

RESEARCH PROVIDES MORE PERKS FOR POLITICAL INSIDERS

A Liberal Party-owned company garners considerable income from taxpayer funds

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Voters rightly hate the privileges that politicians bestow on themselves. Whether it is a Concorde, a study tour or a generous superannuation benefit, the special treatment widens the gap between the political class and the average Joe.

They want to have things both ways. They urge Australians to vote for stability by supporting the Coalition in the Senate rather than being drawn to an "outsider" candidate who may make things awkward. At the same time, they resist changes that will expose their own parties to more scrutiny.

No wonder some Australians look towards the outsiders when the insiders circle the wagons. At a time when Donald Trump is scrambling through US politics and Britons are demanding a Brexit, the backlash against politics-as-usual has never been more powerful. Parakeelia is a perfect example of politics-as-usual. It is owned by the Liberal Party to keep tabs on voters, using database software that records the contact that consultants make with their local members or voters.

MPs use their office entitlements, funded by taxpayers, to pay for the Parakeelia service and its software, Feedback. Yet the company also pours money into Liberal offices. Somewhere along the way, public funds turn into party cash.

There is nothing to suggest the owner is wrong on that point. As the owner of the company, the Liberal Party can take cash out of Parakeelia as it wishes, as a dividend or a payment for services, for instance. The party says the payments were a reimbursement for investments it had made in Parakeelia's software upgrades over time. Fair enough. Nobody suggests the party is obliged to run the company at a loss.

Yet the scale of the cash is the problem. What is to stop a party subsidiary from collecting even higher fees from MPs out of their office entitlements? What law prevents Parakeelia becoming a permanent profit centre and the Liberal Party's biggest source of funding, all with the help of taxpayer subsidies? At what point would Labor and the Greens have no choice but to do the same?

The payments also seem out of proportion to the company's revenue. The Coalition had 123 members and senators in the last parliament — enough to generate \$307,500 in annual revenue if each customer paid \$2500 — a long way short of the company's transfers to the Liberal Party. State MPs and local councillors also can buy the service, but are state entitlements helping to fill federal party coffers?

The recent history of political donations has everyone on guard, yet Labor and the unions cry foul when the trade union royal commission looks into them. The sense of entitlement in the political class knows no bounds. As if the payment of taxpayer funds to Parakeelia and Magenta Links is not enough, the companies enjoy other forms of special treatment. They are free from the Privacy Act under amendments passed in 2000 even though the privacy commissioner at the time, Malcolm Crompton, warned against the exemption. They are even exempt from laws against spam emails and junk mail legislated in 2003. If you find your inbox full of political propaganda there is no point contacting

TARGETED CASH CAN LIFT SCHOOLS

US research shows how to achieve better results, and it's not all about the money

RICHARD HOLDEN

In the lead-up to this year's federal election, the debate about primary and secondary education has become pretty shrill, and focused almost exclusively on more money versus not.

For instance, Nick Cater said in these pages last week (Commentary, June 7) that "throwing cash at schools is not the answer" and mocked the notion that money could help low-achieving students as "alchemy". The next day, Janet Albrechtsen followed suit, telling us "School funding from federal and state governments has doubled over the past two decades but has failed to raise standards in student performance".

Cater even saw fit to give us a brief philosophy lesson, referring to Descartes, Locke and Bertrand Russell. It is ironic, then, that the Albrechtsen-Cater argument — we've spent more money on education and results have not improved — commits one of the classic logical fallacies: *post hoc ergo propter hoc* (after this, therefore because of this).

Both sides are obsessively focused on money and not enough on what works in education.

Education spending up, achievement flat. Conclusion: there is no causal link between education spending and student achievement. That conclusion is, in a word, wrong.

On the other side of the debate, however, labor has been arguing that spending more money does have a causal impact on achievement. Its "Your Child. Our Future" policy points to several education inputs, such as better trained teachers and early intervention, that have been shown to drive student achievement. The reasoning, however, is all backwards: spending \$3.7 billion will allow all sorts of wonderful things to happen, and that will lead to some great outcomes.

Well, perhaps. But the correct reasoning would be here's what's actually working and here's what it's going to cost, so let's do it. Both sides are obsessively focused on money in education, and not enough on what works in education.

Yet thanks to some remarkable work by US scholars in the past decade, we have compelling evidence on what factors do have a causal impact on student achievement. We basically know what works. And the bottom line is that while some of these things definitely cost money, not all of them do.

The key player has been Harvard economist professor Roland Fryer. Through a series of extraordinary studies — often randomised controlled trials of education inputs — Fryer has revealed the key drivers of student achievement. And because much of this work is just like a pharmaceutical trial where a treatment group gets, say, a heart medication and a control group gets a placebo, Fryer has

identified true causal effects, not just correlations that could be spurious and misleading. Fryer's research, for example, shows that so-called No Excuses charter schools (broadly speaking, independent schools) in Massachusetts outperform other charter schools. These schools have strict discipline, mandate school uniforms, "cold-call" students in class, often employ teachers who were involved in the "Teach for America" program (who tend to have strong academic backgrounds), and record video feedback on their teaching. They find that, conditional on doing these things, per-pupil expenditure does not predict effectiveness.

Finally, Nobel laureate James Heckman has highlighted the importance of early childhood intervention, particularly for socioeconomically disadvantaged children. Heckman looked at programs that use random assignment of students to the absence of resource constraints, which also allows one to draw causal conclusions. As he puts it, the studies "demonstrate substantial positive effects of early environmental enrichment on a range of cognitive and noncognitive skills, schooling achievement, job performance, and social behaviours, long after the interventions ended".

Education policy should focus on the causal drivers of student achievement. Often, these things require additional resources. A longer school day and school year, for instance, are interventions and hiring teachers with strong academic backgrounds definitely cost money. Probably a lot of money.

But data-driven instruction and providing video feedback to teachers is relatively cheap. Stricter discipline, cold-calling, and having a culture of high expectations doesn't really cost anything.

Our education policy should be focused on understanding the inputs that really drive student achievement, then funding those properly. If we don't do that, we may spend too little, or too much, but we won't spend effectively. And that's a key outcome for students and our budget bottom line.

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INVASION NOT INTENDED, BUT TROUBLE WAS INEVITABLE

British colonisers took away Aboriginal life

DAVID HILL

When King George III declared to the British parliament in January 1787 the decision to send convicts to Botany Bay, he said it was driven by the need to find somewhere to get rid of the massive numbers of convicts and "remove the inconvenience" of overcrowded British jails and prison hulks.

The original destination of Botany Bay as a prison had been chosen by Captain James Cook, who had been on the only British expedition to Australia's east coast 17 years before, in 1770, with Captain James Cook on Endeavour.

Banks said the site was suitable because the convicts would have difficulty escaping and the soil was fertile enough for them to grow enough food to survive. Cook made it quite clear the settlement would not require an invasion force when he reported that the indigenous people were "timorous and 'inoffensive' and not a 'warlike people'".

It is useful to revisit the facts surrounding the First Fleet after Malcolm Turnbull agreed, while on the campaign trail, that the colonisation of Australia by British settlers could be described as an "invasion".

When Commander Arthur Phillip was given his detailed instructions for the establishment of the penal colony, he was ordered by King George to make friends with the local people.

"You are to endeavour by every possible means to open an intercourse with the natives," he was told, "and to conciliate their affections, enjoying all our subjects in life in amity and kindness with them."

Soon after landing in Sydney Cove, which he found more suitable than Botany Bay, Phillip gave strict orders that the "original people should not be 'offended' or 'molested' and should be treated with every mark of friendship".

The 11 tiny wooden sailing ships that left Portsmouth on May 13, 1787, packed with 1500 people on the largest overseas migration the world had seen, hardly resembled an invasion fleet. In addition to 800 convicts, 200 of



whom were women and 19 of them pregnant, the fleet included naval officers and officials, several wives and children, the ship's crews and more than 200 marines to act as jailers in the new convict colony. The ships were loaded with thousands of utensils, tools and equipment to build a new world and carried two years' supply of food.

On the way they stopped at Rio de Janeiro and Cape Town to collect more seeds, seedlings and fruit trees (and 65,000 litres of rum for the officers and marines' rations). By the time they left Cape Town in November to cross the Great Southern Ocean, they sailed with 500 farm animals, including pigs,



chickens, goats, cows, bulls, ducks, geese and horses, as well as several pet dogs belonging to the officers. Arriving in January 1788, the First Fleet struggled from the start to progressively reduce the food rations. The settlement was starving, only the arrival of the Second Fleet in June 1790 saved the colony.

The initial contact between the Europeans and the Aboriginal people had been friendly enough, but within months several convicts and Aboriginals were killed in violent clashes that some of Phillip's officers said were caused by convicts stealing food from the indigenous people.

Very soon, the locals started



avoiding the newcomers. From the moment the British started clearing back the dense bush for their settlement, they began the process of destroying the fragile ecosystems that had supported the original people with most of their food.

Within months, much of the wildlife had been shot for fresh meat and much of Sydney Harbour fished out.

After only a year, an outbreak of smallpox killed an estimated 50 per cent of the local indigenous population but only one of the settlers. The British could not account for the outbreak although it must have been brought into the area by the First Fleet. For the next



two centuries, assorted other European diseases and alcohol combined to devastate the Aboriginal civilisation.

The dissolution of local tribes continued with the spread of white farming and the taking of traditional lands along the Parramatta, Nepean and Hawkesbury rivers in the Sydney basin. Any opposition to the land grabbing was violently repressed, since there was no regard for the Aboriginal people who lived there and no one to protect them.

The problem became much more widespread a quarter of a century after the arrival of the First Fleet and following the successful crossing of the Blue Mountains in 1813. There was no

recognition of Aboriginal land rights and the savage clearing of land for farming involved the abduction and rape of Aboriginal women and the indiscriminate killing of locals by settlers across the largely lawless hinterland.

Commander Phillip was ordered by King George to make friends with the local people

"Too often, their territory has been usurped; their property seized; their numbers reduced; their character debased; the spread of civilisation impeded... The injuries we have inflicted, the oppressions we have exercised, the cruelties we have committed, the vices we have fostered, the dissolution and other miseries we have caused, stand in strange and melancholy contrast with the progress of our civilisation."

Through successive generations, the world of spoliation and death has been carried on.

David Hill is author of 1788, The Making of Australia and The Great Race, and a former ABC chairman and managing director.

ANDREWS GIVES TURNBULL CHANCE TO PUNISH A STOOGES

The firefighters' dispute opens new fronts in the industrial relations battlefield

GARY JOHNS



The Black Friday bushfires of January 13, 1939, in Victoria were among Australia's worst. The Country Fire Authority volunteers were there. The CFA boasts being one of the world's largest volunteer-based emergency service organisations.

Friday June 10, 2016, was another Black Friday in Victoria. On that day, the Andrews Labor government sacked the CFA board because it refused to accept the Country Fire Authority-United

Firefighters Union enterprise agreement.

The board had legal advice that parts of the agreement were unlawful because they discriminated against part-time employees and that other parts gave the union veto over 50 matters for which the CFA had legal responsibilities.

The Victorian Labor government called the agreement relevant, anyone else would call it a union takeover.

The union also ignored the safety of communities under fire insurance threat of fire.

The board had argued that fire services throughout Australia did not mandate "minimum numbers on the fireground before safe operations can commence".

The Melbourne Fire Brigade, family under the control of the United Firefighters Union, is the only fire service that does.

The Melbourne Fire Brigade operates in regional and remote Victoria.

At present, the duty officer at a fire station determines the appropriate truck and crew to respond to an incident. If a duty officer has input together with a mandated number of professionals, responsiveness and community safety may be compromised.

Malcolm Turnbull has begun to sense the significance of this act as the unionised workforce, which is highly anti-competitive. The 2014 building code, which is in draft form and yet to pass the par-

liament, is stricter about what can be put in an agreement. It carries the stick that a business cannot tender for government work unless it complies. Unfortunately, the bill will apply only to future contracts and leaves much of the industry non-compliant.

Pattern bargaining is too prevalent. A union can impose an expression of interest fee of nearly \$2000 for each (standardised) agreement. Two many agreements are presented as a fait accompli and the money flows to unions. Most employers are reluctant to work for the employer, not the union.

Employers and employees can take protected industrial action only when they are negotiating on a proposed enterprise agreement and that agreement is not a greenfield or multi-enterprise agreement. Protected action gives immunity from civil liability under state law. The threshold for pro-

hibited action under present legislation is too high. It is hard for large employers, such as airline and power companies, to gain protection.

The Coalition will have to stop stacking the Fair Work Commission with employer fixers to balance union fixers appointed by Labor. (Goodness knows what appointment the Greens will demand in a Labor-Green government: human rights activists?)

Too many appointees have no knowledge of the law and as such represent a fundamental threat to the rule of law. It would be better for the Coalition to make appointments from among barristers and solicitors. Although these may have to get up to speed on industrial relations matters, at least they will apply the law and not wave through union agreements.

The Andrews Labor government is a union stooge. Turnbull has the opportunity to encourage voters to punish it.

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