



FEDERAL MAGISTRATES COURT OF AUSTRALIA

2008–09 Chief Executive Officer's Report

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Contents

The Court's Workload	1
Significant Developments	3
Overview of Judicial Matters	6
Dispute Resolution	9
Divorce	11
Access to Justice	12
Reports and Reviews	14
Public Engagement	15
The Court's Administration	17
Rewards and Recognition	20
Human Resources	21
Technology Initiatives	23
Communications	26
Security	27
Property	28
Finance	29
Risk Management and Procurements	30

The Court's Workload

Family Law

The Federal Magistrates Court of Australia's ('the Court') family law workload continued to grow in the 2008-09 year. Overall, there was approximately a 2 per cent increase in the number of applications filed.

It was pleasing to see that more applications for final orders were finalised than were filed. It is indicative of the hard-working and dedicated nature of the Federal Magistrates Court's judicial officers.

Family law	Filings			Finalisations		
	2007–08	2008–09	% change	2007–08	2008–09	% change
Final orders	14 900	15 549	4.36%	13 778	15 638	13.50%
Interim orders	13 701	16 355	19.37%	13 136	16 255	23.74%
Divorce applications	44 362	45 223	1.94%	44 353	44 860	1.14%
Other	4 206	2 314	(44.98%)	3 830	2 537	(33.76%)
Total family law	77 169	79 441	2.01%	75 097	79 290	5.58%

The Court continued to receive the bulk of family law applications filed in the two federal family law courts. Overall, the Court received 81 per cent of filings nationally in family law.

In Adelaide, Brisbane, Canberra, Dandenong, Darwin and Melbourne the Court received more than 90 per cent of overall family law filings (excluding applications for divorce). The Court continues to meet its objective by delivering a simple and accessible alternative to litigation in the Federal Court and Family Court and relieving the workload of the superior federal courts.

General Federal Law

In its general federal law jurisdictions, the Court's workload decreased by approximately 7 per cent, largely reflecting the reduction in migration applications.

Despite the overall decline in filings, there was an increase in applications filed in the industrial law, admiralty and trade practices jurisdictions.

General Federal Law	Filings			Finalisations		
	2007–08	2008–09	% change	2007–08	2008–09	% change
Bankruptcy	4936	4718	(4.40%)	5060	4648	(8.14%)
Migration	1552	1288	(17.01%)	2093	1491	(28.76%)
Administrative law	33	19	(42.42%)	29	28	(3.45%)
Admiralty law	16	22	37.50%	20	14	(30.00%)
Trade practices	92	110	19.57%	96	98	2.08%
Copyright	52	45	(13.46%)	52	46	(11.54%)
Human rights	98	85	(13.27%)	102	95	(6.86%)
Industrial	225	255	13.33%	147	240	63.27%
Total General Federal Law	7004	6543	(6.58%)	7599	6661	(12.36%)

Timeliness

In line with the Court's objective to deliver timely justice, the Court continued to finalise matters promptly. During the year, 95 per cent of family law matters filed in the Court were finalised within 12 months and 84 per cent of were finalised within six months.

Finalisation Timeliness			
Family Law	2007–08	2008–09	% change
Final orders applications finalised in less than 6 months	7 677	7 848	(2.2%)
Final orders applications finalised between 6 and 12 months	5 195	4881	6.4%
General Federal Law	2007–08	2008–09	% change
Total Applications (excl. bankruptcy) finalised in less than 6 months	1295	1384	6.9%
Total Applications (excl. bankruptcy) finalised between 6 and 12 months	839	459	(45%)

Significant Developments

Appointments

The Government addressed the overall increase in the Court's workload by appointing nine additional federal magistrates in the first half of the financial year. The appointments were made in six capital cities and one major regional centre.

These new appointments increased the Court's bench to 61 members, making the Federal Magistrates Court the largest federal court in Australia. The appointments were among the first made using the Attorney-General's new judicial appointment process, which places emphasis on transparency, consultation and public confidence in the administration of justice.

On 3 October 2008 Federal Magistrate Graham Mowbray resigned his commission.

There were no retirements during the financial year.

Restructure of the Federal Courts

Although the Court's judiciary and workload continued to grow, its future remains uncertain. Following his announcement in February 2008 of a review of the delivery of family law services, the Attorney-General released a report in November 2008, *Future Governance Options for Federal Family Law Courts in Australia—Striking the Right Balance*, and an accompanying consultation paper.

On 6 February 2009, Chief Federal Magistrate Pascoe submitted a response to the Attorney-General's Department on behalf of the Court addressing the recommendations of the Review and matters raised in the consultation paper.

In early May 2009 the Attorney announced plans to restructure the federal courts by:

- merging the Federal Magistrates Court into the Family Court and Federal Court;
- consolidating all family law matters under the Family Court; and
- consolidating all general federal law matters under the Federal Court.

The Court is awaiting further details regarding the proposed new structure.

The federal courts will continue to operate as separate entities until the necessary legislation is passed by Parliament and the Government announces a date for the restructure to take effect.

It was pleasing that the Report acknowledged the achievements of the Court and its judicial officers, and that the Government confirmed its desire to retain the Court's positive culture in any restructured model.

Whilst there was no reorganisation of the federal courts, the 2008-09 year saw significant change in the administration of the Court.

Corporate Transfer

On 15 August 2008 John Mathieson, then Chief Executive Officer ('CEO'), wrote to Ian Govey, Deputy Secretary, Attorney-General's Department, about the unsustainable condition of the Court's corporate systems. He advised that the Court's financial and personnel systems were inadequate and exposed the Court to a high risk of fraud. Mr Mathieson then raised his concerns with the Family Law Courts Board (as it was then) and tabled his correspondence for consideration.

In order to respond to these concerns, the Family Law Courts Board directed the Executive Director, Corporate (Family Court) and the Executive Director, Corporate Services (Federal Magistrates Court) to prepare a report with recommendations as to the most efficient and effective approach to moving to a shared corporate services model.

The Family Law Courts Board received and considered the Executive Directors' report and agreed to transfer of the following corporate service functions from the Federal Magistrates Court to the Family Court:

- Financial management – from 1 December 2008
- Contracts and procurement – from 1 December 2008
- Property management – from 1 December 2008
- Payroll management – from 12 December 2008
- Human resources – by end of first quarter 2009.

Subsequent to the Board's decision, it was also agreed that the Family Court Statistical Services Unit would provide support to the Federal Magistrates Court.

Executive Management Changes

The Chief Federal Magistrate granted the CEO, Mr John Mathieson, a leave of absence from 22 September 2008. Subsequently, Mr Glenn Smith was appointed Acting CEO.

In November 2008 the CEO of the Family Court, Mr Richard Foster PSM, was appointed Acting CEO of the Federal Magistrates Court following Mr Smith's extended absence and subsequent retirement from the Australian Public Service.

In mid October 2008 Mr Steve Agnew was appointed Acting Deputy CEO; and in January 2009 Mr Grahame Harriott was appointed Acting Chief Financial Officer.

Move to a Single Administration

In March 2009 with the corporate transfer successfully completed, the Family Law Courts Board decided to put an end to part of the uncertainty arising from the Government's review of the delivery of federal family law services. Chief Federal Magistrate Pascoe and Chief Justice Bryant made a decision to merge the administrations of the Federal Magistrates Court and the Family Court.

A two-day planning workshop was held in late March for senior staff of this Court and the Family Court to work through the implications of that decision. The Chief Federal Magistrate and the Chief Justice addressed participants, as did Ian Govey, Deputy Secretary, Civil Justice and Legal Services Division, in the Attorney-General's Department. Senior managers from both courts formulated a plan to guide the implementation of a single administration.

Family Law Courts Board

During the year a noteworthy change to the Court's governance framework occurred with the reconstitution of the Family Law Courts Board.

At its meeting in March 2009, the Family Law Courts Board decided to expand its membership to include representatives from the judiciary of both courts and a senior member of the Department. Accordingly, Justice Watts, Federal Magistrate Baumann and Ian Govey (Deputy Secretary, Civil Justice and Legal Services, Attorney-General's Department) became members of the Board. Given its expanded membership the Board considered it appropriate to change its name. The Board assumed the name 'Family Law Courts Advisory Group'.

The Family Law Courts Advisory Group represents a cross-agency governance arrangement between the Family Court and the Federal Magistrates Court. It meets regularly to supervise, co-ordinate and monitor a series of administrative arrangements which are of common interest to the courts.

Overview of Judicial Matters

New Appointments and Induction

To better support new appointees to the Bench, the federal magistrates induction programme was revised in the latter half of 2008. The redesigned programme is held over a three week period with guidance provided on court craft and procedure, the docket case management system and delivery of judgments.

New federal magistrates spend time with their regional Case Management Federal Magistrate who provides information on local registry issues such as listing arrangements, first return dates and circuit arrangements.

Federal Magistrates' Superannuation

In accordance with the *Federal Magistrates (Terms and Conditions of Appointment) Determination 2000*, federal magistrates receive employer superannuation contributions of 13.1% of their remuneration paid into to a fund of their choice. In 2008-09 changes were made to the concessional tax cap on superannuation contributions for federal magistrates. From 1 July 2009 the following changes will come into effect:

■ Federal Magistrates under 50 years of age

The concessional tax rate cap has been reduced from \$50 000 to \$25 000 which means a federal magistrate will receive an excess contributions tax (ECT) assessment based on \$9 088.82 of excess contribution (being \$34 088.82 less \$25 000 cap) or a tax bill of \$2 862.98 (based on a tax rate of 31.5% (noting 15% tax is paid within the fund- resulting in a combined total tax of 46.5%)).

Where a federal magistrate is also salary sacrificing into additional superannuation (counted as employer contributions) this would further add to the ECT applicable.

■ Federal Magistrates over 50 years of age

The transitional concessional tax rate cap (until 30 June 2012) has been reduced from \$100 000 to \$50 000 which means a federal magistrate would not receive an excess contributions tax (ECT) assessment based on these contributions.

In addition, a federal magistrate may salary sacrifice further superannuation up to the limit of the cap of \$50 000, or \$15 911.18 (being \$50,000 cap less \$34 088.82) per annum, before any ECT is incurred.

Any salary sacrifice contributions in excess of \$15 911.18 would incur ECT.

The Chief Federal Magistrate and the Acting CEO are currently in discussions with the Attorney-General's Department to see if it is possible to sustain a case for the exemption of federal magistrates' employer contributions from being counted under the cap.

Long Service Leave

Subsequent to the move from the Court's MicroPay system to the Family Court's Aurion system, the Family Court payroll team undertook a range of quality checks to ensure that the Micropay payroll data that had been uploaded into the Aurion system was correct. These checks included an analysis of each federal magistrate's personnel file including reviews of the annual leave and long service leave balances as contained within the Micropay system.

This process supported the legislative requirement for all government agencies to create and manage authentic, reliable and useful records, capable of supporting necessary functions and activities.

In order to ensure the accuracy of individual's leave balances, federal magistrates were asked to verify their annual and long service leave balances. This will ensure that records reflect the proper entitlements of the Court's judicial officers.

Changes to Guidelines for Federal Magistrates' Self Drive Vehicle Entitlements

In June 2008 the Federal Magistrates' Self Drive Vehicle Entitlements Guidelines and relevant sections in the Federal Magistrates' Handbook were reviewed. The Guidelines were amended to bring the benchmark vehicle into line with judges' self drive vehicle entitlements.

Federal Magistrates are entitled to a Commonwealth-provided privately plated vehicle under the Executive Vehicle Scheme (EVS) in accordance with the EVS Guidelines. The EVS provides for passenger vehicles from manufacturers registered under the Automotive Competitiveness and Investment Scheme (ACIS). Currently this includes only Ford, Holden, Mitsubishi, Toyota and Nissan badged vehicles to an amount not exceeding the lease cost of a Holden Caprice (with tow pack and satellite navigation included).

Fringe Benefits Tax

Every year between March and May the Court undertakes its Fringe Benefits Tax (FBT) compliance program. The FBT reporting period is from 1 April to 31 March each year.

■ FBT is payable for car, mobile phone and residential phone usage

The Finance Team finalised a new system to enable production & distribution of monthly statements providing detailed information about mobile and residential telephone accounts. The statements will be made available for federal magistrates and will assist in completing the declarations for mobile and residential phone accounts.

■ FBT may also be payable for overseas travel

If an overseas trip undertaken for a predominantly business purpose, such as to attend a conference, is extended to include private travel (such as an extra week to visit friends) then a FBT liability may arise.

The FBT liability for the Court is typically associated with the airfare, which is arranged through the Court's travel providers. Accommodation and other associated private costs are borne by the traveller and do not attract FBT.

The determination of FBT liability is not based on a straight apportionment of private and business days but is dependent upon the nature of any private component added on to the business trip. Where this private component is not merely incidental and minor, the Australian Taxation Office (ATO) is in many cases adopting a 50:50 apportionment of the airfare, that is 50% is considered private and subject to FBT. For any overseas trip exceeding 5 days it is an ATO requirement that a travel diary be maintained by the traveller.

Dispute Resolution

Family Law

The 2006 amendments to the *Family Law Act 1975* brought in significant changes to the role of the family consultant. Section 11A sets out the functions of family consultants, which include both assisting and advising both the Court and the clients in relation to the dispute. The amendments expanded the ways in which family consultants are able to assist the Court.

In 2008-09 there were considerable resourcing pressures in relation to family consultant services. There are limited family consultant resources within the Court and consequently, the Court has utilised Regulation 7 providers to supplement the services provided by in-house family consultants.

The preparation of family reports has been very costly for the Court. Each full family report now costs a minimum of \$1800 and requires approximately 21 hours of work. In 2008-09 the Court spent \$4 922 000 on family reports.

The 2006 legislative changes, coupled with the imperative to find more cost-effective ways to utilise family consultant resources, led Regional Dispute Resolution Coordinators to investigate innovative and less resource intensive ways to assist the Court.

Across Australia, Dispute Resolution Coordinators trialled a range of new family consultant interventions to assist the Court. In particular, early intervention options were developed including the provision of oral advice to court and the use of limited issues reports.

Evidence to date suggests that the use of a wider range of dispute resolution services, particularly the early intervention options, has reduced the number of family reports ordered and thus reduced expenditure on Regulation 7 providers.

Family Reports ordered in 2008-09 by state	
State	Number
ACT	69
NSW	1187
NT	67
QLD	919
SA	397
TAS	87
VIC	1718
Total	4 444

NB – In 2007-08, 3643 family reports were ordered by federal magistrates nationally.

General Federal Law

A total of 307 mediations were delivered in 2008–09 by Registrars of the Federal Court and private mediators.

With the expansion of the Court's general federal law jurisdictions, there has been a steady increase in the number of matters in which parties are ordered to attend mediation.

Year	Number of mediation services delivered
2008-09	307
2007-08	287
2006-07	176

Although 51 per cent of general federal law applications were filed in NSW in 2008-09, more mediations were delivered in Victoria than in NSW in the period.

Divorce

The Court's divorce workload increased slightly in 2008-09: 44 362 applications for divorce were filed and 44 860 applications were finalised. This represented a 1.9% increase in filings and a 1.1% increase in finalisations.

In 2008-09 the Court engaged 11 Sessional Registrars to hear the majority of uncontested divorce applications. In some locations, registrars of the Family Court hear uncontested divorce matters under delegation. This comprises approximately 10 per cent of the divorce workload.

Sessional Registrars Conference

The Court hosted a Sessional Registrars Conference in early July 2008. The Sessional Registrars were joined by several Federal Magistrates as well as some of the Court's senior managers.

The Agenda was wide-ranging; some of the issues discussed included developments in divorce law, an array of legal and practice and procedural issues which surface before Sessional Registrars from time to time and operational issues. Consensus was reached on a range of important practical issues, such as a revised bench sheet and improvements to the content of the Court's 'Divorce Kit'.

Divorce Working Group

A Divorce Working Group, chaired by Phil Hocking, is currently considering arrangements to enable divorce applications to be filed electronically.

Access to Justice

Assistance for Victims of the Victorian Bushfires

The Victorian Bushfires in February and March 2009 devastated communities and caused significant trauma to many families. Thousands of families were without accommodation and over 200 people lost their lives.

The Commonwealth Government partnered with the Victorian Premier to promote a co-ordinated and responsive service system for displaced people. The CEO, with the Chief Justice and Chief Federal Magistrate, decided to support this effort.

Two Family Consultants from the Melbourne registry were offered on secondment to Centrelink to provide expert case management services. To help those who had lost records in the fires replacement documents were offered free of charge.

Community advice and information was placed on the Family Law Courts website to provide information about how the Courts could assist people affected by the fires.

Federal Magistrates and staff were invited by the Chief Federal Magistrate to pledge donations to the Victorian Bushfire Appeal through the Court's payroll system.

Contributions from judicial officers and staff of the Federal Magistrates Court and Family Court, which totalled more than \$13,000, were donated to the Australian Red Cross Bushfire Appeal. The Court is proud of its contribution to this very worthy cause.

Circuit Review

A key element in the Court's approach to serving litigants is its commitment to providing accessible justice to regional and rural communities. This commitment is met by federal magistrates travelling to circuit locations to conduct hearings. It is noteworthy that the Federal Magistrates Court is the only federal court that conducts a program of regular circuit visits.

To ensure that the Court's circuit arrangements are properly targeted to meet demand, Federal Magistrate Baumann, National Coordinator for Case Management, and Steve Agnew, Deputy CEO, commenced a review of current circuit arrangements. Case Management Federal Magistrates are in discussions about how best to provide services in rural and regional Australia within the context of the substantial budgetary pressures.

Working Group on Indigenous Access Issues

In the context of activities emanating from the Government's Access to Justice Inquiry, the Family Law Courts Advisory Group determined to establish a Working Group on Indigenous Access Issues.

Federal Magistrate Warren Donald is participating in the Working Group as the Federal Magistrates Court representative.

The Group will investigate ways in which the Family Law Courts can provide a greater range of services to indigenous communities.

Judgments

The Court's published judgments are available from the Australasian Legal Information Institute's (AustLII) website. A large number of these decisions are general federal law decisions (the overwhelming majority being migration).

In 2008-09, 380 family law and 1319 general federal law judgments were published on the website.

One hundred and thirty six judgments handed down by federal magistrates were reported in law reports this year, in contrast to 90 in 2007–08. Decisions in relation to child support appeals from the Social Security Appeals Tribunal are widely distributed in light of this new jurisdiction and the jurisprudential significance of such decisions.

During the 2008-09 year the Court continued its financial support of AustLII and provided funding of \$25 000. The Court welcomes the introduction of LawCite, a free law citator officially launched on 1 December 2008 to improve AustLII's value and effectiveness.

Federal Magistrates Court Website

Enquiries commenced into reviewing compliance of the Court's website with international standards of web accessibility.

Reports and Reviews

National Alternative Dispute Resolution Advisory Council

The National Alternative Dispute Resolution Advisory Council (NADRAC) is an independent body that provides policy advice to the Attorney-General on the development of alternative dispute resolution practices. Federal Magistrate Hartnett is a member of the NADRAC Council.

In June 2008 the Attorney-General provided NADRAC with a reference to identify strategies to promote the greater use of assisted dispute resolution (ADR) processes as an alternative to civil litigation, and to further utilise ADR processes within court and tribunal proceedings. Subsequently, in March 2009 NADRAC released an issues paper titled *ADR in the Civil Justice System* and invited comment on matters raised in the paper.

The Court provided comment in relation to questions raised in the issues paper. The Court noted the significant emphasis it places on ADR processes and recognised the range of beneficial outcomes ADR can deliver for parties.

Less Adversarial Processes Pilot – Wollongong

On 20 August 2008 a Less Adversarial Processes Pilot was initiated by Federal Magistrate Altobelli in the Wollongong Registry. The Pilot was instigated in the wake of the Symposium on Less Adversarial Processes in Children's Matters, which took place in June 2008, and following discussions of the Less Adversarial Processes Working Party.

The Pilot sought to test the hypothesis that less adversarial processes in children's matters are linked to better outcomes for children and parents. It also sought to determine whether less adversarial processes tend to involve fewer court events for individual matters.

An evaluation of the Pilot commenced in late 2008 and will be finalised by late 2009.

Review of Client Services

In late 2008 a review of registry client service functions commenced. The aim of the review was to identify the impact on registry services of the substantial growth of the FMC on the basis that this growth may have led to inefficiencies, overlap and duplication in the separation of work between the Family Law Registries and Federal Magistrates Court chambers.

The final report was released in March 2009. The recommendations have been implemented and have led to improvements in the effectiveness of registry services to litigants and the judiciary.

Access to Justice Inquiry

On 19 March 2009 the Senate referred two separate inquiries to the Legal and Constitutional Affairs Committee: one into Australia's judicial system and the role of judges; and the other into access to justice.

The Chief Federal Magistrate and the Chief Justice provided the Committee with a joint submission on 13 May 2009 and spoke together at a public hearing in July.

Public Engagement

Australasian Court Administrators' Conference

The Australasian Institute of Judicial Administration held a conference for court administrators in Melbourne on Thursday 14 and Friday 15 May 2009. The Acting CEO, Family Court Registry Managers and the Court's Regional Managers attended.

The conference, on the theme of 'Courts and the Public', afforded the opportunity to hear experienced court administrators from around the world present on a range of current issues affecting community access to justice.

The conference was very well attended with almost 200 court administrators from around Australia and overseas participating.

10th Australian Institute of Family Studies Conference

The Court's Regional Dispute Resolution Coordinators attended the 10th Australian Institute of Family Studies Conference in Melbourne from 9 to 11 July 2008. The conference covered a wide range of topics under five broad themes: family relationships; children, youth and patterns of care; families and work; families and community life; and violence and protection issues.

There was a very high standard of presenters from a wide range of backgrounds, including Chief Federal Magistrate Pascoe, who was on a distinguished panel, with Tony Nicholson from the Brotherhood of St Lawrence; Rhonda Parker – Aged Care Commissioner; Murial Bamblett from the National Aboriginal and Islander Child Care Association; and Serena Wilson, Social Policy Division of the Department of the Prime Minister and Cabinet. The focus of their discussion was social inclusion policies in the Australian context.

Community Engagement in the Northern Territory

Federal Magistrate Janet Terry participated in a range of activities with communities in 2008-09.

In early 2009 she was invited by the Northern Territory Legal Aid Commission to launch a DVD on family violence and child protection. The launch took place on Wednesday 4 June at Tennant Creek, at the the Nyinkka Nyunyu Aboriginal Art and Culture Centre. Over 200 community members attended the launch.

The DVD, entitled *Family problems: your rights when things go wrong*, is part of the Northern Territory Legal Aid Commission's Indigenous Families Project. It is a collection of films developed and filmed in Tennant Creek over 18 months with local actors, filmmakers and interpreters. The DVD has been produced in the local community languages Warumungu and Warlpiri with English subtitles.

On 3 June Federal Magistrate Terry conducted a professional development workshop with local practitioners in Alice Springs to improve their understanding of current family law practice.

Further workshops on general federal law were held in Darwin and Alice Springs. About 20 practitioners attended in Darwin and about 16 practitioners attended the Alice Springs workshop on Thursday 18 September. Federal Magistrate Baumann conducted a session with the delegation where he gave them an overview of the Federal Magistrates Court and its jurisdiction.

Law and the Internet Conference

Federal Magistrate Riethmuller attended the 9th Annual Law and the Internet conference, which was hosted by the Institute of Legal Information Theory and Techniques of the Italian National Research Council. The conference considered the issues 'Free access, quality of information, effectiveness of rights'.

Federal Magistrate Riethmuller participated in his capacity as a member of the Legal Information Institute's network. His Honour presented a paper 'Democratisation or mere digitisation', a critical discussion on the digitisation of case law and legislation and the potential possibilities of using 'Web 2.0' technology in legal websites.

The Court's Administration

With the move to a single administration for the Family Law Courts, there was much activity and change within the Court's administration in addition to those matters already outlined.

CEO's Management Advisory Group

The CEO's Management Advisory Group (CMAG) was established in April 2009 following the decision by the then Family Law Courts Board to integrate the administrations of the Family Court and the Federal Magistrates Court. The primary objective of the group is to provide advice to the CEO regarding key areas of court work.

In 2009 CMAG focussed on identifying ways to support the judiciary and staff during the transition to a single administration; and identifying ways to reduce expenditure to address the budget deficit.

CMAG considered:

- Duplication in administrative functions
- The allocation of family consultant and registrar resources
- The cost of provision of services by Regulation 7 providers
- Transcription costs
- The use and cost of interpreters
- Property leasing arrangements
- Security arrangements
- National office cost reductions
- The use of court officers and case co-ordinators
- Expenditure on travel

The CEO's Management Advisory Group is chaired by Richard Foster and is comprised of:

Federal Magistrates Court	Family Court
Steve Agnew	Grahame Harriott
Jamie Crew	Stephen Andrew
Denise Healy	Jane Reynolds

In June 2009 the Acting CEO visited registries around the country to explain and discuss the work that was being undertaken by CMAG and to answer questions about progress in the move to a single administration.

Regional Management

With the integration of the administrations of the Federal Magistrates Court and Family Court, it was determined that the Court's Regional Managers performed a duplicate function with that of the Family Court's Registry and Regional Registry Managers. A decision was taken that the Court's Regional Manager positions be made redundant.

Amanda Pugsley, Regional Manager Qld, and John Corvan, Regional Manager Vic/Tas accepted separation packages. Jamie Crew, former Regional Manager NSW/ACT/WA, assumed the position Registry Manager Newcastle (FCoA) and Acting Registry Manager JMT (FMC). Phil Hocking, Regional Manager SA/NT filled the new position, Business Development Manager (FCoA & FMC).

Local issues continued to be managed by the Regional Services Coordinators. In the future, regional management functions will be undertaken by the Regional Registry Managers - James Cotta for Queensland, Jane Reynolds for Victoria/ Tasmania, and Greg Thomas for South Australia/Northern Territory.

On 30 April 2009 Marianne Christmann commenced work as the Regional Registry Manager NSW/ACT and now performs regional management functions for the Federal Magistrates Court in those regions.

Collective Agreement

The Court's collective agreement nominally expired on 30 June 2009. While preliminary negotiations for the next collective agreement commenced in late 2008, these were put on hold in February 2009 following the release of the report on the delivery of family law services. The terms and conditions of the 2006–09 agreement remain in place until the restructure is finalised.

The CEO plans to start negotiations with staff in September 2009 with a view to developing a joint collective agreement for the Federal Magistrates Court and Family Court. It is intended that the new collective agreement will commence on 1 July 2010.

Pay Increase

The Court's current collective agreement makes no provision for a pay increase for Federal Magistrates Court staff in the 2009-10 year. In contrast, the Family Court's collective agreement, which has a nominal expiry date of 30 June 2010, provides for a 4.4% pay increase for staff on 1 July 2009.

In order to address this inequity, the CEO proposed to invoke his powers under section 24 of the *Public Service Act 1999* to make a Determination as Agency Head. The Determination would bring the pay scales for the two courts substantially into line, taking into account the 4.4% pay increase to be paid under the Family Court's Collective Agreement.

The proposed pay structure does not include an 'across the board' percentage pay increase to all Federal Magistrates Court staff, although all staff would receive a pay increase ranging from 0.50% to 8.58%. The amount of the pay increase is variable depending on classification level. This takes into account the need to align both Courts' pay scales as part of the implementation of a single administrative structure.

The alignment does not impact those staff eligible to receive the 3% bonus.

The CEO has written to the Department of Employment and Workplace Relations and the Attorney-General to seek their consent to proceed with the proposed section 24 Determination. Subject to their agreement, the pay increase will take effect on the first payday after the CEO makes a determination.

Young Employees Advisory Group

In 2008, the Family Court founded the Young Employees Advisory Group. This provided staff aged 27 years or younger the opportunity to participate in a national leadership development forum and contribute ideas to the Court's future directions.

The aim of the Group is to engage the thinking and ideas of the Courts' young people as we strive to implement best practice in everything we do.

As a result of the move to a single administration, the Chief Federal Magistrate endorsed the initiative and young employees of the Federal Magistrates Court were invited to submit expressions of interest to participate in the 2009-10 Group. Three Federal Magistrates Court staff members were selected to participate in the Group for the 2009-10 term. Those representatives are:

- **James Gasteen** - Chambers (Brisbane)
- **April Grenquist** - Chambers (Sydney)
- **Amanda Morris** - Chambers (Parramatta)

Rewards and Recognition

Public Service Medal

Adele Byrne, the Court's Registrar, was awarded the Public Service Medal in the 2008 Queen's Birthday Honours List. It is a prestigious award that is bestowed on only a limited number of officers of the Australian Public Service each year.

The Public Service Medal recognises people who have consistently performed demanding government jobs to the highest of standards and have made a major contribution to the Australian community.

The Court's nomination of Adele for the medal was supported by referee reports from Chief Federal Magistrate Pascoe as well as external referee comments from the Hon. Daryl Williams AM QC and the Chief Justice of the Family Court of Australia, the Hon. Diana Bryant. Referees' statements expressed a high-level appreciation of Adele's professionalism and dedication.

Australia Day Awards

The Federal Magistrates Court's 2009 Australia Day Awards were awarded to Vicki Pearson, Jo Flores, and Tracey Jones. The Chief Federal Magistrate presented medallions to the recipients in their home registries.

■ Vicki Pearson

Vicki Pearson started with the Court in late 2007 in the role of Manager of Administration within the corporate services team. Vicki stepped into a new role that aimed to improve the Court's procurement processes.

2008 was a challenging year for the Court, and in the latter part of the year it was particularly difficult for the corporate services team, as these services began to be transferred to the Family Court. During this process, Vicki demonstrated an exceptional level of integrity, professionalism and loyalty to her staff.

■ Jo Flores

Jo has been with the Court for the best part of four years. At the time of her award, Jo was assisting the Court's Acting Chief Executive Officer, Richard Foster. Jo received her award in recognition of her demonstrated excellence, willingness to assist and ability to adapt to change.

Jo acts as a role model to other staff by using her extensive knowledge and skills to assist them and by actively seeking to improve her knowledge.

■ Tracey Jones

Tracey is one of the Court's early administrative team members, starting as a 'temp' in Melbourne in May 2001. She subsequently became a Deputy Associate and then Associate to Federal Magistrate Hartnett.

Tracey's demonstrated ability to organise, communicate and multitask meant she was very suited to take-on the role of Regional Services Co-ordinator for Victoria and Tasmania in September 2006. This role is exceptionally busy and demanding, particularly in regards to managing a roster for 16 federal magistrates.

Human Resources

Court Policies

In September 2008 a number of new and updated policies were endorsed by the then CEO. The policies were prepared by the Strategic Policy Unit and included policies on:

- Acceptance of Gifts and Benefits
- Bullying and Harassment
- Conflict of Interest
- Appropriate Use of Commonwealth Resources
- Outside Employment
- Whistle-blowing
- Staff and/or Acquaintance Involvement in Litigation
- Misconduct Procedures

These policies were supplemented by an overarching statement by the CEO to inform staff of their responsibilities as members of the Australian Public Service.

Flu Vaccinations

The Court's Collective Agreement provides judicial officers and staff with the option of participating in an annual influenza vaccination program. In 2009 the program was delivered during March–May by Health Services Australia.

Employee Assistance Provider

Following a competitive tendering process, Converge International replaced IPS Worldwide as the provider of Employee Assistance Provider services in December 2008.

Counselling and advice can be provided to judicial officers and staff by telephone, face to face at a Converge International office, the workplace or another suitable location. A 'Manager Assist' service is also available to managers to discuss workplace issues.

Information sessions about the services provided by Converge International took place at all major registries in early 2009.

Payroll Transition

The transfer of the Court's payroll function to the Family Court was completed in preparation for the 'go live' date of 5 February 2009. On this day, federal magistrates and staff received their first pay deposit including electronic payslip from the Family Court's Human Resources Information Management System (HRIMS).

In addition, 'Timekeeper', the electronic system for the recording of employee attendance was launched on 12 February 2009.

Training in the new system for key Court staff including Regional Managers, Regional Services Coordinators and Associates, was completed in all major registries including Brisbane, Sydney, Melbourne and Adelaide. The training strategy involved having those staff who had been trained in the new system imparting their knowledge to other Court staff.

A number of audits have been conducted to ensure that all employees' service history, employment history including leave and other entitlements are reflected correctly in the HRMIS.

Staff Turnover

Fifty-nine employees (34 non-ongoing and 25 ongoing) separated from the Court during 2008–09. The separation rate reflects the Court's employment practice to engage associates on a non-ongoing basis for periods up to 12 months.

Staff Development

The Federal Magistrates Court Study Assistance Scheme provides assistance to employees to undertake courses of study which will enhance their ability to contribute to the achievement of the Court's goals.

The level of support provided is assessed on merit and based on the needs of the work area and of learning outcomes identified in the performance management process.

In 2008-09 the Court spent \$41,000 supporting staff to pursue their studies.

Technology Initiatives

Commonwealth Courts Portal

The Commonwealth Courts Portal (the Portal), which was launched in June 2008, is an initiative of the Federal Magistrates Court, the Family Court and the Federal Court. The Portal provides free web-based access to information about cases that are before these courts.

After registering, lawyers can keep track of their cases, identify documents that have been filed and view outcomes, orders made and future court dates. Users log on using a single user ID and access multiple jurisdictions from a single and secure web-based system.

Enhancements over the 2008–09 year included Stage One of electronic filing (e-Filing) in family law matters which commenced on 16 August 2008, making it possible for lawyers to file supplementary documents via the Portal. A supplementary document is any document lodged against an existing cause of action that does not attract a fee and does not require follow-up action by court staff once lodged.

This means that lawyers and law firms who have family law matters with the Family Court, the Federal Magistrates Court or the Family Court of Western Australia—and are registered with the Portal—can file supplementary documents in family law matters.

Throughout the reporting period, the Portal continued to be a popular tool for legal practitioners. At the end of June 2009:

- 667 law firms had registered for e-Filing
- Approximately 5 900 individual users had registered. This includes practitioners, members of the public, journalists, academics, judicial officers and staff of the courts

Stage two of e-Filing is due to be launched later in 2009.

At the end of June 2009, work commenced on a major enhancement which will enable clients to view their own personal 'dashboard' when they log onto the portal. This will provide them with a snapshot of the latest happenings and what is coming-up in relation to their case.

Number of Documents e-filed in 2008-09

Registry	Federal Magistrates Court	Family Court
Adelaide	138	23
Brisbane	914	201
Canberra	7	1
Dandenong	46	-
Darwin	13	-
Hobart	37	5
Melbourne	353	110
Newcastle	39	21
Parramatta	144	67
Sydney	108	54

Computer Upgrades

In 2009 all federal magistrates had their desktop computing hardware and software upgraded to match computer technology currently available to judges of the Family Court. The following items were upgraded:

- Desktop computers (in chambers)
- Digital recorders
- Notebook computers
- Blackberry
- Dragon Dictate

The upgrade has been completed and all federal magistrates have now received their new equipment.

Intranet Update

The Court's intranet was updated during 2008-09 to make it more user-friendly.

New customised home pages for both federal magistrates and associates were created and can be accessed from the front page of the intranet using the tabs titled Federal Magistrates and Chambers.

Courtroom Audio/Video Upgrade Project

This project is aimed at providing major upgrades, and much improved integration, of courtroom audio and video equipment at the following registries:

- Darwin
- Cairns
- Dandenong
- Hobart

These sites were chosen because access to video-conferencing is in high demand in these locations and the current facilities require improvement.

The project is currently in the contract negotiation stage.

Integrated Audio Technology in Courtrooms Project

Funds have been approved to integrate the audio technology in all courtrooms used by the Federal Magistrates Court in every registry excluding circuit locations where the Court does not own or formally lease the buildings. This means using the same microphones for sound reinforcement, court recording and speaking to remote witnesses attending via teleconference.

This project was delayed pending the implementation of the new Auscript Court Recording Contract equipment but will commence once this implementation is completed.

Publication of Court Lists on the Website

Previously, Federal Magistrates Court Court Lists were produced from Casetrack in each registry and emailed to the Court's webmaster who manually edited them and uploaded them onto the website. This was a very labour-intensive process. A project has recently been completed to automate the production of lists directly from Casetrack to the web site.

Judgment Template

The Federal Magistrates Court's new judgment template has now been finalised following an extensive testing process. The template is now available via the Court's general templates in Microsoft Word and is available via Citrix. The template title no longer includes reference to the year as the template automatically updates each year to reflect the correct date.

Communication

Media Coverage

In 2008-09 approximately 300 media articles that specifically referred to the Federal Magistrates Court were published in the print media. Of those articles, the majority of the coverage was neutral or positive. A small proportion of the articles were negative and generally related to coverage of the Semple review.

Five media releases were issued during the year and several written responses to inquiries and articles concerning the Court were also prepared.

In 2009 the media monitoring contracts for the Federal Magistrates Court and Family Court were merged in order to reduce expenditure on this service.

From 1 July 2009 the Court's Communication Manager, Denise Healy, assumed the media management role for the Family Court. Denise now manages media for both courts and continues to be responsible for all other communication activities for the Federal Magistrates Court.

During the year Denise provided advice to the Chief Federal Magistrate, the Chief Justice and the CEO about managing publicly sensitive issues. In particular, the 'Freeman matter' and the Semple Review received widespread media coverage. The Communication Manager worked closely with journalists who made persistent enquiries in relation to these matters.

Publication orders

The Communication Manager oversees the coordination of media coverage for publication orders that have been made by the Court.

In 2008-09 there were fewer publication orders made than previous years (the Communication Manager was aware of one issued in 2008-09), however, significant work was done to seek media coverage of matters that were outstanding. By the end of the financial year there were no outstanding "missing children" listed on the Court's website.

Photography

During the 2008-09 year, updated portraits of Federal Magistrates were printed, and hung on level 12 of the Melbourne Commonwealth Law Courts Building.

Security

Security

The Court's security is managed by the Marshal, Mr David Watson, who provides an outstanding level of service to the Court in respect to all security matters. The Court is fortunate to have someone of David's ability and calibre overseeing the security of the Court, and its judicial officers and staff.

Access Control Project

During the year a new access control system was introduced. New security access cards were issued that enable card holders with approved access to enter all Family Law Courts Buildings.

Access control cards enable entry to all sites according to the conditions set at the central security location; and the associated computer system allows the marshal to carry out monitoring and control of all security systems.

All sites have now been converted to the proximity card technology. A major upgrade of security technology in Sydney and Brisbane was concurrently implemented as previous security arrangements in those registries were out-dated.

Security services – Commonwealth Law Courts buildings

On 28 July 2008 the Court, along with other members of the National Law Courts Building Management Committee, entered into a contract for the provision of guarding services with Wilson Security. These services cover the guarding requirements at the Commonwealth Law Courts buildings. The contract is for an initial period of four years with a two year option to extend.

Property

Accommodation Developments

■ Newcastle

To meet growing workload demands, a new courtroom will be built in the Newcastle Registry. The availability of an additional courtroom will remove the need for regular sittings in the Local Court. As part of these building works, an existing courtroom and chambers will be relocated to a secure area of the Registry to improve judicial security.

A full scoping study and business case for the development of a new Commonwealth Law Courts building in Newcastle was formally submitted to Government in January 2009 for consideration in the 2009–10 budget. This new policy proposal has been deferred to the 2010–11 budget. The Court is using this opportunity to refine its submission.

■ Lionel Bowen Building

Following an accommodation review of the Lionel Bowen Building, design for the refurbishment of levels 8 and 9 was finalised, with work scheduled to commence in August 2009. The refurbishment will add 5 chambers to level 9, which will house additional and visiting judiciary. The refurbishment will also include a hearing room and conference rooms for use by registrars on level 8.

The refurbishment of levels 8 and 9 is scheduled to be completed by 21 December 2009. When the refurbishment is completed the chambers of the Chief Federal Magistrate will be relocated from Macquarie House to level 9 of the Lionel Bowen Building.

■ John Maddison Tower

The lease of level 12 of John Maddison Tower (JMT) expires in October 2009. The Federal Court has indicated that it will no longer maintain a registry in JMT. Consequently, the lease of level 12 will not be renewed and the Court will vacate this space.

Levels 5, 6 and 7 are still in use. A one year lease option has been exercised over these floors.

■ Macquarie House

The lease of Macquarie House will expire in February 2010. To date there has been no interest from potential tenants to sub-lease 167 Macquarie Street.

The Property Team will continue to seek an early lease end or an agreement to sub-lease the premises. The Property Team is also negotiating with the building owner to limit the court's make-good liability.

Finance

Financial Position

The major source of revenue for the operations of the Court is an appropriation from government. The appropriation amount for 2008–09 was \$56.52 million. Other revenue, mainly related to funding transferred from the Family Court for services performed by the Federal Magistrates Court amounted to \$5.02 million.

During 2008–09, operating expenses including resources provided free of charge were \$87.91 million. The movement in nominal dollars is accounted for by a \$6.09 million increase in employee benefits and a \$3.08 million increase in suppliers. The resultant operating deficit of \$5.00 million is driving the need to identify and realise efficiencies in the operations of the Court.

Finance and Systems Reviews

During 2008–09 the Finance and Systems Team maintained its focus on improving accountability and financial management by continuing to implement the key recommendations from reviews of these areas, including:

- Regular revisions of delegations and authorisations including the certificate of compliance process framework
- Upgrading corporate systems to eliminate inefficient manual processes
- Regular reviews of Chief Executive Instructions and associated procedural rules
- Restructure of the Finance Section with the development of a specialist taxation team resulting from this process.

The Finance and Systems Team reviewed the existing financial control framework for both the Federal Magistrates Court and Family Court in January 2009 and improved and extended existing reconciliation processes. The Court received a strong assessment of the internal control framework by the Australian National Audit Office and only one minor weakness in the framework which was immediately addressed.

Budget

During 2008–09 budgeting and reporting support was provided to the Federal Magistrates Court by the Family Court in the form of maintaining the Court's external budget updates (including the 2009–10 Portfolio Budget Statements), maintaining the Court's internal budget (including the 2008–09 Mid Year Budget Review and completion of the 2009–10 Budget), and implementing a robust monthly financial reporting regime for the Court.

The 2009–10 Portfolio Budget Statements reflect funding to 31 December 2009 only. Funding from 1 January 2010 has been transferred to the Federal Court and the Family Court respectively.

Risk Management and Procurements

Risk Management

The Court promotes a culture which supports the identification, analysis, assessment, treatment, monitoring and review of all strategic, operational, compliance and financial risks. This is supported by the Court's Risk, Control and Compliance Framework, a risk management approach grounded in the *Australian/New Zealand Risk Management Standard AS/NZS 4360:2004*.

The Court continued to participate in the annual Comcover benchmarking survey which measures risk and assesses the extent of cultural change within agencies. The Court's overall result continued to improve, reflecting the implementation of the Risk, Control and Compliance Framework.

Audit Committee

The Audit Committee supports the CEO to ensure that the Court's financial accounts are in accordance with the Finance Minister's Orders and provide a true and accurate description of the Court's financial position. The committee comprises an external chair and two members of the Court's administration.

The 12 month term of the former Chair, Mr Ken Baxter, came to an end in December 2008. In January 2009 the Court's Policy Advisory Committee agreed to appoint as Chair, Mr Chris Doogan, also Chair of the Family Court's Audit Committee. The Court's administration is now represented on the Committee by Jamie Crew and Grahame Harriott.

During 2008–09 the Committee met five times and considered a range of issues such as the Court's internal audit plan and oversight of recommendations made by the Australian National Audit Office.

Internal Audit

Commencing in February 2009, the Court's internal audit services are now being provided by Oakton Services Pty Ltd and monitored by the Audit Committee.

From February 2009, and as agreed by the Audit Committee, the Family Court of Australia's Internal Audit Plan was used as the basis for the Federal Magistrates Court Internal Audit activities for the remainder of the 2008/09 financial year.

Internal audits conducted from February 2009 include property management, service desk and incident management.

Business Continuity Plan for an Influenza Pandemic

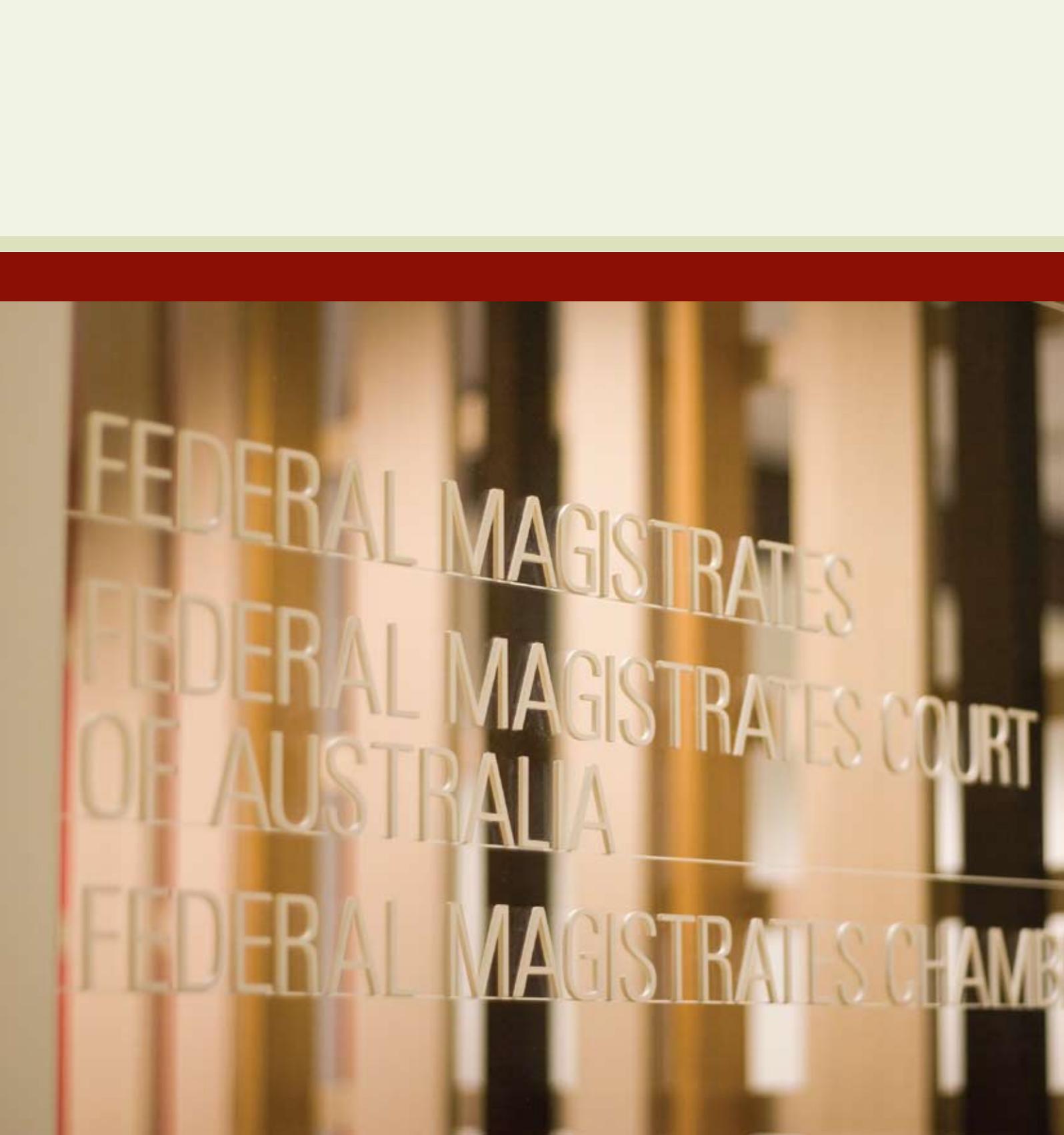
The Court's *Business Continuity Plan for an Influenza Pandemic* was reviewed in 2009 in response to the outbreak of the H1N1 Human Influenza Virus - 'swine flu'. Should the Government declare a pandemic to be a national emergency, the plan ensures that the Court can rapidly implement a range of measures to respond to and recover from the pandemic.

In the event of a pandemic, the plan will play a key role in protecting the health and safety of the Court's judicial officers, staff and clients by outlining strategies that will be employed to limit the spread of any infection in the workplace and home environment. The plan will also assist the Court to minimise the impact of such an event on the Court's capacity to provide and deliver its services.

Although some isolated cases of the H1N1 Human Influenza were reported by staff during the pandemic, there was no adverse impact on the operations of the Court.

Transcription and Recording Services

In March 2009 the Court entered into a Deed of Standing Offer with Auscript Australasia Pty Limited for the provision of transcript and recording services. The Deed is for an initial period of three years with two single year options to extend. The Deed brings together the supply arrangements previously provided by two vendors. As a result of a single national supplier every court location will have access to the same level of service and quality of systems. In addition, the Court and Auscript are working together to upgrade the audio infrastructure in all Courtrooms. Once all sites have been transitioned all courtrooms will have access to the same level of improved audio quality.



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