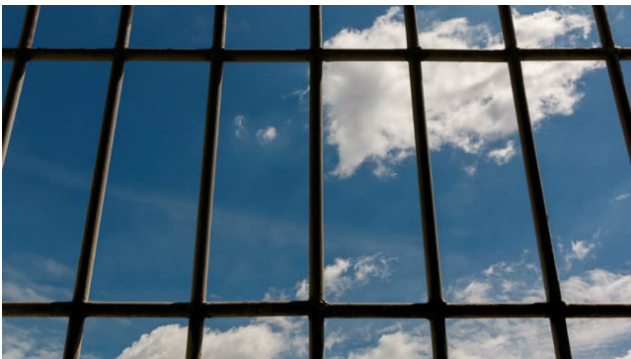


HIGHLIGHTS FROM IDEAS@THECENTRE

Our researchers observe the passing scene in the
CIS's weekly newsletter.

Don't blame racism for high jail rates

Sara Hudson | 04 DECEMBER 2015



Recent reports by the Australian Medical Association and Change the Record Coalition imply that because Indigenous incarceration rates have increased by 88% in the last 10 years we need more culturally appropriate services and strategies.

But framing high incarceration rates as a product of institutional racism does no one any favours. It pits Indigenous and non-Indigenous people against each other and risks further alienating Indigenous people from 'mainstream' society.

Police and court bias may be a factor in some cases, but overall, Indigenous offenders receive shorter sentences than non-Indigenous offenders for most crimes.

The reason Indigenous people are more likely to be locked up for minor crimes like traffic offences, is because many do not have the education to get a licence or the financial means to pay their fines.

Rather than viewing high Indigenous crime and incarceration rates as an Indigenous-specific problem, we need to see it as a problem of poverty and social dysfunction.

Crime occurs more in low socio-economic areas. These are places where parents do not know – and often don't care – where their children are; where a lot of people do not work; and where going to prison is a 'rite of passage' rather than a deterrent.

Proportionally, more Indigenous people live in such neighbourhoods and communities than non-Indigenous people – but this does not mean that Indigenous people are more predisposed to commit crime than other welfare-dependent Australians.

Poor educational attainment and unemployment are strong determinants of both Indigenous and non-Indigenous offending. In fact, unemployment is a greater risk factor for offending than being Indigenous.

The majority of Indigenous people are doing okay. Most are employed and more Indigenous people are completing high school, going to university and establishing their own businesses than ever before.

Instead of stereotyping all Indigenous people as victims in need of culturally appropriate programs and services to keep them out of jail, a targeted approach that addresses the social and economic reasons for offending is needed.

Only when more Indigenous people are given the means to lift themselves out of poverty and into employment will Indigenous crime rates go down.

Back to school for research on value of Sydney harbour

Michael Potter | 20 NOVEMBER 2015



In last week's edition of Ideas@theCentre, we said politicians and media commentators should take remedial maths lessons for getting their tax reform sums wrong.

This time remedial economics lessons are needed, with an article stating that the value of Sydney harbour is (at least) \$43 billion. This reporting is completely wrong (it appears as if the error was made by the media, not by the researchers at the Sydney Institute of Marine Science).

The article states that the research put a value of \$40 billion on the "premium on real estate near the harbour". It then takes the \$40 billion figure and adds various annual revenues such as tourism, with a value of \$1,025m per year, ports (\$430m per year), and major events (\$400m per year), plus a few other values, to generate an overall value of Sydney harbour of \$43 billion.

If you can't see the problem now, then go back to economics class.

The mistake in the article is that it has added a capital amount (the value of real estate) to a revenue amount (such as port revenue). This is a meaningless calculation, similar to calculating the value of Qantas by adding together its ticket revenues with the value of its planes. Or figuring out my economic value by adding together my annual income to the value of my house. In simple terms, you can't add together the value of an asset and an income flow. To do the calculation correctly, you need to do a conversion: change the income flows into an asset value, or vice versa.

The article also includes the *total* revenue of businesses in the harbour, when in simplistic

terms the calculation should include only the *additional* revenue of businesses due to proximity to the harbour. After all, most harbourside businesses could operate elsewhere, albeit with lower income. In addition, the article doesn't note some double counting in the figures: for example, some port revenue may be counted in tourism expenditure.

As a result, the supposed value of Sydney harbour of \$43 billion should be dismissed, and there should be a queue for Economics 101.

10 years of slow progress

Jennifer Buckingham | 11 DECEMBER 2015



CIS held a roundtable this week to mark the tenth anniversary of the National Inquiry into Teaching Literacy. The inquiry was prompted by an open letter to then federal education minister Brendan Nelson from 26 academics who were deeply concerned about persistent low literacy of Australian students. Published in *The Australian*, the letter stated that in many schools, teachers were not using the most effective, evidence-based instruction methods and literacy programs. It warned literacy rates would not improve until this changed.

The report from the inquiry supported the letter's claims. However, 10 years later, progress has been slow and literacy rates reflect this. At the CIS roundtable, Emeritus Professor Max Coltheart — one of the signatories to the 2004 letter — described the timeline of action and inaction over the past 10 years: a somewhat depressing illustration of the challenge of getting research evidence into classroom practice. Dr Jenny Donovan talked about the work of the Centre for Education Statistics and Evaluation (CESE); an important initiative of the

NSW Department of Education and Training that is attempting to bridge the research-to-practice gap.

For substantial change to occur, multiple players will need to be involved. High-level policy documents now more often reflect the evidence on teaching reading, but principals and teachers carry the responsibility for classroom implementation — and this has been patchy. Western Australian media this week reported on a study of nine schools that had achieved exceptional performance in NAPLAN. It found that all nine had in common the explicit and systematic teaching of phonics (also known as ‘synthetic phonics’) in the early years of primary school.

The study author, Emeritus Professor Bill Loudon — who was deputy chair of the NITL committee in 2005 — said “All of the schools were using synthetic phonics and 10 years ago that wouldn’t have been the case...from my point of view, there is no excuse not to begin with synthetic phonics with small children, otherwise you’re just waiting for them to fail.”

Perhaps there is a glimmer of hope after all. Early next year, the CIS will launch its project to ensure effective reading instruction is provided for all children. Stay tuned.

The Nannies: 2015 nanny state awards

18 DECEMBER 2015



The Centre for Independent Studies announces its second year of nanny state awards, The Nannies. Highlighting the year’s worst examples of imposing

regulations or promoting campaigns designed to prevent people exercising the right to think for themselves.

“The Nannies highlight attempts by government to stick its nose into private choices,” CIS research fellow Simon Cowan said in announcing the awards.

Winner: The Greens, for initiating a Senate inquiry into the role children’s toys and entertainment play in creating gender stereotypes and contributing towards domestic violence.

“Everyone is concerned about domestic and family violence, but this senate inquiry seems to be more of an attempt to tell parents how to raise their kids,” Mr Cowan said. “Having a Senate inquiry into toys is absurd.”

2nd Place: NSW Office of Liquor, Gaming & Racing for deeming the bar name ‘Spoonings Goats’ offensive.

“As far as I am aware it’s not a crime to actually spoon a goat so why is the name more distasteful than the smell?” Mr Cowan asked.

3rd Place (equal): Victoria’s Port Phillip Council for wanting to ban junk food in its park; and the Therapeutic Goods Administration (TGA) for urging that codeine become a prescription-only medicine.

“The council wanting to ban junk food in its park suggests their attitude is that you are only allowed to have fun in pre-approved ways,” Mr Cowan said. “And you also clearly can’t be trusted to take medicine like simple pain-killers responsibly. Given the cost rises in our health system, is it really a good idea to force people to go to the doctor and get a prescription for codeine?”

Why is government regulating sport codes?

Trisha Jha | 15 JANUARY 2016



After working at CIS for over two years, you'd think I would have learned by now not to be perplexed by the sheer number of pies in which governments of all shapes and sizes have their fingers.

Alas, this has not been the case. I still ask myself with alarming regularity, "Why is government involved in this at all?"

This week it was in reference to the finalisation of the Australian Sport Anti-Doping Authority (ASADA) investigation into the use of banned, performance-enhancing substances by players from various teams (but mostly the Essendon Bombers) across the AFL. Doping in the AFL has been under scrutiny for a number of years, and now 34 current and former players have been suspended for a minimum of 12 months.

ASADA is a government agency, sitting under the Department of Health. Its role is "to develop

a sporting culture in Australia that is free from doping, and where an athlete's performance is purely dependent on talent, determination, courage and honesty."

Of course, nowhere in what ASADA does is there a compelling case for why it has to be done by government and funded by the taxpayer, at a cost just shy of \$17 million. A strong anti-doping culture is obviously great for sport, the athletes, and the fans, for reasons the ASADA website states. But the primary beneficiary of this is sport itself, and the multi-billion dollar economy that exists around it.

Sporting codes are essentially collections of clubs who decide they want to play competitive sport in a particular way, with particular rules and guidelines — which could conceivably involve anti-doping regulations, with testing and investigation mechanisms, and fines and/or disaffiliations for players and clubs who do not comply.

In other words, it seems plain there is no reason why this industry cannot self-regulate, with no need for governments or taxpayer dollars or public servants to administer the whole thing. There is no reason why governments need to be involved, other than being seen to provide what is essentially corporate welfare.

Then again, this is a country that still has an egg corporation, a wine marketing body, a meat and livestock agency, a pork agency, a sport fundraising body, a dairy corporation and any number of other government-funded and/or -administered agencies.

Clearly CIS still has work to do!