

# HUMAN RIGHTS AND EQUAL OPPORTUNITY COMMISSION

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION FOR 2008–09

The Human Rights and Equal Opportunity Commission (the Commission) is a key element in Australia's overall human rights and anti-discrimination initiatives.

Its role is to foster and enhance human rights, contribute to the prevention of discrimination within society and assist in redressing discrimination when it occurs.

Social justice is a major aim of the Australian Government and the main focus of the Commission is on the protection and promotion of human rights.

The Commission is responsible for administering the following Acts:

- *Human Rights and Equal Opportunity Act 1986*
- *Racial Discrimination Act 1975*
- *Sex Discrimination Act 1984*
- *Disability Discrimination Act 1992, and*
- *Age Discrimination Act 2004.*

Functions under these Acts are vested in the Commission, individual members, the President of the Commission as Chief Executive Officer or the Attorney-General.

The Commission works closely with other government and private sector organisations, community groups and individuals to fulfil its role. Its services are measured quantitatively by key information access criteria, and also by a customer satisfaction survey.

The Commission aims to provide an independent, timely and effective complaint handling function in accordance with legislative requirements and best practice. Its planned outcome is related government access to justice priorities.

As a small agency based in Sydney, the Commission faces a number of external challenges, including a reduction in funding of \$2.100m from 2007–08, \$1.800m of which was provided for increased complaint handling in relation to ‘Workplace relations reform—additional workload arising from changes to jurisdiction’. The Commission will need to manage its resources and priorities to meet demand for its services.

## 1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows total resources from all origins. The table summarises how resources will be applied by departmental classification.

**Table 1.1: Resource statement—Budget estimates for 2008–09 (as at Budget May 2008)**

	Estimate of prior year amounts available in 2008–09 (\$'000)	+ Proposed at Budget 2008–09 (\$'000)	= Total estimate 2008–09 (\$'000)	Estimated appropriation available 2007–08 (\$'000)
<b>ORDINARY ANNUAL SERVICES</b>				
<b>Departmental outputs</b>				
Departmental outputs	7,338 <sup>4</sup>	13,550 <sup>1</sup>	20,888	14,981
S 31 relevant agency receipts	–	2,440 <sup>3</sup>	2,440	2,440
<b>Total ordinary annual services</b>	<b>–</b>	<b>15,990</b>	<b>23,328<sup>5</sup></b>	<b>17,421</b>
<b>OTHER SERVICES</b>				
<b>Departmental non-operating</b>				
Equity injections	–	– <sup>2</sup>	–	111
<b>Total other services</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>111</b>
<b>Total resourcing for the Human Rights and Equal Opportunity Commission</b>	<b>7,338</b>	<b>15,990</b>	<b>23,328</b>	<b>17,532</b>

All figures are GST exclusive.

Notes:

1. Appropriation Bill (No. 1) 2008–09.
2. Appropriation Bill (No. 2) 2008–09.
3. Section 31 relevant agency receipts—estimate.
4. Estimated adjusted balance carried forward from previous year for annual appropriations.
5. The total available departmental operating appropriation (outputs) will not equal the total of all outputs in the outcome resource statements as they budget for estimated appropriation attributable to outcomes and not the total available. For reconciliation see Table 3.1.1.

## 1.3 BUDGET MEASURES

There are no new measures for the Commission.

## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the government on the Australian community. Agencies are required to identify the output groups that demonstrate their contribution to government outcomes over the coming year.

The Commission's outcome is described below by output, including the indicators and targets used to assess and monitor performance.

#### 2.1.1 Outcome 1: An Australian society in which the human rights of all are respected, protected and promoted

##### Outcome 1 strategy

The main focus of the Commission is on the protection and promotion of human rights. Its role is to foster and enhance human rights, contribute to the prevention of discrimination within society and assist in redressing discrimination when it occurs.

The Commission:

- investigates alleged infringements under the federal anti-discrimination and human rights legislation
- inquires into acts or practices that may impinge on human rights or may be discriminatory, and
- fosters public discussion, and undertakes and coordinates research and educational programs to promote human rights and eliminate discrimination.

##### Outcome 1 resource statement

Table 2.1 provides additional detail of Budget appropriations and the total resourcing available for Outcome 1.

**Table 2.1: Total resources available for Outcome 1**

	2008–09 total estimate of available resources (\$'000)	2007–08 estimated actual (\$'000)
<b>Outcome 1</b>		
<b>Output 1: Australians have access to independent human rights complaint handling and public inquiries processes and benefit from human rights education, promotion and monitoring, and compliance activities</b>		
Departmental outputs	13,550	14,981
Revenues from other sources (s 31) for goods and services	2,440	2,440
Equity injection	–	111
<b>Total resources for Outcome 1</b>	<b>15,990</b>	<b>17,532</b>
<b>Average staffing level (number)</b>	<b>99</b>	<b>114</b>

## Contributions to Outcome 1

### Output 1

<b>Output 1: Australians have access to independent human rights complaint handling and public inquiries processes and benefit from human rights education, promotion and monitoring, and compliance activities</b>	
The Commission contributes to the achievement of Outcome 1 by providing a complaint handling service and educational programs, and by undertaking promotion, monitoring and compliance activities.	
<b>Key performance indicators</b>	<b>2008–09 target</b>
Customer/stakeholder survey of the effectiveness of major educational and promotional activity	80% of customers/stakeholders rate activity as effective
Percentage of parties satisfied with the overall investigation and complaint handling process	80%
Percentage of complaints finalised within 12 months	80%
Percentage of complaints conciliated per annum	30%
Extent of contact with government, community and industry groups	More than 70,000 publications are distributed Australia-wide per annum More than 4 million page views (35 million website hits)

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the Budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of special accounts and Australian Government Indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The agency resource statement (Table 1.1) details the total available appropriation from all sources. For departmental operating appropriation (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities (generally depreciation and employee entitlements), the total amount of departmental operating appropriation available to an agency is unlikely to be fully used in the Budget year.

Outcome resource statements include details of the expected use of available resources in contributing towards outcomes in the Budget year. The difference between the agency-level resource statement and the sum of all outcome resource statements is the expected carry-forward amount of resources for the 2009–10 Budget year, including amounts related to meeting future obligations to maintain the agency's asset base and to meet employee entitlement liabilities.

Table 3.1.1 reconciles the total available appropriation and amounts attributable to outcomes.

**Table 3.1.1: Reconciliation of total available appropriation and outcomes**

	<b>(\$'000)</b>
<b>Total available departmental operating appropriation (outputs)</b>	23,328
Less estimated payments in 2008–09	(15,645)
<b>Estimated departmental outputs carried forward and available for 2009–10</b>	<b>7,683</b>

#### 3.1.2 Movement of administered funds between years

The Commission has no administered funds.

### 3.1.3 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister's determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation.

Table 3.1.3 shows the expected additions (receipts) and reductions (payments) for the two special accounts used by the Commission. Both of these accounts currently have a nil balance and there are no estimated transactions to be debited or credited to them during 2008–09.

**Table 3.1.3: Estimates of special account flows and balances**

		Opening balance 2008–09	Receipts 2008–09	Payments 2008–09	Closing balance 2008–09
	Outcome	2007–08 (\$'000)	2007–08 (\$'000)	2007–08 (\$'000)	2007–08 (\$'000)
Other Trust Moneys— FMA Act s 20 (D)	1	–	–	–	–
	1	–	–	–	–
Service for Other Governments and Non-Agency Bodies— FMA Act s 20 (D)	1	–	–	–	–
	1	–	–	–	–
<b>Total special accounts 2008–09 Budget estimate</b>		–	–	–	–
<b>Total special accounts 2007–08 estimated actual</b>		–	–	–	–

D = Departmental.

FMA Act = *Financial Management and Accountability Act 1997*.

### 3.1.4 Australian Government Indigenous expenditure

The Commission's expenditure on Indigenous issues is allocated in accordance with the statutory requirements of the Social Justice Commissioner and community education programs relating to Indigenous issues.

**Table 3.1.4 Australian Government Indigenous expenditure (AGIE)**

Outcome	Appropriations				Output
	Bill No. 1 (\$'000)	Bill No. 2 (\$'000)	Special appropriation (\$'000)	Total appropriation (\$'000)	
<b>Outcome 1</b>					
Departmental 2008–09	1,124	–	–	1,124	1
Departmental 2007–08	1,213	–	–	1,213	1
<b>Total AGIE 2008–09</b>	<b>1,124</b>	<b>–</b>	<b>–</b>	<b>1,124</b>	
<b>Total AGIE 2007–08</b>	<b>1,213</b>	<b>–</b>	<b>–</b>	<b>1,213</b>	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

#### **Income statement**

In 2008–09, total revenue is budgeted at \$17.144m. This is a net decrease of \$1.431m (8%) over the revised 2007–08 estimate of \$18.575. The Commission’s appropriation under Appropriation Bill (No. 1) 2008–09 has decreased from a revised 2007–08 estimate of \$14.981m to \$13.550m for 2008–09. This is the net result of cumulative parameter adjustments, application of the efficiency dividend and the reversal of the ‘Funding for Workplace Relations Reform additional resourcing for the Human Rights and Equal Opportunity Commission’ measure in the 2007–08 Additional Estimates.

Other resources available to be used by the Commission in 2008–09 (\$3.500m) are expected to remain stable and reflect existing agreements. The revenues arise primarily from the supply of international human rights technical assistance programs to AusAID and a memorandum of understanding with the Office of the Privacy Commissioner for the provisions of accommodation and corporate services.

Decreased salary and supplier expenditure is attributable to the reduced funding levels for the 2008–09 Budget and forward estimates.

#### **Balance sheet**

In 2008–09 the Commission has budgeted for internally funded capital expenditure of \$0.300m for the maintenance of information technology infrastructure, existing communication systems and leasehold improvements.

### 3.2.2 Budgeted financial statements tables

**Table 3.2.1: Budgeted departmental income statement (for the period ended 30 June)**

	Estimated actual 2007–08 (\$'000)	Budget estimate 2008–09 (\$'000)	Forward estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)
<b>INCOME</b>					
<b>Revenue</b>					
Revenue from government	14,981	13,550	13,672	13,779	13,906
Goods and services	3,500	3,500	3,500	3,500	3,500
Other	94	94	94	94	94
<b>Total revenue</b>	<b>18,575</b>	<b>17,144</b>	<b>17,266</b>	<b>17,373</b>	<b>17,500</b>
<b>Total income</b>	<b>18,575</b>	<b>17,144</b>	<b>17,266</b>	<b>17,373</b>	<b>17,500</b>
<b>EXPENSES</b>					
Employees	9,896	9,079	9,378	9,793	9,425
Suppliers	8,161	7,545	7,366	6,976	7,560
Depreciation and amortisation	450	450	450	530	450
Finance costs	18	20	22	24	15
Write-down and impairment of assets	50	50	50	50	50
<b>Total expenses</b>	<b>18,575</b>	<b>17,144</b>	<b>17,266</b>	<b>17,373</b>	<b>17,500</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Estimated actual 2007–08 (\$'000)	Budget estimate 2008–09 (\$'000)	Forward estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	1,588	2,083	2,388	2,696	3,034
Trade and other receivables	5,890	5,890	5,890	5,890	5,890
<b>Total financial assets</b>	<b>7,478</b>	<b>7,973</b>	<b>8,278</b>	<b>8,586</b>	<b>8,924</b>
<b>Non-financial assets</b>					
Infrastructure, plant and equipment	2,270	2,117	1,965	1,965	1,812
Intangibles	12	15	17	18	19
Other	370	328	286	244	200
<b>Total non-financial assets</b>	<b>2,652</b>	<b>2,460</b>	<b>2,268</b>	<b>2,227</b>	<b>2,031</b>
<b>Total assets</b>	<b>10,130</b>	<b>10,433</b>	<b>10,546</b>	<b>10,813</b>	<b>10,955</b>
<b>LIABILITIES</b>					
<b>Non-interest-bearing liabilities</b>					
Lease incentives	145	96	47	–	–
<b>Total non-interest-bearing liabilities</b>	<b>145</b>	<b>96</b>	<b>47</b>	<b>–</b>	<b>–</b>
<b>Provisions</b>					
Employees	1,892	2,104	2,126	2,300	2,302
Other	2,862	3,002	3,142	3,282	3,422
<b>Total provisions</b>	<b>4,754</b>	<b>5,106</b>	<b>5,268</b>	<b>5,582</b>	<b>5,724</b>
<b>Payables</b>					
Suppliers	250	250	250	250	250
Other	450	450	450	450	450
<b>Total payables</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>700</b>
<b>Total liabilities</b>	<b>5,599</b>	<b>5,902</b>	<b>6,015</b>	<b>6,282</b>	<b>6,424</b>
<b>Net assets</b>	<b>4,531</b>	<b>4,531</b>	<b>4,531</b>	<b>4,531</b>	<b>4,531</b>
<b>EQUITY<sup>1</sup></b>					
<b>Parent entity interest</b>					
Contributed equity	1,342	1,342	1,342	1,342	1,342
Reserves	1,763	1,763	1,763	1,763	1,763
Retained surpluses or accumulated deficits	1,426	1,426	1,426	1,426	1,426
<b>Total parent entity interest</b>	<b>4,531</b>	<b>4,531</b>	<b>4,531</b>	<b>4,531</b>	<b>4,531</b>
<b>Total equity</b>	<b>4,531</b>	<b>4,531</b>	<b>4,531</b>	<b>4,531</b>	<b>4,531</b>
<b>Current assets</b>	<b>7,848</b>	<b>8,301</b>	<b>8,564</b>	<b>8,830</b>	<b>9,124</b>
<b>Non-current assets</b>	<b>2,282</b>	<b>2,132</b>	<b>1,982</b>	<b>1,983</b>	<b>1,831</b>
<b>Current liabilities</b>	<b>4,315</b>	<b>4,579</b>	<b>4,700</b>	<b>4,936</b>	<b>5,042</b>
<b>Non-current liabilities</b>	<b>1,285</b>	<b>1,324</b>	<b>1,315</b>	<b>1,347</b>	<b>1,382</b>

Note:

1. Equity is the residual interest in assets after deduction of liabilities.

**Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	Estimated actual 2007–08 (\$'000)	Budget estimate 2008–09 (\$'000)	Forward estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	2,440	2,440	2,440	2,440	2,440
Appropriations	14,981	13,550	13,672	13,779	13,906
Net GST received	150	150	150	150	150
<b>Total cash received</b>	<b>17,571</b>	<b>16,140</b>	<b>16,262</b>	<b>16,369</b>	<b>16,496</b>
<b>Cash used</b>					
Employees	9,580	8,178	8,443	8,472	8,596
Suppliers	7,385	7,167	7,214	7,289	7,262
<b>Total cash used</b>	<b>16,965</b>	<b>15,345</b>	<b>15,657</b>	<b>15,761</b>	<b>15,858</b>
<b>Net cash from (used by) operating activities</b>	<b>606</b>	<b>795</b>	<b>605</b>	<b>608</b>	<b>638</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	411	297	298	299	299
Purchase of financial intangibles	–	3	2	1	1
<b>Total cash used</b>	<b>411</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>
<b>Net cash from (used by) investing activities</b>	<b>(411)</b>	<b>(300)</b>	<b>(300)</b>	<b>(300)</b>	<b>(300)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations—contributed equity	111	–	–	–	–
<b>Total cash received</b>	<b>111</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Net cash from (used by) financing activities</b>	<b>111</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Net increase (decrease) in cash held</b>	<b>306</b>	<b>495</b>	<b>305</b>	<b>308</b>	<b>338</b>
Cash at the beginning of the reporting period	1,282	1,588	2,083	2,388	2,696
<b>Cash at the end of the reporting period</b>	<b>1,588</b>	<b>2,083</b>	<b>2,388</b>	<b>2,696</b>	<b>3,034</b>

**Table 3.2.4: Departmental statement of changes in equity—summary of movement (Budget year 2008–09)**

	Retained earnings (\$'000)	Asset revaluation reserve (\$'000)	Contributed equity/ capital (\$'000)	Total equity (\$'000)
<b>Opening balance as at 1 July 2008</b>				
Balance carried forward from previous period	1,426	1,763	1,342	4,531
<b>Income and expenses</b>				
Net operating result	–	–	–	–
<b>Total income and expenses</b>	–	–	–	–
<b>Estimated closing balance as at 30 June 2009</b>	<b>1,426</b>	<b>1,763</b>	<b>1,342</b>	<b>4,351</b>

### 3.2.4 Notes to the financial statements

#### Basis of accounting

The budgeted financial statements have been prepared in accordance with the requirements of the Finance Minister's Orders, Australian Accounting Standards, Australian Equivalents to International Financial Reporting Standards and Accounting Guidance Releases, and having regard to the Statements of Accounting Concepts.

#### Revenue from government

Amounts appropriated for outcomes (adjusted for any formal additions and reductions) are recognised as revenue. Appropriations receivable are recognised at their nominal amounts.

#### Employee expenses and benefits

Employee expenses and benefits consist of salaries, leave entitlements, redundancy expenses and superannuation. Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

#### Supplier expenses

Supplier expenses consist of ordinary operating costs (accommodation and utilities), administrative costs, consultant and contractor costs, and travel expenses.

### **Assets and liabilities**

Assets are recognised in the balance sheet when it is probable that the future economic benefits will flow and the amounts of the assets can be reliably measured.

Liabilities are recognised in the balance sheet when it is probable that the future obligations will be incurred and the amounts of the liabilities can be reliably measured.

### **Cash and cash equivalents**

Cash includes notes and coins held and any deposits held at call with a bank or other financial institution. Cash is recognised at its nominal amount.

### **Transactions with the government as owner**

Amounts appropriated that are designated as 'equity injections' for a year are recognised directly into contributed equity.