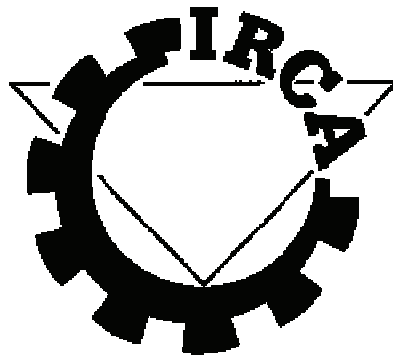




INDUSTRIAL RELATIONS COURT OF AUSTRALIA



ANNUAL REPORT 2005-06

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National Library of Australia
Cataloguing-in publication data:
Industrial Relations Court of Australia
Annual Report 2005-06
ISBN 0-642-70416-3



INDUSTRIAL RELATIONS COURT OF AUSTRALIA

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Chief Justice's Chambers
C/o Federal Court of Australia
Queens Square
Sydney NSW 2000

26 September 2006

The Honourable Philip Ruddock MP
Attorney-General
Parliament House
CANBERRA ACT 2600

Dear Attorney-General

I have pleasure in submitting the Annual Report of the Industrial Relations Court of Australia for the financial year of 2005-2006 in accordance with section 405 of the *Workplace Relations Act 1996*.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Murray Wilcox', written over a diagonal line.

Murray Wilcox
Chief Justice

Introduction by the Chief Justice

On 25 May 1997 the jurisdiction of the Industrial Relations Court of Australia (except in relation to part heard cases) was transferred to the Federal Court of Australia, along with the Court's assets and remaining staff. The Court, however, remains in existence and its annual reporting obligations continued whilst it had proceedings awaiting disposal. There are now no such proceedings and it is not envisaged there will be any further annual reports.

Murray Wilcox
Chief Justice

The Judges

The judges constituting the Court as at 30 June 2006 were:

The Honourable Chief Justice Murray Rutledge Wilcox
Period in office 30/3/94 –

The Honourable Justice Jeffrey Ernest John Spender
Period in office 30/3/94 –

The Honourable Justice Peter Ross Awdry Gray
Period in office 30/3/94 –

The Honourable Justice Donnell Michael Ryan
Period in office 30/3/94 –

The Honourable Justice Michael Francis Moore
Period in office 30/3/94 –

The Honourable Justice Shane Raymond Marshall
Period in office 17/7/95 –

The Honourable Justice Anthony Max North
Period in office 19/9/95 –

The Honourable Justice Rodney Neville Madgwick
Period in office 20/9/95 –

Judicial Registrars

As at 30 June 2006, no person held office as a Judicial Registrar of the Court.

Registry Support

The Court has not had its own Registry since 25 May 1997. All Registry services have been provided by the Federal Court of Australia, to whose Chief Justice and personnel the Court extends its appreciation.

Workload in 2005-06

| State or Territory | Pending 1 July 2005 | Finalised in 2005-06 | Pending 30 June 2006 |
|--------------------|------------------------|-------------------------|-------------------------|
| ACT | 0 | 0 | 0 |
| NSW | 2 | 2 | 0 |
| NT | 0 | 0 | 0 |
| QLD | 0 | 0 | 0 |
| SA | 0 | 0 | 0 |
| TAS | 0 | 0 | 0 |
| VIC | 0 | 0 | 0 |
| WA | 0 | 0 | 0 |
| TOTAL | 2 | 2 | 0 |

Additional information about the Court

The following information is provided in accordance with the Requirements for Departmental Annual Reports approved by the Joint Committee of Public Accounts and Audit in June 2006.

- Corporate Governance: Not applicable.
- External Scrutiny: None.
- Management of Human Resources: The Court employed no staff in the year under review.
- Purchasing: Not applicable.
- Assets management: No assets were held or managed by the Court in the year under review.
- Consultants and Competitive Tendering and Contracting: No consultancy services were let and no competitive tendering or contracting was undertaken in the year under review.
- Commonwealth Disability Strategy: Not applicable.
- Financial Statements: See the annexed financial statements.
- Occupational Health and Safety: Not applicable.
- Advertising and Market Research: None undertaken.
- Ecologically Sustainable Development and Environmental Matters: Not applicable.
- Discretionary Grants: Not applicable.

Freedom of Information

Functional Statement in accordance with section 8 of the Freedom of Information Act

The Industrial Relations Court of Australia was established by the *Industrial Relations Reform Act 1993* ('Reform Act'). The Court became operational on 30 March 1994. The Reform Act repealed Part 111 of the *Industrial Relations Act 1988*, and moved the industrial relations jurisdiction from the Federal Court. The Reform Act added a new Part XIV to the Industrial Relations Act and dealt with the constitution, management and jurisdiction of the new Court.

The Court was conferred with original and appellate jurisdiction. It is a superior court of record and a court of law and equity with status equal to that of the Federal Court and Family Court.

The *Workplace Relations and Other Legislation Amendment Act 1996*, which took effect on 25 May 1997, made substantial changes affecting the Court. In particular, this Act:

- repealed Divisions 1, 2, 3, 4, 5, 7, 9 and 10 of Part XIV and amended Divisions 5 and 8 of that Part which concerned the establishment, management and jurisdiction of the Court;
- redefined "Court" to refer to the Federal Court instead of the Industrial Relations Court;
- transferred most of the Court's pending matters to the Federal Court other than those where a substantive hearing had started;
- preserved the appointments of the Court's judges and judicial registrars and conferred on those judicial registrars additional appointments as judicial registrars of the Federal Court. All of the Court's judges were already active members of the Federal Court.

The Court remains in existence until a day to be fixed by Proclamation after which no person holds office as a judge of the Industrial Relations Court of Australia.

Categories of documents available

The Industrial Relations Court of Australia holds a range of documents that are now under the control of officers of the Federal Court of Australia.

The Rules of the Court govern access to certain documents held by the Court in relation to actions filed. Order 15 of the Rules relates to discovery and inspection of documents. Order 15 rule 17 refers to the withholding of any document in the public interest. Order 15 rule 18 refers to documents which become part of the public record. Also, transcripts of Court proceedings are available at a cost from Auscript Pty Ltd.

The following documents are held by the Court:

- case files comprising all documents filed (formal applications, subpoenas, affidavits, copies of orders);
- a computerised recording system in each Federal Court registry recording all proceedings of the Industrial Relations Court commenced and completed in that registry;
- statistical information gathered by court personnel about claims filed;
- documents concerning financial aspects of the operations of the Court and registries;
- documents concerning administrative procedure of the Court;
- documents concerning policy of the Court; and
- documents recording matters listed for directions, hearings and mediations for a given date.

Freedom of Information and Contact Officer

Inquiries about matters determined by the Court or pending before it may be referred to the relevant District Registrar of the Federal Court of Australia. Details of those registries are in Appendix A and are also available via the Federal Court's Internet home page at www.fedcourt.gov.au.

The contact officer for this annual report is:

Deputy Registrar
Federal Court of Australia
Law Courts Building
Queens Square
Sydney NSW 2000
Telephone: 02 9230 8341
Facsimile: 02 9223 1906

Appendix A – Directory of Federal Court District Registries

Australian Capital Territory Registry

Nigel Bowen Commonwealth Law Court
Building
Childers Street
Canberra City ACT 2601
Phone: (02) 6267 0566 Fax:(02) 6267 0625
TTY: (02) 6267 0537
E-mail: actman@fedcourt.gov.au
Counter Hours: 10.00am-1.00pm;
2.00pm-4.00pm
Contact Hours: 8.30am-5.00pm

Victoria Registry

Level 7 Owen Dixon Commonwealth Law
Court Building
305 William Street
Melbourne VIC 3000
Phone: (03) 8600 3333 Fax: (03) 8600 3281
TTY: (03) 9670 0320
E-mail: vicreg@fedcourt.gov.au
Counter Hours: 9am-4.30pm
Contact Hours: 8.30am-5.15pm

Northern Territory Registry

Level 3 Supreme Court Building
State Square
Darwin NT 0800
Phone: (08) 8941 2333 Fax: (08) 8941 4941
TTY: (08) 8982 0838
E-mail: ntreg@fedcourt.gov.au
Counter Hours: 9.00am-4.00pm
Contact Hours: 8.30am-4.30pm

Queensland Registry

Level 6 Harry Gibbs Commonwealth Law
Court Building
119 North Quay
Brisbane QLD 4000
Phone: (07) 3248 1100 Fax: (07) 3248 1260
TTY: (07) 3248 1272
E-mail: qldreg@fedcourt.gov.au
Counter Hours: 9.00am-4.00pm
Contact Hours: 8.30am-5.00pm

South Australia Registry

Level 5 Roma Mitchell Commonwealth Law
Court Building
3 Angas Street
Adelaide SA 5000
Phone: (08) 8219 1000 Fax: (08) 8219 1001
TTY: (08) 8219 1011
E-mail: sareg@fedcourt.gov.au
Counter Hours: 9.00am-4.30pm
Contact Hours: 8.30am-5.00pm

Tasmania Registry

Edward Braddon Commonwealth Law Court
Building
39-41 Davey St
Hobart TAS 7000
Phone: (03) 6232 1715 Fax: (03) 6232 1701
TTY: (03) 6232 1865
E-mail: tasreg@fedcourt.gov.au
Counter Hours: 9.00am-4.30pm
Contact Hours: 8.30am-5.00pm

New South Wales Registry

Level 16 Law Courts Building
Queens Square
Sydney NSW 2000
Phone: (02) 9230 8567 Fax: (02) 9230 8535
TTY: (02) 9230 8270
E-mail: nswdr@fedcourt.gov.au
Counter Hours: 9.00am-4.00pm
Contact Hours: 8.30am-5.00pm

Western Australia Registry

Level 6 Peter Durack Commonwealth Law
Court Building
1 Victoria Avenue
Perth WA 6000
Phone: (08) 9268 7100 Fax: (08) 9221 3261
TTY: (08) 9325 7053
E-mail: waregistry@fedcourt.gov.au
Counter Hours: 8.30am-4.00pm
Contact Hours: 8.30am-5.15pm

INDEPENDENT AUDIT REPORT

To the Attorney-General

Scope

The financial statements comprise:

- Statement by the Deputy Registrar, Federal Court of Australia;
- Income Statement; and
- Notes to and forming part of the Financial Statements

of the Industrial Relations Court of Australia (the Court) for the year ended 30 June 2006.

The Deputy Registrar of the Federal Court of Australia is responsible for preparing financial statements that give a true and fair presentation of the financial position and performance of the Court and that comply with Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, the exemptions thereto granted by the Minister for Finance, accounting standards and other mandatory financial reporting requirements in Australia. The Deputy Registrar of the Federal Court of Australia is also responsible for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

Audit Approach

We have conducted an independent audit of the financial statements to express an opinion on them to you. Our audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate Australian Auditing and Assurance Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive, rather than conclusive, evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

While the effectiveness of management's internal controls over financial reporting was considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.

We have performed procedures to assess whether, in all material respects, the financial statements present fairly, in accordance with Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, the exemptions thereto granted by the

Minister for Finance, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Courts' financial performance as represented by the Income Statement.

The audit opinion is formed on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial statements; and
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the Deputy Registrar.

Independence

In conducting the audit, we have followed the independence requirements of the ANAO, which incorporate Australian professional ethical pronouncements.

Audit Opinion

In my opinion, the financial statements of the Industrial Relations Court of Australia:

- a. have been prepared in accordance with Finance Minister's Orders made under the *Financial Management and Accountability Act 1997* and the exemptions thereto granted by the Minister for Finance, and
- b. give a true and fair view of the Industrial Relations Court of Australia's financial performance for the year ended 30 June 2006, in accordance with:
 - i. the matters required by the Finance Minister's Orders and the exemptions thereto granted by the Minister for Finance; and
 - ii. applicable accounting standards and other mandatory financial reporting requirements in Australia.

Australian National Audit Office



P Hinchey
Senior Director
Delegate of the Auditor-General

Sydney
28 September 2006

INDUSTRIAL RELATIONS COURT OF AUSTRALIA
STATEMENT BY THE DEPUTY REGISTRAR

In my opinion, the attached financial statements for the year ended 30 June 2006 are based on properly maintained financial records, and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, as amended.

Signed



Philip Kellow
Deputy Registrar

13 September 2006

INDUSTRIAL RELATIONS COURT OF AUSTRALIA

INCOME STATEMENT

for the year ended 30 June 2006

| | Notes | 2006 \$ |
|--------------------------|--------------|--------------------------|
| INCOME | | |
| Revenues from Government | 2 | <u>1,731</u> |
| TOTAL INCOME | | <u>1,731</u> |
| EXPENSES | | |
| Judges and employees | 3A | 738 |
| Suppliers | 3B | <u>993</u> |
| TOTAL EXPENSES | | <u>1,731</u> |
| OPERATING RESULT | | <u>-</u> |

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

INDUSTRIAL RELATIONS COURT OF AUSTRALIA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

| | |
|---------|--|
| Note 1: | Summary of Significant Accounting Policies |
| Note 2: | Operating Revenues |
| Note 3: | Operating Expenses |
| Note 4: | Remuneration of Auditors |
| Note 5: | Act of Grace Payments and Waivers |

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the Industrial Relations Court of Australia

The Industrial Relations Court of Australia (the Court) was established on 30 March 1994 to serve the interests of the Australian community by providing for the just and equitable administration of justice in all matters within the Court's jurisdiction. Legislation passed by Federal Parliament in late November 1996, specifically Schedule 16 of the Workplace Relations and Other Legislation Amendment Act 1996 (WROLA), provided for the jurisdiction previously exercised by the Court to be transferred to the Federal Court of Australia (FCA) on 25 May 1997. Despite the transfer of the jurisdiction to the Federal Court of Australia the Court continued to have jurisdiction over certain proceedings already commenced in the Court at transfer date. All matters before the Industrial Relations Court of Australia were completed in 2005-06. There will be no further matters before the Court. This will be the last report of the Industrial Relations Court of Australia.

1.2 Basis of Accounting

The financial statements are required by s. 49 of the *Financial Management and Accountability Act 1997* and are a general purpose financial report.

The statements have been prepared in accordance with:

- Finance Minister's Orders (being the *Financial Management and Accountability (Financial Statements for reporting periods on or after 1 July 2005)*);
- Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Standards Board; and
- Urgent Issues Group Abstracts.

The financial statements have been prepared on an accrual basis and are in accordance with historical cost convention.

Revenue and expenses are recognised in the Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

As a result of the transfer of jurisdiction, the Court's assets and liabilities were also transferred to the Federal Court of Australia. Consequently, the Court applied for and received an exemption pursuant to clause 4.1 of Schedule 1 to the *Financial Management and Accountability (Financial Statements 2005-06) Orders* from the requirement to prepare the following statements:

- Statement of Cash Flows;
- Schedule of Commitments; and
- Schedule of Contingencies.

INDUSTRIAL RELATIONS COURT OF AUSTRALIA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.3 Appropriations

The Court does not receive any appropriations from Government. Under the *Workplace Relations and Other Legislation Amendment Act 1996* the Federal Court of Australia provides resources to the Court to complete ongoing cases. (Refer to note 2 – Operating Revenue).

1.4 Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

1.5 Resources Received Free of Charge

The Court's revenue and expenses are those items that are required by the Court for the completion of its outstanding case work (see note 1). Revenue (Resources Received Free of Charge) and expenses have been derived in accordance with the methodology set out below.

The methodology used to derive the resources received free of charge was changed from the 2001-02 financial year. There are no matters that are outstanding as at 30 June 2006. The two matters that were outstanding at 30 June 2005 were finalised during the 2005-06 financial year. Due to the small number of uncompleted matters remaining, Federal Court expenditure was calculated based on direct costs incurred.

1.6 Administered items

Following the transfer of jurisdiction to the Federal Court of Australia, the Court is no longer responsible for any administered items.

Note 2: Income

| <u>Note 2A: Revenues From Government</u> | 2006 | 2005 |
|--|---------------------|---------------------|
| | \$ | \$ |
| Resources received free of charge | <u>1,731</u> | <u>2,414</u> |
| <i>Total revenues from government</i> | <u>1,731</u> | <u>2,414</u> |

All resources received free of charge were provided by the Federal Court of Australia and have been recognised in the Operating Statement (see Note 1.5)

Note 3: Expenses

Operating expenses are calculated in accordance with the methodology set out in Note 1.5.

| <u>Note 3A: Judges and Employees Expenses</u> | | |
|---|-------------------|---------------------|
| Remuneration | <u>738</u> | <u>706</u> |
| <i>Total Judges and employees expenses</i> | <u>738</u> | <u>706</u> |
| | | |
| <u>Note 3B: Supplier Expenses</u> | | |
| Goods from external entities | <u>993</u> | <u>1,708</u> |
| <i>Total supplier expenses</i> | <u>993</u> | <u>1,708</u> |

INDUSTRIAL RELATIONS COURT OF AUSTRALIA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 4: Remuneration of Auditors

The 2005-06 audit fees for services provided by the Australian National Audit Office were borne by the Federal Court of Australia.

Note 5: Act of Grace Payments and Waivers

No Act of Grace payments were made during the reporting period.

No payments were waived during the financial year 2005-06 under sub-section 34(1) of the *Financial Management and Accountability Act 1997*.