



**Victorian Equal Opportunity  
& Human Rights Commission**

2021-22

# Annual Report

First Nations peoples should be aware that this report contains names of deceased persons.

Published by the Victorian Equal Opportunity and Human Rights Commission, Level 3, 204 Lygon Street, Carlton, Victoria 3053.  
December 2022.

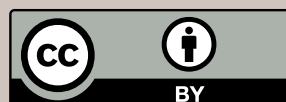
#### Contact us

Enquiry Line	1300 292 153 or (03) 9032 3583
Fax	1300 891 858
NRS Voice Relay	1300 555 727 then quote 1300 292 153
Interpreters	1300 152 494
Live chat	<a href="https://livechat.humanrights.vic.gov.au">livechat.humanrights.vic.gov.au</a>
Email	<a href="mailto:enquiries@veohrc.vic.gov.au">enquiries@veohrc.vic.gov.au</a>
Web	<a href="https://humanrights.vic.gov.au">humanrights.vic.gov.au</a>

The Victorian Equal Opportunity and Human Rights Commission acknowledge we work on the traditional lands of the Wurundjeri people of the Kulin Nation. We also work remotely and serve communities on the lands of other Traditional Custodians.

We pay our respects to their Elders past and present.

This work, *Annual Report 2021-22*, is licensed under a Creative Commons Attribution 4.0 licence. You are free to re-use the work under that licence, on the condition you credit the Victorian Equal Opportunity and Human Rights Commission as author, indicate if changes were made and comply with the other licence terms. The licence does not apply to any branding, including the Victorian Equal Opportunity and Human Rights Commission logo.



Please give attribution to:  
© State of Victoria (Victorian Equal Opportunity and Human Rights Commission) 2022.

#### Privacy

The Commission complies with Victorian privacy laws and the confidentiality provisions of the Equal Opportunity Act 2010 (Vic). Our privacy policy is available online at [humanrights.vic.gov.au/aboutus/policies/privacy](https://humanrights.vic.gov.au/aboutus/policies/privacy) or by contacting us.

#### Disclaimer

This information is intended as a guide only. It is not a substitute for legal advice.

ISBN: 978-0-9757342-2-3 (online)

Published by order, or under the authority,  
of the Parliament of Victoria

December 2022

2021–22

# Annual Report

# Responsible body's declaration

In accordance with the **Financial Management Act 1994**, I am pleased to present the Victorian Equal Opportunity and Human Rights Commission's Annual Report for the year ending 30 June 2022.

Yours sincerely



**Taryn Lee – Chairperson**  
Victorian Equal Opportunity and Human Rights Commission

# Contents

<b>Foreword</b>	<b>4</b>
<b>Snapshot: Our impact in 2021–22</b>	<b>6</b>
About us	8
What we do	10
Helping Victorians understand and exercise their rights	11
Information and enquiries	11
Complaints	12
<b>Delivering our strategic priorities</b>	<b>14</b>
<b>Improving workplace equality</b>	<b>16</b>
Ambulance Victoria: Independent Review into Workplace Equality	17
Preventing sexual harassment: A retail franchise investigation	18
Protecting sex workers from discrimination	19
Equal Pay Matters: Education program for small-to-medium enterprises	20
Education program: Preventing and responding to sexual harassment	21
<b>Embedding a human rights culture</b>	<b>22</b>
Building human rights culture in the public sector	23
Protecting rights of people under guardianship orders	25
Cultural rights on Aboriginal land	26
<b>Protecting human rights in closed environments</b>	<b>28</b>
Inquest into the death of Veronica Nelson	29
Protecting the rights of Aboriginal people in police custody	31
<b>Reducing racism</b>	<b>32</b>
Anti-racism strategy and taskforce	34
<b>Eliminating change and suppression practices</b>	<b>36</b>
<b>Compliance reporting</b>	<b>42</b>

# Foreword

Human rights speak to the heart of what it is to be a fair, safe and inclusive community where everyone is treated with respect and dignity. They are made real when individuals and institutions value human rights and take action to uphold them in the places close to home – in our communities, workplaces, sporting clubs and in government decision-making and policy processes.

To this end, the Commission's work over the last year has been focussed on actions that help to make human rights real in a range of contexts and processes, and for population groups who experience discrimination.

Recognising the importance of the workplace in the lives of many Victorians, we undertook three major projects over the last year focussed on improving workplace equality. Our independent review into workplace equality at Ambulance Victoria examined the nature, drivers and impact of discrimination, sexual harassment, bullying and victimisation within the organisation. Our final report contained 43 evidence-based recommendations developed in response to the issues we heard about from the hundreds of Ambulance Victoria staff who courageously spoke to us, and which the organisation has committed to implement.

We also finalised our investigation into Bakers Delight Holdings' positive duty to take reasonable and proportionate measures to eliminate workplace sexual harassment. The investigation was launched in response to a range of evidence that the retail industry can be a high-risk workplace for sexual harassment. Franchise arrangements also pose complexities for prevention and response. Commendably, Bakers Delight Holdings has entered into a Compliance Agreement with us, agreeing to take several further steps to comply with the Equal Opportunity Act.

We also contributed to the decriminalisation of sex work and are now responsible for new protections under the Equal Opportunity Act. Sex workers cannot be discriminated against or refused accommodation because of their profession. These anti-discrimination protections will help reduce the social stigma toward sex work, and promote the health, safety and human rights of all sex workers in Victoria.

Our workplace equality efforts also focused on small-to-medium enterprises achieving gender pay equality. We also redeveloped our sexual harassment prevention and response education program, reaching 589 participants.

Other work conducted this year was focussed on ensuring that human rights were central to government decision-making and processes. Examples of this include our intervention in a VCAT case that considered the extent to which guardians can authorise that force be used to administer medication to people under their guardianship. Our position was adopted by VCAT, resulting in restraint only be used where strictly necessary and with a system of oversight to ensure that limits on people's rights are reasonable, justified and in accordance with law.

We also intervened in the Coronial Inquest into the death in custody of Veronica Nelson, a proud Gunditjmara, Dja Dja Warrung, Wiradjuri and Yorta Yorta woman. We made submissions to assist the Coroner to apply the Charter to the facts before him when making findings and recommendations, and look forward to the outcome of that intervention in due course. As well, we took action to play our part in implementing recommendations from the previous Coronial Inquest into the Death of Tanya Louise Day, conducting a review of the human rights training that police and custody officers receive to protect the rights of Aboriginal people in police custody.

Responding to the considerable harm that racism continues to cause to many in Victoria, we engaged deeply with multicultural and multifaith communities to understand and respond to the increased reports of racial discrimination and vilification during the COVID-19 pandemic. We ran over 400 information sessions with community, developed in language podcasts and released a short-film, the Anti-Racism Race, to educate and raise awareness. We also advised the anti-racism taskforce, informing a state-wide anti-racism strategy.

Likewise our work to prepare for the Change or Suppression (Conversion) Practices Prohibition Act 2021 (which commenced on 17 February) was undertaken to ensure that all people, regardless of their sexual orientation or gender identity are able to live their lives authentically and with dignity. We can now receive reports of practices, facilitate outcomes (based on the wishes of the reporter), conduct investigations, and provide education and information services.

More broadly, whilst the COVID-19 pandemic slowly became an "everyday" part of Victorians' lives, it continued to be a dominant issue of concern for those accessing our services and resources. Our enquiries team heard from 8,490 people whilst our dispute resolution team received 982 complaints. Discrimination experienced by individuals with disabilities, or other physical or mental health conditions that make wearing a mask unsuitable, remained the main reason for disability discrimination complaints.

We also delivered 1,709 education sessions, reaching 25,743 people across public and private sector organisations. Our Charter Education Program obtained new funding and was redesigned to continue to build human rights culture and the ongoing demand for human rights capability within Victorian public services.

Making human rights real takes every one of us, and we are incredibly proud of the work delivered every day by the hardworking, talented and dedicated staff of the Commission, working closely with our stakeholders and partners.

The work to make human rights real will never be finished, but together we can ensure that we continue to improve the lives of all Victorians and build a fair, safe and inclusive community.



**Ro Allen**  
Victorian Equal  
Opportunity  
and Human Rights  
Commissioner



**Taryn Lee**  
Chairperson



# Every Victorian should be able to live their life free from discrimination.

Our range of functions and services under Victoria’s human rights laws ensure our role to protect and promote human rights in Victoria.

Our enquiry line and information service helps Victorians understand their rights. We also help people to make a complaint or report if they have been discriminated against, sexually harassed, victimised or vilified. We provide a dispute resolution service to resolve these complaints.

We also deliver education and consultancy services, undertake independent reviews, investigations, interventions in court and advocacy activities to address systemic issues and promote human rights.

In 2021-22 we:

Responded to **8,490** enquiries, raising **12,499** issues of discrimination, human rights, harassment and vilification

Received complaints and reports from **980** people, raising **1,732** instances of:

- discrimination
- sexual harassment
- victimisation
- vilification
- change or suppression (conversion) practices

We also delivered **1,709** education sessions, reaching **25,743** people across:

- 91.4%** state government
- 3.2%** community and health services
- 2.1%** local government
- 2%** statutory authorities
- 1.5%** peak and professional associations, schools/TAFE/universities, private organisations and unions

These sessions had an overall satisfaction rating of **91%** and included:

- **3,832** face-to-face and live online participants
- **21,911** e-Learning participants

Finalised **55%** of complaints and reports within six months

Resolved **66%** of complaints in our dispute resolution process

Had a **97%** satisfaction rate from people accessing our dispute resolution service

# About us

The Commission is an independent statutory body with responsibilities under Victoria’s four human rights laws:

<p><b>Equal Opportunity Act 2010</b></p>	<ul style="list-style-type: none"> <li>• makes it against the law to discriminate against people on the basis of a number of personal characteristics, as well as prohibiting sexual harassment and victimisation.</li> <li>• includes a positive duty, which requires all organisations covered by the law – including government, business, employers and service providers – to take reasonable and proportionate measures to eliminate discrimination, sexual harassment and victimisation as far as possible.</li> </ul>
<p><b>Racial and Religious Tolerance Act 2001</b></p>	<ul style="list-style-type: none"> <li>• bans practices that seek to change or suppress a person’s gender identity or sexual orientation, and provides a range of options for preventing and responding to these practices. It was passed by the Victorian Parliament in February 2021 and commenced 17 February 2022.</li> </ul>
<p><b>Charter of Human Rights and Responsibilities Act 2006 (the Charter)</b></p>	<ul style="list-style-type: none"> <li>• identifies 20 human rights applicable to all Victorians and requires government and public bodies to consider these rights when making laws and providing services.</li> </ul>
<p><b>Change or Suppression (Conversion) Practices Prohibition Act 2021</b></p>	<ul style="list-style-type: none"> <li>• bans practices that seek to change or suppress a person’s gender identity or sexual orientation, and provides a range of options for preventing and responding to these practices. It was passed by the Victorian Parliament in February 2021 and commenced 17 February 2022.</li> </ul>



<p><b>Our vision</b></p> <p>is for a fair, safe and inclusive Victoria where every person is respected and treated with dignity.</p>	<p><b>Our mission</b></p> <p>is to engage and influence law and policy makers, institutions, communities and individuals to protect and promote human rights in Victoria.</p>	<p><b>Our principles</b></p> <p>we will ensure that:</p> <ul style="list-style-type: none"> <li>• we make human rights accessible and resonate for all Victorians</li> <li>• we lead with evidence and research</li> <li>• our work is designed to have a transformative impact</li> <li>• we invest in our people to be the best human rights organisation we can be.</li> </ul>
--	---	---

# What we do

Our role is to protect and promote human rights and equality in Victoria, which we do through a range of functions under our laws:

<b>Complaints resolution</b>
We resolve complaints of discrimination, sexual harassment and victimisation under the Equal Opportunity Act and complaints of racial and religious vilification under the Racial and Religious Tolerance Act by providing a free and confidential dispute resolution service.
<b>Research</b>
We undertake research to understand and find solutions to systemic causes of discrimination and human rights breaches.
<b>Education</b>
We provide information to help people understand and assert their rights. We conduct reviews of programs and practices to help organisations comply with their equal opportunity and human rights obligations. We provide an education and consultancy service to government, business and the community to drive leading practice in equality, diversity and human rights, including a collaborative approach to developing equal opportunity action plans.
<b>Advocacy</b>
We raise awareness across all parts of the community about the importance of equality and human rights, encouraging meaningful debate, leading public discussion and challenging discriminatory views and behaviours.
<b>Monitoring</b>
We monitor the operation of the Charter of Human Rights and Responsibilities and track Victoria’s progress in protecting fundamental rights.
<b>Enforcement</b>
We intervene in court proceedings to bring an expert independent perspective to cases raising equal opportunity and human rights issues. We conduct investigations to identify and eliminate systemic discrimination.

# Helping Victorians understand and exercise their rights

We help thousands of people each year to better understand and exercise their rights. We also help people to make a complaint if they have been discriminated against, sexually harassed, victimised, or vilified.

## Information and enquiries

We provide an information and enquiry service that manages phone, email, webchat, in person (suspended throughout 2021-2022 due to COVID-19) and written enquiries about the:

- Equal Opportunity Act 2010 (EOA)
- Racial and Religious Tolerance Act 2001 (RRTA)
- Charter of Human Rights and Responsibilities Act 2006 (the Charter)
- Change or Suppression (Conversion) Practices Prohibition Act 2021 (the Act).

We also provide a range of printed materials with information and guidance on these laws. During and in between working from home directives we have maintained the continuity of our service. We have delivered an accessible, responsive, and comprehensive service whilst facing the challenges presented by the pandemic.

In addition to several contact modes, we provide:

- a telephone interpreter and relay service for enquirers
- our information in a multitude of languages
- an experienced team of officers adept at responding to the rapidly evolving breadth of issues raised by the Victorian community.

In 2021-2022, we received 8,490 enquiries from people, raising 12,499 issues related to discrimination, harassment, Charter rights, racial and religious vilification and change or suppression practices.

We worked closely with our Strategic Communications branch to share trends in real-time, which enabled us to tailor messaging through social media addressing the issues people were being immediately impacted by. This resulted in a greater number of contacts from the public to discuss their rights and experiences.

The five most common issues were:

<b>Disability (2,461)</b>	<b>Sexual harassment (909)</b>	<b>Charter of Human Rights (777)</b>	<b>Discriminatory information request (478)</b>	<b>Race (369)</b>
-------------------------------	--	--	---	-----------------------

We received 730 enquiries where we had no jurisdiction, including enquiries related to the powers of State and Federal governments under the public health directives. We referred these enquirers to the appropriate body.



# Complaints

We provide a free and confidential dispute resolution service under the EOA and RRTA. We can also receive reports about change or suppression practices, which may lead to facilitation between the people involved, targeted education or further investigation. These services are central to our role in protecting and promoting human rights and equal opportunity.

Each person’s complaint can raise either a single complaint of discrimination or, as happens in many cases, it will raise multiple issues. For example, a complaint of sexual harassment may also raise related but separate issues of sex discrimination or discrimination based on age. One of the strengths of our process and legislation is that we can take a flexible and tailored approach and deal with these matters in a way that recognises the intersectional nature of discrimination and inequality.

Intersectional discrimination occurs when people experience multiple forms of inequality and discrimination that overlap and intersect in a unique way. This occurs across multiple protected characteristics (such as sex, age, race, disability or gender identity).

In 2021–22, we received 980 complaints and reports, with 1,732 instances of discrimination, sexual harassment, victimisation, vilification and change or suppression (conversion) practices.

Five most common issues	Top three settings
Disability (772)	Employment (766)
Race (129)	Goods and services (618)
Sex (116)	Education (149)
Employment activity (97)	
Sexual harassment (76)	





# **Delivering our strategic priorities**

Our vision for a fair, safe and inclusive Victoria is put into practice within our five strategic priorities.

These priorities focus on where we can best contribute to the change we want to see, considering our mandate, expertise and the needs of the communities.

# Improving workplace equality



## Ambulance Victoria: Independent review into workplace equality

“Of utmost importance is our profession’s need to accept and respond to the ways in which paramedic hierarchical, generational, and gendered division jeopardise both employee and patient safety. The potential this review carries extends beyond working to amend the unlawful internal workings of an industry. This review contributes to society’s attempt at ending gendered discrimination, harassment, and as such, gendered violence.”

Rasa Elizabeth Piggott, Registered Paramedic,  
Registered Nurse, Lecturer in Paramedicine

We delivered the final report of phase one of our [Independent Review into Workplace Equality at Ambulance Victoria](#). The report sets out 43 recommendations for wide-ranging structural and cultural reform, all of which Ambulance Victoria has committed to implement.

The review examined the nature, extent, drivers and impact of discrimination, sexual harassment, bullying and victimisation at Ambulance Victoria. It scrutinised the adequacy of measures to prevent and eliminate this conduct. Together with a custom-built *Outcomes framework*, our recommendations provide a comprehensive roadmap for Ambulance Victoria to prevent and respond to workplace harm, embed equality across the organisation, and create a truly safe, respectful and inclusive culture.

Our recommendations were informed by extensive research and deep engagement with Ambulance Victoria’s workforce. We:

- received 2,163 survey responses
- interviewed 255 people
- received 143 written submissions
- conducted focus groups
- met with people through ‘ride-alongs’ and on-site visits
- reviewed thousands of internal Ambulance Victoria documents.

We heard from people all across the state, in operational and corporate roles, from graduates right through to the executive and the board.

Throughout the next financial year, we will provide expert advice and support to Ambulance Victoria as it implements our recommendations. We will audit Ambulance Victoria’s progress in mid-2023.

# Preventing sexual harassment: A retail franchise investigation

We investigated Bakers Delight Holdings, an employer and head franchisor in the retail industry with operations across Australia. Bakers Delight Holdings cooperated fully with our investigation and was highly motivated to identify ways to protect its employees and workers in its franchise network.

The investigation had a preventative focus, exploring whether Bakers Delight Holdings had complied with its positive duty to take reasonable and proportionate measures to eliminate sexual harassment in the workplace as far as possible (s 15, EOA). We assessed Bakers Delight Holdings' compliance with the Commission's guideline on Preventing and Responding to Workplace Sexual Harassment.

Rather than investigating any past instances of sexual harassment, we focused on the adequacy of measures taken by Bakers Delight Holdings to prevent sexual harassment in its corporate office, company owned bakeries and franchise bakeries. The investigation was launched in response to a range of evidence that the retail industry can be a high-risk workplace for sexual harassment and franchise arrangements can pose complexities for prevention and response.

The investigation found that, as is the case for many employers, there were gaps in Bakers Delight Holdings' compliance with the positive duty. During the investigation, Bakers Delight Holdings had already begun to take steps to keep workers safe from workplace sexual harassment and on 2 August 2022, Bakers Delight Holdings entered into a Compliance Agreement with the Commission, agreeing to take several further steps to comply with the Act.

The outcomes of our investigation provides useful guidance to workers and employers in retail and franchise businesses on how to take steps to prevent sexual harassment in the workplace and comply with the positive duty.

# Protecting sex workers from discrimination

After forty years of tireless advocacy by sex workers and their allies, the decriminalisation of sex work began this financial year. Sex work will soon be regulated like all other industries in the state, ensuring that sex workers are entitled to the same treatment and protections as any other worker.

These reforms are being introduced in a staged approach. Tranche one came into effect on 10 May 2022 and removed criminal offences for street-based work and added the new attribute 'profession, trade or occupation' to the EOA.

The Commission is responsible for these new EOA protections. Sex workers cannot be discriminated against or refused accommodation because of their profession.

These anti-discrimination protections will help reduce the social stigma toward sex work, and promote the health, safety and human rights of all sex workers in Victoria. We continue to work with key peer and other sex worker support services to develop resources on the rights of sex workers under the EOA.

Tranche two (December 2023) will repeal the Sex Work Act 1994 and the existing licensing scheme, as well as amend planning controls.





# Equal pay matters: Education program for small-to-medium enterprises

Our research project, Equal pay matters: Achieving gender pay equality in small-to-medium enterprises (SMEs), found that SMEs face unique barriers to achieving equal pay, including:

- a limited understanding of the concept of equal pay
- being paid equally for work of comparable value
- the recognition that pay equality is indeed an issue for smaller organisations.

In response, we partnered with Industrial Relations Victoria to support the work of the Equal Workplace Advisory Committee to develop educational materials. We co-designed these materials with SME representatives to support SMEs to understand equal pay and why it matters.

Three engaging videos with interactive activities and supporting e-learning modules (launched on Equal Pay Day 2022) will build an understanding of what equal pay means, equal pay principles and how to identify equal pay issues.



# Education program: Preventing and responding to sexual harassment

“The education program has been the catalyst for an amazing revelation within the office. The leadership team have asked if we can now prepare a sexual harassment prevention plan.”

Program participant

This year we redeveloped our sexual harassment prevention and response education program to:

1. empower leaders to drive a culture of respect and strengthen organisational capability
2. align with standards set out in our Guideline: Preventing and Responding to Workplace Sexual Harassment to assist organisations to ensure compliance with the positive duty
3. align materials and resources with emerging internationally recognised best practice in victim survivor approaches.

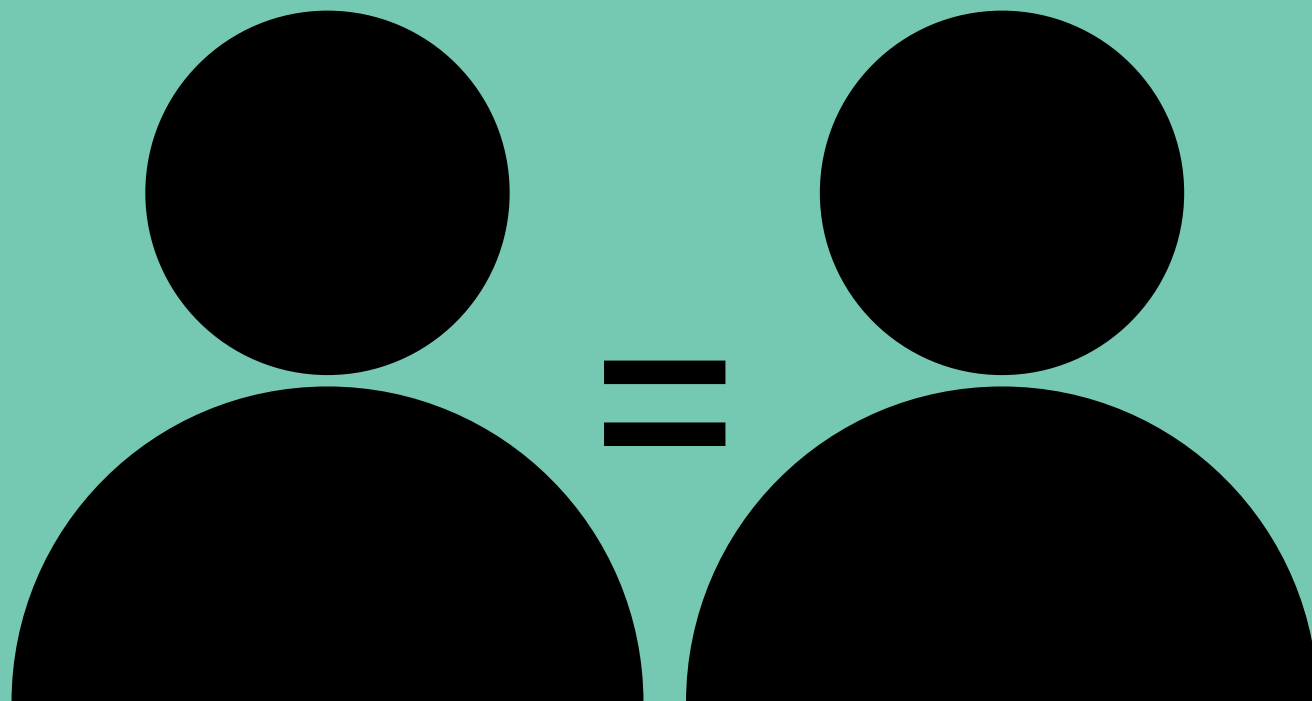
Part of this redevelopment focussed on connecting people with authoritative resources, including our interactive sexual harassment support and response tool (chatbot). Our aim is to have a broader reach across the Victorian community to assist people to understand their rights and seek assistance.

We began the production of sexual harassment e-learning programs to support organisations to comply with their positive duty, and realise their prevention and response obligations. These are scheduled to be launched next financial year.

We delivered a range of interactive capability building education programs in public sector organisations and within the legal sector, including:

- delivery of 43 sessions to 589 participants in prevention and response to sexual harassment, customised to roles – with a 97% average satisfaction rating
- development of a specialised program for local government councillors, delivered in partnership with the Municipal Association of Victoria
- delivery of other whole of organisation programs to embed culture change and build organisational capability.

# Embedding a human rights culture



## Building human rights culture in the public sector

"We have seen our human rights practice evolve since the training was first rolled out several years ago. Human rights is now front of mind across our business unit. The way we consider human rights is automatic and built into our work processes and case management systems. Prior to the training we didn't think about human rights in this way."

Senior leader, program participant

Our Charter Education Program builds human rights capability across the Victorian Public Service (VPS) and seeks to embed the Charter in the day-to-day work of public authorities. Since its inception in 2017 the program has become the state's leading program to build human rights culture and develop public sector capability to apply the Charter. This year\* we:

- delivered 34 online education sessions
- had 472 attendees across the public sector
- received a 92% satisfaction rate

The uptake of our online modules continued to increase with hybrid working. Uptake also increased significantly as departments made them mandatory for all staff. This year\* we had:

- 21,911 modules completed
- 7 departments hosting modules.

*\*Delivery period was reduced to six months this year with funding expiring in August.*

## New funding to continue the Charter Education Program

In December 2021, renewed whole-of-government funding for the program was approved by the Public Sector Administration Committee to continue the program for a further two years.

This year we re-designed the program to continue to build human rights culture and meet the ongoing demand for human rights capability within the VPS. The new program is based on key learnings gathered from our five-year evaluation of the program and focusses on three areas:

- **engaging leaders** to strengthen and maintain Victoria's human rights culture
- **capability of staff** to make Charter-compliant decisions and embed good human rights practices
- **connectivity** to connect staff across the VPS to leading practice and expertise.

## Half a decade of the program

Over five years we have:

- trained over **11,600** public sector staff – with **86%** having an increased understanding on how to apply the Charter (up from 71% in 2016)
- held **700** training sessions, with an **88%** satisfaction rating
- delivered almost **one quarter** of face-to-face sessions to executives, managers or supervisors
- had **8,500** public sector workers access our online Charter e-learning module – with 87% agreeing or strongly agreeing the modules contributed to their understanding of their role to protect and promote human rights.

## Protecting rights of people under guardianship orders

**“We hope this decision will prompt health practitioners and others to more patiently and thoroughly explore alternative ways of supporting and working with people subject to guardianship, to involve them in decisions and find a mutually agreeable solution, leading to a reduction in the use of restraint against people with disability.”**

Office of the Public Advocate

We intervened in a VCAT case that considered the extent to which guardians can authorise that force be used to administer medication to people under their guardianship. The case concerned an older woman, HYY, who was voluntarily admitted to hospital for treatment of her psychological and physical health conditions.

HYY required daily anticoagulant medication to reduce the serious risk of stroke or thrombosis which she refused to take at times. The question before VCAT was whether her guardian could authorise physical restraint in order to administer HYY's medication.

VCAT confirmed that appointed guardians cannot authorise force to be used to administer medication to people under guardianship. Instead, guardians must seek an order from VCAT under the *Guardianship and Administration Act 2019* (the Act).

In its decision, VCAT adopted the Commission's position on how to address the complex human rights questions raised in the case, including interpretation of the Act in accordance with Charter rights and VCAT's role as a public authority.

VCAT's orders are now required to authorise any use of force required to administer medication, giving specific and clear guidance about what can be done and by whom to ensure human rights are protected. It means that restraint will only be used where strictly necessary and with a system of oversight to ensure that limits on peoples' rights are reasonable, justified and in accordance with law.



# Cultural rights on Aboriginal land

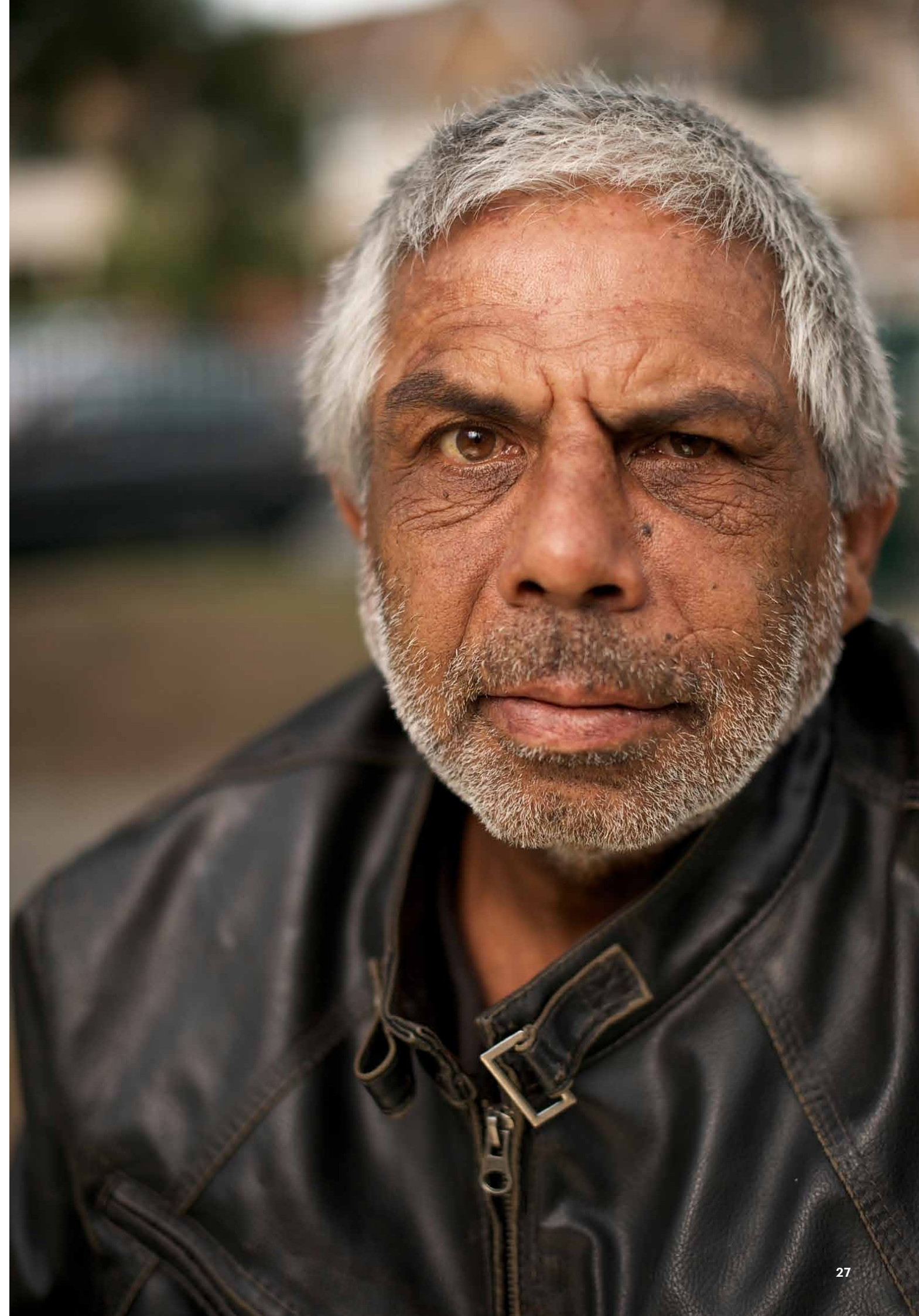
We intervened in senior Djab Wurrung woman, Marjorie Thorpe's, case to stop the construction of part of the Western Highway Duplication through what Ms Thorpe argued was sacred Aboriginal land. Ms Thorpe argued that the proposed road was unlawful under the *Aboriginal Heritage Act 2006* and the Charter. She said the proposed road was incompatible with her right to enjoy her culture and maintain her distinctive spiritual and material connection to the land and other resources under traditional laws and customs.

As the matter progressed, a Charter issue that arose was whether Ms Thorpe's Charter claims could continue if her claims under the Aboriginal Heritage Act were dismissed. This required the court to consider the meaning and scope of s 39(1) of the Charter, which sets out when a person can seek relief or remedy for a breach of their Charter rights. This remedy provision is currently unsettled in law, meaning that it is not entirely clear what its meaning and scope are.

We intervened, arguing for a broad interpretation of the Charter's remedy provision (s 39) to allow for broad access to justice for breach of Charter rights. This would have allowed Ms Thorpe's Charter claims to continue, even if her claims under the Aboriginal Heritage Act did not.

The court ultimately found in favour of the state. In doing so, it did not determine the extent to which the Charter's remedy provision allows Charter claims to be brought and left this question open for determination in a future case.

The parties settled the case before a final hearing. The court did not have an opportunity to consider the substantive questions of the application of Aboriginal cultural rights to land.



# Protecting human rights in closed environments



## Inquest into the death of Veronica Nelson

"The lessons learned from this inquest must stop my people from dying in custody. But let's not lose focus. This inquest is first and foremost about Veronica, and how a broken criminal justice system locked my daughter up and let her die while she begged for help, over and over."

Aunty Donna Nelson, mother of Veronica Nelson  
(Source: Veronica Marie Nelson: Inquest Begins Today, 26 April 2022)

We intervened in the Coronial Inquest into the death of Veronica Nelson, a proud Gunditjmara, Dja Dja Warrung, Wiradjuri and Yorta Yorta woman. Veronica died in custody at Dame Phyllis Frost Centre in 2020, three days after being arrested and refused bail for shoplifting-related offences. Among other things, the inquest examined the adequacy of healthcare provided to Veronica in prison, the effect of stigma and discrimination on Veronica's treatment and how Victoria's bail laws operate to disproportionately incarcerate Aboriginal women.

We made submissions to assist the Coroner to apply the Charter to the facts before him when making findings and recommendations. We provided assistance on:

- the scope of the rights to life, liberty, equality, humane treatment in detention and the right to be free of torture and cruel, inhuman and degrading treatment
- the extent to which public authorities such as Corrections Victoria and Victoria Police met their obligations under the Charter.

We made a range of submissions, including that:

- stigma associated with drug dependency and systemic discrimination on the basis of race and disability contributed to Veronica's treatment
- health services should be provided to Aboriginal people in prison by Aboriginal-controlled organisations and women with opioid dependencies need access to opioid substitution treatment
- the reverse onus provisions in Victoria's bail laws, at least insofar as they applied to Veronica and to low-level offending or breaches of bail conditions, are incompatible with Charter rights.

The Coroner is expected to make findings about whether Veronica's treatment was in breach of the Charter and make recommendations to prevent Aboriginal people from dying in custody and improve the medical treatment provided to women in prison with substance use disorders.



A close-up portrait of a woman with curly, light brown hair. She is looking slightly to the left with a serious expression. She is wearing a pink top with a floral pattern and a gold chain necklace. The background is blurred, showing green foliage.

# Protecting the rights of Aboriginal people in police custody

In early 2022, we conducted the first phase of a review of the human rights training that police and custody officers receive to protect the rights of Aboriginal people in police custody.

The review was recommended by the Coroner in the Coronial Inquest into the Death of Tanya Louise Day. Tanya Louise Day was a 55-year-old Yorta Yorta woman who died on 22 December 2017 after being arrested for public drunkenness on a V-line train and falling in custody at Castlemaine police station. She died of a head injury.

One of ten recommendations from the Coroner was to review and assess the compatibility of Victoria Police's training materials with the human rights set out in the Charter.

The review focused on the training provided to police and custody officers relating to Aboriginal people in custody for its compatibility with the following rights set out in the Charter:

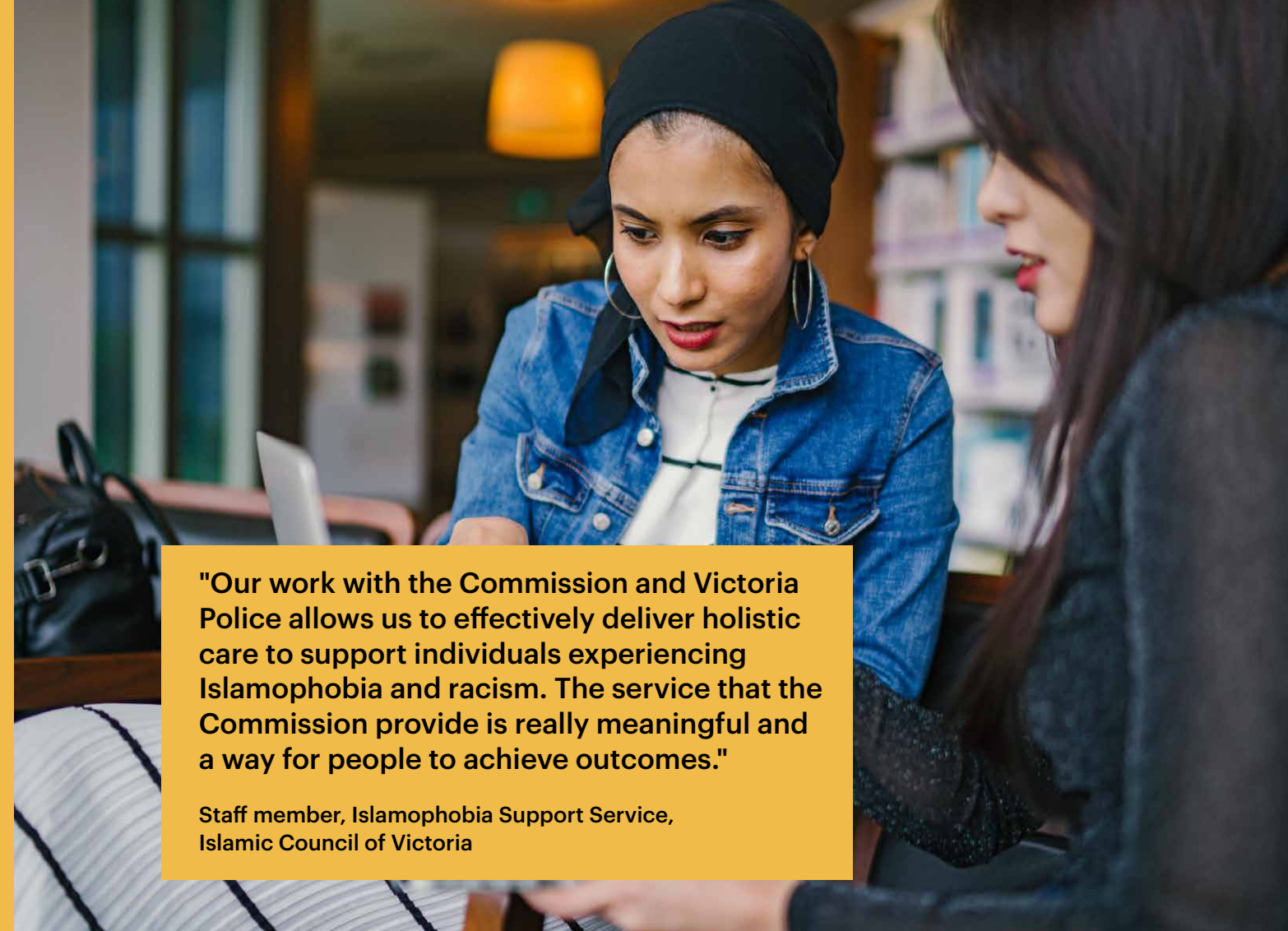
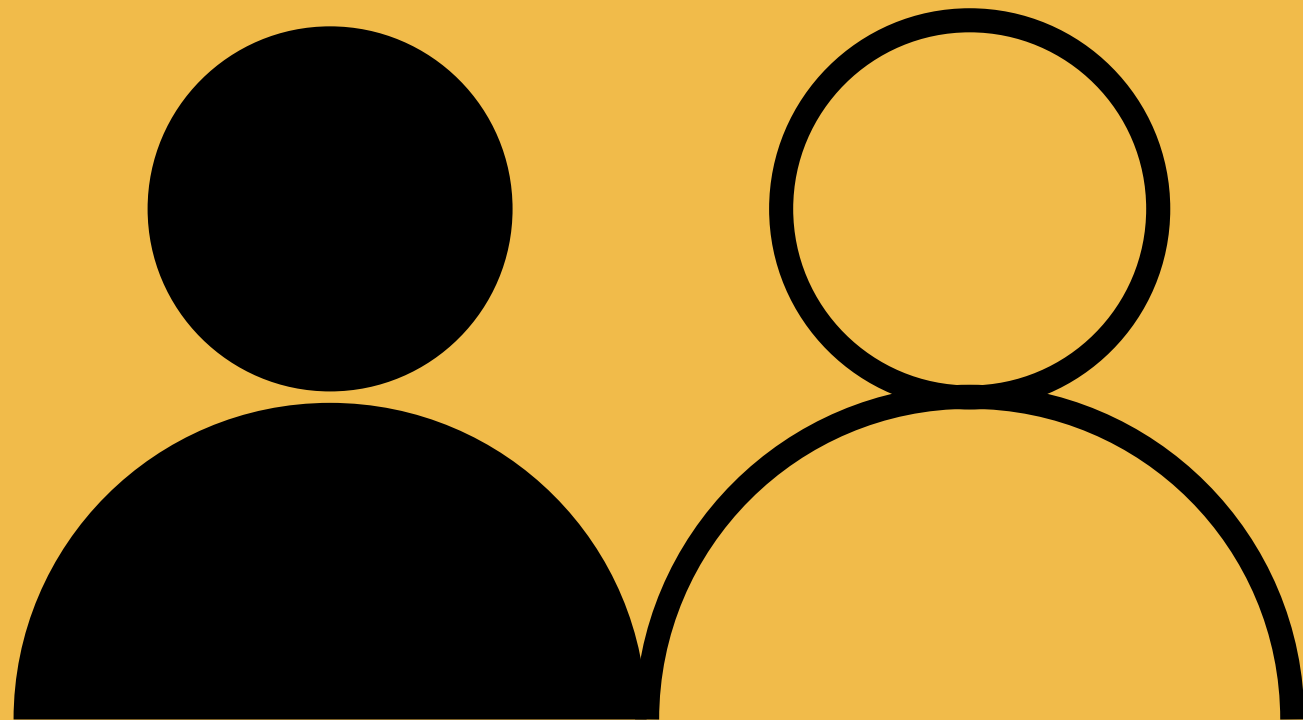
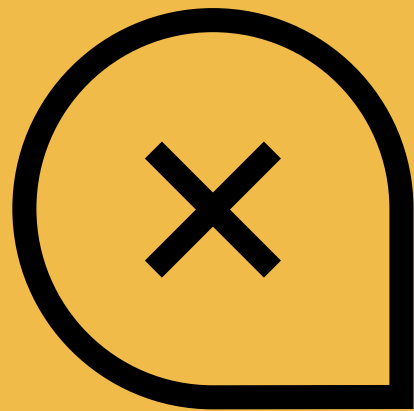
- the right to Aboriginal cultural rights
- humane treatment when deprived of liberty
- the right to equality before the law.

We undertook a desktop review of selected education programs and consulted with Victoria Police educators from the Police Academy.

Progression of the recommendations, and consultation with Aboriginal stakeholders and police and custody officers, will take place in the next phase of the review.



# Reducing Racism



"Our work with the Commission and Victoria Police allows us to effectively deliver holistic care to support individuals experiencing Islamophobia and racism. The service that the Commission provide is really meaningful and a way for people to achieve outcomes."

Staff member, Islamophobia Support Service,  
Islamic Council of Victoria

We engaged deeply with multicultural and multifaith communities across Victoria to understand and respond to the increased reports of racial discrimination and vilification during the COVID-19 pandemic.

This year we focused on digital engagement to encourage reporting of racism, working with National Ethnic and Multicultural Broadcasters' Council (NEMBC) and others to develop products to reach communities. We continued to deliver human rights education to multicultural and multifaith communities and service providers.

Our *Reducing Racism and Human Rights Advocates Course* pilot was developed in response to community concerns that service providers do not have sufficient knowledge to respond to racism adequately. It was designed to empower staff from councils and providers who serve multicultural communities to develop rights awareness and advocacy skills to support those experiencing racism.

Our key achievements for the year were:

- 415 participants in our racism information sessions
- 134 participants in our *Reducing Racism and Human Rights Advocates* course
- 98 per cent of participants increased their confidence to identify racism and their knowledge of the Commission's functions, services and laws
- 24 in language podcasts created in collaboration with NEMBC
- A racism information chatbot prototype has been created
- [Anti-racism games video](#) developed in partnership with Cinespace.

# Anti-racism strategy and taskforce

"The creation of an anti-racism strategy is an opportunity to better harness the strengths and capabilities of culturally diverse communities. I hope it identifies systemic barriers to participation and develops a plan to address these, with the goal of empowering all Victorians to realise their potential."

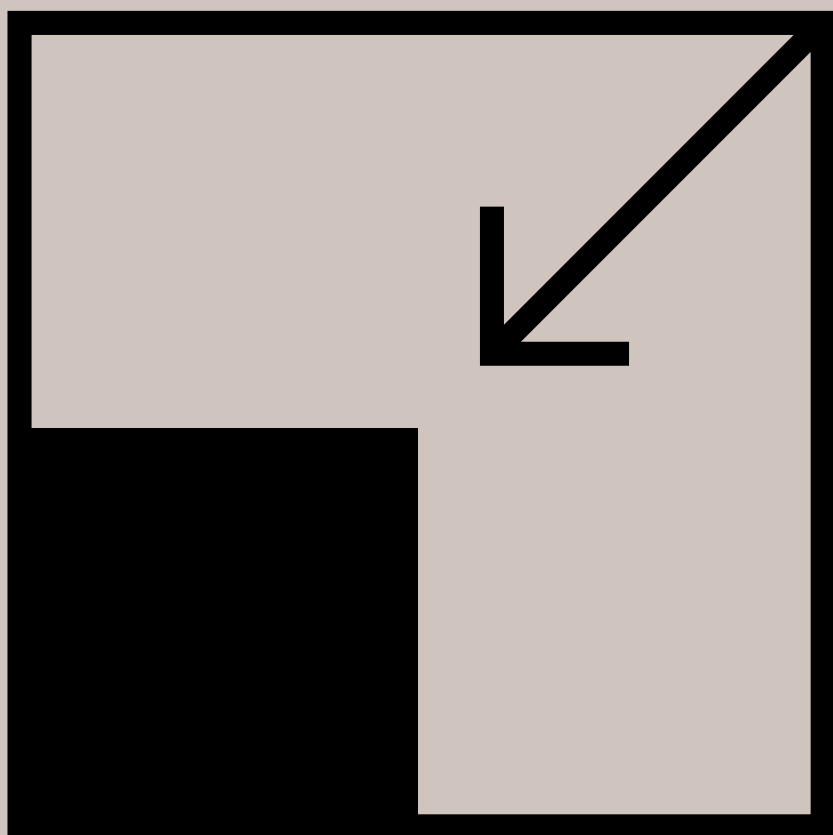
Chris Christoforou, Anti-Racism Taskforce member

The Victorian Government has committed to developing the first ever state-wide anti-racism strategy to proactively prevent and address racism. An anti-racism taskforce was established to provide strategic advice and recommendations to ensure the strategy sets out a clear and targeted roadmap.

We sit on the taskforce with the Victorian Multicultural Commission and 11 community members who bring a wealth of professional and lived experience and reflect the diversity of our community. The taskforce has made significant progress in developing the strategy, to be released in 2023. It has explored how to best engage communities and key stakeholders in an inclusive and meaningful way. The taskforce has consulted with multicultural and multifaith communities, subject-matter experts, and service providers across Victoria.



# Eliminating change and suppression practices



The *Change or Suppression (Conversion) Practices Prohibition Act 2021* commenced on 17 February 2022. The Commission has a range of functions under the Act, including the civil response scheme. Prior to commencement, we consulted with survivor groups and others to inform our new functions under the scheme, including:


- receiving reports of practices
- facilitating outcomes based on the wishes of the reporter
- research and data collection
- conducting investigations
- providing education and information services.

We continue to deeply engage with survivor groups and academic experts to develop tailored information resources and education services to help individuals, organisations and community groups take reasonable precautions to prevent change and suppression practices from occurring.

**Since the commencement of the Act, we have established:**

- referral pathways for reporters and a process to assess reports and facilitate outcomes
- a series of information and education services
- new website for specific audience groups, featuring stories of lived experience and responses to common scenarios and questions
- briefings and workshops to help Victorians better understand the new law.





"We integrated the Commission's presentation on the new law into an extended staff professional session. This gave it context and increased its acceptance and impact. The Commission provided clarity on the reasons, key principles and guidelines to help us think through our context and to reflect on our practice."

Reverend Dr John Mark Capper,  
Stirling College

A communications and engagement plan supported the Act's commencement, including:

<b>A new subsite on our website</b>	969 unique visitors in the first two weeks
<b>Key stakeholders announcing the Act</b>	6 stakeholders posting and sharing content on social media, resulting in 601 likes and reactions and 67 shares
<b>Media pack</b>	several news pieces featured the Act, all positive or neutral in nature
<b>Social media ambassadors</b>	1,151 likes and reactions, 33 comments and 144 shares <b>Ro Allen, Todd Fernando, Jason Ball, Toni Groves-Little, Benjamin Law and Kon Karapanagiotidis</b>

Engagement and delivery of education services continue across many varied sectors including faith communities and associations, faith-run schools, theological colleges, and health service providers.

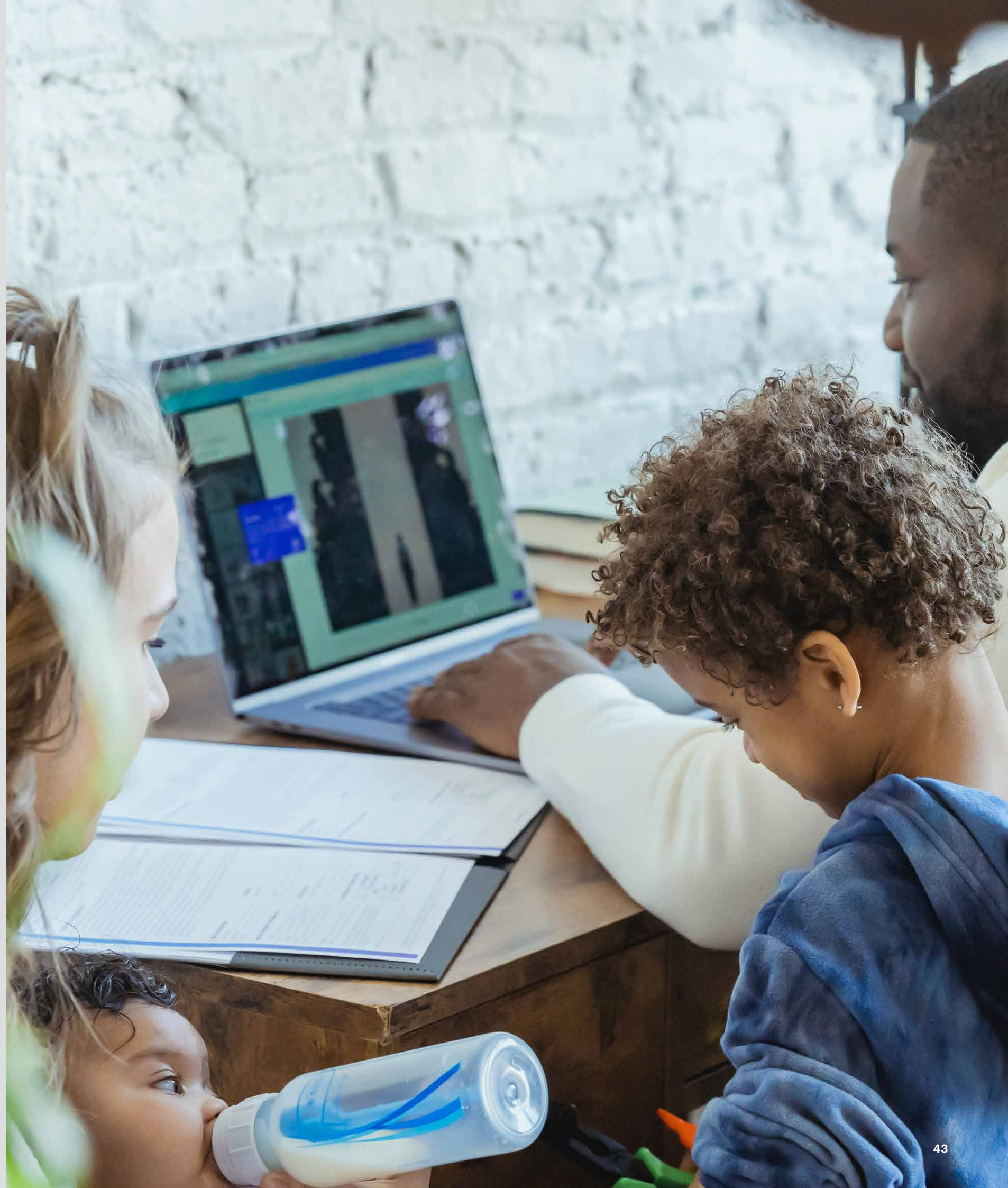






# Report of operations

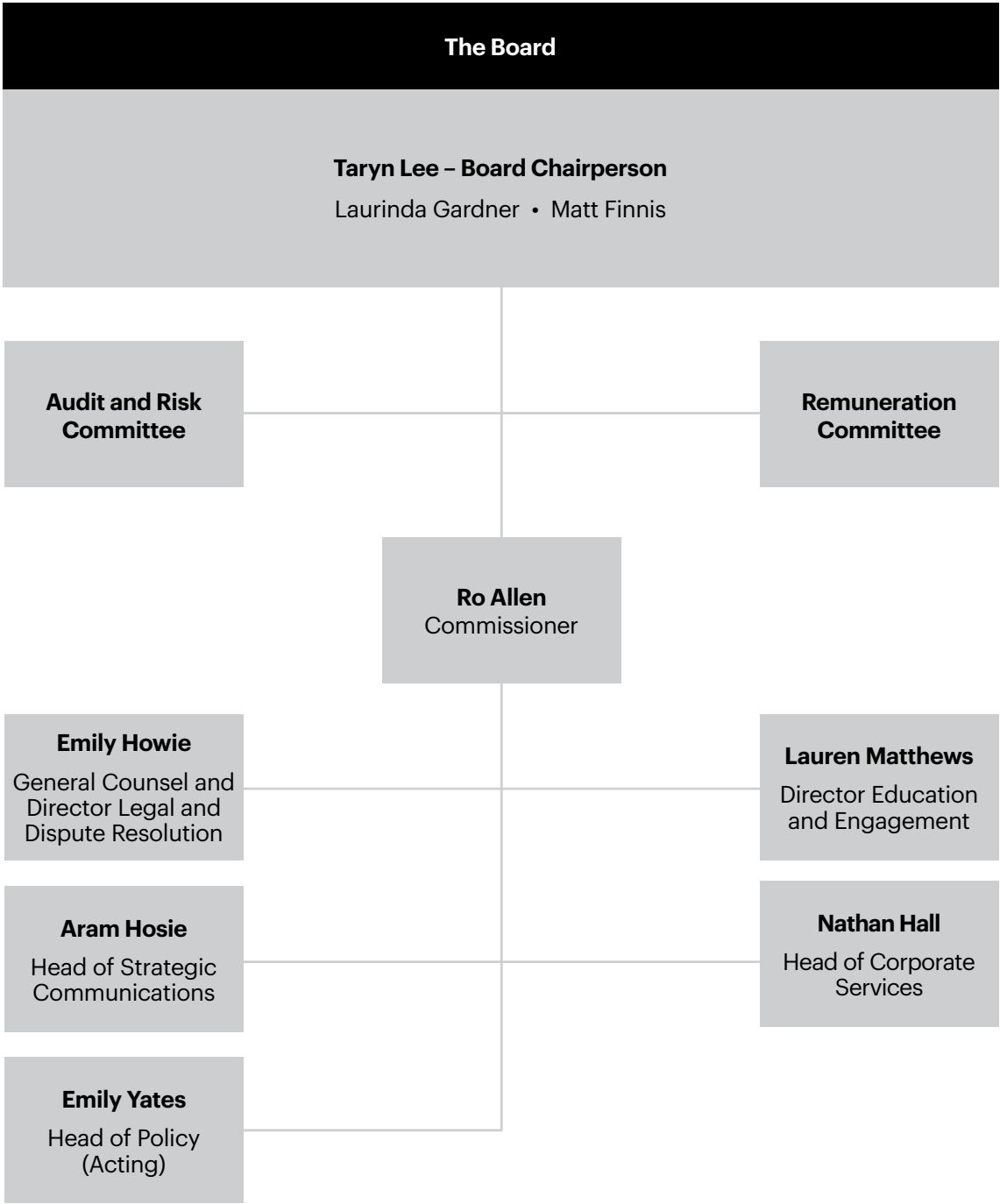
Compliance reporting





# Our organisational structure

As at 30 June 2022



## The Board



**Taryn Lee** (Chairperson April 2022 – Current)

Taryn is a proud Yawuru woman from Broome who has lived in Melbourne for the past 20 years. Taryn has recently joined PIC from the Victorian Government where she has held executive roles in the design, development and delivery of policy frameworks that have been central to positioning Aboriginal self-determination as the centrepiece to improve outcomes for Aboriginal communities. In 2018, Taryn was acknowledged in the Top 50 Women in the Public Sector by Davidson. Taryn completed her first MA in Human Rights Law (University of London).



**Laurinda Gardner**

Laurinda is a board director, organisational reform and change management consultant and career coach. Laurinda has more than 25 years of senior executive experience and was formerly a Deputy Secretary with the Victorian Department of Treasury and Finance and a Director at the City of Melbourne. Laurinda has led large operational teams in diverse areas including strategic and business planning, HR, IT, communications, town planning, stakeholder engagement, finance and risk. Laurinda has performed the role of trusted adviser to several CEOs, undertaken a number of reviews for the Victorian Government, is currently on the Board of the Victorian Planning Authority and a member of several remuneration, and audit and risk committees. Laurinda is a Fellow of the Institute of Public Administration (Victoria) and a graduate member of the Australian Institute of Company Directors.



**Matt Finnis**

Matt was appointed Chief Executive Officer of the St Kilda Football Club in 2014. Prior to joining St Kilda, Matt was CEO of the AFL Players’ Association, representing the interests of current, future and former AFL players in a range of industrial, commercial and development matters. Before his roles in the AFL Matt worked as a commercial lawyer advising sporting organisations, businesses, athletes and government. Matthew also has extensive experience on boards supporting community causes and organisations including; Ladder, AFL SportsReady, Surfing Australia, Surf Life Saving Victoria and HeartKids Australia. Matthew has been a founding member of the Sport Male Champions of Change Group since 2015, working with influential leaders to redefine the role of men in taking taking action on gender inequality. In 2016 he was awarded the Straight Ally of the Year at the GLOBE Community Awards.



## **Faddy Zouky OAM** (until March 2022)

Faddy is the founding President of the Australia Lebanon Chamber of Commerce and Industry, a member of the Multicultural Commission of Victoria's Small Business Ministerial Council, and the current Managing Partner of Zouki Lawyers and the Executive Director of the Zouki Group of companies. Faddy has a Master of Laws and has taught commercial law as an assistant lecturer at Monash University. He is a respected member of the Australian Lebanese community and has served as a United Nations Australian Ambassador for the UNDP Live Lebanon Project. As a migration agent, Faddy has assisted hundreds of people seeking to settle in Australia and was awarded the Order of Australia Medal in 2012 for his services to business and Victoria's multicultural community.



## **Moana Weir** (Former Chairperson until April 2022)

Moana is an experienced lawyer and board member, with more than 15 years' experience as a company secretary and general counsel of ASX-listed entities, including SEEK and REA (realestate.com.au). She has also previously served on the Board for V/Line Corporation (2010 to 2013) and Melbourne Montessori School Ltd. She has a passion for driving real change and better outcomes in equal opportunity and human rights.

## **Audit and Risk Management Committee report**

The primary role of the Audit and Risk Management Committee is to provide independent oversight and governance of the Commission's business processes, risk management and financial management, performance and sustainability. The Committee considers reports from the Commission and auditors that provide assurance about the integrity of the financial controls, processes, systems and reporting of the Commission. It also monitors the Commission's compliance with the Financial Management Act 1994 and the 2018 Standing Directions of the Minister for Finance. The Audit and Risk Management Committee advises the Board and the Commission on matters of compliance, accountability, risk management and internal controls affecting operations.

The 2021–22 Audit and Risk Management Committee consisted of:

- Laurinda Gardner (Chair)
- Taryn Lee (from April 2022)
- Independent member Kevin Lee (from October 2021)
- Moana Weir (until April 2022)
- Rebecca Dabbs (until November 2021)

External audits of the Commission are undertaken by the Victorian Auditor General's Office.

# Five-year financial performance

The following financial performance tables are not subject to audit by the Victorian Auditor-General's Office and are not prepared on the same basis as the Commission's financial statements.

## Five-year financial performance summary

	2022	2021	2020	2019	2018
Income from government	10,924,096	10,197,979	9,640,371	9,717,071	9,527,853
Total income from transactions	10,924,096	10,197,979	9,640,371	9,717,071	9,527,853
Total expenses from transactions	10,704,804	10,122,373	9,176,898	9,719,831	9,495,431
Net result from transactions	219,292	75,606	463,473	(2,760)	32,422
Net result for the period	291,254	123,696	432,382	(69,474)	46,792
Net cash flow from operating activities	150,281	73,980	587,721	64,268	119,167
Total assets	4,239,048	3,877,718	3,886,169	3,138,265	3,427,466
Total liabilities	1,936,040	1,865,965	1,998,113	1,682,591	1,902,318

## Current year financial review

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. This measure excludes the effects of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside the control of the Commission.

In 2021-22 the Commission reported a net result from transactions of \$219,292 representing an increase of \$143,686 from 2020-21. Total income increased by 7% whilst total expenses increased by 6% from the previous year. This resulted in an increase of \$167,559 in the overall net result.

Total net assets continued to grow up until 2018-19 when there was a decline of (\$69,474) from the previous year. However net assets have increased from \$2,011,753 last year to \$2,303,007 in 2021-22 due to a significant increase in the Commission's total financial assets.

Net cash inflows from operating activities increased significantly as compared to last year. This is due to a 5% increase in receipts and only a 4% increase in total payments.

## Financial performance

There was an increment in output appropriation as compared to the previous year. This increase was attributed mainly as a direct result of:

- Department initiative funding for decriminalising the sex work industry (\$268,000)
- legal assistance and critical early intervention support services (\$626,000)
- civil response to denounce and prohibit change or suppression practices (\$497,000).

Due to the COVID-19 pandemic and social distancing requirements, the Commission generated \$348,000 s29 revenue from delivery of virtual and face-to-face education and training. Additional income was generated from special projects undertaken by the Commission. Expenses from transactions increased mainly because of an increase in employee costs and other operating expenses due to additional resources required to take on new projects as well as increased complaints handling, and conciliation caused by various acts of discrimination and unfair treatment resulting from the pandemic. The net result from transactions therefore increased significantly from the previous year.

## Financial position – balance sheet

Total assets increased extensively by \$361,330 over the year mainly due to an increase of \$431,882 in financial assets and a decrease of \$70,552 in non-financial assets. The increase in financial assets is due to increases in cash and receivables. The increase in receivables is of a statutory nature and is due from the Department of Justice and Community Safety. They represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

Total non-financial assets decreased due to the decrease in the net book value of intangible assets and other non-financial assets (prepaid salaries). Total liabilities increased mainly due to the payment of VicFleet Right Of Use liability as well as creditor accruals, provisions for FBT payable and accrued salaries.

## Cash flows

The total cash surplus of \$1,068,654 for the 2021-22 financial year is the result of a net increase in cash of \$139,219, in addition to an opening cash balance of \$929,435. The net increase in cash is due to receipts of \$890,000 from the Department of Health and Human Services to conduct an independent review into discrimination, sexual harassment, and victimisation within Ambulance Victoria.

The Commission also received a total of \$362,220 this year from Public Sector Administration Committee and Victoria Police to refund the Charter Education Program for two years (Jan 2022 to 31 Dec 2023). A further \$362,220 will be invoiced in the 2022-23 financial year.

A further \$50,000 was received from the Department of Health to design, develop, and deliver a school-based anti-racism program to support young people to be active agents in their healthy futures from a mental health and race perspective.

Net cash outflows from financing activities was \$11,061 resulting from transactions in for the Commission's leased motor vehicles.



# HR and workforce

## Occupational health and safety

The goal of the Commission’s occupational health and safety (OH&S) arrangements is to embed a safety and wellbeing culture into everything we do to ensure employees remain safe and healthy at work. The Commission has its own OH&S framework and uses the Department of Justice and Community Safety’s Justice Incidents Management System (JIMS) to record, manage and monitor incidents.

The Commission also has its own local Incident Management Team (IMT) and Incident Management Plan, aimed at enhancing workplace safety and security and ensuring safe systems of work.

The Commission has very few OH&S incidents each year. However, after any incident and in each debriefing, the IMT assesses whether there are or could be any OH&S implications and acts accordingly. There was a total of 23 incidents recorded in JIMS for 2021–22.

22 of these incidents were reported hazards related to positive COVID cases reported within the office.

## Justice Incident Management System statistics

	2021-22	2020-21	2019-20
Incidents*	23	2	1
Injuries requiring first aid or medical treatment	1	0	1
Injuries resulting in WorkCover claims	0	0	0
WorkCover claims resulting in lost work time	0	0	0

\*As related to employees (therefore excluding members of the public, contractors, etc). Incidents are defined as including hazards, near misses and injuries.

## Employment and conduct principles

The Commission is committed to applying merit and equity principles when appointing employees. The selection processes ensure that applicants are assessed and evaluated equitably and fairly based on the key selection criteria, Jobs and Skills Exchange policy and other accountabilities without discrimination. The Commission is also committed to increasing diverse talent to ensure a wider reach to external channels.

## Public sector values and employment principles

In addition to the Victorian Public Sector Commission’s (VPSC) role under the Public Administration Act 2004 to advocate for public sector professionalism and integrity and to strengthen overall Victorian public sector efficiency, effectiveness and capability, the Commission also has a broad role under its four governing Acts<sup>1</sup>, to protect and promote human rights and equal opportunity in employment and related areas for all Victorian organisations.

Our role also extends to other settings including education, provision of goods and services, transfer of land, accommodation, clubs and in sport. Our external work in these areas in 2021–22 is reported elsewhere in this Annual Report.

Internally, in addition to promoting public sector values and employment principles, we have our own set of values – Creativity, Accountability, Rigour and Empathy. These values describe what is important to us in how we act with our colleagues, our partners and the people and communities we work with. During 2021–22 we worked to embed our values into recruitment, induction, and internal governance processes.

<sup>1</sup>The four Acts governing the work of the *Victorian Equal Opportunity and Human Rights Commission* are the *Equal Opportunity Act 2010*; *Charter of Human Rights and Responsibilities Act 2006*; *Racial and Religious Tolerance Act 2001*; and the *Change or Suppression (Conversion) Practices Prohibition Act 2021*.

## Workforce inclusion policy

The Commission has an inclusive working environment where equal opportunity and diversity are valued. We continued to deliver these priorities, including:

- an internship program which continues to attract and develop diverse student populations
- the implementation of recruitment exemptions to advertise all vacant ongoing position externally to encourage applications from more diverse candidates with diverse needs
- establishing four diversity and inclusion advisory groups to consult on key focus areas:
  - People of Colour
  - Disability Enablers Network
  - Pride @ the Commission
  - Deadly Yarns
- removing all gender identifiable titles from all recruitment documents and contracts
- holding Indigenous cultural competency training for leadership team and staff who work directly with Indigenous customers and clients
- conducting anti racism, cultural safety, and cultural equity training for all staff.

## Comparative workforce data

The following tables disclose the head count and full-time equivalent (FTE) of all active public service employees of the Commission, employed in the last full pay period in June of the current reporting period (2022), and in the last full pay period in June of the previous reporting period (2021).

## Workforce data trends

	Ongoing		Fixed term		Casual		Total	
	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
June 2021	45	42.96	11	10.60	2	1.03	58	54.59
June 2022	43	41	11	10.8	0	0	54	51.8

## Details of employment levels in June 2022

		All employees		Ongoing		Fixed term and Casual	
		Headcount	FTE	Headcount	FTE	Headcount	FTE
Demographic data	<b>Gender</b>						
	Male	12	12	11	11	1	1
	Female	40	37.8	31	29	9	8.8
	Self-described	2	2	2	2	0	0
	<b>Age</b>						
	Under 25	2	2	1	1	1	1
	25 – 34	19	18.8	14	14	5	4.8
	35 – 44	13	11.7	11	9.77	2	2
	45 – 54	13	12.53	11	10.53	2	2
	55 – 64	5	4.8	5	4.8	0	0
	Over 64	2	1.9	2	1.9	0	0
Classification data	<b>Classification</b>						
	Executive Officers	3	2.9	0	0	3.0	2.9
	Principal Solicitor	0	0	0	0	0	0
	Senior Solicitor	1	1	1	1	0	0
	Solicitor	1	0.63	1	0.63	0	0
	Solicitor 3	0	0	0	0		0
	VPS 1	0	0	0	0		0
	VPS 2	1	1.0	1	1.0	0	0
	VPS 3	8	7.8	3	3.0	5	4.8
	VPS 4	12	11.4	11	10.4	1	1
	VPS 5	21	20.1	17	16.1	4	4.0
	VPS 6	7	6.97	7	6.97	0	0
	Total active employees*	54	51.8	44	42	10	9.8

Note: 'Active employees' has the same meaning as in Financial Reporting Direction 29C and includes employees on WorkCover leave receiving make up pay. Active employee numbers do not include:

- Separated employees that ceased employment with your organisation during the 12 months from the first pay period of July 2020 until the end of the last full pay period of June 2021.
- Casual employees who were not employed and paid for work in the final full pay period of June 2021.
- People who are added to the payroll in the last full pay period in June 2021 solely for the purpose of paying outstanding entitlements.
- Volunteers, employment agency staff, contractors, consultants or board members

# Other disclosures

## Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in Metropolitan Melbourne or statewide projects, or \$1 million or more for projects in regional Victoria.

MPSG applies to all construction projects valued at \$20 million or more. The MPSG guidelines and VIPP guidelines will continue to apply to MPSG-applicable and VIPP applicable projects respectively where contracts have been entered prior to 15 August 2018.

## Government advertising expenditure

In 2021-22, there were no government advertising campaigns with total media spends of \$100,000 or greater (exclusive of GST).

## Consultancy expenditure

In 2021-22 there were ten consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2021-22 in relation to these consultancies is \$345,125 (excl. GST).

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl. GST)	Expenditure 2020-21	Future Expenditure (excl. GST)
YOUNGS LIST PTY LTD	Advice on Equal Opportunity Act matter s15 and s127.	15/03/2022	17/05/2022	12,727	12,727	0
WORKING SMARTER	Dispute Resolution service improvement process.	21/03/2022	30/06/2022	56,000	56,000	0

STRATEGY AND DATA	Needs analysis: COSPPA related goals, supporting processes and evidence. Data management process recommendations.	9/06/2022	30/06/2022	22,000	22,000	0
MONSOON COMMUNICATIONS	Expert advice and assistance to develop and refine recommendations and content for volume ii of the final phase one AV report.	25/02/2022	27/04/2022	38,900	38,900	0
JUSTINE ALEXANDRA VAISUTIS	Expert advice and assistance to develop and refine recommendations and content for volume ii of the final phase one AV report.	4/02/2022	4/03/2022	44,200	44,200	0
LANDES TODD LARSON	AV review - survey analyses and reports, creating custom tables for open ended survey responses, plots, and advice on draft chapters volume 1.	1/07/2021	18/03/2022	13,938	13,938	0
EMMA COETSEE	Expert advice and assistance to develop and deliver content (section 4) of the Commission's Spent Convictions Guideline.	1/02/2022	23/06/2022	30,000	30,000	0



EMMA COETSEE	Dispute resolution service improvement, VDLR case law database and conciliation fact sheets.	28/06/2022	30/09/2022	33,600	33,600	8,400
MONASH UNIVERSITY	Behaviour change capability building.	24/06/2022	30/06/2022	37,720	37,720	0
LITTLE ROCKET	Communications and engagement asset and strategy development.	29/06/2022	30/09/2022	56,040	56,040	14,010

## Information and communication technology expenditure

For the 2021-22 reporting period, the Commission had a total ICT expenditure of \$171,465, with the details shown below.

All operational ICT expenditure business as usual ICT expenditure (excl. GST*)	ICT expenditure related to projects to create or enhance ICT capabilities		
	Non-business as usual ICT expenditure (excl. GST)	Operational expenditure (excl. GST)	Capital expenditure (excl. GST)
171,465		171,465	

Note: ICT expenditure refers to the Commission's costs in providing business enabling ICT services within the current reporting period. It comprises business as usual (BAU) ICT expenditure and non-business as usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing the Commission's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

## Disclosure of major contracts

The Commission had no major contracts valued at over \$10 million during the financial year ended 30 June 2022.

## Freedom of information

Victoria's Freedom of Information Act 1982 (FOI Act) gives members of the public the right to apply for access to information we hold and is an important part of promoting transparency and accountability.

The Commission holds documents relating to procedures and policy, projects, litigation, dispute resolution, staff, operational and administrative responsibilities, and general correspondence.

The Commission also proactively publishes information about its activities and decision-making on its website, where it can be accessed without a FOI request.

Before making a freedom of information request, we encourage you to just ask us for the information you want. If it is straightforward to access and not private or confidential, we will give it to you. If we consider more work or consideration will be involved, we will help you to make a formal freedom of information request.

### How to make a request

Section 17 of the FOI Act requires requests to be:

- in writing
- clear enough to identify which documents are sought
- accompanied by the appropriate application fee, or a request to have the fee waived on hardship grounds

Request to the Commission can be made by:

- email to [foi@veohrc.vic.gov.au](mailto:foi@veohrc.vic.gov.au)
- post to: FOI Officer, Level 3, 204 Lygon Street, Carlton Vic 3053

The Commission will charge an access fee in some cases (for example, for photocopying and search and retrieval).

Applicants can contact the Commission's Legal Unit on 1300 292 153 for assistance making a FOI request.

### FOI statistics

The Commission received two formal FOI requests during 2021-22.

## Office of the Victorian Information Commissioner

If requesters are unhappy about the Commission's handling of a FOI request, they can complain or seek review of our decision to the Office of the Victorian Information Commissioner (OVIC).

The Commission is committed to accountability for its actions and cooperates fully with all OVIC reviews.

In 2021-2022 OVIC did not notify the Commission of any reviews of an FOI decision.

In 2019-2020, OVIC notified the Commission of its decision to uphold an FOI decision of the Commission. In 2020-2021 this matter was referred to the Victorian Civil and Administrative Tribunal (VCAT). In 2021-2022 VCAT reviewed this FOI decision. The Commission is still awaiting VCAT's decision in this matter.

### Further information

Further information on making a request to the Commission can be found on our website <https://www.humanrights.vic.gov.au/about-us/policies/freedom-of-information-policy/>

## Compliance with the Building Act

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

## Compliance with Competitive Neutrality Policy

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The Commission works to ensure it fulfils its requirements on competitive neutrality reporting as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

## Compliance with the Protected Disclosure Act

The *Protected Disclosure Act 2012* 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.

We are committed to ensuring transparency and accountability in administrative and management practices. We support the making of disclosures that reveal:

- corrupt conduct
- conduct involving a substantial mismanagement of public resources
- conduct involving a substantial risk to public
- health and safety or the environment.

We will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. We will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible

### Reporting procedures

Disclosures about the Commission or any of its employees can be made to the Independent Broad-based Anti-Corruption Commission.

Address: Level 1, North Tower, 459 Collins Street  
Melbourne, VIC 3000

Phone: 1300 735 135  
Internet: [www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)  
Email: [info@ibac.vic.gov.au](mailto:info@ibac.vic.gov.au)

For the Commission's protected disclosure procedures, how we protect people from reprisals and more information about reporting improper conduct go to [www.humanrights.vic.gov.au](http://www.humanrights.vic.gov.au).

## Compliance with the Carers Recognition Act

The Commission has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*. Externally, these obligations include promoting the principles of the Act to people in care relationships who receive our services, and to the wider community, by:

- distributing printed information about the Act on our website for the benefit of members of the public
- continuing to educate the community about the rights of carers under the *Equal Opportunity Act* through our social media campaigns, project initiatives and training workshops
- providing a publicly available Enquiry Line for members of the public to make complaints about discrimination, including on the basis of their status as carer, as well as the opportunity to participate in dispute resolution at the Commission.

## Compliance with the Disability Act

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community. The Act requires public sector bodies to prepare a disability action plan and report on its implementation in their annual report.

The Commission's 2018-20 Disability Action Plan (DAP) is being reviewed and updated. Other key activities undertaken in 2021-22 that continue to fulfil our commitments under the DAP include:

- the development of the Disability Enablers Network advisory group
- driving internally disability identification data, and self-reporting on JPAY
- engagement with the wider VPS Enabler's Network
- developing specific disability awareness events at the Commission
- reducing barriers to persons with a disability obtaining and maintain employment by progressing actions that ensure employees can thrive in their employment.

The Commission also continues to maintain SCOPE communication access accreditation through staff training which is reviewed annually.

## Office based environmental impacts

We are committed to minimising our environmental impact. The Commission occupies 1406 sqm of office floorspace which is managed by the Department of Justice and Community Safety, and any consumption reduction targets and infrastructure initiatives to achieve those targets are reported in the Department's Annual Report.

The facilities management system for the building occupied by the Commission cannot isolate the Commission's floorspace. Therefore, no separate electricity or water consumption performance can be reported here, although it is captured in the overall departmental statistics. When offices are open, we do assist in power consumption reduction by requiring staff to turn off lights when meetings are finished and turn off desktop computers and monitors at the end of the day. All Commission computer monitors also have timed screensavers.

To minimise waste and consumables, we:

- require all staff to use office landfill, and recycle bins (and provides compost bins for biodegradable waste)
- collect mobile phones, corks, and batteries for recycling.

All staff are also encouraged to use the option of double-sided printing wherever possible. We use energy-efficient printers and recycled paper.

To reduce fuel consumption and transport costs, our two vehicles have hybrid electric/petrol motors, and staff are encouraged to use public transport for work travel where possible.



## Additional Commission 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 on request, subject to the application of the FOI Act.

1. Declarations of pecuniary interests that have been duly completed by all relevant officers of the Commission
2. Details of shares held by senior officers of the Commission as nominee or held beneficially in a statutory authority or subsidiary
3. Details of all consultancies and contractors including:
  - consultants/contractors engaged
  - services provided
  - expenditure committed to for each engagement.

The information is available on request from [foi@veohrc.vic.gov.au](mailto:foi@veohrc.vic.gov.au)

## Attestation for financial management compliance with Ministerial Standing Direction 5.1.4

I, Taryn Lee, on behalf of the Board, certify that the Victorian Equal Opportunity and Human Rights Commission has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

Signed



**Taryn Lee**  
Board Chairperson

# Financial notes and statements

## Declaration in the financial statements

The attached financial statements for the Victorian Equal Opportunity and Human Rights Commission have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2022 and financial position of the Commission at 30 June 2022.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 15 November 2022.



**Ro Allen**  
Commissioner  
Victorian Equal Opportunity and Human Rights Commission  
15 November 2022



**Jennifer Stephenson**  
Acting Chief Financial Officer  
Victorian Equal Opportunity and Human Rights Commission  
15 November 2022



**Taryn Lee**  
Chairperson of the Board  
Victorian Equal Opportunity and Human Rights Commission  
15 November 2022

## Independent Auditor's Report

### To the Board of the Victorian Equal Opportunity and Human Rights Commission

<b>Opinion</b>	<p>I have audited the financial report of the Victorian Equal Opportunity and Human Rights Commission (the Commission) which comprises the:</p> <ul style="list-style-type: none"> <li>balance sheet as at 30 June 2022</li> <li>comprehensive operating statement for the year then ended</li> <li>statement of changes in equity for the year then ended</li> <li>cash flow statement for the year then ended</li> <li>notes to the financial statements, including significant accounting policies</li> <li>declaration in the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Commission as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>The Board's responsibilities for the financial report</b>	<p>The Board of the Commission is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

<b>Auditor's responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> <li>identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li> <li>obtain an understanding of internal control relevant to the audit 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 Commission's internal control.</li> <li>evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.</li> <li>conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.</li> <li>evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.</li> </ul> <p>I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
---	---

MELBOURNE  
25 November 2022



Janaka Kumara  
as delegate for the Auditor-General of Victoria



## Comprehensive operating statement for the financial year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Continuing operations</b>			
<b>Income from transactions</b>			
Output appropriations	2.1	9,621,876	8,923,192
Government grants	2.3	1,302,220	1,274,787
<b>Total income from transactions</b>		<b>10,924,096</b>	<b>10,197,979</b>
<b>Expenses from transactions</b>			
Employee expenses	3.1.1	(7,789,000)	(7,601,687)
Depreciation and amortisation	4.1.1	(90,144)	(153,360)
Interest expense	6.1	(794)	(2,052)
Other operating expenses	3.2	(2,824,866)	(2,365,274)
<b>Total expenses from transactions</b>		<b>(10,704,804)</b>	<b>(10,122,373)</b>
<b>Net result from transactions (net operating balance)</b>		<b>219,292</b>	<b>75,606</b>
<b>Other economic flows included in net result</b>			
Other gain/(loss) from other economic flows	8.1	71,962	48,090
<b>Total other economic flows included in net result</b>		<b>71,962</b>	<b>48,090</b>
<b>Net result</b>		<b>291,254</b>	<b>123,696</b>
<b>Comprehensive result</b>		<b>291,254</b>	<b>123,696</b>

The accompanying notes form part of these financial statements.

## Balance sheet as at 30 June 2022

	Notes	2022 \$	2021 \$
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	6.2	1,068,654	929,435
Receivables	5.1	2,985,495	2,692,832
<b>Total financial assets</b>		<b>4,054,149</b>	<b>3,622,267</b>
<b>Non-financial assets</b>			
Plant and equipment	4.1	62,171	29,769
Intangible assets	4.2	84,199	161,920
Other non-financial assets	5.3	38,530	63,762
<b>Total non-financial assets</b>		<b>184,900</b>	<b>255,451</b>
<b>Total assets</b>		<b>4,239,049</b>	<b>3,877,718</b>
<b>Liabilities</b>			
Payables	5.2	549,156	250,580
Borrowings	6.1	62,229	28,466
Employee related provisions	3.1.2	1,324,657	1,586,919
<b>Total liabilities</b>		<b>1,936,042</b>	<b>1,865,965</b>
<b>Net assets</b>		<b>2,303,007</b>	<b>2,011,753</b>
<b>Equity</b>			
Accumulated (deficit)		(307,491)	(598,745)
Contributed capital		2,610,498	2,610,498
<b>Net worth</b>		<b>2,303,007</b>	<b>2,011,753</b>

The accompanying notes form part of these financial statements.

## Cash flow statement for the financial year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from government		10,631,434	10,160,394
<b>Total receipts</b>		<b>10,631,434</b>	<b>10,160,394</b>
<b>Payments</b>			
Payments to suppliers and employees		(10,480,357)	(10,084,361)
Interest and other costs of finance paid		(794)	(2,052)
<b>Total payments</b>		<b>(10,481,151)</b>	<b>(10,086,413)</b>
<b>Net cash flows from operating activities</b>	6.2.1	<b>150,283</b>	<b>73,981</b>
<b>Cash flows from investing activities</b>			
Purchases of non-financial assets		-	-
<b>Net cash flows (used in) investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(11,061)	(21,102)
<b>Net cash flows (used in) financing activities</b>		<b>(11,061)</b>	<b>(21,102)</b>
<b>Net increase in cash and cash equivalents</b>		<b>139,221</b>	<b>52,879</b>
Cash and cash equivalents at beginning of the financial year		929,435	876,557
<b>Cash and cash equivalents at end of the financial year</b>	6.2	<b>1,068,656</b>	<b>929,435</b>

The accompanying notes form part of these financial statements.

## Statement of changes in equity for the financial year ended 30 June 2022

	Accumulated surplus/(deficit) \$	Contributions by owner \$	Total \$
<b>Balance at 1 July 2020</b>	<b>(722,442)</b>	<b>2,610,498</b>	<b>1,455,673</b>
Net result for the year	123,696	-	432,382
<b>Balance at 30 June 2021</b>	<b>(598,746)</b>	<b>2,610,498</b>	<b>1,888,056</b>
Net result for the year	291,254	-	291,254
Transfer to contributed capital			-
<b>Balance at 30 June 2022</b>	<b>(307,492)</b>	<b>2,610,498</b>	<b>2,303,007</b>

The accompanying notes form part of these financial statements.

# 1. About this report

The Victorian Equal Opportunity and Human Rights Commission (the Commission) is an independent statutory authority created under the Equal Opportunity Act 2010 (and previous versions of this legislation). The Commission has functions under Parts 8-12 of the Equal Opportunity Act, ss 40-42 of the Charter of Human Rights & Responsibilities Act 2006, and Part 3 of the Racial and Religious Tolerance Act 2001. It operates as an independent statutory authority under the Department of Justice and Community Safety and reports to Parliament through the Attorney General.

Its principal address is:

Victorian Equal Opportunity and Human Rights Commission  
Level 3, 204 Lygon Street  
Carlton VIC 3053

A description of the nature of its operations and its principal activities is included in the **Report of Operations**, which does not form part of these financial statements.

## Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Commission.

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 to or distributions by owners have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

These financial statements cover the Victorian Equal Opportunity and Human Rights Commission as an individual reporting entity.

## Compliance information

These general purpose financial statements have been prepared in accordance with the Financial Management Act 1994 (FMA) and applicable Australian Accounting Standards (AAS), which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure 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.



## 2. Funding delivery of our services

### Introduction

The Commission works with others to eliminate discrimination and build a community that respects and promotes human rights and equal opportunity. We do this through:

- a free telephone enquiry line to provide information on the Commission's services and laws administered by the Commission;
- a free, fair and timely dispute resolution service for complaints under the *Equal Opportunity Act*, and the *Racial and Religious Tolerance Act*;
- information and education about equal opportunity, racial and religious vilification, and human rights;
- undertaking research on discrimination and equal opportunity issues and advising Government on discriminatory legislation;
- monitoring the operation of the Charter and presenting the Attorney-General with an annual Charter report;
- intervening in court or tribunal proceedings that involve interpretation or application of the Charter or raise equal opportunity issues;
- reviewing a public authority's programs and practices to determine their compatibility with human rights when requested;
- reviewing activities for compliance with the *Equal Opportunity Act*, on request;
- reviewing the effect of statutory provisions and the common law on human rights and providing a report to the Attorney-General when requested; and
- assisting the Attorney-General with the four and eight year reviews of the Charter.

To enable the Commission to fulfil its objective and provide outputs as described above, it receives income mainly in the form of parliamentary appropriations. The Commission also receives market based fees providing education, training and consultancy services.

### Structure

- 2.1 Summary of income that funds the delivery of our services
- 2.2 Appropriations
- 2.3 Grants

### 2.1 Summary of income that funds the delivery of our services

	Notes	2022 \$	2021 \$
Output appropriations	2.2	9,621,876	8,923,192
Grants	2.3	1,302,220	1,274,787
<b>Total income from transactions</b>		<b>10,924,096</b>	<b>10,197,979</b>

Revenue and income that fund the delivery of the Commission's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

### 2.2 Appropriations

Once annual appropriations are applied by the Treasurer, they become controlled by the Commission and is recognised as income when applied for the purposes defined under the relevant Appropriations Act.

#### COVID-19 impact

Due to the COVID-19 pandemic and social distancing requirements, the Commission was unable to generate revenue from delivery of face to face education and training. All sessions were transformed for live online delivery to maintain services.

**Output appropriations:** Income from the outputs the Commission provides to the Government is recognised when those outputs have been delivered and the relevant minister has certified delivery of those outputs in accordance with specified performance criteria.

### 2.3 Grants

	Notes	2022 \$	2021 \$
<b>Income recognised under AASB 1058</b>			
Government grant - Department of Justice and Community Safety		36,222	
Government grant - Victoria Police		36,222	
Government grant - Department of Education and Training (DET)		36,222	
Government grant - Department of Premier and Cabinet (DPC)		36,222	524,787
Government grant - Department of Environment Land Water and Planning (DELWP)		36,222	
Government grant - Treasury and Finance (DTF)		36,222	
Government grant - Department of Jobs, Precincts and Regions (DJPR)		36,222	

	Notes	2022 \$	2021 \$
<b>Income recognised under AASB 1058</b>			
Government grant - Department of Transport (DOT)		36,222	
Government grant - Department of Families Fairness and Housing (DFFH)		36,222	
Government grant - Department of Health (DOH)		976,222	750,000
<b>Total grants</b>		<b>1,302,220</b>	<b>1,274,787</b>

### Grants recognised under AASB 1058

The Commission has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Commission has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the Commission recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004;
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- a lease liability in accordance with AASB 16;
- a financial instrument, in accordance with AASB 9; or
- a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

### Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers.

## 3. The cost of delivering our services

### Introduction

This section provides an account of the expenses incurred by the Commission in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

### Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Other operating expenses

### 3.1 Expenses incurred in delivery of services

	Notes	2022 \$	2021 \$
Employee benefit expenses	3.1.1	7,789,000	7,601,687
Other operating expenses	3.2	2,824,866	2,365,274
<b>Total expenses incurred in delivery of services</b>		<b>10,613,866</b>	<b>9,966,961</b>

#### 3.1.1 Employee benefits in the comprehensive operating statement

	2022 \$	2021 \$
Defined contribution superannuation expense	625,717	560,086
Defined benefit superannuation expense	21,621	22,315
Salaries, wages, annual leave and long service leave	6,704,443	6,608,896
Other on-costs (fringe benefits tax, payroll tax and workcover levy)	437,218	410,391
<b>Total employee expenses</b>	<b>7,789,000</b>	<b>7,601,687</b>

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The Commission does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Commission is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

### 3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2022 \$	2021 \$
<b>Current provisions:</b>		
<b>Annual leave</b>		
Unconditional and expected to settle within 12 months	379,523	373,472
Unconditional and expected to settle after 12 months	61,585	64,999
<b>Long service leave</b>		
Unconditional and expected to settle within 12 months	60,645	18,603
Unconditional and expected to settle after 12 months	360,089	710,362
<b>Provisions for on-costs</b>		
Unconditional and expected to settle within 12 months	120,569	124,607
Unconditional and expected to settle after 12 months	78,118	129,931
<b>Total current provisions for employee benefits</b>	<b>1,060,530</b>	<b>1,421,974</b>
<b>Non-current provisions:</b>		
Employee benefits	224,608	142,267
On-costs	39,518	22,677
<b>Total non-current provisions for employee benefits</b>	<b>264,126</b>	<b>164,945</b>
<b>Total provisions for employee benefits</b>	<b>1,324,656</b>	<b>1,586,919</b>

### Reconciliation of movement in on-cost provision

	2022 \$
<b>Opening balance</b>	277,216
Additional provisions recognised	226,242
Reductions arising from payments etc.	(265,252)
<b>Closing balance</b>	<b>238,205</b>
Current	198,687
Non-current	39,518

### Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the Commission does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As the Commission expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

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:

- undiscounted value - if the Commission expects to wholly settle within 12 months; and
- present value - if the Commission does not expect to wholly settle within 12 months.



**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 is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

### 3.1.3 Superannuation contributions

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.

As noted before, the defined benefit liability is recognised in DTF as an administered liability. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the Commission.

Fund	Paid contribution for the year		Contribution outstanding at year end	
	2022 \$	2021 \$	2022 \$	2021 \$
<b>Defined benefit plans<sup>(a)</sup></b>				
State Superannuation Fund - revised and new	21,621	22,499		(185)
<b>Defined contribution plans</b>				
VicSuper	375,120	331,763		(3,150)
Other	250,597	233,460		(1,987)
<b>Total</b>	<b>647,339</b>	<b>587,722</b>		<b>(5,322)</b>

*Note: (a) The bases for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.*

## 3.2 Other operating expenses

	2022 \$	2021 \$
Supplies	734,006	515,307
Purchase of services (including remuneration of auditors)	2,038,297	1,843,652
Maintenance	52,563	6,315
<b>Total other operating expenses</b>	<b>2,824,866</b>	<b>2,365,274</b>

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

# 4. Key assets available to support output delivery

## Introduction

The Commission controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the Commission to be utilised for delivery of those outputs.

### Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

## Structure

- 4.1 Total plant and equipment
- 4.2 Intangible assets

## 4.1 Total plant and equipment (a)

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2022 \$	2021 \$	2022 \$	2021 \$	2022 \$	2021 \$
Building leasehold improvements at fair value	1,525,694	1,525,694	(1,525,694)	(1,525,694)	-	-
Plant and equipment at fair value	25,949	25,949	(25,949)	(24,476)	-	1,473
Motor vehicles at fair value	65,914	55,986	(3,743)	(27,690)	62,171	28,296
<b>Net carrying amount</b>	<b>1,617,556</b>	<b>1,607,629</b>	<b>(1,555,386)</b>	<b>(1,577,860)</b>	<b>62,171</b>	<b>29,769</b>

Note: (a) AASB 16 Leases has been applied for the first time from 1 July 2019.

The following table is a subset of buildings, plant, equipment and motor vehicles by right-of-use assets.

## 4.1 (a) Total right-of-use assets: Vehicles

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2022 \$	2021 \$	2022 \$	2021 \$	2022 \$	2021 \$
Motor vehicles	65,914	55,986	(3,743)	(27,690)	62,171	28,296
<b>Net carrying amount</b>	<b>65,914</b>	<b>55,986</b>	<b>(3,743)</b>	<b>(27,690)</b>	<b>62,171</b>	<b>28,296</b>

**Initial recognition:** Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

The cost of a leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

## Right-of-use asset acquired by lessees - Initial measurement

The Commission recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

**Subsequent measurement:** Property, plant and equipment (PPE) as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised on the following page by asset category.

## Right-of-use asset – Subsequent measurement

The Commission depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

**Vehicles** are valued using the depreciated replacement cost method. The Department of Justice and Community Safety acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the Department of Justice and Community Safety who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

#### Impairment of plant and equipment

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

### 4.1.1 Depreciation and amortisation

Charge for the period		
	2022 \$	2021 \$
Plant and equipment	1,473	1,473
Motor vehicles	10,950	21,672
Intangible produced assets (amortisation)	77,722	130,215
<b>Total depreciation and amortisation</b>	<b>90,144</b>	<b>153,360</b>

All infrastructure assets, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under operating leases, assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life
Leasehold improvements	4 to 5 years
Plant and equipment	10 years
Vehicles (leased)	3 years
Capitalised software development costs	10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful lives and lease term. Where the Commission obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.



### 4.1.2 Carrying value by “purpose” groups (a)

	Public safety and environment	
	2022 \$	2021 \$
<b>Nature based classification</b>		
Plant and equipment at fair value	-	1,473
Motor Vehicles at fair value	62,229	28,296
<b>Net carrying amount</b>	<b>62,229</b>	<b>29,769</b>

Note: (a) Property, plant and equipment are classified primarily by the 'purpose' for which the assets are used, according to one of six purpose groups based upon Government Purpose Classifications. All assets in a purpose group are further sub-categorised according to the asset's 'nature' (i.e. buildings, plant and equipment), with each sub-category being classified as a separate class of asset for financial reporting purposes.

### 4.1.3 Reconciliation of movements in carrying amount of plant and equipment

	Plant and equipment at fair value		Motor vehicles at fair value		Total	
	2022 \$	2021 \$	2022 \$	2021 \$	2022 \$	2021 \$
<b>Opening balance (a)</b>	<b>2,943</b>	<b>2,943</b>	<b>28,296</b>	<b>59,284</b>	<b>29,767</b>	<b>62,228</b>
Additions	-	-	65,914	-	65,914	
Disposals	-	-	(21,089)	(9,316)	(21,089)	(9,316)
Depreciation/ amortisation expense	(1,473)	(1,473)	(10,950)	(21,672)	(12,422)	(23,145)
<b>Closing balance</b>	<b>(2)</b>	<b>1,471</b>	<b>62,171</b>	<b>28,296</b>	<b>62,169</b>	<b>29,767</b>

Note: (a) The 2020-21 opening balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2020 relating to finance leases.

## 4.2 Intangible assets

	Capitalised computer software		Work-in-progress computer software		Total	
	2022 \$	2021 \$	2022 \$	2021 \$	2022 \$	2021 \$
<b>Gross carrying amount</b>						
Opening balance	777,218	701,324	-	-	777,218	701,324
Additions	-	75,894	-	-	-	75,894
<b>Closing balance</b>	<b>777,218</b>	<b>777,218</b>			<b>777,218</b>	<b>777,218</b>
<b>Accumulated amortisation</b>						
Opening balance	615,297	485,082	-	-	615,297	485,082
Amortisation of intangible produced assets	77,722	130,215	-	-	77,722	130,215
<b>Closing balance</b>	<b>693,019</b>	<b>615,297</b>	<b>-</b>	<b>-</b>	<b>693,019</b>	<b>615,297</b>
<b>Net book value at end of financial year</b>	<b>84,199</b>	<b>161,920</b>	<b>-</b>	<b>-</b>	<b>84,199</b>	<b>161,920</b>

### Initial recognition

**Purchased intangible assets** are initially recognised at cost. When the recognition criteria in AASB 138 Intangible Assets is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An **internally generated intangible asset** arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- an intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

### Subsequent measurement

Intangible produced assets with finite useful lives, are depreciated as an 'expense from transactions' on a straight line basis over their useful lives. Produced intangible assets have useful lives of ten years.

Intangible non-produced assets with finite lives are amortised as an 'other economic flow' on a straight line basis over their useful lives. The amortisation period is ten years.

### Impairment of intangible assets

Goodwill and intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in section 4.1.1.

# 5. Other assets and liabilities

## Introduction

This section sets out those assets and liabilities that arose from the Commission's controlled operations.

### Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Other non-financial assets

## 5.1 Receivables

	2022 \$	2021 \$
<b>Contractual</b>		
Sale of goods and services	-	-
<b>Statutory</b>		
Amount owing from Department of Justice and Community Safety	2,985,495	2,692,832
<b>Total receivables</b>	<b>2,985,495</b>	<b>2,692,832</b>

### Represented by

Current receivables	2,760,886	2,550,565
Non-current receivables	224,608	142,267

**Statutory receivables** do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments. Amounts recognised from the Department of Justice and Community Safety represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

## 5.2 Payables

	2022 \$	2021 \$
<b>Contractual</b>		
Supplies and services	53,316	105,127
Other payables	495,068	143,403
<b>Statutory</b>		
Fringe benefits tax payable	771	2,051
<b>Total payables</b>	<b>549,155</b>	<b>250,580</b>

### Represented by

Current payables	549,155	250,580
------------------	---------	---------

Payables consist of:

- **contractual payables** classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the Commission prior to the end of the financial year that are unpaid; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of 30 days. No interest is charged on the 'other payables'.

### Maturity analysis of contractual payables <sup>(a)</sup>

	Carrying amount \$	Nominal amount \$	Maturity dates			
			Less than 1 month \$	1 to 3 months \$	3 months to 1 year \$	1 to 5 years \$
<b>2022</b>						
Supplies and services	548,384	548,384	548,384	-	-	-
<b>Total</b>	<b>548,384</b>	<b>548,384</b>	<b>548,384</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2021</b>						
Supplies and services	248,529	248,529	248,111			418
<b>Total</b>	<b>248,529</b>	<b>248,529</b>	<b>248,111</b>			<b>418</b>

Note: (a) Maturity analysis is presented using the contractual undiscounted cash flows.

## 5.3 Other non-financial assets

	2022 \$	2021 \$
<b>Current assets</b>		
Prepayments	38,530	63,762
<b>Total current assets</b>	<b>38,530</b>	<b>63,762</b>

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or the payments made for services covering a term extending beyond that financial accounting period.



# 6. How we financed our operations

## Introduction

This section provides information on the sources of finance utilised by the Commission during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the Commission.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

## Structure

- 6.1 Borrowings
- 6.2 Cash flow information and balances
- 6.3 Commitments for expenditure
- 6.4 Leases

## 6.1 Borrowings

	2022 \$	2021 \$
<b>Current borrowings</b>		
Lease liabilities <sup>(a)</sup>	11,147	28,466
<b>Total current borrowings</b>	<b>11,147</b>	<b>28,466</b>
<b>Non-current borrowings</b>		
Lease liabilities <sup>(a)</sup>	51,082	-
<b>Total non-current borrowings</b>	<b>51,082</b>	<b>-</b>
<b>Total borrowings</b>	<b>62,229</b>	<b>28,466</b>

Note: (a) Secured by the leased assets, as the rights to the leased assets revert to the lessor in the event of default

'Borrowings' refer to leases. Borrowings are classified as financial instruments. All interest bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

## Maturity analysis of borrowings

	Carrying amount \$	Nominal amount \$	Maturity dates			
			Less than 1 month \$	1 to 3 months \$	3 months to 1 year \$	1 to 5 years \$
<b>2022</b>						
Lease liabilities	62,229	62,943	-	2,965	8,896	51,082
<b>Total</b>	<b>62,229</b>	<b>62,943</b>	<b>-</b>	<b>2,965</b>	<b>8,896</b>	<b>51,082</b>
<b>2021</b>						
Lease liabilities	28,466	28,792	-	7,198	21,594	-
<b>Total</b>	<b>28,466</b>	<b>28,792</b>	<b>-</b>	<b>7,198</b>	<b>21,594</b>	<b>-</b>

## Interest expense

	2022 \$	2021 \$
Interest on leases	794	2,052
Other interest expense	306	271
<b>Total interest expense</b>	<b>1,100</b>	<b>2,323</b>

<sup>i</sup>interest expense is recognised in the period in which it is incurred.

## 6.2 Cash flow information and balances

Cash and deposits, comprise cash at bank.

	2022 \$	2021 \$
Total cash and deposits disclosed in the balance sheet	1,068,654	929,435
<b>Balance as per cash flow statement</b>	<b>1,068,654</b>	<b>929,435</b>

Due to the State of Victoria's investment policy and government funding arrangements, government departments and agencies do not hold a large cash reserve in their bank accounts. Cash received by a department and agencies from the generation of revenue is generally paid into the State's bank account, known as the Public Account. Similarly, any departmental or agency expenditure, including those in the form of cheques drawn by the Commission for the payment of goods and services to its suppliers and creditors are made via the Public Account. The process is such that, the Public Account would remit cash required for the amount drawn on the cheques. This remittance by the Public Account occurs upon the presentation of the cheques by the Commission's suppliers or creditors.

## 6.3 Reconciliation of net result for the period to cash flow from operating activities

	2022 \$	2021 \$
<b>Net result for the period</b>	<b>291,254</b>	<b>123,696</b>
<b>Non-cash movements</b>		
Depreciation and amortisation of non-current assets	90,144	153,360
Long service leave revaluation	(71,962)	(48,090)
<b>Movements in assets and liabilities</b>		
(Increase)/decrease in receivables	(292,663)	(37,585)
(Increase)/decrease in prepayments	25,232	(63,762)
(Decrease)/increase in payables	298,576	(307,091)
(Decrease)/increase in provisions	(190,300)	253,452
<b>Net cash flows from/(used in) operating activities</b>	<b>150,282</b>	<b>73,980</b>

## 6.4 Leases

Information about leases for which the Commission is a lessee is presented below.

*The Commission's leasing activities*

The lease entered into by the Commission relates to motor vehicles with maximum lease terms of 3 years.

### 6.4 (a) Right-of-use assets

Right-of-use assets are presented in note 4.1 (a)

### 6.4 (b) Amounts recognised in the Statement of Comprehensive Statement

The following amounts are recognised in the Statement of Comprehensive Operating Statement relating to leases:

	2022 \$	2021 \$
Interest expense on lease liabilities	794	2,052
<b>Total amount recognised in the statement of comprehensive statement</b>	<b>794</b>	<b>2,052</b>

For any new contracts entered into on or after 1 July 2019, the Commission considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Commission assesses whether the contract meets three key evaluations:

- Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Commission and for which the supplier does not have substantive substitution rights;
- Whether the Commission has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the Commission has the right to direct the use of the identified asset throughout the period of use; and
- Whether the Commission has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

## Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

## Recognition and measurement of leases as a lessee

### Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the Commission's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

### Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

### Short-term leases and leases of low-value assets

The Commission has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

### Presentation of right-of-use assets and lease liabilities

The Commission presents right-of-use assets as 'property plant equipment' unless they meet the definition of investment property, in which case they are disclosed as 'investment property' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

# 7. Risks contingencies and valuation judgements

## Introduction

The Commission is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Commission related mainly to fair value determination.

## Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and liabilities
- 7.3 Fair value determination
- 7.4 Trust accounts

## 7.1 Financial instruments specific disclosures

### Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Commission's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

## Categories of financial assets

### Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the commission to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.



The Commission recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables);

## Categories of financial liabilities

**Financial liabilities at amortised cost** are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments 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. The Commission recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including finance lease liabilities)

**Offsetting financial instruments:** Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, the Commission concerned has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where the Commission does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

**Derecognition of financial assets:** A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Commission retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Commission has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset; or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Commission has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Commission's continuing involvement in the asset.

**Derecognition of financial liabilities:** A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

**Reclassification of financial instruments:** Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when the Commission's business model for managing its financial assets has changes such that its previous model would no longer apply.

However, the Commission is generally unable to change its business model because it is determined by the Performance Management Framework (PMF) and all Victorian government departments are required to apply the PMF under the Standing Directions of the Assistant Treasurer 2018.

If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

## 7.1.1 Financial instruments: Categorisation

	Contractual financial assets - loans and receivables and cash	Contractual financial liabilities at amortised cost	Total
	\$	\$	\$
<b>2022</b>			
<b>Contractual financial assets</b>			
Cash and deposits	1,068,654	-	1,068,654
<b>Receivables <sup>(a)</sup></b>			
Sale of goods and services	-	-	-
<b>Total contractual financial assets</b>	<b>1,068,654</b>	<b>-</b>	<b>1,068,654</b>
<b>Contractual financial liabilities</b>			
<b>Payables <sup>(a)</sup></b>			
Supplies and services	-	(548,384)	(548,384)
<b>Borrowings</b>			
Lease liabilities	-	-	-
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>(548,384)</b>	<b>(548,384)</b>

Note: (a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

	Contractual financial assets - loans and receivables and cash	Contractual financial liabilities at amortised cost	Total
	\$	\$	\$
<b>2021</b>			
<b>Contractual financial assets</b>			
Cash and deposits	929,435	-	929,435
<b>Receivables <sup>(a)</sup></b>			
Sale of goods and services		-	-
<b>Total contractual financial assets</b>	<b>929,435</b>	<b>-</b>	<b>929,435</b>
<b>Contractual financial liabilities</b>			
<b>Payables <sup>(a)</sup></b>			
Supplies and services	-	248,529	248,529
<b>Borrowings</b>			
Lease liabilities	-	28,466	28,466
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>276,995</b>	<b>276,995</b>

Note: (a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

## 7.1.2 Financial instruments - Net holding gain/(loss) on financial instruments by category

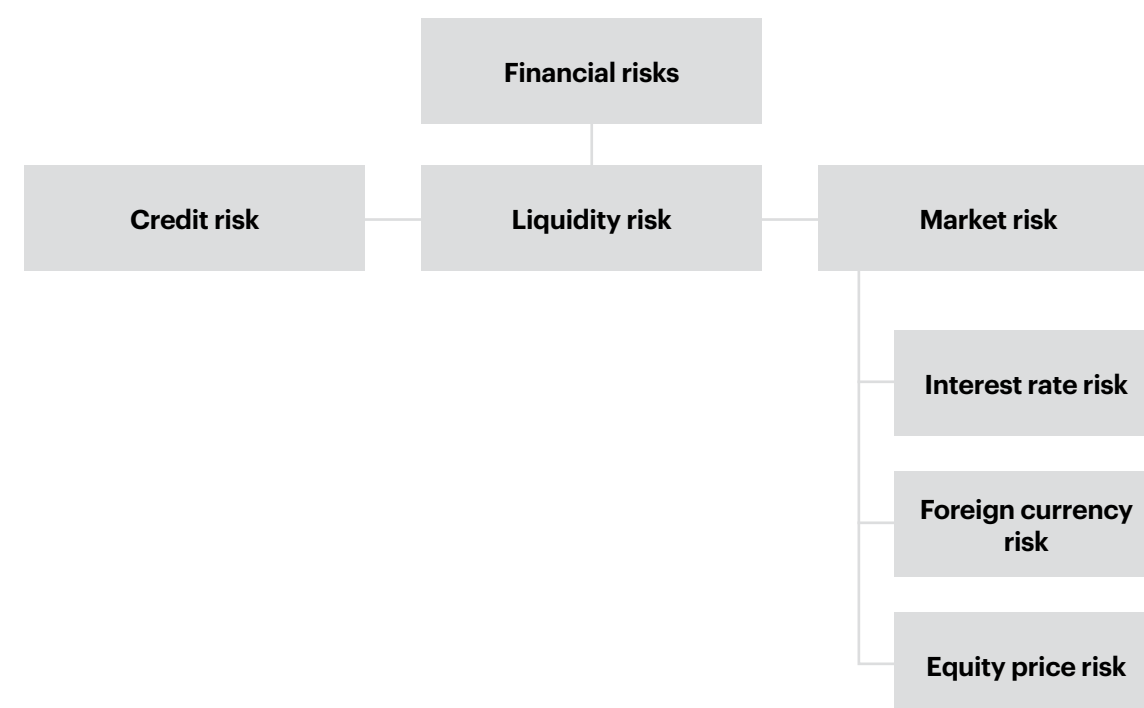
	Total interest expense \$
<b>2022</b>	
<b>Contractual financial liabilities</b>	
Financial liabilities at amortised cost	794
<b>Total contractual financial liabilities</b>	<b>794</b>

	Total interest expense \$
<b>2021</b>	
<b>Contractual financial liabilities</b>	
Financial liabilities at amortised cost	2,052
<b>Total contractual financial liabilities</b>	<b>2,052</b>

The net holding gains or losses disclosed above are determined as follows:

- for financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost; and
- for financial asset and liabilities that are mandatorily measured at or designated at fair value through net result, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

### 7.1.3 Financial risk management objectives and policies



As a whole, the Commission's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

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 above are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage the Commission's financial risks within the government policy parameters.

The Commission's main financial risks include credit risk, liquidity risk and interest rate risk. The Commission manages these financial risks in accordance with its financial risk management policy.

The Commission uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Executive and Audit and Risk Committee.

### Financial instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The Commission's exposure to credit risk arises from the potential default of a 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 and Community Safety. Credit risk in relation to receivables is monitored by management by reviewing the ageing of receivables on a monthly basis.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Commission will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments and debts that are more than 60 days overdue.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

There has been no material change to the Commission's credit risk profile in 2021-22.

### Credit quality of financial assets <sup>(a)</sup>

2022	Financial Institution (triple-A credit rating)	Government agencies (triple-A credit rating)	Government agencies (triple-B credit rating)	Other (min triple-B credit rating)	Total
	\$	\$	\$	\$	\$
<b>Financial assets</b>					
<b>Financial assets with loss allowance measured at 12-month expected credit loss</b>					
Cash and deposits	1,068,654	-	-	-	1,068,654
<b>Financial assets with loss allowance measured at lifetime expected credit loss:</b>					
Contractual receivables applying the simplified approach for impairment	-	-	-	-	-
<b>Total financial assets</b>	<b>1,068,654</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,068,654</b>



## Credit quality of contractual financial assets that are neither past due nor impaired <sup>(a)</sup>

2021	Financial Institution (triple-A credit rating)	Government agencies (triple-A credit rating)	Government agencies (triple-B credit rating)	Other (min triple-B credit rating)	Total
	\$	\$	\$	\$	\$
<b>Financial assets</b>					
<b>Financial assets with loss allowance measured at 12-month expected credit loss</b>					
Cash and deposits	929,435	-	-	-	929,435
<b>Financial assets with loss allowance measured at lifetime expected credit loss:</b>					
Contractual receivables applying the simplified approach for impairment	-	-	-	-	-
<b>Total financial assets</b>	<b>929,435</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>929,435</b>

Note: (a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debts considered as written off by mutual consent.

## Statutory receivables and at amortised cost

The Commission's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses. No loss allowance has been recognised.

## Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet 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, making payments within 30 days from the date of resolution.

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

## Financial instruments: Market risk

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

## Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Commission does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

## Interest rate exposure of financial instruments

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates are set out in the table that follows.

	Weighted average effective interest rate	Carrying amount	Interest rate exposure		
			Fixed interest rate	Variable interest rate	Non-interest bearing
2022	%	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash and deposits		1,068,654	-	-	1,068,654
Receivables: <sup>(a)</sup>		-	-	-	-
Sale of goods and services		-	-	-	-
<b>Total financial assets</b>		<b>1,068,654</b>	-	-	<b>1,068,654</b>
<b>Financial Liabilities</b>					
Payables: <sup>(a)</sup>					
Supplies and services		548,384	-	-	548,384
Lease liabilities	2.50%	62,229	-	62,229	
<b>Total financial liabilities</b>		<b>610,613</b>	-	<b>62,229</b>	<b>548,384</b>
<b>2021</b>					
<b>Financial Assets</b>					
Cash and deposits		929,435			
Receivables: <sup>(a)</sup>		-			
Sale of goods and services		-			
<b>Total financial assets</b>		<b>929,435</b>			-
<b>Financial Liabilities</b>					
Payables: <sup>(a)</sup>					
Supplies and services		248,529	-	-	
Lease liabilities	3.25%	28,466	-	28,466	
<b>Total financial liabilities</b>		<b>276,995</b>	-	<b>28,466</b>	-

Note: (a) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government, and GST payables)

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Commission has minimal exposure to cash flow interest rate risk through cash and deposits.

## 7.2 Contingent assets and contingent liabilities

There were no contingent assets or liabilities at balance date not provided for in the Balance Sheet (2020 : \$Nil).

## 7.3 Fair value determination

This section sets out information on how the Commission determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- plant and equipment.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes. The Commission determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

### Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Commission determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Commission, in conjunction with the Valuer General Victoria (VGV) and the Department of Justice and Community Safety monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
  - a reconciliation of the movements in fair values from the beginning of the year to the end; and
  - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

### 7.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Commission currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2020-21 reporting period.

These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits	Payables:
Receivables:	• For supplies and services
• Other receivables	• Other payables

There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### 7.3.2 Fair value determination: Non-financial physical assets

#### Fair value measurement hierarchy

	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting period using Level 3 <sup>(a)</sup>
	\$	\$

#### 2022

##### Plant and equipment at fair value

Plant and equipment	-	-
<b>Total of plant and equipment at fair value</b>	<b>-</b>	<b>-</b>

Note: (a) Classified in accordance with the fair value hierarchy.

	Carrying amount as at 30 June 2021	Fair value measurement at end of reporting period using Level 3 <sup>(a)</sup>
	\$	\$

#### 2021

##### Plant and equipment at fair value

Plant and equipment	1,473	1,473
<b>Total of plant and equipment at fair value</b>	<b>1,473</b>	<b>1,473</b>

Note: (a) Classified in accordance with the fair value hierarchy.

There have been no transfers between levels during the period.

**Plant and equipment** is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method. There were no changes in valuation techniques throughout the period to 30 June 2021. For all assets measured at fair value, the current use is considered the highest and best use.



## Reconciliation of Level 3 fair value movements

	Plant and equipment \$
<b>2022</b>	
Opening balance	1,471
Purchases (sales)	-
Transfers from the Department of Justice & Community Safety	-
<b>Gains or losses recognised in net result</b>	
Depreciation	(1,473)
<b>Closing balance</b>	<b>(2)</b>
	Plant and equipment \$
<b>2021</b>	
Opening balance	2,943
Purchases (sales)	-
Transfers from the Department of Justice & Community Safety	-
<b>Gains or losses recognised in net result</b>	
Depreciation	(1,473)
<b>Closing balance</b>	<b>1,471</b>

## Description of significant unobservable inputs to Level 3 valuations

2022 and 2021	Valuation technique	Significant unobservable inputs	Range	Sensitivity of fair value measurement to changes in significant unobservable inputs <sup>(a)</sup>
<b>Plant and equipment</b>	Current replacement cost	"Cost per unit  Useful life of plant and equipment"	"\$15,000 - \$20,000  5 to 10 years"	A significant increase or decrease in cost per unit would result in a significantly higher or lower valuation. A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation

Note: (a) The cost and type of plant and equipment is varied therefore a unit cost cannot be reliably calculated. An average unit cost does not provide a meaningful figure.  
Significant unobservable inputs have remained unchanged since June 2021.

## 7.4 Trust account balances

### Trust account balances relating to trust accounts controlled by the Commission

	2022				2021			
Cash	Open- ing balance as at 1 July 2021 \$	Total receipts \$	Total pay- ments \$	Closing balance as at 30 June 2022 \$	Open- ing bal- ance as at 1 July 2020 \$	Total receipts \$	Total pay- ments \$	Closing balance as at 30 June 2021 \$
Controlled trusts								
Inter-departmental transfer trust	929,435	1,325,639	1,186,420	1,068,654	876,557	1,347,060	1,294,181	929,435
Established under section 19 of the Financial Management act 1994 to record inter-departmental transfers when no other trust arrangement exists.								
<b>Total controlled trusts</b>	<b>929,435</b>	<b>1,325,639</b>	<b>1,186,420</b>	<b>1,068,654</b>	<b>876,557</b>	<b>1,347,060</b>	<b>1,294,181</b>	<b>929,435</b>

# 8. Other disclosures

## Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

### Structure

- 8.1 Other economic flows included in net result
- 8.2 Responsible persons
- 8.3 Remuneration of executives
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Subsequent events
- 8.7 Australian Accounting Standards issued that are not yet effective
- 8.8 Glossary of technical terms
- 8.9 Style conventions

## 8.1 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

	2022 \$	2021 \$
<b>Other gain/(loss) from other economic flows</b>		
Net gain/(loss) arising from revaluation of long service leave liability (revaluation gain/(loss) due to changes in bond rates).	71,962	48,090
<b>Total other gain/(loss) from other economic flows</b>	<b>71,962</b>	<b>48,090</b>

## 8.2 Responsible persons

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

### Names

The persons who held positions of Ministers and Accountable Officers in the Department of Justice and Community Safety are as follows:

Attorney-General	The Hon. Jaclyn Symes, MP	1 July 2021 - 30 June 2022
Acting Attorney-General	The Hon. Natalie Hutchins, MP	20 September 2021 - 1 October 2021
Acting Attorney-General	The Hon. Lisa Neville, MP	18 April 2022 - 18 April 2022
Acting Attorney-General	The Hon. Natalie Hutchins, MP	19 April 2022 - 27 April 2022
Acting Attorney-General	The Hon. Lisa Neville, MP	16 June 2022 - 18 June 2022
Secretary	Rebecca Falkingham	1 July 2021 - 30 June 2022
Acting Secretary	Peta McCammon	17 January 2022 - 26 January 2022
Acting Secretary	Peta McCammon	2 June 2022 - 2 June 2022
Acting Secretary	Peta McCammon	20 June 2022 - 30 June 2022

The persons who held positions as Accountable Officer and Board Members of the Commission are as follows:

Commissioner	Ro Allen	1 July 2021 - 30 June 2022
Chair of the Board	Ms Moana Weir	1 July 2021 - 31 March 2022
Chair of the Board	Ms Taryn Lee	31 March 2022 - 30 June 2022
Board Member	Ms Jennifer Huppert	1 July 2021 - 10 October 2022
Board Member	Ms Laurinda Gardner	1 July 2021 - 3 April 2022
Board Member	Ms Laurinda Gardner	7 June 2022 - 30 June 2022
Board Member	Mr Faddy Zouky	1 July 2021 - 3 April 2022
Board Member	Mr Mathew Finnis	1 July 2021 - 30 June 2022
Board Member	Ms Rebecca Dabbs	1 July 2021 - 31 October 2021
Board Member	Ms Taryn Lee	1 July 2021 - 30 March 2022

## Remuneration

Income Band of the Board and Commissioner	Total Remuneration	Total Remuneration
	2022	2021
	No.	No.
\$0 – \$9,999	7	7
\$30,000 – \$39,999	0	1
\$360,000 – \$369,999	0	1
\$400,000 – \$499,999	1	0
<b>Total</b>	<b>8</b>	<b>9</b>

## 8.3 Remuneration of executives

The number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 Employee Benefits) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Post-employment benefits** include long service leave, other long service benefits or deferred compensation.

**Other long-term benefits** include long service leave, other long service benefits or deferred compensation.

**Termination benefits** include termination of employment payments, such as severance packages.

## Remuneration of executive officers (including Key Management Personnel disclosed in Note 8.4)

	2022 \$	2021 \$
Short-term employee benefits	458,690	432,462
Post-employment benefits	65,523	40,148
Other long-term benefits	-42,146	23,811
Termination benefits	84,023	
<b>Total remuneration<sup>(a)</sup></b>	<b>482,067</b>	<b>496,422</b>
<b>Total number of executives</b>	<b>4</b>	<b>4</b>
<b>Total annualised employee equivalents<sup>(b)</sup></b>	<b>2</b>	<b>2</b>

*Note: (a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are reported within the related parties note disclosure (Note 8.4). (b) Annualised employee equivalent is based on the time fraction worked over the reporting period.*

## 8.4 Related parties

The Commission is an independent statutory authority of the State of Victoria created under the Equal Opportunity Act 2010 (and previous versions of this legislation) and reports to Parliament through the Attorney-General.

Related parties of the Commission include;

- all cabinet ministers and their close family members;
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements; and
- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);

All related party transactions have been entered into on an arm's length basis.

**Key management personnel** of the Commission include:

- the Commissioner
- the Executive Director
- the Director, Policy and Research
- the General Counsel and Director of Dispute
- the Director, Education and Engagement
- Ms Moana Weir - Board Member (Chair)
- Ms Taryn Lee - Board Member (Chair)
- Ms Jennifer Huppert - Board Member
- Ms Laurinda Gardner - Board Member
- Mr Faddy Zouky - Board Member
- Mr Matthew Finnis - Board Member
- Ms Rebecca Dabbs - Board Member
- Ms Taryn Lee - Board Member



## Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits of Portfolio Ministers. The Ministers' remuneration and allowances are set by the Parliamentary Salaries and Superannuation Act 1968 and are reported within the Department of Parliamentary Services' Financial Report.

Compensation of KMPs	2021 \$	2021 \$
Short-term employee benefits	800,469	612,524
Post-employment benefits	89,742	51,104
Other long-term benefits	13,316	30,638
Termination benefits	84,023	
<b>Total</b>	<b>987,549</b>	<b>694,265</b>

## Transactions and balances with key management personnel and other related parties

Outside of normal citizen type transactions, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. The Commission receives income from Government as shown in the Comprehensive Operating Statement. The Commission makes payments such as payroll tax, superannuation contributions and work cover to government related entities as shown in note 3.1.1 and audit fees to the Victorian Auditor-General's Office (VAGO) as shown in note 8.5.

## Other transactions

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

## 8.5 Remuneration of auditors

	2022 \$	2021 \$
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	25,400	24,900
under-provision in prior year		4,500
<b>Total remuneration of auditors</b>	<b>25,400</b>	<b>29,400</b>

## 8.6 Subsequent events

There are no subsequent events.

## 8.7 Australian Accounting Standards issued that are not yet effective

### 8.7.1 Leases

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period. These accounting standards have not been applied to the Model Financial Statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non Current*.

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date* to defer the application by one year to periods beginning on or after 1 January 2023. The Commission will not early adopt the Standard.

The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.

The Commission is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

## 8.8 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

**Amortisation** is the expense that results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

**Commitments** include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

**Comprehensive result** is the amount included in the comprehensive operating statement representing total change in net worth other than transactions with owners as owners.

**Controlled item** generally refers to the capacity of a department to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

**Current grants** are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

**Depreciation** is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

**Effective interest method** is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

**Employee benefits expenses** include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

**Financial asset** is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

**Financial instrument** is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial liability** is any asset that is:

- (a) a contractual obligation:
  - to deliver cash or another financial asset to another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

**Financial statements** comprises:

- (a) a balance sheet as at the end of the period;
- (b) a comprehensive operating statement for the period;
- (c) a statement of changes in equity for the period;
- (d) a cash flow statement for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 Presentation of Financial Statements; and
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

**General government sector** comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those that are mainly non-market in nature, those that are largely for collective consumption by the community and those that involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

**Interest expense** represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings.

**Interest income** includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

**Leases** are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

**Net acquisition of non-financial assets** (from transactions) are purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial

assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

**Net financial liabilities** is calculated as liabilities less financial assets, other than equity in public non-financial corporations (PNFC) and public financial corporations (PFC). This measure is broader than net debt as it includes significant liabilities, other than borrowings (e.g. accrued employee liabilities such as superannuation and long service leave entitlements). For the PNFC and PFC sectors, it is equal to negative net financial worth.

**Net financial worth** is equal to financial assets minus liabilities. It is a broader measure than net debt as it incorporates provisions made (such as superannuation but excluding depreciation and bad debts) as well as holdings of equity. Net financial worth includes all classes of financial assets and liabilities, only some of which are included in net debt.

**Net lending/borrowing** is the financing requirement of government, calculated as the net operating balance less the net acquisition of non-financial assets. It also equals transactions in financial assets less transactions in liabilities. A positive result reflects a net lending position and a negative result reflects a net borrowing position.

**Net operating balance or net result from transactions** is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

**Net result** is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

**Net worth** is calculated as assets less liabilities, which is an economic measure of wealth.

**Non-financial assets** are all assets that are not financial assets. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, cultural and heritage assets, intangibles and biological assets such as commercial forests.

**Non-produced assets** are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

**Operating result** is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

**Other economic flows included in net result** are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

**Other economic flows - other comprehensive income** comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

**Payables** includes short and long-term trade debt and accounts payable, grants, taxes and interest payable.

**Produced assets** include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films and research and development costs (which does not include the start-up costs associated with capital projects).

**Receivables** include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable

**Sales of goods and services** refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

**Supplies and services** generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of the Commission.

**Transactions** are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows into an entity such as depreciation, where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

## 8.9 Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

(xxx.x)	negative numbers
200x	year period
200x-0x	year period

The financial statements and notes are presented based on the illustration for a government department in the 2021-22 Model Report for Victorian Government Departments.

# Appendices

## Appendix 1: Disclosure index

The annual report of the Commission is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of the Department’s compliance with statutory disclosure requirements.

Legislation	Requirement	Page reference
<b>Standing Directions and Financial Reporting Directions</b>		
<i>Report of operations</i>		
<b>Charter and purpose</b>		
FRD 22H	Manner of establishment and the relevant Ministers	72
FRD 22H	Purpose, functions, powers and duties	8, 10
FRD 8D	Departmental objectives, indicators and outputs	6 – 12
FRD 22H	Key initiatives and projects	14 – 39
FRD 22H	Nature and range of services provided	10 – 12
<b>Management and structure</b>		
FRD 22H	Organisational structure	44
<b>Financial and other information</b>		
FRD 8D	Performance against output performance measures	6 – 7
FRD 10A	Disclosure index	123
FRD 12B	Disclosure of major contracts	57
FRD 15E	Executive officer disclosures	115
FRD 22H	Employment and conduct principles	51
FRD 22H	Occupational health and safety policy	50
FRD 22H	Summary of the financial results for the year	48
FRD 22H	Significant changes in financial position during the year	48
FRD 22H	Major changes or factors affecting performance	48
FRD 22H	Subsequent events	116
FRD 22H	Application and operation of Freedom of Information Act 1982	57
FRD 22H	Compliance with building and maintenance provisions of Building Act 1993	58
FRD 22H	Statement on National Competition Policy	58
FRD 22H	Application and operation of the Protected Disclosure Act 2021	59
FRD 22H	Application and operation of the Carers Recognition Act 2012	60



FRD 22H	Details of consultancies over \$10 000	54
FRD 22H	Details of consultancies under \$10 000	54
FRD 22H	Disclosure of government advertising expenditure	54
FRD 22H	Disclosure of ICT expenditure	56
FRD 22H	Statement of availability of other information	62
FRD 24D	Reporting of office-based environmental impacts	61
FRD 25D	Local Jobs First	54
FRD 29C	Workforce Data disclosures	53
SD 5.2	Specific requirements under Standing Direction 5.2	72
<b>Compliance attestation and declaration</b>		
SD 5.4.1	Attestation for compliance with Ministerial Standing Direction	63
SD 5.2.3	Declaration in report of operations	2
<i>Financial statements</i>		
<b>Declaration</b>		
SD 5.2.2	Declaration in financial statements	94

Legislation	Requirement	Page reference
<b>Standing Directions and Financial Reporting Directions</b>		
<b>Other requirements under Standing Directions 5.2</b>		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	73
SD 5.2.1(a)	Compliance with Standing Directions	65 – 122
SD 5.2.1(b)	Compliance with Model Financial Report	65 – 122
<b>Other disclosures as required by FRDs in notes to the financial statements (a)</b>		
FRD 13	Disclosure of Parliamentary Appropriations	72
FRD 21C	Disclosures of Responsible Persons, Executive Officers and other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report	113
FRD 103H	Non Financial Physical Assets	85
FRD 110A	Cash Flow Statements	94
FRD 112D	Defined Benefit Superannuation Obligations	77
FRD 114C	Financial Instruments	97
Note:		
(a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are in the nature of disclosure.		
<b>Legislation</b>		
	<i>Freedom of Information Act 1982</i>	57
	<i>Building Act 1993</i>	58
	<i>Protected Disclosure Act 2012</i>	59
	<i>Carers Recognition Act 2012</i>	60
	<i>Disability Act 2006</i>	60
	<i>Local Jobs Act 2003</i>	54
	<i>Financial Management Act 1994</i>	73







# Contact us

Enquiry Line	1300 292 153 or (03) 9032 3583
Fax	1300 891 858
NRS Voice Relay	1300 555 727 then quote 1300 292 153
Interpreters	1300 152 494
Email	<a href="mailto:enquiries@veohrc.vic.gov.au">enquiries@veohrc.vic.gov.au</a>
Live chat	<a href="https://livechat.humanrights.vic.gov.au">livechat.humanrights.vic.gov.au</a>
Follow us on	<a href="https://twitter.com/VEOHRC">twitter.com/VEOHRC</a>
Find us at	<a href="https://facebook.com/VEOHRC">facebook.com/VEOHRC</a>

[humanrights.vic.gov.au](https://humanrights.vic.gov.au)