



PROSPER AUSTRALIA

Annual Report

FY2023

"The equal right of all men to the use of land is as clear as their equal right to breathe the air — it is a right proclaimed by the fact of their existence.

For we cannot suppose that some men have a right to be in this world, and others no right."

Henry George



HENRY GEORGE.

Our Vision

Our vision is a just and equitable society, created by ensuring everyone who benefits from our land, natural resources and natural monopolies pays a fair rent for their use.

Our Mission

To increase the proportion of economic rent in the tax base, ensuring the unearned income derived from land and natural resources is fairly taxed.

To remove the excessive burden of taxes from income, thereby enabling enterprise to flourish and people to enjoy the fruits of their labour.

To educate the community to understand land value, how it arises, how it is monopolised, and how it can be shared for the good, honouring the legacy of Henry George.

President's Message

I am delighted to present to you our Annual Report for the financial year 2022/3, a year that posed immense challenges but also brought forth remarkable achievements for our organisation.

Despite the unprecedented circumstances of the COVID-19 pandemic, our momentum has continued to accelerate, driving us towards even greater success.

One particular area where we have made significant strides is in expanding our media reach. Prosper has been invited to participate in conferences and events, allowing us to amplify our message and engage with a wider audience. This increased visibility not only demonstrates the growing recognition of our work but also serves as testament to the expertise and dedication of our team.

We have strengthened our leadership with the addition of exceptional non-executive directors: Joe Langley, David Corbett, Anne O'Rourke, Grant Tenni, Matt Godwin, and Peter O'Regan. Their extensive experience and diverse perspectives will undoubtedly enrich our decision-making processes and contribute to the continued growth of our organisation.

I want to acknowledge the invaluable contributions of Karl Fitzgerald who has embarked on an inspiring endeavour to establish Grounded CLT Advocacy. We are proud to have supported Karl in securing philanthropic funding for this initiative, which aims to pave the way for community land trusts in Australia.

It is with mixed emotions that we bid farewell to Jesse Hermans whose outstanding policy thinking has left an indelible mark on our organisation. Amidst these transitions, we have welcomed Dr. Tim Helm as Director of Research. Tim's expertise and dedication will be instrumental in driving our organisation forward. I have utmost confidence in Emily Sims, who will continue to lead as our General Manager and I have no doubt that she will continue to excel in driving our organisation's success.

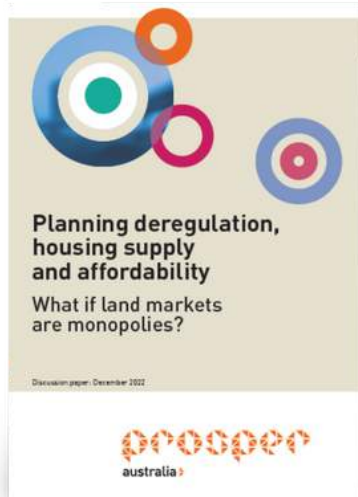
As we look back on the accomplishments of the past year, I am filled with gratitude for the unwavering support of our members, partners, and stakeholders. Your dedication and belief in our mission have been vital to our achievements, and we are profoundly grateful for your continued support.

Sincerely,

A handwritten signature in black ink, appearing to read 'Catherine Cashmore', with a stylized, flowing script.

Catherine Cashmore
President

Research

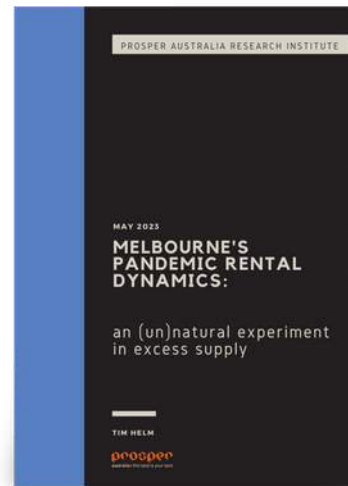


Planning deregulation, Housing Supply and Affordability: What if land markets are monopolies?

Emily Sims & Jesse Hermans

We contend that there are different conceptual models of land rent deployed within the debate over planning deregulation, housing supply and housing affordability.

Where the conceptual model is incomplete, it conflates the impacts of rezoning with the impacts of dwelling completion, and obscures the behaviour and incentives of the market when it comes to actual building.



Melbourne's pandemic rental dynamics: an (un)natural experiment in excess supply

Tim Helm

Melbourne's pandemic experience presents an ideal natural experiment for what might happen if we 'flooded the market' with additional housing.

Unabated construction combined with the population outflow generated an excess supply of 100,000 dwellings, or enough to house 260,000 people.

This report analyses the impact on housing affordability.

Submissions

Victorian Legislative Council Economy and Infrastructure Committee	Inquiry into Land Transfer Fees	<u>Prosper's submission</u> emphasised inequity of transfer duties and focussed on our existing transition design work.
Commonwealth draft Housing Legislative Package	Housing Australia Omnibus Bill	Prosper provided a <u>short submission</u> to the draft legislation, suggesting that property valuation be among the expertise of appointees to the National Supply Council.
Commonwealth Treasury	Federal preBudget submission	Prosper's <u>submission</u> to the 2023-24 Federal budget is, in essence, a plea for the government to revisit the recommendations of Australia's Future Tax System ('The Henry Review') as an urgent priority.

Events

TUES 21 MARCH @ 5:30 PM | KELVIN CLUB, 14-30 MELBOURNE PL

***Pandemic rental dynamics:
an (un)natural experiment
in excess supply***

Presented by
Tim Helm & Jesse Hermans
Free Event - All Welcome





prosper
australia research institute

26 July	Staged Releases Report Launch	Report Launch event presented by Karl Fitzgerald
14 Sep	131st Henry George Commemorative Dinner and Address	Annual gala event held at the Kelvin Club
21 Mar	Pandemic rental dynamics: an (un)natural experiment in excess supply	Research seminar presented by Tim Helm
5 May	Henry George & The Science of Political Economy	Speaker event with Frank Peddle and Tim Thornton

***Henry George &
The Science of Political Economy***
Francis K Peddle in conversation with Dr Tim Thornton

Friday 5th May | 6:30 PM
School of Political Economy
Level 1, 49 Smith Street, Collingwood





Free Event - All Welcome

SPE School of Political Economy

Australian Fabians

prosper
australia research institute

131st Annual Henry George Commemorative Address

The Great Australian Nightmare: how expensive housing sits at the heart of some of Australia's most pressing policy challenges

Speaker: Brendan Coates | Event: 131st Henry George Dinner



Wednesday, Sep 14th at the
Kelvin Club & Online at 18:30pm



CXXXI

Brendan Coates delivered a sobering, hopeful, evidenced based address. Brendan's key message: Australia would have done well – possibly much better than we have done – if we heeded the lessons of Henry George and paid more attention to the economics of land.

This year's dinner at the Kelvin Club attracted a diverse crowd from across Australian civil society, indicative of Prosper's growing credibility in the mainstream policy circles. There was a strong presence of economists, planners, housing advocates, policy makers and long-term Georgists.

The Great Australian Nightmare received extensive media coverage in The Age, The Sydney Morning Herald, The Guardian, Financial Review and many more.

A video of the address as well as a transcript can be found [online](#) via Prosper's YouTube channel

Media Coverage:

- [The knowledge economy is behind the soaring price of land](#)
- [The housing dream that became a nightmare - and isn't over yet](#)
- [High-density development and better rent assistance key to addressing Australia's housing crisis, economist says](#)
- [Home ownership changes point to deepening inequality](#)



Media

Prosper had a successful year of media engagement with our Staged Releases report enjoying front page coverage by The Age. We made a number of appearances in finance media and more specialised media. Karl also made the ABC radio hourly news.

This consistent output and coverage in the media was possible thanks to the generous additional funding for a Communications Manager received by the HGFA.

Online and print

- ['Land banking' by big developers in Melbourne driving up property prices: report | The Age](#)
- ['We hear crickets': Calls for watchdogs to stamp out land banking](#)
- [Land developing may not solve the housing crisis, but perpetuate it](#)
- [Slow pace of land development yet another barrier to housing affordability](#)
- ['Land banking' costs Aussies \\$6b: report | The Standard | Warrnambool, VIC](#)
- [Sydney property: Buyer beware: The choice between land tax and stamp duty | AFR](#)
- [Why the 'vacant home tax' is gaining popularity | Mortgage Professional Australia](#)
- ['Land banking' concerns | Northern](#)
- [The poor planning decisions causing outer suburban mortgage stress, car reliance](#)
- [Land banking and the built-in speed limit on new housing - MacroBusiness](#)
- [The case for degrowth: stop the endless expansion and work with what our cities already have | The Conversation](#)
- [Labor's shared equity scheme makes housing a serious election issue – at last. Here's the verdict - The Fifth Estate](#)
- [Melbourne building more homes 'won't guarantee cheaper rents': Prosper Australia](#)

Radio, Television, YouTube

- [Emily Sims - Research & Policy Manager, Prosper Australia - 3AW](#)
- [MB Interview: Prepare for the Immigration Time Bomb - MacroBusiness](#)
- [FriendlyJordies \(April 2023\) - The Housing Crisis. Are we doomed? \(423k views\)](#)

Opinion Editorials

- [Forget red or green tape, developers squeeze housing supply with gold tape](#)
- [If the major parties really wanted to house the nation, they'd start building](#)
- [Undersupply or Oversupply? The Hidden Property Statistics That Reveal the Truth - Daily Reckoning Australia](#)

Exclusive National Victoria Planning

This was published 11 months ago

'Land banking' by big developers driving up property prices: report

Cara Waters
July 26, 2022 - 12:00am

Save Share A A A \$9 View



The state government's push to reduce the cost of housing by releasing swaths of land on Melbourne's fringe is being undermined by big developers, which new economic analysis suggests are banking the land then releasing it slowly to maximise their profits.

A research report that analysed the past 10 years of land sales on the outskirts of Australia's big cities has revealed the true cost to home buyers of "land banking" over that period was \$5.9 billion nationwide.



Praveen Mandala bought his block in the Woodlee Estate when it launched in 2015 and says prices are now "shooting up". He loves living in the development. (2022/20)

KEY POINTS

- Think in nine included and M found been i
- Prices per ce buyer typica
- Prospe develo Halibo effect time d profits

Staged Releases

Peering Behind the Land Supply Curtain

Executive Summary

This report investigates the rate of lot sales in nine major master-planned housing developments. Our research reveals a "staged release" approach that responds to price growth but appears **crafted to avoid supply-led price declines**.

Play (0)

4:01 / 14:19

Housing Crisis - Are V

friendlyjodies 1.03M subscribers

443K views 2 months ago

National Property development

This was published 11 months ago

OPINION

Forget red or green tape, developers squeeze housing supply with gold tape



Karl Fitzgerald
Director of advocacy at Prosper Australia

Newsfee

July 26, 2022 - 3:00pm

Save Share A A A 10 View all comments

The development industry has told us for many years that if the government would just pick up the pace of planning approvals, the supply they could bring to market would bring house prices down.

In submissions to government and evidence to inquiries, they've emphasised red tape, planning delays and the lack of suitably zoned land. They've rarely suggested that they are, in fact, constrained by commercial imperatives to obey the market's "speed limit" on new housing supply.



Exclusive National Victoria Renting

Building more homes 'won't guarantee cheaper rents'



Rachael Dexter
May 22, 2023 - 8:52am

Save Share A A A 60 View all comments

Fast-tracking the construction of new homes may not make rentals more affordable in Melbourne, according to a new analysis based on the city's "unnatural" housing experiment during the COVID-19 peak.

In 2020-21, Melbourne experienced a rare population decline as the city endured one of the world's longest lockdowns, leading to international students flying home and some residents leaving for regional areas.

KEY POINTS

- COVID lockdowns presented Melbourne with a "remarkable experiment" on the consequences of flooding the market with extra homes, a think tank has found.
- The city lost 1.6 per cent of its population, or 80,000 people. In the year to mid-2021, while housing construction continued unabated.
- Although there was up to 130,000 extra homes in the market, Prosper Australia found there was little downward pressure on rents.
- It casts doubt on the theory that fast-tracking new housing will bring rents down.



Home Companies Markets Street Talk Politics Policy World Property Technology Opinion Wealth Work & Careers Life & Luxur

Opinion Property Commercial Property Investment

Buyer beware: The choice between land tax and stamp duty

Robert Harley
Contributor

Jun 23, 2022 - 5:00am

Save Share

Karl Fitzgerald, the advocacy director at Prosper Australia, is a strong believer in the benefits of replacing property stamp duty with a broad-based land tax.

But he has a warning for first-home buyers attracted to the [Perrotet government's proposal for an opt-in annual land tax](#) to replace stamp duty on transactions up to \$1.5 million.

National Property development

This was published 1 year ago

OPINION

If the major parties really wanted to house the nation, they'd start building



Emily Sims
Research and policy manager, Prosper Australia

NEWS > LATEST NEWS

'Land banking' costs Aussies \$6b: report

By Callum Godde
Updated July 26 2022 - 12:26pm, first published 12:20pm

Facebook Twitter Instagram Messenger Email Print



Advocacy

We believe that knocking on the doors of power is an important part of increasing public awareness of Georgism, especially when we offer timely and relevant policy input.

Meetings with decisionmakers and their advisors, peers and colleagues in academia and civil society, as well as leaders in industry and the bureaucracy are a means of making ourselves known, and putting ourselves in good standing with those who are best placed to implement our ideas.

Election Scorecard

Prosper produced a scorecard for the Federal election. This type of content is shareable on social media, and creates conversations.



Planning
Institute of
Australia (PIA)

Prosper was again invited to offer a continuing professional development course to planning professionals: *The taxing question of land and property – what planners need to know about land & property taxation.*

University of
Melbourne

Prosper was invited to present to students in the Masters of Urban Planning course

Australian
Progress
Network

Progress Leadership Conference is an invitational for not-for-profit Leaders and executives from across Australia held after the Federal election.

Communications

This year we were able to resource a communications officer role for 6 months, thanks to the additional funds provided by the HGFA. We engaged Roland Postma from August 2022 to January 2023. Roland's main contribution was to achieve consistent social media posting, which is a critical variable in increasing audience and reach across all social media platforms.

We are fortunate to have the expertise of our Secretary, Louise Johnson, who provides strategic communications guidance and practical support. Executive member, Kat Chishkovsky has gone over and above, taking charge of posting on our social media platforms while the comms role is vacant.

Supporter engagement

Prosper transitioned to a new cloud-based Customer Relationship Management service called Keela, retiring the powerful but painfully slow and complicated open-source CiviCRM. The transition was overseen by Prosper's volunteer website working group and involved exporting and importing all our supporter data, enabling us to more effectively correspond with supporters and donors - building our most important base.

Progress Journal

We have not published an edition of Progress since Summer 2021/2 as we have not found a suitable replacement editor for Karl Fitzgerald. The Executive Committee has had many discussions about the future of Progress over the past few years. Progress is an integral part of Prosper's history, but its future is uncertain. A winter edition is forthcoming.

eNews

Our enews goes out to ~3000 subscribers. We have an objective to grow our mailing list by 10% per quarter. Since March 2022, we have achieved 9.5% growth.

Economic Media Centre Spokesperson Network

Prosper continues to leverage our participation in the Economic Media Centre. This year, the Centre helped us secure a front page for Staged Releases, including assisting with the preparation of a media pack. The centre provides briefings on key media events e.g. the election and the budget.

Social Media

Our objective has been to increase our social media audience by 10% across all platforms. Our Social Media scheduling strategy, using the web platforms Crowdfire and now HootSuite, allows us to schedule content in advance, enabling consistent weekly posting with less staff time and attention. We will continue to grow our social media presence.

- Twitter followers are up 32% since May 2022.
- Facebook followers are up 20%.
- Our LinkedIn engagement rate has increased markedly due to Roland's efforts to improve our post engagement on that platform, with a 160% increase in followers since May 2022.

Video content

We commissioned a short video overview of Staged Releases for our website and social media.

Our Team



Emily Sims
General Manager

Emily leads Prosper's advocacy efforts: guiding research projects and campaigns, building relationships with supporters, research partners and allies. She holds a BA (Political Science) from Monash, and a M. Urban Planning from the University of Melbourne.



Tim Helm
Director of Research

Tim leads Prosper's research and policy agenda: undertaking analysis, writing and commissioning research outputs. He has consulted extensively to government and worked in Treasury. Tim's PhD in Economics from the University of Melbourne focused on the economics of land tax.



Jesse Hermans
Policy Coordinator
(Outgoing)

A talented analyst, after 5 years as Prosper's resident policy wunderkind, Jesse departed for the Commonwealth Treasury in March 2023. He holds a BSc. (Civil Systems) from the University of Melbourne.



Karl Fitzgerald
Director of advocacy
(Outgoing)

Karl led Prosper for nearly two decades, building the organisation into a contemporary, professionalised think-tank. He launched Grounded CLT Advocacy in 2022 - honing his considerable experience in policy advocacy on decommodified forms of land stewardship. He holds a BA (Economics) from Monash.



Roland Postma
Communications

Roland is a passionate urbanist, during his tenure with Prosper, he coordinated our communications increasing our audience across key platforms. Roland has M. Urban Planning from the University of Melbourne.

Executive Committee



Bryan Kavanagh
Director



Louise Johnson
Secretary



James Webster
Treasurer



Paul Lau
Director



Catherine Cashmore
President



Anne Schmid
Director



Peter O'Regan
Director



Kat Chishkovsky
Director



Grant Tenni
Director



Matt Godwin
Vice President



Joe Langley
Director



Anne O'Rourke
Vice President



David Corbett
Director

Treasurer's Report

We made a small loss of \$3,744, compared with an estimated loss of \$14,675. This was mainly due to remuneration being lower than budgeted and the audit being delayed.

Henry George Dinner held in-person and on-line, was very popular in both channels and received follow-up publicity in mainstream media. It cost approximately \$4000 net more than budgeted, however the reputation and reach of Prosper grows greater each year.

Other income was lower than budget. We will sell our bonds and invest in Oakleigh 18.6 year fund and quality term deposits with good rates. We have new board members with relevant expertise, they are now contributing.

Bookkeeping. We spent ~\$9000 on outsourcing our bookkeeping to CollinsCo to free up Emily Sims for research and propagation work. We incurred additional costs due to the need to re-work GST credits,

Audit. Unfortunately, like many organisations, we have had great difficulty securing audit services, in several instances many months have elapsed between receiving communication from potential auditors, they simply do not have sufficient resources to keep up with demand. William Buck auditors have agreed to audit our financial statements, and this will happen in FY 2024.

Wages. We had major changes to our staff levels and spent approximately \$18k less on all associated staffing costs than budgeted.

PARI. Further to our fundraising ambitions, Prosper's DGR entity had a trading income of \$5,856 in 2023. We are receiving more monthly recurring donations, after making changes to our payment processor and CRM to enable our supporters to select this option.

Donated funds are managed at arms length by the PARI Research Committee, and are used to fund commissioned research. We expect total equity of approx. \$45,00 after managed fund losses are realised.



James Webster
May 2023

Profit and Loss

PROSPER AUSTRALIA (VICTORIA) INC For the year ended 31 March 2023

	2023	2022
Income		
HGFA Grants	215,000	209,300
Memberships	2,345	2,760
Donations	-	15
Bookshop	43	273
Events Ticket sales	3,965	2,109
Misc Income	441	(5)
Total Income	221,793	214,452
Cost of Sales		
Online payments	116	130
Total Cost of Sales	116	130
Gross Profit	221,677	214,322
Other Income		
Bank Interest	75	13
Interest Income - FIIG Securities	2,586	2,448
FIIG Market Appreciation	445	3,423
Recoveries - Postage	10	-
Total Other Income	3,116	5,884
Operating Expenses		
Renegade Economist Radio	60	362
Marketing and Comms	1,923	1,316
Bookkeeping	9,119	5,798
Other research/reports	-	2,160
Occupancy Expenses	6,093	6,846
Bank fees	64	146
Office Expenses	999	209
Subscriptions to Other Orgs	2,433	1,437
Information Technology	4,496	2,130
Bookshop Stock Write down	-	1,730
Depreciation - chairs	-	317
Executive Expenses	1,069	991
Media subscriptions	1,954	2,572
Car Parking	27	-
Travel Expenses	715	387
Progress Journal	-	6,266
Salaries and Wage Expenses	187,294	197,726
Conferences & Professional Development	2,393	298
Bad debt expense	170	-
Henry George Dinner	7,210	605

Profit and Loss

	2023	2022
TAI Revenue Summit	2,517	-
Total Operating Expenses	228,537	231,295
Net Profit	(3,744)	(11,090)

Balance Sheet

PROSPER AUSTRALIA (VICTORIA) INC As at 31 March 2023

31 MAR 2023

Assets

Bank	10,128
Current Assets	5,140
Fixed Assets	300
Non-current Assets	165,759
Total Assets	181,327

Liabilities

Current Liabilities	16,652
Non-current Liabilities	20,285
Total Liabilities	36,937

NetAssets

144,39

Equity

38000 - Retained Earnings	148,134
CurrentYearEarnings	(3,744)
Total Equity	144,390

Profit and Loss

PROSPER AUSTRALIA RESEARCH INSTITUTE LIMITED

For the year ended 31 March 2023

	2023	2022
Income		
Bank Interest	161	14
Education & Training	1,100	1,100
Donations	3,110	4,651
Association fees	191	91
Total Income	4,562	5,856
Gross Profit	4,562	5,856
Other Income		
Managed funds	-	(1,853)
Auspiced funds	5,000	-
Total Other Income	5,000	(1,853)
Operating Expenses		
Bookkeeping	64	387
Legal	682	-
Rezoning Honeypot production	-	860
Speculative Vacancies Report	1,500	3,000
Bank charges & fees	57	65
StagedReleases-Production	4,364	-
HousingSupplyPaper	1,050	-
Total Operating Expenses	7,717	4,312
Net Profit	1,846	(309)

Balance Sheet

PROSPER AUSTRALIA RESEARCH INSTITUTE LIMITED

As at 31 March 2023

31 MAR 2023

Assets

Bank	32,131
Current Assets	397
Non-current Assets	20,554
Total Assets	53,082

Liabilities

Current Liabilities	(5,637)
Non-current Liabilities	80
Total Liabilities	(5,557)

Net Assets

58,639

Equity

Current Year Earnings	1,846
Retained Earnings	56,793
Total Equity	58,639

Looking forward

Prosper is planning for success. At our organisational planning day in February, we developed high-level priorities for the organisation for 2023-24. Due to the uncertain situation we found ourselves in at the beginning of this year, the Executive Committee decided to take a dynamic approach, revisiting priorities regularly as new recruits and funding comes online.

OUR OBJECTIVES...		RESULTS WE WANT...
Firm up the foundation...refine the elevator pitch	Communicate Prosper's core vision effectively	<ul style="list-style-type: none">• Refreshed web content• Grow our audience• Internal systems that make it easy to reach our friends
Trade expertise with a network of policy, think-tanks and academic partners	Increase our rigour and efficacy by networking	<ul style="list-style-type: none">• Invitations to present to peer audiences• Cooperative research and policy projects
Prosper is a go to authority in the housing debate	Maintain our momentum	<ul style="list-style-type: none">• Bring our existing insights to new audiences• No rezoning without value capture
Get the Tax Shift message to Canberra	Build consensus around the direction of change	<ul style="list-style-type: none">• Launch our tax Shift campaign• Thought leadership on tax shift policy elements

Thank you for your ongoing support

Acknowledgements

Aside from our hard working executives, we've been supported by incredible volunteers this year.

Research Assistance: Many thanks to Renel Cuesta who helped us build visualisations of our Speculative Vacancies data.

Student intern Li YiLin (Lillian Li) who undertook a comparative analysis of the proposed development contributions reform in NSW with the Windfall Gains Tax introduced in VIC to inform Prosper's advocacy for value capture mechanisms.

Communications Working Group: Lousie Johnson, Kat Chishkovsky, James Murray, Anthony Gill, David Corbett

A big thanks to our webmaster Luke Wong.

Fundraising Working Group: Paul Lau, Grant Tenni

PARI Research Committee: Leo Foley, Dr. Chris Martin, Darren McKay, Kevin Morrison, Liss Ralwson, Brendan Coates

We've benefited enormously from the wise counsel of David Spain, Steven Hoskin, Dr Josie Faas, Dr. Cameron Murray, Juanita McLaren, Aliyah & Nick and the team at the Economic Media Centre.

Donors: Sally Kortekaas, Robert Sharp, David Payne, James Murchison, Fred Auld, Jaron Fisher, Dom Gilligan, Matt Godwin, Martin Russell, Luke Wong and many others



Prosper Australia

Level 1, 64 Harcourt Street

North Melbourne

+61 3 9328 4792

www.prosper.org.au

office@prosper.org.au