour market participation, and boost income and savings for workers approaching retirement.

## Honorary research fellows

TTPI welcomed honorary visiting fellows from academic, public and private sectors to carry out research.

**Trevor Breusch** was Professor of Econometrics and formerly Deputy Director of the Crawford School of Public Policy at The Australian National University. Trevor is researching tax and the shadow economy.

**Joel Emery** graduated from the College of Law at The Australian National University. After being a research assistant at TTPI, Joel took up a position at PricewaterhouseCoopers. His research covered the digital and sharing economy and cryptocurrencies.

**Jim Killaly** is a former Deputy Commissioner (Large Business and International) in the ATO and is carrying out systemic research into the corporate and international tax base, including current issues in transfer pricing and tax compliance. He was a recipient of the Public Service Medal in 2005 for his services in achieving Improvements to Australia's tax treaties and for developing and implementing a compliance tax framework for large business.

**Christian Gillitzer** is Lecturer in the School of Economics at the University of Sydney. His research fields are public finance and macroeconomics, and he has done work on topics including state fiscal capacity, optimal commodity taxation, the charitable tax deduction and consumer sentiment. Together with Joel Slemrod, he is co-author of the book *Tax Systems*. Prior to joining the University of Sydney he was a Senior Economist at

the Reserve Bank of Australia and a Research Fellow at the Tax and Transfer Policy Institute. He holds a PhD in Economics from the University of Michigan and a Master in Public Affairs from Princeton University.

**Huong Dinh** is a Visiting Fellow at TTPI and in the School of Public Health at the Australian National University. She completed her PhD in economics and possesses strong analytical, econometric and microsimulation modelling skills. Her research seeks to reveal how structural factors like international trade, climate change, personal income taxation and transfer system, and labour markets have socio-economic impacts on communities, industries, households and individuals.

**Paul Tilley** brings long standing experience on tax and public finance in Treasury as former head of the Tax Analysis Division, Personal and Retirement Income Division, and Budget Policy Division, as well as time spent at the Department of Prime Minister and Cabinet (PM&C) and the OECD. Paul is currently writing a book on the history of the Australian Treasury, including significant policy changes in recent decades. His research and experience on this topic is of great relevance to TTPI's research and engagement activities.

**Michael Corliss** is currently employed as an economist at the Department of Jobs and Small Business. He started his public service career as an economic advisor at PM&C. Michael was previously an academic, working on issues related to wages, employment, structural and technological change, inequality, regional labour markets, and education and training. Michael is a research associate for the Centre for Labour Market Research and is a member of the Economic Society of Australia.

## International visitors

We were privileged to host some outstanding visitors to TTPI in 2017-18. We are always delighted when researchers, doctoral candidates and government visitors from around the world present in our TTPI research seminar series or participate in our conferences and other events at TTPI.



### Willem Adema

Willem Adema is a Senior Economist in the OECD Social Policy Division. Willem leads a team of analysts of Family and Children policies; is project manager of the OECD Gender Initiative, and is responsible for the Affordable Housing Database that was

launched in early 2017. Willem presented a public lecture, The pursuit of gender equality: an uphill battle, sponsored by Jobs Australia, TTPI, the Social Policy Institute, Crawford School of Public Policy, CSRM, the Australian Social Policy Association. (16 November 2017)



### **Michael Devereux**

Michael Devereux is Director of the Oxford University Centre for Business Taxation, Professor of Business Taxation at Saïd Business School, and a Professorial Fellow at Oriel College. Mike's work concerns the impact of taxes on business behaviour, including

investment, employment, location and financial behaviour, as well as the design of appropriate tax policies for business. Michael presented a public lecture, What shall we do with Company Tax? (24-25 July 2017)



### **Roberta Mann**

Roberta Mann is the Mr & Mrs. L.L. Stewart Professor of Business Law at the University of Oregon School of Law, where she teaches courses on income tax, business entity tax, real estate tax, and tax policy. Her scholarship focuses on sustainability

and energy topics ranging from carbon taxes to the water-energy nexus. Before beginning her teaching career, Roberta served on the staff of the Joint Committee on Taxation and was a senior attorney at the Office of Chief Counsel, Internal Revenue Service. She is a member of the American College of Tax Counsel and serves on the American Bar Association Tax Section Council as Council Director. Professor Mann presented the lecture, I Robot: U Tax? (20 March 2018)



### **David Bradbury**

David Bradbury is the Head of the Tax Policy and Statistics Division of the Centre for Tax Policy and Administration at the OECD. Prior to joining the OECD, David was a lawyer, a Member of the House of Representatives in the Australian

Parliament, and a Minister in the Australian Government. He served in the Australian Government as the Assistant Treasurer, Minister for Competition Policy and Consumer Affairs, Minister Assisting for Financial Services and Superannuation, and Minister Assisting for Deregulation. As the Head of Tax Policy at the OECD, David Bradbury led the team that recently delivered the Interim Report on the Tax Challenges Arising from Digitalisation to G20 Finance Ministers. David presented a lecture on Tax challenges arising from digitalisation: an international perspective. (22 May 2018)



### **Katja Fels**

Katja Fels is a researcher and head of communications at RWI-Leibniz Institute for Economic Research, one of Germany's leading institutes for independent economic research and evidence-based policy advice.

She holds a Graduate Diploma in Economic Policy from ANU, and a Master's degree in Journalism and Political Science from Dortmund University and Bochum University, Germany. Katja's research focuses on evaluating the application of behavioral insights to various policy domains, among them taxation, energy conservation and education. She visited TTPI from February to March and in December 2017 to work with Associate Professor Mathias Sinning on behavioural insights applied to business taxation.

## **Australian visiting fellow awards**

In 2017-18, TTPI hosted two funded Australian Visiting Fellows under our Award scheme which enables visiting researchers to visit TTPI to carry out research on a tax or transfer topic, present a seminar on their research and to engage with policymakers and administrators in Canberra, and work on projects and activities at TTPI.



### **John Taylor**

John Taylor is a Professor in the School of Taxation and Business Law in the Business School at the University of New South Wales. John's main areas of research have been: capital gains tax; corporate taxation; international tax; taxation treaties;

and tax simplification. John has been a contributing author to all editions of Understanding Taxation Law (Lexis Nexis, between 2002 and 2017, 2018). His sole authored book, Capital Gains Tax: Business Assets and Entities was cited by the High Court of Australia in FCT v Murry (1998) 193 CLR 605. John was the Inaugural Honorary Research Fellow of the Taxation Institute of Australia and in that capacity was the principal author of Beyond 4100: A report on measures to combat rising compliance costs through reducing tax law complexity, Taxation Institute of Australia, 2006. From 2006 to 2007 John was a consultant to the Australian Treasury on specific anti-avoidance provisions in income tax. John visited TTPI in February and July of 2017.



### **Celeste Black**

Celeste Black is an Associate Professor at the University of Sydney Law School. Celeste's main areas of research are tax administration, international tax and the interaction of tax policy and law and environmental policy. She was the recipient of the

2013 Graham Hill IFA Research Prize and recently completed her PhD on the domestic and international tax implications of carbon trading transactions. During her stay, Celeste participated in the 'New Approaches to Tax and Welfare in Australia and Korea' workshop and presented a lunchtime seminar. Celeste visited TTPI in November 2017 to pursue a project analysing the legal mechanisms available for review of the decisions of the Commissioner of Taxation

## ANU fellows

TTPI benefits from a network of ANU Fellows who research on public finance, tax and transfer theory, data and policy issues across The Australian National University.

### **Mr Adriyanto Adriyanto**

ANU College of Asia and the Pacific, Arndt-Corden Department of Economics, Crawford School

### **Associate Professor Nicholas Biddle**

ANU College of Arts and Social Sciences, AUSCEN

### **Professor Alison Booth**

ANU College of Asia and the Pacific, Crawford School

### **Professor John Braithwaite**

ANU College of Asia and the Pacific, RegNet

### **Professor Valerie Braithwaite**

ANU College of Asia and the Pacific, RegNet

### **Mr Rob Bray**

ANU College of Arts and Social Sciences

### **Dr Paul Burke**

ANU College of Asia and the Pacific, Arndt-Corden Department of Economics, Crawford School

### **Professor Peter Drahos**

ANU College of Asia and the Pacific, RegNet

### **Dr Tracy B Fenwick**

ANU College of Arts and Social Sciences, Centre for Federalism

### **Professor Matthew Gray**

ANU College of Arts and Social Science

### **Professor Bob Gregory**

ANU Research School of Economics

### **Dr Mark Harrison**

ANU College of Business and Economics

### **Dr Timo Henckel**

ANU Research School of Economics

### **Professor Raghendra Jha**

ANU College of Asia and the Pacific, Arndt-Corden Department of Economics, Crawford School

### **Professor Michael Kobetsky**

ANU College of Law

### **Mr Chris Murphy**

ANU College of Asia and the Pacific, Arndt-Corden Department of Economics, Crawford School

### **Professor Peter McDonald**

ANU College of Asia and the Pacific, Crawford School

### **Ms Agnieszka Nelson**

ANU College of Arts and Social Sciences

### **Associate Professor Benjamin Phillips**

ANU College of Arts and Social Sciences

### **Associate Professor Maria Racionero**

ANU Research School of Economics

### **Associate Professor Julie Smith**

ANU College of Asia and the Pacific, RegNet

### **Professor David Stanton**

ANU College of Asia and the Pacific, Crawford School

### **Professor Peter Sutherland**

ANU College of Law

### **Mr Matthew Taylor**

ANU College of Arts and Social Sciences

### **Associate Professor Alfred Tran**

ANU College of Business and Economics

### **Dr Chung Tran**

ANU College of Business and Economics

### **Professor John Wanna**

The Australia and New Zealand School of Government

## TTPI research affiliate program

In order to further contribute to TTPI's reputation as a focal point for high quality empirical research on the Australian tax system in 2018, TTPI established a research affiliate program. The program, which explicitly targets researchers outside of the ANU, aims to bring together academics conducting policy-oriented empirical analysis on the tax system with other researchers at ANU and government policymakers. A list of our current research affiliates:

**Dr Tony Beatton**, University of Queensland

**Dr Michael Coelli**, University of Melbourne

**Dr Marc Chan**, University of Melbourne

**Dr Christian Gillitzer**, University of Sydney

**Assistant Professor Steven Hamilton**, George Washington University

**Mr Claudio Labanca**, Monash University

**Dr Cain Polidano**, University of Melbourne

**Dr Peer Skov**, Auckland University of Technology

**Dr Peter Varela**, Centre for International Economics

**Dr Ha Vu**, Deakin University

**Professor Roger Wilkins**, University of Melbourne

**Dr Haishan Yuan**, University of Queensland

**Dr Arezou Zaresani**, University of Melbourne

## PhD student

PhD students at Crawford and across ANU are researching diverse tax and transfer topics. Some have contributed substantially towards building the work and profile of TTPI as students and as research students or fellows. A significant number hold a prestigious PhD Scholarship of the federal government and ANU, the Sir Roland Wilson Foundation Scholarship.

- > **Thomas Abhayaratna** 'Essays in taxpayers responsiveness' (Crawford, primary supervisor Robert Breunig)
- > **Paul Amores**, 'The role of mental health in transmission of intergenerational disadvantage in Australia' (Crawford, primary supervisor Robert Breunig)
- > **Song Borui**, 'The distributive logic of sub-provincial transfers: Is it targeted at equalisation?' (College of Arts and Social Sciences, primary supervisor Tracy Beck Fenwick)
- > **Andrew Carter**, 'Responses to the tax system' (Crawford, primary supervisor Robert Breunig)
- > **Kevin Chadwick** 'Engaging households in the emerging energy market - lessons from behavioural science for policymakers' (Crawford, primary supervisor Nicholas Biddle)
- > **Joseph Chien** 'From data to dissemination: what can big data tell us about micro-drivers of productivity' (Crawford, primary supervisor Robert Breunig)
- > **Timothy Crotty**, 'Higher education regimes: mobility versus stratification; Universities and opportunities in a time of growing inequalities' (Crawford, primary supervisor Peter Whiteford)
- > **Nathan Deutscher**, 'Intergenerational mobility in Australia' (Crawford, primary supervisor Robert Breunig, *Sir Roland Wilson Foundation Scholar*)
- > **Jian Ding** 'An evaluation of the labor contract law in China' (Crawford, primary supervisor Ligang Song)
- > **Mark Fabian** 'A wellbeing production function' (Crawford, primary supervisor Robert Breunig)
- > **Owen Freestone**, 'Australia's social security system and its impact on individuals and the economy' (Crawford, primary supervisor Robert Breunig, *Sir Roland Wilson Foundation Scholar*)
- > **Christopher Hoy**, 'Inequality and redistribution in Indonesia and Papua New Guinea' (Crawford, primary supervisor Stephen Howes)
- > **Wendy Heatley**, 'Integrating the Australian tax-transfer system: fair, efficient, sustainable?' (Crawford, supervisors Peter Whiteford and Miranda Stewart)
- > **Shane Johnson**, 'Examining taxpayers' understanding of, and responses to, the Australian personal income tax system' (Crawford, primary supervisor Robert Breunig, *Sir Roland Wilson Foundation Scholar*)
- > **Katy Jones**, 'Indigenous primary school attendance and welfare conditionality' (CAEPR, College of Arts and Social Sciences, primary supervisor Matthew Gray, *Sir Roland Wilson Foundation Scholar*)
- > **Sora Lee** 'Governance pathway to health equity using public value analysis' (College of Asia and the Pacific, primary supervisor Sharon Friel)
- > **Estelle Li**, 'The impact of foreign ownership and foreign operations on corporate tax strategies in the Australian dividend imputation system' (College of Business and Economics, primary supervisor Alfred Tran)
- > **Tess McGirr**, 'Social services, tax, transfers and employment' (Crawford, primary supervisor Peter Whiteford, *Sir Roland Wilson Foundation Scholar*)
- > **Nurina Merdikawati** 'Essays on the minimum wage policy in Indonesia' (Crawford, primary supervisor Sarah Dong)
- > **Emily Millane**, 'The Politics of Superannuation Policy' (Crawford, primary supervisor Miranda Stewart)
- > **Daniel Nethery**, 'Migrants and the welfare state' (Crawford, primary supervisor Peter Whiteford)
- > **Arnaldo Purdo**, 'Base erosion and profit shifting in Indonesia' (College of Business and Economics, primary supervisor Alfred Tran)
- > **Sam Reinhardt** 'Intersection between macro-prudential policy and tax policy' (Crawford, primary supervisor Robert Breunig)
- > **Matthew Taylor** 'The impact of parental leave pay on parental leave and labour supply and its equity implications' (Crawford, primary supervisor Robert Breunig)
- > **Nguyen Thuong**, 'Assessing the dynamism of the informal sector in Viet Nam: a pillar of development?' (Crawford, primary supervisor Peter Whiteford)
- > **Leana Ugrinovska-Ugrica**, 'Profit contingent loans for R & D financing' (Crawford, primary supervisor Bruce Chapman)
- > **Sebastian Wende**, 'Dynamic comparative tax analysis' (Research School of Economics, primary supervisor Chung Tran)
- > **Chris Wokker** 'Essays in applied microeconomics' (Crawford, primary supervisor Robert Breunig)
- > **Eunsup Yang**, 'Essays in the economics of education: Empirical applications to South Korea' (Crawford, primary supervisor Bruce Chapman)
- > **Christine Yao**, 'Tax base erosion of multinational enterprises in Australia' (College of Business and Economics, primary supervisor Alfred Tran)

# RESEARCH

TTPI focuses on the empirical and theoretical analysis and evaluation of tax and transfer policies. We aim to build a strong empirical base in public finance, tax and transfer (welfare) fields and to conduct policy-relevant research in the field. While tax and transfer issues are constantly debated in public discourse, our research program aims to have a balance of projects with short-term and long-term time horizons and both academic and policy-oriented outputs.

Research is published in our working paper series and in leading refereed journals in Australia and internationally. We also publish research in the form of in-depth reports. Finally, we continue to publish short articles on our blog, [Austaxpolicy.com](http://Austaxpolicy.com), and in other media out-lets, such as *The Conversation* and in op-eds.

We have built targeted capacity by obtaining research and external funding on high priority projects that brought new research to bear on public policy, especially on topics of: fiscal sustainability; tax system behavior; design of tax-transfer system interaction and the future of savings and capital taxation. We held signature events on key topics such as budget transparency, the future of corporation tax and tax challenges arising from digitalisation. TTPI researchers provided academic leadership in a range of forums in Australia and internationally. Robert Breunig is a member of the panel of expert advisors of the Parliamentary Budget Office and provides advice to the Australian Bureau of Statistics through several advisory roles.

## External grants

TTPI works actively to apply for external research funding. We are currently working on three externally funded research projects.

### **Applying behavioural insights to the tax system in Australia (2017-2018)**

Australian Research Council Linkage Project (\$217,000; ATO, \$128,263). This two-year Linkage Project is led by Chief Investigator Miranda Stewart, with Nicholas Biddle, Robert Breunig and Mathias Sinning, with partners at the ATO. The project commenced in 2017 and we welcomed Dr Christian Gillitzer, Dr Xue Dong and Emily Millane as researchers on the project.

### **Are tax base erosion and profit shifting counter measures effective? (2017-2019)**

Australian Research Council Discovery Project (\$391,500). This three year Discovery project led by Chief Investigator Alfred Tran, with Miranda Stewart, commenced in 2017. It aims to develop indicators to evaluate the effectiveness of measures to combat tax avoidance by multinational enterprises. We welcomed Ms Christine Yao as a PhD student on this project.

### **New approaches to tax and welfare in Australia and Korea (2017-2018)**

Australia-Korea Foundation, Department of Foreign Affairs and Trade (\$40,000). This project is a collaboration between TTPI and partners at the University of Seoul and the Korea Institute of Public Finance. It aims to build a network of researchers on tax, public finance and welfare issues in Australia and Korea and to share knowledge and new research approaches on shared challenges including designing resilient tax systems for a digital global economy; social policy for intergenerational equity including retirement and higher education; and tax and welfare design for gender equality and work participation.

## Research programs

TTPI has four research streams, each encompassing a number of projects:

- > Taxation of capital and business
- > Tax, transfers, fairness and lifetime wellbeing
- > Tax system behaviour, compliance and administration
- > Budgets and fiscal federalism

Cross-cutting themes in all TTPI research projects are:

- > Adequacy
- > Resilience
- > Simplicity
- > Fairness
- > Prosperity
- > Consistency

## Tax and transfers, fairness and inequality

### **Economic inequality**

Two projects are underway on inequality including the role of taxes and transfers. Mathias Sinning is the Chief Investigator of an ARC Discovery Project (DP150104247) on dynamic aspects of economic inequality. The project examines changes in labour and housing market conditions and ascertains the factors that are responsible for the rise in income and wealth inequality in Australia and internationally, with implications for design of tax and welfare systems.

Peter Whiteford is engaged in research into the cost of the welfare state, inequality, taxes and transfers, including ongoing research on inequality and inclusive growth with the Institute for New Economic Thinking at the University of Oxford (2016-19) and research on social protection and the future of work with the OECD.



## Gender inequality in the tax and transfer system

A major project on gender inequality, tax and social welfare was completed in 2017-18, with the publication of the book, edited by Miranda Stewart, *Tax, Social Policy and Gender* (2017, ANU Press), launched in November 2017. The book includes empirical and theoretical contributions from economics, law, accounting, social policy and political science disciplines, including scholars from around Australia and internationally. Further aspects of the research were developed by Miranda Stewart and Peter Whiteford, contributing to a project on hybrid public policy (led by Mark Fabian and Robert Breunig). The academic research was widely promulgated through policy workshops, executive education and public presentations and analysis in short blog articles.

## A basic income for Australia?

David Ingles, Ben Phillips and Miranda Stewart collaborated to investigate, design and model varieties of basic income in the Australian context. The research investigated, and updated, the proposal by the Henderson Poverty Inquiry (1975) to introduce a Guaranteed Minimum Income for Australia. Four options were designed and modelled, shifting from Australia's tightly targeted social security system to a fully universal basic income for all adults and children in Australia, financed by a tax on wages and wealth. The fiscal cost and distributional effects were examined and will be published in a book chapter (Melbourne University Press) and substantial working paper.

## Tax and transfer system behaviour, compliance and administration

TTPI researchers have commenced a series of projects that aim to use new data and methods to deepen our empirical understanding of the tax and transfer system, and to develop and test new approaches to modelling and evaluating tax system behaviour. Many of these projects have been developed in collaboration with government agencies and other researchers.

## Estimating behavioural effects from changes to the GST on goods purchases

This project by Mathias Sinning and Syed Hasan has applied detailed information about supermarket purchases to estimate price elasticities of demand for a range of food categories. An instrumental variable strategy is employed to address endogeneity issues. The estimates obtained from the analysis are used to study the implications of (i) a hypothetical increase in the Goods and Services Tax (GST) from 10 to 15 per cent and (ii) a broadening of the tax base to selected food categories. The results may be used to examine the behavioural responses and welfare effects of changes to the GST and other consumption taxes. The project uses ACNielsen Homescan data obtained by TTPI with CSRM at the ANU and stored in the ANU data archive as a resource for other researchers. The research has been published in the *Economic Record* in 2018.

## Longitudinal individuals file, Australian Taxation Office

Professor Robert Breunig continued to provide advice to the ATO on its project to create a longitudinal data file of tax and superannuation. Professor Breunig is a member of the Technical Advisory Group advising on the design of the Australian Longitudinal Individuals File, which will be released in the second half of 2018. The file is designed to meet increased academic demand for tax and superannuation data to carry out research while safeguarding privacy and security.

This project builds on the ATO's history of making data available for researchers, including releasing an annual sample of individual income tax files for almost a decade and publishing aggregate annual tax statistics tables for around 100 years. Approved researchers will be able to access the file remotely via the Secure Unified Research Environment system, which is operated by the not-for-profit Sax Institute. Researchers will be given a virtual workspace with various software tools, allowing them to run queries against the data. The data is encrypted end to end and stored on dedicated servers hosted in a high security data centre with 24-hour security surveillance.

## PolicyMod: Microsimulation model, Centre for Social Research and Methods

PolicyMod is a model of the Australian tax and transfer system and can model household and individual impacts of existing and alternative policies for previous years, current year and over the forward estimates. The model is also capable of projecting the impacts out to 2055. PolicyMod was developed and is operated by the Centre for Social Research and Methods including lead researchers Ben Phillips, Matthew Taylor and Cukkoo Joseph.

PolicyMod capabilities include:

- > distributional analysis
- > hypothetical (cameo) analysis
- > effective marginal tax rates
- > regional modelling

The distributional model considers the entire Australian population and is capable of estimating the policy impacts for a vast array of variables such as: family type, income deciles, housing tenure and social security payment type. The cameo model provides policy impacts for selected family types across a range of private incomes.

The model is primarily based on the ABS Survey of Income and Housing and uses a range of data from ABS and other government departments to improve the accuracy and

timeliness of the model. The model governance includes an advisory panel with representatives from both academia and government.

PolicyMod was used by Ben Phillips, with David Ingles and Miranda Stewart, to model varieties of basic income, financed by wage and wealth taxation, for the Henderson anniversary conference, Social Security Reform: Henderson Revisited, Melbourne Institute, University of Melbourne in February 2018. The research included novel changes to the benchmark disposable income and tax settings in PolicyMod.

### **General equilibrium modelling of company tax options**

TTPI researchers David Ingles and Miranda Stewart worked with Visiting Fellow Chris Murphy to model a range of company tax rate and base reform options. Chris Murphy has further developed his CGE model of the tax system in the Australian economy during his time at the Crawford School, with a particular focus on the efficiency of company tax, federal-state tax reform, financial services and goods and services tax.

### **Elasticity of taxable income**

Researchers at TTPI led by Robert Breunig and PhD candidate Shane Johnson are conducting a project using administrative taxpayer panel record data to estimate behavioural response elasticities of taxpayers to differential marginal tax rates, thresholds and notches in the tax system such as the personal income tax rate structure and Higher Education Contribution levy phase-in. The project provides valuable evidence of taxpayer responses through labour supply and tax planning to elements of the income tax.

### **Evaluating the mature age worker tax offset (MAWTO)**

Researchers at TTPI led by Robert Breunig and PhD student Andrew Carter are conducting a project using administrative taxpayer panel record data to estimate the behavioural response to the Mature Age Worker Tax Offset. The MAWTO was an earned income tax credit that applied to workers over age 55 from 2004 to 2014. The project provides valuable evidence of taxpayer responses through labour supply and tax planning to elements of the income tax.

### **Payment thinking: Applying behavioural insights in the tax system using randomised controlled trials**

Mathias Sinning, Miranda Stewart, Robert Breunig, Nick Biddle, Christian Gillitzer, Sarah Dong, and Emily Millane carried out an empirical research project with the ATO on payment thinking and debt in the tax system. The research involves the ground-breaking and globally important randomised controlled trials to test and evaluate administration and compliance approaches. The research is particularly focused on whether behavioural insights and nudges can be used for business taxpayers, as well as individuals.

With funding from ARC Linkage Project LP160100810, the team directly works with tax administrators to explore and evaluate ways to improve compliance and payment in the tax system. The project involves innovative field research

applying randomised controlled trials and quasi-experimental approaches to assessment, payment and debt systems. Mathias Sinning has also applied in these trials a new method to estimate the proportion of members of a treatment group who benefit from a given intervention, improving randomisation and field experiment approaches. The approach accounts for heterogeneity in treatment responses.

The trials apply behavioural insights such as the provision of information during phone conversations and the timing of reminder letters to the real-world tax payment system. Several trials were conducted in 2017-18. The project has led to a publication in the Journal of Behavioral and Experimental Finance in 2018 and to a working paper on the effects of the timing of reminder letters on the tax payment behavior of businesses (TTPI Working Paper No. 13/2018). The trials were designed to preserve realism in all relevant domains and they demonstrate, in a nutshell, that businesses may not be responsive to all 'nudges', but that they are responsive to help on payment plans and to the removal of barriers to compliance.

A separate aspect of the project has been an analysis of the legal regime around tax debt collection, and consideration of reform options. Miranda Stewart and Emily Millane presented this work at the International Conference on Tax Administration (University of New South Wales) in April 2018 and have a journal article accepted for publication.

The research team liaises closely with the Behavioural Economics Team in the Australian Government. It is also advised by Professor Valerie Braithwaite and further develops the ground-breaking work of the Centre for Tax System Integrity that she led at ANU over the last decade.

## **Taxation of capital in a global era**

### **Future of the company tax and multinational tax avoidance**

This project explores the theory and different tax policy approaches to corporate tax in Australia and in a broader theoretical context from first principles, applied in the current context. It became highly relevant in the context of contested political and public debates (and estimated fiscal cost) of lowering Australia's company tax rate from 30 per cent to 25 per cent.

In 2013, the Group of 20 nations endorsed an OECD project to address multinational corporate tax planning, called base erosion and profit shifting (BEPS) and produced recommendations for governments in 2015. This project examined various aspects of the OECD-BEPS project, for Australia and internationally. Aspects include the new anti-abuse rules and the increasing focus on economic substance in tax laws for corporations; examining the effectiveness of Australia's transfer pricing laws and administration for multinational profit shifting; and seeking to understand and quantify the tax payable (or not) of multinational enterprises and whether any BEPS policies enacted by the Government will be effective to change multinational behaviour.

Miranda Stewart, David Ingles and Chris Murphy continued a major project researching aspects of capital taxation and the corporate tax from a theoretical and pragmatic perspective.

Corporate tax rate reduction from 30 per cent to 25 per cent has been on the political agenda in Australia for the last three years but is still highly contested. Miranda and David worked with Chris Murphy to design and model the economic and fiscal effects of various corporate tax rate and base reforms for Australia, publishing five TTPI working papers including analysis pre- and post-Trump tax reforms that took effect on 31 December 2017, with worldwide implications.

### **Transnational tax law**

This project explores the development and future of transnational tax law in an era of increasing international tax co-operation and administration. Yet at the same time governments are experiencing more than ever the reality of tax competition in a global era. How is transnational tax law authorised, enacted and its legitimacy established? Miranda Stewart presented a research paper at the National University of Singapore, Hong Kong University, New York University School of Law Public Finance Colloquium and Florida University Tax Colloquium.

## **Budgets, state taxes and federalism**

The fourth major research program of TTPI is about the overall fiscal system, including budget laws and institutions, public financial management, fiscal federalism and State taxes. While fiscal federalism is again on the policy backburner, it remains important for Australia's future. Miranda Stewart wrote about a new fiscal bargain to reflect federal stewardship of our most important taxes, *Two ideas for the fiscal federation in A People's Federation* (2017) edited by researchers at Griffith University. Chris Murphy published a new paper modelling optimal horizontal fiscal equalisation (TTPI Working Paper No. 9/2018).

### **Land taxation**

This project by David Ingles explores theory and policy for land taxation, an important issue for Australian state tax reform. There is increased interest in land taxation in Australia and indeed in other countries, as reflected for example in the Henry report on tax reform in 2010 and the UK Mirrlees Report in 2011. A working paper was published that revisits the work of the 18th century reformer Henry George, and considers the theoretical and political challenges of George's 'single tax' and how this informs more realistic proposals for land tax reform.

### **Index of budget transparency: Australia**

Miranda Stewart, Shuchita Pota and Teck Chi Wong engaged with the International Budget Partnership, Washington DC, United States to conduct the first ever Open Budget Survey study on Australia. Initiated in 2006, the Open Budget Survey is the only independent global survey on budget transparency and the sixth wave is the first time Australia participated in the Survey. The global report for the 2017 Open Budget Survey was released in January 2018 and it includes a country report of Australia. The research to inform the Survey was undertaken by Shuchita Pota and subject to rigorous independent review by anonymous reviewers from academia and from the Department of Finance, Australia.

Following the release of the global report, the Australian launch was held at the Crawford School of Public Policy, ANU, on 20 March 2018. Jenny Wilkinson was the keynote speaker and she presented on the role of the Parliamentary Budget Office in improving fiscal transparency in Australia. The Open Budget Survey findings on Australia were reported in media outlets including SBS and 9News. Three articles have been produced by Miranda Stewart and Teck Chi Wong in *The Conversation* and *Austaxpolicy.com*, discussing how Australia could improve its budget transparency. A policy brief which provides a detailed explanation of the Open Budget Survey findings with a specific focus on Asia Pacific and Australia was released in 2018.

### **Australian States' tax elasticities**

Ralf Steinhauser and Mathias Sinning engaged with the Commonwealth Grants Commission to empirically determine tax elasticities for relevant state taxes (payroll tax, land tax, stamp duty, insurance and motor taxes). Results of the investigation will be included in the Commonwealth Grants Commission 2019 Update Report and will be considered for the review of the methods used to calculate the relativities for distributing the pool of Goods and Services Tax (GST) among the States and Territories, to apply from 2020-24 and onward.

# EVENTS

TTPI holds several major events including a substantial conference that brings together leading members of academia in Australia and globally, with representatives of government, business, the professions and the community sector to consider major tax and transfer issues. In addition, TTPI hosts a popular research seminar series and collaborates with the Social Policy Institute and other partners, to present research and policy workshops.

## Signature events

TTPI's signature events covered a broad range of topics in 2017-18, from company tax, to gender responsive budgeting and breastfeeding policies, to tax and welfare in Australia and Korea. TTPI's events brought together academic experts, policymakers and administrators, and representatives of the business and community sectors.

### What shall we do with company tax?

On 24-25 July 2017, TTPI held an interdisciplinary academic and policy conference on the future of company tax. The keynote speaker was Professor Michael Devereux, Director of the Centre for Business Taxation at Oxford University and one of the architects of the Destination Cash Flow Corporate Tax that has been prominent in United States debates.

Other speakers included:

- > John Taylor, UNSW
- > Brett Freudenberg, Griffith University
- > Graeme Cooper, Sydney University
- > Yariv Brauner, University of Florida
- > Dhammika Dharmapala, University of Chicago
- > John Freebairn, Melbourne University
- > John McLaren, Charles Darwin University
- > Na Li, East China Political Science and Law, Shanghai
- > Ranjana Gupta, Auckland University of Technology

### Gender responsive budgeting and breastfeeding policies: insights from the Asia-Pacific region

On 11-13 September 2017 the first Asia-Pacific regional workshop on Gender Responsive Budgeting for Breastfeeding was hosted by TTPI and the School of Regulation and Global Governance at the ANU. This event comprised a public lecture and a two-day workshop. The lecture was a unique opportunity to highlight the progress on breastfeeding policies and funding across the region. It explored how these experiences can be enhanced by efforts to improve gender equality and women's economic security through fiscal and economic policy.



*Michael Devereux, keynote address, 24-25 July 2017*



*What shall we do with company tax? 24-25 July 2017*

The workshop explored strategies and approaches to reduce gender inequality and improve health and economic outcomes for children, women and men.

Presentations included:

- > An introduction to gender impact analysis, Miranda Stewart, Tax and Transfer Policy Institute, Australian National University
- > Budgeting for time, Rhonda Sharp, University of South Australia
- > Economic aspects in national breastfeeding strategies, Julie Smith, Menzies Centre for Health Policy, Australian National University
- > Global and breastfeeding policies and its funding: challenges and opportunities from an Indian perspective, Shoba Suri, IBFAN Asia, India
- > Budgets and breastfeeding in the Philippines and in emergency contexts, Alessandro Iellamo, infant and young child feeding specialist, The Philippines
- > Linking policy with budgets: Korean experience in consumer advocacy for breastfeeding, Kim Jai-Ok President, E. Consumer, Korea

The event was supported by the College of the Asia and the Pacific, the Gender Institute and the Australian Research Council. The workshop also hosted a book launch for Monica Costa's book, *Gender Responsive Budgeting in Fragile States*.

### **New approaches to tax and welfare in Australia and Korea** *Public lecture*

On 9 November 2017, TTPI hosted a panel presentation and discussion about new challenges and opportunities for economic and fiscal policy in Australia and the Republic of Korea, with a focus on the Australia-Korea economic relationship and a comparative perspective from Japan. Presenters spoke about the fundamental issues of economic growth, trade and investment, inequality and social welfare, and fiscal policy challenges in the future. Speakers included:

- > Professor Peter Drysdale, Crawford School of Public Policy, ANU, The South Korean Economy: an Australian Perspective
- > Professor Peter Whiteford, ANU, brief remarks on inequality trends, Assessing inequality in OECD countries: trends and prospects
- > Dr An Jongseok, Korean Institute of Public Finance, Challenges and trends in fiscal sustainability and tax in South Korea
- > Dr Shiro Armstrong, Crawford School, ANU, A comparison: Japan's fiscal policy.

### *Workshop*

TTPI and the University of Seoul's Department of Tax Law and Public Finance partnered to host a workshop on 9-10 November 2017 in Canberra, to present, discuss and engage on new approaches to tax and welfare policy, and to address shared public finance challenges in Australia and Korea. The workshop was funded by the Australia-Korea Foundation with partners: The Australian National University, TTPI and Korea Institute; University of Seoul, Department of Tax and Public Finance; Korea Institute of Public Finance.

This was the first of two workshops and public seminars held in 2017 (Canberra) and 2018 (Seoul).



*Australia and Korea workshop, 9-10 November 2017*

### Public Lecture: the finance portfolio

On 16 November 2017, Shadow Finance Minister Jim Chalmers MP delivered a public lecture on the finance portfolio. This address, among other things, proposed a new, more sophisticated approach to co-investment as a guiding principle. It provided some fresh thinking about value for money, budgeting and investing over longer timeframes, refocusing the role of the public sector, embedding broader economic objectives in our fiscal rules and plans.

### Book Launch: *Tax, Social Policy and Gender: Rethinking Equality and Efficiency*

On 16 November 2017, Ms Trish Bergin, Director of the Office for Women, Department of Prime Minister and Cabinet, launched the book *Tax, Social Policy and Gender: Rethinking Equality and Efficiency* (ANU Press), edited by, Miranda Stewart. The book presents new research on entrenched gender inequality in a comparative framework of human rights and fiscal sustainability. *Tax, Social Policy and Gender* calls for a rethinking of equality and efficiency in tax and social policy and provides new policy solutions. It offers a pathway to achieve gender mainstreaming for women's economic security and the wellbeing of Australians.



Book Launch: *Tax, Social Policy and Gender*, 16 November 2017

### Open Budget Survey Australia 2017

On 20 March 2018, Australia's Parliamentary Budget Officer, Jenny Wilkinson delivered a keynote address about budget transparency and the role of the Parliamentary Budget Office (PBO) in Australia. Her address was followed by the launch of the Australian Open Budget Survey 2017 by Miranda Stewart. The Open Budget Survey 2017 assesses and compares the budget transparency, participation and oversight of countries around the world. 2017 was the first time Australia was included in the Survey and ranked in the Open Budget Index, which ranks countries using their transparency score. The Australian Survey for the Open Budget Index was prepared by Shuchita Pota at the Tax and Transfer Policy Institute, Crawford School of Public Policy, with the IBP.

### Post budget analysis: What does the 2018-19 budget mean for Australia next year and for our longer-term trajectory?

The 2018 post-budget analysis was held on 15 May 2018. The panel brought together experts with backgrounds in the media, politics, the public sector and academia to discuss what the budget does (and doesn't) contribute to Australia's immediate future and our own arc of history. The event was sponsored by the Sir Roland Wilson Foundation. Speakers included:

- > Jane Halton AO PSM, Former Secretary, Departments of Finance and Health; council member, Australian Strategic Policy Institute; and ANZ Board member.
- > Professor John Hewson AM, Former leader of the Opposition & Chair, Tax and Transfer Policy Institute, Crawford School of Public Policy, The Australian National University.
- > Professor Helen Sullivan, Director, Crawford School of Public Policy, The Australian National University; Fellow of the Higher Education Academy (UK and the Institute of Public Administration Australia).
- > Phil Coorey, Chief Political Correspondent, The Australian Financial Review.
- > Steve Sedgwick AO, Deputy Chair of the Sir Roland Wilson Foundation; former Secretary, Departments of Finance and Employment and Education; former Director, Asian Development Bank; and former Director, Melbourne Institute of Applied Economics and Social Research, University of Melbourne.

## TTPI research seminar series

TTPI hosted ten public research lunchtime seminars in the 2017-18 year. The seminars were well attended, with a mix of personnel from the Treasury, ATO, Department of Social Services, Parliamentary Budget Office, Parliamentary Library, ministerial staff, academics, members of civil society groups and students.

The research seminars TTPI held were:

**Justin Ross**, Indiana University, 'Sales tax holiday: evidence on incidence', 6 July 2017

**John Taylor**, UNSW, 'Kangaroos, bunnies and hypocrisy; Australians international tax policy after the OECD's BEPS', 20 July 2017

**Ben Phillips**, The Australian National University, 'Trends in effective marginal tax rates in Australia 2000 – 2020?', 8 August 2017

**Michael Littlewood**, The University of Auckland, 'Using New Zealand trusts to escape other countries' taxes', 12 September 2017

**Peter Whiteford**, The Australian National University, 'Left behind? inequality and inclusive growth – assessing the Australian experience', 17 October 2017

**Celeste Black**, The University of Sydney, 'Holding the Tax Commissioner to account', 14 November 2017

**Rebecca McKibbin**, Yale University, 'The value of randomized trials for efficacy in oncology: lessons from off-label prescribing', 2 February 2018

**Stefanie Schurer**, The University of Sydney, 'The effect of quarantining welfare on school attendance in indigenous communities', 27 February 2018

**Robert Mann**, The University of Oregon, 'I robot: U tax', 20 March 2018

**Todd Morris**, The University of Melbourne, 'Unequal burden of retirement reform: evidence from Australia', 17 April 2018

**Chis Hoy**, The Australian National University, 'Would Australians be more supportive of redistribution if they knew what level of inequality existed?', 22 May 2018

**Robert Breunig**, The Australian National University, 'Taxpayer responsiveness to marginal tax rates', 12 June 2018

## Tax and Social Policy workshops

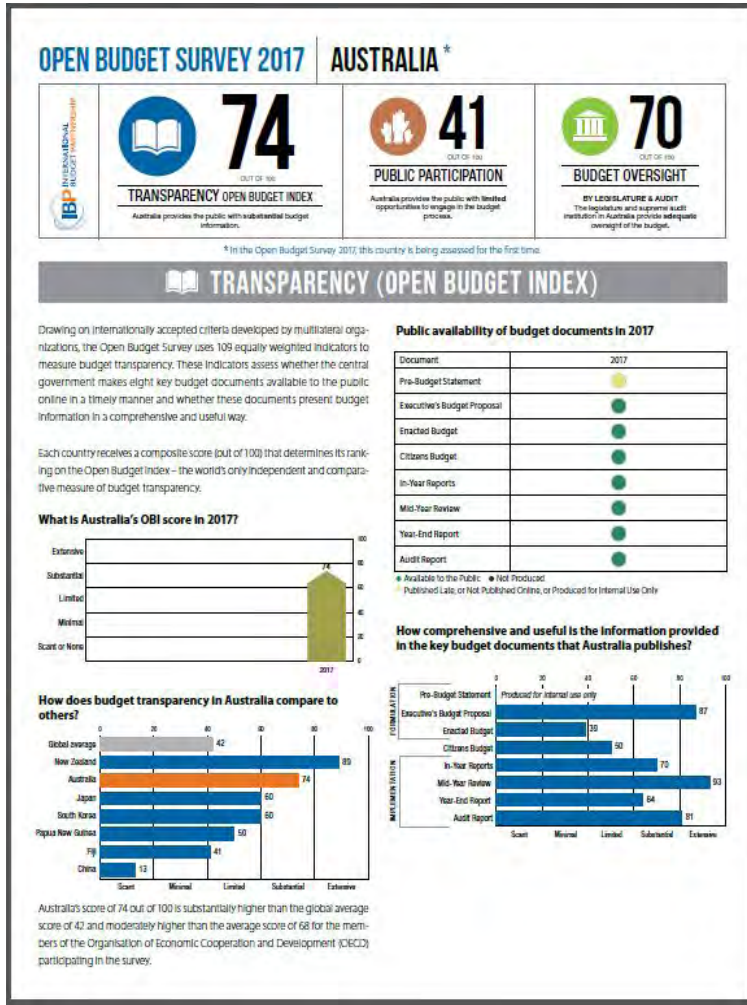
In partnership with Jobs Australia, TTPI and the Social Policy Institute at the Crawford School ran a series of workshops exploring major social policy concerns. The workshops brought together academics, researchers, senior public servants and representatives from the policy community. The workshops are by-invitation only and aim to facilitate frank discussion and debate about challenging tax, transfer and social policy issues, in particular where issues cross policy fields.

### The pursuit of gender equality: an uphill battle

On 17 November 2017 TTPI hosted Willem Adema, Senior Economist, Social Policy Division, OECD Directorate for Employment, Labour and Social Affairs. Willem presented an introduction to the OECD's recent report, "The pursuit of gender equality: an uphill battle." Gender inequalities persist in all areas of social and economic life and across countries. Young women in the OECD countries generally have higher levels of educational attainment than young men, but women are less likely than men to engage in paid work. Gaps widen with age, as motherhood typically has marked negative effects on gender pay gaps and career advancement. Women are also less likely to be entrepreneurs, and are under-represented in private and public leadership positions. The workshop discussed where Australia seems well placed in the pursuit of gender equality and where it lags, with particular reference to identifying policies to improve gender equality.

### Paid parental leave: what can the United States and Australia learn from each other?

On 16 May 2018 TTPI hosted Deborah Widiss, Professor of Law at the Indiana University, Maurer School of Law. Deborah presented on comparative paid parental leave policies in the United States and Australia. The workshop presented data on usage patterns in the two countries and preliminary findings from semi-structured interviews Deborah conducted with stakeholders involved in implementation of the Australian work/family policies. Her research suggests that the structure employed in the U.S. may be more effective than the Australian structure at disrupting the traditional gendered division of family labour. However, it is less supportive of low-wage and single mothers, who may have the greatest need for paid leave benefits.



Open Budget Survey summary, January 2018



Post budget analysis, 2018-2019, National Library of Australia, 15 May 2018



# PUBLICATIONS

TTPI researchers, fellows and visitors publish and present our research in a wide range of ranked academic, policy and public forums.

The TTPI working paper series is the only specialist tax and transfer working paper series in Australia and the region. The aim of the series is to promote excellent tax and transfer research work in progress from all disciplines relevant to taxes and transfers. Submissions are lightly peer reviewed. Working papers are open access and are listed on the Social Science Research Network (SSRN) Series. Working papers may be published jointly with other working paper series or institutes.

TTPI has established an occasional policy brief series providing explanations and analyses of key tax and transfer issues. The aim is to inform and explain issues for policy and public debate.

## TTPI working papers

**WP3/2017**, Ingles, D 'What future for the corporation tax?' (July 2017)

**WP4/2017**, Varela, P 'A gender deduction gap' (July 2017)

**WP5/2017**, Varela, P 'An inequality deflator for Australia' (September 2017)

**WP6/2017**, Varela, P 'Relative welfare weights for individuals, consumers and producers' (September 2017)

**WP7/2017**, Tran, C & Wende, S 'On the marginal excess burden of taxation in an overlapping generations model' (September 2017)

**WP8/2017**, Murphy, C 'Modelling Australian corporate tax reforms' (October 2018)

**WP9/2017**, Ingles, D & Stewart, M 'Australia's company tax: options for fiscally sustainable reform' (November 2017)

**WP1/2018**, Hoy, C & Mager, F 'Can information about inequality and social mobility change preferences for redistribution? evidence from randomized controlled trials in 11 high and middle-income countries' (January 2018)

**WP2/2018**, Murphy, C 'Modelling Australian corporate tax reforms: updated for the recent US corporate tax changes' (February 2018)

**WP3/2018**, Ingles, D & Stewart, M 'Australia's company tax: options for fiscally sustainable reform, updated post Trump' (February 2018)

**WP4/2018**, Stewart, M 'Redistribution between rich and poor countries' (February 2018)

**WP5/2018**, Agarwal, S & Chakraborty, L 'Who bears the corporate tax incidence? Empirical evidence from India' (April 2018)

**WP6/2018**, Leech, C 'Detect and deter or catch and release: are financial penalties an effective way to penalise deliberate tax evaders?' (April 2018)

**WP7/2018**, Nolan, P 'Effective marginal tax rates: The New Zealand case' (May 2018)

**WP8/2018**, Regan, S & Stanton, D 'Social policy inquiries in Australia: The Henderson Poverty inquiry in context' (May 2018)

**WP9/2018**, Murphy, C 'Australia's high company tax rate and dividend imputation: a poor recipe for a small open economy?' (May 2018)

**WP10/2018**, Deutscher, N 'Place, jobs, peers and the teenage years: exposure effects and intergenerational mobility' (June 2018)

**WP11/2018**, Murphy, C 'Optimal fiscal equalisation and its application to Australia: updated' (June 2018)

**WP12/2018**, Tran, C, Jung, J 'Optimal progressive income taxation in a Bewley-Grossman framework' (June 2018)

**WP13/2018**, Gillitzer, C & Sinning, M 'Nudging businesses to pay their taxes: does timing matter?' (June 2018)

**WP14/2018**, Hamilton, S 'Optimal deductibility: theory, and evidence from a bunching decomposition' (June 2018)

## TTPI policy briefs

**PB1/2017**, Whiteford, P 'Social security and welfare spending in Australia: assessing long-term trends' (July 2017)

## Academic publications

Bakhtiari, S, and **Breunig, R** (2017) 'New outsourcing, demand uncertainty and labor usage', *Review of Industrial Organization*, Volume 50, Issue 1, pp. 69-90

Best, R, and **Burke, P.J** (2018) 'Adoption of solar and wind energy: The roles of carbon pricing and aggregate policy support', *Energy Policy*, Volume 118, pp.404-417

Biddle, N, Fels, K, and **Sinning, M** (2018) 'Behavioral insights on business taxation: Evidence from two natural field experiments', *Journal of Behavioral and Experimental Finance*, Volume 18, pp.30-49

Blakelock, S and **Stewart, M** (2018) 'Australia's evolving general anti-avoidance law' in Tron, M (ed) *The structure of anti-avoidance rules*, Vol 100a Cahiers de droit fiscal international, 70th International Fiscal Association Congress, Sdu Fiscale & Financieel Uitgevers: The Netherlands

**Braithwaite, J** (2017) 'Responsive Excellence' in C. Coglianese (ed) *Achieving regulatory excellence*. Washington: Brookings Institution

**Braithwaite, J** (2017) 'Types of responsiveness'. in P. Drahozal (ed) *Regulatory Theory: Foundations and Applications*. Canberra: ANU Press

- Breunig, R**, Deutscher, N, and To, H.T (2017) 'The relationship between immigration to Australia and the labour market outcomes of Australian-born workers', *Economic Record*, Volume 93, Number 301, pp. 255-276. First published online 10 March 2017, DOI:10.1111/1475-4932.12328
- Breunig, R**, and Bakhtiari, S (2018) 'The role of spillovers in research and development expenditure in Australian industries', *Economics of Innovation and New Technology*, Volume 27, Number 1, pp. 14-38. First published online 21 February 2017, DOI: 10.1080/10438599.2017.1290898
- Burke, P.J**, and Teame, A (2018) 'Fuel prices and road deaths in Australia', *Economic Papers*, Volume 37, no. 2, pp.146–161
- Burke, P.J**, and Kurniawati, S (2018) 'Electricity subsidy reform in Indonesia: demand-side effects on electricity use', *Energy Policy*, Volume 116, pp.410–421
- Burke, P.J**, Batsuuri, T, and Yudhistira, M.H (2017) 'Easing the traffic: The effects of Indonesia's fuel subsidy reforms on toll road travel', *Transportation Research Part A: Policy and Practice*, Volume 105, pp.167–180
- Cooper, G, Dirkis, M, **Stewart, M**, Vann, R (2017) *Income taxation: Commentary and materials*, (8th ed Thomson Reuters)
- Deutscher, N, and **Breunig, R** (2018) 'Baby bonuses: natural experiments in cash transfers, birth timing and child outcomes', *Economic Record*, Volume 94, Issue 304, pp. 1-24
- Emery, J and **Stewart, M** (2017) 'The taxing challenge of digital currency', *Journal of Banking & Finance Law and Policy*, Volume 28, pp.236-269
- Fabian, M, and **Breunig, R** (2018) 'Long work-hours and job satisfaction: do over-workers get trapped in bad jobs?', *Social Science Quarterly*, forthcoming
- Fabian, M, and **Breunig, R** (2018) *Hybrid public policy innovations: Contemporary policy beyond ideology*. New York, NY: Routledge
- Godber, P and **Stewart, M** (2017) 'Speed dating in the new tax era: the BEPS Convention kicks off', *The Tax Specialist*, 16-27
- Gong, X, and **Breunig, R** (2017) 'Child care assistance: are subsidies or tax credits better?', *Fiscal Studies*, Volume 38, Number 1, pp. 7-48. First published online 23 February 2017, DOI: DOI: 10.1111/1475-5890.12085
- Hasan, S, and **Sinning, M** (2018) 'GST reform in Australia: Implications of estimating price elasticities of demand for food', *The Economic Record*, forthcoming
- Ingles, D and **Stewart, M** (2018) 'Australia's company tax: options for fiscally sustainable reform', *Australian Tax Forum*, Volume 33, Issue 1, pp.101-139
- Ingles, D and **Stewart, M** (2017) 'Reforming Australia's superannuation tax system and the age pension to improve work and savings incentives,' *Asia & the Pacific Policy Studies*, doi: 10.1002/app5.184
- Mumtaz, Z, and **Whiteford, P** (2017) 'Social safety nets in the development of a welfare system in Pakistan: an analysis of the Benazir Income Support Programme', *Asia Pacific Journal of Public Administration*, Volume 39, Number 1, 16-38, DOI:10.1080/23276665.2017.1290902
- Murphy, C.W** (2018), 'Modelling Australian corporate tax reforms', *Australian Tax Forum*, vol. 33, No. 1, 5-49
- Murphy, C.W** (2017) 'GST and how to tax Australian banking', *Australian GST Journal*, Volume 17, pp.84-105
- Stanton, D** (2018) 'Director 1999-2003' in Saccotelli L and Muldoon A, 'The evolution of family research at AIFS', *Family Matters*, Number 100, pp. 45-46
- Stanton, D** (2017) 'The economic consequences of divorce in six OECD countries', *Australian Journal of Social Issues*, Volume 52, Number 2, June, pp.180-199. (co-authors D. de Vaus, M.Gray and L.Qu)
- Stanton, D** (2017) 'A history of social security in Australia', *The Record*, Brotherhood of St Laurence, Autumn, pp. 28-30 (co-author A Herscovitch)
- Stewart, M** (ed) (2017) *Tax, social policy and gender: Rethinking equality and efficiency*. ANU Press: Canberra
- Stewart, M** (2017) 'The doctrine of sham and tax avoidance' in Hashimzade N and Epifantseva Y (eds) *The Routledge Companion to Tax Avoidance Research*, Routledge: UK
- Stewart, M**, Voitchovsky, S and Wilkins, R (2017) 'Women and top incomes in Australia' in Stewart, M (ed) *Tax, social policy and gender: Rethinking equality and efficiency*, ANU Press: Canberra
- Stewart, M** (2017) 'Gender inequality in Australia's tax-transfer system' in Stewart, M (ed) *Tax, social policy and gender: Rethinking equality and efficiency*, ANU Press: Canberra
- Stewart, M** (2017) 'Two ideas for renewal of Australia's fiscal federal democracy' in Brown et al (ed) *A people's federation for the 21st century*, Federation Press: Sydney
- Stewart, M** (2018) 'Redistribution between rich and poor countries', *Bulletin of International Taxation*, Volume 72, Number 4/5, pp. 297-309
- Stewart, M** (2018) 'Introduction to special issue: What shall we do with company tax?' *Australian Tax Forum* 2018, Volume 33, Issue 1, pp.1-4 (Guest editor)
- Stewart, M**, and **Whiteford, P** (2018) 'Balancing equity and efficiency in the tax and transfer system' in R. Breunig and M. Fabian (eds) *Hybrid Public Policy Innovations: Contemporary Policy Beyond Ideology*, Routledge
- Whiteford, P** (2018) in B. Nolan (ed), 'Inequality and inclusive growth: assessing the Australian experience', *Inequality and inclusive growth in rich countries: Shared challenges and contrasting fortunes*, Oxford University Press

**Whiteford, P** (2018) 'Intergenerational inequality', in *How unequal? Insights on inequality, Committee for the Economic Development of Australia*, April 2018, Melbourne

**Whiteford, P** (2017) 'Trends in income inequality in Australia'. *AQ - Australian Quarterly*, Volume 88, Number 3, pp.30-36

van Dijk, A, Herrington, V, Crofts, H.V, **Breunig, R**, Burris, S, Sullivan, H, Sherman, S, and Thomson, N (2018) 'Redrawing the thin blue line – recognizing and enhancing joined up solutions at the intersection of law enforcement and public health', *Lancet*, forthcoming

## Submissions

**Millane, E & Stewart, M** Submission to Inspector-General of taxation, inquiry into garnishee orders (June 2018)

**Stewart, M** Submission to Senate Economics and References Committee, inquiry into Treasury laws amendment (Personal Income Tax Plan) Bill 2018 (1 June 2018) and supplementary submission (14 June 2018) and invited testimony

## International research engagement

TTPI researchers were invited to engage to develop research programs with international academic and government organisations in 2017-18 including:

- > Civil Service College, Behavioural Insights Team, Singapore
- > National Institute for Public Finance and Policy, India
- > Korea Institute of Public Finance, Korea
- > University of Seoul, Department of Science in Taxation
- > Korean Women's Development Institute, Seoul, Korea
- > New York University School of Law, United States
- > Florida University Tax Program, Faculty of Law, United States
- > Oxford University Centre for Business Taxation and Law Faculty, United Kingdom
- > London School of Economics, United Kingdom
- > University College London, United Kingdom
- > Research with Impact (RWI) Essen, Germany
- > Institute for the Study of Labor (IZA) Bonn, Germany
- > Indiana University Bloomington, School of Environmental and Public Affairs, United States
- > Monetary Authority of Singapore
- > Beijing Institute of Technology
- > University of Münster
- > The University of Auckland
- > University of Wellington, Public Finance, Business School
- > Max Planck Institute of Tax Law and Public Finance, Munich Germany
- > University of Indonesia
- > OECD, Paris
- > International Fiscal Association, The Netherlands
- > United Nations Economic and Social Commission of the Asia Pacific, Bangkok, Thailand

# ENGAGEMENT

TTPI engages with policy and service government agencies; political representatives; community and business stakeholders; the media and the broad public. TTPI aims through these activities to inform, enhance and influence public knowledge and debate about taxes and transfers.

The TTPI monthly newsletter increased its distribution to 886 recipients in Australia and around the world across government, business and community sectors, informing them of new developments, visitors, events and publications. The Austaxpolicy blog and Twitter handle @Austaxpolicy experienced significant growth in the 2017- 18 period.

TTPI has also conducted many of its activities in partnership with other research institutes at ANU and other universities, government departments and other entities. This collaboration is central to TTPI's ability to influence public policy. In 2018-19, we seek to continue our excellent record in policy engagement with the federal government and seek to build engagement with state and territory governments and with governments and institutions in the Asia-Pacific region and globally.

## Selected speeches and presentations

### John Hewson

TTPI conference, Corporate Tax, 24 July 2017

Dixon Advisory, conference, Canberra, 7 August 2017

Dixon Advisory, Melbourne, 8 August 2017

National Security College, ANU, 9 August 2017

Dixon Advisory, Sydney, 9 August 2017

Launch plan, ANU, 10 August 2017

Launch energy policy, Curtin University, Perth, 25 August 2017

Record podcast, rescope project, Sydney, 28 August 2017

Filming interview – Breakthrough Climate Restoration, Sydney, 29 August 2017

Future Australia, UNSW, 29 August 2017

The Australian and New Zealand Institute of Insurance and Finance event, Sydney, 31 August 2017

City Talks, Sydney City Council, 12 September 2017

Budget Forum, University of Canberra, 21 September 2017

Wheeler Centre, Constitutional Issues, Melbourne, 26 September 2017

St Vincent's Curran Foundation, Sydney, 27 September 2017

Book launch, ANU, 28 September 2017

CWP Renewables, dinner event on Renewables, Melbourne, 11 October 2017

Camden Chamber of Commerce – dual workshop, 13 October 2017

Federal Treasury, Canberra, 16 October 2017

National Security College, ANU, 16 October 2017

ACCA Global, Melbourne, 17 October 2017

Integrity conference, Griffith University, Brisbane, 19 October 2017

National Security College, ANU, 24 October 2017

Assurex Global conference, Sydney, 26 October 2017

Brief, Australian parliamentary delegation to PNG, Canberra, 30 October 2017

EGN Australia, Illawarra Wollongong, 2 November 2017

Podcast on economic policy, Auckland NZ, 9 November 2017

Launch Policy Institute, University of Auckland, 9 November 2017

Public lecture, University of Auckland, 10 November 2017

Sydney Solar Panel, 13 November 2017

International Convention Centre, Sydney, 15 November 2017

Energy Solar and Storage Council, Canberra, 20 November 2017

AHURI Housing conference, Sydney, 30 November 2017

National Standing Committee on Energy and Environment, 4 December 2017

SBS forum on inequality, 7 December 2017

Opening Ruddock Heritage Centre, Parramatta, 11 December 2017

Climate Institute, ANU, 8 February 2018

CEDA National Press Club, 16 February 2018

National Security College, ANU, 19 February 2018

Toad Hall, ANU, 26 February 2018

National Security College, ANU, Vice Chancellors, 1 March 2018

McKell Institute/KPMG, lunch Sydney, 2 March 2018

CIS, Corporate Tax conference, 5 March 2018

Lebanese conference, Sydney, 10 March 2018

GSA Insurance Brokers, podcast, Sydney, 13 March 2018

CFO Summit, Gold Coast, 14 March 2018

CIS, panel on Fightback, 15 March 2018

Climate Leadership conference, Sydney, 16 March 2018

Launch Keating/Bell Book, Canberra, 19 March 2018

ANU/Griffith Climate Update, Brisbane, March 2018

Political Leadership VC leadership program ANU, 22 March 2018

Islamic Finance conference Sydney, 27 March 2018

Biofuels Australia, Canberra, 28 March 2018

Smart Energy, conference, 11 April 2018

Narellan Chamber of Commerce, 11 April 2018

National Security College, ANU, 16 April 2018

Classic Liberalism, Sydney, 19 April 2018

Community Owned Renewables, Bowral, 20 April 2018

Social Policy, ANU, 24 April 2018

Low Carbon, Southern Highlands workshop, 5 May 2018

Sydney Writers' Festival, 6 May 2018

PwC Budget breakfast, Perth, 10 May 2018

PwC Business lunch, Perth, 10 May 2018

Economic Future, University of Canberra, 14 May 2018

Sir Roland Wilson Foundation, Post Budget Forum, Canberra, 15 May 2018

Public Policy Crawford, ANU, 22 May 2018

DFAT briefing Philippines delegation, Canberra, 24 May 2018

Ernst & Young, climate project, Sydney, 25 May 2018

National Standing Committee on Energy and Environment, Sydney, 29 May 2018

VC Investment forum, ANU, 30 May 2018

EGN Australia, Business briefing, Sydney, 5 June 2018

Reserve Bank on Systemic Climate Risk, Sydney, 12 June 2018

Anglicare dinner, ANU, 20 June 2018

DFAT briefing Afghanistan delegation, ANU, 21 June 2018

Citizens' Climate Lobby, Canberra, 24 June 2018

ANU Leadership Forum, 25 June 2018

### **Robert Breunig**

'The elasticity of taxable income' University of Canberra, August 2017

Labour econometrics workshop, University of Auckland, discussant, August 2017

'Maintaining sample representativeness', The future of the HILDA survey: opportunities and challenges, September 2017

Gender and labour markets in Asia, The Australian National University, Chair, September 2017

'The elasticity of taxable income', University of Melbourne, October 2017

'The elasticity of taxable income'. New approaches to tax and welfare in Australia and Korea, Canberra, November 2017

'Financial stress and equivalence scales: evidence for Indigenous and non-Indigenous Australians', Australian labour market research (ALMR) workshop, Canberra, December 2017

'As you sow, so shall you reap: the effect of article length on citation', Asian and Australasian Society of Labour Economics, Canberra, December 2017

Invited session: 'Perspectives on agricultural and applied economics journals', Australasian Agriculture and Resource Economics Society, 2018 conference, Adelaide, February 2018

'Taxpayer responsiveness to the Australian taxation system', Monash University, March 2018

'Bunching and the elasticity of taxable income: evidence from Australia', public economics research day in New Zealand, April 2018

### **Miranda Stewart**

'Managing public finances in Australia: Good, bad, or fiddling for no good reason?' conference presentation, Noumea, La Nouvelle-Caledonie Face a La Crise Des Finances Publiques, Université de la Nouvelle-Calédonie, Laboratoire de recherches juridique et économique, 13 July 2017

'Reforming Australia's corporate tax: fiscally sustainable options', Tax and Transfer Policy Institute, conference on the future of corporate tax, 24-25 July 2017

'Tax and transfer policy', Chifley Research Centre-ANU Think Tank, 4 August 2017

Gender analysis of public policy, Miranda Stewart at Prime Minister and Cabinet on 9 August 2017 and 13 September 2017

'Tax in the federal court', University of Melbourne Law School, 23 August 2017

Young IFA Network, Judge of the moot court, International Fiscal Association annual congress, Rio, Brazil, 28 August – 2 September 2017

'Tax in the federal court: gatekeepers for the revenue or the taxpayer?' conference on the 40th anniversary of the federal court of Australia, Sydney, 5 September 2017

'Impact of increased transparency requirements on holding structures', International Bar Association panel, Sydney, 11 October 2017

'Gender responsive budgeting: how can this be renewed in Australia?' Korean Women's Development Institute, conference on gender budgeting and gender equality: an international comparison', Seoul, Korea, 2 November 2017

Panel discussant, Queensland University of Technology, Business School, 'Research and public engagement', Early Career women's research impact day, 6 November 2017

'Women and top incomes', Queensland University of Technology, Business School, research seminar, 7 November 2017

New directions in tax and transfer policy: corporate tax, at Tax and Transfer Policy Institute, Australia-Korea Foundation workshop, Canberra, 9-10 November 2017

'Tax reform in Australia: groundhog day?' Victorian Commerce Teachers' association conference, 27 November 2017

'Redistribution between rich and poor countries', Max Planck Institute for Public Finance, Germany, 5 December 2017

'Women with top incomes: winners in the tax system?' Australasian Tax Teachers Association conference, Monash University Business School, 18-19 January 2018

'From guaranteed minimum income to basic income: what would it look like today?' Revisiting Henderson conference, Melbourne Institute, University of Melbourne, 15-16 February 2018

'Company tax post-Trump: options for fiscally sustainable reform' Victoria University of Wellington, Business School, 27 February 2018

'Deciding tax cases in an international context', Chair and commentator, Federal Court of Australia, 13 March 2018

'Launching the Open Budget Survey for Australia', Crawford School of Public Policy, The Australian National University, 20 March 2018

'Payment thinking in tax debt collection – Getting the legal settings right', International conference on tax administration, University of New South Wales (with Emily Millane), 5-6 April 2018

Panellist, Committee for Sustainable Retirement Incomes annual conference, moderated by Emma Alberici (ABC), 30 May 2018

Guest lecture, University of Indiana, Public Finance exchange course, 12 June 2018

#### **Mathias Sinning**

'GST reform in Australia: implications of estimating price elasticities of demand for food', seminar, commonwealth Treasury, July 2017

'GST reform in Australia: implications of estimating price elasticities of demand for food'. Federal relations and tax reform workshop, University of Adelaide, August 2017

'GST reform in Australia: implications of estimating price elasticities of demand for food'. Annual congress of the International Institute of Public Finance, Japan, August 2017

'Public policy evaluation: beyond the average', seminar, Crawford School of Public Policy, ANU, September 2017

#### **Chris Murphy**

'Efficiency of the tax system: a marginal excess burden analysis', Australian conference of economists, Sydney, 19-21 July 2017

'Modelling corporate tax reforms', What shall we do with company tax conference, ANU, 24-25 July 2017

'Fiscal equalisation of Australian states and territories: policy options and welfare maximisation', University of Adelaide, 28-29 August 2017

'Taxation of companies and dividends', roundtable on the economic effects of a company tax cut, The Centre for Independent Studies, 5 March 2018

#### **David Stanton**

'Social policy inquiries in Australia: a review of reviews', paper presented at the Australian Social Policy conference, University of NSW, (co-author S. Regan) 25-27 September 2017

'Policy versus macro-economic impacts: the economic position of Australian single parents post the GFC', paper presented at the Australian Social Policy conference, University of NSW, (co-authors B. Phillips, M. Gray, and C. Joseph) 25-27 September 2017

'Social policy inquiries in Australia', paper presented at the Social Security Reform: revisiting Henderson and basic Income conference, The University of Melbourne, (co-author S. Regan) 15 February 2018

'Fifty years of changing families: implications for income support', paper presented at the Social Security Reform: revisiting Henderson and basic income conference, The University of Melbourne, Victoria, Australia (co-authors M. Gray, L. Qu and R. Weston) 15 February 2018

'Policy versus macro-economic impacts: the economic position of Australian single parents post the GFC', paper presented to AESCS 2018 and IMA Asia-Pacific regional conference, Japan (co-authors M. Gray, B. Phillips, and C. Joseph) 21-23 March 2018

'Modelling optimal social policy allowances for the Australian tax and transfer system', Foundation for International Studies on Social Security, 25th international research conference on social security at the crossroads? Learning from the past, imagining the future, Sweden, (co-authors M. Gray, B. Phillips and R. Webster) 6 June 2018

#### **Peter Whiteford**

'Changes in Australian Social Security since the poverty inquiry', Academy of Social Science in Australia workshop, University of Melbourne, 17-18 August 2017

'The social investment approach and social security reform in Australia', keynote address, Child Poverty Action Group, Auckland, New Zealand, 8 September 2017

'The myth of them and us: why we all need the welfare state', TEDxCanberra2017-Momentum, <https://www.youtube.com/watch?v=t525Sv8Bph0>

'The future of work and social protection', workshop on technological innovation and social policy, University of New South Wales, 9 February 2018

'Assessing the social implications of the 2018 Budget', ANU-CPD Policy dialogue, Leader or laggard – how does Australia's budget stack up against the rest of the world? hosted by the Chancellor of the ANU, Melbourne, 10 May 2018

## Emily Millane

'The national superannuation scheme Australia nearly had', Australian Social Policy conference, UNSW, 27 September 2017

'Superannuation as welfare? Australia's post-war move to abolish the pension means test and introduce national superannuation', Australasian Tax Teachers Association conference, Monash University, 17 January 2018

'Gender and superannuation in Australia: an historical overview', Australian Gender Economics workshop, Curtin University, 9 February 2018

'Payment system thinking in tax debt collection: getting the legal settings right', with Professor Miranda Stewart. International conference on tax administration, UNSW, 6 April 2018

'The future of work and superannuation', Industry Superannuation Australia pre-budget briefing, 26 April 2018

## Media and opinion

The TTPI Director, Chair and researchers played a significant role in public debate and engagement on budgetary, tax and transfer policy topics throughout the year. Selected contributions to media, public debate and opinion are listed below.

### Selected media

2 August 2017, 'Here's why it's so hard to say whether inequality is going up or down', *The Conversation*, by Peter Whiteford

3 August 2017, 'Experts split over Shorten's 'impede growth' claim', *Australian Financial Review*, by Joanna Mather, Miranda Stewart comments

29 August 2017, 'Fact check: does the data show that income inequality has fallen?', *ABC NEWS, RMIT Factcheck*, by Peter Whiteford

13 September 2017, 'Income inequality ticks down as the rich see their incomes fall: ABS', *The Conversation*, by Peter Whiteford

2 October 2017, 'Indonesia's fuel subsidy cuts prevented even worse traffic jams', *The Conversation*, by Paul J Burke

14 October 2017, 'Fuel excise a good option for Indonesia', *Jakarta Post*, by Paul J Burke

12 November 2017, 'Cut imputation to fund company tax cut: academics', *Financial Review*, by Joanna Mather (Miranda Stewart comments)

14 November 2017, 'What is Superannuation?' *Australian Policy and History*, by Emily Millane

16 November 2017, 'How to finance company tax cuts in a fiscally sustainable way', *Australian Financial Review*, by Miranda Stewart, David Ingles and Chris Murphy

16 November 2017, 'Australian women's lifetime earnings less than two-thirds of men's', *The Guardian*, by Katharine Murphy (Miranda Stewart comments)

17 November 2017, 'How Australia can afford to cut company tax', *AAPS Policy Forum*, by David Ingles, Chris Murphy and Miranda Stewart

23 November 2017, 'Fact check: Is Newstart spending growth lower under the Coalition and are recipients moving off it faster?' *ABC NEWS, RMIT Factcheck*, by Peter Whiteford

7 December 2017, 'The 'inequality wars': CEO pay is one part of complex picture post-GFC', *ABC News*, by Peter Whiteford

23 February 2018, 'Blaming immigrants for unemployment, lower wages and high house prices is too simplistic', *The Conversation*, by Robert Breunig and Mark Fabian

8 March 2018, 'How the government can pay for its proposed company tax cuts', *The Conversation*, by David Ingles and Miranda Stewart

20 March 2018, 'New Zealand, US and UK outrank Australia in scores on budget transparency', *The Conversation*, by Miranda Stewart and Teck Chi Wong

21 March 2018, 'Indonesia's electricity subsidy reforms led to improved efficiency', *The Conversation*, by Paul J Burke

24 March 2018, 'Report critical of tax evasion penalties causes angst and discomfort at ATO', ABC News, by Henry Belot (based on TTPI working paper by Chris Leech)

27 March 2018, 'Policycheck: the governments new childcare plan', *The Conversation*, by Robert Breunig

27 March 2018, 'Company tax cut will build our society, not tear it up', *Australian Financial Review*, by C.W. Murphy

4 April 2018, 'Cheap petrol pushed up Australia's road death toll', *Austaxpolicy*, by Paul J Burke

20 April 2018, 'Australian millennials incomes have grown more than baby boomers and millennials in other countries', *The Conversation*, by Peter Whiteford

15 May 2018, Podcast: Interview with TTPI Director Robert Breunig on 'Budget 2018', Crawford School of Public Policy podcast, by Cherry Zheng

1 June 2018, 'Is Australia's tax and welfare system too progressive?' *Inside Story*, by Peter Whiteford

5 June 2018, 'A look at Newstart - what's it like to live on?' *Nightlife*, ABC Radio, by Peter Whiteford

6 June 2018, 'ACT Government's tax changes since 2011 will see a 76 per cent rate rise by next year', ABC News, by James Fettes, Robert Breunig comments

8 June 2018, 'Pink and Blue forms: is gender-based tax really as crazy as it sounds?', *The Guardian*, by Gareth Hutchens, Miranda Stewart comments during a public hearing from government's income tax plan

13 June 2018, 'Pink tax versus blue tax: the case for taxing women lightly', *The Sydney Morning Herald*, by Peter Martin, Miranda Stewart comments

17 June 2018, 'Work to barely pay for returning mothers even after budget changes, Senate inquiry told', *The Sydney Morning Herald*, by Peter Martin, Miranda Stewart comments

18 June 2018, Miranda Stewart speaks to '*The Business*', ABC

18 June 2018, 'Why you should keep paying the 'tampon tax'', *The Sydney Morning Herald*, by Jessica Irvine, Miranda Stewart comments

22 June 2018, 'Who gets what? Who pays for it? How incomes, taxes and benefits work out for Australians', *The Conversation*, by Peter Whiteford

### **John Hewson**

21 July 2017, 'Pork-barrel projects are a billion-dollar drain on the public purse', *The Sydney Morning Herald*

28 July 2017, 'Bill Shorten and Malcolm Turnbull make different promises, but all are empty', *The Sydney Morning Herald*

7 August 2017, 2GB Alan Jones breakfast show, podcast

10 August 2017, 'Malcolm Turnbull: Too much to lose if you don't start to lead', *The Sydney Morning Herald*

21 September 2017, 'John Howard's republican debate tactics threaten same-sex marriage', *The Sydney Morning Herald*

5 October 2017, 'We need an independent position on North Korea', *The Sydney Morning Herald*

19 October 2017, 'Energy guarantee a Clayton's emissions intensity scheme', *The Sydney Morning Herald*

26 October 2017, 'Scrutiny of defence spending now an imperative', *The Sydney Morning Herald*

28 October 2017, 'Keating and Howard: friends, enemies and devoted public servants', *The Australian*

23 November 2017, 'Malcolm Turnbull's only salvation is true tax reform', *The Sydney Morning Herald*

4 January 2018, 'Economic and geopolitical risks ahead for 2018', *Brisbane Times*

15 February 2018, 'When the next financial crisis hits, there will be little the RBA can do about it', *Brisbane Times*

28 February 2018, 'If politicians can't reform tax system, we need an authority that can', *The Sydney Morning Herald*

9 May 2018, 'Budget 2018: risks greater than I can recall in my working life', *The Sydney Morning Herald*

9 May 2018, John Hewson speaks to '*The Business*', ABC

24 May 2018, 'All aboard: private sector rushes to join latest government gravy train', *The Sydney Morning Herald*

### **Southern Highland News, Hewson's View:**

- > 'Will the last politician please turn off the lights' 27 July 2017
- > 'Abuse of privilege: why the banks just don't get it' 10 August 2017
- > 'Take the stats with a long view (and a grain of salt)' 7 September 2017
- > 'Bad news: another day older and deeper in debt' 14 September 2017
- > 'Negligence on our energy will leave a debt for our children' 21 September 2017
- > 'Reserve bank stuck between a rock and a hard place' 5 October 2017
- > 'No conclusion to energy crisis' 12 October 2017
- > 'Judgement defines the man and his government' 2 November 2017
- > 'The long and the short of policy challenges' 16 November 2017
- > 'Getting to the bottom of foreign political influence' 14 December 2017
- > 'Signs are lining up to point to an early election' 4 January 2018
- > 'Put aside the lingering issues and just govern' 8 February 2018
- > 'While the politicians play the game, we all lose' 22 February 2018
- > 'Divisive contest looms for federal election, but it could still be close' 29 March 2018
- > 'Board control behind banks behaving badly' 26 April 2018
- > 'A political budget unlikely to work politically' 4 May 2018
- > 'Tax cuts only worth it if the money is used for the greater good', 17 May 2018
- > 'Reserve bank ignores real plight of households' 7 June 2018
- > 'Progress or just another reality TV episode?' 14 June 2018



## Austaxpolicy.com blog and @Austaxpolicy

To achieve our goal of informing and influencing public debate about new evidence, research and thinking about tax and transfer policy, in December 2015 TTPI launched the Austaxpolicy Blog at Austaxpolicy.com and accompanying Twitter account, @Austaxpolicy. Austaxpolicy is edited by Miranda Stewart and Mathias Sinning, with editorial support by Teck Chi Wong, Maria Sandoval Guzman and intern Cherry Zheng. In April 2018, Austaxpolicy also extended its presence to Facebook to reach a broader audience.

Austaxpolicy features insights and analyses from experts of all disciplines on tax and welfare, budget policy, intergovernmental financial relations and public finance. Austaxpolicy publishes blog articles from academic and policy experts across a range of disciplines and topics in the field, including regular contributions from staff and fellows at TTPI. As well as publishing leading Australian and international experts, Austaxpolicy supports early career researchers and PhD students to present their research to a wider audience.

The year 2017-18 has been a year of significant growth, exposure and public value. From 1 July 2017 to 30 June 2018, 106 authors contributed 94 articles to Austaxpolicy. The number of visitors increased 102.17 per cent to 20,003 and the number of page views increased 68.65 per cent to 39,870.

Our top article for the year was by Peter Varela, 'Brief: progressive and regressive taxes', posted on the 24 February 2016, and still generating 2,561 hits in 2017-18. For articles posted during the year, 'International Taxation in the Digital Economy: Challenge Accepted?', by Marcel Olbert and Christoph Spengel of the Mannheim University, Germany on 14 August 2017 is the most popular, receiving 889 page views.

In 2017-18, we saw a particularly large increase in blog readers from outside of Australia. Our international readership has increased 119.84 per cent to 12,441 and they now account for 62 per cent of the readership, while Australian readership has grown by 86.22 per cent to 7,462. Our international readers are from the United States, the United Kingdom, India, Malaysia, Canada, Germany, Azerbaijan, New Zealand and the Philippines. For the first time, we also have our gender demographic. Interestingly, the gender mix of our readers is balanced, with 50.62 per cent male and 49.38 per cent female.

Many of our Austaxpolicy readers come from Twitter and Facebook. Our twitter handle, @Austaxpolicy, expanded our following to 773 during the year and tweeted 1,157 times. Our largest tweet impressions were during the May 2018 Budget Forum, when we received 85,700 impressions. There were also 29,224 visits to our Twitter page during the year.

### Top ten Austaxpolicy articles in 2017-18

**Olbert, M & Spengel, C** 'International taxation in the digital economy: Challenge accepted?', (889 page views) 14 August 2017

**Gustman, A.L, Steinmeier, T.L & Tabatabai, N** 'Means testing Social Security: income versus wealth', (783 page views) 10 July 2017

**Ching, YM, Kasipillai, J & Sarker, A** 'The impact of GST on small and medium-sized enterprise owners in the Malaysian retail sector', (540 page views) 13 March 2018

**Lal, A** 'A sugar tax will benefit our most disadvantaged groups', (426 page views) 9 October 2017

**Leech, C** 'Are financial penalties an effective way to penalise deliberate tax evaders?', (406 page views) 11 April 2018

**Carney, T** 'Social security and robo-debt', (369 page views) 5 June 2018

**Davidson, P** 'From basic income to poor law and back again Part 1', (353 page views) 20 November 2017

**Markham, M** 'Recurring resistance to tax treaty arbitration as a dispute resolution mechanism', (329 page views) 23 October 2017

**Aslam, A, Shah, A** 'Sharing the burden: taxation of the peer-to-peer economy', (297 page views) 8 February 2018

**Gribnau, H** 'The integrity of the tax system after BEPS: a shared responsibility', (296 page views) 26 February 2018

## Facebook

To increase the visibility of TTPI, its research and blog articles amongst a broader audience, the TTPI Facebook page was launched in April 2018, with the username @Austaxpolicy (<https://www.facebook.com/Austaxpolicy>). The page published 69 posts during the April-June 2018 period and, although its reach is still modest given the recent launch, with 56 fans and 63 followers by the end of June, content by the page or about the page was seen 3008 times, in 43 countries; all of it organically (without paid promotion). Notably, 63 per cent of people reached by our Facebook page are under 34 years of age, and 86 per cent are under 44 years old, TTPI expects to continue reaching a growing audience, particularly young readers.

# EDUCATION

Staff, fellows and visitors associated with TTPI teach in a range of graduate and executive education courses. Our aim in 2017-18 was to build on our existing high quality public finance graduate and executive education courses to deliver the new Public Finance specialisation in Crawford School's Master of Public Policy program, which will be unique in Australia and the region. In addition, TTPI staff and fellows build advanced research capacity in the field through supervision a large number of PhD students in diverse disciplines, researching topics on public finance, tax and transfers. Our PhD students are listed in our "People" section (p.13).

## Master degree programs

The Crawford School of Public Policy delivers world-class graduate degree programs in public policy, founded in research-led teaching, adapted to changing demands from public policy concerns and student needs, including the flagship Master of Public Administration, Public Policy, and International and Development Economics. TTPI staff and fellows offered public finance, tax and transfer courses in these degree programs.

Our public finance students are drawn from federal, state and territory governments in Australia and from departments of finance in Indonesia, the Philippines, Pakistan, Bhutan and Papua New Guinea as well as Latin America, Africa and Europe. Selected courses relevant to the specialisation are listed below. More information about the subjects available and Master degrees is at <https://crawford.anu.edu.au/study/graduate-degrees>.

### Public Finance: Fiscal Policy, Globalization and Development

POGO8048

Professor Miranda Stewart

This course is aimed at students who are interested in fiscal policy including tax and expenditure law, and policy concerning how to fund government effectively. It examines the key challenges of fiscal policy in achieving sufficient revenues, economic prosperity and development, and in addressing social justice and inequality in a context of globalisation.

The course provides an introduction to public finance law and policy; tax policy principles; and tax reform and law design principles. We then examine several topical case studies of particular fiscal systems and tax or expenditure reforms or policies in Australia, the Asia-Pacific region and the world. The subject takes a critical approach to examining the principles, processes and outcomes of fiscal policy. Students do not need to have a detailed knowledge of tax law or economics to do this subject.

### Social Policy Analysis

POGO8025

Professor Peter Whiteford

This course aims to provide both a macro view of welfare state debates in Australia and internationally - including Asia and the Pacific, as well as Europe and North America - and also develop

skills in undertaking quantitative analysis of selected major policy issues such as the causes of the growth of public spending, measures to control expenditure growth, and how to analyse the effectiveness of welfare state spending, particularly in relation to impacts on income distribution (inequality and income poverty), as well as unintended consequences. Emphasis is on a comparative approach.

### Principles of Social Policy

POGO8084

Professor Peter Whiteford

This course aims to provide an introduction to the main principles of social policy in a comparative context as a foundation for further studies in the social policy area. It discusses the parameters of social policy and how social policy intersects with other aspects of government policy, such as labour policy, taxation policy and health policy. It analyses varying models of social welfare provision and social protection as well as fundamental policy issues, such as the merits of targeting versus universality, horizontal versus vertical equity, and rights-based versus discretionary entitlements. The course then considers social protection in the context of key groups of potential beneficiaries, including the unemployed, children and families, retirees, and the Indigenous. Emphasis is on a comparative approach, comparing Australian social policy with that of other OECD countries and of other countries in the Asia and Pacific region.

### Economics for Government

POGO8081

Professor Robert Breunig

This subject seeks to provide a policy officer's or public sector manager's guide to basic economic principles and their application to public sector activities. To achieve this, the subject will:

- > emphasise the nature of decision making by individuals, firms and governments and their effect on the allocation of resources. The idea of the efficiency of resource allocation will be emphasised and developed. This will be achieved by providing concrete examples and applications.
- > ensure participants understand the nature and role of markets. This is done by providing an overview of basic economic principles. This will take the form of introduction to the basic language, methods, concepts and frameworks that underpin economic reasoning and logic. This will mostly cover supply and demand of markets (microeconomics), though we will also touch on measurement, growth and operation of the aggregate economy (macroeconomics).
- > ensure participants understand the economic role of government. This will be achieved by providing a framework for understanding both the strengths and limits of markets as a form of social organisation and for identifying the precise nature of market failure, the objectives of public policy and the form of intervention, including via regulation, service provision, and redistribution.

- > understand the nature of the economic way of thinking, through developing frameworks for determining the relative roles of market and state. This will be done by way of providing particular economic problems as illustrations and by conveying the nature of the tool-kit that the economic profession brings to examination of issues, both economic and beyond economics.

### **Public Sector Ethics**

POGO8021

Emeritus Professor Richard Mulgan

How can public leaders exercise ethical leadership, and how can we promote clean government, given the many excuses for 'dirty hands' made by government leaders? This course provides students with an introduction to debates over public sector ethics, focusing on the roles and responsibilities of public servants and their relationships to politicians and others sharing public power. The unit uses practical examples and case studies of ethical problems from across the public sector, blending Australian and international material so that students can learn from a variety of policy frameworks appropriate to the regulation of public conduct. Students will examine core theories of ethics with the aim of relating these to prevailing theories of public policy and practices of public administration. They will also examine various approaches to codifying and enforcing public sector ethics.

### **The Economic Way of Thinking 1**

POGO8016

Dr Shiro Armstrong

Microeconomics examines how consumers and firms make decisions under conditions of scarcity and how they interact with each other in markets. It also examines the effects of government policy and actions on market outcomes. The economic way of thinking provides a decision-making framework for individuals, corporate managers, and policy-makers. This course aims to provide students with a solid understanding of basic microeconomic principles and the ability to apply those tools and ideas. Topics include comparative advantage, consumer and firm decision-making, supply and demand, market structure, international trade, and market failure.

### **Foundations in Public Policy**

POGO8401

Associate Professor Carolyn Hendriks

This course introduces students to the fundamentals of contemporary public policy making. Students will explore core debates in policy studies and consider concepts, models and tools for making, implementing and evaluating public policy. To provide a deeper understanding of the policy process, students will be introduced to analytical perspectives on various stages of the policy process with the aim of provoking critical inquiry into policy practices and outcomes. Students will consider the variety of policy actors and networks in the policy process, and reflect on how competing values and interests influence what issues get policy attention, how they shape decisions, outcomes and

evaluation procedures. Students will also debate the different approaches to policy decision making (incrementalism or rational approaches), the implications of governance arrangements between state and non-state actors, and the internationalisation and globalisation of public policy.

### **Organisational Finance and Budgeting**

POGO8080

Emeritus Professor Keith Houghton

The course provides a user perspective on the role of financial reporting and analysis of organisations in a public sector context and budgeting with such organisations. Through a series of seminars, case studies and exercises, you will acquire confidence in using the concepts and vocabulary of accounting and finance, and an ability to analyse organisational performance and resource allocation. You will become familiar with the format and use of financial statements and the role of accounting in making decisions

### **Policy Advocacy**

POGO8083

Dr Amanda Smullen

Policy Advocacy is a graduate course in policy communication, requiring no specialist knowledge or experience of public policy or administration. The course examines strategies and tactics used by policy advocates inside and outside government when marshalling argument and evidence to promote their preferred outcomes. The course is designed to strengthen students' understanding of the nature of advocacy and of place of policy advocacy in the policy process. The course materials draw on many disciplines: rhetoric, philosophy, policy analysis and public administration. Examples include many Australian, as well as international and transnational cases, but the aim is more general: to stimulate learning about the many ways that policy advocacy is pursued and seeks to shape policy choice, especially in political systems with open forms of deliberative democracy.

### **Microeconomic Analysis and Policy**

IDEC8016

Dr Xue Sarah Dong

Microeconomic Analysis and Policy is a Masters course in modern microeconomic theory. The course covers consumption theory, production theory, theories of the competitive market, general equilibrium theory, and externalities and public goods. Principles will be applied to important policy areas such as tax policy, the role of government, and management of the environment.

### **Empirical Public Finance**

IDEC8025

Associate Professor Mathias Sinning

This course is an introduction to the economic analysis of incentives generated by tax systems and income transfer programs. The emphasis is on understanding how, and the

extent to which, individuals and firms react to those policies - the central question addressed in the growing field of empirical public finance. The discussion on key design elements of those policies are expected to foster students' understanding of important trade-offs involved in implementing government policies. It covers the following topics: tax incidence, efficiency and optimal taxation, income taxation and labour supply, taxes on consumption, taxes on savings, taxes on investment and corporate taxation. Examples are drawn from taxes and income transfer programs implemented in Australia and internationally. Particular attention will be paid to the application of quasi-experimental methods to public finance. By reading articles that apply quasi-experiments for each topic, students are expected to develop a practical understanding of issues involved in taking econometric models to the real world. Students will be exposed to varieties of estimation techniques.

### Managing Government Finances

POGO8057

Professor John Wanna

The course aims to give students a basis for considering the environment in which public sector managers operate as it bears on their management of public financial resources. The course investigates the roles carried out by managers in government agencies in managing public financial resources, and the political and administrative setting in which government finances are managed. It steers between:

- > the methodologies of financial decision-making and analysis
- > description or analysis of the Australian government system, and
- > development in public sector financial management theory and practice.

## Executive education and other teaching

Staff and fellows of TTPI have contributed to delivering popular one and two-day Executive Education courses to government departments, agencies and to the leading Executive Education program at Crawford School.

### Robert Breunig

Getting started: Analyzing HILDA with STATA, with the Melbourne Institute of Applied Economic and Social Research, Melbourne (September 2017)

Understanding the Economics of Tax Policy, course delivered for the Australian Taxation Office (November 2017)

Introduction to Economics, course delivered for the Commonwealth Department of Prime Minister and Cabinet (October 2017 - November 2017)

Economic Literacy for Non-Economists, course delivered for the Commonwealth Department of Foreign Affairs and Trade. Six courses (October 2017 - April 2018)

Introduction to Panel Data Analysis, with the Melbourne Institute of Applied Economic and Social Research, Canberra (February 2018)

A Beginner's Guide to Economics, course delivered for the Commonwealth Department of Communication and the Arts (March 2018)

Introduction to Economics, course delivered for the Commonwealth Department of Prime Minister and Cabinet (May 2018)

Getting started: Analyzing HILDA with STATA, Melbourne Institute of Applied Economic and Social Research (June 2018)

Economic Growth, Crawford School of Public Policy, Executive Education (June, 2018)

### Mathias Sinning

Behavioural Economics: Concepts, Tools and Applications, Crawford School of Public Policy, Executive Education (May 2018)

Public Finance in the Australian Context, Executive Training Program for the Government of Papua, Crawford School of Public Policy (20 November 2017)

### Miranda Stewart and Monica Costa

Gender Analysis of Public Policy, Crawford School of Public Policy, Executive Education (July & September 2017)

### International visit from Indiana-Bloomington College undergraduate Public Finance

In June 2018, TTPI hosted 20 undergraduate students from the University of Indiana, School of Public and Environmental Affairs, the top ranked public affairs program in the United States. Led by Professor Bradley Heim of Indiana University, the students came to Australia as part of an international public finance course. Robert Breunig and Kristen Sobek were the course conveners for the international program.

The visit was supported by the Australian National University - University of Indiana Exchange Program. The students learned about Australia's political system and federation, as well as tax policy and public finance from an international perspective. They combined their visit to ANU with visits to Australian government institutions in Canberra.



Indiana Bloomington College students

**Fund No:** S5335501  
**Project:** DoT - Establishment of the Tax and Transfer Policy Institute


**Donor Ref:**  
**Chief Investigator:** Robert Breunig

**STATEMENT OF INCOME AND EXPENDITURE**  
**For the Period 01 July, 2017 to 30 June, 2018**

	<u>Current Period</u>
	<u>\$</u>
Unspent Balance as at 01 July, 2017	7,393.08
<b><u>Add</u></b>	
Income from Sponsors	11,002.42
Transfer from TTPI Endowment Fund	566,357.00
Transfer from contracts	8,469.64
<b>Total Income</b>	<b>585,829.06</b>
<b>Total Available Funds Before Expenditure</b>	<b>\$593,222.14</b>
<b><u>Less</u></b>	
Salaries & Related Costs	467,561.41
Utilities & Maintenance	250.00
Travel Field & Survey Expenses	42,669.42
Consultancies	44,793.64
Consumables	7,037.65
Internal Purchases	447.82
Other Expenses	30,350.21
<b>Total Expenditure</b>	<b>593,110.15</b>
<b>Unspent Balance as at 30 June, 2018</b>	<b>\$111.99</b>
<b>Crawford School Contribution</b>	<b>\$860,094.00</b>

I certify the following statements:

- (i) all funding, Crawford School Contributions and any other third party contributions provided to the TTPI have been used for the purposes of the Grant Arrangement;
- (ii) the Crawford School has complied with the Grant Arrangement; and
- (iii) the financial statements are accurate.



Professor Helen Sullivan  
Director  
Crawford School of Public Policy  
03/04/2019

Fund No: D5335501  
Project: Tax Transfer Policy Institute

Donor Ref:  
Chief Investigator:

**STATEMENT OF INCOME AND EXPENDITURE**  
**For the Period 01 July, 2017 to 30 June, 2018**

	<u>Current Period</u>
	<u>\$</u>
<b>Unspent Balance as at 01 July, 2017</b>	<b>2,912,594.36</b>
<b><u>Add</u></b>	
8910 STMM Interest Income	23,586.87
<b>Investment Income</b>	<b>23,586.87</b>
<b>Total Income</b>	<b>23,586.87</b>
<b>Total Available Funds Before Expenditure</b>	<b>\$2,936,181.23</b>
<b><u>Less</u></b>	
8511 IntPurch - Salary Recovery	560,000.00
<b>Salaries &amp; Related Costs</b>	<b>560,000.00</b>
<b>Total Expenditure</b>	<b>560,000.00</b>
<b>Unspent Balance as at 30 June, 2018</b>	<b>\$2,376,181.23</b>



# CONTACT US

## **Tax and Transfer Policy Institute**

JG Crawford Building #132

The Australian National University

Canberra ACT 2601

Australia

T +61 2 61259318

E [tax.policy@anu.edu.au](mailto:tax.policy@anu.edu.au)

W [taxpolicy.crawford.anu.edu.au](http://taxpolicy.crawford.anu.edu.au)

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