



Australian Government

Australian Law Reform Commission

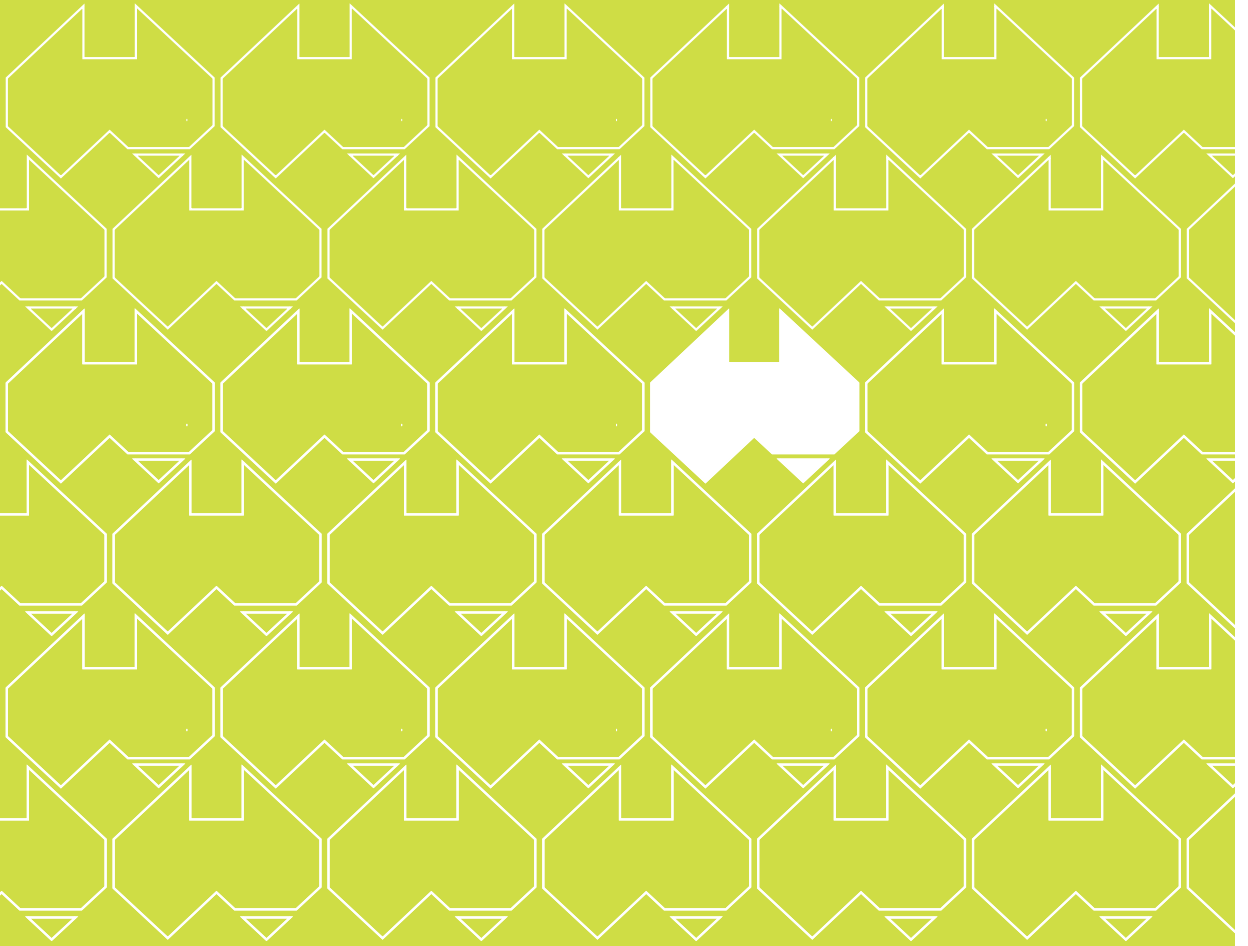
REPORT
ANNUAL
2015 2016

ALRC ▶



ALRC

ANNUAL
REPORT
2015 2016



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This report is also online at www.alrc.gov.au/about/annual-reports

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Australian Government
Australian Law Reform Commission

Professor Rosalind Croucher AM
President

Senator the Hon George Brandis QC
Attorney-General
Parliament House
Canberra ACT 2600

16 September 2016

Dear Attorney-General

On behalf of the members of the Australian Law Reform Commission, I am pleased to present the Commission's Annual Report for the period 1 July 2015 to 30 June 2016.

This Report has been prepared in accordance with Division 6, s 46 of the *Public Governance, Performance and Accountability Act 2013* (Cth) and s 70(1) of the *Public Service Act 1999* (Cth).

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Rosalind Croucher'.

Professor Rosalind Croucher AM

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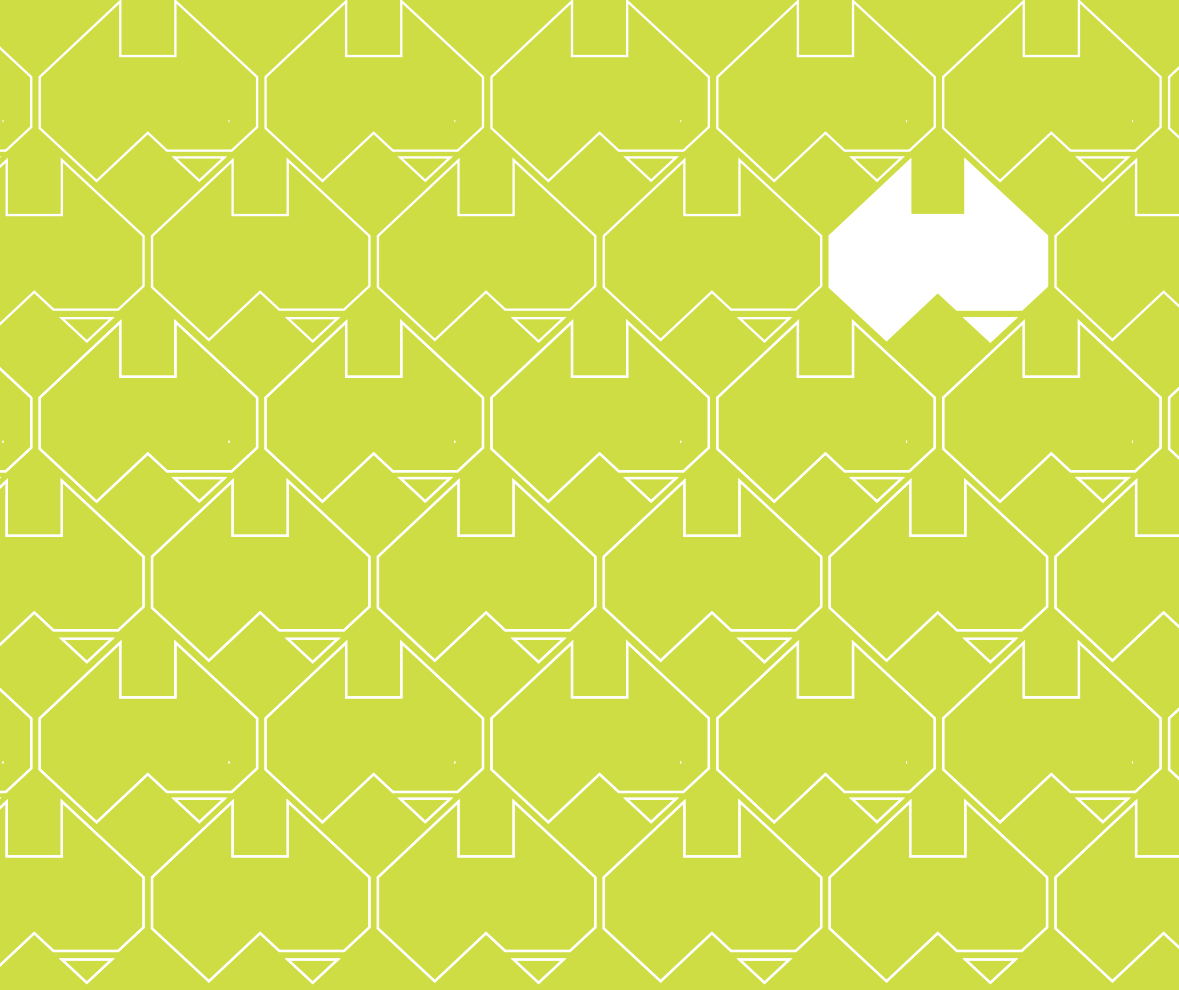
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PRESIDENT'S OVERVIEW



ALRC President, Professor Rosalind Croucher AM



► PRESIDENT'S OVERVIEW

2015–16 has been another significant year for the ALRC. We released our 87th report, *Traditional Rights and Freedoms—Encroachments by Commonwealth Laws*, the report for the Freedoms Inquiry, and received Terms of Reference for a new inquiry into protecting the rights of older Australians from abuse.

We also celebrated 40 years of best-practice law reform at an event in Sydney at the Federal Court, attended by a wonderful array of eminent and esteemed past and current Commissioners, staff and ALRC friends. At that event, we heard reflections on the achievements of the Commission and its outstanding body of work from our foundation Chair, the Hon Michael Kirby AC CMG; from the Chief Justice, the Hon Robert French AC, a former ALRC part-time Commissioner; and from our Attorney-General, Senator the Hon George Brandis QC. Chief Justice French reflected on the importance to the democratic process of a well-resourced and independent

law reform body, stating that the value of the Commission 'lies in its contribution to the democratic function of law-making in our society and the understanding of the law by practitioners, academics and the courts'. I also reflected on how we could best capture the rich and important contributions made by so many people to the ALRC's body of work. In response, I launched the ALRC's online archive which captures many of the stories, reflections and contributions of our alumni. This archive is available to explore freely on the ALRC website and it represents a significant 'unlocking' of the ALRC's history and celebration of the lively and outstanding

Past and present Presidents, Commissioners and Executive Directors of the ALRC at the 40th Anniversary event



contributions to law reform made by so many over the past four decades. I encourage you to visit it at www.alrc.gov.au/40-years-law-reform.

The ALRC is singularly positioned to undertake highly complex and contested reviews involving legal issues where there is a need to be—and to be seen to be—completely independent from government, industry and special interests. These reviews require in-depth consultation with diverse and often opposing stakeholders to consider their opinions and interests carefully, so that the Government is provided with independent and frank advice that has thoroughly canvassed many opinions and options. Indeed, I consider that the value of a standing law reform commission is demonstrated time and time again as we take on inquiries where the subject matter has the potential to divide the community. The value that the ALRC brings is the ability to undertake an independent process of consultation and research that starts with questions, not answers, and is able to involve the participation of stakeholders across the broadest spectrum of interests.

During 2015–16, the ALRC undertook 53 consultations in Melbourne, Brisbane, Canberra, Perth, Adelaide and Sydney, and received 75 submissions. We also organised a number of public symposiums around the country to discuss different aspects of the Freedoms Inquiry that were attended by over 800 people. These discussions were extremely valuable and helped to spread the

word about the Inquiry and to encourage community engagement. As part of the consultation effort we have also produced information on the Elder Abuse Inquiry in 20 community languages which will be distributed throughout the community via various ethnic media outlets and community organisations. In this way we are hoping to encourage people from diverse communities to tell us of their particular experiences of elder abuse.

Through its widespread and thorough consultation strategies, the ALRC is able to build consensus and understanding of its proposals within the community and this assists the Government, in turn, to implement various recommendations, even in a context where change may be challenging. At our 40th anniversary event, Attorney-General Senator Brandis stated, ‘That is why we have bodies like the Australian Law Reform Commission, to participate in the dialogue, to identify and hold up to intellectually tight critical scrutiny, the legislative work of the parliaments and the enactments introduced by governments. We do not shy away from that. While not always agreeing with the conclusions, we welcome that as being the essence of a healthy, open, liberal, parliamentary democracy.’

One such challenging project was the wide-ranging and complex Freedoms Inquiry on which the ALRC spent most of the past year. *Traditional Rights and Freedoms—Encroachments by Commonwealth Laws*, the Final Report in the Freedoms Inquiry, was tabled in Parliament on 2 March 2016. In

“That is why we have bodies like the Australian Law Reform Commission, to participate in the dialogue, to identify and hold up to intellectually tight critical scrutiny, the legislative work of the parliaments and the enactments introduced by governments.” Attorney-General Senator Brandis

the Report, the ALRC discusses the source and rationale of the important rights and freedoms outlined in the Terms of Reference and provides an extensive survey of current Commonwealth laws that may limit them. Highly controversial areas that we traversed in this Inquiry included national security laws, migration laws, and anti-discrimination laws along with a host of others. The ALRC identified a range of Commonwealth laws that may warrant further consideration or review, providing a road map for future work to ensure that encroachments on rights, freedoms and privileges are avoided or appropriately justified. Additionally, the Report provides a thorough analysis of how laws are scrutinised by government agencies, parliamentary committees and others for compatibility with rights, and examines possible justifications for statutory restrictions of common law rights and freedoms. It discusses how laws that limit traditional rights and freedoms might be critically tested and justified, for example by using a proportionality test. The ALRC argues that rights are rarely absolute, but must be balanced with other rights and with the public interest when these interests conflict. Emeritus Professor Suri Ratnapala of the University of Queensland was appointed a part-time Commissioner for the Freedoms Inquiry in July 2015, and provided his considerable experience and expertise to the process and I want to take this opportunity to sincerely thank him for his contribution. A more fulsome summary of this Report and the Inquiry can be found in Appendix C of this Annual Report.

In February 2016, the ALRC received the Terms of Reference for the Elder Abuse Inquiry. I am pleased that this inquiry will build on several others conducted by the ALRC in recent years—including our two Family Violence Inquiries, the Age Barriers to Work Inquiry and our Disability Inquiry. The relationships that we have built over these inquiries with various stakeholders and the conceptual understanding of many of the common issues that have arisen in each inquiry will greatly help the ALRC in realising the potential of law reform in this area. The

Elder Abuse Inquiry will involve another deeply reflective and respectful process and I am confident that the ALRC will make a significant contribution in this crucial field. As Australia's population ages, the size of the problem is set to increase and we must ensure our laws and legal frameworks are able to offer adequate safeguards and protections to all Australians as they age. The ALRC released an Issues Paper—to coincide with Elder Abuse Awareness Day on 15 June—containing 50 questions on which we called for submissions. The next stage of the Inquiry will see us working towards a Discussion Paper by the end of the year and a Final Report in May 2017.

During 2015–16, the ALRC worked on only one inquiry rather than the usual practice of working on two inquiries concurrently. This change to our anticipated work plan was necessitated by a significant reduction in our budget as a MYEFO efficiency savings measure. The ALRC managed this reduction by requesting that the Attorney-General not appoint a second Commissioner and agree to our only undertaking the one inquiry. That the inquiry is one about protecting the rights of older persons against abuse is fortuitous. Not only is it an inquiry that benefits by having the whole ALRC involved in it, but I am also well placed to lead it, both from my own research background and also having led three other relevant ALRC inquiries—the inquiry into Reducing Violence against Women and their Children (Family Violence Inquiry), the review into Commonwealth Legal Barriers to Older Persons Participating in the Workforce or other Productive Work (Age Barriers Inquiry) and the review of Equal Recognition Before the Law and Legal Capacity for People with Disability (Disability Inquiry).

This decision has, however, had an impact on some performance targets, which were calibrated on the basis of working on two inquiries. This is not the usual *modus operandi* for the ALRC and I look forward to again having at least two full-time Commissioners working on two inquiries.

“Speaking of value, I would like to acknowledge the value to the profession, the Academy and the courts of the very large deposit of published works by the Commission since its establishment in 1975...” Chief Justice French

The quality of the ALRC’s work is much enhanced by the generous contribution of our two standing part-time Commissioners, the Hon Justice John Middleton and the Hon Justice Nye Perram. I thank them for their support and participation in our inquiries. Justice Perram also chairs the ALRC Audit Committee. In addition, I want to warmly thank the members of our Advisory Committees who freely give their time and expertise, providing quality assurance and guidance as we grapple with the issues in each inquiry. I record my thanks to those Committee members who participated in the Freedoms Inquiry and those who are now engaged on the Elder Abuse Inquiry. I would also like to acknowledge and thank the many people from the legal profession, academia, industry, the non-government sector, government departments and agencies and from the community—our stakeholders—for their contribution to our inquiries, through consultations and by taking the time to give us their submissions. The quality of the ALRC’s work is a testament to this contribution and helps to ensure that our proposals are sensible and achievable, and that they strike the right balance between competing interests and perspectives to deliver realisable reform to the Australian community.

During this past year there has been further important implementation of our proposed reforms from several recent inquiries including more recommendations from *Family Violence: A National Legal Response* (ALRC Report 114), *Classification—Content Regulation and Convergent Media* (ALRC Report 118) and *Access All Ages—Older Workers and*

Commonwealth Laws (ALRC Report 120). There has also been new implementation of our report on Disability. A full report on implementation can be found at Appendix D.

There have been at least 56 mentions of ALRC reports in the judgments of federal, state and territory courts. In his speech at the 40 year anniversary of the ALRC Chief Justice French said, ‘Speaking of value, I would like to acknowledge the value to the profession, the Academy and the courts of the very large deposit of published works by the Commission since its establishment in 1975 is in the form of Issues Papers, Discussion Papers and Final Reports. Each of them offers a comprehensive overview of the relevant area of the law as at the date of publication. That overview enhances public understanding of the scope and purpose of laws made in the implementation of the report. Even when a report has not been implemented, its discussion of the relevant area of the law has always been a valuable resource.’ Citations illustrate how, as well as assisting in the interpretation of legislative provisions that have resulted from ALRC reports, our reports are regularly used as authority for basic legal and policy propositions.

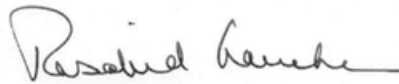
I would also like to thank the staff of the ALRC who have continued to work tirelessly to meet our strict deadlines while maintaining the high quality analysis and argument that is a hallmark of ALRC consultation papers and reports. In particular I would like to congratulate two loyal and extremely effective individuals who this year marked 20 years working with the ALRC—Principal Legal

Officer Bruce Alston and Finance Manager Maria Zacharia. Bruce has made a remarkable contribution to law reform over that time working on 14 inquiries.

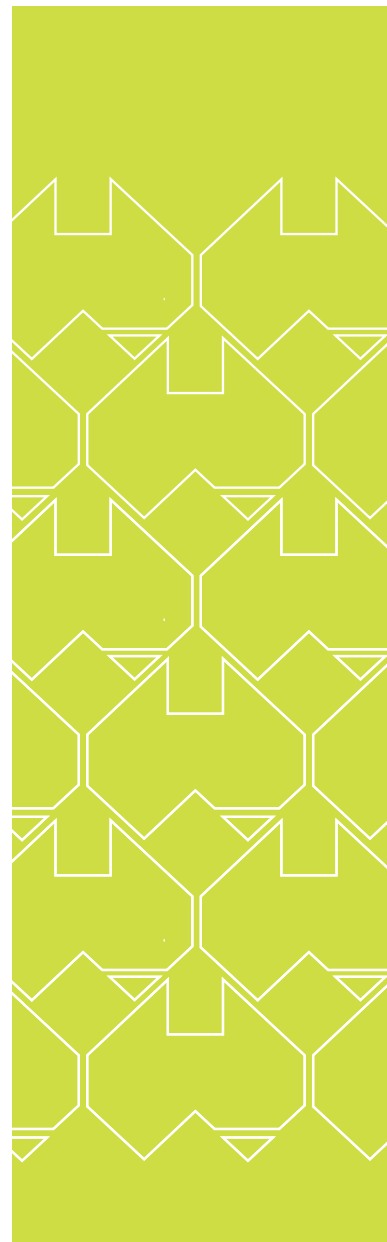
As the ALRC is reliant on referrals from the Attorney-General, what the year ahead holds for the ALRC is in the hands of the Government and the areas of law the Government may wish us to interrogate. Over its 40 year history the ALRC has undertaken a very wide sweep of work. Sometimes the inquiries involve black letter law projects, focusing on specific legal doctrines: for example, the Inquiries into Legal Professional Privilege and Discovery of Documents in Federal Courts. Sometimes the prompt is about laws that need modernising—the Secrecy, Royal Commissions and Sedition Inquiries are examples. Other inquiries arise because of difficulties within a federal system; and a federal body—the ALRC—is well placed to coordinate a national approach aimed at achieving harmonisation across the various jurisdictions. The ALRC work in the area of evidence laws, conducted with the Victorian Law Reform Commission and the New South Wales Law Reform Commission, is a good example. In 2010, the ALRC completed a joint inquiry with the New South Wales Law Reform Commission on family violence which considered the interaction in practice of state and territory family violence and child protection laws with the *Family Law Act 1975* (Cth) and relevant Commonwealth, state and territory criminal laws; plus the impact of inconsistent interpretation or application of laws in cases of sexual assault occurring in a family violence context.

Technology is another big trigger for law reform. Developments have often proved too fast and furious for law—common law and statute law—to respond. The challenges posed by the rapid evolution of information and media technology triggered the ALRC's Gene Patenting, Media Classification and Copyright Inquiries. Technology has also enhanced the possibility for the invasion of people's privacy and this led to the 2013

Inquiry into Serious Invasions of Privacy in the Digital Era. Our most recent inquiry, the Freedoms Inquiry, canvassed a very broad conceptual and philosophical landscape of traditional rights, freedoms and privileges and interrogated where these 'rights' come from and how they are protected and justified. Whatever the impetus for an inquiry, and no matter what its scope, the ALRC will always begin unencumbered by any attachment to a particular view or agenda, and be able to offer frank and independent advice to the Government. It is in this regard that the real value of an independent law reform commission lies: able to reflect fully, consult extensively, analyse deeply, and recommend powerfully.

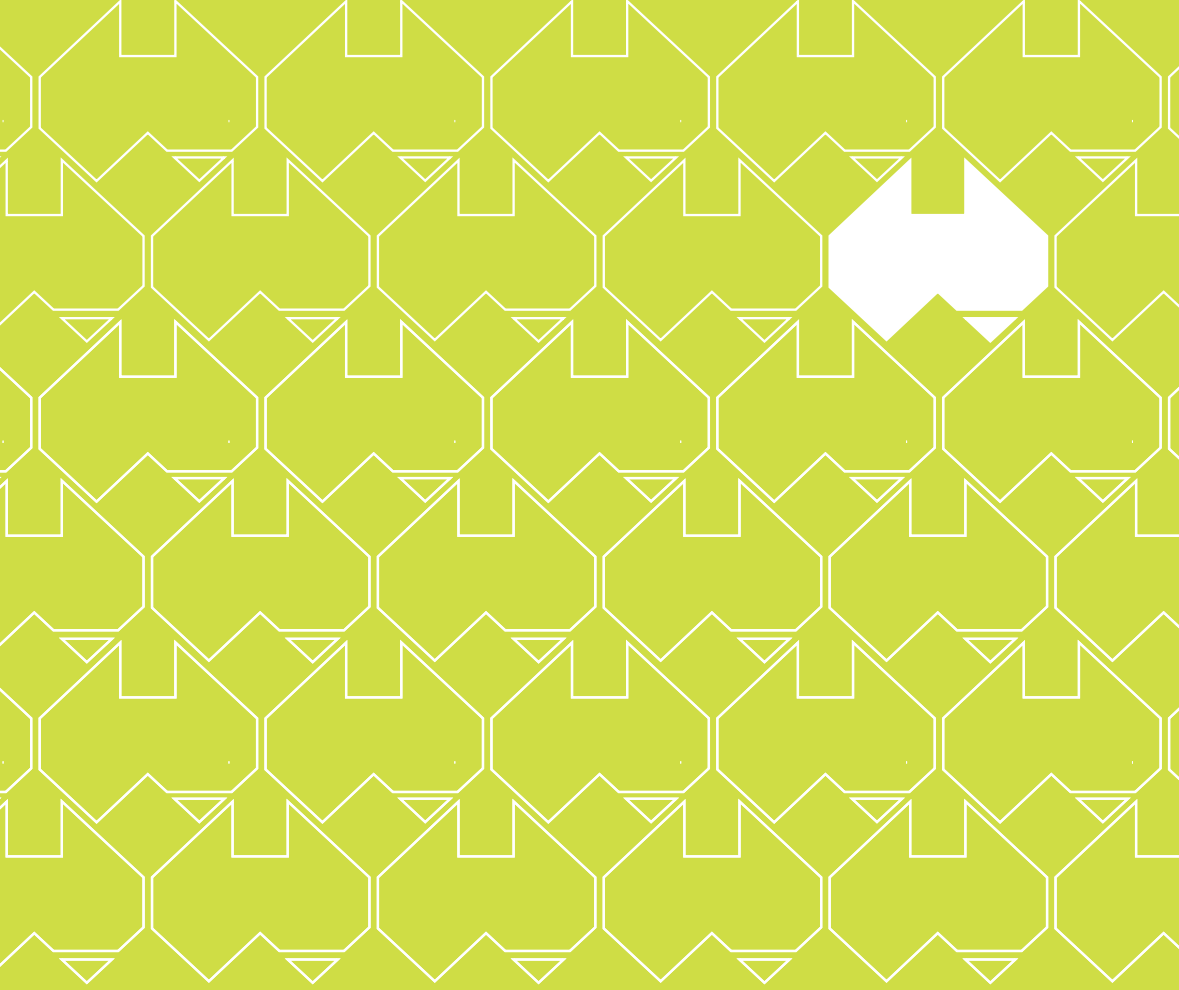


Professor Rosalind Croucher AM



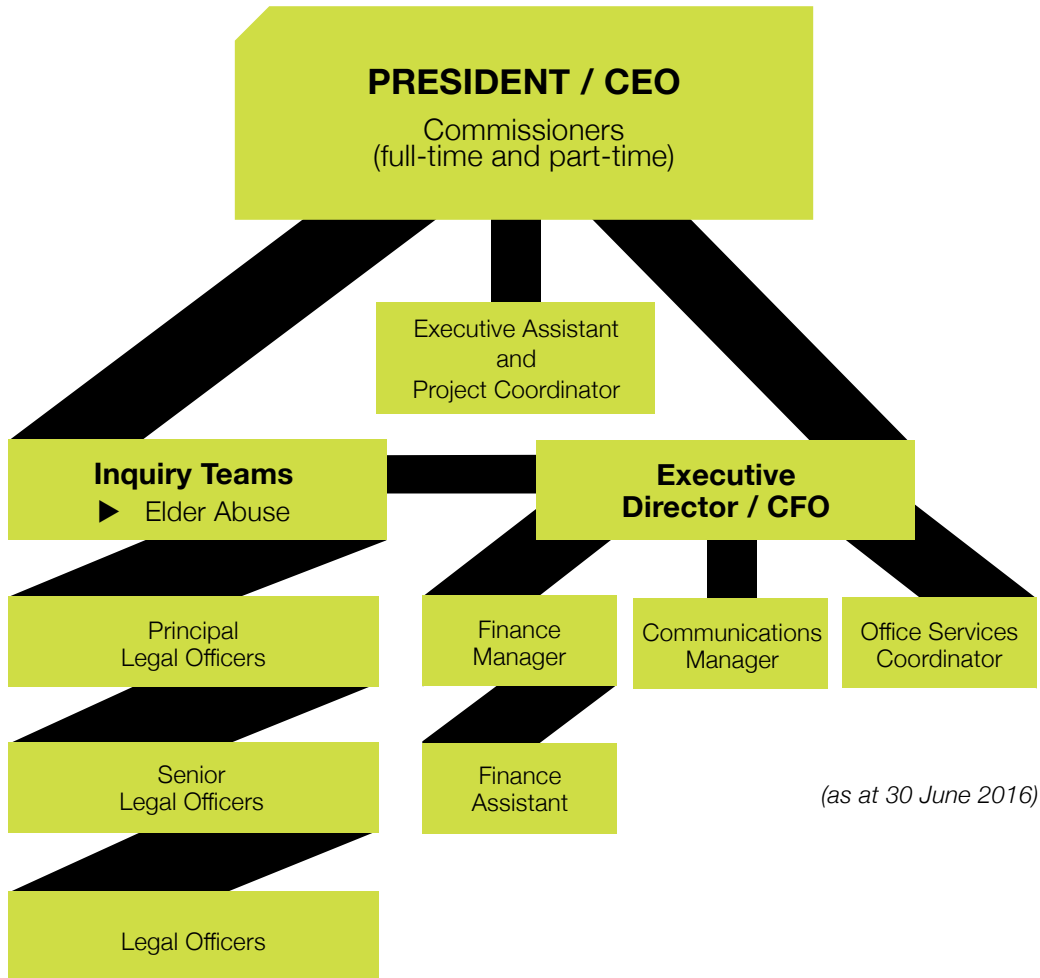
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CORPORATE OVERVIEW



► **ALRC**

ORGANISATIONAL STRUCTURE



(as at 30 June 2016)

► ROLE AND FUNCTIONS OF THE ALRC

The ALRC is an independent statutory authority that operates under the *Australian Law Reform Commission Act 1996* (Cth) (ALRC Act), the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act) and the *Public Service Act 1999* (Cth).

The ALRC is responsible to Parliament through the Attorney-General, the Minister responsible for the ALRC.

The primary function of the ALRC, as set out in s 21 of the ALRC Act, is to report to the Attorney-General on the results of any review or consideration it carries out and to include in the report its recommendations.

The ALRC is required to review Commonwealth laws relevant to those matters referred by the Attorney-General for the purposes of systematically developing and reforming the law particularly by:

- bringing the law into line with current conditions and ensuring that it meets current needs;
- removing defects in the law;
- simplifying the law;
- adopting new or more effective methods for administering the law and dispensing justice; and
- providing improved access to justice.

The ALRC is to consider proposals for making or consolidating Commonwealth laws, and must consider proposals for:

- the repeal of obsolete or unnecessary laws;
- uniformity between state and territory laws; and
- complementary Commonwealth, state and territory laws

with reference to those matters referred to it.

In performing its functions the ALRC is required by s 24 of the ALRC Act to ensure that the laws, proposals and recommendations it reviews, considers or makes:

- do not trespass unduly on personal rights and liberties or make the rights and liberties of citizens unduly dependent on administrative, rather than judicial, decisions; and
- are, as far as practicable, consistent with Australia's international obligations that are relevant to the matter.

The Commission, when formulating recommendations, must have regard to the effect that the recommendations may have on:

- the costs of getting access to, and dispensing, justice; and
- persons and businesses who would be affected by the recommendations (including the economic effect, for example).

► **SNAPSHOT** OF 2015–16

APPOINTMENTS AND CESSATIONS

- On 9 July 2015, Professor Anura Surindra Ratnapala was appointed a part-time Commissioner for the Review of Commonwealth Laws for Consistency with Traditional Rights, Freedoms and Privileges (the Freedoms Inquiry).
- On 28 November 2015, Justice Nye Perram was re-appointed as a part-time Commissioner for a further period of 12 months.
- On 28 November 2015, Justice John Middleton was re-appointed as a part-time Commissioner for a further period of 12 months.
- On 14 December 2015, Professor Rosalind Croucher AM was re-appointed as President of the ALRC for a period of three years.

SIGNIFICANT EVENTS

- On 23 February 2016, the ALRC received Terms of Reference for an Inquiry into Protecting the Rights of Older Australians from Abuse (the Elder Abuse Inquiry).
- On 2 March 2016, the ALRC's Final Report, *Traditional Rights and Freedoms—Encroachments by Commonwealth Laws* (ALRC Report 129) was tabled and launched in Parliament by the Attorney-General, Senator the Hon George Brandis QC.

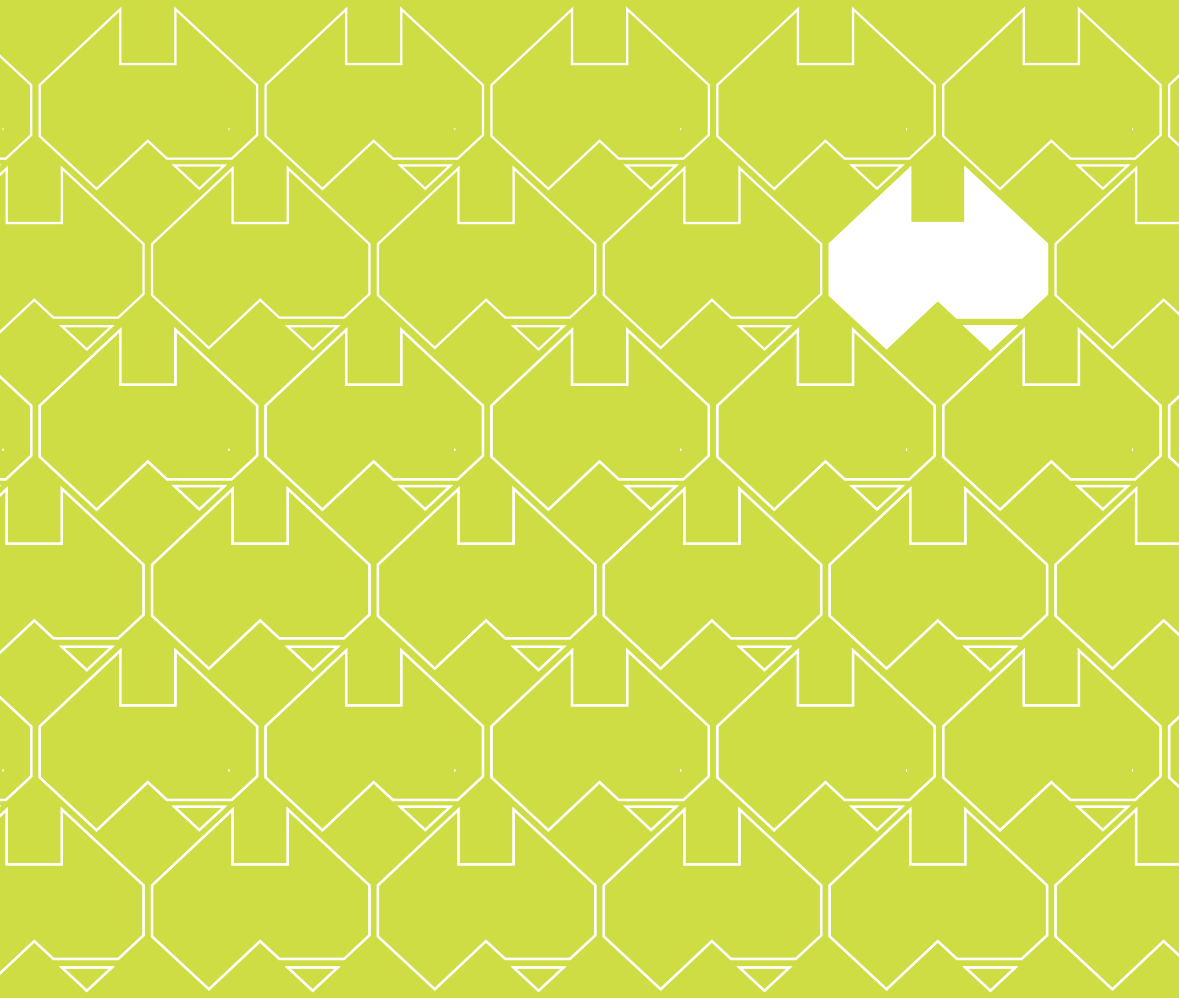
PUBLICATIONS

TABLE 1: ALRC publications completed 2015–16

AREA	PUBLICATION TITLE	DATE OF COMPLETION
Freedoms	<i>Traditional Rights and Freedoms—Encroachments by Commonwealth Laws</i> (ALRC Interim Report 127)	3 August 2015
Corporate	<i>Annual Report 2014–15</i> (ALRC Report 128)	16 September 2015
Freedoms	<i>Traditional Rights and Freedoms—Encroachments by Commonwealth Laws</i> (ALRC Report 129)	23 December 2015
Elder Abuse	<i>Elder Abuse</i> (IP 47)	15 June 2016

3

REPORT ON PERFORMANCE



► **OUTCOME** AND PROGRAM STRUCTURE

OUTCOME

Informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education

PROGRAM 1

Conducting inquiries into aspects of Australian law and related processes for the purpose of law reform

DELIVERABLES

Inquiries
Reports
Consultation meetings
Consultation papers

KEY PERFORMANCE INDICATORS

- Implementation of reports
- Citations or references
- Submissions received
- Visitors to the website
- Presentations and speaking engagements
- Media mentions

► ANNUAL PERFORMANCE STATEMENT

INTRODUCTORY STATEMENT

The ALRC's annual performance statement is prepared for paragraph 39(1)(a) of the PGPA Act for the 2015–16 financial year and accurately presents the ALRC's performance in accordance with subsection 39(2) of the PGPA Act.

ALRC PURPOSE

The ALRC purpose is to review Commonwealth laws as referred to it by the Attorney-General for the purpose of making recommendations about law reform that will contribute to a fair, equitable and accessible system of federal justice and a just and secure society.

The ALRC has one outcome:

Informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education (Outcome 1).

In delivering this outcome, the ALRC provides evidence-based reports that outline recommendations for law reform to contribute to an equitable and accessible system of federal justice and the harmonisation of Australia's laws and practices. In this way the ALRC contributes to the Attorney-General's mission—achieving a just and secure society.

The ALRC has one program to achieve its outcome:

Conducting inquiries into aspects of Australian law and related processes for the purpose of law reform (Program 1).

It is through the inquiry process that the ALRC is able to undertake the research and analysis that underpins recommendations for law reform and provides the basis for informed government decisions.

PERFORMANCE CRITERIA

Implementation rates

The ALRC tracks the implementation of its recommendations over time. Implementation rates are an indicator of the effectiveness of the ALRC in achieving its objective as the rate of implementation provides evidence of the ALRC's relative success in facilitating informed decision-making by Government that leads to development, reform and harmonisation of Australian laws and related processes.

Citations

The number of citations of ALRC reports provides an indication of the relevance of ALRC work to legal proceedings and judgements.

Submissions

The number of submissions received is one indicator of the breadth of the evidence base that underpins the ALRC's recommendations and of community engagement with law reform.

Visitors to website

The number of visitors to the ALRC website is an indicator of the community's engagement with the work (past and present) of the ALRC. This engagement underpins and gives confidence to informed government decision-making.

Presentations and speaking engagements

Presenting at public conferences, seminars and parliamentary inquiries ensures that the work of the ALRC is publicly debated and discussed.

Media mentions

The number of media mentions provides an indicator of community engagement in the ALRC’s work and contributes to the community’s knowledge about the Government’s law reform agenda.

CRITERION SOURCE

The ALRC’s Performance Criteria are sourced from the ALRC’s Corporate Plan 2015–19 and Portfolio Budget Statements 2015–16 p 225.

RESULT AGAINST PERFORMANCE CRITERIA

See Table 2, KPI performance 2015–16.

ANALYSIS OF PERFORMANCE

The ALRC does not self-refer inquiries, and can only undertake inquiries that are referred to it by the Attorney-General. Therefore, the ALRC’s performance from year to year will be affected by the Government’s law reform agenda and the number of inquiries referred

to the ALRC and the prescribed timeframe as indicated in the Terms of Reference.

It is usual for the ALRC to work on two inquiries at any one time, as indicated in our Corporate Plan and Portfolio Budget Statements. However, in some years, the Attorney-General may refer more than two inquiries to us, or less, and this will affect our performance against our targets.

The subject matter of an inquiry may also have an impact on our performance against our targets. Some inquiries concern issues of broad general interest in the community, or are highly contentious, or attract a specific industry’s focus and the community’s engagement with the inquiry is high. This may result in many submissions being received and more consultations being undertaken. Other inquiries attract a lesser community response, with fewer submissions received but are nonetheless still significant. Therefore, the ALRC’s performance will be affected from year to year by circumstances outside of its control.

2015–16 is one such year when for much of the year, the ALRC was only referred one inquiry by the Attorney-General—a Review of Commonwealth Laws for Consistency with Traditional Rights, Freedoms and Privileges (the Freedoms Inquiry). This was not forecast in our 2015–16 Corporate Plan and PBS and was the result of a one-off government efficiency

TABLE 2: KPI performance 2015–16

KPI MEASURE	2015–16 TARGET	2015–16 ACTUAL
Implementation of reports	85%	86%
Citations or references	50	56
Submissions received	150	75
Visitors to website	>250,000	1,143,519
Presentations and speaking engagements	25	29
Media mentions	250	243

measure that saw the ALRC’s budget reduced for the 2015–16 financial year. Consequently, some of our targeted performance criteria have been affected—particularly the number of submissions received. Receiving 50% of the target correlates directly, in this case, to only conducting one inquiry.

That the impact has not been as detrimental as it may have been is due to the energy, commitment and sheer hard work of the ALRC team and the engagement of our stakeholders in the Freedoms Inquiry and then in the early stages of the Elder Abuse Inquiry.

A report on the ALRC’s Freedoms Inquiry is at Appendix C.

Implementation of reports

The ALRC has no direct role in implementing its recommendations. There is no statutory requirement for the Australian Government to respond formally to ALRC reports. However, the ALRC monitors major developments in relation to issues covered in its past reports, and assesses the level of implementation that those reports have achieved. It is not uncommon for implementation to occur some years after the completion of a report.

The ALRC considers that a report is substantially implemented when the majority

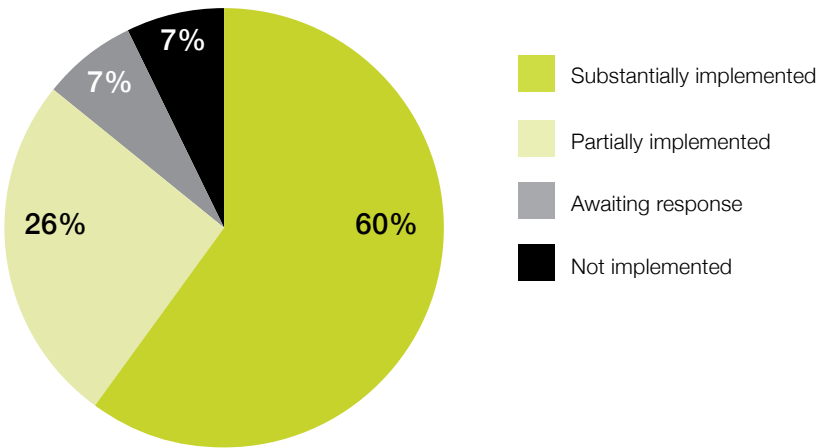
of the report’s key recommendations have been implemented by those to whom the recommendations are directed. Partial implementation refers to implementation of at least some recommendations of an ALRC report. The term ‘awaiting response’ refers to reports that have been completed within the past ten years in relation to which the ALRC is yet to receive a formal response from the Government. The term ‘not implemented’ refers to reports that were completed over ten years ago and have not had a response from the Government.

The levels of implementation of all ALRC reports are as follows:

- ▶ 60% are substantially implemented;
- ▶ 26% are partially implemented;
- ▶ 7% are awaiting response; and
- ▶ 7% have not been implemented.

These figures represent an overall implementation rate for ALRC reports of 86%. The Government has yet to respond to a number of recently completed ALRC reports, including *Making Inquiries: A New Statutory Framework* (ALRC Report 111, 2010); *Secrecy Laws and Open Government* (ALRC Report 112, 2010); *Copyright and the Digital Economy* (ALRC Report 122, 2014); *Serious Invasions of Privacy in the Digital Era*

CHART 1: Implementation status of ALRC reports as at 30 June 2016.



(ALRC Report 123, 2014); *Equality, Capacity and Disability in Commonwealth Laws* (ALRC Report 124, 2014); *Connection to Country: Review of the Native Title Act 1993 (Cth)* (ALRC Report 126, 2015); and *Traditional Rights and Freedoms—Encroachments by Commonwealth Laws* (ALRC 129, 2016).

Appendix D provides a detailed update on action in relation to ALRC reports during 2015–16.

A brief overview of the implementation status of all 87 inquiry-related ALRC reports can be found on the ALRC website at www.alrc.gov.au/implementation-final-reports.

Court citations

Past ALRC reports are cited by Australian courts and tribunals as well as in numerous academic articles and other publications.

During 2015–16, there were at least 56 mentions of ALRC reports in the judgments of major Australian courts and tribunals.

These included citation in five cases in the High Court of Australia, seven in the Federal Court of Australia or the Full Court of the Federal Court of Australia, three in the Family Court of Australia and 28 in state and territory Supreme Courts or Courts of Appeal, as well as in the decisions of other major courts and tribunals, such as the NSW Industrial Court, the Administrative Appeals Tribunal of Australia and state civil and administrative tribunals.

The total number of citations in 2015–16 is lower than the number of judgments from Australian courts and tribunals referring to ALRC reports reported in 2014–15, when there were at least 77 mentions of ALRC reports in the judgments of federal, state and territory courts.

The ALRC report most often cited across the Australian courts, as in previous years, is *Evidence (Interim)* (ALRC Report 26, 1985) as it assists the judiciary by informing them of the background of the *Evidence Act 1995* (Cth)

and state and territory uniform Evidence Acts. The ALRC's later reports on evidence, *Evidence* (ALRC Report 38, 1987) and *Uniform Evidence Law* (ALRC Report 102, 2006) are also cited frequently. For example, in *IMM v The Queen* [2016] HCA 14, the High Court referred to ALRC Reports 26 and 38 when considering the definition of 'probative value' in the *Evidence (National Uniform Legislation) Act* (NT).

A number of the ALRC's early reports continue to be cited by the courts, including ALRC Report 2, *Criminal Investigation*, cited by the High Court of Australia in *North Australian Aboriginal Justice Agency Limited v Northern Territory* [2015] HCA 41. More recent reports cited by the courts include *Family Violence: A National Legal Response* (ALRC Report 114, 2010), and *Managing Discovery: Discovery of Documents in Federal Courts* (ALRC Report 115, 2011).

A list of these court and tribunal citations can be found in Appendix E.

Mentions in Parliament

During 2015–16, ALRC reports and recommendations were referred to in the following Committee proceedings:

- ▶ interim report of the Senate Standing Committees on Economics relating to the classification of computer games;
- ▶ report of the Senate Standing Committees on Legal and Constitutional Affairs on a phenomenon colloquially referred to as 'revenge porn';
- ▶ advisory report of the Parliamentary Joint Committee on Intelligence and Security on the Counter-Terrorism Legislation Amendment Bill (No. 1) 2015;
- ▶ report of the House of Representatives Standing Committee on Social Policy and Legal Affairs on the child support program; and
- ▶ report by the Senate Standing Committees on Community Affairs on violence, abuse and neglect against people with a disability in institutional and residential settings.

Submissions

TABLE 3: Submissions received 2015–16

CONSULTATION PAPER	SUBMISSION CLOSING DATE	SUBMISSIONS RECEIVED DURING REPORTING PERIOD
<i>Traditional Rights and Freedoms—Encroachments by Commonwealth Laws</i> (ALRC Interim Report 127)	3 August 2015	75
Total submissions received		75

The number of submissions received by the ALRC is a measure of public engagement with its work and the extent to which the consultation papers have stimulated debate and discussion. However, the number of submissions received for any inquiry is also influenced by its subject matter—particular inquiries are likely to generate a greater, broader degree of public interest and participation than others.

ALRC website

The ALRC website is a pivotal communication tool for the ALRC and a law reform resource for the wider public. The ALRC strives to

continually build value into the website, both in terms of providing useful and accessible content relevant to stakeholders and researchers, and utilising its functionality as an online consultation tool.

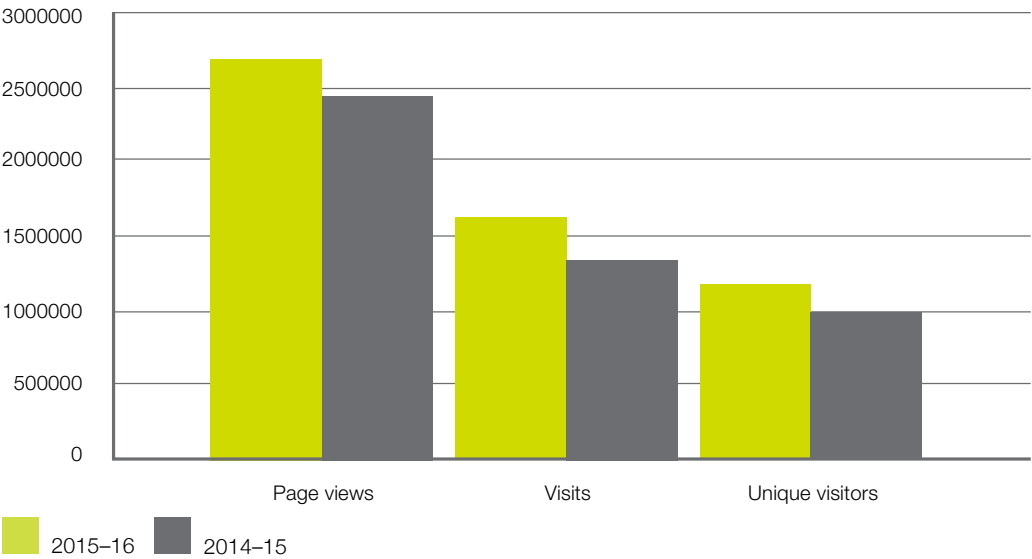
Key website metrics for 2015–16:

- ▶ visits = 1,598,726
- ▶ page views = 2,670,750
- ▶ unique visitors = 1,143,519

These metrics represent, compared to the 2014–15 reporting period:

- ▶ 22% increase in visits

CHART 2: Comparison of website traffic: August–June in 2014–15 and 2015–16



- ▶ 10% increase in page views
- ▶ 20% increase in unique visitors

ALRC website statistics provide evidence that it is not just in implementation that the ALRC makes a significant contribution to law and legal frameworks in Australia.

In 2015–16, the top five reports accessed by PDF downloads were:

1. *Serious Invasions of Privacy in the Digital Era* (ALRC Report 123)
2. *Traditional Rights and Freedoms—Encroachments by Commonwealth Laws* (ALRC Interim Report 127)
3. *Uniform Evidence Law* (ALRC Report 102)
4. *Family Violence: A National Legal Response* (ALRC Report 114)
5. *Seen and Heard: Priority for Children in the Legal Process* (ALRC Report 84)

The inclusion in this list of the Uniform Evidence Report from 2006 and the Seen and Heard Report from 1997 illustrates the enduring value of the ideas, discussion and research contained in these landmark reports.

Presentations and speaking engagements

Presenting at public conferences, seminars and parliamentary inquiries ensures that the work of the ALRC is publicly debated and discussed. During 2015–16, ALRC Commissioners and staff made 29 presentations at a range of events around the country. They also contributed 7 articles to a range of journals and publications. A full list of presentations and articles is at Appendix F.

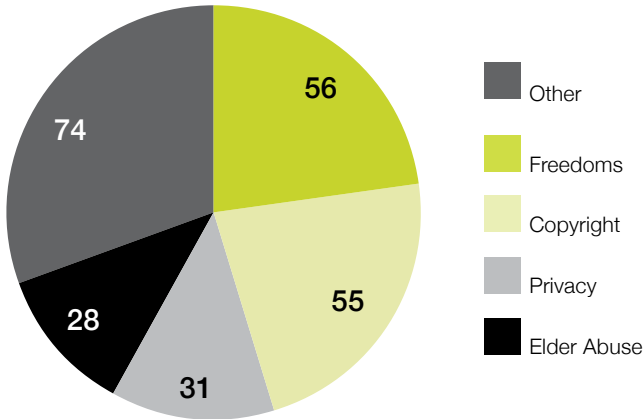
Media mentions

The ALRC actively promotes public debate on issues raised by its current and past inquiries, and on law reform generally.

During 2015–16, the ALRC identified 244 mentions of its work across a range of media. This represents a decrease of 15% from the previous reporting period. This decrease is best explained by the fact the ALRC has only worked on one inquiry at a time during this reporting period.

The Freedoms Inquiry attracted most media attention (30%), as both the Interim and Final Reports were released during the reporting period. The 2012 Copyright report attracted 22.5%, due to the release during this period

CHART 3: Media mentions per inquiry 2015–16



of the Productivity Commission's report which largely supported the ALRC's key recommendations.

The Elder Abuse Inquiry attracted 11% of the media attention, however it is worth noting that this Inquiry commenced more than midway through the reporting period.

In 2015–16 privacy law reform continued to rate highly in the public interest, with the recent Inquiry into Serious Invasions of Privacy in the Digital Era and the ALRC's 2008 Privacy Inquiry together garnering 13% of media attention.

The ALRC conducts its own media monitoring. An archive of 2015–16 online media mentions is available on the ALRC website.

SIGNIFICANT DEVELOPMENTS AND CHALLENGES FOR 2016–17

During 2016–17, the ALRC will complete its Inquiry into Elder Abuse in May 2017 and will work on any further inquiry referred to it by the Commonwealth Attorney-General. The ALRC will also finalise a new Enterprise Agreement.

The challenge for the ALRC is that it does not set its own work program but is reliant on the Attorney-General's referrals. Therefore it is the Government's reform agenda and timelines which determine the number and scope of inquiries that are referred to the ALRC, and this affects the ALRC's ability to meet its performance expectations. The ALRC would normally work on two inquiries concurrently, however as of June 2015, the ALRC has only had terms of reference for one inquiry at any one time. This has affected the number of submissions we have received which were half of what had been predicted.

The ALRC expects to be referred another inquiry in 2017 and a second inquiry once the Elder Abuse Inquiry is completed. In that event the ALRC will return to its usual mode of operations.

In addition, the Government's own program and priorities determine both when and how it considers completed ALRC inquiries, and the schedule for any implementation. This means that the rate of implementation of ALRC reports is in the hands of the Government, and there are many factors outside the ALRC's control that influence the Government's ability and proclivity to implement recommendations.

► SUMMARY AND ANALYSIS OF FINANCIAL PERFORMANCE

FINANCIAL OUTCOMES

Operating outcome

The 2015–16 financial statements show an operating surplus of \$0.054m.

Operating revenue

The ALRC's operating revenue of \$2.691m comprised revenue from government of \$2.658m, revenue from sale of goods (publications) of \$0.004m and other revenue of \$0.029m.

Operating expenses

Total operating expenses of \$2.637m were \$0.098m less than in 2014–15.

The ALRC's depreciation and amortisation expense decreased by \$0.004m.

Equity

The ALRC's total equity increased by \$0.078m. This includes contributed equity of \$0.016m.

Total assets

The ALRC's total assets increased by \$0.027m.

Total liabilities

The ALRC's total liabilities decreased by \$0.051m.

ENTITY RESOURCE STATEMENT

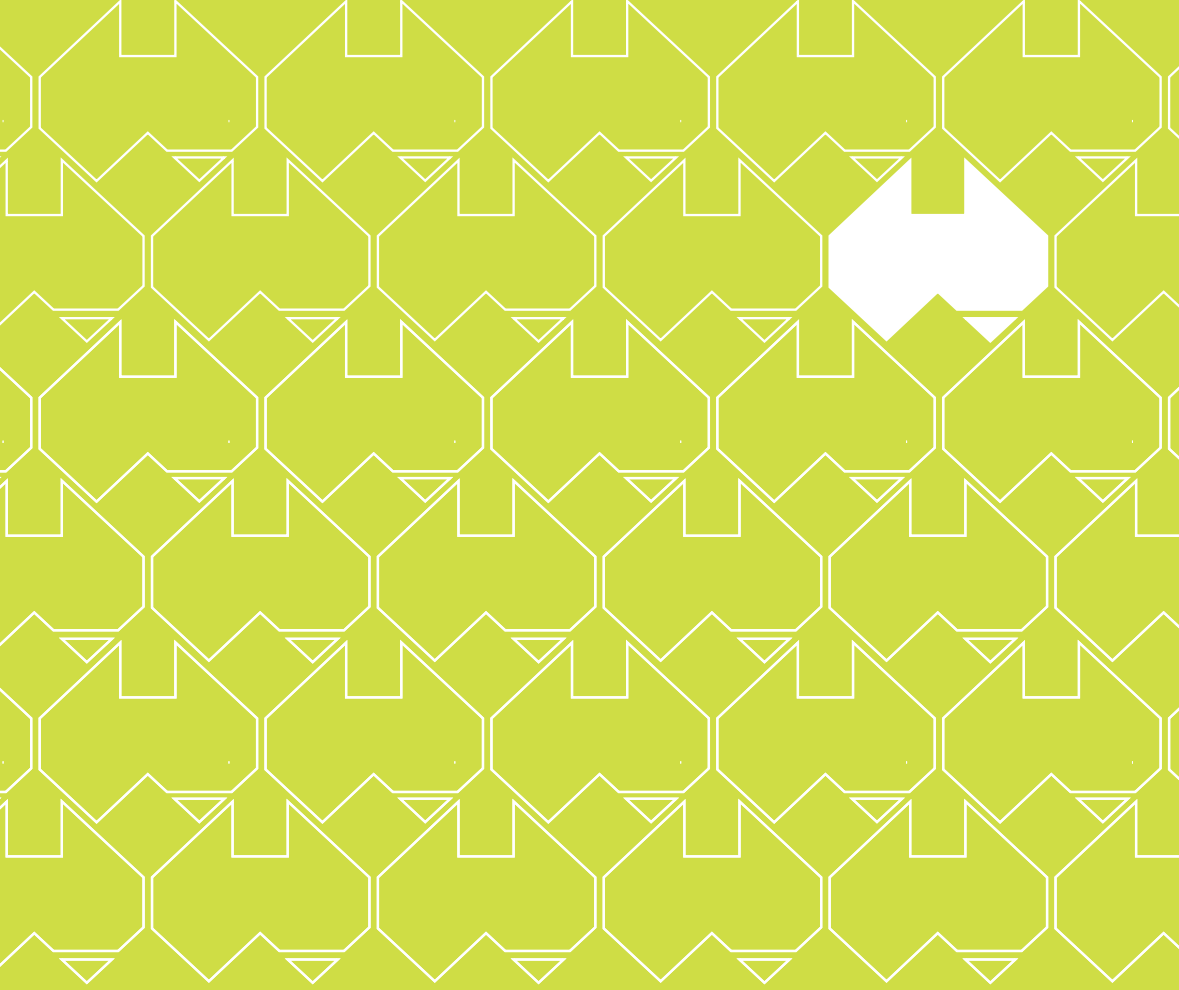
The ALRC's Entity Resource Statement and Expenses for Outcomes 2015–16 which summarises the total resources available to the ALRC and the total payments made by the ALRC during 2015–16 is at Appendix B.

COMPLIANCE

The ALRC has not had any significant non compliance with financial requirements and has therefore, not made any report to its Minister, the Attorney-General.

4

Management and accountability



► **CORPORATE** GOVERNANCE FRAMEWORK



► CORPORATE GOVERNANCE

ALRC accountability and governance requirements are met through its Accountable Authority Instructions. These provide the framework to ensure that the ALRC meets its obligations and responsibilities with regard to governance, reporting and accountability of Commonwealth entities and for their use and management of public resources, in line with the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

MINISTERIAL POWERS

The Minister responsible for the ALRC is the Attorney-General of Australia.

The ALRC is a statutory agency under the PGPA Act and an employer subject to the *Public Service Act 1999*.

The ALRC is constituted under the *Australian Law Reform Commission Act 1996* (the ALRC Act). Section 20 of the ALRC Act states that the Attorney-General may refer matters to the ALRC for review.

MEMBERS OF THE COMMISSION

The President is the CEO of the ALRC. During 2015–16 there was one part-time Commissioner, in addition to the President, appointed to the Freedoms Inquiry, and two other part-time Commissioners. Table 4 lists members of the ALRC during 2015–16 and their terms of appointment. On 30 June 2016, there were three members of the ALRC—one full-time member and two part-time members.

TABLE 4: Members 2015–16

COMMISSIONER	TERM OF APPOINTMENT
Full-time Commissioners	
Professor Rosalind Croucher AM BA (Hons), LLB (Syd), PhD (UNSW), AMusA (AMEB), FRSA, FACLM (Hon), FAAL, TEP	Reappointed as President from 14 December 2014–13 December 2018. 14 December 2009–13 December 2014 as President. 5 February 2007–4 February 2010 as Commissioner.
Part-time Commissioners	
The Hon Justice Nye Perram SC BA, LLB (Hons) (Syd), BCL (Dist) (Oxon)	Reappointed 28 November 2015–27 November 2016. 12 December 2012–11 December 2015.
The Hon Justice John Middleton QC LLB (Hons) (Melb), BCL (Oxon)	Reappointed 28 November 2015–27 November 2016. 12 December 2012–11 December 2015.
Emeritus Professor Anura Surindra (Suri) Ratnapala LLB (Sri Lanka), LLM (Macq), PhD (Qld)	9 July 2015–19 January 2016.



Professor Rosalind Croucher AM, President

Before her appointment as ALRC Commissioner and President, Professor Croucher was Dean of Law at Macquarie University (from 1999). Prior to this she was a member of the law faculties of the University of Sydney and the University of New South Wales. Professor Croucher served as Chair of the Council of Australian Law Deans (2002); Vice President (Western Pacific), International Academy of Estate and Trust Law (1998–2005); Chair of the Scientific Committee for the World Congress of Medical Law 2004; and on the Program Committee for the 8th biennial conference of the International Association of Women Judges 2006.

Professor Croucher has lectured and published extensively, principally in the fields of equity, trusts, property, inheritance and legal history. She is an Honorary Fellow of the Australian College of Legal Medicine and a Foundation Fellow of the Australian Academy of Law.

On 26 January 2015, Professor Croucher was conferred the award of Member of the Order of Australia for “significant service to the law as an academic, to legal reform and education, to professional development, and to the arts”.

Professor Croucher is an Adjunct Professor of Macquarie University.



The Hon Justice Nye Perram, Part-time Commissioner

Justice Nye Perram was appointed a part-time Commissioner of the ALRC for a term of three years on 12 December 2012. He graduated from the University of Sydney with a Bachelor of Arts and a Bachelor of Laws and from the University of Oxford with a Bachelor of Civil Law.

Justice Perram practised as a barrister in New South Wales from 1993 and was appointed senior counsel in 2006. He was appointed to the Federal Court of Australia in 2008. At the time of his appointment to the Federal Court he was a member of the Law and Justice Foundation and the New South Wales Bar Council.

Justice Perram has specialised in constitutional law, administrative law, commercial law and equity. In 2005, he was a Director of the Public Interest Law Clearing House, an independent, not-for-profit legal referral service. He is currently Deputy President of the Copyright Tribunal.



The Hon Justice John Middleton, Part-time Commissioner

Justice Middleton was appointed a part-time Commissioner of the ALRC for a term of three years on 12 December 2012. He was appointed to the Federal Court of Australia effective from 31 July 2006, is currently President of the Australian Competition Tribunal and was appointed a presidential member of the Administrative Appeals Tribunal effective from 24 November 2010.

Justice Middleton graduated from the University of Melbourne as Bachelor of Laws (First Class Honors) and from the University of Oxford as Bachelor of Civil Law (First Class Honors). He was the Winter Williams Scholar (University of Oxford (1976)). He was admitted to practise as a barrister and solicitor of the Supreme Court of Victoria in 1976. After serving as Associate to Sir Ninian Stephen, then Justice of the High Court of Australia, he was called to the Bar in 1979 where he practised predominantly in constitutional and administrative law, resources law and commercial law.

Justice Middleton was appointed one of Her Majesty's Counsel for the State of Victoria in 1991 and subsequently became Chairman of the Victorian Bar Council. He was awarded the Centenary Medal in 2003 for services, as a former Chairman of the Bar Council, to the community and to education.



Emeritus Professor Anura Surindra (Suri) Ratnapala

Professor Ratnapala was appointed as a part-time Commissioner to assist the ALRC with its Freedoms Inquiry. Suri Ratnapala is an Emeritus Professor of Law at The University of Queensland. He held the position of Professor of Public Law at the University of Queensland until his retirement at the end of 2014. Prior to this he was Senior State Counsel in Sri Lanka. Professor Ratnapala has been a consultant with the World Bank, the Asian Development Bank and AusAid in institutional capacity building projects in Asia. He was elected to the membership of the Mont Pelerin Society in 1998 and served on its Board from 2008 to 2014. He is currently a Fellow of the Australian Academy of Law, having been elected to the Academy in 2012.

Professor Ratnapala is the author of many books including *Welfare State or Constitutional State?*, *Australian Constitutional Law: Foundations and Theory*, and *Australian Constitutional Law: Commentary and Cases*. He is co-author and co-editor of *Jurisprudence of Liberty*. His latest book *Jurisprudence* 2nd ed, was published by the Cambridge University Press in June 2013.

Professor Ratnapala has received fellowships from prestigious international research centres and is a recipient of several awards including the Sir Anthony Fisher International Memorial Prize, a John Templeton Foundation Award for his teaching in constitutional law and theory, a Centenary of Australian Federation Medal for his contribution to Australian society through research in law and economics and an Alan McGregor Fellowship of the Centre for Independent Studies.

REMUNERATION

The Commonwealth Remuneration Tribunal determines the remuneration for all ALRC Commissioners.

POLICIES

The Accountable Authority Instructions and the ALRC Policy Manual contain the ALRC's current policies, guidelines and procedures on a range of administrative matters. ALRC policies are regularly reviewed and revised, as required. All new and revised policies are approved by the President.

New policies developed and implemented or updated during 2015–16 include:

- ▶ Corporate Plan 2016–20
- ▶ Flextime and Time Off In Lieu Policy
- ▶ Performance Appraisal and Development Scheme

Policies that concern interaction with members of the public are published on the ALRC website. New staff members are advised of ALRC policies as part of the induction process and all staff have access to ALRC policies via the intranet.

CORPORATE PLANNING

The ALRC Corporate Plan 2015–19 is reproduced in Appendix A. The Corporate Plan was updated in June 2016 to reflect the requirements for accountability and reporting in the PGPA Act. The ALRC Corporate Plan 2016–20 is available on the ALRC website. <http://www.alrc.gov.au/about/corporate-information/corporate-plan>

FINANCIAL MANAGEMENT AND AUDIT

The audit of the 2014–15 financial statements was performed by the Australian National Audit Office (ANAO). The Auditor's opinion was that the financial statements of the ALRC were prepared in accordance with all relevant legislation and Finance Minister's Orders

and give a true and fair view of the ALRC's financial position and performance. The ANAO conducted an interim audit of the ALRC 2015–16 financial accounts and provided an interim report to the Audit Committee on 15 June 2016. No material issues were identified at this time.

The ALRC Audit Committee is established in compliance with section 45 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and section 17 of the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule). The objective of the Audit Committee is to provide independent assurance and assistance to the President on the ALRC's risk, control and compliance framework, and its financial and performance reporting responsibilities.

The ALRC President authorises the Audit Committee, within its responsibilities, to:

- ▶ obtain any information it requires from any employee or external party (subject to any legal obligation to protect information);
- ▶ discuss any matters with the external auditor, or other external parties (subject to confidentiality considerations);
- ▶ request the attendance of any employee, including the President, at Audit Committee meetings; and
- ▶ obtain legal or other professional advice, as considered necessary to meet its responsibilities, with the prior approval of the President.

Section 17 of the PGPA Rule provides that the Audit Committee must consist of at least three persons who have appropriate qualifications, knowledge, skills or experience to assist the committee to perform its functions. The members of the ALRC Audit Committee, taken collectively, have a broad range of skills and experience relevant to the operations of the ALRC. This section also requires that the majority of the members of the Audit Committee of a non-corporate Commonwealth entity must be persons who are not officials of the entity.

The ALRC Audit Committee comprises three members, appointed by the President, as follows:

- ▶ Part-time Commissioner: Justice Nye Perram (Chair)
- ▶ External Member: Peter Bowen, Chief Financial Officer, Federal Court
- ▶ External Member: Darrell Yesberg, A/g Chief Financial Officer, Australian Human Rights Commission

A representative of the ANAO is also invited to attend meetings of the Audit Committee.

The ALRC's Audit Forward Plan sets a meeting schedule and outlines the activities of the Audit Committee over the next financial year. The Audit Committee met on 11 September 2015, 14 April 2016 and 15 June 2016.

FRAUD CONTROL AND RISK MANAGEMENT

The ALRC's Accountable Authority certifies that the ALRC has prepared Fraud Risk Assessments and a Fraud Control Plan for 2014–16. The ALRC has a commitment to fraud control and for promoting efficient, effective and ethical use of Commonwealth resources. The ALRC Fraud Control Plan (FCP) was reviewed in May 2016. The FCP is a strategic document drawing together all fraud prevention, detection, minimisation and reporting initiatives adopted by the ALRC to control fraud. The FCP provides the ALRC with appropriate mechanisms for preventing, detecting incidences of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific requirements of the ALRC. The FCP was developed from a risk assessment and is an integral part of the ALRC Assurance and Governance Framework. The ALRC also has a Fraud Policy Statement that sits alongside the FCP.

Fraud against the ALRC is defined as dishonestly obtaining a benefit, or causing a loss, by deception or other means. The President has responsibility for the corporate governance of the ALRC and for ensuring compliance with the *Commonwealth Fraud Control Guidelines*. The ALRC Audit Committee is responsible for the ongoing monitoring and review of the fraud control framework, including the actions agreed to in the ALRC FCP. The Executive Director is the Fraud Control Officer and is responsible for ensuring that the appropriate processes are in place to manage the risk of fraud.

During 2015–16, the ALRC has taken all reasonable measures to minimise the incidence of fraud and has raised awareness of fraud control among employees to foster an environment that encourages employee involvement in the strategies to prevent fraud.

Overall, the ALRC has a low to negligible residual fraud risk profile, with an effective control environment. In accordance with s 8.14 of the *Commonwealth Fraud Control Guidelines*, the ALRC collects any information relating to fraudulent matters and reports it to the Attorney-General's Department and the Australian Federal Police annually. No fraudulent activity was detected in 2015–16.

ENTERPRISE RISK MANAGEMENT

Enterprise risk management is a vital component of public sector management and is consistent with the obligations under the PGPA Act. The ALRC Enterprise Risk Management Plan (ERMP) 2014–16 was updated in May 2015 by an independent consultant, Oakton Consultancy. The ERMP was revised again in May 2016 overseen by the Audit Committee. The objective of the ERMP is to identify and articulate any organisational risks and to develop a mechanism to track and report on controls in place, and treatments required, to mitigate these risks.

The ALRC has continued to assess and manage its risks through:

- ▶ appropriate levels of insurance, including cover for public liability, directors' liability, and property loss or damage, with nature and levels of cover reviewed annually;
- ▶ a positive approach to work health and safety, based on preventative strategies, flexible return to work arrangements and early response to injury;
- ▶ provision of training to staff to ensure that they understand their responsibilities and have the skills necessary to fulfil their responsibilities;
- ▶ transparent reporting of financial management and operational matters, both internally and externally; and
- ▶ updated administrative policies aimed at preventing fraud and managing risk, through a Fraud Control Plan and Business Continuity Plan.

ETHICS

The ALRC fosters a culture of integrity, honesty and fairness in the workplace and actively seeks to comply with all relevant laws, regulations, codes and government standards.

Employees of the ALRC are Australian public servants and must follow the APS Values and APS Code of Conduct, which articulate the culture and operating ethos of the ALRC and provide the framework within which employment powers will be exercised by the President. ALRC employees are expected to comply with ALRC policies, and with any lawful direction given by the President and/or their supervisor.

Any suspected or real breaches of the APS Code of Conduct will be dealt with in accordance with the ALRC's *Procedures for Determining Breaches of the Code of Conduct*, established in accordance with s 15(3) of the *Public Service Act 1999*. During 2015–16, there were no suspected or actual breaches of the APS Code of Conduct.

The ALRC has developed a Public Interest Disclosure Policy in accordance with the *Public Interest Disclosure Act 2013*. This Policy is available on the ALRC website and intranet. During 2015–16 there were no public interest disclosures.

CONFLICT OF INTEREST

The ALRC Conflict of Interest Policy has been developed to protect the ALRC's reputation and integrity; to ensure that employees understand what a conflict of interest is, and how to recognise and avoid a conflict of interest; and to outline the ALRC process for disclosing an actual or potential conflict of interest. This Policy applies to Commissioners, employees, contractors and consultants engaged or employed by the ALRC.

Section 39 of the *Australian Law Reform Commission Act 1996* (ALRC Act) requires members to disclose any material personal interest in a matter under consideration by the Commission. Section 13(7) of the *Public Service Act 1999*, which contains the APS Code of Conduct, requires that an APS employee must disclose and take reasonable steps to avoid any conflict of interest (real or perceived) in connection with APS employment. In addition, s 10 of the Act requires that the Australian Public Service performs its functions in an impartial and professional manner.

ALRC employees are required to disclose a potential or actual conflict of interest in advance. Failing to disclose appropriately may be regarded as misconduct. The Executive Director maintains a Conflict of Interest Register that records any reported conflict of interest within the ALRC, for the purpose of monitoring and managing the conflict.

During 2015–16 there were no conflict of interest disclosures.

Full-time Commissioners (members) of the ALRC and the Executive Director make annual declarations of private interests, which are provided to the Attorney-General in August of each year.

INDEMNITY

The ALRC carries directors' liability insurance for all Commissioners of the ALRC and members of the Advisory Committee.

Nature of liability

The ALRC insures against damages arising as a consequence of a wrongful act of a director,

including an error by omission or commission; a misstatement or misleading statement; or negligent breach of duty.

The ALRC has not indemnified or agreed to indemnify any current or former officer against a liability other than by coverage under the directors' liability insurance.

► EXTERNAL SCRUTINY AND CONTROLS

There have been no significant developments affecting the ALRC's external scrutiny in 2015–16.

PARLIAMENTARY SCRUTINY

Representatives of the ALRC may appear at Senate Estimates Committee Hearings to answer questions about ALRC operations.

The ALRC was not called to Senate Estimates Hearings during 2015–16.

► HUMAN RESOURCE MANAGEMENT

STAFFING

The ALRC has one office in Sydney and all staff are located at this office. On 30 June 2016, the ALRC's full-time equivalent staffing level was 11.1 FTE. This figure does not include Commissioners (1 FTE).

INDIGENOUS EMPLOYMENT

As of 30 June 2016, for the current and preceding year, there were no employees who identified as Indigenous.

STAFF RETENTION AND TURNOVER

During 2015–16 one ongoing employee resigned from the ALRC. One ongoing employee took a 12 month secondment to the Royal Commission into Institutional Child Sexual Assault.

EMPLOYMENT CONDITIONS

Eleven non-SES employees are covered by the ALRC Enterprise Agreement 2011–14. The Enterprise Agreement sets out terms and conditions of employment and is currently in the process of being re-negotiated. One SES employee is employed under a section 24(1) Determination of the *Public Service Act 1999*. Three employees are currently working with individual flexibility arrangements. The only non-salary benefits provided during the period were paid as a health and well-being allowance.

PERFORMANCE REWARDS AND BONUSES

The ALRC Enterprise Agreement 2011–14 makes provision for performance appraisal and allows for performance to be rewarded

TABLE 5: Staffing profile as at 30 June 2016

ALRC CLASSIFICATION	MEN	WOMEN	FULL-TIME	PART-TIME	TOTAL
Executive Director (SES-equivalent)		1	1		1
EL2/PLO (\$124,789–\$132,389)	2		1	1	2
EL1/SLO (\$92,854–\$121,155)		4	4		4
APS 5–6/LO (\$69,810–\$88,432)		3	2	1	3
APS 3–4 (\$55,108–\$67,777)		2	1	1	2
APS 1–2 (\$38,652–\$53,502)					
Total	2	10	9	3	12

TABLE 6: Performance rewards

PERFORMANCE RATING	OUTCOME
Exceeding performance expectations	2 pay point increase
Meets all performance expectations	1 pay point increase
Meets most performance expectations	Remain on current pay point
Does not meet performance expectations	Remain on current pay point or go down one or more pay points in accordance with procedures in Clause 20, 'Managing Underperformance'

TABLE 7: Performance bonuses 2015–16

CLASSIFICATION	NUMBER OF EMPLOYEES	TOTAL PAID	AVERAGE	RANGE
EL 2	1	\$2,181.76	\$2181.76	\$1,363.60– \$2,727.20
EL 1	3	\$4,574.11	\$1,524.70	\$1,108.74– \$2,217.48
APS 5–6	2	\$3,209.66	\$1,604.83	\$910.85– \$1,821.70
APS 4	2	\$2,346.00	\$1,173.00	\$698.10– \$1396.20

through a mixture of movement up the salary scale and one-off performance bonuses for those at the top of their pay point salary band, as summarised in tables 6 and 7.

An employee who is at the maximum salary point for a classification will be eligible for a bonus of up to 2% of his or her annual salary, based on a performance appraisal. If rated as exceeding performance expectations, the bonus will be 2%. If rated as meeting all performance expectations, the bonus will be 1%. If rated as meeting most, or not meeting performance expectations, there will be no bonus awarded.

During 2015–16, eight employees were awarded a performance bonus, amounting

to a total bonus payment for the year of \$12,311.53.

Further details of total remuneration expenditure in 2015–16 are provided in the financial statements.

STAFF DEVELOPMENT

The ALRC identifies and responds to the professional development needs of its employees as identified during the performance appraisal process which is the main mechanism for determining professional development needs of employees to ensure that they are able to meet the ALRC's objectives. The ALRC also considers requests for education and training as they arise. The

ALRC budgets for professional development at a whole-of-organisation level as well as for individual employees. In addition, the ALRC considers attendance at relevant conferences and professional seminars to contribute to the professional development of staff.

The following professional development opportunities were taken up by staff during 2015–16:

- ▶ Finance Manager attended training on FBT.
- ▶ Finance Assistant attended EOFY Meridian training and ATO training on super stream clearing houses.
- ▶ Office Services Coordinator attended a workshop on digital continuity.

Legal Officers attended the following conferences:

- ▶ Native Title and Indigenous Empowerment: A Panel and Book Event, Sydney.
- ▶ Constitutional Law Conference, Sydney.
- ▶ 4th National Elder Abuse Conference, Melbourne.
- ▶ Australasian Law Reform Agencies Conference (ALRAC), Melbourne.
- ▶ Public lecture by Professor Ian Hargreaves, Sydney.
- ▶ The National Law Reform Conference, Canberra.
- ▶ International Federation on Ageing 13th Global Conference, Brisbane.
- ▶ Magna Carta: Destiny or Accident? Public Lecture by the Right Hon the Lord Igor Judge, Sydney.
- ▶ Improving Court Practice in Family Violence Cases Conference, Melbourne.

STUDY LEAVE

Study leave is available for all ongoing employees (full-time and part-time). Study assistance provided by the ALRC is in the form of granting up to five days unpaid leave per academic year (part-time staff will be granted a pro rata amount) to facilitate an employee's study. No employees applied for study leave during 2015–16.

ALRC INTERNSHIP PROGRAM

The ALRC offers internships to students in their penultimate or final year of a law degree. An internship at the ALRC provides experience in a public policy environment and skills development for students to increase their awareness of law reform processes and improve their legal research and writing skills. Interns join a team for a current ALRC inquiry and are supervised by the Commissioner in charge and/or Legal Officers.

Internships with the ALRC are highly sought after and there is a competitive selection process that includes a formal application and interview. The number of interns accepted at any one time depends on the current work program of the Commission. In 2015–16, eight internships were offered. Interns were involved in a range of ALRC activities, including attending consultation meetings with inquiry stakeholders, Advisory Committee meetings and inquiry team meetings.

The ALRC captures the intern experience through interviews with students at the completion of their internship. They discuss the work they have been undertaking and describe the experience of interning at the ALRC. These podcasts are available on the ALRC website.

Interns 2015–16

Semester 2 (August–October, 2015)

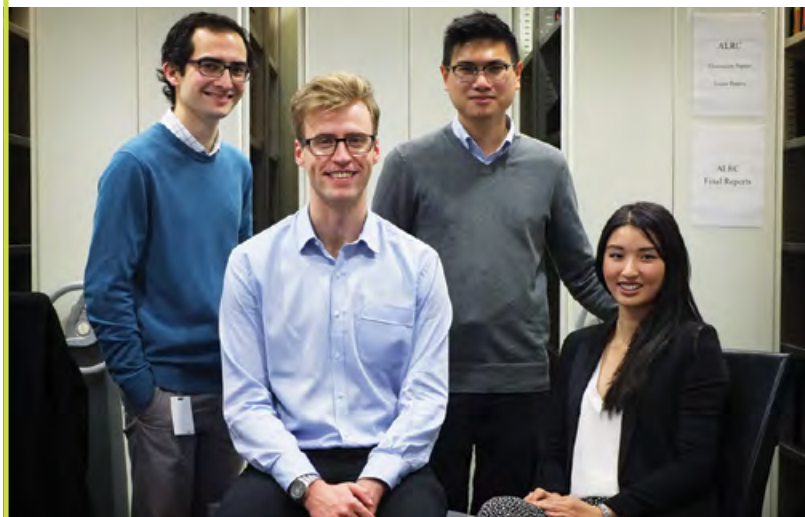
- ▶ Justin Pen—University of Sydney
- ▶ Rosalind Acland—University of NSW

Summer (February 2016)

- ▶ Sarah Dobbie—Australian National University
- ▶ Nishadee Perera—Australian National University

Semester 1 (March–June, 2016)

- ▶ Courtney Lor—Macquarie University
- ▶ Michael Quach—University of NSW
- ▶ Will de Waal—University of NSW
- ▶ Angus Nicholas—University of Sydney



► OTHER REPORTING REQUIREMENTS

PROCUREMENT AND PURCHASING

Purchasing within the ALRC is guided by its Procurement and Purchasing Policy, which is consistent with the Commonwealth Procurement Rules (CPRs) and the PGPA Act. As an agency expending public money, the ALRC must be accountable for its resources and expenditure.

The ALRC's Procurement and Purchasing Policy sets 'value for money' as the core principle in procurement decisions and also ensures that the ALRC's procurement encourages competition and the proper use of resources, accountability and transparency. 'Value for money' in a procurement process requires a comparative analysis of all relevant costs and benefits of each proposal throughout the whole procurement cycle (whole-of-life costing) and making decisions

in an accountable and transparent manner. 'Value for money' also involves adopting processes that reflect the scale and risk profile of a particular procurement and that simple procurements should be undertaken using simple processes.

Risk management is built into ALRC procurement processes and the extent of risk management required will vary from following routine procurement processes, to a significant undertaking involving the highest level of planning, analysis and documentation.

Where the Government has established a coordinated Whole-of-Government procurement contract for a particular property or service, the ALRC will use the Government contract established for that property or service, unless an exemption has

been provided. The ALRC currently uses a coordinated procurement contract for travel, purchasing major office machines, desktop computers, Microsoft software and office supplies.

The ALRC publishes an Annual Procurement Plan on the AusTender website. The ALRC has previously reported Contracts Notices for:

- ▶ Secure Internet Gateway—CN 3096982
- ▶ Subscriptions to online legal services—CN 3084922
- ▶ ICT Support—CN 3081972
- ▶ Rent—CN 3081902
- ▶ Office Supplies and Stationary—CN 1014931 and CN 1014921
- ▶ Photocopiers—CN 824411

During 2015–16, no new contracts were entered into by the ALRC.

Procurement initiatives to support small business

The ALRC supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.

Due to the nature of the operations of the ALRC and its small size, the ALRC's procurement is small in scale and under the \$200,000 threshold. Much of the ALRC's procurement is either through Whole-of-Government panels or from SMEs. The ALRC's procurement policy facilitates the involvement of SMEs in procurement by:

- ▶ adopting a risk assessment framework for procurement that is commensurate with the scale and scope of the procurement;
- ▶ communicating in clear simple language and presenting information in an accessible format; and
- ▶ utilising electronic systems to facilitate on-time payments where possible.

Indigenous procurement

During 2015–16, the ALRC contracted with two Indigenous SMEs to provide services as follows:

- ▶ 33 Creative—video production for the Native Title Final Report launch and ALRC 40 year anniversary event.
- ▶ Kallico Catering—for the ALRC National Reconciliation Week and NAIDOC Week events.

CONSULTANCIES

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.

From time to time, the ALRC may engage a consultant where it lacks specialist expertise. Prior to engaging consultants, the ALRC takes into account the skills and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise. When the ALRC does enter into a consultancy contract, information about this contract is placed on the AusTender website.

During 2015–16, no new consultancy contracts were entered into. In addition, there were no ongoing consultancy contracts active during the reporting period.

ADVERTISING AND MARKET RESEARCH

As required under s 311A of the *Commonwealth Electoral Act 1918*, the ALRC reports that, during 2015–16, it did not undertake any advertising campaigns nor conduct any market research with advertising agencies, market research organisations, polling organisations, direct mail organisations, or media advertising organisations.

DISABILITY STRATEGY

The ALRC is committed to the inclusion of and participation by people with disability

in its inquiry work. The ALRC encourages consultation with people with disability by presenting our publications in a range of different formats and, at the end of our inquiries, providing community information sheets that outline the key recommendations made in its reports that may impact on people with disability, where relevant.

Information on How to Make a Submission and on the Law Reform Process is available on the ALRC website in Easy English. Easy English combines text and images to convey information simply and directly and is designed specifically for people with reading difficulties.

Since 1994, Commonwealth non-corporate entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission's State of the Service Report and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au. From 2010–11, entities have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010–2020, which sets out a ten year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high level two-yearly report will track progress against each of the six outcome areas of the Strategy and present a picture of how people with disability are faring. These reports can be found at www.dss.gov.au.

FREEDOM OF INFORMATION

Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a

section 8 statement in an Annual Report. The ALRC Information Publication Plan (IPP) is updated annually and contains details about the information held within the ALRC, and how it handles this information. It is published on the ALRC website at <http://www.alrc.gov.au/ips-agency-plan>.

During 2015–16, the ALRC received no FOI requests.

LEGAL SERVICES EXPENDITURE

As per the *Legal Services Directions 2005*, the ALRC reports that during 2015–16 the ALRC was compliant with these Directions. The ALRC had no legal expenditure for 2015–16.

WORK HEALTH AND SAFETY

The ALRC is committed to providing and maintaining the highest degree of work health and safety for all employees and other persons who engage with the ALRC's work by aiming to prevent all injury and illness potentially caused by working conditions. The ALRC recognises its responsibility to provide a healthy and safe workplace for employees and to provide them with workplace-based, easily accessible information on work health and safety matters.

The ALRC's Health and Safety Management Arrangements (HSMAs) and Work Health and Safety Policy (WH&S Policy) provide the framework for ensuring the health, safety and welfare of all its employees. The ALRC has a commitment to consult with employees and their representatives on work health and safety issues and to work together to ensure a safe work environment. As part of this, the ALRC shares relevant information about health, safety and welfare with employees and ensures that they are given the opportunity to express their views and to contribute in a timely fashion to the resolution of work health, safety and welfare issues.

The ALRC supports the use of a risk management approach to work health and

safety. The ALRC identifies any potential risks to the health and safety of ALRC employees and puts in place strategies to minimise any potential hazards or risks. WH&S policies are accessible to employees on the ALRC file server and new employees are provided with information on work health and safety as part of the induction process.

The ALRC has a Work Health and Safety Committee (WH&SC) that meets at least once per year, or as needed. The WH&SC met on 7 June 2016. ALRC employees have a responsibility to report to the WH&SC any situation that could constitute a hazard to the health, safety or welfare of any ALRC employee. There were no accidents or any dangerous occurrences during 2015–16 that required giving of notice under the WH&S Act.

All employees undertake emergency procedures training at least once per year. Fire Warden training is also undertaken on a regular basis as part of our tenancy requirements.

The ALRC conducts an annual health and safety audit and this was completed in June 2016. During 2015–16, there were no WH&S issues reported.

As a workplace health initiative under its Enterprise Agreement, the ALRC provides free and voluntary influenza vaccinations to staff each year. In 2015–16, nine employees took advantage of a free vaccination.

The ALRC also offers a reimbursement of up to \$150 per annum for activities that contribute to employees' health and well-being. In addition, all employees have access to a free and confidential counselling service that provides up to three free sessions of counselling per year.

ENVIRONMENTAL PERFORMANCE

The ALRC maintains efficient and effective environmental office practices that comply with relevant government policy and

environmental legislation. The ALRC's Environmental Management Policy is available on the ALRC website and, in accordance with the *Environment Protection and Biodiversity Conservation Act 1999* (the EPBC Act), it commits the ALRC to minimise the ecological footprint of its activities by:

- ▶ incorporating environmental management considerations into core business and management practices including the organisation of the ALRC's core program—conducting inquiries;
- ▶ considering environmental impacts of all purchases made and ensuring that, wherever possible, options chosen include recyclable products, minimum packaging and minimum toxic chemicals;
- ▶ creating a culture where sustainable environmental management is considered an integral element of all ALRC activities and providing information to staff as to the recycling system and to maximising energy efficiency;
- ▶ setting measurable environmental targets as part of a continual improvement process;
- ▶ regularly monitoring environmental performance and providing reports to Government, as required; and
- ▶ reviewing this Policy at least every two years to ensure it is relevant and delivering desired outcomes.

In line with the principles of ecologically sustainable development, and in line with s 516A of the EPBC Act, the ALRC makes the following report for 2015–16:

Energy efficiency

The ALRC is located in the MLC Centre at Level 40, 19 Martin Place, Sydney. The MLC building has achieved 4.5 stars under the NABERS Energy rating system which is current until January 2017. NABERS is a performance-based rating system which measures the overall environmental performance of a building during its hours of operation.

Automated lighting controls are used in the ALRC office that switch off office lighting when people are out of the office, and non-essential lighting outside of work hours. Employees must turn off computers, printers and photocopiers over weekends to minimise the ALRC's energy use.

Waste and recycling

The ALRC supports recycling programs including for paper, co-mingled material and electronic equipment as part of our office tenancy. ALRC employees are encouraged to sort waste appropriately in order to maximise recycling and minimise the ALRC's disposal of waste to landfill.

Water

The ALRC office is located at the MLC Centre and it is not possible to rate the ALRC's water usage separately. NABERS Water measures the water consumption of an office building on a scale of one to five stars, reflecting the performance of the building relative to the market, from least efficient (one star) to best practice (five stars). Two and a half stars is the current market average. The MLC building received a rating of 2.5 stars under the NABERS Water rating system, which is valid until January 2017.

Air travel

ALRC employees are encouraged to undertake air travel only where there is a demonstrated business need and other communication methods, such as teleconferencing, are not available or not appropriate in the circumstances. The ALRC's air travel is most commonly to undertake consultations for inquiry purposes and to ensure that people from around Australia are able to meet with the ALRC about the areas of law that are under review.

Vehicles

The ALRC does not have a vehicle fleet. When ALRC Executives are provided with vehicles as

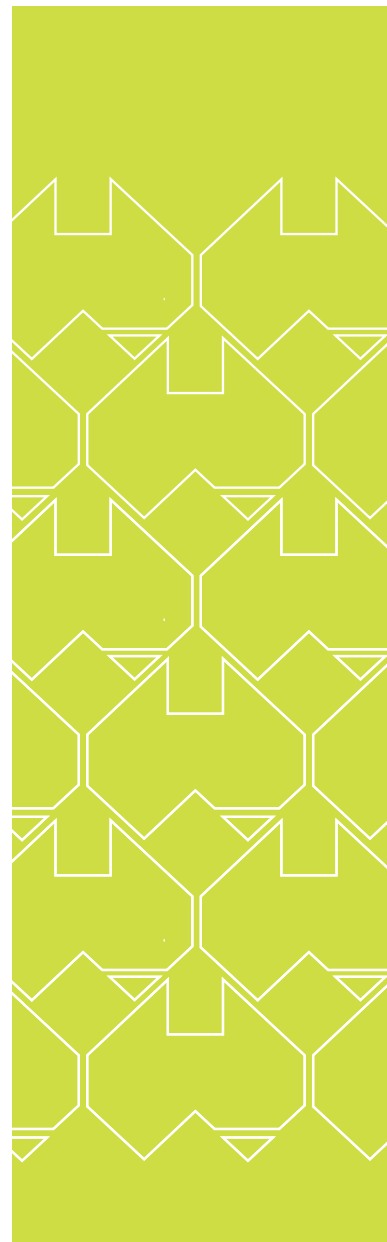
part of their remuneration package they must conform to the ALRC Executive Vehicle Policy in which they are asked to treat fuel efficiency and carbon emissions as significant factors when choosing a vehicle. ALRC employees use public transport and share vehicles as far as possible.

Printing

The ALRC has committed to reducing the amount of print copies of documents produced. Consultation papers are now only published online, unless there are special circumstances that require a hard copy to be produced.

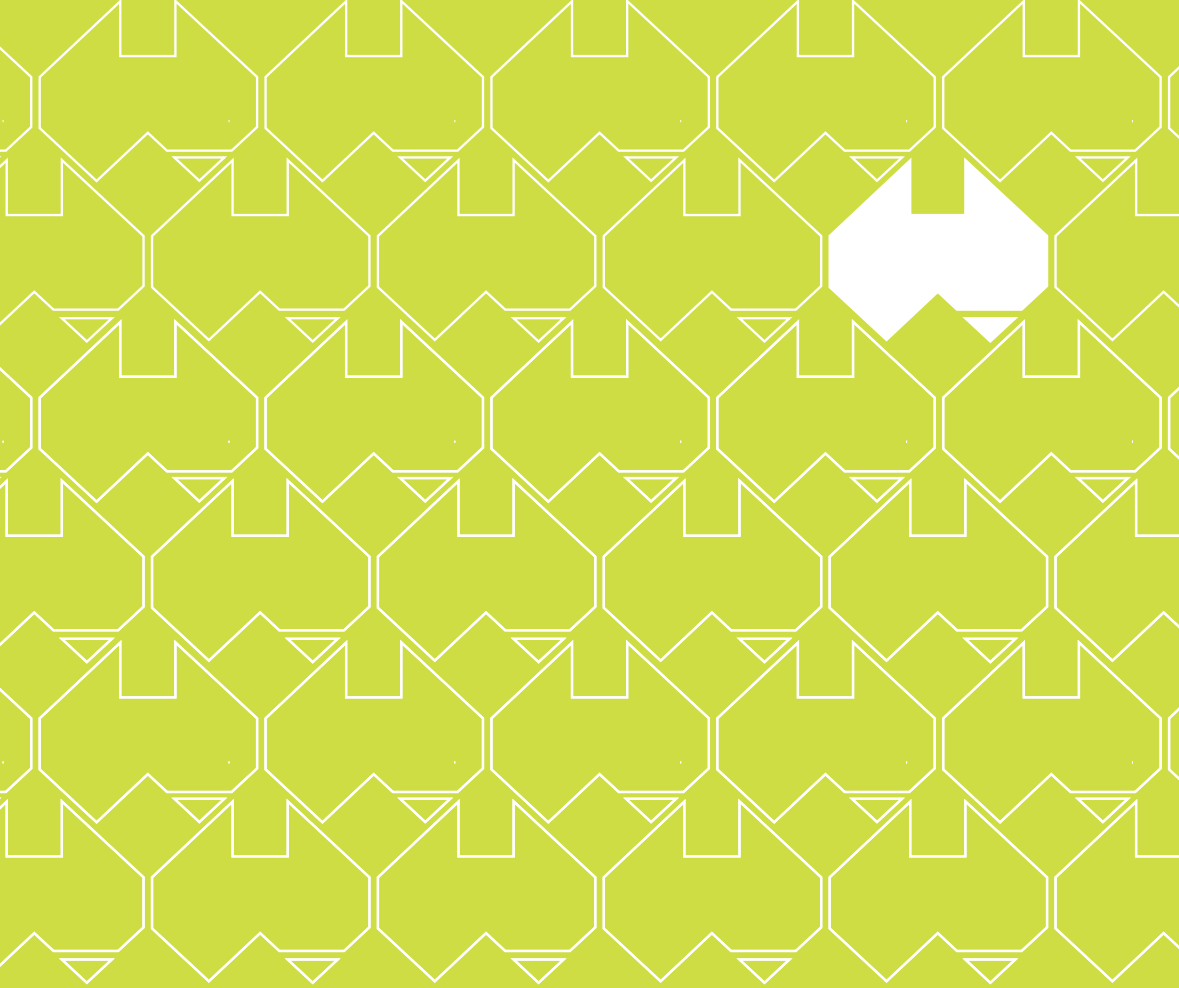
All employees are encouraged to consider ways to minimise printing and encouraged to print double-sided for documents that are for internal purposes. The general-use office copy paper is 100% recycled, carbon neutral and FSC rated.

As part of the Government's digital transition policy, the ALRC has moved significantly away from the creation and storage of paper records and this in turn has reduced both our usage of paper and the amount of printing done by the organisation.



5

FINANCIAL STATEMENTS





INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

I have audited the accompanying annual financial statements of the Australian Law Reform Commission for the year ended 30 June 2016, which comprise the Statement by the President and Chief Financial Officer; Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Equity; Cash Flow Statement; and Notes to and forming part of the financial statements.

Opinion

In my opinion, the financial statements of the Australian Law Reform Commission:

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Australian Law Reform Commission as at 30 June 2016 and its financial performance and cash flows for the year then ended.

Accountable Authority's Responsibility for the Financial Statements

The President of the Australian Law Reform Commission is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act and is also responsible for such internal control as the President determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

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19 National Circuit BARTON ACT
Phone (02) 6203 7300 Fax (02) 6203 7777

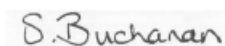
financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Accountable Authority of the entity, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Australian National Audit Office

A handwritten signature in dark ink, appearing to read "S. Buchanan". The signature is written in a cursive, slightly slanted style.

Serena Buchanan
Executive Director

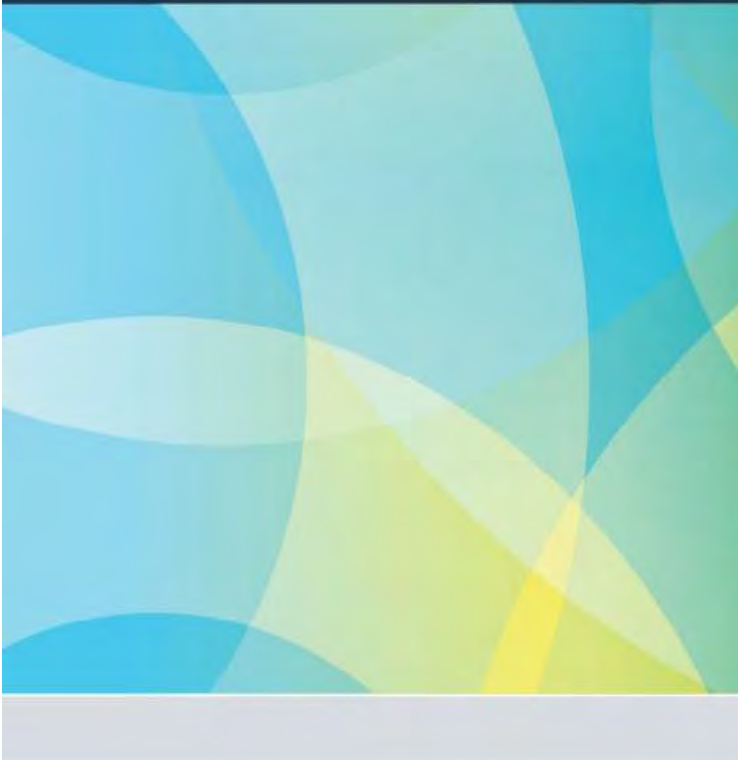
Delegate of the Auditor-General

Canberra
16 September 2016

Australian Law Reform Commission

Financial Statements

for the year ended 30 June 2016



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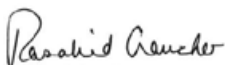
- 6.1 Reporting of Outcomes

AUSTRALIAN LAW REFORM COMMISSION

STATEMENT BY THE PRESIDENT AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2016 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Law Reform Commission will be able to pay its debts as and when they fall due.



Professor Rosalind Croucher
President

16 September 2016



Sabina Wynn
Chief Financial Officer

16 September 2016

AUSTRALIAN LAW REFORM COMMISSION

Statement of Comprehensive Income

for the period ended 30 June 2016

	Notes	2016 \$	2015 \$	Original Budget \$
NET COST OF SERVICES				
Expenses				
Employee Benefits	1.1A	1,990,365	2,074,985	2,107,000
Suppliers	1.1B	602,354	611,661	707,000
Depreciation	2.2A	44,596	48,876	20,000
Total expenses		2,637,315	2,735,522	2,834,000
Own-Source Income				
Own-source revenue				
Sale of Goods and Rendering of Services	1.2A	4,387	4,712	5,000
Other Revenue	1.2B	29,000	27,000	23,000
Total own-source revenue		33,387	31,712	28,000
Net cost of services		(2,603,928)	(2,703,810)	(2,806,000)
Revenue from Government	1.2C	2,658,000	2,817,000	2,786,000
Surplus/(Deficit) from continuing operations		54,072	113,190	(20,000)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services¹				
Changes in asset revaluation surplus	2.2A	8,060	-	-
Total comprehensive income		62,132	-	-

1. Detail of reclassification adjustments relating to items of other comprehensive income are disclosed in Note 2.2A.

Budget Variances Commentary

The variance in total expenses and Revenue from Government between budget and actual, greater than 10%, is due to the following:

In 2015-16 the Commission's appropriation was reduced by \$127,000, as a Mid-Year Economic Fiscal Outlook (MYEFO), Attorney-General's one-off efficiency savings to specific agencies expense measure. The Commission also was subject to the Public Sector Superannuation Accumulation Plan administration fee of \$1,000 as a cross portfolio measure published in 2014-15 MYEFO. These measures have resulted in a reduction in the Commission's revenue from Government of \$128,000.

In response to this reduction, employee benefits and suppliers decreased against the budgeted amount. The Commission was only able to undertake one inquiry in the financial year instead of the usual two concurrent inquiries. A second full-time Commissioner was therefore not appointed and supplier costs were also reduced.

The variance in depreciation was a timing issue. The budgeted amount had not been updated to take into consideration the Commission's plant & equipment.

The Commission also received a \$40,000 reduction in its Departmental Capital Budget, as a MYEFO Attorney-General's one-off efficiency savings to specific agencies capital measure.

These measures have resulted in a total reduction to the Commission's revenue from Government of \$168,000.

The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN LAW REFORM COMMISSION

Statement of Financial Position

as at 30 June 2016

	Notes	2016 \$	2015 \$	Original Budget \$
ASSETS				
Financial assets				
Cash and Cash Equivalents	2.1A	1,287,812	1,187,697	1,325,000
Trade and Other Receivables	2.1B	9,222	9,993	11,000
Total financial assets		1,297,034	1,197,690	1,336,000
Non-financial assets				
Plant and equipment	2.2A	65,479	102,015	210,000
Prepayments		15,310	51,270	56,000
Total non-financial assets		80,789	153,285	266,000
Total assets		1,377,823	1,350,975	1,602,000
LIABILITIES				
Payables				
Suppliers	2.3A	29,674	39,718	101,000
Other Payables	2.3B	161,778	244,753	278,000
Total payables		191,452	284,471	379,000
Provisions				
Employee Provisions	4.1A	494,729	452,994	453,000
Total provisions		494,729	452,994	453,000
Total liabilities		686,181	737,465	832,000
Net assets		691,642	613,510	770,000
EQUITY				
Contributed equity		255,000	239,000	295,000
Reserves		135,058	126,998	127,000
Retained surplus		301,584	247,512	348,000
Total equity		691,642	613,510	770,000

Budget Variances Commentary

The variance in the statement of financial position between budget and actual, greater than 10%, is due to the following:

The variance in other non-financial assets is the result of a timing issue concerning the prepayment of rent for the Commission's premises. In addition, the Commission did not purchase any new plant and equipment due to the reduction in the Departmental Capital Budget (DCB).

The variance in suppliers, other payables and employee provisions was due to a timing issue.

The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN LAW REFORM COMMISSION

Statement of Changes in Equity

for the period ended 30 June 2016

	2016	2015	Original Budget
	\$	\$	\$
CONTRIBUTED EQUITY			
Opening balance	239,000	183,000	239,000
Transactions with owners			
Contributions by owners			
Departmental capital budget	16,000	56,000	56,000
Total transactions with owners	16,000	56,000	56,000
Closing balance as at 30 June	255,000	239,000	295,000
RETAINED EARNINGS			
Opening balance	247,512	134,322	368,000
Comprehensive income			
Surplus/(Deficit) for the period	54,072	113,190	(20,000)
Other comprehensive income	-	-	-
Total comprehensive income	54,072	113,190	(20,000)
Closing balance as at 30 June	301,584	247,512	348,000
ASSET REVALUATION RESERVE			
Opening balance	126,998	126,998	127,000
Comprehensive income			
Other comprehensive income	8,060	-	-
Total comprehensive income	8,060	-	-
Closing balance as at 30 June	135,058	126,998	127,000
TOTAL EQUITY			
Opening balance	613,510	444,320	734,000
Comprehensive income			
Surplus/(Deficit) for the period	54,072	113,190	(20,000)
Other comprehensive income	8,060	-	-
Total comprehensive income	62,132	113,190	(20,000)
Transactions with owners			
Contributions by owners			
Departmental capital budget	16,000	56,000	56,000
Total transactions with owners	16,000	56,000	56,000
Closing balance as at 30 June	691,642	613,510	770,000

Accounting Policy

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Budget Variances Commentary

The variance in the statement of changes in equity between budget and actual, greater than 10% , is due to the following:

The total equity has a variance against budget due to the Commission's savings as mentioned in Statement of Comprehensive Income and Statement of Financial Position.

The Commission received a \$40,000 reduction in its Departmental Capital Budget, as a Mid-Year Economical Fiscal Outlook, (MYEFO) Attorney-General's one-off efficiency savings to specific agencies capital measure.

The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN LAW REFORM COMMISSION

Cash Flow Statement

for the period ended 30 June 2016

	2016	2015	Budget
Notes	\$	\$	\$
OPERATING ACTIVITIES			
Cash received			
Appropriations	2,658,000	2,817,000	2,786,000
Sale of goods and rendering of services	4,388	5,097	5,000
Net GST received	64,703	68,677	-
Total cash received	2,727,091	2,890,774	2,791,000
Cash used			
Employees	2,003,567	2,094,037	2,107,000
Suppliers	639,409	980,054	684,000
Total cash used	2,642,976	3,074,091	2,791,000
Net cash from/(used by) operating activities	84,115	(183,317)	-
INVESTING ACTIVITIES			
Cash used			
Purchase of plant and equipment	-	10,073	56,000
Total cash used	-	10,073	56,000
Net cash from/(used by) investing activities	-	(10,073)	(56,000)
FINANCING ACTIVITIES			
Cash received			
Contributed equity	16,000	56,000	56,000
Total cash received	16,000	56,000	56,000
Net cash from financing activities	16,000	56,000	56,000
Net increase/(decrease) in cash held	100,115	(137,390)	-
Cash and cash equivalents at the beginning of the reporting period	1,187,697	1,325,087	1,325,000
Cash and cash equivalents at the end of the reporting period			
2.1A	1,287,812	1,187,697	1,325,000

Budget Variances Commentary

The variance in the cash flow statement between budget and actual, greater than 10%, is due to the following:

The variance in the Commission's appropriation was due to a reduction of \$127,000, as a Mid-Year Economic Fiscal Outlook (MYEFO) Attorney-General's one-off efficiency savings to specific agencies expense measure.

The variance in net GST received from the budgeted amount was due to the net outcome from the recovery of GST on supplier payments and GST collected on invoices raised.

Total cash used by operating activities was lower than anticipated due to the savings that the Commission had to make in response to the MYEFO measure.

The variance in the Commission's purchase of plant and equipment reflects the savings made in response to the Mid-Year Economic Fiscal Outlook (MYEFO) Attorney-General's one-off efficiency savings to specific agencies capital measure.

The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN LAW REFORM COMMISSION

Overview

Objectives of the Australian Law Reform Commission

The Australian Law Reform Commission (the Commission) is an Australian Government controlled entity. It is a not-for-profit entity. The objective of the Commission is to report to the Attorney-General on the results of any review for the purposes of developing and reforming the law.

The Commission is structured to meet one outcome: informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education.

The continued existence of the Commission in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the Commission's administration and programs.

Commission activities contributing towards this outcome are classified as Departmental Activities. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the Commission in its own right.

Section 45 of the *Australian Law Reform Commission Act 1996* (the ALRC Act), requires that money appropriated by the Parliament be transferred to the Law Reform Special Account (refer to note 3.2).

The Basis of Preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR) for reporting periods ending on or after 1 July 2015; and
- b) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

New Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

All other new, revised amending standards and interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect, and are not expected to have a future material effect, on the Commission's financial statements.

AUSTRALIAN LAW REFORM COMMISSION

Overview (cont'd)

Future Australian Accounting Standard Requirements

The following new, revised, amending standards and interpretations were issued by the Australian Accounting Standards Board prior to the signing of the statement by the President and Chief Financial Officer, which may have a material impact on the Commission's financial statements for future reporting period(s):

Standard/ Interpretation	Application date for the entity ¹	Nature of impending change/s in accounting policy and likely impact on initial application
AASB 2015-5 Amendments to Australian Accounting Standards-Extending Related Party Disclosures to Not-for-Profit Public Sector Entities (AASB 10, AASB 124 & AASB 1049)	1-Jul-16	The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the standard by not-for-profit public sector entities. This standard also makes related amendments to AASB 10 Consolidated Financial Statements and AASB 1049 Whole of Government and General Government Sector Financial Reporting and an editorial correction to AASB 124. Expected impact is still under review.
AASB 16 Leases	1-Jan-19	AASB 16 addresses this issue by bringing all leases onto the balance sheet of lessees, there by increasing the transparency surrounding such arrangements and making the lessee's balance sheet better reflect the economics of its transactions. Expected impact is still under review.
AASB 15 Revenue from Contracts with Customers	1-Jan-18	AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 111 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. Expected impact is still under review.

1. The Commission's expected initial application date is when the accounting standard becomes operative at the beginning of the Commission's reporting period.

All other new standards, revised standards, interpretations and amending standards that were issued prior to the sign-off date and are applicable to future reporting period(s) are not expected to have a future material impact on the Commission's financial statements.

Taxation

The Commission is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Events After the Reporting Period

There have been no subsequent events that have the potential to significantly affect the ongoing structure and the financial activities of the Commission.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Financial Performance

This section analyses the financial performance of the Australian Law Reform Commission for the year ended 2016.

1.1 Expenses

	2016	2015
	\$	\$
1.1A: Employee Benefits		
Wages and salaries	1,540,389	1,622,213
Superannuation		
Defined contribution plans	118,554	121,211
Defined benefit plans	145,955	152,966
Leave and other entitlements	185,467	178,595
Total employee benefits	1,990,365	2,074,985

Accounting Policy

Accounting policies for employee related expenses are contained in the People and Relationships section. Refer to Note 4.1.

1.1B: Suppliers

Goods and services supplied or rendered

Committees	5,068	22,285
Library	35,823	31,454
Professional services	63,035	73,251
Printing and office requisites	32,261	18,474
Freight and removals	1,874	1,747
Telephone and postage	15,461	24,828
Incidentals	6,155	10,417
Minor assets	3,481	10,090
Staff training	9,129	9,632
Maintenance	7,662	7,125
Promotional activities	33,722	9,942
Advertising	751	-
Travel	39,078	29,110
IT services	19,067	25,987
Other	-	200

Total goods and services supplied or rendered

272,567	274,542
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Goods supplied

243,567	247,542
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Services rendered

29,000	27,000
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Total goods and services supplied or rendered

272,567	274,542
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Other suppliers

Operating lease rentals in connection with		
Minimum lease payments	320,079	322,520
Workers compensation expenses	9,708	14,599

Total other suppliers

329,787	337,119
----------------	----------------

Total suppliers

602,354	611,661
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Leasing commitments

The Commission's lease payments are subject to an annual increase of approximately 4% in accordance with upwards movements in the Consumer Price Index. The commitments are GST inclusive where relevant. Operating lease included is effectively non-cancellable.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within 1 year	419,291	404,545
Between 1 to 5 years	546,298	968,894
Total operating lease commitments	965,589	1,373,439

Accounting Policy

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1.2 Own-Source Revenue and Gains

	2016	2015
	\$	\$

Own-Source Revenue

1.2A: Sale of Goods and Rendering of Services

Sale of goods	4,387	4,712
Total sale of goods and rendering of services	4,387	4,712

Accounting Policy

Sale of goods and services are recognised when the goods and services have been provided.

1.2B: Other Revenue

Resources received free of charge		
Remuneration of auditors	29,000	27,000
Total other revenue	29,000	27,000

Accounting Policy

Resources Received Free of Charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

1.2C: Revenue from Government

Appropriations		
Departmental appropriations	2,658,000	2,817,000
Total revenue from Government	2,658,000	2,817,000

Accounting Policy

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Commission gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations are recognised at their nominal amounts.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Financial Position

This section analyses the Australian Law Reform Commission's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

2.1 Financial Assets

	2016	2015
	\$	\$
<u>2.1A: Cash and Cash Equivalents</u>		
Cash in special accounts	1,265,653	1,177,780
Cash on hand	<u>22,159</u>	<u>9,917</u>
Total cash and cash equivalents	<u>1,287,812</u>	<u>1,187,697</u>

2.1B: Trade and Other Receivables

Goods and services receivables

Goods and services	6,559	727
Statutory receivables	<u>2,663</u>	<u>9,266</u>
Total trade and other receivables - not more than 12 months	<u>9,222</u>	<u>9,993</u>

Accounting Policy

Receivables

Trade and other receivables, that have fixed or determinable payments and that are not quoted in an active market are classified as "receivables". Receivables are measured at amortised cost using the effective interest method less impairment. Trade and other receivables are assessed for impairment at the end of each reporting period. At year end none are overdue. Credit terms for goods and services were within 30 days (2015: 30 days).

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2.2 Non-Financial Assets

2.2A: Reconciliation of the Opening and Closing Balances of Plant and Equipment.

Reconciliation of the opening and closing balances of plant and equipment for 2016

	Plant and equipment \$
As at 1 July 2015	
Gross book value	207,801
Accumulated depreciation	(105,786)
Total as at 1 July 2015	102,015
Revaluations recognised in other comprehensive income	8,060
Depreciation	(44,596)
Total as at 30 June 2016	65,479
 Total as at 30 June 2016 represented by	
Gross book value	103,938
Accumulated depreciation	(38,459)
Total as at 30 June 2016	65,479

No indicators of impairment were found for plant and equipment.

Revaluations of non-financial assets

Plant and equipment were subject to revaluation. All revaluations were conducted in accordance with the revaluation policy stated below. On 30 June 2016, an independent valuer - Australian Valuation Solutions - conducted the revaluation, which resulted in a revaluation increment of \$8,060 for plant and equipment (2015: \$0). The increment was credited to the asset revaluation surplus by class and included in the equity section of the balance sheet, no increments/decrements were expensed (2015: \$0) to the asset.

Reconciliation of the opening and closing balances of plant and equipment for 2015

	Plant and equipment \$
As at 1 July 2014	
Gross book value	197,728
Accumulated depreciation	(56,910)
Total as at 1 July 2014	140,818
Additions - Purchase	10,073
Depreciation	(48,876)
Total as at 30 June 2015	102,015
 Total as at 30 June 2015 represented by	
Gross book value	207,801
Accumulated depreciation	(105,786)
Total as at 30 June 2015	102,015

AUSTRALIAN LAW REFORM COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2.2 Non-Financial Assets (cont'd)

Accounting Policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset Recognition Threshold

Purchases of plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$1,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Revaluations

Following initial recognition at cost plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying at present are 3-10 years.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2.3 Payables

	2016 \$	2015 \$
2.3A: Suppliers		
Trade creditors and accruals - not more than 12 months	29,674	39,718
Total suppliers	<u>29,674</u>	<u>39,718</u>

Settlement was usually made within 30 days.

2.3B: Other Payables

Salaries and wages	53,930	108,867
Lease incentive	<u>107,848</u>	<u>135,886</u>
Total other payables	<u>161,778</u>	<u>244,753</u>

Other payables to be settled

No more than 12 months	63,355	112,537
More than 12 months	<u>98,423</u>	<u>132,216</u>
Total other payables	<u>161,778</u>	<u>244,753</u>

Accounting Policy

Lease incentives - refer to Note 1.1B.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

This section identifies the Australian Law Reform Commission's funding structure.

Funding

3.1 Appropriations

3.1A: Annual Appropriations ('Recoverable GST exclusive')

Annual Appropriations for 2016

	Appropriation Act		PGPA Act		Appropriation applied in 2016 (current and prior years)	Total appropriation	Variance ²
	Annual Appropriation ¹	Advance to the Finance Minister	Section 74 Receipts	Section 75 Transfers	\$	\$	\$
Departmental							
Ordinary annual services	2,786,000	-	4,387	-	2,790,387	2,662,387	128,000
Capital Budget ³	56,000	-	-	-	56,000	16,000	40,000
Total departmental	2,842,000	-	4,387	-	2,846,387	2,678,387	168,000

1. In 2015-16, an amount of \$0.168m of appropriation was withheld (section 51 of the PGPA Act) and quarantined for administrative purposes.

2. In 2015-16, there was a variance of \$168,000.

3. Departmental Capital Budgets are appropriated through Appropriation Act (No.1). They form part of ordinary annual services, and are not separately identified in the Appropriation Act.

Annual Appropriations for 2015

	Appropriation Act		PGPA Act		Appropriation applied in 2015 (current and prior years)	Total (current and prior years)	Variance ³
	Annual Appropriation ¹	Advance to the Finance Minister ⁴	Section 74 Receipts	Section 75 Transfers	\$	\$	\$
Departmental							
Ordinary annual services	2,817,000	-	4,712	-	2,821,712	2,821,712	-
Capital Budget ⁴	56,000	-	-	-	56,000	56,000	-
Total departmental	2,873,000	-	4,712	-	2,877,712	2,877,712	-

1. In 2014-15, there were no appropriations that have been quarantined.

2. In 2014-15, there were no adjustments that met the recognition criteria of a formal addition or reduction in revenue (in accordance with FRR Part 6 Div3) but at law the appropriations had not been amended before the end of the reporting period.

3. In 2014-15, there was no variance.

4. Departmental Capital Budgets are appropriated through Appropriation Act (No. 1). They form part of ordinary annual services, and are not separately identified in the Appropriation Act.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

3.1 Appropriations (Cont'd)

3.1B: Unspent Annual Appropriations ('Recoverable GST exclusive')

	2016	2015
	\$	\$
Departmental		
Appropriation Act (No. 1) 2015-16	168,000	-
Total departmental	168,000	-

3.1C: Disclosures by Agent in Relation to Annual and Special Appropriations ('Recoverable GST exclusive')

	Attorney-General's Department ¹	
	2016	2015
	\$	\$
Total receipts	-	-
Total payments	-	196,588

1. In 2015, additional inquiries were undertaken on behalf of the Attorney-General. The unearned income balance has been expensed.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Funding (cont'd)

3.2 Special Accounts

	Law Reform Special Account (Departmental)	
	2016	2015
	\$	\$
Balance brought forward from previous period	1,187,697	1,325,087
Increases	2,678,388	2,878,097
Total increases	3,866,085	4,203,184
Available for payments	3,866,085	4,203,184
Decreases		
Departmental	2,578,273	3,015,487
Total departmental	2,578,273	3,015,487
Total decreases	2,578,273	3,015,487
Total balance carried to the next period	1,287,812	1,187,697

1. Appropriation: *Public Governance, Performance and Accountability Act 2013* section 80; Establishing Instrument: *Australian Law Reform Commission Act 1996*, section 45.

2. The Commission has a Law Reform Special Account. This account was established under section 80 of the *Public Governance, Performance and Accountability Act 2013*. For the year ended 30 June 2016, the account had a \$1.288m balance and there were transactions debited and credited to it during the current reporting period.

3. The purpose of the Special Account is:

- (a) to pay the costs, expenses and other obligations incurred by the Commonwealth in the performance of the Commission's functions;
- (b) to pay any remuneration and allowances payable to a person under this Act;
- (c) to pay the expenses of administering the Account;
- (d) to pay any amount that is required or permitted to be repaid; and
- (e) to reduce the balance of the Account (and, therefore, the available appropriation for the Account) without making a real or notional payment.

3.3 Net Cash Appropriation Arrangements

	2016	2015
	\$	\$
Total comprehensive income less depreciation expenses previously funded through revenue appropriations¹	106,728	162,066
Plus: depreciation expenses previously funded through revenue appropriation	(44,596)	(48,876)
Total comprehensive income as per the Statement of Comprehensive Income	62,132	113,190

1. From 2010-11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

3.4 Cash Flow Reconciliation

3.4: Cash Flow Reconciliation

	2016	2015
	\$	\$
Reconciliation of net cost of services to net cash from/(used by) operating activities		
Net cost of services	(2,603,928)	(2,703,810)
Revenue from Government	2,658,000	2,817,000
Adjustments for non-cash items		
Depreciation	44,596	48,876
Movement in assets and liabilities		
Assets		
(Increase)/Decrease in net receivables	771	1,009
(Increase)/Decrease in prepayments and other non-financial assets	35,959	5,161
Liabilities		
Increase/(Decrease) in employee provisions	41,737	323
Increase/(Decrease) in other payables	(93,020)	(351,876)
Net cash from/(used by) operating activities	84,115	(183,317)

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

People and relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

4.1 Employee Provisions

	2016	2015
	\$	\$
4.1: Employee Provisions		
Leave	494,729	452,994
Total employee provisions	494,729	452,994
Employee provisions expected to be settled		
No more than 12 months	114,912	143,730
More than 12 months	379,817	309,264
Total employee provisions	494,729	452,994

1. Employee provision balances expected to be settled in 2015 have been restated.

Accounting policy

Liabilities for short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Commission is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Commission's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

The Commission's staff are members of the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

The PSS is a defined benefit scheme for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The Commission makes employer contributions to the employees' defined benefit superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Commission accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

Accounting Judgements and Estimates

The employee benefits provisions have been estimated in accordance with AASB 119 Employee Benefits and reflect the expected value of those benefits.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

People and Relationships (cont'd)

4.2 Senior Management Personnel Remuneration

	2016	2015
	\$	\$
Short-term employee benefits		
Salary	576,068	624,719
Motor vehicle and other allowances	32,627	51,958
Total short-term employee benefits	<u>608,695</u>	<u>676,677</u>
Post-employment benefits		
Superannuation	105,853	109,309
Total post-employment benefits	<u>105,853</u>	<u>109,309</u>
Other long-term employee benefits		
Annual leave	46,994	51,444
Long-service leave	15,273	16,719
Total other long-term employee benefits	<u>62,267</u>	<u>68,163</u>
Total senior executive remuneration expenses	<u>776,815</u>	<u>854,149</u>

The total number of senior management personnel that are included in the above table are 3 of senior management personnel (2015: 4 of senior management personnel).

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Managing uncertainties

This section analyses how the Australian Law Reform Commission manages financial risks within its operating environment.

5.1 Financial Instruments

	2016	2015
	\$	\$
5.1A: Categories of Financial Instruments		
Financial Assets		
Loans and receivables		
Cash and cash receivables	1,287,812	1,187,697
Trade and other receivables	6,559	727
Total loans and receivables	1,294,371	1,188,424
Total financial assets	1,294,371	1,188,424
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade creditors	29,674	39,718
Other payables	161,778	244,753
Total financial liabilities measured at amortised cost	191,452	284,471
Total financial liabilities	191,452	284,471

5.1B: Credit Risk

The Commission's maximum exposures to credit risk are cash and trade receivables. The maximum exposure to credit risk was the risk that arises from potential default of a debtor. The Commission has determined its exposure to credit risk is not material.

5.1C: Liquidity Risk

The Commission's financial liabilities were payables and other liabilities. The exposure to liquidity risk is based on the notion that the Commission will not encounter difficulty in meeting its obligations associated with financial liabilities.

The Commission is appropriated funding from the Australian Government and the Commission manages budgeted funds to ensure it has adequate funds to meet payments as they fall due. In addition, the Commission has policies in place to ensure timely payments are made when due and has no past experience of default.

The Commission has no derivative financial liabilities in 2016 or 2015.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Financial Instruments (cont'd)

5.2 Fair Value Measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities disclosed in the statement of financial position do not apply to the fair value hierarchy.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Commission can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Accounting Policy

The Commission engaged the service of the Australian Valuation Solutions (AVS) to conduct an external valuation of all non-financial assets at 30 June 2016 and has relied upon those outcomes to establish carrying amounts. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. Comprehensive valuations carried out at least once every three years, AVS has provided written assurance to the Commission that the models developed are in compliance with AASB 13.

The method utilised to determine and substantiate the unobservable inputs are derived and evaluated as follows:

Physical Depreciation and Obsolescence - Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have measured utilising the Depreciated Replacement Cost approach. Under the Depreciated Replacement Cost approach the estimated cost to replace the asset is calculated and then adjusted to take into physical depreciation and obsolescence. Physical depreciation and obsolescence has been determined based on the professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration.

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Financial Instruments (cont'd)
5.2A: Fair Value Measurement

	Fair value measurements at the end of the reporting period		Valuation Technique(s) and Inputs Used
	2016	2015	
	\$	\$	
		Category (Level 1, 2 or 3) ^{3,4}	
Non-financial assets²			
Plant and equipment ¹	341,100	73,145	2
			Market approach: This approach seeks to estimate the fair value of an asset with reference to recent market transactions involving identical or comparable assets.
			Inputs: Prices and other relevant information generated by market transactions involving plant and equipment assets were conducted.
Plant and equipment ¹	29,000	28,870	3
			Market approach: This approach seeks to estimate the fair value of an asset with reference to reference to market transactions involving assets with varying degrees of comparability.
			Inputs: Professional judgement and available information generated by market transactions artwork assets were considered.
Total Non-financial assets⁵	63,100	102,015	

1. No non-financial assets were measured at fair value on a non-recurring basis as at 30 June 2016 (2015: Nil)
2. The Commission's assets are held for operational purposes and not held for the purpose of deriving a profit. The current use of all non-financial assets is considered their highest and best use.
3. There were no transfers between levels during the year.
4. The remaining assets and liabilities reported by the Commission are not measured at fair value in the Statement of Financial Position.
5. The total amount of non-financial assets at fair value are different from plant and equipment, (note 2.2 A) because software was not included in the valuation.

5.2B: Reconciliation for Recurring Level 3 Fair Value Measurements

	Non-financial assets	
	2016	2015
	\$	\$
As at 1 July		
Total gains/(losses) recognised in net cost of services ¹	(120)	(130)
Total gains/(losses) recognised in other comprehensive income ²	250	-
Total as at 30 June	29,000	28,870
Changes in unrealised gains/(losses) recognised in net cost of services for assets held at the end of the reporting period	-	-
1. These gains/(losses) are presented in the Statement of Comprehensive Income under Depreciation.		
2. These gains/(losses) are presented in the Statement of Comprehensive Income under Other Changes in Asset Revaluation Reserves.		

AUSTRALIAN LAW REFORM COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Other information

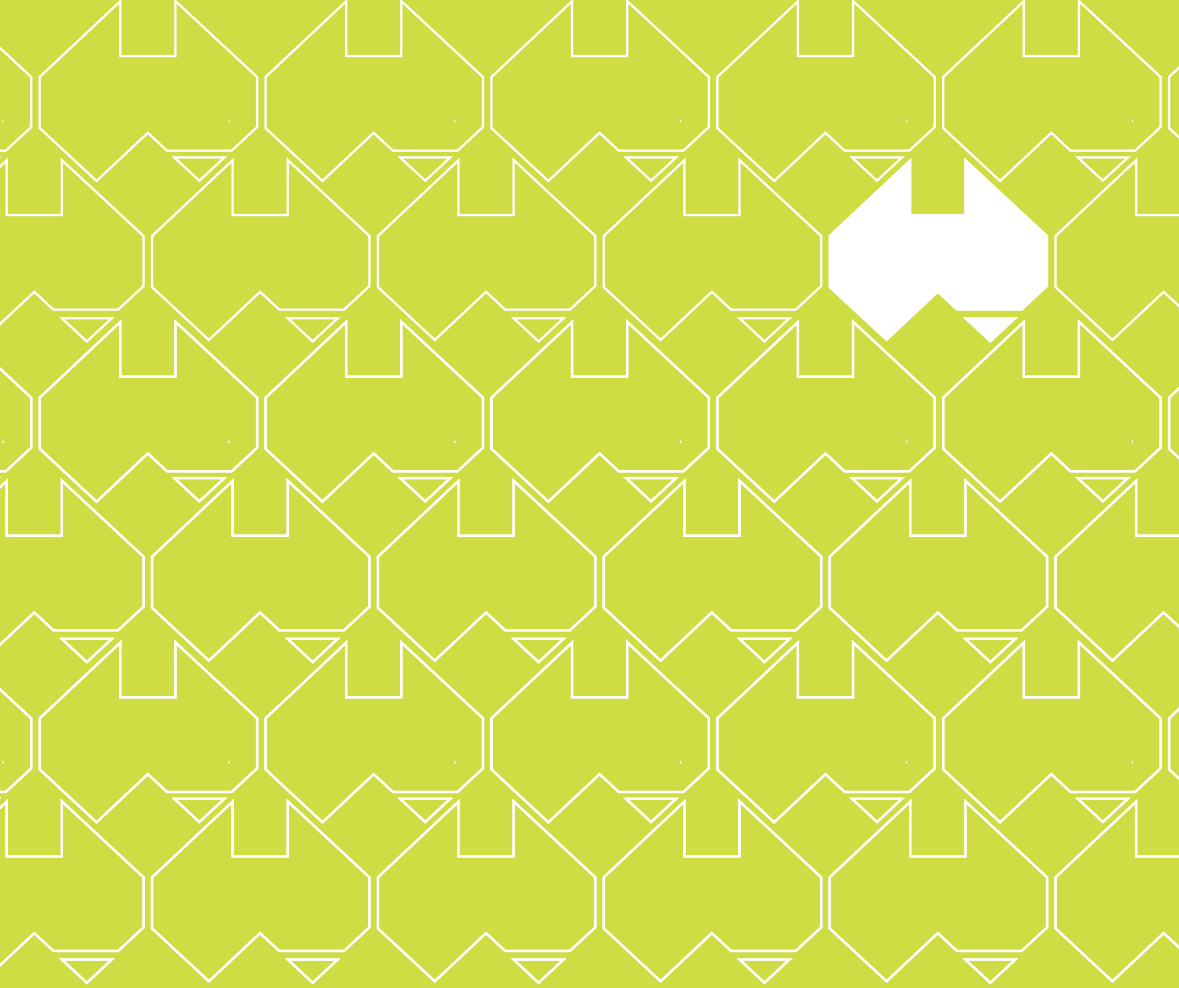
6.1: Reporting of Outcomes

The Australian Law Commission has only one outcome: Informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education. All amounts are attributed to this one outcome.

Major classes of revenue and expenses are shown in the Statement of Comprehensive Income and Assets and Liabilities in the Statement of Financial Position.

6

APPENDICES



► **APPENDIX A:** CORPORATE PLAN 2015–19

PRESIDENT'S FOREWORD

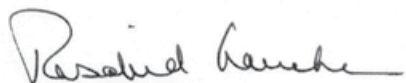
On behalf of the Commission, I present the Australian Law Reform Commission's Corporate Plan for 2015–19. The Plan has been prepared in accordance with the requirements of the *Australian Law Reform Commission Act 1996* (Cth) (ALRC Act) under which it is constituted and the *Public Governance Performance and Accountability Act 2013* (Cth) (PGPA Act) under which it is a Commonwealth non-corporate entity.

The Australian Law Reform Commission (ALRC) is an independent statutory agency that is part of the Attorney-General's portfolio. The ALRC supports the Attorney-General and the Australian Government in the maintenance and improvement of Australia's system of law and justice, by contributing to the process of law reform.

Under the ALRC Act, the ALRC's function is to review Commonwealth laws and legal processes for the purpose of systematically developing and reforming the law. In pursuing this function, the ALRC contributes to the Government's objective of achieving an equitable and accessible system of federal justice and the harmonisation of Australia's laws and practices. Through the improvement of Australia's law and justice framework, the ALRC contributes to the Attorney-General's outcome—a just and secure society.

The ALRC's Corporate Plan is designed to inform the Attorney-General, Government, stakeholders and the community of the ALRC's strategies and programs that will allow it to deliver outcomes that meet their expectations and those of the Australian community.

Signed



Professor Rosalind Croucher AM

Dated 17 June 2015

INTRODUCTION

The ALRC's Corporate Plan has been prepared having regard to the requirements of the *Australian Law Reform Commission Act 1996* (Cth) and of paragraph 35(1)(b) of the *Public Governance Performance and Accountability Act 2013* (Cth) (PGPA Act).

The Corporate Plan is prepared for the 2015–16 reporting year.

The Corporate Plan covers the period from 2015–19.

PURPOSE

Our vision

A fair, equitable and accessible system of federal justice that contributes to a just and secure society.

Our outcome

The intended impact of the ALRC's activities are:

Informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education.

Our function

The ALRC is required to review Commonwealth laws relevant to those matters referred by the Attorney-General for the purposes of systematically developing and reforming the law particularly by:

- ▶ bringing the law into line with current conditions and ensuring that it meets current needs;
- ▶ removing defects in the law;
- ▶ simplifying the law;
- ▶ adopting new or more effective methods for administering the law and dispensing justice; and
- ▶ providing improved access to justice.

The ALRC is to consider proposals for making or consolidating Commonwealth laws, and must consider proposals for:

- ▶ the repeal of obsolete or unnecessary laws;
- ▶ uniformity between state and territory laws; and
- ▶ complementary Commonwealth, state and territory laws

with reference to those matters referred to it.

In performing its functions the ALRC is required by s 24 of the ALRC Act, to ensure that the laws, proposals and recommendations it reviews, considers or makes:

- ▶ do not trespass unduly on personal rights and liberties or make the rights and liberties of citizens unduly dependent on administrative, rather than judicial, decisions; and
- ▶ are, as far as practicable, consistent with Australia's international obligations that are relevant to the matter.

The ALRC, when formulating recommendations, must have regard to the effect that the recommendations may have on:

- ▶ the costs of getting access to, and dispensing, justice; and
- ▶ persons and businesses who would be affected by the recommendations (including the economic effect, for example).

The ALRC must report to the Attorney-General on the results of any review or consideration it carries out and to include in the report any recommendations it wants to make.

ENVIRONMENT

The ALRC would expect to work on two inquiries at any one time. However, the ALRC is not responsible for defining its work program, nor for the timing of its inquiries, but is reliant on the law reform objectives of the Government, and the referrals made to it by the Commonwealth Attorney-General.

In this environment the extent to which the ALRC can deliver on its objective and meet its performance targets is influenced from year to year by the Government's law reform agenda, the number of inquiries referred to the ALRC, the subject matter and scope of any particular inquiry, the prescribed timeframe and the resources made available to the ALRC to undertake the work.

In light of this, the ALRC will continue to work closely with the Attorney-General's Department to ensure appropriate lead time for planning and managing resources is afforded when new inquiries are referred to the ALRC.

This also means that the Corporate Plan will be updated annually to reflect the work referred to the ALRC during each period.

CAPABILITY

Conducting inquiries

The ALRC has one program to achieve its outcome—conducting inquiries into aspects of Australian law and related processes for the purpose of law reform. It is through the inquiry process that the ALRC is able to undertake the research and analysis that underpin the recommendations for law reform and provide the basis for informed government decisions.

In conducting its inquiries, the ALRC will:

- ▶ comprehensively research and analyse the legal policy issues raised during the course of this research;
- ▶ undertake community consultation nationally with stakeholders and experts relevant to each area of law under review and report on the consultation process;
- ▶ constitute an expert Advisory Committee for each inquiry, as required;
- ▶ produce consultation documents, as appropriate, to each inquiry;
- ▶ call for submissions that will, along with its own research and findings, inform the formulation of recommendations contained in a Final Report;
- ▶ provide web-based consultation and communication strategies to effectively and efficiently broaden access to the ALRC's activities by the community;
- ▶ produce a Final Report containing recommendations for law reform for each inquiry for consideration by the Parliament;
- ▶ present at public conferences, seminars and parliamentary inquiries, ensuring that the work of the ALRC is publicly debated and discussed and contributes to the community's knowledge about the Government's law reform agenda; and
- ▶ track and report on implementation of its recommendations.

The ALRC is committed to ensuring it consults widely and will continue to develop online resources and communication strategies to maximise access, respecting the diversity of the Australian community.

As required by its Act, the ALRC also will have regard to relevant international obligations; the potential impact of its recommendations on the costs of getting access to and dispensing justice; and personal rights and liberties, ensuring that citizens are not unduly dependent on administrative rather than judicial decisions.

Staff of the ALRC will speak at conferences, seminars and meetings of professional and community groups about the work of the ALRC and law reform processes generally and will engage in other consultative and educational activities relating to the ALRC's current and past inquiries.

As the ALRC's recommendations must represent international best practice, the ALRC will also engage with other law reform and expert bodies internationally to share information and ideas and to benchmark ALRC practices and procedures.

Where the ALRC has made relevant recommendations or has acquired special expertise or experience, it will also make submissions to inquiries undertaken by other

TABLE 8

YEAR	INQUIRY	CONSULTATION PAPERS	CONSULTATIONS	REPORTS
2015–16	Review into Commonwealth laws that restrict traditional rights, freedoms and privileges	Issues Paper Discussion Paper	75	Final Report
	Inquiry 2	Issues Paper Discussion Paper	75	Final Report
2016–17	Inquiry 1	Issues Paper Discussion Paper	75	Final Report
	Inquiry 2	Issues Paper Discussion Paper	75	Final Report
2017–18	Inquiry 1	Issues Paper Discussion Paper	75	Final Report
	Inquiry 2	Issues Paper Discussion Paper	75	Final Report
2018–19	Inquiry 1	Issues Paper Discussion Paper	75	Final Report
	Inquiry 2	Issues Paper Discussion Paper	75	Final Report

bodies, especially parliamentary committees, on the law reform issues raised in those inquiries.

PERFORMANCE

The ALRC will measure the success of its program in delivering its objective through the following key performance indicators:

- ▶ the level of implementation of ALRC reports by Government and other bodies, either substantially or partially, over time;
- ▶ the number of citations or references to ALRC reports and recommendations in parliamentary debates, in court citations and decisions, and in academic publications and other publications;
- ▶ the number of submissions received for each inquiry;

- ▶ the number of visitors to the ALRC's website;
- ▶ the number of presentations and speaking engagements; and
- ▶ the number of media mentions.

Implementation rates are an indicator of the effectiveness of the ALRC in achieving its objective as the rate of implementation of ALRC recommendations provides evidence of the ALRC's relative success in facilitating informed decision-making by Government that leads to development, reform and harmonisation of Australian laws and related processes.

Using the number of citations of ALRC reports provides an indication of the success of the ALRC's strategies in achieving legal and academic expert engagement.

TABLE 9

KPI MEASURE	2015–16	2016–17 TARGET	2017–18 TARGET	2018–19 TARGET
Implementation of reports	85%	85%	85%	85%
Citations or references	50	50	50	50
Submissions received	150	150	150	150
Visitors to website	>250,000	>250,000	>250,000	>250,000
Presentations and speaking engagements	25	25	25	25
Media mentions	250	250	250	250

Using the number of submissions received is one indicator of the breadth of the evidence base that underpins the ALRC's recommendations.

The number of media mentions provides an indicator of community engagement and contributes to the community's knowledge about the Government's law reform agenda.

The number of visitors to the ALRC's website is an indicator of the community's engagement with the work (past and present) of the ALRC. This engagement underpins informed government decision-making.

Presenting at public conferences, seminars and parliamentary inquiries ensures that the work of the ALRC is publicly debated and discussed.

It should be noted that these indicators are also affected, from year to year, by the subject matter of a particular inquiry, the prescribed timeframe and the resources available to the ALRC.

RISK OVERSIGHT AND MANAGEMENT

The ALRC is committed to an active risk management program extending to all aspects of its operations. The PGPA Act

requires that the accountable authority for a Commonwealth agency must implement:

- an appropriate system of risk oversight and management for the entity; and
- an appropriate system of internal control for the entity including by implementing measures directed at ensuring officials of the entity comply with the finance law.

Better practice literature in respect of risk management and internal control for the ALRC includes:

- ▶ Enterprise Risk Management—Integrated Framework (COSO);¹
- ▶ Risk Management Standard—AS/NZS/ISO 31000 (2009);
- ▶ Commonwealth Risk Management Policy (2015);
- ▶ ANAO Better Practice Guide—Risk Management (2008—tools and templates soon to be updated); and
- ▶ various Department of Finance & Administration, ANAO, AGD, Treasury, SafeWork Australia guidance on internal control in organisational areas such as finance, fraud control, assets, procurement & contracting, communications, Work, Health & Safety (WHS), etc.

¹ Committee of Sponsoring Organizations of the Treadway Commission (2004)

Better practice in risk management is represented by the Risk Management Standard and Guidelines (ANZ/NZ ISO 31000:2009). Diagram 1 summarises the Risk Management Framework.

The CEO and Executive Director are responsible for oversight on risk including review of framework, risk review process, records update and reporting to the Audit Committee. Diagram 2 details the ERM Framework at ALRC.

Review of the ALRC's key functions and strategic environment has developed three Enterprise Level Strategic Risks facing the agency, as follows:

- ▶ sound governance and resource management;

- ▶ maintenance of relationships with stakeholders; and
- ▶ maintenance of a high level of reputational integrity.

The ALRC's Strategic Risk Register identifies a number of existing controls, and identifies five key mitigation strategies required to reduce the current level of strategic risk. This risk register is overseen by the ALRC's Audit Committee and updated annually to ensure that the ALRC's mitigation strategies reduce the Commission's exposure to the materialisation of its Enterprise Level Strategic Risks.

DIAGRAM 1: Risk Management Framework

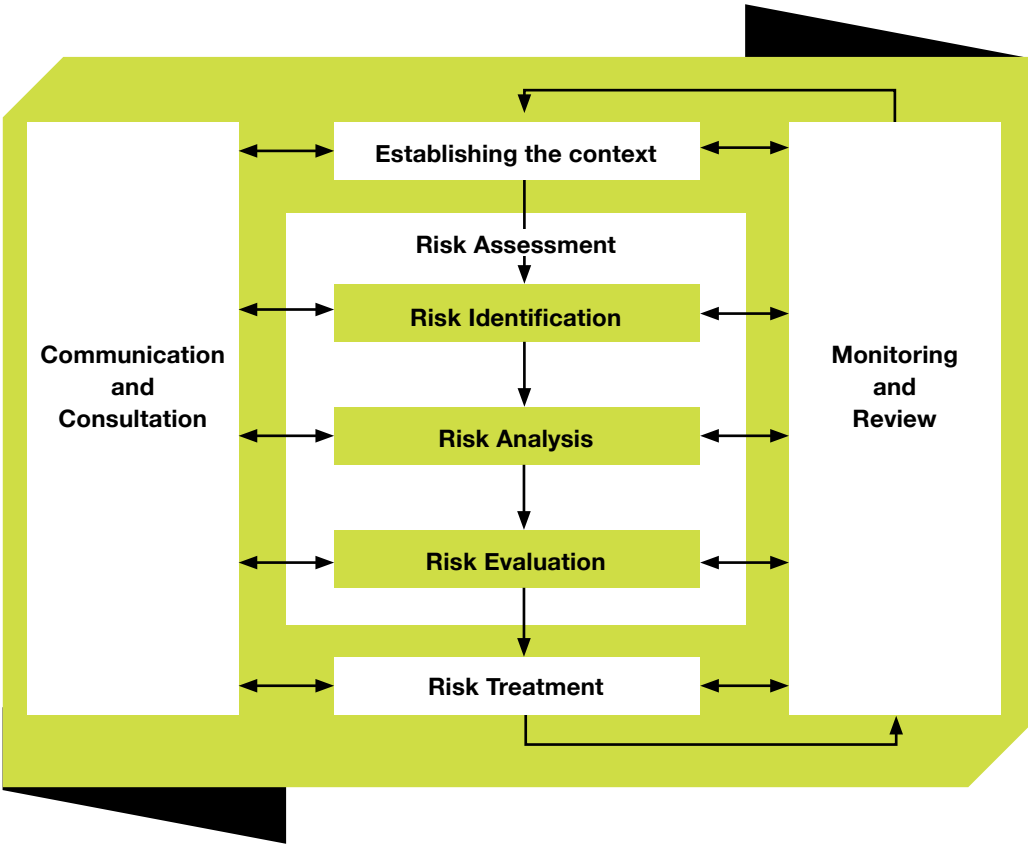


DIAGRAM 2: Oversight and reporting



► APPENDIX B:

ENTITY RESOURCE STATEMENT AND EXPENSES FOR OUTCOMES 2015–16

ENTITY RESOURCE STATEMENT 2015–16

	ACTUAL AVAILABLE APPROPRIATION FOR 2015–16 \$'000	PAYMENTS MADE 2015–16 \$'000	BALANCE REMAINING 2015–16
	(a)	(b)	(a) – (b)
Special Accounts			
Opening balance	1,188		
Appropriation receipts ¹	2,674		
Other receipts	4		
Payments made		2,578	
Total Special Account	3,866	2,578	1,288
Total net resourcing and payments for ALRC²	3,866	2,578	

¹ Appropriation Act (No.1) 2015–16, and includes an amount of \$0.016m in 2015–16 for the Departmental Capital Budget. For accounting purposes this amount has been designated as 'contributions by owners'.

² This may also include prior year departmental appropriations and section 74 Retained Revenue Receipts.

EXPENSES FOR OUTCOME 1

OUTCOME 1: INFORMED GOVERNMENT DECISIONS ABOUT THE DEVELOPMENT, REFORM AND HARMONISATION OF AUSTRALIAN LAWS AND RELATED PROCESSES THROUGH RESEARCH, ANALYSIS, REPORTS AND COMMUNITY CONSULTATION AND EDUCATION.			
	BUDGET*	ACTUAL EXPENSES	VARIATION
	2015–16	2015–16	2015–16
	\$'000	\$'000	\$'000
	(a)	(b)	(a) – (b)
Program 1: Conducting inquiries into aspects of Australian laws and related processes for the purposes of law reform.			
Departmental expenses			
Departmental appropriation ¹			
Special Accounts	2,791	2,563	228
Expenses not requiring appropriation in the Budget year	43	74	(31)
Total for Programme1	2,834	2,637	197
Outcome 1 Totals by appropriation type			
Departmental expenses			
Departmental Appropriation ¹			
Special Accounts	2,791	2,563	228
Expenses not requiring appropriation in the Budget year	43	74	(31)
Total expenses for Outcome 1	2,834	2,637	197
	2014–15	2015–16	
Average Staffing Level	13	13	

* Full year budget, including any subsequent adjustment made to the 2015–16 Budget.

¹ Departmental Appropriation combines Ordinary annual services (Appropriation Act No. 1) and Retained Revenue Receipts under section 74 of the PGPA Act 2013.

► **APPENDIX C:** **INQUIRY REPORT**

INQUIRY INTO COMMONWEALTH LAWS FOR CONSISTENCY WITH TRADITIONAL RIGHTS, FREEDOMS AND PRIVILEGES

On 9 May 2014, the Attorney-General, Senator the Hon George Brandis QC, provided Terms of Reference to the ALRC for a review of Commonwealth laws for consistency with traditional rights, freedoms and privileges (the Freedoms Inquiry). The ALRC was asked to identify any Commonwealth laws that encroach upon traditional rights, freedoms and privileges. It was also asked to consider how laws are drafted, implemented and operate in practice and consider any safeguards provided in the laws, such as rights of review or other scrutiny mechanisms. The Terms of Reference asked the ALRC to look at 19 traditional rights including such fundamental freedoms as freedom of speech, religion, movement and association; and other important rights and privileges such as property rights, client legal privilege, the right to a fair trial, and access to the courts. The ALRC was also asked to focus on laws in the areas of, but not limited to commercial and corporate regulation; environmental regulation; and workplace relations. The Terms of Reference for this Inquiry are on the ALRC website.

This Inquiry was led by ALRC President, Professor Rosalind Croucher. In July 2015, Emeritus Professor Anura Surindra (Suri) Ratnapala was appointed as a part-time Commissioner for the Inquiry. An Advisory Committee was established and met on 7 May 2015 and on 29 October 2015. The ALRC released an Issues Paper on 10 December 2014 and called for submissions. The ALRC received 82 submissions to the Issues Paper. An Interim Report was released on 3 August 2015 and the ALRC received a further 75 submissions in response. The Final

Report was submitted to the Attorney-General on 23 December 2015 and was tabled in Parliament on 2 March 2016.

During the Inquiry the ALRC also undertook 57 face to face consultations with stakeholders. In addition to these consultative processes, and to mark the importance of the Freedoms Inquiry being undertaken in the ALRC's 40th anniversary year, the ALRC also developed and delivered a national series of discussions around the Freedoms Inquiry, held in Brisbane, Adelaide, Sydney, Perth and Melbourne. Each event focused on different aspects of the Freedoms Inquiry with invited guests who gave short presentations on particular issues. These events were free and proved a lively forum for discussion and debate on several of the key topics under review, including: property rights and the environment; religion, speech and equality; and judicial review, self-incrimination, executive immunities, procedural fairness, fair trial, reverse onus of proof and strict liability.

In the Final Report, the ALRC discusses the source and rationale of these important rights and freedoms and provides an extensive survey of current Commonwealth laws that limit them. The ALRC identified a range of Commonwealth laws that may warrant further consideration or review, providing a road map for future work to ensure that encroachments on rights, freedoms and privileges are avoided or appropriately justified. Additionally, the Report provides a thorough analysis of how laws are scrutinised by government agencies, parliamentary committees and others for compatibility with rights, and examines possible justifications for statutory restrictions

of common law rights and freedoms. It discusses how laws that limit traditional rights and freedoms might be critically tested and justified, for example by using a proportionality test. Rights are rarely absolute, but must be balanced with other rights and with the public interest when these interests conflict.

At the launch of the Report at Parliament House, Attorney-General, Senator the Hon George Brandis QC stated:

This is the culmination of a very significant body of work by the Australian Law Reform Commission and, although this is the 129th report of the ALRC, I make bold to predict that it will come to be seen in years to come as one of the most important reports the Australian Law Reform Commission has ever authored.

The Report provides a significant contribution to a broader discussion and debate about protecting rights in democratic societies. The specific outcomes of the ALRC's review include:

- ▶ analysis of the law-making processes for testing compatibility of laws with fundamental rights and how these can be improved to ensure that laws that limit traditional rights and freedoms are thoroughly scrutinised; and
 - ▶ the highlighting of laws that warrant further consideration or review—to provide a road map for future work to ensure that encroachments on rights, freedoms and privileges are avoided or appropriately justified.
- ▶ discussion of the source and rationale of the traditional rights and freedoms listed in the Terms of Reference;
 - ▶ consideration of the protection from statutory encroachment given to traditional rights and freedoms by the *Constitution*, principles of statutory interpretation and international law—complementing work that considers other ways to protect rights;
 - ▶ an extensive survey of Commonwealth laws that encroach on the listed traditional rights and freedoms recognised by the common law;
 - ▶ analysis of the justification for a range of these laws;
 - ▶ discussion of a proportionality test to provide a structured method of reviewing the justification of laws that limit rights and freedoms;

► **APPENDIX D:**

IMPLEMENTATION ACTIVITY

The following provides an overview of activity in relation to the implementation of ALRC reports during 2015–16.

An overview of implementation status of all ALRC reports is available on the ALRC website.

FAMILY VIOLENCE: A NATIONAL LEGAL RESPONSE (ALRC REPORT 114, 2010)

In its June 2016 budget, the ACT Government announced \$1.45 million to support the first stage of the implementation of ALRC Report 114.

CLASSIFICATION—CONTENT REGULATION AND CONVERGENT MEDIA (ALRC REPORT 118, 2012)

The Australian Communications and Media Authority agreed to register a new code of practice submitted by Free TV, which took effect on 1 December 2015. The code permits PG programming all day, and earlier M (mature) and MA15+ (mature audience) time zones. This move to less restrictive time zones reflects the ALRC's view in this report that time zone restrictions on free-to-air television are becoming less relevant.

ACCESS ALL AGES—OLDER WORKERS AND COMMONWEALTH LAWS (ALRC REPORT 120, 2013)

In May 2016, the Australian Government introduced a budget measure abolishing the work test for people aged 65–74 from 1 July 2017. In ALRC Report 120, the ALRC recommended that the Government should review the work test and consider whether the policy objectives of the test remain relevant (Recommendation 8–1).

EQUALITY, CAPACITY AND DISABILITY IN COMMONWEALTH LAWS (ALRC REPORT 124, 2014)

On 12 November 2015, the *Health Legislation Amendment (eHealth) Act 2015* (Cth) was enacted. Consistent with ALRC recommendations, it amended s 7A of the *My Health Records Act 2012* (Cth) to require authorised representatives to give effect to the 'will and preferences' of the individual they are representing.

► APPENDIX E:

CITATIONS OF ALRC REPORTS IN MAJOR COURT DECISIONS

TABLE 10: Citations of ALRC reports in court and tribunal decisions 2015–16

ALRC REPORT	CASES
<i>Criminal Investigation</i> (ALRC Report 2, 1975)	► <i>North Australian Aboriginal Justice Agency Limited v Northern Territory</i> [2015] HCA 41 (11 November 2015)
<i>Unfair Publication: Defamation and Privacy</i> (ALRC Report 11, 1979)	► <i>Hanks v Johnston</i> [2015] VSC 570 (9 December 2015)
<i>Lands Acquisition and Compensation</i> (ALRC Report 14, 1980)	► <i>McDonald v Department of Transport and Main Roads</i> [2015] QLC 28 (3 August 2015) ► <i>Aleksic and Secretary, Department of Defence</i> [2016] AATA 239 (15 April 2016)
<i>Insurance Contracts</i> (ALRC Report 20, 1982)	► <i>Pantaenius Australia Pty Ltd v Watkins Syndicate 0457 at Lloyds</i> [2016] FCA 1 (5 January 2016) ► <i>Whittington v Smeaton</i> [2016] ACTSC 76 (18 April 2016)
<i>Foreign State Immunity</i> (ALRC Report 24, 1984)	► <i>Firebird Global Master Fund II Ltd v Republic of Nauru</i> [2015] HCA 43 (2 December 2015)
<i>Evidence</i> (Interim) (ALRC Report 26, 1985)	► <i>Clayton Utz (a firm) v Dale</i> [2015] VSCA 186 (23 July 2015) ► <i>Tasmania v Roland</i> [2015] TASSC 38 (28 July 2015) ► <i>R v Gallagher</i> [2015] NSWCCA 228 (26 August 2015) ► <i>Sharkey v Nissi</i> [2015] NSWSC 1266 (2 September 2015) ► <i>Prior v Mole</i> [2015] NTSC 65 (28 September 2015) ► <i>Svajcer v Woolworths Ltd (Ruling)</i> [2015] VSC 543 (7 October 2015) ► <i>Jaeger v Bowden</i> [2015] NSWSC 1479 (9 October 2015) ► <i>Ryan v State of Victoria</i> [2015] VSCA 353 (17 December 2015) ► <i>R v Klobucar</i> [2016] ACTSC 23 (19 February 2016) ► <i>Guo and Minister for Immigration and Border Protection (Migration)</i> [2016] AATA 125 (24 February 2016) ► <i>Higgins (a Pseudonym) v The Queen</i> [2016] VSCA 47 (18 March 2016)

ALRC REPORT	CASES
Continued: <i>Evidence</i> (Interim) (ALRC Report 26, 1985)	<ul style="list-style-type: none"> ▶ <i>R v Donnelly</i> [2016] ACTSC 80 (7 April 2016) ▶ <i>IMM v The Queen</i> [2016] HCA 14 (14 April 2016) ▶ <i>Commissioner of Police (NSW) v Guo</i> [2016] FCAFC 62 (20 April 2016) ▶ <i>Corkhill v Commonwealth of Australia</i> [2016] ACTSC 100 (21 April 2016) ▶ <i>R v Massey</i> [2016] ACTSC 108 (30 May 2016) ▶ <i>Holloway v Commonwealth of Australia</i> [2016] VSC 317 (8 June 2016) ▶ <i>Beslic v MLC Ltd (No 2)</i> [2016] NSWSC 746 (9 June 2016) ▶ <i>Tieu v The Queen</i> [2016] NSWCCA 111 (10 June 2016)
<i>Standing in Public Interest Litigation</i> (ALRC Report 27, 1985)	▶ <i>Walcha Council v Minister for Local Government</i> [2016] NSWLEC 57 (18 May 2016)
<i>Civil Admiralty Jurisdiction</i> (ALRC Report 33, 1986)	▶ <i>Reiter Petroleum Inc v The Ship 'Sam Hawk'</i> [2015] FCA 1005 (11 September 2015)
<i>Contempt</i> (ALRC Report 35, 1987)	▶ <i>Australian Competition and Consumer Commission v Chaste Corporation Pty Ltd (No 7)</i> [2015] FCA 1103 (16 October 2015)
<i>Evidence</i> (ALRC Report 38, 1987)	<ul style="list-style-type: none"> ▶ <i>Jaeger v Bowden</i> [2015] NSWSC 1479 (9 October 2015) ▶ <i>Guo and Minister for Immigration and Border Protection (Migration)</i> [2016] AATA 125 (24 February 2016) ▶ <i>Higgins (a Pseudonym) v The Queen</i> [2016] VSCA 47 (18 March 2016) ▶ <i>IMM v The Queen</i> [2016] HCA 14 (14 April 2016) ▶ <i>Commissioner of Police (NSW) v Guo</i> [2016] FCAFC 62 (20 April 2016) ▶ <i>Corkhill v Commonwealth of Australia</i> [2016] ACTSC 100 (21 April 2016)
<i>General Insolvency Inquiry</i> (ALRC Report 45, 1988)	▶ <i>Meales Concrete Pumping Pty Ltd v Probuild Constructions (Aust) Pty Ltd</i> [2015] VSC 594 (26 October 2015)
<i>Grouped Proceedings in the Federal Court</i> (ALRC Report 46, 1988)	▶ <i>Timbercorp Finance Pty Ltd (In Liq) v Collins and Tomes</i> [2015] VSC 461 (2 September 2015)
<i>Choice of Law</i> (ALRC Report 58, 1992)	<ul style="list-style-type: none"> ▶ <i>Jasmin Solar Pty Ltd v Trina Solar Australia Pty Ltd</i> [2015] FCA 1453 (17 December 2015) ▶ <i>Solar (US) Inc v Jasmin Solar Pty Ltd</i> [2016] FCA 159 (26 February 2016)

ALRC REPORT	CASES
<i>Seen and Heard: Priority for Children in the Legal Process</i> (ALRC Report 84, 1997)	▶ <i>DPP v Garcia (a pseudonym)</i> [2015] VSCA 275 (15 September 2015)
<i>Experts</i> (ALRC Background Paper 6, 1999)	▶ <i>Darling Downs Estate Pty Ltd and Western Australian Planning Commission</i> [2016] WASAT 76 (24 June 2016)
<i>Managing Justice: A Review of the Federal Civil Justice System</i> (ALRC Report 89, 2000)	▶ <i>Beavan v Industrial Relations Secretary (No 1)</i> [2016] NSWIC 1 (10 February 2016) ▶ <i>Iacovone v Raftos</i> [2016] NSWSC 502 (26 April 2016) ▶ <i>Botsos v Return To Work Corporation of South Australia (Marshall & Brougham Constructions Pty Ltd)</i> [2016] SAET 22 (15 June 2016)
<i>Principled Regulation: Federal Civil and Administrative Penalties in Australia</i> (ALRC Report 95, 2003)	▶ <i>Queensland All Codes Racing Industry Board v Thomas</i> [2016] QCATA 82 (17 June 2016) ▶ <i>Holt v Commissioner for Fair Trading</i> [2015] NSWCATOD 130 (16 November 2015)
<i>Genes and Ingenuity: Gene Patenting and Human Health</i> (ALRC Report 99, 2004)	▶ <i>D'Arcy v Myriad Genetics Inc</i> [2015] HCA 35 (7 October 2015)
<i>Uniform Evidence Law</i> (ALRC Report 102, 2006)	▶ <i>R v Nona</i> [2015] ACTSC 175 (13 July 2015) ▶ <i>R v AF</i> [2015] NSWDC 189 (18 August 2015) ▶ <i>Guo and Minister for Immigration and Border Protection (Migration)</i> [2016] AATA 125 (24 February 2016) ▶ <i>R v GW</i> [2016] HCA 6 (2 March 2016) ▶ <i>DPP v Garrett (a Pseudonym)</i> [2016] VSCA 31 (7 March 2016) ▶ <i>IMM v The Queen</i> [2016] HCA 14 (14 April 2016) ▶ <i>DPP v Byrne No 2</i> [2016] VSC 345 (8 June 2016) ▶ <i>Tieu v The Queen</i> [2016] NSWCCA 111 (10 June 2016) ▶ <i>R v Connors</i> [2016] ACTSC 137 (28 June 2016)
<i>Same Crime, Same Time: Sentencing of Federal Offenders</i> (ALRC Report 103, 2006)	▶ <i>Averkin v Insurance Australia Ltd</i> [2016] NSWCA 122 (23 May 2016)
<i>Fighting Words: A Review of Sedition Laws in Australia</i> (ALRC Report 104, 2006)	▶ <i>Shop, Distributive and Allied Employees Association – Queensland Branch</i> [2016] FWCD 1939 (20 April 2016)

ALRC REPORT	CASES
<i>For Your Information: Australian Privacy Law and Practice</i> (ALRC Report 108, 2008)	<ul style="list-style-type: none"> ▶ <i>ALZ v WorkCover NSW</i> [2015] NSWCATAP 138 (10 July 2015) ▶ <i>Baptist Union of Queensland—Carinity v Roberts</i> [2015] FCA 1068 (2 October 2015) ▶ <i>Wolstencroft v Zola (Human Rights)</i> [2015] VCAT 1790 (12 November 2015)
<i>Making Inquiries: A New Statutory Framework</i> (ALRC Report 111, 2010)	▶ <i>Lawrie v Lawler</i> [2016] NTCA 3 (2 June 2016)
<i>Family Violence: A National Legal Response</i> (ALRC Report 114, 2010)	▶ <i>Otto & Brindle (No 2)</i> [2015] FCCA 2979 (16 October 2015)
<i>Managing Discovery: Discovery of Documents in Federal Courts</i> (ALRC Report 115, 2011)	▶ <i>Jones v Treasury Wine Estates Limited</i> [2016] FCAFC 59 (13 April 2016)
<i>Serious Invasions of Privacy in the Digital Era</i> (ALRC Discussion Paper 80, 2014)	▶ <i>Farnell and Chanbua</i> [2016] FCWA 17 (14 April 2016)

► APPENDIX F:

PRESENTATIONS AND ARTICLES 2015–16

PRESENTATIONS

- Professor Rosalind Croucher, 'Re-imagining Law Reform—Michael Kirby's Vision, Human Rights and the Australian Law Reform Commission in the 21st Century' — 9th Annual Michael Kirby Lecture, 9 July 2015.
- Professor Rosalind Croucher, 'The ALRC's Family Violence work' —ANROWS *inConversation* series, 10 August 2015.
- Professor Rosalind Croucher, 'Professor Leigh Goodmark in Conversation with Professor Rosalind Croucher' —ANROWS *inConversation* series, 10 August 2015.
- Professor Rosalind Croucher, 'Supported v Substitute Decision Making' — social policy debate between UNSW Social Policy Research Centre and the ALRC, 11 August 2015.
- Professor Rosalind Croucher, 'A home is no longer a castle?—real property rights in the context of mining and environment claims' — 1st symposium on the ALRC's Freedoms Inquiry, 2 September 2015.
- Dr Julie MacKenzie, 'Connection to Country: Recommendations from the ALRC review of the *Native Title Act*' — National Indigenous Legal Conference, 3 September 2015.
- Shreeya Smith, 'The Australian Law Reform Commission' — University of Sydney Law Careers Fair, 15 September 2015.
- Professor Rosalind Croucher, 'Accommodating Rights?—Religion, Speech and Equality in Australia' — 2nd symposium on the ALRC's Freedoms Inquiry, 21 September 2015.
- Professor Rosalind Croucher, 'Freedom's Limits: Speech, Association and Movement in Australia' — 3rd symposium on the ALRC's Freedoms Inquiry, 29 September 2015.
- Professor Rosalind Croucher, 'Advocacy through Law Reform' — Murdoch University Law School Moot Court Bench Coffee Hour Seminar, 29 September 2015.
- Professor Rosalind Croucher, 'Fair Trial, Procedural Fairness and other Traditional Rights' — 4th symposium on the ALRC's Freedoms Inquiry, 30 September 2015.
- Professor Rosalind Croucher, 'Proportionality and the Constitution' — 5th symposium on the ALRC's Freedoms Inquiry, 5 October 2015.
- Professor Rosalind Croucher, 'Jack Goldring—A Man for All Seasons' — 5th Annual Jack Goldring Memorial Lecture, 9 October 2015.
- Professor Rosalind Croucher, 'One Hundred Years of Challenging Wills' — Blue Mountains Law Society panel discussion on Family Provision, 14 October 2015.
- Professor Rosalind Croucher, 'The ALRC's First Forty Years' — celebration of ALRC's 40th Anniversary, 23 October 2015.
- Professor Rosalind Croucher, 'Getting to Grips with Encroachments on Freedoms in Commonwealth Laws—the ALRC Freedoms Inquiry' — Australian Academy of Law, 27 October 2015.
- Professor Rosalind Croucher—Notre Dame University Law Society Women in Law Evening, 28 October 2015.

- ▶ Professor Rosalind Croucher, Panel Chair, 'Key Issues in Reinventing the Welfare State: Social Insurance'—Academy of Social Sciences 2015 symposium, 'Social Insurance for the 21st Century? Exploring Pathways for a Sustainable, Equitable and Effective Welfare System', 17 November 2015.
- ▶ Professor Rosalind Croucher, 'Institutional Law Reform and Justice'—Justice Connections 4, 20 November 2015.
- ▶ Professor Rosalind Croucher, 'ALRC Report 124 Recommendations on Reform of Commonwealth Electoral Laws'—Roundtable discussion on the 'unsound mind' provision in Australian electoral law and its effects on persons with cognitive impairments, 30 November 2015.
- ▶ Professor Rosalind Croucher—Willing to Work: National Inquiry into Employment Discrimination Against Older Australians and Australians with Disability, panel participant, 1 December 2015.
- ▶ Professor Rosalind Croucher, 'Choice and Control: Pathway or Destination'—Life Without Barriers and NSW Council for Intellectual Disability roundtable discussion, 8 December 2015.
- ▶ Professor Rosalind Croucher, 'Conceptualising Law Reform References'—Australasian Law Reform Agencies Conference, 3 March 2016.
- ▶ Professor Rosalind Croucher, 'Traditional Rights and Freedoms—Encroachments by Commonwealth Law'—Launch of ALRC Report 129, 2 March 2016.
- ▶ Professor Rosalind Croucher, 'Resilience Recipes'—6th National Australian Women Lawyers' Conference: 'Where do we want to be in 5 years?', 9 April 2016.
- ▶ Professor Rosalind Croucher, Chair, plenary panel session 'Between the Idea and the Reality: Getting Legal Research out of the Academy and into Law'—National Law Reform Conference, 14 April 2016.

- ▶ Professor Rosalind Croucher, 'Planning for Life After Death: Laws of Succession v the New Biology'—International Academy of Estate and Trust Law, 24 May 2016.
- ▶ Professor Rosalind Croucher, 'Partnerships in Law Reform—Contributions to Policy and Building Impact'—Research Partnership Roundtable, 1 June 2016.
- ▶ Professor Rosalind Croucher, 'Protecting the Rights of Older Australians from Abuse—the ALRC's Elder Abuse Inquiry'—International Federation on Ageing 13th Global Conference, 22 June 2016.

ARTICLES

- ▶ Professor Rosalind Croucher, 'Parliament and Law Reform—the Role of the Australian Law Reform Commission Over Forty Years'—(2015) 30(2) *Australasian Parliamentary Review* 99–114.
- ▶ Professor Rosalind Croucher, 'Re-imagining Law Reform—Michael Kirby's Vision, Human Rights and the Australian Law Reform Commission in the 21st Century'—(2014–15) 17 *Southern Cross University Law Review* 31–56.
- ▶ Sabina Wynn, 'ALRC's First Forty Years: Marking the Achievements of 4 Decades'—*Law Institute Journal*, November 2015.
- ▶ Professor Rosalind Croucher, 'Rights and Freedoms and the Common Law—The ALRC Investigates'—(2016) 22 *Law Society Journal* 72–74.
- ▶ Jared Boorer, 'National Law Reform: Freedoms under review'—*Law Institute Journal*, May 2016.
- ▶ Justine Clarke, 'An Overview of the Australian Law Reform Commission's Recommendations to Reform Native Title Law and Practice'—(2015) 42: 11 *Brief* 52.
- ▶ Justine Clarke, 'ALRC Urges Reform of Native Title'—(2015) 16 *Law Society of NSW Journal* 86.

► APPENDIX G:

PARTICIPATION IN EXTERNAL INQUIRIES

Often through its inquiry work the ALRC has already conducted valuable research into areas of law or legal processes that become subject to review by other agencies or parliamentary committees. Where appropriate and relevant, the ALRC provides briefings or written submissions to parliamentary committees, Ministers, government departments, and other bodies. In this way, the experience and knowledge the ALRC develops during inquiries is shared for the benefit of the Australian community.

The ALRC is guided by a protocol that outlines when it is appropriate for the ALRC to give a briefing or to make an external submission. The considerations include:

- the consonance of issues raised in the review or inquiry being undertaken by the external body with issues covered in current or past inquiry work of the ALRC;
- the consonance of issues raised in the review or inquiry being undertaken by the body and the expertise and knowledge of current Commissioners and staff members; and
- the availability of, and impact upon, ALRC resources.

Where appropriate, submissions are made available on the ALRC website.

During the reporting period, the ALRC made the following submissions:

- Submission to the NSW Legislative Council Standing Committee on Law and Justice inquiry into Remedies for the Serious Invasion of Privacy in New South Wales, drawing on *Serious Invasions of Privacy in the Digital Era* (ALRC Report 123);
- Submission to the Victorian Law Reform Commission inquiry into The Role of Victims of Crime in the Criminal Trial Process, drawing on *Family Violence: A National Legal Response* (ALRC Report 114);
- Submission to the Communities, Disability Services and Domestic and Family Violence Prevention Committee regarding the Domestic and Family Violence Protection and Another Act Amendment Bill 2015, drawing on *Family Violence: A National Legal Response* (ALRC Report 114) and *Family Violence and Commonwealth Laws—Improving Legal Frameworks* (ALRC Report 117);
- Submission to the Senate Standing Committee on Legal and Constitutional Affairs inquiry into so-called ‘revenge porn’, drawing on *For Your Information: Australian Privacy Law and Practice* (ALRC Report 108) and *Serious Invasions of Privacy in the Digital Era* (ALRC Report 123);
- Submission to the Queensland Legal Affairs and Community Safety Committee’s consideration of the Criminal Law (Domestic Violence) Amendment Bill (No. 2) 2015, drawing on *Sentencing* (ALRC Report 44), *Same Crime, Same Time: Sentencing of Federal Offenders* (ALRC Report 103) and *Family Violence: A National Legal Response* (ALRC Report 114);
- Submission to the Copyright Law and Policy Section, Department of Communications and the Arts on the exposure draft of the Copyright Amendment (Disability Access and Other Measures) Bill 2016, drawing on *Copyright and the Digital Economy* (ALRC Report 122);

- ▶ Submission to the Commercial and Administrative Law Branch, Attorney-General's Department regarding the exposure draft Privacy Amendment (Notification of Serious Data Breaches) Bill 2015, drawing on *For Your Information: Australian Privacy Law and Practice* (ALRC Report 108);
- ▶ Submission to the Senate Standing Committees on Community Affairs inquiry into the Indefinite Detention of People with Cognitive and Psychiatric Impairment in Australia, drawing on *Equality, Capacity and Disability in Commonwealth Laws* (ALRC Report 124);
- ▶ Submission to the Senate Legal and Constitutional Affairs References Committee inquiry into the Migration Amendment (Family Violence and Other Measures) Bill 2016, drawing on *Family Violence and Commonwealth Laws—Improving Legal Frameworks* (ALRC Report 117);
- ▶ Submission to the Department of Communications and the Arts in response to the Issues Paper for the Review of the Australian Media and Communications Authority, drawing on *Classification—Content Regulation and Convergent Media* (ALRC Report 118);
- ▶ Submission to the Legislative Council General Purpose Standing Committee No.2 inquiry into Child Protection, drawing on *Family Violence: A National Legal Response* (ALRC Report 114);
- ▶ Submission to the Remuneration Tribunal's Judicial and Related Officers Review 2016.

► APPENDIX H:

DIVERSITY

The ALRC is committed to ensuring that all Australians are able to contribute to shaping the laws that affect them, and have the opportunity to participate in the law reform process. The ALRC recognises the diversity of the Australian community and has developed an Agency Multicultural Plan (AMP) that provides strategies for ensuring that ALRC processes are accessible and responsive to the diverse needs of this community. In working towards meaningful and ongoing dialogue with people from diverse backgrounds, the ALRC commits to:

- engage and consult with diverse groups, individuals and organisations;
- promote diverse representation in the ALRC workforce and internship program;
- promote understanding of issues relevant to diverse peoples amongst ALRC staff; and
- consider the impact on diverse peoples in developing recommendations for reform.

The ALRC's workplace diversity statement commits the ALRC to foster a diverse workforce and to ensure that its recruitment processes are fair and accessible, including a commitment to attract and recruit people from diverse backgrounds and, wherever possible, to participate in whole-of-APS recruitment. A breakdown of staff by gender and classification is provided in Table 5.

Information about how people can engage with the law reform process and make submissions is available on the ALRC website in 21 community languages, including Auslan. These documents have also been produced in Easy English, for people with low English literacy skills.

Agency Multicultural Plan (AMP)

The ALRC's Multicultural Plan commits the ALRC to multicultural access, equity and social inclusion. As a law reform body, the ALRC has the opportunity to contribute to social justice, equity and inclusion in Australia through reform of laws

appropriate to the diversity of the Australian community. The ALRC has committed to engaging and consulting with culturally and linguistically diverse (CALD) organisations and communities and to consider the impact on CALD communities when formulating recommendations for law reform.

The ALRC's AMP and a report for 2015–16 is available on the ALRC website at www.alrc.gov.au/about/policies/agency-multicultural-plan.

Reconciliation

The ALRC sees reconciliation between Indigenous and non-Indigenous Australians as comprising both processes and outcomes—requiring meaningful and ongoing dialogue between Indigenous peoples and the ALRC. Respect for Indigenous peoples, participation of Indigenous peoples in ALRC inquiries, and consideration and understanding of issues that are important to Indigenous peoples, are considered essential features of the ALRC's commitment to reconciliation.

The ALRC has a Reconciliation Statement and that commits the ALRC to:

- engage and consult with Indigenous groups, individuals and organisations;
- promote Indigenous representation in the ALRC workforce and internship program;
- promote a meaningful understanding of issues relevant to Indigenous peoples amongst ALRC staff;

- ▶ consider the impact on Indigenous peoples in developing recommendations for reform; and
- ▶ strive in all aspects of our work to protect and promote the rights of Indigenous peoples.

The ALRC's Reconciliation Statement is on the ALRC website at www.alrc.gov.au/reconciliation-action-plan-2015-17.

► APPENDIX I: INTERNATIONAL OUTREACH

On 21 July 2015, the ALRC welcomed a delegation from Timor-Leste including the Minister of State and President of the Council of Ministers, His Excellency Agio Pereira, and other members of the Council, along with the Hon Michael Kirby. The purpose of the visit was to outline law reform being undertaken in Timor-Leste and to discuss the work and the role of the ALRC. The meeting encouraged an ongoing dialogue about law reform between the members responsible in Timor-Leste and the ALRC.

On 9 September 2015, the ALRC welcomed the Justice and Legal Committee of the Parliament of Kenya, to discuss ALRC research processes and procedures and the implementation of ALRC recommendations. The delegation included several Members of the Kenyan Parliament and representatives from the Kenyan Law Reform Commission.

On 22 April 2016, the ALRC welcomed Ms Bae Ji-Sook, from the Ministry of Government Legislation of Korea, along with 18 government officials in charge of legislation, to discuss the government legislation experience contributing to social integration in Australia and to learn about advanced legal policy development.

AUSTRALASIAN LAW REFORM AGENCIES CONFERENCE (ALRAC)

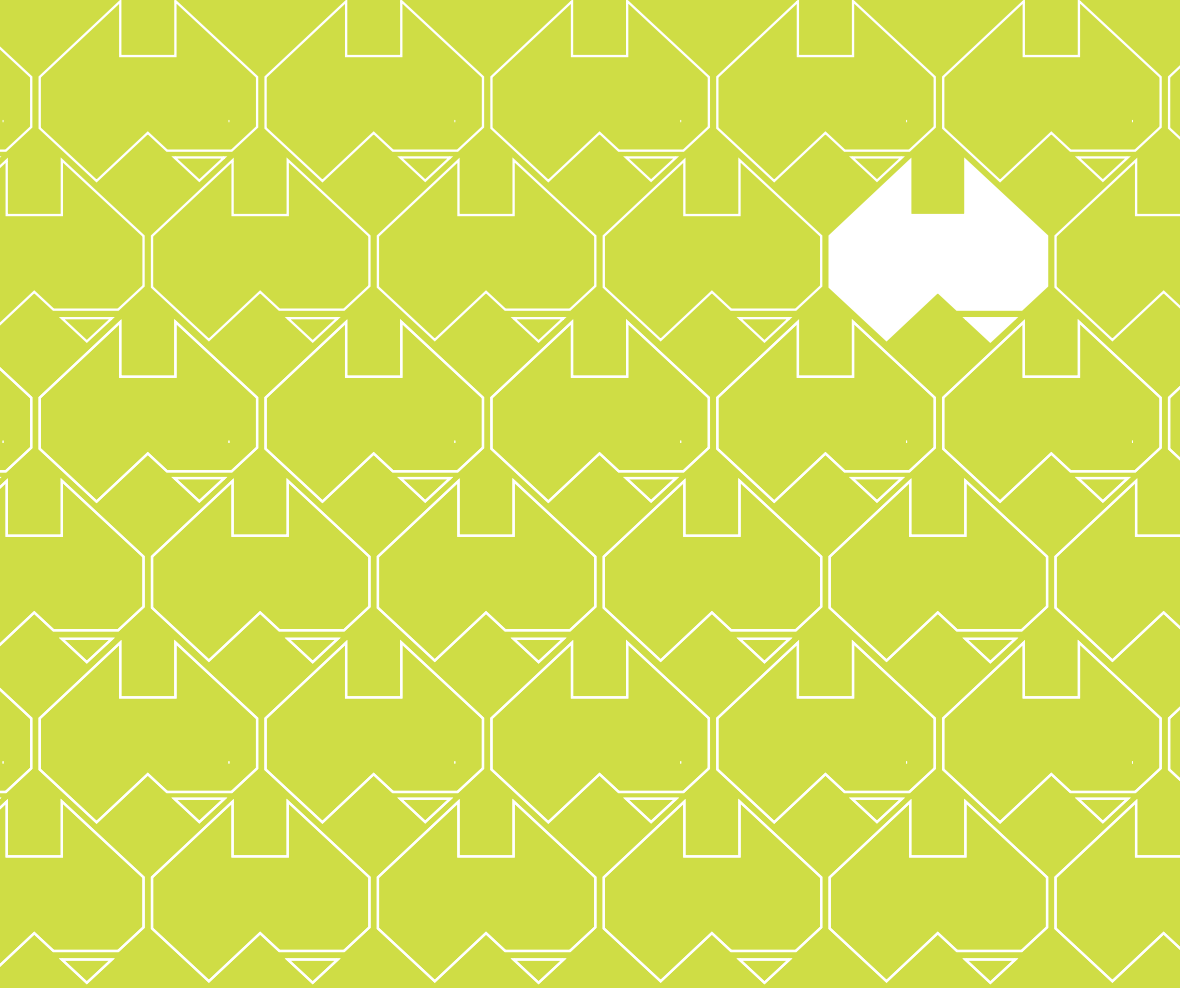
The biennial Australasian Law Reform Agencies Conference was hosted this year by the Victorian Law Reform Commission in Melbourne from 2–4 March. The theme of the 2016 conference was *Law reform—survival and growth*. Professor Rosalind Croucher AM, President of the ALRC and the Hon Philip Cummins AM, Chair of the VLRC, presented a joint session ‘*Big picture’ conceptual references—how appropriate are these for law reform agencies?* Several ALRC Legal Officers attended the conference and shared information and experiences of law reform in our region with conference delegates from around the South Pacific.

ALRC President, Professor Rosalind Croucher and Executive Director, Sabina Wynn with delegation from Timor-Leste



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GLOSSARY



► GLOSSARY

AASB	Australian Accounting Standards Board	EL	Executive Level
AATA	Administrative Appeals Tribunal of Australia	EOFY	End of Financial Year
AC	Companion of the Order of Australia	EPBC Act	Environment Protection and Biodiversity Conservation Act 1999 (Cth)
ACTSC	Supreme Court of Australian Capital Territory	ERM	Enterprise Risk Management
ALRAC	Australasian Law Reform Agencies Conference	ERMP	Enterprise Risk Management Plan
ALRC	Australian Law Reform Commission	FBT	Fringe Benefits Tax
ALRC Act	Australian Law Reform Commission Act 1996 (Cth)	FCA	Federal Court of Australia
AM	Member of the Order of Australia	FCAFC	Federal Court of Australia, Full Court
AMP	Agency Multicultural Plan	FCCA	Federal Circuit Court of Australia
ANAO	Australian National Audit Office	FCP	Fraud Control Plan
APS	Australian Public Service	FCWA	Family Court of Western Australia
ATO	Australian Taxation Office	FOI	Freedom of Information
AVO	Australian Valuation Office	FOI Act	Freedom of Information Act 1982 (Cth)
CALD	Culturally and Linguistically Diverse	FRR	Financial Reporting Rule
CEO	Chief Executive Officer	FSC	Forest Stewardship Council
CFO	Chief Financial Officer	FTE	Full-Time Equivalent
CMG	Companion of the Order of St Michael & St George	FWCD	Fair Work Commission—General Manager and Delegates
CPR	Commonwealth Procurement Rules	GST	Goods and Services Tax
Cth	Commonwealth of Australia	HCA	High Court of Australia
DCB	Departmental Capital Budget	HSMA	Health and Safety Management Arrangements
DRC	Depreciated Replacement Cost	IP	Issues Paper
		IPP	Information Publication Plan

IPS	Information Publication Scheme	PLO	Principal Legal Officer
IR	Interim Report	PPE	Property, Plant & Equipment
KPI	Key Performance Indicator	PPS	Public Sector Superannuation Scheme
LO	Legal Officer	PPSap	PPS Accumulation Plan
MYEFO	Mid-Year Economic and Fiscal Outlook	PS Act	Public Service Act 1999 (Cth)
NABERS	National Australian Built Environment Rating System	QC	Queen's Counsel
NFA	Non-Financial Assets	QCATA	Queensland Civil & Administrative Tribunal Appeals
NSWCA	Supreme Court of New South Wales, Court of Appeal	QLC	Land Court of Queensland
NSWCATAP	New South Wales Civil & Administrative Tribunal – Appeal Panel	RAP	Reconciliation Action Plan
NSWCATOD	New South Wales Civil & Administrative Tribunal – Occupational Division	SAET	South Australia Employment Tribunal
NSWCCA	Supreme Court of New South Wales, Court of Criminal Appeal	SC	Senior Counsel
NSWDC	District Court of New South Wales	SES	Senior Executive Service
NSWIC	Industrial Court of New South Wales	SLO	Senior Legal Officer
NSWLEC	Land & Environment Court of New South Wales	SME	Small and Medium Enterprises
NSWSC	Supreme Court of New South Wales	TASSC	Supreme Court of Tasmania
NTCA	Supreme Court of the Northern Territory, Court of Appeal	VCAT	Victoria Civil & Administrative Tribunal
NTSC	Supreme Court of the Northern Territory	VLRC	Victorian Law Reform Commission
PBS	Portfolio Budget Statements	VSC	Supreme Court of Victoria
PDF	Portable Document Format	VSCA	Supreme Court of Victoria, Court of Appeal
PGPA Act	Public Governance, Performance and Accountability Act 2013 (Cth)	WASAT	State Administrative Tribunal of Western Australia
		WH&S	Work Health and Safety
		WH&SC	Work Health and Safety Committee

► LIST OF REQUIREMENTS

This is a guide to the report's compliance with the requirements for Annual Reports as approved by the Joint Committee of Public Accounts and Audit under subsections 63(2) and 70(2) of the *Public Service Act 1999*.

Part of Report	Description	Page no.
Letter of Transmittal		
	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	iii
Aids to Access		
	Table of contents.	iv
	Alphabetical index.	102
	Glossary of abbreviations and acronyms.	94
	List of requirements.	96
	Details of contact officer.	ii
	Entity's website address.	ii
	Electronic address of report.	ii
Review by Accountable Authority		
	A review by the accountable authority of the entity.	2
Overview of the Entity		
	A description of the role and functions of the entity.	11
	A description of the organisational structure of the entity.	10
	A description of the outcomes and programmes administered by the entity.	14
	A description of the purposes of the entity as included in corporate plan.	15,71

Part of Report	Description	Page no.
	Where the outcomes and programmes administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	not applicable
Report of the Performance of the Entity		
Annual Performance Statements		
	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	15
Report on Financial Performance		
	A discussion and analysis of the entity's financial performance.	22
	A table summarising the total resources and total payments of the entity.	77
	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	not applicable
Management and Accountability		
Corporate Governance		
	Information on compliance with section 10 (fraud systems).	29
	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	29
	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	29
	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	29

Part of Report	Description	Page no.
	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	24
	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	not applicable
External Scrutiny		
	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	31
	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	not applicable
	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	not applicable
	Information on any capability reviews on the entity that were released during the period.	not applicable
Management of Human Resources		
	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	33
	<p>Statistics on the entity's APS employees on an ongoing and non-ongoing basis, including the following:</p> <p>Statistics on staffing classification level;</p> <p>Statistics on full-time employees;</p> <p>Statistics on part-time employees;</p> <p>Statistics on gender;</p> <p>Statistics on staff location;</p> <p>Statistics on employees who identify as Indigenous.</p>	32

Part of Report	Description	Page no.
	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the Public Service Act 1999.	32
	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	32
	The salary ranges available for APS employees by classification level.	32
	A description of non-salary benefits provided to employees.	32
	Information on the number of employees at each classification level who received performance pay.	33
	Information on aggregate amounts of performance pay at each classification level.	33
	Information on the average amount of performance payment, and range of such payments, at each classification level.	33
	Information on aggregate amount of performance payments.	33
Assets Management		
	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	not applicable
Purchasing		
	An assessment of entity performance against the Commonwealth Procurement Rules.	35
Consultants		
	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).	36

Part of Report	Description	Page no.
	A statement that “During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]”.	36
	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	36
	A statement that “Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.”	36
Australian National Audit Office Access Clauses		
	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor’s premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	not applicable
Exempt Contracts		
	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempt from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	not applicable
Small Business		
	A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”	36

Part of Report	Description	Page no.
	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	36
	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	not applicable
Financial Statements		
	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	40
Other Mandatory Information		
	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	not applicable
	If the entity did not conduct advertising campaigns, a statement to that effect.	36
	A statement that “Information on grants awarded to [name of entity] during [reporting period] is available at [address of entity’s website].”	not applicable
	Outline of mechanisms of disability reporting, including reference to website for further information.	36
	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	37
	Correction of material errors in previous annual report.	not applicable
	Information required by other legislation.	37

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