

AUSTRALIAN LAW REFORM COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Law Reform Commission (ALRC) supports the Attorney-General and the Australian Government in the maintenance and improvement of Australia's system of law and justice, by contributing to the process of law reform. The ALRC's outcome is 'informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education'.

Under the *Australian Law Reform Commission Act 1996*, the ALRC's function is to undertake inquiries on matters referred to it by the Attorney-General and to review Commonwealth laws and legal processes relevant to those matters for the purpose of systematically developing and reforming the law. In pursuing this function, the ALRC will provide the government with reports outlining recommendations for law reform that contribute to the government's objective of achieving an equitable and accessible system of federal justice and the harmonisation of Australia's laws and practices. Through the improvement of Australia's law and justice framework, the ALRC contributes to the Attorney-General's outcome – a just and secure society.

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

There are no new measures affecting the ALRC or new functions. In 2017-18, the ALRC will complete one inquiry – a review into the incarceration rates of Aboriginal and Torres Strait Islander peoples. The ALRC will also undertake any other inquiries referred to it by the Attorney-General.

The ALRC will be represented at legal, industry and community conferences and seminars to discuss its inquiry work and law reform processes generally. Where the ALRC has made relevant recommendations or has acquired special expertise or experience, it will make submissions to inquiries undertaken by other bodies, especially parliamentary committees, on the law reform issues raised in those inquiries.

The key challenge and risk to the ALRC delivering its program is that the ALRC is solely reliant on the government for its referrals, and therefore the extent to which the ALRC can deliver on its objective is influenced from year to year by the government's

law reform agenda, the number of inquiries referred to the ALRC, the subject matter and scope of any particular inquiry, the prescribed timeframe and the resources made available to the ALRC to undertake the work. In light of this, the ALRC will continue to work closely with the Attorney-General's Department to ensure appropriate lead time for planning and managing resources is afforded when new inquiries are referred to the ALRC.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the ALRC for its operations and to deliver programs and services on behalf of the government. All appropriation to the ALRC runs through a special account – the Law Reform Special Account – as required under section 45 of the Australian Law Reform Commission Act.

Table 1.1 is prepared on a resourcing (appropriations and cash available) basis, while the outcome expenses table in section 2 and the financial statements in section 3 are prepared on an accrual basis.

Table 1.1: Entity resource statement—Budget estimates for 2017–18 as at Budget May 2017

	2016–17 Estimated actual \$'000	2017–18 Estimate \$'000
DEPARTMENTAL		
Annual appropriations—ordinary annual services(a)		
Departmental appropriation(b)	2,751	2,709
74 retained revenue receipts(c)	1	1
Departmental capital budget(d)	16	16
Total departmental annual appropriations	2,768	2,726
Special accounts(e)		
Opening balance	1,266	1,266
Appropriation receipts(f)	2,767	2,725
Appropriation receipts from other entities	1	1
Total special accounts	4,034	3,992
Less departmental appropriations drawn from annual or special appropriations and credited to special accounts	(2,768)	(2,726)
Total net resourcing for entity	4,034	3,992
	2016–17	2017–18
Average staffing level (number)	12	12

Prepared on a resourcing (that is, appropriations and cash available) basis.

Note: All figures are GST exclusive and may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2017–18.

(b) Excludes the departmental capital budget.

(c) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. See Table 3.5 for further details. For accounting purposes, this amount is designated as 'contributions by owners'.

(e) For further information on special accounts, see Budget Paper No. 4: Agency Resourcing. See also Table 2.1 for further information on outcome and program expenses broken down by various funding sources, such as annual appropriations and special accounts.

(f) Amounts credited to special accounts from the ALRC's annual appropriations.

1.3 BUDGET MEASURES

Measures announced in the 2016–17 Mid-Year Economic and Fiscal Outlook (MYEFO) and other measures not previously reported in a portfolio statement are summarised in Part 2 of Table 1.2.

Table 1.2: Entity 2017–18 Budget measures

Part 1: Measures announced since the 2016–17 MYEFO

The ALRC has no new post-MYEFO measures.

Part 2: MYEFO measures and other measures not previously reported in a portfolio statement

	Program	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
Expense measures						
Public Sector Transformation and the Efficiency Dividend(a)	1.1					
Departmental expenses		–	(42)	(70)	(85)	(27)
Total expense measures		–	(42)	(70)	(85)	(27)

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative represent a decrease in funds, and figures displayed as a positive represent an increase in funds.

(a) This is a cross-portfolio measure that was published in the 2016–17 Budget. The lead entity is the Department of Finance.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs that contribute to government outcomes over the budget and forward years.

The ALRC's outcome is described below together with its related program.

Note

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in annual reports – to provide an entity's complete performance story.

The most recent corporate plan for ALRC can be found at <http://www.alrc.gov.au/about/corporate-information/corporate-plan-2017>.

The most recent annual performance statement can be found at <http://www.alrc.gov.au/about/annual-reports>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

Budgeted expenses for Outcome 1

Table 2.1 shows how much the ALRC intends to spend (on an accrual basis) on achieving Outcome 1, broken down by program and by departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
Program 1.1: Conducting inquiries into aspects of Australian law and related processes for the purpose of law reform					
Departmental expenses					
Special accounts					
Law Reform Special Account— <i>Public Governance, Performance and Accountability Act 2013 s 80 (Australian Law Reform Commission Act 1996 s 45)</i>	2,751	2,709	2,690	2,732	2,746
Expenses not requiring appropriation in the budget year(a)	65	60	58	58	58
Total expenses for Outcome 1	2,816	2,769	2,748	2,790	2,804
	2016–17	2017–18			
Average staffing level (number)	12	12			

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

(a) Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses and audit fees.

Performance criteria for Outcome 1

Table 2.2 details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered.

Table 2.2: Performance criteria for Outcome 1

Outcome 1: Informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education		
Program 1.1: Conducting inquiries into aspects of Australian law and related processes for the purpose of law reform		
This program contributes to Outcome 1 through conducting inquiries into aspects of Australian law and related processes for the purpose of law reform.		
Delivery	<p>The ALRC will:</p> <ul style="list-style-type: none"> • conduct inquiries as referred by the Attorney-General • undertake research and analysis of legal policy issues raised by an inquiry • consult stakeholders and experts and produce consultation documents for each inquiry • elicit submissions to inform the formulation of recommendations • expand access and contribution by diverse communities through web-based consultation and communications • produce a final report containing recommendations for law reform for each inquiry • present at public conferences, seminars and parliamentary inquiries, ensuring that the work of the ALRC is publicly debated and discussed and contributes to the community's knowledge about the Australian Government's law reform agenda • track and report on implementation of its recommendations. <p>The target groups for the ALRC's program are the Australian Parliament and the Australian community.</p>	
Performance information		
Year	Performance criteria	Targets (estimated actuals)
2016–17	Implementation of reports Citations or references Submissions received Visitors to website Presentations and speaking engagements Media mentions	85% (86%) 50 (45) 150 (385) >250,000 (897,166) 25 (23) 250 (230)
2017–18	Implementation of reports Citations or references Submissions received Visitors to website Presentations and speaking engagements Media mentions	85% 50 150 >250,000 25 250
2018–19 and beyond	Same as for 2017–18.	Same as for 2017–18.
Purpose	To contribute to informed government decisions about law reform that will lead to a fair, equitable and accessible system of federal justice that contributes to a just and secure society.	

Section 3: Budgeted financial statements

This section presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2017–18 Budget year, including the impact of budget measures and resourcing.

3.1 DIFFERENCES BETWEEN ENTITY RESOURCING AND FINANCIAL STATEMENTS

There is no material difference between the entity resourcing and financial statements.

3.2 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Total revenue in 2017–18 is estimated to be \$2.743m, comprising \$2.709m from government and \$0.034m from other sources.

Operating appropriations vary marginally across the forward estimates due to net indexation (indexation after the efficiency dividend).

Expenses in 2017–18 are estimated to be \$2.769m, comprising \$2.023m in employee expenses, \$0.720m in supplier expenses and \$0.026m in depreciation and amortisation expenses.

3.3 BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
EXPENSES					
Employee benefits	2,077	2,023	1,977	1,938	2,093
Suppliers	706	720	749	832	693
Depreciation and amortisation	33	26	22	20	18
Total expenses	2,816	2,769	2,748	2,790	2,804
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1	1	1	1	1
Total own-source revenue	1	1	1	1	1
Gains					
Other	31	33	35	37	39
Total gains	31	33	35	37	39
Total own-source income	32	34	36	38	40
Net (cost of)/contribution by services	(2,784)	(2,735)	(2,712)	(2,752)	(2,764)
Revenue from government	2,751	2,709	2,690	2,732	2,746
Surplus/(deficit) attributable to the Australian Government	(33)	(26)	(22)	(20)	(18)
Total comprehensive income/(loss) attributable to the Australian Government	(33)	(26)	(22)	(20)	(18)

Note: Impact of net cash appropriation arrangements

	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	–	–	–	–	–
Less depreciation/amortisation expenses previously funded through revenue appropriations	33	26	22	20	18
Total comprehensive income/(loss) as per the statement of comprehensive income	(33)	(26)	(22)	(20)	(18)

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,288	1,288	1,288	1,288	1,288
Trade and other receivables	9	9	9	9	9
Total financial assets	1,297	1,297	1,297	1,297	1,297
Non-financial assets					
Property, plant and equipment	48	38	32	30	27
Other non-financial assets	15	15	15	15	15
Total non-financial assets	63	53	47	45	42
Total assets	1,360	1,350	1,344	1,342	1,339
LIABILITIES					
Payables					
Suppliers	30	30	30	30	30
Other payables	160	160	160	160	160
Total payables	190	190	190	190	190
Provisions					
Employee provisions	495	495	495	495	495
Total provisions	495	495	495	495	495
Total liabilities	685	685	685	685	685
Net assets	675	665	659	657	654
EQUITY					
Parent entity interest					
Contributed equity	271	287	303	321	336
Reserves	136	136	136	136	136
Retained surplus/(accumulated deficit)	268	242	220	200	182
Total parent entity interest	675	665	659	657	654
Total equity	675	665	659	657	654

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (budget year 2017–18)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2017				
Balance carried forward from previous period	268	136	271	675
Adjustment for changes in accounting policies	–	–	–	–
Adjusted opening balance	268	136	271	675
Comprehensive income				
Surplus/(deficit) for the period	(26)	–	–	(26)
Total comprehensive income	(26)	–	–	(26)
Transactions with owners				
Contributions by owners				
Departmental capital budget	–	–	16	16
Sub-total transactions with owners	–	–	16	16
Estimated closing balance as at 30 June 2018	242	136	287	665
Closing balance attributable to the Australian Government	242	136	287	665

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	2,751	2,709	2,690	2,732	2,746
Sale of goods and rendering of services	1	1	1	1	1
Total cash received	2,752	2,710	2,691	2,733	2,747
Cash used					
Employees	2,077	2,023	1,977	1,938	2,093
Suppliers	675	687	714	795	654
Total cash used	2,752	2,710	2,691	2,733	2,747
Net cash from/(used by) operating activities	–	–	–	–	–
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	16	16	16	16	15
Total cash used	16	16	16	16	15
Net cash from/(used by) investing activities	(16)	(16)	(16)	(16)	(15)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	16	16	16	16	15
Total cash received	16	16	16	16	15
Net cash from/(used by) financing activities	16	16	16	16	15
Net increase/(decrease) in cash held	–	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	1,288	1,288	1,288	1,288	1,288
Cash and cash equivalents at the end of the reporting period	1,288	1,288	1,288	1,288	1,288

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	16	16	16	16	15
Total new capital appropriations	16	16	16	16	15
Provided for:					
Purchase of non-financial assets	16	16	16	16	15
Total items	16	16	16	16	15
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation—DCB(a)	16	16	16	16	15
Total purchases of non-financial assets	16	16	16	16	15
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	16	16	16	16	15
Total cash used to acquire assets	16	16	16	16	15

Prepared on Australian Accounting Standards basis.

DCB = departmental capital budget.

(a) Does not include annual finance lease costs. Includes purchases from current and previous years' DCBs.

Table 3.6: Statement of asset movements (budget year 2017–18)

	Property, plant & equipment \$'000	Total \$'000
As at 1 July 2017		
Gross book value	81	81
Accumulated depreciation/amortisation and impairment	(33)	(33)
Opening net book balance	48	48
CAPITAL ASSET ADDITIONS		
Estimated expenditure on new or replacement assets		
By purchase—appropriation ordinary annual services(a)	16	16
Total additions	16	16
Other movements		
Depreciation/amortisation expense	(26)	(26)
Total other movements	(26)	(26)
As at 30 June 2018		
Gross book value	97	97
Accumulated depreciation/amortisation and impairment	(59)	(59)
Closing net book balance	38	38

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2017–18 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.