

CIS NEWSLETTER

SEPTEMBER 2025



Unshackling productivity: the reform blueprint Australia needs

Australia's economic story is at risk of losing its happy ending.

For almost five decades, we have been an outlier among advanced economies: fast-growing, resilient, and prosperous. Reforms of the 1980s and 1990s, deregulating finance, floating the dollar, liberalising trade, reforming labour markets, created an environment in which productivity and prosperity thrived. The resources boom then turbocharged this momentum into the 2000s.

But as the Centre for Independent Studies (CIS) has shown, that era is over.

The Productivity Slump

Since the global financial crisis, Australia's productivity growth has slowed sharply. Real wages have stagnated. Government spending has ballooned. Debt is climbing towards \$1.2 trillion — locking future generations into paying for today's promises.

CIS has called this what it is: a productivity problem. In our major report *The Productivity Problem*, we showed how declining productivity growth undermines not only economic output, but also the living standards and opportunities available to every Australian.

Prominent economist **Jim Cox** has explained that productivity is not about working harder, but about working smarter, producing more with the same resources. Without productivity growth, higher wages and better services, prosperity simply cannot be achieved.

A Reform Blueprint

Cox's paper *Addressing Australia's Productivity Problem* goes further, setting out a detailed reform program. At its heart is a Charter of Regulatory Effectiveness (CORE), a legislative safeguard against the unchecked growth of red tape. With 356,000 Commonwealth regulations on the books, Australia's regulatory burden is among the heaviest in the world. CORE would require regulators to review and prune outdated rules, measure the impact of regulations on productivity, and face accountability for poor performance.

Alongside regulatory reform, Cox calls for renewed investment incentives. This means restoring fiscal credibility so that governments do not crowd out private capital, cutting corporate taxes to attract investment, and creating policy certainty that encourages innovation.

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Message from **Michael Stutchbury**

Dear Friends,

As I step into the role of Executive Director at the Centre for Independent Studies, I want to share my vision for the future and thank you for the crucial role you play in making it possible.

CIS has always been more than a think tank. For nearly 50 years it has stood as a voice for liberty, responsibility and prosperity, shaping the national conversation on education, housing, energy and economic reform. At a time when complacency and heavy-handed government risk eroding Australia's modern prosperity, our mission has never been more urgent.

Today, Australia faces a productivity crisis. Labour productivity growth has halved since the 1990s. Business investment is weak, while regulation and red tape smother enterprise. The danger is that we drift into mediocrity, a nation living off past affluence instead of building the next frontier of prosperity. Yet history also shows that moments of challenge are moments of opportunity. Just as CIS was founded in 1976 to push back against stagnation, so too can we lead the way now.

That is why we are launching a new Productivity and Prosperity Program. This initiative will cut through the myths of "big government" solutions and refocus attention on unleashing enterprise, reducing compliance burdens, and investing in the skills and innovation that drive growth. Already we are supported by leaders in business to examine obstacles to housing supply, a critical reform area where CIS has unique expertise.

Our purpose, however, goes far beyond economics. At CIS we believe in strengthening the cultural and institutional foundations that underpin prosperity. This means safeguarding free speech, upholding education that equips the next generation for opportunity, and resisting the drift toward dependency on government. Prosperity, as we know, is not automatic. It must be earned,

protected, and renewed through ideas that put freedom and responsibility at the centre.

Looking ahead to our 50th anniversary in 2026, I see an extraordinary opportunity to renew the spirit that has animated CIS since its founding. We will celebrate past achievements, but more importantly, we will chart a path for the next 50 years, ensuring that CIS continues to be the nation's premier source of independent, classical-liberal thought.

None of this is possible without you. Your support has always been the bedrock of CIS's influence. Together, we can ensure that Australia avoids decline and instead embraces a new era of prosperity and freedom. I invite you to join us in this vital mission. With your help, CIS will not only meet this moment, it will shape the future.

With gratitude
and resolve,



Michael Stutchbury
Executive Director
The Centre for
Independent
Studies



Executive Director, Michael Stutchbury

Education also looms large. CIS research has repeatedly shown that literacy and numeracy standards are flatlining. **Glenn Fahey** has argued that without serious reform, tougher teacher training, rigorous curricula, and transparent school performance, Australia cannot hope to build the skilled workforce productivity demands.

Housing and Energy: Structural Blockages

Housing affordability has become the intergenerational equity issue of our time. As our new Executive Director, **Michael Stutchbury**, observed in a recent interview: building a house in Australia now costs more than buying an existing one, a sign of deep supply-side constraints. CIS argues that the answer lies not in more subsidies or handouts, but in reforming planning systems, freeing up land supply, and replacing inefficient taxes like stamp duty with broad-based land taxes.

Energy policy is another bottleneck. CIS has warned that Australia is squandering its traditional advantage of low-cost energy. It is proving impossible to transition to renewables without driving up electricity prices further, contradicting politicians' promises. Stutchbury has argued for an honest debate that recognises the role of gas as a bridging fuel, explores nuclear as an option, and focuses on competitiveness as much as sustainability.

The Fiscal Challenge

Robert Carling's *Leviathan on the Rampage* underscores another key problem: government expansion. Spending growth, fuelled by populism and political short-termism, has left budgets structurally in deficit. CIS has urged a return to fiscal discipline, backed by credible fiscal rules to prevent debt from spiralling further.

Without reform, Australia risks drifting into a high-debt, low-growth equilibrium, a dangerous place for a small, trade-exposed economy.

CIS in the Public Square

Beyond the research papers, CIS has been active in bringing these arguments to national attention. For the Economic Reform Roundtable, our submission *Our Prosperity is Slipping Away* laid out the reform pillars in stark terms: fiscal discipline, tax reform, deregulation, housing, education, and energy.

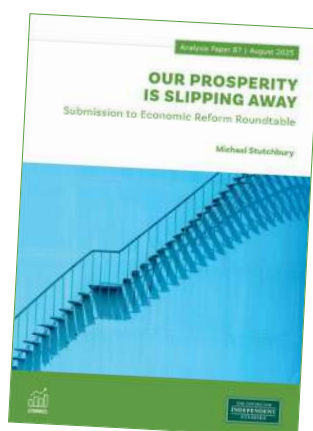
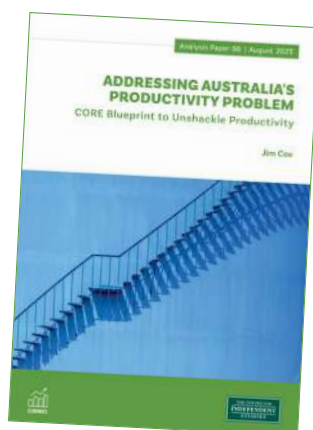
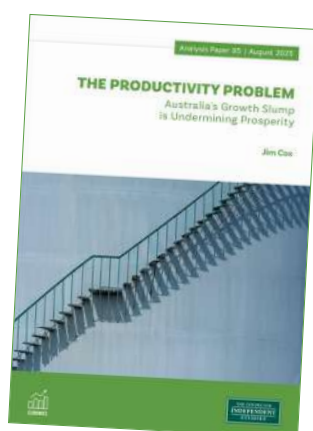
CIS scholars have voiced their perspectives through media outlets, roundtables and events, advocating for streamlined government operations and reduced taxation. They have warned of an ongoing 'per capita recession' and consistently drawn attention to educational shortcomings and the root cause of housing shortages. Additionally, they have critically examined policies related to housing and interest rates.

This is how CIS drives change: by combining rigorous research with active engagement in public debate.

A Call to Action

Australia's productivity problem is the defining issue of the next decade. Without reform, we risk slow decline. With reform, we can regain our dynamism and rebuild prosperity.

The path forward is clear. What is needed is courage. CIS will continue to lead this argument, but lasting change depends on political will and public support.



Getting numbers right from the start: CIS maths screening project driving change

If you've been following the work of the CIS Education team over the years, you'll know we've long championed the importance of checking children's ability to read early in their schooling. That way, all children are given the best chance to read confidently – and those who need extra help can get that support early and effectively.

But it's equally vital that children who struggle with mathematics are also identified early and receive extra help if needed.

Thanks to the support we received during our end of financial year appeal and of those who underpin our crucial research, we've spent the past year leading national efforts to ensure all children get the foundational numeracy skills they need to succeed in the first few years of school.

Why Screening Matters

Developing a strong number sense is crucial for success in mathematics.

And when students don't master foundational number skills at the start of school, most will never catch up. Only around one in five students who fall behind in maths ever manages to catch up, meaning they miss out on long-term life chances.

As **Trisha Jha**, CIS Research Fellow, told supporters at a recent members' morning tea:

"Screening is to education what early detection is to medicine: fast, targeted, and potentially life-changing. We're identifying issues before they snowball, and that's enormously powerful."

And yet, Australia has lagged in taking maths screening seriously. While phonics checks for

literacy are now being adopted nationwide, early numeracy has remained largely overlooked. That's changing, and CIS is at the forefront of this change.

Now, we're excited to share an update.

Earlier this year, the CIS team developed and launched Australia's first digitally delivered, curriculum-aligned early numeracy screener, the Early Number Sense Screener Australia (ENSSA).

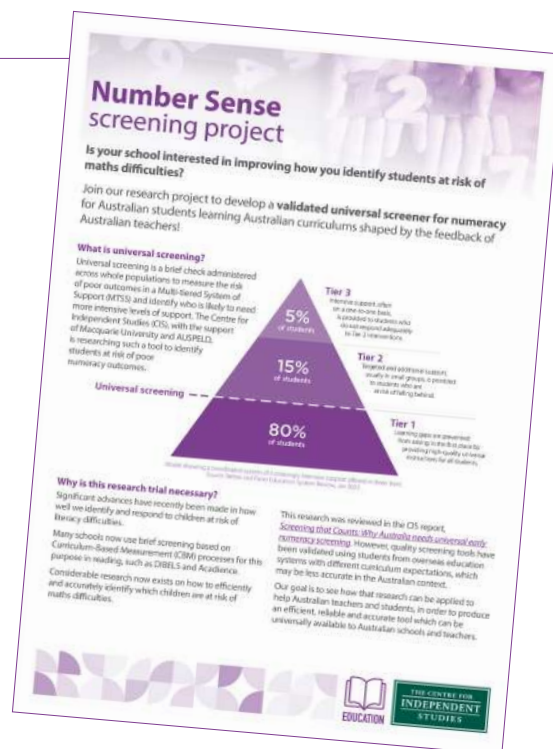
It's a simple, efficient tool that identifies students in Foundation and Year 1 who are at risk of falling behind in maths, long before those difficulties become entrenched.

ENSSA provides teachers with instant feedback on students who need extra support. It's practical, scalable, and customised for real Australian classrooms.

Scaling Up: 6,500 Students, 140+ Schools, 18 Sectors

The first national trial of the ENSSA took place in Term 1 and continues throughout this year.

So far, over 6,500 Foundation and Year 1 students, along with nearly 600 teachers, across more than 140 schools, participated in the first screening window. These schools came from all corners of the country–



ENSSA's mascot, Dash

including a diverse mix of metro, regional, and low SES communities. A few schools in New Zealand even opted in.

This scale has allowed CIS researchers to refine the tool, so that it can best help teachers pinpoint not only which students are struggling now, but who is likely to experience difficulty in the years ahead.

The Research Behind the Tool

CIS bases its work on rigorous, internationally recognised research. Our latest Analysis Paper 82: *Early Numbers, Big Ideas* by Professors **Nancy Jordan** and **Nancy Dyson** details the importance of number sense for future maths success (the paper and other research are available on our website under publications).

This paper shows that key maths skills – like quickly recognising small numbers (subitising), doing simple calculations, and comparing amounts – start to develop early and can be taught well using the right teaching methods.

National Impact and Policy Recognition

CIS's leadership in this area is not going unnoticed. Federal Education Minister **Jason Clare** visited CIS

in August 2024 to discuss **Kelly Norris's** landmark report on early maths screening. This document has informed the federal government's policy commitments to a nationwide numeracy check. We've also provided our research evidence to governments all around the country over recent months.

Looking Ahead

With two additional testing windows scheduled for 2025, the next phase of the project involves refining the tool and publishing our research in collaboration with Macquarie University. By 2026, CIS will offer detailed guidance to schools on how to use our screening tool in their classrooms to assist at-risk students.

In parallel, our new *Science of Learning* website will become a trusted hub for educators, featuring classroom resources, professional learning tools, and a self-assessment quiz for teachers. The goal is clear: make research-informed teaching accessible, practical, and effective.

To learn more about the importance of Early Numeracy Screening watch Kelly Norris's video on the topic or you can go directly to the research on our website cis.org.au.



The new intolerance: a research initiative to understand a growing threat

Antisemitism has reemerged as a concerning aspect of civic life in Australia. Once considered rare and socially unacceptable, expressions of hostility towards Jewish Australians now appear in various public and private settings, including schools, protests, social media, universities, religious institutions, and politics.

In response to this increasing concern, CIS has launched a multi-year research initiative to explore the civic, legal, cultural, and political aspects of rising antisemitism and religious intolerance. The project, titled *The New Intolerance: Antisemitism and Religious Hatred in a Fracturing Civic Compact*, aims to inform public understanding and policymaking through independent, evidence-based research analysis.

This research initiative builds on CIS's longstanding commitment to liberal democracy and civic pluralism. It does not take sides in ideological or partisan debates. Instead, it aims to gain a deeper understanding of how intolerance manifests in contemporary Australian society and how communities, institutions, and governments can respond in ways that align with democratic principles and valued freedoms.

A commitment to academic and methodological rigour guides the research. Over the next three years, the program will collect national data, publish original research, convene public and expert forums, and contribute to informed public debate.

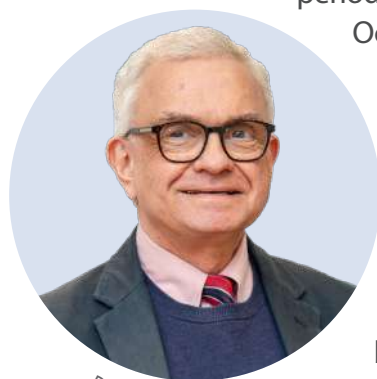
Among the early priorities is a nationwide survey of Australian attitudes towards Jews and religious minorities to be conducted by leading Australian research company, McCrindle Research. This data will help inform public sentiment, identify potential



concerns, and assess how attitudes change over time in response to political rhetoric, media narratives, and global events.

Other areas of focus include the treatment of religion in education, the dynamics of campus protest, the spread of online hate, and the legal and institutional frameworks that shape freedom of religion and belief in Australia.

The decision to focus on antisemitism follows a period of significant public attention. Since October 2023, a number of incidents have raised questions about Australia's social cohesion. Protests outside synagogues, targeted vandalism, rising reports of school-based harassment, and inflammatory online content have prompted concern from both Jewish community leaders and the broader public.



Peter Kurti

While much of the national conversation has concentrated on these individual flashpoints, CIS's research aims to situate them within a broader civic context. That includes examining how global conflict is interpreted through local institutions and how norms of civic debate are adapting in response to pressure.

Senior Fellow **Peter Kurti**, who leads the program, has described antisemitism as a "barometer of civic health."



Rabbi Dr. Benjamin Elton and CIS Culture Director, Peter Kurti, at the 2025 Acton Lecture: The Darkest Path 2025

In a recent interview, he noted, “Antisemitism today may not always look like it did in the 1930s, but it still reflects a collapse in the norms that underpin our democracy. This project is about understanding how that collapse is happening, and what we can do to address it”.

Peter has also discussed the challenge facing liberal institutions. “We are not in the business of political commentary,” he said. “We are in the business of identifying structural and civic conditions that allow hostility to thrive, and testing them with data, analysis and reasoned debate”.

Rabbi Dr. Ben Elton, who spoke at CIS’s 2025 Acton Lecture, reflected on his own experiences and warned that antisemitism “never really goes away.” He welcomed the program as “a serious and measured response” and encouraged those who value open societies to support the efforts. “It matters,” he said, “because it affects all of us.”

The project does not equate criticism of any government with antisemitism, nor does it seek to enter into geopolitical disputes. Its scope is domestic. It focuses on how civic institutions in Australia handle expressions of religious and cultural tension, and whether they are adequately equipped to support freedom of belief, association and expression in a pluralist democracy.

A key concern is that antisemitism, wherever it originates ideologically, can signal a broader erosion

of civil norms. History has shown that tolerance of targeted hatred often precedes a breakdown in trust, respect and law. This is why the project also includes work on related forms of intolerance, such as anti-Muslim sentiment, while remaining clear in its scope and purpose.

For CIS, this work is a continuation of its mission to strengthen Australia’s democratic culture through original research and informed public engagement. The subject matter is sensitive, but the need for clarity has never been greater.

This is not a campaign. It is a research-led effort to understand, explain and inform. CIS welcomes further support from individuals and organisations who share a commitment to evidence, freedom and civil respect.

CIS must maintain research independence, but we could not carry out this work without the generosity of those who believe in its importance. To kick off the program, philanthropic support has been provided by the **Luminis Foundation**, **Simon Mordant AM**, and others committed to the principles of independent, non-partisan analysis. We are still seeking further backing. If you would like to find out more or you would like to support this research, please contact **Peter Kurti** at CIS.

Peter Kurti is Director of the Culture, Prosperity & Civil Society program and is also Adjunct Associate Professor in the School of Law and Business at the University of Notre Dame Australia.

Time to put the brakes on government spending

Australia's governments have been on a spending spree, and the bill is coming due.

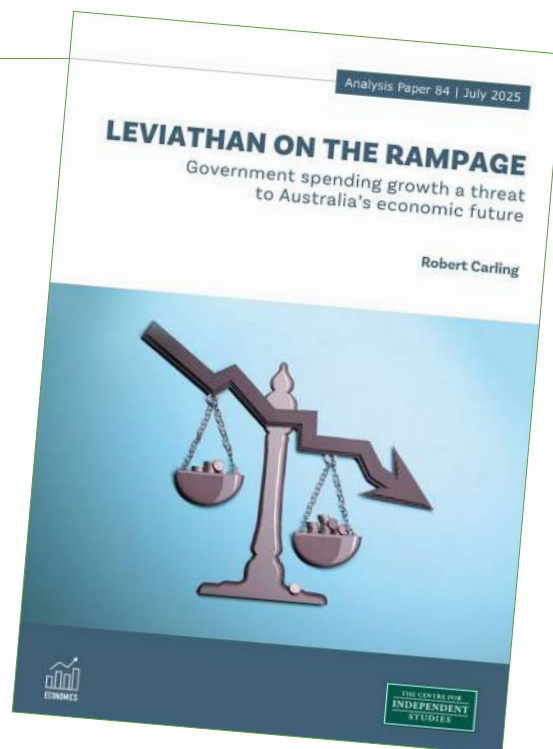
At nearly 39% of GDP, government outlays are now at a post-war high, rivalled only by the extraordinary blowout of the pandemic years.

Before the global financial crisis, spending was running at around 34–35%. That five-point jump might not sound dramatic, but in economic terms it represents a seismic expansion of government's role in the economy – and one that cannot continue indefinitely without serious consequences.

The problem is not just the size of government spending, but the speed at which it is growing. Since 2012–13, real per capita federal expenditure has been rising at close to 2% a year. Over the same period, productivity growth has limped along at a meagre 0.5%. That imbalance matters. When the cost of government rises three or four times faster than the economy's ability to pay for it, pressure inevitably builds. It is only a matter of time before cracks appear in the system.

Much of the growth is concentrated in a familiar set of big-ticket programs. The fastest growing items such as the National Disability Insurance Scheme, aged care, Medicare, schools, child care and defence together account for almost two-thirds of the increase in federal spending since 2012–13. However, the government has at least finally acknowledged that the NDIS can't even continue to grow at the currently targeted rate of 8%, which is still too high and that it should be more like 5%. But a few months ago, before the election, they dismissed this suggestion out of hand.

At the same time as seeing this spending growth, interest payments on public debt are



forecast to rise by almost 10% a year for the next decade as higher rates bite and refinancing costs mount. And then there are the 'off-budget' commitments – student loans, clean energy funds and other so-called investments – that quietly add another \$100 billion to the tally over five years.

None of this is just a dry accounting exercise. Every dollar diverted to service debt is a dollar unavailable for essential public services and infrastructure, or tax relief.



Robert Carling

The politics of restraint, of course, are never easy. Voters tend to like new programs and extra benefits, and politicians are quick to oblige. The pandemic created a sense that money was limitless and governments could solve every problem by writing bigger cheques. But that spell of debt-funded largesse is over. Higher interest rates and stubborn deficits mean the fiscal climate has changed. What was sustainable in the short-term emergency of COVID-19 is unsustainable in the long run.

What, then, is to be done? The answer does not lie in fiddling with tax brackets or introducing yet another levy, but in reining in expenditure. That begins with subjecting major programs to rolling reviews, identifying waste, duplication and inefficiency. It means putting in place clear fiscal rules to ensure that

spending growth stays below the pace of economic growth. It means drawing a firm line under new, costly promises. And it means freezing the size of the public service, shifting resources from expensive consultants to permanent staff, and insisting that every dollar spent delivers real value.

The alternative to restraint is far less appealing. If spending continues unchecked, the pressure for higher taxes will mount. That, in turn, risks stifling growth, investment and innovation. A cycle of stagnation, heavier tax burdens and

diminished opportunity is not inevitable, but it is the path Australia risks if governments lack the courage to act.



watch Robert's video on the rise of government spending
<https://www.youtube.com/watch?v=DgqdELXU4BI>

The brakes need to be applied now. Delay will only make the eventual correction more painful. Restraint may be politically difficult, but the alternative — a weaker economy shackled by debt and higher taxes — would be far more costly.

Robert Carling is a senior fellow at the Centre for Independent Studies and a former IMF, World Bank and federal and state Treasury economist.

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Event spotlight

The CIS housing panel celebrated three leaders shaping the future of housing policy across Australasia.



CIS's Chief Economist **Peter Tulip**, whose two decades of research have transformed the debate, shared the stage with NSW Premier **Chris Minns** and New Zealand Housing Minister **Chris Bishop**, two politicians delivering the kind of reforms long argued for by Tulip.

Premier Minns spoke candidly about Sydney's acute affordability pressures, noting that restrictive planning and limited supply have pushed young people out of the city. Drawing direct inspiration from Auckland, he outlined how NSW is adopting bold zoning reforms to boost construction, reduce rents, and bring vibrancy back to urban centres. Minister Bishop

reinforced this narrative, highlighting New Zealand's pioneering planning changes that doubled infill housing supply and placed real downward pressure on rents. Both leaders demonstrated that determined governments can overcome resistance to deliver world-leading reform.

Tulip's chairing of the discussion underscored his unique role in bridging research and policy, showing how rigorous analysis can translate into practical solutions. Together, Premier Minns, Minister Bishop and CIS's Peter Tulip embodied the rare combination of ideas, political courage and evidence-based leadership needed to tackle generational housing inequality and restore affordability across the region.



Scan to view the event on YouTube or visit cis.org.au/commentary/video

Global speakers month

Join us for an engaging month of discussions with speakers from around the world, featuring events across the East Coast.

- OCT 14** **JBL** | Amora Jamison Hotel Sydney
Annual Gala Dinner and John Bonython Lecture with **Andrew Neil**, hosted by **Michael Stutchbury**
- OCT 18** **DON'T BURN THIS WORLD** | The Capitol Theatre Melbourne
Dave Rubin shares his perspectives on freedom, culture, and contemporary political discourse
- OCT 21** **DON'T BURN THIS WORLD** | The Concourse, Chatswood Sydney
Dave Rubin hosted by former Deputy Prime Minister **John Anderson**
- OCT 27** **AN EVENING WITH DAVE RUBIN & ANDREW NEIL** | BCEC Brisbane
Two dynamic speakers hosted by **Michael Stutchbury**
- OCT 30** **PHONICS: BUILDING KNOWLEDGE-RICH LITERACY** | CIS Sydney
Explore early numeracy with NZ Education Minister, **Erica Stanford** and education experts **Natalie Wexler** and **Lorraine Hammond**, hosted by **Glenn Fahey**
-
- DEC 10** **MEMEBERS' CHRISTMAS SOIRÉE** | CIS, Sydney
Please **save the date** for this festive favourite!



Book your tickets today via the QR code or visit cis.org.au/events/upcoming-events

Listen up! CIS podcast update



The Stutchbury sessions with Michael Stutchbury

Our prosperity is slipping away

Join new CIS Executive Director, **Michael Stutchbury**, for the start of his podcast series. In this inaugural edition, he outlines how Australia once enjoyed extraordinary prosperity, built on bipartisan reforms of the 1980s and 1990s that liberalised markets, cut tariffs, and opened the economy to global competition.

Yet, since prosperity peaked in 2011–12, signs of decline have mounted: stagnant productivity; shrinking real incomes; persistent deficits' mounting debt; weak business investment; soaring energy costs; and a lower growth potential estimated by the RBA.

The problem is not simply cyclical, Stutchbury says. As politics shifted from creating wealth to redistributing it, spending grew while reform stalled. New entitlements and universal programs have expanded government outlays, crowding out private investment. To restore prosperity, Australia must pursue four reforms: restore fiscal discipline; unleash housing supply; re-energise business dynamism; and revive affordable — but reliable — energy. Australia has reinvented itself before; it must find the courage to do so again.

Listen now on *The Stutchbury Sessions*.



Liberalism in question with Rob Forsyth

Democracy's silent guardian: education

Can liberal democracy truly endure if large segments of the population lack the education to distinguish fact from misinformation? Individual freedom requires people to understand not only their rights but also the responsibilities that accompany them. An uneducated populace may also be more vulnerable to manipulation, populist rhetoric, or authoritarian promises of order.

Join podcast host **Rob Forsyth** as he and Centre for Independent Studies education research fellow, **Trisha Jha**, explore the relationship between liberalism and education. They discuss how liberal principles, like individual freedom, pluralism, and limited government, may require an educated population to survive.

Trisha leads a stream of CIS work on the science of learning, as well as projects on school improvement and educational policy. She brings both knowledge and experience to her research, having previously had roles as a secondary teacher, including through the Teach for Australia program, in state and independent schools in regional Victoria. She has also worked as a senior policy adviser to opposition leaders in Victoria.

Listen now on *Liberalism in Question*.

Scan here to access our latest podcasts or visit cis.org.au/commentary/podcasts



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GIFT IN WILL Leave a gift in your Will to help protect Australia's liberty.

Leaving a gift to CIS in your Will is a lasting way to assist us in our mission to promote sensible, evidence-based policy that benefits all Australians.

Reach out to **Dearne Cameron** or **Trish Murray** at 02 9438 4377 or email us at legacysociety@cis.org.au.

Or you can write your Will in under 10 minutes with GatheredHere – visit cis.org.au/support/gift-in-will.

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