



Annual Report 2007-08



Victorian
Law Reform
Commission



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The Victorian Law Reform Commission was established under the *Victorian Law Reform Commission Act 2000* as a central agency for developing law reform in Victoria.

Credits

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Highlights of the year

- After extensive consultation with the community, medical and legal professionals, the *Law of Abortion: Final Report* was released. The report provided three options for the decriminalisation of abortion in Victoria.
- The *Civil Justice Review: Final Report* was released following the publication of a Consultation Paper and two rounds of draft proposals which gave stakeholders the opportunity to provide feedback on recommendations.
- The commission's *Review of the Bail Act: Final Report* was tabled in Parliament and launched, making 157 recommendations aimed at ensuring the Act functions simply, clearly and fairly.
- The government referred a project on judges' directions to juries in criminal trials to the commission and retired Supreme Court judge, Mr Geoff Eames QC, was appointed as a consultant on the reference.
- A bill implementing the commission's recommendations from the *Review of Family Violence Laws: Report* was introduced to Parliament in the *Family Violence Protection Bill*.
- A bill implementing the commission's recommendations from the *Review of the Uniform Evidence Acts* was introduced in Parliament.
- After seven years of invaluable contribution to law reform, the commission farewelled her Honour Judge Jennifer Coate as a part-time commissioner. Dr Peter Cashman's tenure as full-time commissioner on the Civil Justice review also came to an end in December 2007.
- A full-time manager was appointed to oversee the commission's Community Law Reform program to increase community involvement in the program and make its administration more efficient.
- A Consultation Paper on Assistance Animals was completed. The project arose under the Community Law Reform program and seeks to ensure that people with disabilities who use assistance animals are afforded their rights.



Professor Neil Rees

Chairperson's Report

Over the past 12 months the Victorian Law Reform Commission has sought to achieve its goal of being an inclusive, innovative and independent law reform agency that produces work of the highest quality. The commission delivered three final reports to the Attorney-General during this reporting period. Those reports, which all concerned difficult and important topics, became available for public comment and debate after they were tabled in Parliament.

REPORTS TO PARLIAMENT

Bail

The commission's final report about reform of bail laws was tabled in Parliament on 10 October 2007. The reference required the commission to review bail legislation developed in the 1970s and amended on numerous subsequent occasions.

The final report contained 157 recommendations designed to make bail laws simple, clear and fair. Throughout the reference, the commission received valuable assistance from a Bail Advisory Committee comprised of people with extensive practical experience in the operation of the bail system. I thank these people for their contribution to law reform in Victoria.

Civil Justice

The civil justice reference commenced in September 2006, under the guidance of full-time commissioner, Dr Peter Cashman. The Attorney-General asked the commission to provide him with broad ranging advice about reform of the civil justice system in Victoria. Because of the size of that task, the submission date for the final report was extended from September 2007 until March 2008.

The commission's final report contained 177 recommendations designed to improve the operations of the civil justice system. The report has generated a significant amount of public debate, especially among the legal profession.

I take this opportunity to acknowledge the work of the division responsible for the reference and the civil justice team, both led by Dr Cashman, who produced an extensive report within such a short time.

Abortion

In late September 2007, the Attorney-General asked the commission to provide advice about options for reforming the law of abortion. The final report was delivered to the Attorney-General in March 2008 and tabled in parliament some weeks later.

The reference attracted a considerable amount of public interest. The commission received over 500 submissions and held more than 30 consultations with people interested in abortion law reform. The commission received assistance from an expert panel of health professionals, chaired by the President of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists, Dr Christine Tippett. I acknowledge the outstanding contribution made by the commission staff who worked on this reference. Their hard work, commitment and expertise made it possible to produce a comprehensive report within the six-month reporting period.

It is appropriate to repeat two statements which I made in the preface to *Law of Abortion: Final Report*. First, even though abortion is a sensitive and difficult topic, all the people we consulted were courteous and cooperative. I thank them, and the broader community, for the way in which they conveyed their views to the commission. Secondly, it reflects well on the governance of our community that a topic such as abortion was referred to an independent body for background information and advice about reform options before being debated in Parliament.

OTHER REFERENCES

Jury Directions

In January 2008, the Attorney-General asked the commission for advice about reform of the law that governs the directions and warnings a judge is required to give to a jury in a criminal trial. Retired Court of Appeal judge Mr Geoff Eames QC, who has published a number of papers about jury directions, is a consultant to the reference.

The commission has established a consultative committee comprised of leading practitioners and members of the judiciary to assist with the task of developing reform proposals. Both the Queensland Law Reform Commission and the New South Wales Law Reform Commission are also undertaking reviews of jury directions. A Consultation Paper will be published in September 2008 and the final report is due in March 2009.

Surveillance in Public Places

The second phase of the commission's privacy reference, which concerns surveillance in public places, is well underway. The commission has been asked to consider whether the law needs to balance the interests of users of surveillance with privacy concerns. The commission has conducted extensive consultation with individuals and organisations interested in the issue.

A Consultation Paper, scheduled for publication in late 2008, will describe the issues and seek submissions from the public. The release of the paper has been delayed because of the need to include consideration of the recommendations made by the Australian Law Reform Commission in its privacy reference.

Community Law Reform

A community law reform division of the commission and a new manager of community law reform are recent innovations. The commission is currently examining Victorian laws concerning people with a disability who use assistance animals. In September 2008 the commission will provide the Attorney-General with a report containing recommendations for reform of the law in relation to assistance animals.

Commissioners and Staff

We are fortunate to have experienced part-time commissioners who contribute a great deal of time and energy to the work of the commission.

Judge Jennifer Coate, a member of the commission since its inception in 2001, resigned in April 2008 because of the demands of her new office of State Coroner. I wish to thank Judge Coate for her significant contribution to law reform in Victoria, especially in the field of criminal law.

Dr Iain Ross AO, a former Acting Chairperson of the commission, became a judge of the County Court in October 2007. All the commissioners join with me in congratulating Judge Ross on his appointment to judicial office.

Justice David Harper AM, also a member of the commission since 2001, became a Member of the Order of Australia in June 2008. The citation recorded Justice Harper's many contributions to the community, including his services to law reform. The award is an important public acknowledgment of Justice Harper's longstanding efforts to improve the law and the legal system.

The staff of the commission, led by Chief Executive Officer Padma Raman, continued to produce accurate, creative and accessible work. Reports and consultation papers are the product of months, and sometimes years, of hard work by committed teams of people. The community consultation and research that takes place prior to the production of a document is a feature of the commission's work. I wish to thank all of the staff of the commission for a very successful year.



Professor Neil Rees
Chairperson



Our Commissioners

During 2007–08 there were changes to the composition of the commission with a part-time commissioner leaving after seven years and a full-time commissioner returning to academic work after a major project.

In December 2007 Dr Peter Cashman's term as a full-time commissioner finished after completion of the final report into stage one of the civil justice review.

In November 2007 her Honour Judge Jennifer Coate was appointed State Coroner by the Attorney-General and she resigned as a part-time commissioner to focus on her new role.

Commissioners are responsible for the overall direction of the organisation. They are each members of divisions of the commission in which they work on specific references. Commissioners meet regularly to discuss interim and final reports for all references.

Mr Paris Aristotle AM was appointed as a part-time commissioner in August 2002. He has been the Director of the Victorian Foundation for Survivors of Torture since 1988 and holds several positions on government advisory bodies in the settlement and human services fields, including the Refugee Resettlement Advisory Council and the Immigration Detention Advisory Group. He also sits on the board of the Adult Multicultural Education Services.

Mr Aristotle has been a member of the divisions for the Assisted Reproductive Technology and Adoption, and Surveillance in Public Places references.

Dr Peter Cashman is a barrister and was formerly Associate Professor at the University of Sydney's law school. He established the law firm Cashman & Partners, which merged with the Melbourne firm Maurice Blackburn to form the national firm of Maurice Blackburn Cashman. He was formerly national president of the Australian Plaintiff Lawyers' Association and founding director of the Public Interest Advocacy Centre. He was joint commissioner in charge of the Australian Law Reform Commission's class actions inquiry, from 1986 to 1987.

He joined the commission as a full-time commissioner in 2006 and returned to an academic role at the University of Sydney following his term.

Her Honour Judge Jennifer Coate became a part-time commissioner in October 2001. She was a judge of the County Court since June 2000 and was President of the Children's Court until May 2006. For the eight years before the County Court she was a magistrate. Judge Coate has worked as a barrister, solicitor and academic and served on social policy groups and committees.



Left to right: Paris Aristotle, Peter Cashman, Jennifer Coate, Felicity Hampel, David Harper, Sam Ricketson, Neil Rees, Iain Ross

Judge Coate was appointed State Coroner in November 2007 and has since resigned her position on the commission.

Her Honour Judge Felicity Hampel

has been a part-time commissioner since October 2001. She was appointed as a Judge of the County Court in 2005, prior to which she was a practising Senior Counsel and Adjunct Professor of Law at Monash University. She joined the Victorian Bar in 1981, was appointed Queens Counsel in 1996 and throughout her career has been active in human rights and public interest advocacy and legal education. In 2005, she received the Women Lawyers' Achievement Award in Victoria.

Judge Hampel has been a member of the commission's divisions for Assisted Reproductive Technology & Adoption (Chair), Bail, and Civil Justice references.

The Honourable Justice David Harper AM

has been with the commission since October 2001. After a long career at the Bar—he was made a QC in Victoria in 1986 and in New South Wales in 1989 and was the Bar Chairman in 1990–91—he was appointed as a judge to the Supreme Court of Victoria in 1992. He is currently chair of the International Humanitarian Law Advisory Committee of the Red Cross (Victorian branch), President of the Victorian Association for the Care and Resettlement of Offenders, and Chair of The Northcote Trust, which

helps talented young people finish their education. He was awarded a Member of the Order of Australia in 2008.

Among his other commission work, Justice Harper has been a member of the commission's divisions for the Bail (Chair) and Civil Justice references.

Professor Sam Ricketson has been a part-time commissioner since October 2001. He is a practising barrister specialising in matters of copyright and intellectual property law and has published widely in these areas. Since 2000, he has been a Professor of Law at the University of Melbourne and was previously Professor of Commercial Law at Monash University. Prior to this, he held academic and research positions at the universities of Melbourne and London. He is also a Fellow of the Academy of the Social Sciences in Australia.

Professor Ricketson has been a division member of the divisions for the Assisted Reproductive Technology and Adoption, Civil Justice, Workplace Privacy and Surveillance in Public Places (Chair) references.

Professor Neil Rees has been the Chairperson of the commission since 1 June 2007. His legal career includes periods in academia, in legal practice and as a member of tribunals. Before joining the commission, he was a Professor and Foundation Dean of the Faculty of Law at the University of

Newcastle. His tribunal membership includes the New South Wales Administrative Decisions Tribunal, the Mental Health Review Board and the Psychosurgery Review Board.

He has been involved in the establishment of three community legal centres and clinical legal education programs: Springvale (Monash University); Kingsford (University of New South Wales); and Newcastle (University of Newcastle). He has previously been a part-time commissioner of the New South Wales Law Reform Commission.

His Honour Judge Iain Ross AO

was appointed to the bench of the County Court in November 2007 and as Vice-President of VCAT. Previous to that he was a partner at Corrs Chambers Westgarth, specialising in workplace relations and administrative law. He has been a Vice-President of the Australian Industrial Relations Commission. He first became involved in law reform in 1992 as a consultant to the Australian Law Reform Commission's Collective Investments Review. He was a part-time commissioner of the New South Wales Law Reform Commission from 1998 to 2001 and joined the Victorian Law Reform Commission in August 2003.

Judge Ross has been a member of the divisions for the Civil Justice, Bail, Workplace Privacy and Surveillance in Public Places references.



Padma Raman

Chief Executive Officer's Report

The commission has had yet another active year with the completion of two complex and significant reports. A groundbreaking report on reform of the civil justice system was delivered in 18 months and advice on options for reform of the law of abortion was completed in a period of six months. The commission has also developed its community law reform program and dedicated staff resources to the program.

The year also saw the introduction to Parliament of bills in relation to evidence and family violence, both of which implement some of the commission's recommendations.

References

The year brought the completion of the Civil Justice reference. The staff involved worked extremely hard to complete the reference in time. The team was ably led by Mary Polis and consisted of Samantha Burchell, Emma Cashen, Jacinta Morphett, Ross Abbs, Prue Elletson, Claire Downey and Christiana McCudden who worked on the project at various stages.

The abortion reference had a very short timeframe and staff had to be diverted from existing work to ensure we delivered the Final Report on time. The team did a remarkable job of undertaking detailed research, organising consultations with the diverse range of stakeholders who have views on the topic and drafting chapters.

Community Law Reform

The commission worked on its Community Law Reform systems and processes in the previous year. This year, the commission employed a Community Law Reform manager, Michelle Burrell, who then oversaw the creation of a Community Law Reform strategy. Michelle has done an exceptional job of developing the strategy and ensuring that it is informed by community views. She has worked closely with Simone Marrocco and together they have injected life into the Community Law Reform program.

Implementation

The commission's implementation record was further strengthened this year with the introduction of an Evidence Bill and a Family Violence Protection Bill that gave effect to the commission's recommendations. The commission has also been consulted by government on the implementation of recommendations in relation to Assisted Reproductive Technologies.

Premises

The commission has had to spend some of this year looking at options for new premises as our current lease expires at the end of 2008. The commission has also outgrown its current accommodation and has been looking for a space that will enable it to consult more effectively with the community. I would like to acknowledge all the hard work put in by Kathy Karlevski to find us premises and for her efforts in managing the relocation.

Staff Movement

The year saw both the commission's team leaders take leaves of absence. Mary Polis has been seconded to the Attorney-General's personal office for a year while Angela Langan has taken maternity leave. The commission is deeply appreciative of their skills, work and dedication and looks forward to their return.

The commission lost its long-serving communications manager, Alison Hetherington, who has helped shape and implement the commission's objective of being inclusive. Alison introduced several initiatives and was integral in ensuring that the commission's work was accessible to the public. Our new communications manager, Sally Finlay, brings a wealth of

experience of working with government and has already proved to be an invaluable asset. Other movements in the communications team saw Trish Luker leave the commission after serving in the role at various times since the commission's inception. Trish has been replaced by Clare Chandler whose skill and dedication have been essential to the production of publications.

As projects were completed, the commission also farewelled Samantha Burchell in late 2007 and Jacinta Morphett in early 2008.

The commission is privileged to have a talented and dedicated team of people working for it. Over this year they have continued to demonstrate their professionalism and have adjusted seamlessly to new leadership. I am indebted to all of them for their hard work, dedication and for ensuring the continued success of the commission.

Accountable Officer's Declaration

In accordance with *Financial Management Act 1994*, I am pleased to present the Report of Operations for the Victorian Law Reform Commission for the year ending 30 June 2008.



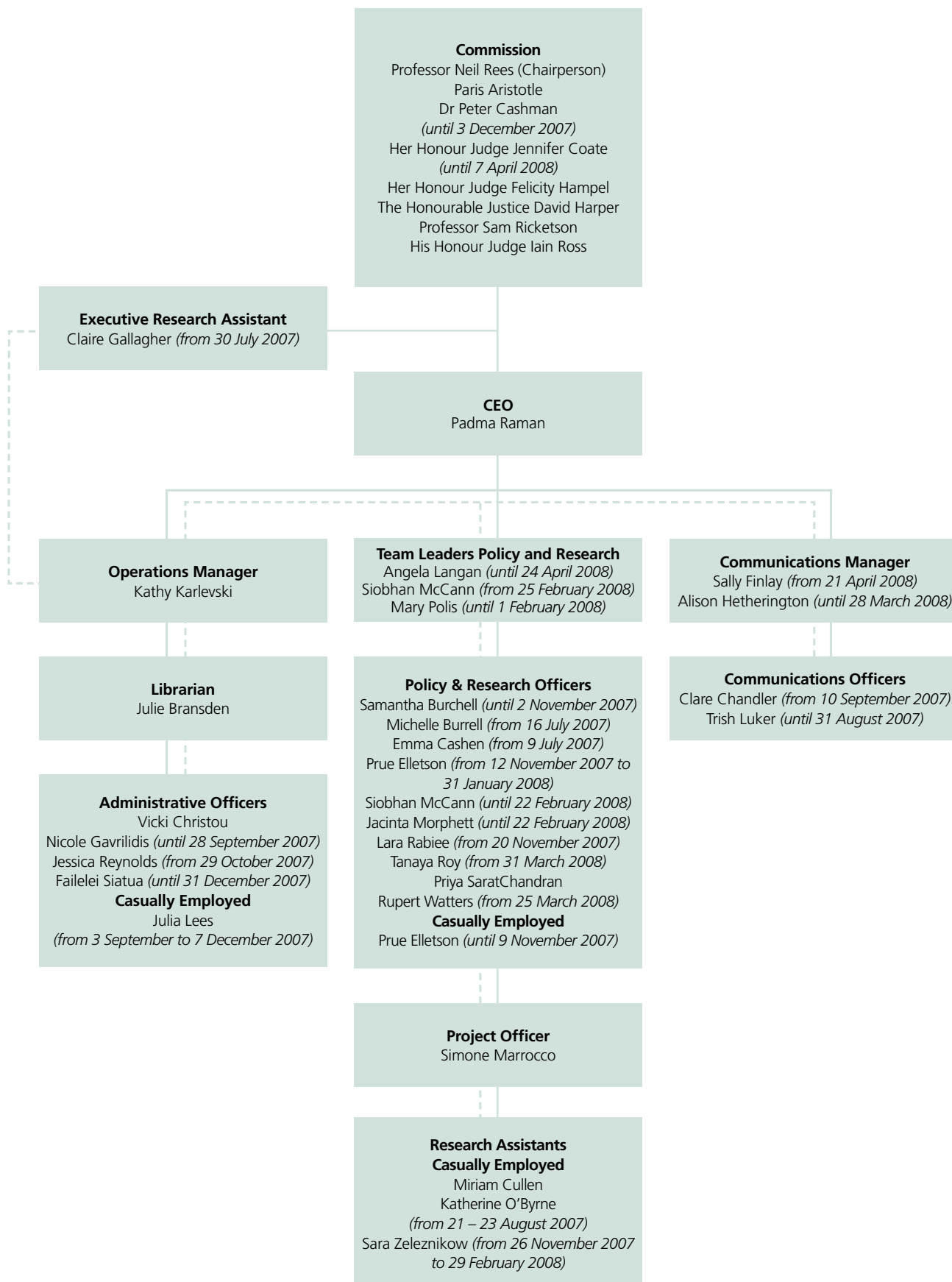
Padma Raman
Chief Executive Officer

15 August 2008



Organisational Chart

The commission has a small team of staff who support the commissioners by conducting research, holding consultations, writing and producing publications, and providing administrative assistance.





Our Approach

Functions, Visions and Objectives

The Victorian Law Reform Commission was established as an independent government-funded organisation with a charter to facilitate community-wide consultation and advise parliament on how to improve and update Victorian law. The commission is committed to transparent and public law reform which is independent of the political process.

Our Functions

The Victorian Law Reform Commission was established under the *Victorian Law Reform Commission Act 2000* as a central agency for developing law reform in Victoria.

The functions of the commission are to:

- examine, report and make recommendations to the Attorney-General on any proposal or matter relating to law reform in Victoria that is referred to the commission by the Attorney-General

- examine, report and make recommendations to the Attorney-General on any matter that the commission considers raises relatively minor legal issues that are of general community concern if the commission is satisfied that the examination of that matter will not require a significant deployment of the resources available to the commission
- suggest to the Attorney-General that a proposal or matter relating to law reform in Victoria be referred to the commission by the Attorney-General
- monitor and coordinate law reform activity in Victoria
- undertake educational programs on any area of the law relevant to a reference, whether past or current.

Our Vision and Values

Our vision is to establish the Victorian Law Reform Commission as the leading law reform agency in Australia. In all its activities, the commission will contribute to the building of a fair, just, responsive, inclusive and accessible legal system for all Victorians.

The commission will:

- maintain a reputation for rigorous legal research and extensive community consultation
- produce timely, thorough and high quality law reform recommendations which provide innovative solutions to complex policy issues
- build community trust in government and enhance the democratic process by fostering public understanding of law reform and encouraging informed community debates on key issues
- give a voice to marginalised groups within the community
- ensure the government is fully informed of law reform developments which have occurred interstate and overseas
- provide fearless, impartial and independent advice to the government of the day and be seen to be doing so
- build partnerships with other bodies involved in law reform to avoid inefficient duplication of effort.

Objectives

Results

To provide the Attorney-General and parliament with high quality, timely, responsive and effective advice on law reform that is independent of government agencies and the political process.

- Delivered *Law of Abortion: Final Report* in six months.
- Delivered *Civil Justice Review: Final Report*.
- Delivered *Review of the Bail Act: Final Report*.
- Completed a Consultation Paper on *Assistance Animals*.
- Contributed toward government efforts to implement recommendations on family violence, access to assisted reproduction and evidence law reform.

Engage the community in law reform processes and foster community-wide debate on law reform proposals.

- Consulted widely with the community and convened a panel of medical experts for the Abortion reference.
- Released Draft Proposals on civil justice reform and incorporated feedback in the final report.
- Provided information about references and law reform process to media outlets.
- Revamped website to increase accessibility and interactivity with community and continued to update the site with news on all references and implementation.

To promote the role of law reform and improve community understanding of law and legal processes relevant to the commission's references.

- Held a forum for secondary school students on Surveillance in Public Places in Law Week 2008.
- Published a document for legal studies teachers on Surveillance in Public Places seeking young people's views.
- Participated in conferences, roundtables and other events and spoke at school and university events.

To coordinate law reform in Victoria and identify areas of emerging concern.

- Appointed Community Law Reform Manager to better monitor and co-ordinate law reform activity in Victoria.
- Developed detailed community law reform strategy that outlines how commission will undertake work and coordinate law reform.

To maintain efficient and effective administrative and financial systems and provide a safe and supportive working environment to support the commission's law reform activities.

- Sought to find larger and more appropriate accommodation for the commission and its staff.
 - Introduced a range of new security measures to ensure safety of staff during the abortion reference.
 - Developed intranet site focusing on research issues.
 - Developed new protocols on handling submissions.
 - Developed new protocols for uploading submissions to website.
-



Reference: Abortion

The commission completed its *Law of Abortion: Final Report* in six months.

Abortion is a topic which generates a strong response from some people in the community. During the project, the commission met with people on all sides of the debate and our experience reflected well on the Victorian community. Without exception the people we met were courteous and cooperative.

In August 2007 the government announced it would ask the commission for legislative advice on the decriminalisation of abortions. This was the first time a Victorian government had sought to reform the law of abortion.

The commission received terms of reference for the project in September 2007 and began consulting with the community from October with the release of an Information Paper. In May 2008 the Attorney-General tabled the final report.

The project received attention from state and national media outlets with strong focus at the time the reference was announced and again when the final report was tabled.

This high level of interest was also reflected in the number of submissions received by the commission which exceeded 500. In addition, the commission held over 30 consultations with groups and individuals. A panel of health professionals was convened to provide advice on current clinical practice.

The timing of our report coincided with a review of abortion laws in the British Parliament and the commission looked closely at this debate and experiences in other countries.

Clarity of the Existing Law

Laws that make abortion a serious criminal offence have been in operation since Victoria became a self-governing colony. The offence of abortion is set out in the *Crimes Act 1958* but the common law follows the ruling of Justice Menhennitt in 1969.

In his ruling Menhennitt described circumstances where medical practitioners may lawfully perform an abortion. These rules have been followed and developed by Victorian and New South Wales courts since that time.

No person has been convicted of the offence in nearly 40 years and no person has been charged with the offence since 1987.

It is generally accepted that there is a lack of clarity around the law of abortion. The government's desire to clarify the law is one of the major objectives of the reference that was given to the commission.

The terms of reference stated the government's intention to modernise and clarify the law, and reflect current community standards, without altering current clinical practice.

Clinical Practice

The commission was guided by an expert medical panel of professionals who are at the front-line of providing obstetric services to Victorian women.

Research into current clinical practice was also guided by Department of Human Services statistics and findings from the Australian Institute of Health and Welfare's (AIHW) National Perinatal Statistics Unit which analysed data from Medicare and the National Hospital Morbidity Database.

The commission found the vast majority of abortions are at early gestation with 94.6% of abortions performed before 13 weeks, 4.7% performed between 13 and 20 weeks, and 0.7% occurring after 20 weeks.

The highest rate of abortion occurs in women aged 20–29 and the abortion rate among teenagers has been falling. In 2006/07 there were 18,756 abortions and about two-thirds are performed by private abortion clinics and one-third in public hospitals.

Community Attitudes

The commission consulted widely in relation to this project and received views from religious groups, women's groups, academics and individuals. These sessions were in addition to the submissions received by the commission that sought the community's view on abortion law in Victoria.

Published data from five Australian surveys was analysed by the commission including the comprehensive Australian Survey of Social Attitudes conducted by the Australian Demographic and Social Research Institute at the Australian National University every two years.

The main findings were that 80% of Australians support a woman's right to decide whether to have an abortion. Half the population supports relatively open access to abortion services and an additional third supports access within certain limits. No more than 10% of the population opposes abortion outright.

Options for Reform

The commission presented three possible models for reform of abortion law that took into account the government's intentions and objectives.

The major differences between the three options relate to who the final decision making powers rest with and the circumstances in which an abortion is lawful.

We also made an additional 16 recommendations that could be implemented regardless of which option was preferred by the government. These included repealing the offence of child destruction and replacing it with an amendment to the definition of serious injury to include attacks on pregnant women. It also suggested changes to the *Health Act 1958* to clarify that a doctor is not compelled to perform an abortion, save for in a medical emergency.

MODEL A

- A doctor would have to assess whether continuation of pregnancy posed a risk of harm to the woman.
- Three options to define risk of harm that reflect current law and legal decisions since the 1969 Menhennitt ruling are included in the report.
- A doctor who performed or oversaw an abortion when not satisfied of risk of harm to the woman would be guilty of professional misconduct.

MODEL B

- A woman's consent provides lawful authority for an abortion up to 24 weeks gestation.
- After this point, an abortion would be lawful only when there was a medical determination that continuation of the pregnancy posed a risk of harm to the woman.
- Risk of harm would be defined as in Model A and there is an option of having either one or two doctors make this determination.
- The 24-week deadline is based on the timelines used in other jurisdictions and current clinical practice in Victoria. The British Parliament recently re-confirmed this time period in their abortion laws in a vote taken only last week.
- As in Model A, a doctor who performed or oversaw an abortion without being satisfied that there was risk of harm to the woman in continuing with her pregnancy would be guilty of professional misconduct.

MODEL C

- A woman's consent provides lawful authority for an abortion throughout her pregnancy.
- Unlawful abortions would include those conducted without the woman's consent and those conducted by unqualified people.

Staffing

Commission staff worked on the reference and were assisted by two academic lawyers—Dr Bronwyn Naylor from Monash Law School and Professor David Studdert from Melbourne Law School. All commissioners, with the exception of Jennifer Coate who was unavailable, contributed their expertise to the reference.



Reference: Civil Justice

One of the highlights of 2008 was the culmination of the Civil Justice project with the launch of the *Civil Justice Review: Report*. The report was launched by the Attorney-General and Chief Justice of Victoria Marilyn Warren on 29 May 2008.

The Civil Justice Review: Report

The most extensive of the commission's reports to date it was completed in just 18 months. The commission's reporting date was extended by six months to enable more extensive consultation and feedback from stakeholders on proposals.

The report contains a comprehensive analysis of the civil justice system in Victoria and proposes a radical overhaul. The report contains 177 recommendations aimed at making civil justice more accessible, affordable and efficient.

Among the commission's major recommendations are:

- the introduction of pre-action requirements for communication and exchange of information
- the introduction of new statutory standards to govern the conduct of key participants in civil proceedings as well as a new overriding purpose for relevant legislation and procedural rules
- making a wider range of Alternative Dispute Resolution options available and additional provisions for mandatory referral to ADR

- more pro-active judicial management of matters including a general statutory provision giving a clear judicial power/discretion to judges to manage proceedings and increased judicial powers to impose limits on pre-trial processes and hearings
- new mechanisms designed to facilitate earlier and more cost effective methods of disclosure including through pre-trial oral examinations, the introduction of a statutory provision to enable confidential (non-privileged) information to be obtained prior to trial, narrowing the range of documents required to be produced on discovery to those that are directly relevant to issues in dispute and expedited inspection of certain categories of readily identifiable documents
- clarification of the laws relating to class actions to improve remedies and conferring a discretion on the Supreme Court to order cy-pres remedies
- new provisions, based on NSW reforms, to enhance judicial control over expert evidence and expert witnesses
- greater assistance for self-represented litigants, including through the development, by the professional bodies, of guidelines for lawyers in dealing with self-represented litigants
- various measures to curtail unmeritorious claims and defences and vexatious litigation
- establishment of a new Justice Fund to provide financial assistance to parties with meritorious civil claims and to provide indemnity against any adverse costs order and any order for security for costs
- numerous reforms in relation to costs, including the establishment of a Costs Council and conferring on courts express powers to require parties to disclose estimates of costs
- establishment of a new body, the Civil Justice Council, with ongoing statutory responsibility for review and reform of the civil justice system

Consultations and Submissions

Consultations and speaking engagements continued throughout the year as writing of the report got underway. After release of the *Civil Justice Review: Consultation Paper* in September 2006, and subsequent draft exposure proposals, 85 consultations were conducted and over 100 submissions were received.

Commissioner Peter Cashman

The Civil Justice project was lead by Dr Peter Cashman, whose term as full-time commissioner ended in December 2007. Dr Cashman brought a wealth of knowledge and expertise as a barrister, academic and former Australian Law Reform Commissioner to the project.

Civil Justice Division

A division of the commission was convened to consider the recommendations contained within the report. The division comprised Dr Cashman, Justice David Harper of the Supreme Court, Judge Felicity Hampel of the County Court, Professor Sam Ricketson, Judge Iain Ross of the County Court and Professor Neil Rees.

Staffing

The Civil Justice team was lead by Mary Polis, until December 2007. Emma Cashen, Jacinta Morphett, Samantha Burchell and Prue Elletson also worked as policy and research officers on the project during the year. Sarah Zeleznikow, Kate Kennedy and Miriam Cullen contributed research assistance at various stages throughout the year.



Reference: Jury Directions

In January 2008 the commission received a new reference: Jury Directions. The reference asks the commission to recommend changes that may simplify or improve the directions given by judges to juries in criminal trials in Victoria.

Terms of Reference

The government's terms of reference asked the commission to pay particular attention to:

- directions or warnings which may no longer be required or could be simplified
- whether judges should be required to warn or direct the jury in relation to matters that are not raised by counsel in the trial
- clarify the extent to which the judge need summarise the evidence for the jury.

The completion date for the project is March 2009.

Consultation Paper

After receiving the terms of reference work got underway on an Consultation Paper, which will be released in late 2008. Work on the project so far has involved extensive research about judge's directions and jury decisions and writing of the Consultation Paper. Once the paper is released submissions commenting on the proposed options in the paper will be formally invited from individuals and organisations.

Consultative Committee

As well as research and writing initial consultation has also been carried out with a small group of experts composed of judges from the County and Supreme Courts and defence and prosecution barristers. More consultations will be held once the Consultation Paper is released.

Geoff Eames QC

In February 2008 retired Supreme Court Judge Geoff Eames QC was appointed to the commission to work as a consultant on the juries reference. Having written and spoken extensively about the need to clarify judges' directions to juries, and led the Australian Institute of Judicial Administration's project on jury directions, his advice to the commission has been invaluable in developing options and writing the Consultation Paper.

Juries Division

In March 2008 a division of the commission was formed to look at the directions to juries reference. Members of the division are: Justice David Harper, Judge Felicity Hampel, Judge Iain Ross and Professor Neil Rees.

Staffing

Angela Langan contributed to the project in its early stages as joint Team Leader with Siobhan McCann, who has since worked as team leader. Tanaya Roy and Rupert Watters joined the commission to work on the project as Policy and Research Officers in March 2008. Intern Minh Le also contributed research assistance to the project.



Reference: Bail Act

On October 10 2007 the commission's *Review of the Bail Act: Final Report* was launched at Parliament House by Parliamentary Secretary for Justice Brian Tee, marking the end of a project that involved extensive research and almost 70 consultations.

Final Report

With drafting completed late last year the report was finalised and produced early in the year. A plain English summary of the report was also released to help explain the commission's process and recommendations.

The report contained 157 recommendations aimed up updating the 30-year-old Bail Act to reflect current practice and promote community understanding of how the bail system works. After research, consultation and review of 49 submissions the commission recommended that The *Bail Act 1977* be repealed and replaced with a new Act and regulations.

The report also recommended that this new act be rewritten in plain English so that it can be easily understood by those it impacts on: victims, the accused and lay decision makers.

The report's recommendations also covered major changes to the functioning of the Bail Act, such as the removal of the reverse onus test and greater consideration of the victims of crime.

Staffing

As Team Leader Angela Langan was involved in the finalisation of the report. Communications Manager Alison Hetherington edited the final report and organised production.



Reference:

Surveillance in Public Places

Work has continued on the second stage of the commission's privacy reference on surveillance in public places.

Surveillance in public places is, by definition, something that affects us all. At one time or another everyone has had their image or voice captured while in a shopping centre, street or at a sporting event.

For this reason the commission has cast a wide net to formulate a Consultation Paper that is broadly accessible. This paper will be published in the later half of 2008.

Community engagement

In 2007–08 the commission publicised the reference to engage the community in the topic.

In October 2007 a brochure was produced and distributed through public libraries and legal centres, to encourage members of the public to submit their thoughts about surveillance in public places to the commission.

In early 2008 the commission produced a publication specifically for legal studies teachers in Victorian secondary schools to use as a classroom resource. The paper set out a series of questions for students that was designed to get them thinking about their rights to privacy and encourage them to submit their views to the commission.

During Law Week 2008 the commission held a forum for secondary school students which drew on popular culture references to illustrate the use of surveillance in society.

This commission's public engagement work builds on the initial scoping and roundtable phase of the project which gave the commission and understanding of the use of surveillance in Victoria, nationally and internationally.

Technological advances

Surveillance does not have to involve the use of technology but for the most part, surveillance and technology are inseparable.

The emergence of web-based surveillance tools such as Google-earth and the inclusion of cameras as standard features on mobile phones have prompted further research. Rapid advancements in electronic surveillance devices and increased availability of small and inexpensive equipment make it challenging for law reform bodies to report on the status quo. It is equally challenging to formulate legislative or regulatory changes that remain relevant over time.

Notwithstanding these challenges, the commission has made significant progress on the reference over the last twelve months. A Consultation Paper is near completion and sets out a range of potential options for reform. Following publication, the commission will conduct further consultations and seek feedback on reform options that will be incorporated in a final report.

Final ALRC report on privacy

At the end of the 2007–08 year, the Australia Law Reform Commission was finalising its wide ranging and comprehensive review on privacy.

The commission is required to have regard to similar endeavours in other jurisdictions that may impact on Victoria. The commission will digest the ALRC's report and identify any issues that may be relevant to our enquiries and for the Consultation Paper.

Staff

Priya SaratChandran continued working on the reference and was joined by new team member Lara Rabiee in late 2007. In addition, the commission appointed privacy specialist, Associate Professor Moira Paterson from Monash University, as a consultant on the project.



Community Law Reform

The Victorian Law Reform Commission Act allows the commission to make recommendations on minor legal issues of general community concern or suggest to the Attorney-General that he or she refer a law reform project to the commission.

Spotlight on Community Law Reform

Apart from making submissions to projects the commission receives from the Attorney-General, the community can suggest ideas for law reform projects. If the project involves a relatively minor change to the law the commission may be able to turn the suggestion in a Community Law Reform project.

The aim of the Community Law Reform program is to improve accessibility for people and communities who are not usually involved in law reform but who have good ideas about how the law could be improved.

To assist this process the commission appointed a Community Law Reform manager dedicated to raising awareness in the community about the role Victorians can play in the law reform process.

The commission also re-vamped the Community Law section of the website to include selection criteria and an online suggestion form aimed to help individuals or groups make a suggestion. All suggestions are considered and assessed against these criteria.

Community Law Reform Division

Late last year the Community Law Reform program was given a further boost by the formation of the Community Law Reform division of the commission. The division comprises Professor Neil Rees, Judge Felicity Hampel and Paris Aristotle. The division has met twice and made valuable contributions to the assistance animal project and looked at suggestions for Community Law Reform.

Criteria for Community Suggestions

Generally we can only complete one or two projects a year and in deciding whether to undertake a Community Law Reform project the commission considers:

- The area in which the law applies—the commission can only make recommendations about state laws.
- The scope of the Community Law Reform project—including the complexity of the legal issues raised, the amount of research required, and the amount of legal change that may be needed. The commission can only do Community Law Reform projects that deal with relatively small changes to the law.
- The amount of community consultation that will be needed to fully consider the issue—complex and controversial subjects or areas of law that do not have strong community consensus will generally not fit within Community Law Reform projects. These types of issues require significant consultation and public debate to resolve. This is better suited to a government initiated reference or inquiry.
- The law reform proposal's likely public benefit—the commission is interested in projects that will fix problems with the law that affect a significant proportion of the population or address problems faced by significantly disadvantaged members of the community.
- The prospects of success for the reform proposal—Community Law Reform projects must provide a simple, effective solution to an anomaly, inequity or gap in the law.

Assistance Animals: Consultation Paper

This year the commission has been working on a Community Law Reform project about the laws governing assistance animals for people with disabilities.

A Consultation Paper on assistance animals including draft proposals was completed in June 2008.

The commission received a request from the Victorian Equal Opportunity and Human Rights Commission (VEOHRC) to examine the law in Victoria as it relates to people with disabilities who rely on assistance animals.

In Victoria, there is no single law that deals comprehensively with assistance animals. There are four different Victorian Acts and 13 regulations containing provisions that apply to assistance animal partnerships.

In addition, there are Commonwealth laws that operate alongside Victorian laws and establish concurrent rights for all people with disabilities using assistance animals, regardless of the type of disability or assistance animal.

The Consultation Paper looks at the current legal and regulatory framework in Victoria and other Australian jurisdictions, as well as industry practice by those organisations which provide training and other services for assistance animals.

We provide a series of draft proposals and seek feedback on these through submissions. In devising draft proposals the commission has four main aims:

- to clarify and rationalise the legal right of a person with a disability to use a trained assistance animal throughout his or her daily life
- to give greater operational effect to this legal right than currently exists by establishing the framework for an administrative system which would permit a person with a disability to easily establish that he/she was accompanied by a trained assistance animal

- to promote community understanding of the fact that people with a disability who have a trained assistance animal are entitled to be accompanied by the animal throughout their daily lives
- to provide certainty for business and the community in relation to health, safety and hygiene issues associated with the use of assistance animals.

Following release of the Consultation Paper the commission will meet businesses, employers, service providers, transport operators, assistance animal training organisations, disability groups, local government, state government departments and statutory agencies to obtain feedback on our draft proposals. Information from submissions and consultations will be integrated into a Final Report to be provided to the Attorney-General in late 2008.

The report will be made available in a range of accessible formats.

Staff

Michelle Burrell was appointed as Community Law Reform Manager in 2008 and is assisted by Project Officer Simone Marrocco. Intern Dahni Houseman contributed to the assistance animals project from June to August 2008.



Implementation report

Family Violence

In May 2008 the Attorney-General introduced the Family Violence Protection Bill to replace the 21-year-old Crimes (Family Violence) Act. This followed the commission's recommendation to create a stand-alone Act that would provide a targeted and cohesive response to family violence.

The commission's final report on family violence included 153 recommendations, many of which are in the new legislation including:

- defining family violence to include economic and emotional abuse, as well as other types of threatening and controlling behaviour, for the purpose of seeking intervention orders
- broadening the definition of 'family member' to cover contemporary families and include carers of persons with a disability in 'family-like' relationships

Evidence

In 2006 the commission, together with the Australian Law Reform Commission and the New South Wales Law Reform Commission, presented their final report on the operation of the Uniform Evidence Act (UEA). In that year the commission also reported to the Attorney-General on the action required to implement the UEA in Victoria. The commission's Implementation Report set out necessary amendments to Victorian legislation, including the repeal or relocation of provisions, as well as education, lead-in time and other matters to be addressed before commencement.

In June 2008 the Victorian government introduced the Evidence Bill (the Bill) to bring Victoria into line with uniform evidence laws across Australia. An additional bill repealing most of the *Victorian Evidence Act 1958* is expected to pass later this year. Some of the areas where the Bill represents major changes to Victorian evidence law include unfavourable witnesses, hearsay, admissions, the privilege against self-incrimination and warnings.

Assisted Reproductive Technology and Adoption

In December 2008 the government committed to updating and improving the laws governing Assisted Reproductive Technology in line with the commission's *ART and Adoption: Final Report*, completed in March 2007. The government said it would implement almost all of the commission's recommendations concerning ART and surrogacy, while it referred the commission's recommendations about adoption to the Ministerial Council of Community Services Ministers for further consideration.

ART and surrogacy reforms were also included in the Victorian Government's Statement of Intention in February 2008.

Bail

Following the release of the *Review of the Bail Act: Final Report* in October 2007, the government has said its response to the report will be guided by the principles of promoting community safety and upholding the rights of victims, whilst preserving the rights of the accused who are presumed to be innocent.



Education and Outreach

This year the commission has continued its education and outreach activities in line with our objectives to engage the community in the law reform process and promote the role of law reform.

Students

This year the commission has continued to engage with students at a secondary and tertiary level to publicise the work of the commission and encourage community involvement.

As an issue highly relevant to young people engagement with high school students this year focussed on the Surveillance in Public Places reference.

In November 2007 a set of teachers' notes about the surveillance reference were produced and distributed to legal studies teachers throughout the state. The notes explained the reference and encouraged teachers to get their students to make submissions.

Teachers who covered the material were also provided with the *Law Reform in Action* booklet and student materials about past references.

Intern Program

The commission has continued to participate in the Victoria Law Foundation's intern program. The program places law students with an interest in research and legal policy and community legal education in public sector and community organisations. The commission also had a representative on the selection panel.

The past year has seen six interns pass through the commission. Katherine Kennedy and Sarah Zeleznikow worked on a review of discovery of documents in Australian and international jurisdictions as part of the Civil Justice project.

Education and Outreach Continued

Sophie Klopper contributed to the early stages of the abortion reference and completed some initial scoping research for the juries project. Diana Costaras provided research assistance to the Surveillance in Public Places reference.

Dahni Houseman was placed on the assistance animals Community Law Reform project and assisted in organising community consultations. Minh Le worked on the juries project and in particular has conducted research into the right to a fair trial.

Publications

The commission has completed five publications this year. *The Review of the Bail Act: Final Report* was completed early in the year, to be followed by the *Law of Abortion: Information Paper*, *Law of Abortion: Final Report*, the *Civil Justice Review: Report* and the *Assistance Animals: Consultation Paper*.

All publications are provided to the public at no cost, in hard copy and PDF via our website. The *Assistance Animals: Consultation Paper* will be provided in additional accessible formats.

Website

In early 2008 the commission launched a comprehensively redesigned and updated website. While the website has a new look it also contains a wealth of information for legal practitioners, journalists, students, researchers and members of the public. The functionality and accessibility of the website has also been improved. New features include:

- media releases, journal articles, major speeches and all publications can now be accessed online
- submissions to current projects and suggestion for Community Law Reform projects can now be made via online forms
- a new links section provides a gateway to government, law reform and legal agencies both in Australia and internationally
- the website has an effective search function and reaches AA standard accessibility according to the World Wide Web Consortium (W3C) and is regularly updated.

In the News

The commission's work on the Law of Abortion received substantial amount of coverage on radio, television and in print this year, both when the commission received the reference and when the final report was tabled in parliament.

The launch of the *Civil Justice Review: Report* also attracted media attention in major newspapers. Commission staff have also spoken about commission projects on community radio.

Journalists were assisted with their enquires and media releases were issued to announce the release of publications or major news.

The commission continued to contribute to the *Law Institute Journal* covering the commission's work on a variety of issues throughout the year.

Speaking Engagements

Commissioners and commission staff spoke regularly about the work of the commission in a variety of forums this year. In the past year, we have done over 35 presentations on law reform processes and current and past references. We have spoken to a range of organisations from schools to professional bodies.

The commission has also presented at a variety of conferences including the Supreme Court Judges Conference, Federation of Community Legal Centres state conference, Mental Health Review Board of Victoria's 20th anniversary conference and the 25th anniversary conference of the Public Interest Advocacy Centre.



Disclosures

Audit committee membership and role

The audit committee consists of the following members:

- Anthony Phillips, Chairperson
- Neil Rees
- John Bafit

The main responsibilities of the audit committee are to:

- review and report independently to the commission on the annual report and all other financial information published by the commission
- assist the commission in reviewing the effectiveness of the Department's internal control environment covering:
 - effectiveness and efficiency of operations
 - reliability of financial reporting
 - compliance with applicable laws and regulations.
- determine the scope of the internal audit function and ensure that its resources are adequate and used effectively, including coordination with the external auditors
- oversee the effective operation of the risk management framework.

Human Resource Management

The commission is bound by the code of conduct for the Victorian public sector, which contains principles of appointment on merit, fair and reasonable treatment, equal employment opportunity and protection from discrimination, harassment and bullying.

The commission actively promotes safe work practices, career development and a friendly, non-discriminatory workplace. The organisation provides flexibility in the workplace that will enhance productivity as well as assist staff to balance work with family and personal responsibilities.

The commission is committed to applying merit and equity principles when appointing staff. The selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria without discrimination.

Staff Development and Training

The commission strongly supports staff in their pursuit of professional development through training and further studies. Several members of staff are undertaking undergraduate and postgraduate studies. During 2007–08, staff attended

courses, workshops and conferences to develop their professional skills and knowledge in areas of relevance to their work and careers. The commission also developed a program of in-house staff seminars to discuss issues relevant to the commission's work. The seminars are conducted by staff and speakers from external agencies.

Occupational Health and Safety

The commission has continued its commitment to OH&S compliance as well as general staff health and wellbeing during the financial year with a number of key initiatives:

- Eight staff members took advantage of the subsidised influenza immunisation program organised by the Department of Justice.
- Twelve staff members received ergonomic assessments of their work spaces by qualified professionals.
- Three staff members undertook training as fire wardens and all staff participated in fire drill evacuation exercises.
- Four staff members undertook training as first aid officers.

Disclosures Continued

Industrial Relations

During 2007–08, commission staff have been employed under the terms of the Victorian Public Service Agreements 2006. The commission has a cooperative relationship with the union representing the interests of staff, the Community and Public Sector Union. No time was lost during the year through industrial disputes or accidents.

Diversity reporting

Following changes introduced by *Multicultural Victoria Act 2004*, the Premier's Circular 2006/01 requires a whole of government reporting approach for departments and agencies with an involvement in:

- culturally and linguistically diverse (CALD) communities
- women
- young people
- Indigenous communities.

The commission has a commitment to engaging with the Victorian community in an inclusive manner. Law reform projects involve consultation strategies aimed at enhancing the participation of people from all communities.

Culturally and Linguistically Diverse Communities

During 2007–08, the commission continued to build and strengthen relationships with culturally and linguistically diverse communities through the following initiatives:

- The *Civil Justice review* researched, consulted on and made recommendations regarding the promotion of access and equity throughout the civil justice system. In particular, the review made recommendations for the provision of effective interpreting and translating services throughout the civil jurisdiction, including the establishment of an interpreting fund.
- The commission developed a new Community Law Reform strategy which includes a commitment to CALD participation in consultation undertaken by commission. The community law reform strategy has

re-emphasised the commission's commitment to inclusive law reform through better engagement with people and groups not traditionally involved in law reform.

- The commission's *Changing the Law* brochure provides information about the law reform process and how to participate in consultations. It is available in 11 community languages: Arabic, Cantonese, Croatian, Greek, Italian, Macedonian, Mandarin, Spanish, Somali, Turkish and Vietnamese in hard copy and on the homepage of our website. People and communities are better informed and able to participate in law reform.

Women

Abortion is a significant legal and health issue for women in Victoria.

By researching, consulting on and developing workable options for the reform of the law of abortion the commission contributed to the following policy outcomes:

- modernising and clarifying the law of abortion
- removing the stigma associated with abortion being a criminal offence
- promoting reproductive health through the alignment of legal principles and clinical practice (safe, legal abortion)
- promoting effective decision making and certainty in the law.

The community consultation associated with the abortion reference was evaluated against quantitative and qualitative measures including:

- number of submissions
- number and range of stakeholders engaged in consultation meetings with commission
- feedback from stakeholders on final report (positive).

During the consultation phase, 519 submissions were received and 36 consultation meetings held. The report of the commission, including options for legislative reform was delivered in March 2008 and tabled in Parliament in May 2008.

Young people

In 2007–08 the commission consulted on and developed a new Community Law Reform strategy. The strategy was directly informed by consultation with key youth organisations including YacVic and Youthlaw.

The commission has a strong commitment to youth participation in consultation. In 2007–08 various youth peak bodies, and young people themselves, took part in consultation across all the commission's references. These included consultation meetings on surveillance in public places and the law of abortion.

Young people were also a focus of our community education activities. In Law Week the commission ran a schools event focusing on surveillance in public places. We also prepared school curriculum support notes on surveillance in public places for distribution throughout schools in Victoria.

Indigenous communities

The commission's commitment to engaging with indigenous communities continued this year. Specific activities included consulting the Victorian Aboriginal Legal Service in the development of the commission's Community Law Reform Strategy. A substantial number of the recommendations in the commission's *Review of the Bail Act: Final Report* referred to changes that can be made to target specific issues arising out of Indigenous communities' interaction with the bail system.

Other Disclosures

As a statutory authority, the commission is required to comply with a number of Acts and regulations.

Freedom of Information

The *Freedom of Information Act 1982* allows the public the right to access documents held by the commission. The commission did not receive any applications from members of the public for the 12 months ending 30 June 2008.

Compliance with *Building Act 1993*

The commission does not own or control any government buildings and is exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993*.

Whistleblowers

The *Whistleblowers Protection Act 2001* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The commission does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment. The commission will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure.

For the 12 months ending 30 June 2008, the commission did not receive any disclosures.

Reporting procedures

Disclosures of improper conduct or detrimental action by the commission or its employees may be made to the following officers:

Protected Disclosure Coordinator
(Department of Justice)
Colin Brown
Director, Human Resources
Phone: (03)8684 0031

Protected Disclosure Officers

Cynthia Marwood
Legal Policy Officer, Civil Law Policy
(Department of Justice)
Phone: (03) 8684 0846

Ms Kathy Karlevski
Operations Manager
(Victorian Law Reform Commission)
Phone: (03) 8619 8630

Alternatively, disclosures of improper conduct or detrimental action by the commission or its employees may also be made directly to:

The Ombudsman Victoria
Level 9, 459 Collins Street (North Tower)
Melbourne VIC 3000
Telephone: (03) 9613 6222
Toll free: 1800 806 314
Internet: www.ombudsman.vic.gov.au
Email: ombudvic@ombudsman.vic.gov.au

Additional information available on request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by the commission and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

- (a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers of the commission;
- (b) details of shares held by senior officers as nominee or held beneficially in a statutory authority or subsidiary;
- (c) details of publications produced by the commission about the activities of the commission and where they can be obtained;
- (d) details of any other research and development activities undertaken by the commission that are not otherwise covered either in a document which contains the financial report or report of operations;

- (e) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- (f) details of major promotional, public relations and marketing activities undertaken by the commission to develop community awareness of the services provided by the commission; and
- (g) details of assessments and measures undertaken to improve the occupational health and safety of employees, not otherwise detailed in the annual report.

The information is available on request from the:

Operations Manager
Phone: (03) 8619 8630

Attestation on compliance with the Australian/New Zealand Risk Management Standard

We certify that the Victorian Law Reform Commission has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard (or equivalent designated standard) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The audit committee verifies this assurance and that the risk profile of the commission has been critically reviewed within the last 12 months.



Padma Raman
Accountable Officer

Victorian Law Reform Commission
17 September 2008



Anthony Phillips
Chairperson

Audit Committee
17 September 2008



Financial Report

For the Financial year ended 30 June 2008

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Operating statement

for the financial year ended 30 June 2008

	Note	2008 \$	2007 \$
Continuing Operations			
INCOME			
Revenue			
Output Appropriations - Department of Justice	2	948,525	957,648
Other Income - Legal Services Board	2	1,640,000	1,600,000
Interest received on Trust Account funds	2	31,466	20,767
Total income		2,619,992	2,578,414
EXPENSES			
Employee benefits	3(a)	(1,789,446)	(1,717,727)
Depreciation and amortisation	3(b)	(15,613)	(95,392)
Printing, stationery & other expenses	3(c)	(243,294)	(211,086)
Communication	3(d)	(88,639)	(94,428)
Contractors and professional services	3(e)	(159,612)	(59,121)
Finance costs	3(f)	(1,845)	(2,515)
Other expenses from ordinary activities	3(g)	(171,066)	(158,450)
Total expenses		(2,469,516)	(2,338,720)
Net result from continuing operations		150,475	239,694
Net result for the period		150,475	239,694

The above Operating Statement should be read in conjunction with the accompanying notes included on pages 32 to 48.

Balance sheet

as at 30 June 2008

	Note	2008 \$	2007 \$
Current assets			
Cash and cash equivalents	12	400	400
Receivables	5, 16	1,398,118	1,194,143
Other	5	36,300	0
Total current assets		1,434,818	1,194,543
Non-current assets			
Plant and equipment	8	55,737	71,350
Receivables	5, 16	50,036	57,926
Total non-current assets		105,773	129,276
Total assets		1,540,591	1,323,819
Current liabilities			
Payables	6, 16	120,121	76,601
Interest bearing liabilities	11	24,213	7,639
Employee benefits	14(a)	151,164	112,859
Total current liabilities		295,498	197,099
Non-current liabilities			
Employee benefits	14(a)	50,036	57,926
Interest bearing liabilities	11	0	24,213
Total non-current liabilities		50,036	82,139
Total liabilities		345,534	279,238
Net assets		1,195,057	1,044,581
Equity			
Contributed capital	13(a)	473,377	473,377
Accumulated surplus	13(b)	721,680	571,204
Total equity	13(c)	1,195,057	1,044,581
Commitments for expenditure	9		
Contingent liabilities and contingent assets	10		

The above balance sheet should be read in conjunction with the accompanying notes included on pages 32 to 48.

Statement of changes in equity

for the financial year ended 30 June 2008

	Note	2008 \$	2007 \$
Total Equity at the beginning of the year	13(c)	1,044,581	847,743
Net result for the period		150,475	239,694
Total recognised income and expense for the period		150,475	239,694
Transactions with the State in its capacity as owner	13(a)	0	(1,107)
Effects of changes in accounting policy	13(b)	0	(41,749)
Total Equity at the end of the Year		1,195,056	1,044,581

The above statement of changes in equity should be read in conjunction with the accompanying notes included on pages 32 to 48.

Cash flow statement

for the financial year ended 30 June 2008

	Note	2008 \$	2007 \$
Cash flows from operating activities			
Receipts			
Receipts from the Department of Justice		752,441	643,966
Receipts from Legal Services Board		1,640,000	1,600,000
Interest received		31,466	20,767
Total receipts		2,423,907	2,264,733
Payments			
Payments to suppliers and employees		(2,416,268)	(2,210,774)
Total payments		(2,416,268)	(2,210,774)
Net cash flows from / (used in) operating activities	12(b)	7,638	53,959
Cash flows from investing activities			
Payments for plant and equipment		0	(27,124)
Net cash flow from / (used in) investing activities		0	(27,124)
Cash flows from financing activities			
Repayment of finance leases		(7,638)	(26,835)
Net cash flows from / (used in) financing activities		(7,638)	(26,835)
Net increase / (decrease) in cash and cash equivalents		0	0
Cash and cash equivalents at the beginning of the financial year		400	400
Cash and cash equivalents at the end of the financial year	12(a)	400	400

The above cash flow statement should be read in conjunction with the accompanying notes included on pages 32 to 48.

Notes to the financial statements

30 June 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, applicable *Australian Accounting Standards (AAS)*, which includes the Australian accounting standards issued by the Australian Accounting Standards Board (AASB), Interpretations and other mandatory professional requirements.

The financial report also complies with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance, and relevant Standing Directions (SD) authorised by the Minister for Finance.

(b) Basis of preparation

The financial report has been prepared on a historical cost basis, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of AASs, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2008 and the comparative information presented for the year ended 30 June 2007.

(c) Reporting Entity

The financial report covers the Victorian Law Reform Commission as an individual reporting entity.

The Victorian Law Reform Commission was proclaimed on 6 April 2001. The entity was incorporated under the *Victorian Law Reform Commission Act 2000 Act No. 44/2000*. The powers and function of the Commission are set out in section 4 of the Act. The Commission reports directly to the Attorney-General on matters relating to references and reports to the Deputy Secretary on all operational and administrative matters.

Its principal address is:

Victorian Law Reform Commission
10/10-16 Queen St
MELBOURNE VIC 3000

The financial report includes the controlled activities of the Commission.

(d) Objectives and funding

The Commission's objectives are to provide the Attorney-General and Parliament with high quality, timely, responsive and effective advice on law reform which is independent of government agencies and of the political process.

The Commission is funded by accrual-based parliamentary appropriations for the provision of outputs and amounts paid to it under Section 6.7.10(1A) of the *Legal Profession Act 2004*. The appropriation amount includes funding for discretionary items, such as amortisation and depreciation.

(e) Output of the Commission

The Commission undertakes legal and empirical research and provides policy advice to the Victorian Government on law reform issues referred to the Commission by the Attorney-General, undertakes research and makes recommendations on minor law reform issues raised in community consultations or suggested by the judiciary, the legal profession or community legal centres, and implements proposals through new or amending legislation and administrative reform.

No separate output statement has been prepared as the Commission has only one output group and the operating statement effectively provides the relevant information.

(f) Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Commission and other parties, the transactions are only recognised when the agreement is irrevocable at or before balance date. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the balance date and the date the statements are authorised for issue where the events relate to condition which arose after the reporting date and which may have a material impact on the results of subsequent years.

Notes to the financial statements

30 June 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated exclusive of the amount of GST receivable or payable. The Department of Justice manages the GST transactions on behalf of the Commission and the net amount of GST recoverable from or payable to the taxation authority is recognised in the Department of Justice's financial statements.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(h) Income recognition

Income received by the Commission is required to be paid into either the Consolidated Fund or the Trust Fund.

Income becomes controlled by the Commission when it is granted by the Department of Justice. Additionally, the amounts paid to it under Section 6.7.10(1A) of the *Legal Profession Act 2004* become controlled when the Commission deposits the monies into the Trust Fund.

Other revenue

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

The Attorney-General directed the Commission be allocated funds from the Law Reform and Research Account. These non public monies are held by the Legal Services Board until they are deposited in the Victorian Law Reform Commission's Trust account.

The Department of Treasury and Finance, in establishing the trust fund, stipulated *"the trust fund amounts and appropriation amounts must be used equally to meet the operating and capital expenses of the VLRC i.e. the appropriation funds are not to be exhausted in the first instance to allow the VLRC to accumulate investment income from Trust Funds."* The Department of Justice monitors the equal use of the trust funds and appropriation amounts for operating and capital expenditure of the Commission.

Interest revenue

Interest revenue includes interest received on bank term deposits, interest from investments, and other interest received. Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(i) Expenses

Employee benefits

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions. These are recognised when incurred, except for contributions in respect of defined benefit plans.

Superannuation

Defined benefit plans

The amount charged to the operating statement in respect of defined benefit superannuation plans represents the contributions made by the Commission to the superannuation plan in respect to the current services of current Commission staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

The Department of Treasury and Finance centrally recognises the defined benefit liability or surplus of most Victorian government employees in such funds.

The amount charged to the operating statement in respect of defined benefit superannuation plans represents the accrual of benefits during the reporting period. Note 17 provides further details.

Depreciation

Depreciation is provided on plant and equipment. Depreciation is generally calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. Note 8 provides details on the estimated useful lives that are used in the calculation of depreciation on plant and equipment.

Finance costs

Finance costs are recognised as expenses in the period in which they are incurred and include:

- finance lease charges.

Notes to the financial statements

30 June 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of assets

Goodwill and intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment (i.e. as to whether their carrying value exceeds their recoverable amount, and so require write-downs) and whenever there is an indication that the asset may be impaired.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the operating statement except to the extent that the write down can be debited to an asset revaluation reserve amount applicable to that class of asset.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

(j) Assets

All non current assets controlled by the Commission are reported in the balance sheet.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand.

For the cash flow statement presentation purposes, cash and cash equivalents includes cash on hand.

Receivables

Receivables consist predominantly of debtors in relation to goods and services and accrued investment income.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any accumulated impairment.

Plant and equipment

Equipment and vehicles are measured at cost less accumulated depreciation and impairment.

Leases

Leases of plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Commission as lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the lease vehicle or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum lease payments are allocated between the principal component of the lease liability, and the interest expense calculated using the interest rate implicit in the lease, and charged directly to the operating statement. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

Operating lease payments, including any contingent rentals, are recognised as an expense in the operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

(k) Liabilities

Payables

Payables consist predominantly of creditors and other sundry liabilities.

Payables are carried at amortised cost and represent liabilities for goods and services (excluding GST) provided to the Commission prior to the end of financial year that are unpaid, and arise when the Commission becomes obliged to make future payments in respect of the purchase of these goods and services. Fair value is determined in the manner described in Note 16.

Interest bearing liabilities

Interest bearing liabilities are recorded initially at fair value, net of transaction costs.

Subsequent to initial recognition, interest bearing liabilities are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability using the effective interest rate method. Fair value is determined in the manner described in Note 16.

Provisions

Provisions are recognised when the Commission has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

Notes to the financial statements

30 June 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

(ii) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits

- *Current liability – unconditional LSL* is disclosed as a current liability even where the Commission does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- present value – component that the Commission does not expect to settle within 12 months; and
- nominal value – component that the Commission expects to settle within 12 months
- *Non-current liability – conditional LSL* is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

(iii) Employee benefits on-costs

Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and LSL accrued while on LSL taken in service) are recognised separately from the provision for employee benefits.

(l) Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value.

(m) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

(n) Equity

Contributions by owners

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners.

(o) Foreign currency

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction.

(p) Functional and presentation currency

The functional currency of the Commission is the Australian dollar which has also been identified as the presentation currency of the Commission.

(q) Rounding of amounts

Amounts in the financial report have been rounded to the nearest dollar, unless otherwise stated.

(r) Change in accounting policy

On 1 July 2007, the Commission changed its accounting policy in relation to its asset capitalisation threshold increasing it from \$1,000 to \$5,000. Implementing this policy will provide operational efficiencies and increased budget flexibility.

The change in policy has been applied retrospectively and comparative information in relation to the 2007 financial year has been restated accordingly. Due to the immaterial impact on depreciation expense, disclosed in the operating statement, no retrospective changes have been applied to the affected operating statement line item but the total balance has been adjusted to accumulated surplus.

The following table shows how the change in the asset capitalisation threshold impacted comparative balances:

Notes to the financial statements

30 June 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Change in accounting policy (continued)

	30 June 2007 \$	Increase/ (Decrease) \$	2007 Restated \$
Balance sheet (extract)			
Plant & Equipment	113,099	(41,749)	71,350
Total Assets	113,099	(41,749)	71,350
Accumulated surplus/(deficit)	612,953	(41,749)	571,204
Total Equity	612,953	(41,749)	571,204

(s) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2008 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises departments and other entities of their applicability and early adoption where applicable.

As at 30 June 2008, the following standards and interpretations had been issued but were not mandatory for financial year ending 30 June 2008. The Department has not, and does not intend to, adopt these standards early.

<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on departmental financial statements</i>
AASB 2007-3 <i>Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038]</i>	An accompanying amending standard, also introduced consequential amendments into other Standards.	Beginning 1 Jan 2009	Impact expected to be insignificant.
AASB 2007-8 <i>Amendments to Australian Accounting Standards arising from AASB 101</i>	Editorial amendments to Australian Accounting Standards to align with IFRS terminology.	Beginning 1 Jan 2009	Impact expected to be insignificant.

(t) Prospective accounting changes

GAAP-GFS Convergence

The AASB has recently approved AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, which will apply to future financial reports of the Victorian general government sector. In October 2007, the AASB extended AASB 1049 to also apply to financial reports of the Whole of Government economic entity. The standard, which will be applicable for annual reporting periods beginning on or after 1 July 2008, converges Australian Generally Accepted Accounting Principles (GAAP) and Government Finance Statistics (GFS) reporting. It also includes additional disclosure requirements. The effect of any changes to recognition or measurement requirements as a result of this new standard is being evaluated.

Notes to the financial statements

30 June 2008

	2008 \$	2007 \$
NOTE 2. INCOME		
Output Appropriations - Department of Justice	948,525	957,648
Other Income - Legal Services Board	1,640,000	1,600,000
Interest received on Trust Account funds	31,466	20,767
Total income from continuing operations	2,619,992	2,578,414
NOTE 3. EXPENSES		
(a) Employee benefits		
Direct costs		
Salaries, wages and overtime	(1,372,534)	(1,296,222)
Sick leave, annual leave and long service leave	(146,511)	(176,706)
Superannuation (Refer Note 17)	(131,426)	(98,138)
Related on-costs		
Payroll tax	(83,554)	(79,439)
Staff training	(30,736)	(43,824)
Workcover	(6,888)	(8,033)
Fringe benefits tax	(17,797)	(15,364)
	(1,789,446)	(1,717,727)
(b) Depreciation and amortisation		
Depreciation of plant and equipment	(8,027)	(29,103)
Amortisation of leasehold improvements	(7,586)	(66,289)
	(15,613)	(95,392)
(c) Printing, stationery & other office		
Stationery, consumables and supplies	(19,356)	(14,978)
External printing	(117,739)	(64,183)
Books, acts, newspapers, journals	(19,004)	(17,925)
Advertising	(11,279)	(2,995)
Office equipment costs and maintenance	(12,310)	(25,807)
Legal subscriptions	(40,572)	(59,342)
Tram, train and taxi fares and other local travel	(4,203)	(3,512)
Airfares	(7,813)	(8,781)
Functions, meetings	(8,602)	(743)
Accommodation and travel	(2,416)	(12,820)
	(243,294)	(211,086)
(d) Communication		
Couriers	(13,683)	(10,555)
Electronic communication charge	(17,657)	(29,313)
Postage	(17,147)	(16,325)
Cabling, software and computer maintenance	(40,152)	(38,234)
	(88,639)	(94,428)

Notes to the financial statements

30 June 2008

	2008 \$	2007 \$
NOTE 3. EXPENSES (CONTINUED)		
(e) Contractor and professional services		
Professional fees	(159,612)	(58,890)
Police/Hospital Records Search	0	(231)
	(159,612)	(59,121)
(f) Finance costs		
Finance lease interest	(1,845)	(2,325)
Other finance costs	0	(190)
	(1,845)	(2,515)
(g) Other operating expenses		
Rent and associated services	(156,353)	(149,452)
Motor vehicle costs net of reimbursements	3,928	2,267
Electricity	(5,323)	(5,030)
Repairs and maintenance - Furniture and fittings	(13,317)	(4,128)
Motor vehicle disposal costs	0	(2,107)
	(171,066)	(158,450)
Total Expenses	(2,469,516)	(2,338,719)
NOTE 4. REMUNERATION OF AUDITORS		
Victorian Auditor-General's Office		
Audit or review of the financial report	(14,040)	(13,000)
	(14,040)	(13,000)
NOTE 5. RECEIVABLES		
Current receivables		
Amount owing from Department of Justice	1,398,118	1,194,143
Other	36,300	0
Non-current receivables		
Amount owing from Department of Justice	50,036	57,926
	1,484,454	1,252,069
NOTE 6. PAYABLES		
Current		
Amounts Payable to trade creditors	79,322	47,694
Other creditors	6,144	3,858
Accrued Salaries	34,655	25,049
	120,121	76,601
(a) Maturity analysis of payables		
Refer to Table 16.2 in Note 16.		
(b) Nature and extent of risk arising from payables		
Refer to Table 16.2 in Note 16.		

Notes to the financial statements

30 June 2008

	2008 \$	2007 \$
NOTE 7. LEASES		
Disclosures for lessees - operating leases		
Leasing arrangements		
Operating leases relate to accommodation rental with lease terms of 18 months, with no option to extend.		
Non-cancellable operating lease		
Within 1 year	220,823	155,874
Later than 1 year but not later than 5 years	1,120,983	38,969
Later than 5 years	0	0
	1,341,805	194,843

Disclosures for lessees - finance leases

Leasing arrangements

Finance leases relate to motor vehicles with lease terms of 33 months. The Commission does not have an option to purchase the leased asset at the expiry of the lease period.

	Minimum future lease payments ^(a)		Present value of minimum future lease payments	
	2008 \$	2007 \$	2008 \$	2007 \$
Finance lease [Note 1(j)]				
Within 1 year	25,264	9,484	24,213	7,639
Later than 1 year but not later than 5 years	0	25,264	0	24,213
Later than 5 years	0	0	0	0
Minimum lease payments	25,264	34,748	24,213	31,852
Less: future finance charges	(1,050)	(2,896)	0	0
Present value of minimum lease payments	24,213	31,852	24,213	31,852
Included in the financial statement as:				
Current interest bearing liability (Note 11)			24,213	7,639
Non-current interest bearing liability (Note 11)			0	24,213
			24,213	31,852

Note: (a) Minimum future lease payments include the aggregate of all lease payments and any guaranteed residual.

Notes to the financial statements

30 June 2008

	2008 \$	2007 \$
NOTE 8. PLANT AND EQUIPMENT		
Leasehold Improvements		
At cost	381,388	381,388
Less: accumulated depreciation	(381,388)	(381,388)
	0	0
Plant and equipment		
At cost	78,744	78,744
Less: accumulated depreciation	(46,846)	(38,819)
	31,898	39,925
Motor vehicle		
Under finance lease - at cost	39,011	39,011
Less: accumulated amortisation	(15,172)	(7,586)
	23,839	31,425
Total plant and equipment	55,737	71,350

	Leasehold improvements at cost \$	Plant & equipment at cost \$	Motor vehicle under finance lease at cost \$	Total \$
2008				
Carrying amount				
Balance at 1 July 2006	58,703	84,760	0	143,463
Additions	0	27,124	39,011	66,135
Disposals	0	(1,107)	0	(1,107)
Depreciation expense	0	(29,103)	0	(29,103)
Amortisation expense	(58,703)	0	(7,586)	(66,289)
Effects of changes in accounting policy	0	(41,749)	0	(41,749)
Balance as at 1 July 2007	0	39,925	31,425	71,350
Additions	0	0	0	0
Disposals	0	0	0	0
Depreciation expense	0	(8,027)	0	(8,027)
Amortisation expense	0	0	(7,586)	(7,587)
Balance as at 30 June 2008	0	31,898	23,839	55,737

The following estimated useful lives are used in the calculation of depreciation:

Plant and equipment	5-10 years
Motor vehicle under finance lease	3 years
Leasehold improvements	5-10 years

Notes to the financial statements

30 June 2008

NOTE 9. COMMITMENTS FOR EXPENDITURE

Capital expenditure commitments

As at 30 June 2008, the Commission had signed a *Heads of Agreement* for the lease of a new office tenancy. The lease commences on 1 July 2008 and occupation of the new premises is planned for November 2008. An Architect has been engaged to oversee the planning and fitout of the new tenancy for a fee of \$64,000. The estimated cost of the fitout, expected to be paid within 12 months, is \$897,000, based on historical fitout data obtained for the Department of Justice.

There were no commitments for capital expenditure as at 30 June 2007.

NOTE 10. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are neither contingent assets nor contingent liabilities at balance date not provided for in the Balance Sheet as at 30 June 2008 (\$Nil - 2007).

NOTE 11. INTEREST BEARING LIABILITIES

Current

Secured

At Amortised cost

Finance lease liabilities (Note 16)

2008
\$

2007
\$

24,213

7,639

24,213

7,639

Non-current

Secured

At Amortised cost

Finance lease liabilities (Note 16)

0

24,213

0

24,213

(a) Maturity analysis of interest bearing liabilities

Refer to Table 16.2 in Note 16.

(b) Nature and extent of risk arising from interest bearing liabilities

Refer to Table 16.2 in Note 16.

Notes to the financial statements

30 June 2008

	2008 \$	2007 \$
NOTE 12. NOTES TO CASH FLOW STATEMENTS		
(a) Reconciliation of cash and cash equivalents		
For the purposes of the Cash Flow Statement cash includes:		
Total cash and cash equivalents disclosed in the balance sheet		
Cash on hand	400	400
	400	400
(b) Reconciliation of net result for the period to net cash flows from operating activities		
Net result for the period	150,475	239,694
Non-cash movements:		
Depreciation and amortisation of non-current assets	15,613	95,392
Movements in assets and liabilities:		
(Increase)/decrease in current receivables	(203,975)	(301,257)
(Increase)/decrease in other current receivables	(36,300)	0
(Increase)/decrease in non-current receivables	7,890	(12,425)
(Decrease)/Increase in current payables	43,520	19,500
(Decrease)/Increase in current provisions	38,304	630
(Decrease)/Increase in non-current provisions	(7,890)	12,425
Net cash flows from/(used in) operating activities	7,638	53,959
NOTE 13. MOVEMENTS IN EQUITY		
(a) Contributed capital		
Balance at beginning of financial year	473,377	474,484
Equity transfer of Capital funds from asset disposal during the period	0	(1,107)
Balance at end of financial year	473,377	473,377
(b) Accumulated surplus		
Balance at beginning of financial year	571,204	373,259
Net result for the period	150,475	239,694
Effects of changes in accounting policy	0	(41,749)
Balance at end of the financial year	721,680	571,204
(c) Equity		
Balance at beginning of financial year	1,044,581	847,743
Net change in equity	150,475	238,587
Effects of changes in accounting policy	0	(41,749)
Balance at end of the financial year	1,195,057	1,044,581

Notes to the financial statements

30 June 2008

	2008 \$	2007 \$
NOTE 14. PROVISIONS		
Current		
Employee benefits ^(a) [Note 14(a)]		
Unconditional and expected to be settled within 12 months ^(b)	120,504	84,039
Unconditional and expected to be settled after 12 months ^(c)	4,919	8,835
	125,423	92,874
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months ^(b)	19,008	18,606
Unconditional and expected to be settled after 12 months ^(c)	6,733	1,380
Total current provisions	151,164	112,859
Non-current		
Employee benefits ^(a) [Note 14(a)]	43,481	50,281
Provisions related to employee benefit on-costs	6,555	7,645
Total non-current provisions	50,036	57,926
Total provisions	201,200	170,785
(a) Employee benefits^(a) and related on-costs		
Current employee benefits		
Annual leave entitlements	83,300	68,330
Unconditional long service leave entitlements	42,122	24,544
	125,423	92,874
Non-current employee benefits		
Conditional long service leave entitlements	43,481	50,281
Total employee benefits	168,903	143,155
Current on-cost	25,741	19,986
Non-current on-costs	6,555	7,645
Total on-costs	32,297	27,631
Total employee benefits and related on-costs	201,200	170,785

Notes: (a) Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs.

(b) The amounts disclosed are nominal amounts.

(c) The amounts disclosed are discounted to present values.

Notes to the financial statements

30 June 2008

NOTE 14. PROVISIONS (CONTINUED)

(b) Movement in provisions

	On-costs Annual Leave 2008	On-costs LSL 2008	Total 2008
Opening balance	16,308	11,327	27,635
Additional provisions recognised	12,597	2,494	15,092
Reductions arising from payments/other sacrifices of future economic benefits	(9,515)	(915)	(10,430)
Closing balance	19,391	12,906	32,297
Current	17,702	6,351	24,053
Non-current	1,688	6,555	8,244
	19,391	12,906	32,297

NOTE 15. SUBSEQUENT EVENTS

The Commission will move to new premises in the 2008-09 financial year. Refer to Note 9 for further details.

There were no material or significant events occurring after reporting date as at 30 June 2007.

NOTE 16. FINANCIAL INSTRUMENTS

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

(b) Table 16.1: Categorisation of financial instruments

	Note	Category	Carrying Amount 2008	Carrying Amount 2007
Financial assets				
Cash and cash equivalents		N/A	400	400
Receivables ^(a)	5	Loans and receivables (at amortised cost).	0	0
Financial liabilities				
Payables	6	Financial liabilities measured at amortised cost.	120,121	76,601
Interest bearing liabilities	11	Financial liabilities measured at amortised cost.	24,213	31,852

Note: (a) The amount of receivables disclosed here exclude statutory receivables (i.e. Amounts owing from Victorian Government).

Notes to the financial statements

30 June 2008

NOTE 16. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Credit risk

Credit risk arises from the financial assets of the Commission, which comprise cash and cash equivalents and receivables. The Commission's exposure to credit risk arises from the potential default of counter party on their contractual obligations resulting in financial loss to the Commission. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Commission's financial assets is minimal because the main debtor is the Department of Justice.

Provision of impairment for financial assets is calculated based on past experience, and current and expected changes in client credit ratings.

The carrying amount of financial assets recorded in the Financial Report, net of any allowances for losses, represents the Commission's maximum exposure to credit risk without taking account of the value of collateral obtained.

Financial assets that are either past due or impaired

Currently the Commission does not hold any collateral as security nor credit enhancements relating to any of its financial assets. As at the reporting date, there is no event to indicate that any of the financial assets were impaired.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

(d) Liquidity risks

Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due. The Commission operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities.

The Commission's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Maximum exposure to liquidity risk is the carrying amounts of financial liabilities in the financial report.

Refer to Table 16.2 for contractual maturity analysis for the Commission's financial liabilities.

(e) Market risk

The Commission is not exposed to market risk.

(f) Fair value

The Commission considers that the carrying amount of financial assets and liabilities recorded in the financial report to be a fair approximation of their fair values.

Table 16.2: Interest rate exposure and maturity analysis of financial liabilities

	Weighted average effective interest rate	Carrying amount	Interest rate exposure			Nominal amount	Maturity dates ^(a)			
			Fixed interest rate	Variable interest rate	Non-interest bearing		Less than 1 month	1 – 3 months	3 months – 1 year	1 – 5 years
2008	%									
Payables		120,121	0	0	120,121	120,121	120,121	0	0	0
Interest bearing liabilities:	6.5	24,213	24,213	0	0	25,264	889	1,778	22,597	0
		144,335	24,213	0	120,121	145,385	121,010	1,778	22,597	0
2007										
Payables		76,601	0	0	76,601	76,601	76,601	0	0	0
Interest bearing liabilities:	6.5	31,852	31,852	0	0	34,748	790	1,581	7,113	25,264
		108,453	31,852	0	76,601	111,349	77,391	1,581	7,113	25,264

Note: (a) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

Notes to the financial statements

30 June 2008

NOTE 17. SUPERANNUATION FUNDS

Employees of the Commission are entitled to receive superannuation benefits and the Commission contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

The Commission does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its financial report.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Operating Statement of the Commission.

Details of employee superannuation funds and contributions made by the Commission are as follows:

Fund	Paid Contribution for the Year		Contribution Outstanding at Year End	
	2008 \$	2007 \$	2008 \$	2007 \$
Victorian Superannuation Board (New Scheme)	87,705	79,975	3,067	1,418
Various other funds	40,405	16,745	249	0
	128,110	96,720	3,316	1,418

Notes: (a) The bases for contributions are determined by the various schemes.

(b) The above amounts were measured as at 30 June of each year, or in the case of employer contributions they relate to the years ended 30 June.

NOTE 18. RELATED PARTIES

The Accountable Officer is employed by the Department of Justice.

The Commission conducted business and other transactions with its portfolio department - Justice - at normal commercial terms throughout the financial year.

Other transactions

Other related transactions and loans requiring disclosure under the Directions for the Minister of Finance have been considered and there are no matters to report.

Notes to the financial statements

30 June 2008

NOTE 19. RESPONSIBLE PERSONS

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Names and remuneration

Ministers and the Department

The persons who held the positions of Minister and Secretary of the Department are as follows:

Attorney-General	The Hon. Rob Hulls, MP	1 July 2007 to 30 June 2008
Acting Attorney-General	The Hon. John Lenders, MLC	1 July 2007 to 8 July 2007
	The Hon. Bob Cameron, MP	16 January 2008 to 28 January 2008
	The Hon. Bob Cameron, MP	21 February 2008 to 26 February 2008
	The Hon. Bob Cameron, MP	29 March 2008 to 6 April 2008
Secretary to the Department of Justice	Ms Penny Armytage	1 July 2007 to 30 June 2008
Acting Secretary to the Department of Justice	Mr Ross Kennedy	20 July 2007 to 27 July 2007
	Dr Claire Noone	6 October 2007 to 25 October 2007
	Mr Ross Kennedy	21 December 2007 to 4 January 2008
	Dr Roslyn Kelleher	25 April 2008 to 9 June 2008

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet.

Remuneration received or receivable by the Secretary in connection with the management of the Department during the period is reported by the Department of Justice.

The Commission

The persons who were Responsible Persons of the Commission as stipulated in Section 19 of the *Victorian Law Reform Commission Act 2000*, for the reporting period are as follows:

Statutory Office Holder

Chairperson	Prof. Neil Rees	1 July 2007 to 30 June 2008
<i>Accountable Officer</i>		
Chief Executive Officer	Ms Padma Raman	1 July 2007 to 30 June 2008

Remuneration received or receivable by the Chairperson in connection with the management of the Commission during the reporting period was in the range:

Base: \$194,000–\$194,999. Total: \$194,000–\$194,999. (Base: \$11,900–\$11,999 Total: \$11,900–\$11,999 in 2007).

The variation in the remuneration disclosed from the previous year is due to the position being vacant except for the last month of the financial year.

Remuneration received or receivable by the Accountable Officer (CEO) in connection with the management of the Commission during the reporting period was in the range:

Base: \$145,000–\$145,999. Total: \$156,000–\$156,999. (Base: \$120,000–\$139,999 Total: \$160,000–\$169,999 in 2007).

The variation in the remuneration disclosed from the previous year is attributed to the payment of higher duties allowance until the position of Chairperson was filled.

Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Accountable officer's and chief finance and accounting officer's declaration

We certify that the attached financial report for the Commission has been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian accounting standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes forming part of the financial report, presents fairly the financial transactions during the year ended 30 June 2008 and financial position of the Commission at 30 June 2008.

We are not aware of any circumstance which would render any particulars included in the financial report to be misleading or inaccurate.

We authorise the attached financial report for issue on 17 September 2008.



Padma Raman
Accountable Officer
Victorian Law Reform Commission
Melbourne
17 September 2008



Kathy Karlevski
Chief Finance and Accounting Officer
Victorian Law Reform Commission
Melbourne
17 September 2008

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Commission Members, Victorian Law Reform Commission

The Financial Report

The accompanying financial report for the year ended 30 June 2008 of the Victorian Law Reform Commission which comprises the operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the accountable officer's and chief finance and accounting officer's declaration has been audited.

The Commission Members' Responsibility for the Financial Report

The Members of the Victorian Law Reform Commission are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to internal control relevant to the entity's preparation and fair presentation of the financial report 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 Commission Members, as well as evaluating the overall presentation of the financial report.

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

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Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report published in both the annual report and on the website of the Victorian Law Reform Commission for the year ended 30 June 2008. The Members of the Victorian Law Reform Commission are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Victorian Law Reform Commission web site.

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial report presents fairly. In all material respects, the financial position of the Victorian Law Reform Commission as at 30 June 2008 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
17 September 2008



D D R Pearson
Auditor-General

Appendix 1: Disclosure Index

The Annual Report of the Victorian Law Reform Commission is prepared in accordance with all relevant Victorian Legislation. This index has been prepared to facilitate identification of the Commission's compliance with statutory disclosure requirements.

Legislation	Requirement	Page
MINISTERIAL DIRECTIONS		
Report of Operations -- FRD guidance		
<i>Charter and purpose</i>		
FRD 22B	Manner of establishment and the relevant Ministers	32, 47
FRD 22B	Objectives, functions, powers and duties	10–11
FRD 22B	Nature and range of services provided	12–24
<i>Management and structure</i>		
FRD 22B	Organisational structure	9
<i>Financial and other information</i>		
FRD 8A	Budget portfolio outcomes	53
FRD 10	Disclosure index	51
FRD 12A	Disclosure of major contracts	–
FRD 15B	Executive officer disclosures	47
FRD 22B	Operational and budgetary objectives and performance against objectives	10, 53
FRD 22B	Employment and conduct principles	25
FRD 22B	Occupational health and safety policy	25
FRD 22B	Summary of the financial results for the year	29–30
FRD 22B	Significant changes in financial position during the year	31
FRD 22B	Major changes or factors affecting performance	–
FRD 22B	Subsequent events	44
FRD 22B	Application and operation of <i>Freedom of Information Act 1982</i>	26
FRD 22B	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	27
FRD 22B	Statement on National Competition Policy	–
FRD 22B	Application and operation of the <i>Whistleblowers Protection Act 2001</i>	27
FRD 22B	Details of consultancies over \$100 000	–
FRD 22B	Details of consultancies under \$100 000	–
FRD 22B	Statement of availability of other information	27
FRD 24B	Reporting of office-based environmental impacts	54
FRD 25	Victorian Industry Participation Policy disclosures	–
FRD 29	Workforce Data disclosures	–

Appendix 1: Disclosure Index (continued)

Legislation	Requirement	Page
FINANCIAL REPORT		
<i>Financial statements required under Part 7 of the FMA</i>		
SD4.2(a)	Statement of Changes in Equity	31
SD4.2(b)	Operating Statement	29
SD4.2(b)	Balance Sheet	30
SD4.2(b)	Cash flow Statement	31
<i>Other requirements under Standing Directions 4.2</i>		
SD4.2(c)	Compliance with Australian accounting standards and other authoritative pronouncements	32
SD4.2(c)	Compliance with Ministerial Directions	32
SD4.2(d)	Rounding of amounts	35
SD4.2(c)	Accountable officer's declaration	7
SD4.2(f)	Compliance with Model Financial Report	–
<i>Other disclosures as required by FRDs in notes to the financial statements</i>		
FRD 9A	Departmental disclosure of administered assets and liabilities	–
FRD 11	Disclosure of ex-gratia payments	–
FRD 13	Disclosure of parliamentary appropriations	53
FRD 21A	Responsible person and executive officer disclosures	47
LEGISLATION		
<i>Freedom of Information Act 1982</i>		
<i>Building Act 1983</i>		
<i>Whistleblowers Protection Act 2001</i>		
<i>Victorian Industry Participation Policy Act 2003</i>		
<i>Financial Management Act 1994</i>		
<i>Multicultural Victoria Act 2004</i>		

Appendix 2: Budget Portfolio Outcomes

The Budget Portfolio Outcomes provides a comparison between the actual financial statements of the entity and the forecast financial information published in the Budget Papers.

The following table provides information for the current and previous four financial years.

The following *Budget Portfolio Outcomes* statements are not subject to audit by the Victorian Auditor-General's Office

Financial review of operations and financial condition

Five year financial summary

	2008 \$	2007 \$	2006 \$	2005 \$	2004 \$
Target Budget	Unavailable	2,400,000 ¹	2,400,000	2,100,000	2,300,000
Expected Outcome	Unavailable	2,400,000	2,400,000	2,700,000	2,400,000
Annual Appropriation	1,010,000	1,046,000	1,010,000	949,000	962,000
Actual					
Grant from Department of Justice	948,525	957,648	903,382	935,868	868,893
Other revenue	1,640,000	1,600,000	1,409,827	1,510,000	1,380,720
Interest received on Trust Account funds	31,466	20,767	19,883	11,130	29,814
Total revenue	2,619,992	2,578,413	2,333,092	2,456,998	2,279,427
Net result from operating activities	150,475	239,695	121,855	100,776	114,960
Net cash flow from operating activities	7,638	53,959	5,737	44,398	33,544
Total assets	1,540,591	1,365,568	1,082,250	1,025,727	812,171
Total liabilities	345,534	279,238	234,507	300,190	187,407

In the financial year ending June 2008, the Department introduced changes to its 2007-08 output structure to reflect Machinery of Government changes, better alignment and consistency with service delivery and legislative requirements. The outputs were rationalised through consolidating like services provided by different agencies, including the Victorian Law Reform Commission, within its portfolio. The revised structure was to provide a more effective tool for managing service delivery and accountability, while maintaining transparency for the Government.

Included under the heading of *Legal Support to Government and Protecting the Rights of Victorians* are the changed outputs relating to the Commission. The Commission's outputs contribute to the consolidated total output cost of \$31.7m. The new performance measures are the same as those in 2006-07 except for a change in wording and measure the exact same activities as the performance measures in 2006-07².

As a result of the output consolidation there is no longer a separate output figure for the Commission, and therefore figures are unavailable for 2007-08 and future years.

The \$61,475 difference between the annual appropriation³ and the actual grant by the Department of Justice is due to governance, executive and corporate costs that constitute indirect output costs included in the BP3 estimates and not included in the direct appropriation allocations.

In the financial year ending June 2007, as in previous years, the Commission's net result from operating activities was significantly affected by the retraction of funding provided for non-discretionary expenses such as depreciation and capital asset charge.

1. Department of Treasury and Finance, *Service Delivery 2006-07, Budget Paper No. 3 (2006)* 173.

2. Department of Treasury and Finance, *Service Delivery 2007-08, Budget Paper No. 3 (2007)* 157-61.

3. *Appropriation (2007/2008) Act 2007* 10.

Appendix 3: FRD 24C disclosure of office-based environmental impacts

Energy

The Commission solely consumes electrical energy for the purpose of running its core business. The consumption of water, gas and other energy sources is included in the building's overhead costs and charges. Consumption by the Commission cannot be identified.

The data represented below was collected through energy retailer billing information.

	2008	2007
Electricity		
Total energy usage segmented by primary source (MJ)	127,448	140,796
Greenhouse gas emissions associated with energy use (t CO ₂ -e)	53.8095	53.1707
Units of energy used per FTE (MJ/FTE)	7867.1411	10056.8571
Units of energy used per unit of office area (MJ/m ²)	246.0380	271.8069

Explanatory Notes

The decrease in the total electricity energy usage from 2007 has occurred due to the increased efforts by all staff to conserve energy.

- Copiers, printers and fax machines have been set to "sleep" mode when not in use.
- Dishwasher only used when full and always on energy-save cycle.
- Lights and supplementary air-conditioning is turned off when conference room is vacant.
- Screens, lights and other office equipment is switched off when not in use.
- Timers have been set on boilers to reduce unnecessary energy use during out-of-office hours.

Waste

The waste generated by the Commission is divided into two general classes – landfill and recycling.

The data represented below was collected through the retailer providing a Recycling Tonnage report on 1 August 2008 for the 2007-08 financial year.

Indicator	2008		2007	
	Landfill	Commingled recycling	Landfill	Commingled recycling
Total units of waste disposed of by destination (kg/year)	760	20	660	16
Units of waste disposed of per FTE by destinations (kg/FTE)	46.91	1.23	47.14	1.14
Recycling rate (per cent of total waste)	90		90	
Greenhouse gas emissions associated with waste disposal (t CO ₂ -e)	No data available		No data available	

Water

The consumption of water is included in the building's overhead costs and charges. Sole use for the Commission cannot be identified.

Transport

Transportation data can be found in the Department of Justice's annual report. The Commission utilises departmental fleet vehicles when needed.

Appendix 3: FRD 24C disclosure of office-based environmental impacts (continued)

Paper

The Commission commenced programs during the reporting period to provide additional reductions in consumption, such as printing four pages to a sheet when printing drafts and copies for internal useage.

	2008	2007
Indicator		
Total units of copy paper used (reams)	404	245
Units of copy paper used per FTE (reams/FTE)	24.9	17.5
Percentage of 75-100% recycled content copy paper purchased (%)	14%	0%
Percentage of 50-75% recycled content copy paper purchased (%)	86%	100%
Percentage of 0-50% recycled content copy paper purchased (%)	0%	0%
Optional indicators		
Total units of A4 equivalent paper used in publications (reams)	No data available	No data available
Percentage of publications publicly accessible electronically (%)	100%	100%

Actions undertaken

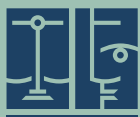
Default paper Default copy paper purchase through stationary supplier is 100% recycled content. If this is unavailable, supply defaults to 50% recycled content.

Greenhouse gas emissions

Disclosure of greenhouse gas emissions is outlined in relevant tables, where data could be obtained.

Other information

The Commission complies with the Government's Environmental Purchasing Policy. While value for money is the core principle governing the Commission's procurement activities, the green purchasing policy also requires environmental considerations to be included in the procurement planning stage, tender specifications and in the tender evaluation criteria where applicable.



Victorian
Law Reform
Commission

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