

Grattan Institute

Launch 20 April 2009

Remarks by John Daley, Chief Executive

Grattan Institute embodies the belief that ideas can make a difference. The road that has led to the formal launch today shows the power of an idea. And the road we have mapped out for Grattan over the next few years will lead to many more ideas making a difference.

I thought it was worth reviewing tonight the road we have travelled to understand how an idea can become reality.

One of the first mileposts towards Grattan Institute was a conversation between Terry Moran and Glyn Davis in August 2004 at the Australian Davos forum organised by Michael Roux. They agreed there was a gap in Australian political life because we lacked a heavyweight independent think tank.

Over 2005, this idea was fleshed out by several people in the Victorian Department of Premier and Cabinet, including Ben Rimmer, Donald Speagle, Greg Hyland and Ian Wood. And they discussed it with a number of Australia's corporate leaders.

By the end of 2005 there was enough detail for then Premier Steve Bracks to meet with then Federal Treasurer Peter Costello to define the theme for the think tank: Australia as a liberalised democracy in a globalised economy, a phrase now enshrined in our Constitution.

The bid for the US Studies Centre in 2006 provided a detour, but it also created real links between Melbourne University, Victorian government, and corporate Australia. These links, along with a supportive report from McKinsey and Company, were the basis for Premier Bracks and Treasurer Brumby to promise significant Victorian government funding for the idea, and to ask Glyn Davis at Melbourne University to turn idea into reality. Michael Cain, Donald Speagle (who had moved from Department of Premier and Cabinet to Melbourne University), Ian Wood and Jillian Constable started the leg-work, particularly on finding a name.

Allan Myers had been asked to head the "Core Group", with a brief to set up the Constitution, and find a name. This Group, included many of Grattan Institute's now members and directors. They had agreed enough by June 2007 for Allan Myers and

David Kemp to meet with the Commonwealth Treasurer, Peter Costello to start lining up Commonwealth financial support.

An election intervened, and so some of the players changed. Julia Gillard was approached with a detailed proposal that was the fruit of 3 years development. And so, buried deep in the Commonwealth Additional Portfolio Estimates from 14 February 2008 was \$15m for a Public Policy Institute – a suitably generic description when you haven't yet found a name.

The Victorian Government announced matching funding in April 2008, along with support in kind from the University of Melbourne. No matter that the press conference was dominated by the taxi strike blocking the streets of Melbourne, Grattan Institute had fuel in the tank. And with commitments from BHP and nab, momentum increased.

Pat McLean from Melbourne University became interim General Manager, and the search for a Chief Executive began. The only thing that could go wrong would be failure to agree on a name.

And so here we are today. There is no Carlton Institute, which might have focused too much on football and beer. Nor is there a Pearson Institute named after that renowned nineteenth century statesman. Instead we have Grattan Institute, sharing a name with a well-known journalist, but acknowledging its location amongst the heartland of student idea generation and watering holes. Based in Melbourne but nationally focused, Grattan Institute is here.

Apart from recognising the contributions and tireless efforts of those I've mentioned, and many others that time has crowded out, what can we learn from this history?

A good idea can eventually get momentum. It will often need drive from government, from academia, from business, and the public. And when these things all push in the same direction, reality changes. But without the original idea, we might not be here.

So what are we going to do with the reality of Grattan Institute?

In choosing our initial topics, we have stayed true to the direction of Australia as a liberalised democracy in a globalised economy. We focused on Australian domestic policy. We looked for topics where fact-based analysis and public discussion can change peoples' minds. We've looked for areas where important issues are not being talked about enough.

I hope you can recognise these features in all of our initial topic areas. Changing our energy production – how we produce electricity and fuel our vehicles – is perhaps the biggest challenge for our generation. Water – for agriculture, industry, and private consumption – is one of our most basic needs, and we have less than we use. Cities house almost 90% of Australians, so how they are designed makes a difference. School education lasts for life, and is the biggest lever for increasing prosperity. And health is our largest public expenditure, set to become much larger as Australians age. Ideas, independently thought through, clearly presented, can make a difference in each of these areas. Our search for Program Directors in each of these areas is underway, with over 150 applications, and please encourage anyone who would be great to apply.

In conclusion, success has many parents. It takes some courage for governments to support an Institute whose mission is to articulate views that diverge from the current consensus. New ideas and public discussion are often uncomfortable. But in the end they will make Australia a better country.

Thank you to all of the many parents who turned an idea into today's reality. And we look forward to your support as we articulate many more ideas, some of which I'm sure will change our future.