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2014-2015 ANNUAL REPORT



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“Within our democracy there is no shortage of advocates for vested financial, ideological and short-term interests. What the public needs is fact base and organisations that argue persuasively on behalf of the many, not just a few. I commend CPD’s commitment to fairness, wellbeing and sustainability and its contribution to research in the public rather than sectional interest.”

- The Honourable Fred Chaney AO, CPD Patron

“CPD is highly regarded for the depth of its research and analysis, and has maintained the quality in 2014 with impressive work on irregular immigration, public sector efficiency, and the marine economy.”

- Professor The Honourable Gareth Evans, AC QC

FOREWORD

CPD is an independent organisation that thinks and advocates for the long term.

Around Australia and the world, that instinct has never been more necessary than it is now in the face of rapid, volatile and complex change. The last 12 months have seen a welcome growth in the scale, scope and impact of our work as CPD pursues its ambition to produce rigorous, independent and evidence-based public policy analysis as a contribution to a new policy consensus for Australia's long-term future.

We are consistently interested in policy ideas and solutions for a progressive Australian agenda across our society, economy and democracy.

Australia's economy and society face great challenges of demographic, environmental and technological change. Adapting successfully to these challenges requires longer-term policy thinking in the public interest to achieve outcomes for sustainable prosperity – innovation, wellbeing, productivity and fairness.

Too often, narrow assumptions dominate Australia's public policy debate and hold back the best opportunities for renewal and reform. We need new thinking for the long term that challenges the status quo and overcomes vested interests in government, politics, business, unions and civil society. As this Annual Report demonstrates, CPD has enjoyed a productive year advancing that ambition.

We strive to avoid partisan short-termism for the promotion of concrete policy responses to opportunities and risks in economic competitiveness and adaptation, public sector productivity, environmental sustainability and human flourishing. These are some of the landmark challenges of an era of interconnected global development which is putting many of our institutions and policy responses to the test.

We're clear about the ideas that animate our work:

- A commitment to the long term now – a pragmatic, purposeful engagement with the future;
- An open, engaged and connected Australia;
- An economy that is strong, productive, fair and sustainable
- A society that is more equal and in which all can experience rising levels of wellbeing; unequal and unfair societies erode trust, fracture legitimacy and undermine economic strength and resilience;

- A democracy that cultivates an active and effective role for government.

I want to thank warmly all of my fellow Directors and members of the Research Committee for their time and commitment. We rely on their wisdom and experience which they continue to invest generously. I especially want to thank former Chair Kate Miller for her tireless work and contribution to CPD, especially through the difficult but necessary period of change and refresh through which we have navigated.

I also acknowledge the contribution, for many of them now over some years, of the CPD Fellows. Others too, in different ways, have volunteered their time, expertise and energy to CPD's work over the past year. I thank them all.

Finally, my warm thanks to CEO Travers McLeod for his leadership of, and commitment to, CPD and its values. Apart from his own considerable achievements of contribution and leadership, he has built an outstanding team of skilled, energetic and hard-working research and organisational staff. I thank them too and look forward to their continuing contribution as we build on the promise and palpable momentum of the past year.



Martin Stewart-Weeks, Chair



MESSAGE FROM THE CEO

When historians reflect on the past year they're unlikely to describe it as a glorious period for Australian policy development!

As the transmission belt that converts ideas into policies continues to stall it's only natural that independent, values-driven and evidence-based think tanks like CPD become more important.

I hope this report demonstrates how CPD is responding to this policy inertia. We have used the past twelve months to grow policies Australia needs to embrace the long term now and build our overall capability.

CPD's core model is three-fold: to create, connect and convince. We create viable ideas from rigorous research. We connect experts and stakeholders to develop these ideas into practical policy proposals. We then work to convince government, business and civil society of the merits of implementing these proposals.

A snapshot of CPD's reports over the past year highlights the breadth of our research:

- In *Net Advantage*, Michael Hayman argued for the preservation of existing Commonwealth Marine Reserves, illustrating the competitive edge Australian commercial fisheries could gain as a result.
- In *Beyond the Boats*, Arja Keski-Nummi and I collaborated with two other organisations and a team of experts to propose a long-term asylum and refugee policy framework for Australia.
- In *Budgeting Smarter, Not Harder*, Sam Hurley responded to the disappointing 2015 Intergenerational Report, arguing its key planks were pernicious, unlikely to stand the test of time, and ignorant of pressing 21st century challenges.
- In *The Longest Conflict*, Robert Sturrock and Peter Ferguson drew on interviews with senior military experts to explain why Australia is critically underprepared for a coming climate security crisis, and what we should do about it.

In each report CPD did not just expose problems: we also proposed solutions. We fused domestic and international insights, combining fresh expertise to build a progressive Australian policy agenda.

We're particularly proud of *The Longest Conflict* because it shows how a small contribution can be converted into genuine impact. The work began with a \$10,000 donation for a research studentship. That donation grew into a report that generated political interest at home and abroad, and was covered by *Lateline*, *ABC Radio* and *ABC Online*, *SBS*, *AAP*, *APN*, *The Australian*, *The Sydney Morning Herald*, *The Age*, *The Canberra Times* and *The Conversation*.

Our work would be meaningless if it didn't contribute to change. By that test 2014-15 has been successful, although we can always do better. Reports released in first half of 2014, such as *False Economies*, have continued to spark calls for reform on approaches to public sector efficiency – including in Canada! We've converted the recommendations of *Beyond the Boats* report into action: stakeholders from Indonesia, Malaysia, Thailand and Australia, as well as from the United Nations Commissioner for Refugees and the International Organisation for Migration, will soon be brought together by CPD to form a Regional

Dialogue on Forced Migration in the Asia-Pacific. Our work is having a notable and growing impact in the media.

We've been invited to address overseas conferences, including in the lead-up to the Paris Climate Change Conference, and we've expanded our events program by hosting international guests and convening policy roundtables. There have also been two books!

This year has also been important in strengthening CPD's core team. We've added Kelly Farrow, Robert Sturrock, Sam Hurley and Shivani Nadan as full-time staff, and drawn on additional expertise from Anand Kulkarni, Sue Ogilvy, Peter Ferguson and Natalie Garcia de Heer. We've diversified our funding base, welcoming the Sidney Myer Fund and Planet Wheeler Foundation as significant donors. We've strengthened our Board and Research Committee by adding new talent and improving governance. As a result, we're more effective and sustainable than ever.

The influence of this year's work should extend over the coming months as our Regional Dialogue on Forced Migration begins and the first report from the Effective Government program (previously the Public Service program) is released. This report will build on a CPD roundtable on the role of government in service delivery held in March 2015, which featured representatives from government, universities, unions, the community sector, peak bodies, service providers, advisers and consultants.

Enormous thanks are due to the wonderful members of CPD's Board and Research Committee for their guidance and support, particularly our Chair, Martin Stewart-Weeks. Our fellows have also contributed huge amounts of time, expertise and vision. I am especially grateful to all those who have worked at CPD in some capacity over the past twelve months, not least our outstanding staff and interns. My heartiest thanks are owed to all of CPD's contributors, donors, subscribers and followers. You make our work possible.

Here's hoping the next 12 months can be our best yet as we continue to fuel the debate with an eye to solutions!



Travers McLeod, Chief Executive Officer



MISSION STATEMENT

OUR VISION

CPD develops long-term policy architecture to promote wellbeing, fairness and sustainability through our democracy, economy and society. Our goal is to develop practical and innovative policy ideas for Australia's long-term future and foster a collaborative environment to make them achievable.

HOW WE'RE DIFFERENT

CPD is about the big picture and the long term. We combine domestic and international insights. We bring constructive policy thinkers together into innovative alliances. We're open about our values and funders. We don't just criticise current policies: we put forward practical solutions that can outlast political cycles. We have an intergenerational focus. We want to grow the policies that can help Australia to thrive over the long term.

CPD is not an academic research unit, a lobby group, a campaign body, or affiliated with any political party. We're an independent, non-partisan and evidence-based policy institute. We're willing to think unconventionally and aren't driven by hidden values.

HOW WE DO IT

CPD's core model is threefold. We:



If CPD had to choose between size, output and impact it would choose impact every time. A 21st century Australia needs think-tanks like CPD to be bold, purposeful and dynamic. Policy development isn't about short-term populism – it is about choices that strategically advance Australia and avoid complacency.

CPD is pluralist. Australia faces increasingly complex challenges for which there is often no 'right' answer, whether it is climate change, debt or socio-economic disadvantage.

CPD engages with a range of voices and decision-makers, encouraging cross-sectoral debate and collaboration.

Our board, research committee, staff and fellows have been deliberately chosen for their diverse backgrounds. There are academics, authors, economists, former advisors and bureaucrats, lawyers, business people, commentators and advocates. Together, we'll prod and poke and unsettle, in the pursuit of better policy to position Australia for the 21st century. We'll call out Australia's opportunities and weaknesses without fear or favour.

WHAT WE WORK ON

CPD has three interconnected policy programs:



Sustainable Economy

A long-term economic growth strategy based on environmental and social health.



Effective Government

A purposeful and proactive role for government for the 21st century.



Intergenerational Wellbeing

Fostering social mobility and tackling disadvantage.

These programs are informed by three cross-cutting themes:



Australia in the World:

connecting local, national and global issues.



Regions & Cities:

tailoring recommendations to suit the respective needs and opportunities for cities, outer metropolitan and regional areas.



Technology & Innovation

Embracing the digital edge, new ideas and collaboration.

MEET THE TEAM

As of September 2015

Travers McLeod, Chief Executive Officer



Travers has worked as a Policy Adviser for the Oxford Martin School at the University of Oxford. There he focused on *Now for the Long Term*, the report of the Oxford Martin Commission for Future Generations, chaired by Pascal Lamy, former Director-General of the World Trade Organisation.

Travers has taught in Australia and the UK, including nearly two years as a Lecturer in Politics and International Relations at Merton College, Oxford. He has also worked as a lawyer and was an associate to Justice Michael Kirby in the High Court of Australia.

Travers remains an Associate of the Oxford Martin School and is an Honorary Fellow of the University of Melbourne's School of Social and Political Sciences and the University of Western Australia's Faculty of Law. He is a Board member of the Victorian Foundation for Survivors of Torture.

Kelly Farrow, Policy Director



Kelly completed her Masters in Public Policy at the University of Cambridge. She has qualifications in Arts/Law (Hons) (University of Melbourne) and Political Science Hons (Australian National University). Hailing from Canberra, Kelly led CPD's Effective Government Program and provides advice across CPD's other programs.

Kelly has worked as a senior adviser to Senators in the Australian Parliament and in state and federal public service departments. Kelly has worked as a senior adviser to Senators in the Australian Parliament and in state and federal public service departments.

Before moving into policy, Kelly practiced as a legal aid solicitor-advocate, appearing in Melbourne metropolitan courts and tribunals. She has also worked as an Associate in the Supreme Court of Victoria and as a Policy Seconded at the European Council on Refugees and Exiles (Brussels).

Robert Sturrock, Policy Analyst



Rob has significant professional experience across public policy, consultancy and law. He previously worked at the Australian Trade Commission, where he prepared strategic advice on international and trade policy, including during Prime Minister Abbott's Business Mission to North America last year.

He holds a Masters in International Relations from the London School of Economics, a law degree from Sydney University, and has previously worked for both Minter Ellison Lawyers and KPMG Australia.

Sam Hurley, Policy Analyst



Sam worked for six years as an economist and policy analyst at the Commonwealth Treasury. Much of Sam's work at Treasury focused on international economic and political trends and how these shape Australia's longer-term policy challenges. Sam had a particular focus on commodities, trade opportunities with China and telling the story of structural reform.

Most recently, he worked at ANU's Crawford School of Public Policy on a project investigating the role of trade and investment policy in Myanmar's economic reform and development. Sam holds degrees in commerce and law and recently completed a Masters of International Affairs at the Australian National University.

MEET THE TEAM

As of September 2015



Natalie Garcia De Heer, Policy Analyst (Effective Government)

Natalie is currently completing a Masters of Public Administration at New York University's Robert F. Wagner School of Public Service and is on leave from the Boston Consulting Group (BCG). She spent two years with BCG, focused particularly on their Public Sector and Education practices.

Natalie holds a Bachelor of Arts and a Bachelor of Law from the University of Western Australia and a Post-Graduate Diploma of Education from the Melbourne Graduate School of Education, which she earned while teaching in a Melbourne high school as part of the Teach for Australia program.



Shivani Nadan, Administration and Research Officer

Shivani has had previous experience with not-for-profit organisations, holding volunteer roles with Oxfam and the Cancer Council. She has also previously held an internship with CPD assisting with the production and launch of the report *Beyond the Boats*, released in late 2014.

Shivani is a recent graduate from the University of Technology Sydney, with a degree in Communications (Social Inquiry) and International Studies. She spent a year abroad in Switzerland learning French and investigating the role of gender within conscription in Switzerland.



Annabel Brown, Research Associate (Intergenerational Wellbeing)

Annabel Brown is an experienced advisor and facilitator with over 15 year's experience supporting effective social and economic development in Australia and the Asia-Pacific. Annabel has particular expertise leading research and evaluation projects focused on understanding policy influence advocacy, leadership development, governance, accountability and empowerment. Agencies and networks she has worked with include Oxfam, WaterAid, the Secretariat of Pacific Community, the Australian Public Service Commission and the Australian Aid Program.

Annabel has a Masters in International Development from RMIT University and a Bachelor of Arts from the University of Western Australia, majoring in Philosophy.

We would also like to thank staff and interns that have also assisted within the 2014-2015 period including Christopher Stone, Laura Eadie, Jemima Moore, Abi Smith, Janelle Fielding, Peter Ferguson, Sue Ogilvy, Anand Kulkarni, Adrian March, Matthew Jensen, Magnus Lewington, Jun Jubar, Senthuran Eswaralingam, Erica Vogels, Jesse Carey, Matthew Wilkinson, Deidre Math and Matthew Bowron.

CPD BOARD OF DIRECTORS

As of September 2015



**Martin
Stewart-Weeks**
Chair



**Kate
Miller**
Director



**Antoinette
Le Marchant**
Secretary



**Robert
Partos**
Treasurer



**Wendy
Field**
Director



**Nadine
Flood**
Director



**Nick
Moraitis**
Director



**Jeni
Whalan**
Director



**Luke
Green**
Director



**Vishal
Beri**
Director

CPD RESEARCH COMMITTEE



**Antoinette
Le Marchant**
Chair



**Anand
Kulkarni**



**Roy
Green**



**Geoff
Shuetrim**



**Jeni
Whalan**



**Mark
Joiner**

CPD FELLOWS

- Chris Bonnor
- Peter Hughes
- Kate Gauthier
- James Arvanitakis
- Jennifer Doggett
- Miriam Lyons
- Anand Kulkarni
- Mark Davis
- Ian Dunlop
- Tani Shaw
- Ben Eltham
- Ben Eltham
- Caroline Hoisington
- Fiona Armstrong
- Ian McAuley
- James Slezak
- Ray Ison
- David McKnight
- John Menadue
- Tony Moore
- Arja Keski-Nummi
- Donna Green
- John Wiseman
- Adam Morris

CPD PATRONS

- Fred Chaney
- Julian Burnside

CPD HIGHLIGHTS



July 2014

Asylum Seeker roundtable hosted by CPD, Australia 21 and the UNSW Andrew and Renata Kaldor Centre.

NET ADVANTAGE
Securing our fisheries management



By Michael Hayman
Marine Economy Researcher
Centre for Policy Development

October 2014

The release of the CPD Paper *Net Advantage*

November 2014

The release of *Beyond the Boats* at Parliament House in Canberra



February 2015

CPD's 2015 Meet and Greet introducing our new policy team



March 2015

Service Delivery Roundtable held in Melbourne.

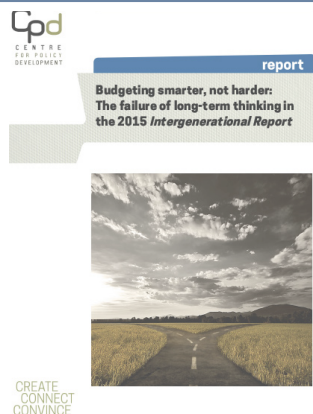


April 2015

CPD CEO Travers McLeod participated in *Progressives 2015* in the lead up to COP21.

April 2015

CPD releases their response to the 2015 Budget with the report *Budgeting smarter not harder*.



June 2015

The launch of *The Longest Conflict* in Melbourne.



CPD IN THE MEDIA



CPD REPORTS & PAPERS



- False Economies: unpacking public service efficiency
- Beyond the Boats: Building an asylum seeker policy for the long term
- Net Advantage: Securing our fisheries management
- The Longest Conflict: Australia's climate security challenge
- Budgeting smarter not harder: the failure of long-term thinking in the 2015 Intergenerational Report

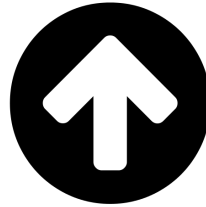
CPD IN SOCIAL MEDIA

Twitter

4,591

followers
in October 2014

9.74%



5,038

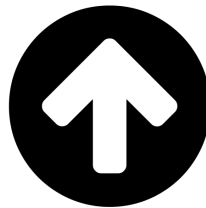
followers
in June 2015

Facebook

2,542

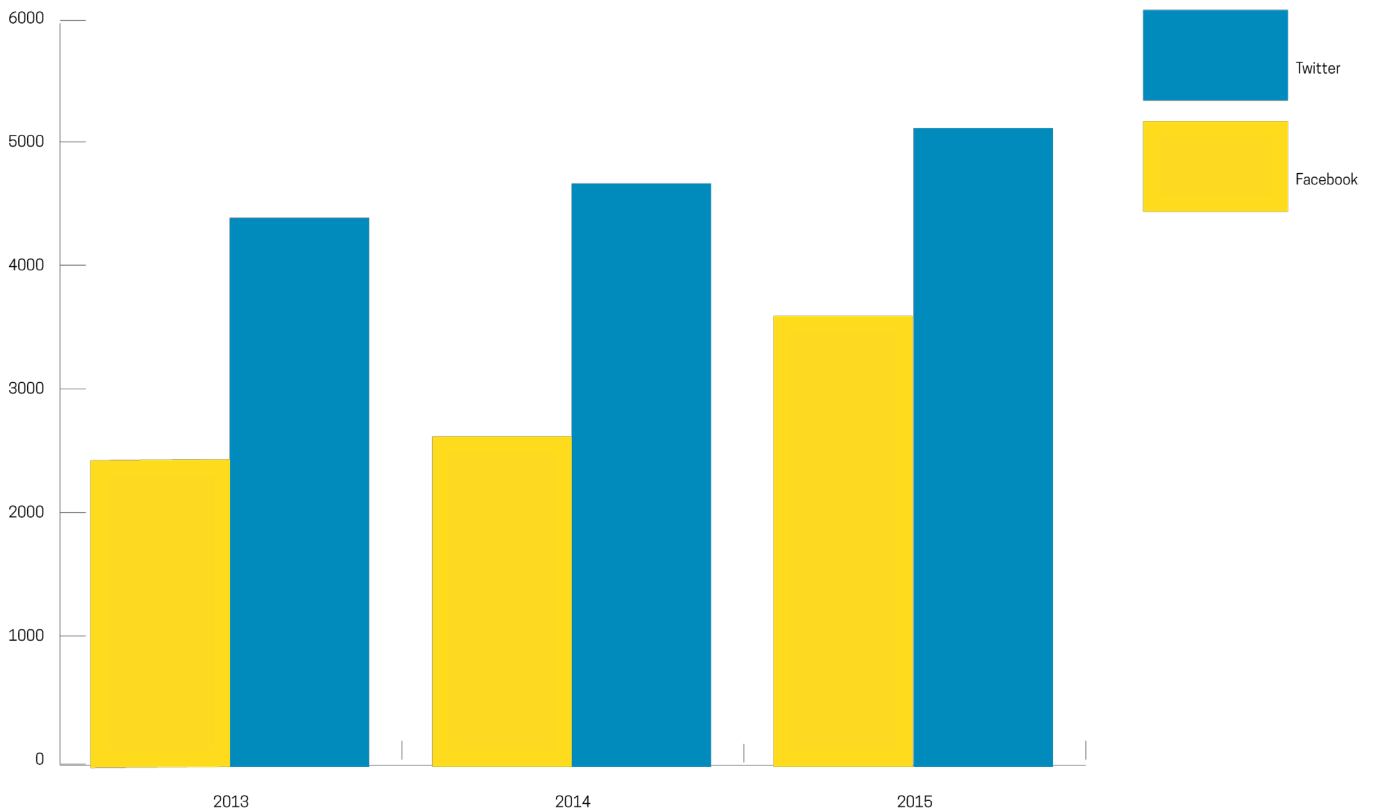
page likes
in July 2014

38.39%



3,518

page likes
in June 2015



EFFECTIVE GOVERNMENT

Australia's governments, federal and state, must respond to 21st century challenges with solutions that unleash innovation, encourage collaboration and actively engage with citizens. Our Effective Government program aims to drive new perspectives on these issues and advance Australia's thinking and policymaking in an era of increasing complexity and uncertainty. 2014-15 has seen CPD continuing to prompt meaningful discussion about the future direction of the public sector, and has succeeded in bringing together creative coalitions of divergent stakeholders in order to set a long-term direction for service delivery in Australia.

False Economies Unpacking Service Delivery

June 2014 saw the final installment and ultimate completion of CPD's *False Economies: Unpacking Public Service Delivery* series of reports. *False Economies* concluded that the lens through which we view public sector efficiency is having a detrimental effect on the country as a whole. The term 'efficiency' has been misunderstood and misused to justify widespread cuts and policies that in reality have exacerbated inefficiency and waste across the sector. This misuse has had the effect of drawing attention away from genuinely good ideas for improving efficiency in the future.

The *False Economies* series of recommendations to advance public sector innovation, including cross-agency innovation teams, incentive schemes and a dedicated innovation fund had a continuing impact in 2014-2015 with coverage in the *Sydney Morning Herald* and the *Canadian Huffington Post*.

"I think we have a long way to go in terms of more abstract and contemporary thinking and analysis on the many complex aspects of public services and their delivery which is why it is great that CPD is taking a lead on it."

- David Thompson, Jobs Australia

Service Delivery Roundtable

In March 2015, CPD hosted a high-level roundtable at the University of Melbourne. The roundtable examined the challenges involved in the process of designing and delivering welfare services to assist vulnerable individuals and communities across Australia. The roundtable attendees came from a wide range of fields, including the public sector, the community sector and academia, and included representatives from a variety of peak bodies and service providers.

Commencing with a keynote address from former Finance Minister Lindsay Tanner, the roundtable heard from guests including Ged Kearney, Professors Peter Shergold and Gary Sturgess, together with representatives from ACOSS, VCOSS, CPSU/SPSF, Boston Consulting Group, Jobs Australia, Job Futures, the Able Movement, the National Disability Insurance Agency, and the Melbourne School of Government. The roundtable also heard the contributions of a number of state and federal departmental officials as well as representatives from various charitable service providers.

The roundtable event represented CPD's devotion to consensus building and exemplified the value in forming creative coalitions of divergent experts and stakeholders to confront the long term challenges in the social services space. The roundtable oversaw a dynamic and productive discussion that kicked off the next exciting stage of CPD's Effective Government program.



INTERGENERATIONAL WELLBEING

The Intergenerational Wellbeing program’s objectives fall under the categories of fostering social mobility and tackling disadvantage, understanding the structural and spatial determinants of inequity, and accounting for social and knowledge capital. The program is also interested in examining relationship between security, migration and trade, paying particular focus on the protection space for asylum seekers. Throughout 2014-15, CPD made significant progress in its task to encourage the sharing of ideas and promote collaboration in politically charged areas of policy-making.

Asylum Seeker Roundtable

In July 2014, CPD worked with Australia21 and the Andrew & Renata Kaldor Centre for International Refugee Law to convene a roundtable of 35 senior policymakers, politicians and commentators on refugee and asylum seeker policy. Held at Parliament House, the roundtable provided the opportunity for this group to engage in an open dialogue and explore the potential of a new solution going forward in this policy space.

Overall, the roundtable delivered an insightful and constructive discussion with several key areas of common ground emerging across the political divide.

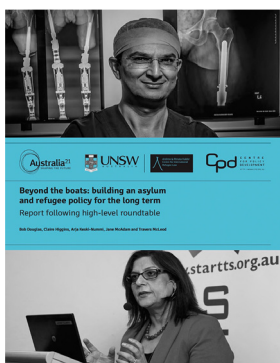


Beyond the Boats: building an asylum seeker and refugee policy for the long term

November 2014 saw the Honourable Fred Chaney AO launch CPD’s milestone report *Beyond the Boats: Building an asylum Seeker and Refugee Policy for the long term*, which built upon the roundtable discussion and urged all political parties to establish a concrete, comprehensive refugee and asylum seeker policy for the long term. The report’s key recommendations included increasing Australia’s humanitarian intake, phasing out mandatory detention apart from initial screening and establishing a regional Track II dialogue.

Track II dialogues allow participants to be unburdened by official expectations and encourage them to take part in structured and constructive processes of problem solving. The format enables participants to lift their sights and focus on what might be possible over the long term.

CPD has ensured that we follow through on the recommendations outlined in *Beyond the Boats*, to move forward in this policy area. Overall, the roundtable delivered an insightful and constructive discussion with several key areas of common ground emerging across the political divide.



“I commend the sponsoring groups for asking how we can approach asylum seeker and refugee policy sustainably in this country. It’s clear that we have the ideas to make Australian immigration policy something that we can be proud of. Now it’s time for all political leaders to have the courage to implement fair policies that treat asylum seekers and refugees with the respect and compassion that they deserve.”

- Adam Bandt, Greens MP

SUSTAINABLE ECONOMY

Australia has tremendous opportunity to leverage its abundant natural resources and skills in innovation to build a fair, sustainable and prosperous economy – one that provides a stable future for all Australians. The Sustainable Economy program aims to secure this. Our dynamic new team took the Sustainable Economy program to new heights in 2014-15, with CPD making its mark on both the national and international stage.

Intergenerational Report 2015

In April 2015, CPD policy analyst Sam Hurley offered a response to the Federal Government's Intergenerational Report. *Budgeting Smarter, Not Harder: The failure of long-term thinking in the 2015 IGR* argued that instead of budgeting harder and placing the largest burden on those who can least afford it, Australia should be budgeting smarter and tackling a broader set of intergenerational challenges. These included: early childhood care and development; cities policy; changes in commerce and capital flows; climate change; and Australia's engagement in Asia.

The report attracted media attention in various outlets, including an opinion piece from Sam Hurley in the *Fairfax* papers and an appearance by Travers McLeod on *Sky's Saturday Agenda*.



Progressives 2015

Australia's role in developing a multi-tiered response to the systemic problem of climate change has always been a key pillar of the Sustainable Economy program. 2014-15 saw CPD approach this policy area with a new perspective and bring its bold ideas into the international sphere. Through his attendance at the *Progressives for Climate* conference in April 2015, CEO Travers McLeod provided a critical voice for CPD at the international level.

His address to the conference focused on innovative solutions and cooperative approaches to climate change, reinforcing the message that change and disruption is possible, even in the hyper-partisan conditions of Australia, to change the course of the debate and prompt substantial climate action on behalf of government, business and civil society.



SUSTAINABLE ECONOMY

The Longest Conflict: Australia's Climate Security Challenge

In June 2015, CPD released its landmark report *The Longest Conflict: Australia's climate security challenge*, authored by policy analyst Robert Strurrock and Dr. Peter Ferguson. The release of this publication reflected CPD's drive to enter uncharted waters in Australia's policy debate, and demonstrated the immense value of the Sustainable Economy program in identifying new ways to approach complex issues and long-running policy debates.

Drawing on extended interviews with senior military officials from around the globe, *The Longest Conflict* revealed that Australia's defence establishment has not developed a strategic framework addressing climate security and is severely lagging behind both the US and UK. With Australia's position in the Asia-Pacific leaving us susceptible to a wide range of severe climatic threats, the report argues that the status quo is unacceptable and thorough military planning efforts must be undertaken.

Rear Admiral Neil Morisetti, former UK Government Climate & Energy Security Envoy, and Admiral Chris Barrie, former Chief of the Australian Defence Force, launched the report and proved to be powerful advocates for its recommendations. CPD also held a range of meetings in Canberra in order to discuss the report's findings with MPs, policy advisers and senior departmental officials.

The report received national media coverage, with its findings discussed on the ABC's *Lateline*, *SBS* and *ABC radio* outlets, as well as *The Australian*. An opinion piece by Robert Sturrock appeared in Fairfax publications including *The Age*, *Sydney Morning Herald* and *Canberra Times*. *The Longest Conflict* has well and truly placed the issue of climate security on the national agenda, with CPD continuing to emphasise its importance in the year ahead.

"The insight that 'a healthy economy depends on a healthy environment' is critical to the urgent rethinking of economic policy the 21st century demands, and CPD examines the implications in a way that is open minded and rigorous, both qualities we desperately need. CPD's work avoids easy answers and political partisanship: we see its commitment to clear eyed and critical thought about these issues as one of the most valuable things the Trust can support."

Sue Matthews, Mullum Trust



CPD EVENTS

2014-15 saw CPD make a series of substantive contributions to the battle of ideas outside of its research programs.

Gus O'Donnell

In November 2014, CPD hosted Sir Gus O'Donnell, former British Cabinet Secretary, Head of the British Civil Service and Press Secretary to Prime Minister John Major, for a workshop at Cisco in Melbourne to discuss the relationship between polling and long-term policy development. Bringing together industry leaders, consultants, public sector representatives, policymakers and researchers. This included former Secretary of the Department of Prime Minister and Cabinet Peter Shergold, founder and Director of Essential Media Communications Tony Douglas and Member of Hotham Clare O'Neil MP. Participants also expressed optimism for the potential of emerging polling methods and technologies to further democratise policy-making and bring members of the public closer to their elected representatives

The discussion highlighted the importance of narratives and storytelling in the policy process, both for politicians and public servants. Participants also expressed optimism for the potential of emerging polling methods and technologies to further democratise policy-making and bring members of the public closer to their elected representatives. The roundtable event oversaw an animated exchange of ideas and exemplified the valuable role played by CPD in bringing the insights of international guests to the Australian policy landscape.



Progress 2015

May 2015 saw policy analyst Sam Hurley and Policy Director Kelly Farrow leading panels at Progress 2015.

Sam Hurley was joined by former NAB Chief Financial Officer Mark Joiner, CEO of Fairtrade Australia Molly Harris Olson, Chair of IFM Investors Garry Weaven and President of the Australian Council for International Development Sam Mostyn. The group's session 'Rewiring business for the long term' paid particular attention to the new vision of the business and how business can actively champion a more positive future focussed agenda.

Kelly Farrow led a discussion on 'Charting a new course on asylum seekers'. She was joined by the Founder of the Asylum Seeker Resource Centre Kon Karapanagiotidis, former assistance High Commissioner to the UNHCR Erika Feller, National Director of Welcome to Australia Brad Chilcott, and barrister Julian Burnside. The session examined the future steps for one of the most difficult issues for Australian campaigners.

"Policy institutes can convince governments and businesses to take a longer term view. They should have a clear understanding of the challenges ahead, and being unusual suspects together to secure outcomes consistent with Australian values.

CPD delivers on both counts."

- Janet Holmes à Court AC

CPD BOOKS

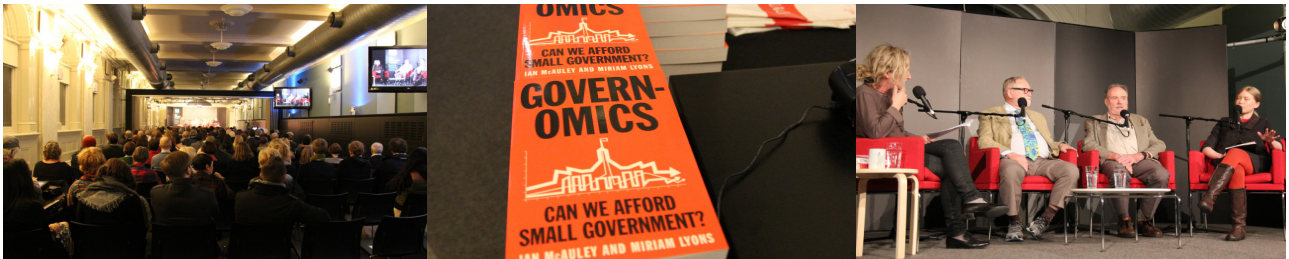
“Everybody knows governments are wasteful, incompetent and a drag on the economy. But if you’re not sure that’s true, read this book.”

- Ross Gittins

Governomics

In May 2015, CPD fellows Ian McAuley and Miriam Lyons released their latest work *Governomics*, published by Melbourne University Press. The book makes a pointed argument against the conventional ‘small government’ discourse that has informed a great deal of public decision-making in the modern era. Throughout *Governomics*, McAuley and Lyons espouse the economic merits of public sector involvement in service delivery and assert that a vibrant public sector is vital in meeting Australia’s long-term economic, social and environmental challenges.

Governomics represents a valuable extension of the Effective Government program and continues the trend of CPD fellows putting forward ideas that seek to break through the political deadlock and offer innovative solutions for Australia’s future wellbeing.



Rule of Law in War

May 2015 saw The Honourable Michael Kirby AC CMG launch Travers McLeod’s book *Rule of Law in War: International law and United States counterinsurgency in Iraq and Afghanistan*, published by Oxford University Press.

The launch included a discussion of international governance, security and law between McLeod, The Honourable Michael Kirby AC CMG, and Associate Professor Bruce Oswald, Director of the Asia Pacific Centre for Military Law in the Melbourne Law School at the University of Melbourne.

Rule of Law in War places international law at the centre of the transformation of United States counterinsurgency that occurred during the Iraq and Afghanistan wars. It claims that international law matters more than is often assumed and more than we have previously been able to claim, contradicting existing theoretical assumptions. In particular, the book asserts that international law matters in a case that may be regarded as particularly tough for international law, that is, the development of a key military doctrine, the execution of that doctrine on the battlefield, and the ultimate conduct of armed conflict.

“A compelling, thoughtful, superbly written, and exhaustively researched examination of the interaction of law and the conduct of counterinsurgency operations-the best contemporary study I have seen on this topic.”

- General D.H. Petraeus



WHAT'S AHEAD?

2015-2016 will mark the beginning of exciting new projects and opportunities for CPD, as well as the continuation of successful projects from 2014-2015.

In 2015-2016 CPD's Sydney office will be moving from its current location at 377 Sussex Street, Sydney. Keep an eye out for more details later in the year!

Effective Government

Following the high-level roundtable CPD held in March 2015, our policy team will be working on a discussion paper that aims to examine the welfare of government services. The paper will seek to highlight the foremost challenges and unanswered questions in the landscape of publicly funded social services in Australia.

The paper is due to be released in the second quarter of 2015-2016.

2014-2015
CPD hosted a Service Delivery roundtable in March 2015

2015-2016
CPD to release paper examining the welfare of government services

June 2014

CPD co-hosted a Refugee and Asylum Seeker Roundtable in Canberra

Intergenerational Wellbeing

The successful release of *Beyond the Boats* in November has allowed for work to be continued within our Intergenerational Wellbeing program. One of the key recommendations to emerge from the report was the need for Regional and Community Engagement. The first step to ensure this was for the development and funding of a regional Track II Dialogue. In June 2015 this became a reality with funding being provided by the Planet Wheeler Fund and the Sidney Myer Fund.

2014-2015

CPD co-releases *Beyond the Boats* and recommends the need for Track II Dialogue

CPD will now deliver this Dialogue over the next 3 years. In August 2015 CPD held the first of six meetings in Melbourne at the Corrs Chambers Westgarth offices. The following five meetings will take place in different places around the Asia-Pacific region. Our guiding objective is to establish a credible, influential and lasting forum for dialogue that can progress Asia-Pacific countries towards better regional policy responses to forced migration.

2015-2016

CPD will deliver the first two of the six Track II Dialogue meetings

Over time, we hope the Dialogue can make clear and persuasive inroads towards the creation of a regional framework. A regional framework would guide national actions and cooperation between states in responding to forced migration. CPD anticipates that this might include policy proposals to enhance protection for vulnerable people, build capacity for managing asylum flows, stabilise population movements and tackle issues of smuggling and trafficking.

The next meeting is due to be in the third quarter of 2015-2016.

2014-2015
CPD hosts *Rewiring Business for the Long Term* at Progress 2015

2014-2015
CPD released *The Longest Conflict*

Sustainable Economy

Off the back of a successful year for our Sustainable Economy program, the next year will allow government briefings, and will provide an opportunity for our climate change work to be brought to the attention of local governments.

Following on from Sam Hurley's panel at Progress 2015, 'Rewiring business for the long term', CPD is aiming to host a roundtable with prominent leaders of the business community to discuss the legal duties of company directors. This would follow the theme creating a more future focussed business agenda.

The next meeting is due to be in the third quarter of 2015-2016.

2015-2016
CPD will work with all levels of government to bring more attention to climate change

2014-2015
CPD to host a roundtable with prominent leaders of the business community

FINANCIAL STATEMENTS

2014-2015

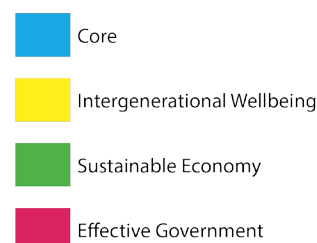
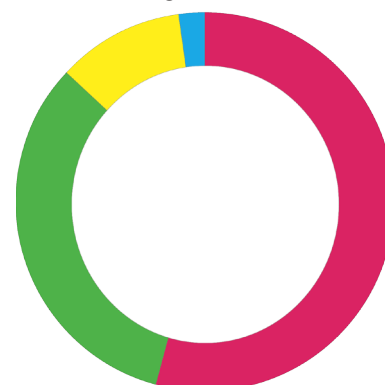
During the 2014-15 period the Centre for Policy Development was able to retain a secure position of financial stability during the financial year ending June 2015.

The majority of the funding for the 2014-15 period is multi-year recurrent funding. This will provide further stability for the organisation going forward in 2015-16.

The organisations cash assets and equity position have increased from June 2014.

A complete copy of the audited statements are available upon request. These can be obtained by emailing admin@cpd.org.au. CPD is committed to full adherence to the conditions of the Australian Securities and Investments Commission and the Australian Charities and Not-for-Profits Commission.

CPD Programs: Income



INCOME STATEMENT

For the year ending June 2015

	2015
Revenue	419,161
Expenses	411,568
Profit/(Loss) before Income Tax	\$7,593
Income Tax Expenses	-
Profit/(Loss) Attributable to Members of the Company	\$7,593

CASH FLOW

For the year ending June 2015

2015

CASH FLOWS FROM OPERATING ACCOUNTS

Receipts from Customers

Receipts from Customers 427,849

Payments to Suppliers & Employees (402,778)

Interest Received 5,434

Net Cash Provided by (Used in) Operating Activities \$30,505

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for Plant & Equipment -

Net Cash Provided by (Used In) Investing Activities -

Net increase (decrease) in cash held \$30,505

Cash at beginning of financial year 252,751

Cash at end of financial year \$283,256

BALANCE SHEET

For the year ending June 2015

	2015
ASSETS	
Current Assets	
Cash and cash equivalents	283,256
Trade and other receivables	8,314
Total Current Assets	\$291,570
Non-Current Assets	
Property plant and equipment	1,319
Total non-current assets	\$1,319
Total assets	\$292, 889
LIABILITIES	
Current Liabilities	
Trade and Other Payables	70,029
Financial Liabilities	48,151
Employee benefit obligations	23,116
Total current liabilities	\$141,296
Total Liabilities	\$141,296
Net Assets	\$151,593
EQUITY	
Contributed equity	-
Retained profits	151,593
Total Equity	\$151,593

STATEMENT OF PROFIT OR LOSS

For the year ending June 2015

	2015
REVENUE	
Interest Received	5,434
Donations Received	411,063
Book Sales	15
Other	2,649
Total Revenue	\$419,161
EXPENSES	
Personnel Expenses	323,472
Depreciation and Amortisation Expenses	1,839
Advertising	217
Bank Charges	1,328
Insurance	3,920
Travel	13,243
Printing & Stationary	2,204
Rent & Outgoings	26,281
Telephone	6,066
Other Expenses	32,998
Total expenses	\$411,568
Total Profit	\$7,593

AUDIT REPORT

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CENTRE FOR POLICY DEVELOPMENT LIMITED ACN 124 425 896

Scope

The financial report, and directors' responsibility

We have audited the financial report of Centre for Policy Development Limited, being Balance Sheet, Income Statement, Statement of Cash Flows, notes accompanying the financial statements and the Director's Declaration for the year ended 30 June 2015. The company's directors are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and errors and for the accounting policies and accounting estimates inherent in the financial report.

Auditor's Responsibility

Our responsibility is to express an opinion in the financial report based on our audit. We have conducted an audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability for persuasive rather than conclusive evidence. Therefore an audit cannot guarantee that all material misstatements have been detected.

Our procedures included the evaluation of accounting policies and significant accounting estimates and examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report presents fairly, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with our understanding of the company's financial position, the results of its operations and its cash flows.

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

Independence

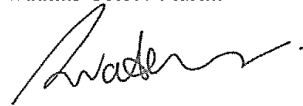
In conducting our audit, we followed the independence requirements of the Australian professional ethical pronouncements and the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Centre for Policy Development Limited on 20 October 2010 would be in the same terms if provided to the directors as at the date of this report.

Audit Opinion

In our opinion, the financial report of Centre for Policy Development Limited is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2015 and its performance for the year ended on that date; and
- ii. complying with the Australian Accounting Standards, Corporations Regulations 2001:

Watkins Coffey Martin



Richard Watkins - Partner
Dated this 15th day of October 2015

65 Hill Street Roseville NSW 2069

OUR SUPPORTERS

CPD's work would not be possible without the generous support of our donors. These includes a diverse range of organisations and individuals who contribute financially and in-kind to help create viable ideas from vigorous research, convince experts and stakeholders and connect government business and civil society.

Effective Government



Core



Sustainable Economy



- The Digger and Shirley Martin Environment Trust
- Curlew Fund
- Fairer Future's Fund
- The Madden Sainsbury Fund



Intergenerational Wellbeing



Lander & Rogers Lawyers

- Brian and Diana Snape
- Boston Consulting Group

We would like to thank the following groups and people who have generously contributed to CPD's work over the past two years, including: Anne Coombs and Susan Varga, Ewan Ogilvy, Robert Partos, Anne de Salis, Robert Douglas, Fred Chaney, Jacki Hayes, Gregory Smith, Stuart Lloyd-Hurwitz, Anthony Wilson, Julia Blackwood, Richard Tarala, S J Keim, Robert Neely, Kerry Goulston, Keith Walkerden and Sheila Walkerden.

We offer special thanks to those who have signed up as Ideas Sustainers and are supporting our work by making a small monthly donation. This group of generous and forward-looking people includes: Mark and Julie Mills, Anna Booth, Ian Anderson, Colin Gunn, Christine Paterson, Kate Miller and Gabrielle Meagher.

YOUR VOICE, OUR FUTURE: BE PART OF CPD'S LONG-TERM AGENDA

CPD is always looking for passionate, enthusiastic and ambitious people to join our national conversation about the direction of Australia.

There has never been a more conducive time to invest time or resources in CPD. We are currently more productive, influential and sustainable than at any time since our foundation in 2007.

In 2015 we have promoted our agenda to military chiefs, captains of industry, senior public servants, independent experts, and former Federal Ministers.

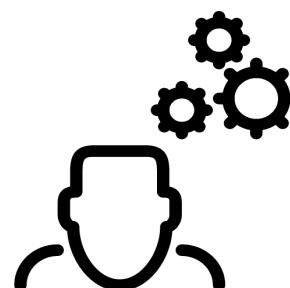
There are three ways you can become an active member of our network:



Become an **Ideas Sustainer**

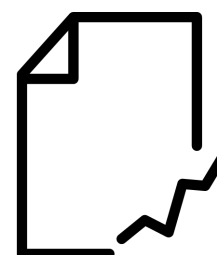
Developing good ideas is just the start of our work. The important part is connecting the right people together to discuss those ideas, and convincing the policy makers about why action is necessary.

By becoming an Ideas Sustainer, you generously provide a financial contribution, either a once or on a monthly basis. This contribution assists CPD to produce high quality, evidence based policy and to engage with the key influencers around the country in order to generate reform for the long-term.



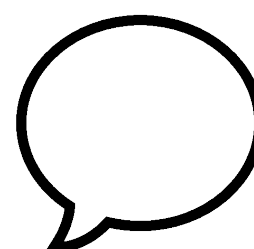
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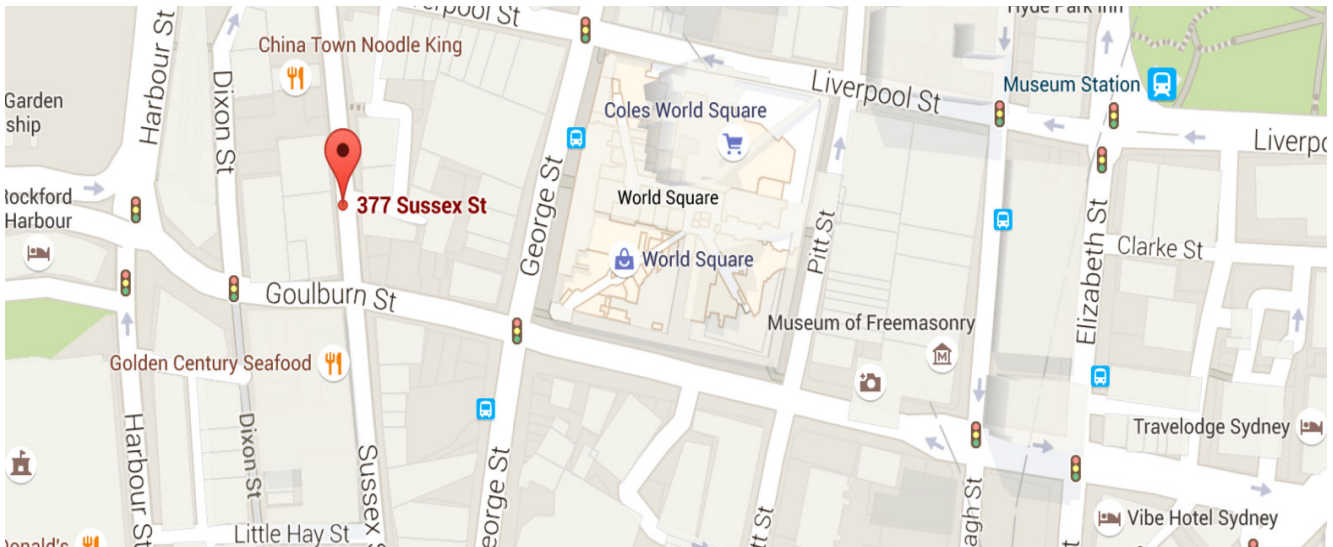


Participate in the **conversation on social media**

CPD regularly uses social media to highlight the latest trends across a range of long-term policy challenges. We actively welcome and encourage our subscribers and ideas sustainers to join in the conversation with us online. CPD's twitter handle is [@CentrePolicyDev](https://twitter.com/CentrePolicyDev). You can also interact with CEO Travers McLeod ([@TraversMcLeod](https://twitter.com/TraversMcLeod)), Rob Sturrock ([@RobSturrock_CPD](https://twitter.com/RobSturrock_CPD)) and Sam Hurley ([@samhurley05](https://twitter.com/samhurley05))



Contact Us



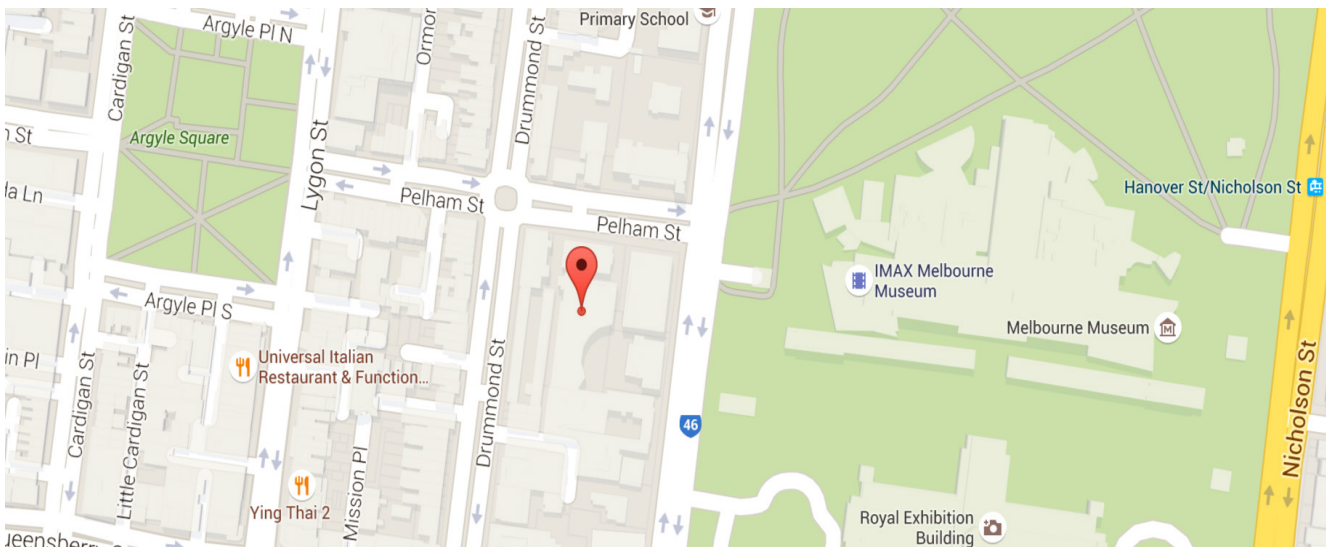
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